

Company code: 600498

Company abbreviation: FiberHome

FiberHome Communication Technology
Co., Ltd. 2021 Annual Report

important hint

1. The Board of Directors, the Board of Supervisors and the directors, supervisors and senior management of the Company guarantee the authenticity, accuracy,

Completeness, no false records, misleading statements or major omissions, and bear individual and joint legal responsibilities.

II. Directors who did not attend

Absentee Director's Title	Absent Director Name	Reason for Absence of Director	Explanation Name of Appointee
director	Liu Huiya	Work reasons	Chen Shanzhi

3. Lixin Certified Public Accountants (Special General Partnership) issued a standard unqualified audit report for the Company.

4. Lu Guoqing, the person in charge of the company, Fu Yuhang, the person in charge of accounting work, and An Yangsheng, the person in charge of the accounting organization (accounting supervisor)

Statement: guarantee the truthfulness, accuracy and completeness of the financial report in the annual report.

V. The profit distribution plan or the capital reserve conversion plan approved by the board of directors for the reporting period

Withdraw 10% of statutory provident fund, totaling RMB 38,115,615.85; do not withdraw arbitrary provident fund; deduct cash points that have been implemented in 2020

The red plan distributed 90,523,503.20 yuan, and the total profit available for distribution to shareholders this time was 1,115,121,093.44 yuan. to implement equity

The total share capital registered on the registration date of share distribution is the base number, and a cash dividend of 0.8 yuan (tax included) will be distributed for every 10 shares; no capital reserve will be transferred to increase share capital.

This plan must be reviewed and approved by the company's annual general meeting of shareholders.

VI. RISK STATEMENT OF FORWARD-LOOKING STATEMENTS

Applicable Not applicable

The forward-looking descriptions such as future plans and development strategies involved in this report do not constitute the company's substantial commitment to investors.

Investors pay attention to investment risks.

7. Whether there is any non-operating capital occupation by the controlling shareholder and its related parties

no

8. Whether there is any violation of the prescribed decision-making procedures to provide external guarantees

no

9. Whether more than half of the directors cannot guarantee the authenticity, accuracy and completeness of the annual report disclosed by the company

no

X. Significant Risk Warning

The company has described the possible related risks in detail in this report, please refer to "Section III Management Discussion and Analysis".

The risks that may be faced in the discussion and analysis of the company's future development.

Eleven, other

ŸApplicable ŸNot applicable

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accounting organization; the	The accounting statements with the signatures and seals of the legal representative, the financial person in charge and the person in charge of the
	original and reproduction; Original copies of accounting items and the signatures and seals of this that will be put into the public disclosure of documents

Section 1 Interpretation

1. Interpretation

In this report, unless the context otherwise requires, the following terms have the following meanings:

Definition of common words		
China Securities Regulatory Commission refers to the China Securities Regulatory Commission		
Shanghai Stock Exchange/Exchange means Shanghai Stock Exchange		
The reporting period refers to the period from January 1, 2021 to December 31, 2021		
SASAC refers to the State-owned Assets Supervision and Administration Commission of the State Council		
China Information Technology refers to China Information and Communication Technology Group Co., Ltd.		
Wuhan Academy of Posts and Telecommunications refers to Wuhan Post and Telecommunications Research Institute Co., Ltd.		
Telecommunication Research Institute refers to Telecommunication Science and Technology Research Institute Co., Ltd.		
Fiberhome Technology, the controlling shareholder refers to Fiberhome Technology Group Co., Ltd.		
The company/company/ Fiberhome Communication/ Listed company refers to Fiberhome Communication Technology Co., Ltd.		

Section 2 Company Profile and Main Financial Indicators

1. Company Information

Chinese name of the company Fiberhome Communication Technology Co., Ltd.	
The Chinese abbreviation of the company is Fiberhome	
The company's foreign name FIBERHOME TELECOMMUNICATION TECHNOLOGIES Co., Ltd.	
Abbreviation of the company's foreign name FiberHome	
The company's legal representative Lu Guoqing	

2. Contact and contact information

	board secretary	Securities Affairs Representative
Name	Fu Yuhang	Dong Qianghua
Contact Address	No. 6, Gaoxin 4th Road, Donghu High-tech Zone, Wuhan City No. 6, Gaoxin 4th Road, Donghu High-tech Zone, Wuhan	
Telephone Fax	027-87693885	027-87693885
E-mail	027-87691704	027-87691704
	info@fiberhome.com	info@fiberhome.com

3. Introduction to the basic situation

The company's registered address	No. 88, Post University Road, Hongshan District, Wuhan City
The historical change of the company's registered address	none
The company's office address The zip code of the company's office address	No. 6, Gaoxin 4th Road, East Lake New Technology Development Zone, Wuhan City 430205
	www.fiberhome.com
	info@fiberhome.com

4. Information disclosure and storage

location Media name and website for the company to disclose the annual report "China Securities Journal" (www.cs.com.cn)	
	Shanghai Securities News (www.cnstock.com)
	Securities Times (www.stcn.com)
The website of the stock exchange where the company discloses its annual report is	www.sse.com.cn

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Location of the company's annual report	Company Board Secretariat
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V. Company stock profile

Company stock profile			
stock type	Stock Exchange Shanghai	Stock	stock code
A crotch	Stock Exchange	abbreviation Fiberhome	600498

6. Other relevant information

Accountant hired by the company Law Firm (Domestic)	Name	Lixin Certified Public Accountants (Special General Partnership)
	Office Address	4th Floor, No. 61 Nanjing East Road, Huangpu District, Shanghai
	Signature Accountant Name	Chen Yongbo, Tan Jiaming
During the reporting period, Guarantee of continued supervisory responsibilities recommending agency	Name Office Address	Sinolink Securities Co., Ltd.
	Signature of Sponsor	23rd Floor, Zizhu International Building, No. 1088 Fangdian Road, Pudong New Area, Shanghai
	Representative Name Zhuang Bin, Cheng Yu	
	Period of continuous supervision	January 1, 2021 to December 31, 2021

7. Major accounting data and financial indicators in the past three years

(1) Major accounting data

Unit: Currency: RMB

key accounting data	2021	2020	This period is compared with the same period of last year Increase or decrease (%)	2019
Operating income	26,314,980,323.21	21,074,437,344.29	24.87%	24,651,976,843.46
attributable to listed companies Shareholders' net profit	287,975,372.16	102,292,206.30	181.52%	978,779,413.76
attributable to the listed company Shareholder's deduction Net profit from recurring profit and loss Run	244,136,406.12	61,670,730.04	295.87%	948,205,811.21
arising from business activities net cash flow	52,428,893.11	112,575,050.09	-53.43%	353,671,433.12
	Late 2021	Late 2020	This end of the current period is the same as that of the previous year End-of-period increase or decrease (%)	Late 2019
Attributable to listed companies Shareholders' Net Assets	11,733,486,178.61	11,472,428,105.64	2.28%	11,470,258,168.10
Total Assets	35,880,321,254.49	35,041,538,711.86	2.39%	31,491,057,789.55

(2) Main financial indicators

Key Financial Indicators	2021	2020	This period increased or decreased compared with the same period of last year (%)	2019
Basic earnings per share (RMB/share)	0.25	0.09	177.78%	0.84
Diluted earnings per share (RMB/share)	0.23	0.09	155.56%	0.82
Basic earnings after deducting non-recurring gains and losses Earnings per share (RMB/share)	0.21	0.05	320.00%	0.81
Weighted average return on equity (%)	2.48%	0.9%, an increase of 1.58 percentage points		9.40%
Weighted after deducting non-recurring gains and losses Average return on equity (%)	2.10%	0.55% increase by 1.55 percentage points		9.10%

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Explanation of the company's main accounting data and financial indicators for the first three years at the end of the reporting period

✓Applicable ✓Not applicable

8. Differences in accounting data under domestic and foreign accounting standards

(1) The net profit in the financial report disclosed in accordance with the International Accounting Standards and the Chinese Accounting Standards and attributable to shareholders of the listed company
difference in net worth of

✓Applicable ✓Not applicable

(2) The net profit in the financial report disclosed in accordance with both the foreign accounting standards and the Chinese accounting standards and the net profit attributable to the shareholders of the listed company
Differences in Net Assets

✓Applicable ✓Not applicable

(3) Explanation of the differences between domestic and foreign accounting standards:

✓Applicable ✓Not applicable

9. Main financial data by quarter in 2021

Unit: Currency: RMB

	the first season (January-March)	Q2 (April-June)	the third quarter (July-September)	fourth quarter (October-December)
Operating income	4,029,565,688.19	7,979,063,555.95	6,531,067,016.45	7,775,284,062.62
attributable to listed company shares Dong's net profit is	30,100,222.99	120,102,967.45	133,694,616.74	4,077,564.98
attributable to listed company shares East's deduction non-recurring net profit after profit and loss	25,136,164.05	114,777,421.65	117,149,955.77	-12,927,135.35
cash generated from business activities net cash flow	-2,158,258,058.19	-1,419,083,839.14	-923,532,098.61	4,553,302,889.05

Explanation of the difference between quarterly data and disclosed periodic report data

✓Applicable ✓Not applicable

X. Non-recurring profit and loss items and amounts

✓Applicable ✓Not applicable

Unit: Currency: RMB

Non-recurring profit and loss items	2021 Amount	Notes (such as Be applicable)	2020 Amount	2019 Amount
Unauthorized approval of gains and losses	1,837,970.21		-1,323,032.12	-919,546.10
on disposal of non-current assets, or no formal approval documents, or occasional Sexual tax rebates, deductions				
Government subsidies included in the current profit and loss, but with the company's positive Regular business operations are closely related and comply with national policies and regulations Fixed, according to a certain standard fixed or quantitative continuous enjoyment except for government grants	57,118,108.46		65,165,143.05	41,647,119.36
Charges charged to non-financial enterprises included in current profits and losses capital occupation fee				
Enterprises acquire subsidiaries, associates and joint ventures The investment cost is less than the The fair value of the identifiable net assets of the investment unit is generated income				
Gains and losses on exchange of non-monetary assets				

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The profit or loss of entrusting others to invest or manage				
assets is calculated due to force majeure factors, such as natural disasters				
Provision for impairment of various assets				
Debt restructuring gains and				
losses, corporate restructuring expenses, such as expenses for relocating employees, reorganization combined costs, etc.				
Transactions where the transaction price is obviously unfair				
Profit and loss on fair value component				
Subsidiary period arising from business combination under the same control				
Net profit or loss for the period from the beginning to the combination date				
Contingent matters unrelated to the company's normal business operations profit and loss				
Except for the valid packages related to the normal operation of the company In addition to the futures hedging business, holding financial assets for trading, Derivative financial assets, held-for-trading financial liabilities, derivatives Gains and losses from changes in fair value arising from financial liabilities, as and disposal of held-for-trading financial assets and derivative financing assets, held-for-trading financial liabilities, derivative financial liabilities and Investment income from other debt investments			184,040.22	
Receivables and contract assets that are individually tested for impairment Production impairment provision is reversed				
Profits and losses obtained from external				
entrusted loans are subsequently measured using the fair value model. Gains and losses arising from changes in fair value of capital real estate				
According to the requirements of tax, accounting and other laws and regulations A one-time adjustment to the current profit and loss is made to the current profit and loss Impact				
Other non-operating income and				
expenditure	-3,321,245.97		-5,501,424.72 -2,239,028.06	
Other profit and loss items that meet the definition of non-recurring profit and loss eye				
Less: Amount affected by income tax 7,998,007.05 Amount affected by minority interests (after			12,057,897.08 5,738,057.85	
tax) 3,797,859.61 Total 43,838,966.04			5,845,353.09 2,176,884.80	
			40,621,476.26 30,573,602.55	

Convert the non-recurring gains and losses listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public - Non-recurring Gains and Losses

Description of items defined as recurring profit and loss items

ÿApplicable ÿNot applicable

11. Items measured at fair value

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project name	Opening Balance	Current change in closing balance	Impact on current profits Amount
Total investment in other equity	180,180,877.10	208,320,177.10 28,139,300.00	
instruments other non-current financial		87,835,200.00 87,835,200.00 296,155,377.10	2,735,200.00
assets	180,180,877.10	115,974,500.00	2,735,200.00

XII. Other Applicable Not

applicable

Section 3 Management Discussion and Analysis

1. Discussion and analysis of operating conditions

In 2021, in the face of challenges such as fierce industry competition, repeated COVID-19 epidemics, and rising prices of bulk raw materials, Fiberhome will take "seeking innovation, intensive cultivation, and promoting win-win" as its annual work theme, actively promote talent innovation projects, and optimize the industrial chain structure, improve the operating efficiency of the enterprise, actively undertake social responsibilities such as fighting against the new crown pneumonia, rural revitalization, and green development, continue to create value for shareholders, customers and society, and achieve a good start to the "14th Five-Year Plan". The main tasks are as follows: 1. Steady improvement of innovative practice and R&D capabilities "Core technologies, key technologies,

and national treasures must be based on themselves." The company, bearing in mind General Secretary Xi Jinping's entrustment, insists on placing equal emphasis on current operations

and mid- and long-term technological development, and continues to strengthen key technologies investment, innovate R&D management ideas, consolidate R&D basic capabilities, and improve product delivery efficiency and competitiveness. In the field of information infrastructure construction, continue to build the "three super" optical transmission "long board", and complete the industry's first 400G ultra-long-distance 1000km transmission network pilot; 5G bearer core technology has made breakthroughs, and relevant functions and performance indicators have passed China

Mobile's centralized procurement Testing; Develop a new generation of PON products and commercialize them on a large scale. In the field of informatization application, formulate independent and controllable big data solutions integrating software and hardware, and continuously improve the storage and analysis performance of big data platforms; continue to optimize end-to-end solutions such as smart urban rail, smart government affairs, and smart politics and law; the cloud platform is smoothly upgraded Capabilities and data center cloud computing platform products are further improved in ease of use, security and reliability. Pay close attention to the industry to improve delivery efficiency, delivery quality and R&D organization capabilities; strengthen platform resource investment, optimize technology collaboration mechanism, and accelerate platform incubation progress; focus on pre-research resource investment, establish a company-level technology management system, and lay a solid technical foundation for product development .

2. Innovative models, initial results in customer management The

company innovated new models of marketing services, continued to promote marketing reforms, built a professional team, and strengthened regional operations. In the domestic operator market, improving the quality of operation, winning the bid for the new centralized procurement of 200G DWDM in China Telecom, and realizing the large-scale application of localized servers in China Mobile and China Unicom; the telecom gateway has stabilized its status as a mainstream supplier; and OTN products have achieved a key layout. In the international market, we will continue to deeply deploy large-scale multinational operators, continue to build stable granaries, and achieve breakthroughs in transmission and data products in large-scale multinational operators; we won the bid for the network coverage project of the Indonesian Communications and Information Construction Engineering Bureau, and continuously made breakthroughs in strategic customers. In the large informatization market, seize the opportunities of digital transformation of the industry and focus on key high-quality industry markets; new business models such as distribution and solution businesses have achieved good development; Achieve breakthroughs in cable products; continue to do a good job in the field of digital government, and win the bid for the Wuhan rail informatization cloud platform project; continue to cultivate advantageous customers in the field of information security, actively deploy new markets and new products, and continuously optimize the business structure. Through reform, the service platform continuously deepens the application of informatization, reduces the cost of single-end delivery, and shortens the domestic delivery cycle; it carries out maintenance and standardization work in an orderly manner, deepens the application process, and comprehensively covers the operation and maintenance tools. 3. Innovative measures, the results of management

reform show the company's active actions to deepen reform, build a digital empowerment management reform system, use digital transformation as an effective tool and means of management reform, and strengthen the effect of management reform; expand, deepen, and comprehensively lean, and coordinate quality management. and supply chain management to help companies

reduce costs and increase efficiency. The company integrates transformation projects with architecture construction, and promotes data architecture construction in the project; it focuses on piloting three major business scenarios: domestic, international, and bank network to realize the visualization of contract performance and standardization of the project delivery process; it is carried out through

the special work of digital empowerment. , using the project management system to further improve operational efficiency. Coordinate quality operations and system management to improve quality levels; optimize quality planning, integrate quality objectives into business strategies, and build sustainable development capabilities; pay close attention to quality control, integrate system requirements into business processes, and analyze measurement data thoroughly to ensure Achieved product and service quality goals; innovated quality improvement methods, incorporated customer node monitoring and improvement into satisfaction management, and improved customer perception in a timely manner; comprehensively lean, widened and deepened, and further extended from the supply chain to the R&D system to the marketing service system, providing strong support The company reduced costs and increased efficiency and quality. 4. Innovate the mechanism to release the vitality of the organization. The company constantly strives to practice the concept of "talent is the first resource", continuously optimizes the personnel structure and incentive mechanism, and further stimulates the vitality of employees. Continue to innovate the talent introduction model, connect internal and external key resources, deepen industry-university cooperation, enhance the adhesion

between Fiberhome and colleges and universities, and form an all-round and sustainable high-quality talent supply channel; take the job qualification system as the starting point to improve

majors Ability, through the introduction of high-end talents, provide a solid human resource foundation for each organization; build a "corporate university" and invite outstanding managers of the company

Share lectures to accelerate the improvement of cadre leadership, and design richer and more targeted training programs according to the needs of the company and departments, and strengthen the training of professional talents with the help of internal and external experts and teachers.



Continue to improve the precision and differentiation of salary incentives. By sorting out the current situation of the workforce, scientifically analyzing the trend of salary changes in the industry, adding resources to the key minority that affect the company's strategy and business development, and relying on policies such as the salary fast lane to promote cadres, Re-motivation of key key employees; continue to optimize and promote the open distribution mechanism centered on profit contribution, and achieve precise cadre incentives for different output units and business development stages; quickly promote the new phase of the equity incentive plan to cover core backbones team, stimulate the potential of employees. 5. Innovate services to support the company's sound development The company pays close attention to risk control and compliance requirements, consolidates the foundation for stable development, promotes the construction of the internal control system of overseas subsidiaries, strengthens the implementation of risk monitoring and early warning, and promptly investigates and handles hidden risks; further improves the compliance management system, completed the compliance risk map, deepened the special construction of export compliance management, and adhered to the bottom line of compliance. Implement comprehensive security, safety, and epidemic prevention work, innovate services, and effectively improve employees' feelings; practice the concept of "service first", strengthen cooperation, revitalize resources, and ensure the company's sustainable and steady development. 6. The spirit of innovation, the internal organization optimizes and upgrades the cultural propaganda platform, and enhances the coverage of propaganda; creates new cultural solutions with managers at all levels, forms cultural consensus, and develops from excellent

Summarize experience in practice; implement ten tasks around corporate culture to deepen employees' cognition and understanding of Fiberhome culture.

Solidly carry out party history learning and education and various activities for the centenary of the founding of the party, continue to deepen the establishment of branch brands, pay attention to the integration of party building, management and culture, and further promote the integration and promotion of party building and business. Taking "Xinke Vision" as the carrier, it releases special courses such as cloud party lessons and a hundred years of party history every day to guide party members to learn at any time and actively; continue to improve the construction of smart groups, build "democracy on the cloud", "training troops on the cloud", etc. The smart labor union system promotes the implementation of the "I do practical things for the masses" practice activities; conscientiously organizes life meetings on special topics, conducts in-depth heart-to-heart conversations, conducts criticism and self-criticism, and rectifies and implements one by one according to the list of problems.

2. Industry situation of the company during the reporting period

The "14th Five-Year Plan" period is the first five years after my country has built a moderately prosperous society in an all-round way, taking advantage of the momentum to start a new journey of building a socialist modernized country in an all-round way. period. In 2021, my country's communications industry will fully implement the spirit of the 19th National Congress of the Communist Party of China and all previous plenary sessions of the 19th Party Congress, thoroughly implement the decisions and deployments of the Party Central Committee and the State Council, and actively promote the construction of a network powerhouse and digital China, and new information infrastructure such as 5G and gigabit optical networks. Construction coverage and application popularization have been accelerated in an all-round way, providing strong support for creating new advantages in the digital economy and enhancing new momentum for economic development. The development quality and growth level of the industry were further improved, achieving a good start in the "14th Five-Year Plan".

In 2021, the entire industry will speed up the construction of "dual gigabit", promote the development of the national big data center, build a new infrastructure of cloud-network integration, and continuously improve the supply capacity to enable the digital transformation of society. my country has built the world's largest 5G network, covering all prefecture-level cities, more than 98% of county-level urban areas, and 80% of townships and towns, and is gradually expanding to rural areas with conditions and needs; There are more than 10,000 application innovation cases in traditional industries and 5G industries, covering more than 20 national economic industries such as industry and medical care. The application links penetrate from the production auxiliary links to the core links, and the typical application scenarios of "5G + Industrial Internet" are gradually replicated on a large scale evolution. More than 300 cities across the country have launched the construction of gigabit optical fiber broadband networks, and the investment in Internet broadband access throughout the year has increased by 40% over the previous year. Basic telecommunications companies will strengthen the construction and deployment of cloud networks, build computing power networks with ubiquitous integration and cloud-side collaboration, and improve the capabilities of cloud-network integration services. In 2021, the number of data center customers will double. The length of newly-built optical cable lines is 3.19 million kilometers, and the total length of optical cable lines nationwide is 54.88 million kilometers; among which, the lengths of long-distance optical cable lines, local network trunk optical cable lines and access network optical cable lines are respectively 1.126 million, 18.74 million and 35.02 million kilometers. The network access optical cable line length has a net increase of 2.97 million kilometers over the previous year, which further guarantees and supports the service quality of users. (The above information and data are from the Ministry of Industry and Information Technology's 2021 Annual Report

Information Industry Statistical Bulletin and Interpretation of the 2021 Communication Industry Statistical Bulletin)

In the process of promoting industry digitization in thousands of industries, Fiberhome closely focuses on the needs and dreams of customers, and promotes the digital transformation of industries and the sustainable and healthy development of the digital economy based on the cross-industry integration brought about by digital connections. Digital China builds a foundation for energy supply; as a firm practitioner of the "Belt and Road", Fiberhome has built a strong foundation for a smooth information Silk Road based on the "smart optical network", helping digitalization to play a more extensive and in-depth role in society, economy, People's livelihood, let the world share a beautiful digital life.

3. Business situation of the company during the reporting period With the

accelerated innovation of big data, cloud computing, artificial intelligence and other technologies, the "artery" of economic and social development information is gradually opened, and more and more industries and applications rely on digital connections to achieve new development, Demonstrate new value. Fiberhome seizes new opportunities for the development of the digital economy, actively participates in the strategy of strengthening the country through the Internet and the national big data strategy, and is committed to promoting the deep integration of digital technology and the real economy, empowering the transformation and upgrading of traditional industries, in order to better and faster promote digital Hubei and digital China Construction has made due contributions. Facing the data bearing pressure, data computing power challenges and new business demands in the current digital age, Fiberhome continues to adhere to the four major characteristics of "ubiquity, ultra-wide, openness, and on-demand", and works with partners to create a smart all-optical Network, build a national computing power network system and new data centers, promote the digital transformation of the industry and the sustainable and healthy development of the digital economy, and provide energy for the construction of a network power and digital China. In 2021, FiberHome will speed up the process of "independent security and controllability" in an all-round way by focusing on key projects such as 5G bearer and special optical fibers; jointly build an industrial ecological chain with partners, and continue to promote the localization process in the field of high-end devices; actively respond to the "Belt and Road Initiative" initiative, to work with the Indonesian Ministry of Communications to build 4G access to every village, allowing wireless broadband networks to cover remote villages in Indonesia, helping to eliminate the digital divide; working with mainstream Philippine operators to lay optical fibers to reach thousands of households, significantly improving the Philippine home broadband experience; The digital government has brought together more than 70 provincial departments and bureaus and more than 1,000 applications. Among them, the epidemic big data platform and the Hubei Health Code have become the "mainstay" in the fight against the new crown pneumonia epidemic. For the detailed business analysis of the company, please refer to "V. Main operating conditions during the reporting period" in "Section III Management Discussion and Analysis" of this report.

IV. Analysis of core competitiveness during the reporting period

Applicable Not applicable During the entire digitalization

process, Fiberhome's vision is "to maximize the value of digital connections and benefit human society", which is also the core of Fiberhome's corporate culture. Based on this corporate vision, Fiberhome has formulated the digital transformation strategy SMART, which is a collaborative and shared ecology, an organization that changes due to changes, agile and flexible operations, innovative breakthrough applications and tailored services.

Fiberhome has a complete set of solutions to support the entire digital industrialization and industrial digitization. In the traditional optical network field, it has a relatively complete industrial chain from optical fibers, optical cables, chips, system equipment, etc.; in the field of digital applications, with security, The reliable, flexible and intelligent Fiberhome cloud operating system FitOS has served many cloud projects, including more than 260 data centers, more than 16,000 management nodes, more than 9,800 storage nodes, storage capacity of more than 900PB, and applications carried by more than 16,000 nodes. 20,000, with more than 10,000 front-ends, and have been implemented in various industries such as government and enterprises, transportation, education, finance, and operators. At the same time, Fiberhome's industrial layout also extends from Wuhan to China to the world. Currently, it has 1+6 industrial bases in China, and has undertaken the construction of nearly 400 national-level optical communication trunk lines in various industries. Fiberhome's smart optical network covers 31 provinces, autonomous regions and municipalities across the country. Currently, it has 2 overseas production bases, 8 overseas R&D centers, 11 global delivery centers and 30 overseas representative offices around the world, covering products, solutions and services. more than 100 countries and regions.



In the future, Fiberhome will focus on telecom operators, Large enterprises, universities and other customers, cooperate with friends from the government and industry to serve the high-quality development of the digital economy and serve Digital transformation of thousands of industries.

V. Main operating conditions during the reporting period

In 2021, the global epidemic situation will fluctuate, the international environment will become more complex and severe, and the industry competition situation will change rapidly. The company overcomes difficulties Difficult, dare to innovate, consolidate operation and win-win with customers. As of the end of the reporting period, the company's total assets reached 35.88 billion yuan, a year-on-year increase 2.39%; the owner's equity attributable to the parent company was 11,733,486,200 yuan, a year-on-year increase of 2.28%; the company achieved operating income throughout the year 26,314,980,300 yuan, a year-on-year increase of 24.87%; the net profit attributable to the parent company was 287,975,400 yuan, a year-on-year increase of 181.52%.

(1) Analysis of main business

1. Analysis of changes in related items in the income statement and cash flow statement

				Unit: Currency: RMB	
2021	2020	2021	2020	Proportion of changes in the same period last year (%)	
26,314,980,323.21	20,605,045,544.83	1,417,945,407.08	52,429,993.11	21,074,437,344.29	24.87%
294,402,563.55	3,460,430,939.06	365,274,480.75	52,429,993.11	16,710,168,996.19	23.31%
Reasons for changes in operating income: operating income increased by 24.87% over the same period of the previous year. Mainly because the impact of the epidemic on enterprises is gradually weakening,				1,139,924,029.01	24.39%
				270,033,445.67	9.02%
				2,578,505,846.31	34.20%
				233,875,426.66	56.18%
				112,575,050.09	-53.43%
				-784,495,264.86	25.87%
				308,338,549.91	314.05%

The company's sales volume has steadily recovered.

Reasons for changes in operating costs: operating costs increased by 23.31% over the same period of the previous year. Mainly because the impact of the epidemic on enterprises is gradually weakening.

The company's sales volume has steadily recovered.

Reasons for changes in selling expenses: Selling expenses increased by 24.39% year-on-year, mainly due to the expansion of sales scale.

Reasons for changes in administrative expenses: administrative expenses increased by 9.02% year-on-year, mainly due to the expansion of sales scale.

Reasons for changes in financial expenses: The changes in financial expenses were mainly due to the year-on-year increase in exchange losses of the Company.

Reasons for changes in research and development expenses: research and development expenses increased by 34.20% year-on-year, mainly because the company accelerated the progress of conquering related key core technologies, Continued to increase investment in research and development.

Reason for change in net cash flow from operating activities: mainly due to the increase in purchases.

Reason for change in net cash flow from investing activities: Mainly due to the increase in investment income.

Reason for change in net cash flow from financing activities: Mainly due to the increase in absorbed investment.

A detailed description of the major changes in the company's business type, profit composition or profit source during the current period

Applicable Not applicable

2. Income and cost analysis

Applicable Not applicable

The company's annual operating income was 26.315 billion yuan, an increase of 24.87% compared with the annual operating income of 2020 (21.074 billion yuan). in, The sales revenue of communication system equipment was 17.086 billion, an increase of 31.70% compared with 2020 (12.974 billion); the sales revenue of optical fibers and cables 5.850 billion, an increase of 11.63% compared with 2020 (5.240 billion); data network products achieved sales revenue of 3.039 billion, compared with 2020 (2.522 billion) an increase of 20.50%. Communication system equipment and cable products accounted for 64.93% and 22.23% of the total revenue respectively.

(1). Main business by industry, product, region and sales model

Main business by industry							Unit: Currency: RMB	
sector	Operating income	Operating cost	gross profit margin	Operating income	Operating cost	gross profit margin	increase or decrease over the previous year	

			(%) an increase over the previous year	year-on-year increase	year-on-year increase	year-on-year increase	
			reduce(%)	reduce(%)	reduce(%)	reduce(%)	
communication	25,974,997,902.24	20,337,232,988.69	21.70%	Main business by product	25.26%	23.62%, an increase of 1.04 percentage points	
By product	Operating income	Operating cost	gross profit margin year-on-year increase reduce(%)	Operating income year-on-year increase reduce(%)	Operating cost year-on-year increase reduce(%)	Gross profit margin year-on-year increase or decrease year-on-year increase reduce(%)	
Communication system equipment	17,086,233,348.50	13,798,046,777.60	19.24%	Optical fiber and cable	5,849,939,641.50	31.70%	30.55%, an increase of 0.71 percentage points
4,814,650,099.49	17.70%	Data network products	3,038,824,912.24	1,724,536,111.60		11.63%	8.32%, an increase of 2.52 percentage points
						20.50%	19.94%, an increase of 0.27 percentage points
by region	Operating income	Operating cost	gross profit margin year-on-year increase reduce(%)	Operating income year-on-year increase reduce(%)	Operating cost year-on-year increase reduce(%)	Gross profit margin year-on-year increase or decrease year-on-year increase reduce(%)	
Domestic	16,763,083,586.69	13,594,527,458.50	18.90%	9,211,914,315.55	6,742,705,530.19	20.99%	17.55%, an increase of 2.37 percentage points
and foreign	26.80%					33.87%	37.97% decreased by 2.18 percentage points
Main business by sales model							
sales model	Operating income	Operating cost	gross profit margin year-on-year increase reduce(%)	Operating income year-on-year increase reduce(%)	Operating cost year-on-year increase reduce(%)	Gross profit margin year-on-year increase or decrease year-on-year increase reduce(%)	
Direct sales	25,974,997,902.24	20,337,232,988.69	21.70%	25.26%	Description of main business by industry, product, region and sales		23.62%, an increase of 1.04 percentage points

model

none

(2). Analysis table of production and sales

ApplicableNot applicable

(3). Performance of major purchase contracts and major sales contracts

ApplicableNot applicable

(4). Cost analysis table

unit: yuan

By industry						
sector	Cost structure project	Current Amount	This period accounts for the total cost ratio (%)	Amount in the same period of last year	last year total cost Proportion(%)	Current Amount Same as last year period change ratio example(%)
Optical communication		20,337,232,988.69 100.00%	16,451,954,627.87 100.00%	23.62%		
By product						
By product	Cost structure project	Current Amount	This period accounts for the total cost ratio (%)	Amount in the same period of last year	last year total cost Proportion(%)	Current Amount Same as last year period change ratio example(%)
Communication system equipment	raw materials	13,613,900,244.73 98.67%	10,425,174,232.09 98.64%	30.59%		
94,890,942.92 Communication system equipment depreciation		50,247,560.26 38,669,187.75 0.37%	29.94%	0.88%	0.90%	28.52%
			0.36%			
Communication system equipment	energy	11,946,491.47 10,350,464.20 0.10%	15.42%	0.09%		
Subtotal of communication system equipment		13,798,046,777.60 100.00%	10,569,084,826.96 100.00%	30.55%		
Optical fiber and cable raw materials		4,477,120,283.59 92.99%	4,147,039,482.81 93.30%	7.96%		
Optical fiber and cable labor		136,194,860.60 126,036,514.83 2.84%	8.06%	2.83%		
Depreciation of optical fibers and cables		119,897,522.37 99,245,228.64 2.23%	20.81%	2.49%		
Optical fiber and cable energy		81,437,432.93 72,668,327.95 1.63%	12.07%	1.69%		
Subtotal of optical fibers and cables		4,814,650,099.49 100.00%	Raw materials for data network products	4,444,989,954.23 100.00%	8.32%	
1,713,265,598.96 99.35%				1,428,454,691.58 99.34%	19.94%	

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Data Network Products	Artificial	7,749,179.66 0.45%	2,656,433.19 0.15%	6,056,868.70 0.421%	27.94%	
Data Network Products		864,899.79 0.05%	1,724,536,111.00 0.00%	2,468,246.03 0.172%	7.62%	
Depreciation Data Network				900,040.37 0.063%	-3.90%	
Products Energy Data Network Products	Subtotal			1,437,879,846.68 100.00%	19.94%	

Cost analysis and other information

The increase in cost is mainly due to the increase in the scale of the company's sales revenue and the corresponding increase in costs.

(5). Changes in the scope of consolidation due to changes in the equity of major subsidiaries during the reporting period

☐Applicable ☐Not applicable

(6) Significant changes or adjustments to the company's business, products or services during the reporting period

☐Applicable ☐Not applicable

(7). Major sales customers and major suppliers

A. The company's main sales customers The

sales of the top five customers are 1,705,678,200 yuan, accounting for 6.48% of the total annual sales; among which, the sales of the top five customers are related to sales

The sales amount is 0.00 million yuan, accounting for 0.00% of the total annual sales.

During the reporting period, the proportion of sales to a single customer exceeded 50% of the total, there were new customers among the top 5 customers, or there was a heavy dependence on less number of customers

☐Applicable ☐Not applicable

B. The company's main suppliers

The purchase amount of the top five suppliers was RMB 2,682,750,600, accounting for 13.02% of the total annual purchase amount; among which the purchase amount of the top five suppliers

The purchase amount of the joint party was RMB 1,002,295,200, accounting for 4.86% of the total annual purchase amount.

During the reporting period, the proportion of purchases from a single supplier exceeded 50% of the total, and there were new suppliers in the top 5 suppliers or serious dependence.

Relying on a few suppliers

☐Applicable ☐Not applicable

other instructions

none

3. Fees

☐Applicable ☐Not applicable

Unit: ten thousand yuan

Project Sales	2021 141,794.54	2020 113,992.40	Increase or	Increase or decrease
Expenses	29,440.26 346,043.09	27,003.34 257,850.58	decrease 27,802.14	24.39%
Management	36,527.45 13,540.87	23,387.54 6,244.49	2,436.91	9.02%
Expenses R&D			88,192.51 13,139.91	34.20%
Expenses Financial			7,296.38	56.18%
Expenses Income Tax Expenses				116.85%

(1) During the reporting period, sales expenses increased by RMB 278,021,400, an increase of 24.39% over the previous year, mainly due to the impact of the epidemic on the enterprise

Gradually weakened, and the sales scale of the company has steadily rebounded;

(2) During the reporting period, administrative expenses increased by RMB 24.3691 million, up by 9.02% over the previous year, mainly due to the gradual impact of the epidemic on the enterprise.

Gradually weakened, due to the steady recovery of the company's sales scale;

(3) During the reporting period, research and development expenses increased by RMB 881,925,100, an increase of 34.20% over the previous year, mainly due to the increase in research and development investment;

(4) During the reporting period, financial expenses increased by RMB 131,399,100, an increase of 56.18% over the previous year, mainly due to the increase in exchange losses of the company

caused;

(5) During the reporting period, income tax expenses increased by RMB 72,963,800, an increase of 116.85% over the previous year, mainly due to the income of overseas subsidiaries due to tax increases.

4. R&D investment (1).

R&D investment table

Applicable Not applicable

unit: yuan

Expenditure R&D investment in	3,460,430,939.06
the current period	265,305,329.29
	3,725,736,268.35
	14.16%
	7.12%

(2). R&D personnel situation table

Applicable Not applicable Number

of R&D personnel in the company The ratio	7,396
of the number of R&D personnel to the total number of employees in the company (%)	45.13
Educational structure of R&D personnel	
Educational Structure	Educational structure number of people
Category Doctoral,	43
Master's, Undergraduate,	2,697
College, High School	4,397
and below	259
	0
Age structure of R&D staff	
Age structure category	age structure
Under 30 years old (excluding 30 years old)	2,844
30-40 years old (including 30 years old, excluding 40 years old)	3,780
40-50 years old (including 40 years old, excluding 50 years old)	628
50-60 years old (including 50 years old, not Including 60 years	144
old) 60 years old and above	0

(3). Situation description

Applicable Not applicable

In 2021, the company will strengthen scientific and technological innovation and continue to increase investment in core technology research and development. The annual research and development expenses will be 3.46 billion yuan, compared with The same period last year increased by 34.20%. In order to cooperate with the company's strategic development plan, the company continues to improve the construction of the R&D personnel echelon; there are many organizational arrangements. Rotate famous reserve talents to cultivate their comprehensive abilities in actual combat; provide talent guarantee and technical support for the strategic transformation of enterprises.

(4) Reasons for major changes in the composition of R&D personnel and their impact on the future development of the company

Applicable Not applicable

5. Cash flow

Applicable Not applicable

Unit: ten thousand yuan

Net	2021 2020 2020 increase or decrease rate of increase or decrease		
cash flow from project operating activities	5,242.89	11,257.51	-6,014.62 -53.43%

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Net cash flow from investing activities -58,157.57 -78,449.53	Net cash flow from financing activities	20,291.95	25.87%
127,667.94 30,833.85	Net increase in cash and cash equivalents 68,187.77 -43,079.15	96,834.08	314.05%
		111,266.91	258.28%

(1) During the reporting period, the net cash flow from operating activities decreased by RMB 60.1462 million, a decrease of 53.43% over the previous year; due to purchasing power;

(2) During the reporting period, the net cash flow from investing activities increased by RMB 202,919,500, an increase of 25.87% over the previous year, mainly due to the acquisition of investment income. due to increased profit;

(3) During the reporting period, the net cash flow from financing activities increased by RMB 968.3408 million, an increase of 314.05% over the previous year, mainly due to the absorption of investment due to increase.

(2) Explanation on major changes in profit caused by non-main business

Applicable Not applicable

(3) Analysis of assets and liabilities

Applicable Not applicable

1. Assets and Liabilities

Unit: ten thousand yuan

Project name	Closing amount of the current period	end of the current period total capital percentage of production %	End of last period	end of last period total capital percentage of production %	end of the current period The amount is higher end-of-period change Dynamic ratio (%)	Fact Sheet
Monetary funds	472,232.89	13.16%	397,011.90	11.33%	18.95% mainly	from sales back due to increase
bills receivable and receivables financing capital	79,136.91	2.21%	84,386.98	2.41%	-6.22%	
Accounts receivable	421,934.62	11.76%	575,943.85	16.44%	-26.74% mainly	due to sales back due to increase
stock	1,460,512.78	40.71%	1,357,376.97	38.74%	7.60% Mainly	inventory purchase due to increased purchases
Intangible assets	95,689.71	2.67%	99,956.28	2.85%	-4.27%	
expenditure	112,446.28	3.13%	113,446.27	3.24%	-0.88%	
28,855.18		0.80%	47,899.47	1.37%	-39.76% Mainly	due to company adjustment whole loan structure To
Notes payable	594,582.26	16.57%	573,595.51	16.37%	3.66%	
565,560.24		15.76%	649,989.53	18.55%	-12.99% mainly	due to purchase due to increase
Long-term borrowings	245,580.00	6.84%	139,900.00	3.99%	75.54% are	mainly corporate finance increased demand for capital To

other instructions

none

2. Overseas assets Applicable

Not applicable

3. Restriction of major assets by the end of the reporting period

☐Applicable ☐Not applicable

4. Other instructions

☐Applicable ☐Not applicable

(IV) Analysis of industry operating information

☐Applicable ☐Not applicable According to the

"Guidelines for Industry Classification of Listed Companies" (revised in 2012), the company's industry belongs to the sub-item "C39 Computer, Communication and Electronic Equipment Manufacturing Industry" of "C Manufacturing Industry" .

During the "Thirteenth Five-Year Plan" period, the information and communication industry maintained a stable and rapid development overall, major planning objectives and tasks were completed on schedule, network capabilities were greatly improved, business applications were booming, the pace of integration of information and communication technology with the economy and society was accelerated, and industry governance capabilities were significantly improved , the security guarantee capability has been continuously enhanced, the digital dividend has been continuously released, and the role of stabilizing investment, expanding domestic demand and increasing employment has become increasingly prominent, and its strategic, fundamental and leading position in economic and social development has become more prominent. The "14th Five-Year Plan" period is the first five years after my country has built a moderately prosperous society in an all-round way, taking advantage of the momentum to start a new journey of building a socialist modernized country in an all-round way. period.

Information technology is in a period of major changes led by system innovation and intelligence. 5G, industrial Internet, Internet of Things, cloud computing, Internet of Vehicles, big data, artificial intelligence, blockchain and other new generation information technologies accelerate integration innovation and breakthroughs, and promote economic development. The digital, networked and intelligent transformation of all fields of society has continued to deepen, the scale of the digital economy has continued to expand, the economic contribution has continued to increase, and the level of digital intelligence in public services, social governance and other fields has continued to improve. The impact of the COVID-19 epidemic is far-reaching and far-reaching, accelerating the pace of global digital transformation. New demands such as digital production, life and social public governance continue to grow, and the industry has a broad space for development. The above information comes from the "14th Five-Year Plan for Information and Communication Industry Development" issued by the Ministry of Industry and Information Technology.

(5) Analysis of investment status

Overall analysis of external equity

investment ☐Applicable ☐N/A

An increase of RMB 201,332,996.00. The changes during the reporting period were mainly due to the provision of investment income and additional investment.

1. Significant equity investment ☐

Applicable ☐ Not applicable In order to

give full play to the capital advantages, the company will select high-quality projects for the investment layout in the upstream and downstream industries of the company. After deliberation and approval at the seventh extraordinary meeting of the eighth board of directors of the company, the company and Wuhan Optics Valley Fenghe Investment Fund Management Co., Ltd. and Wuhan Optics Valley Fiberhome Optoelectronics Information Industry Investment Fund Partnership (Limited Partnership) made additional investments of RMB 85.68 million, RMB 2.49 million and RMB 161.29 million respectively in Wuhan Optics Valley Fiberhome Industry Investment Fund Partnership (Limited Partnership); After the additional investment is completed, the subscription scale of Wuhan Optics Valley Fiberhome Industrial Investment Fund Partnership (Limited Partnership) will increase from RMB 500 million to RMB 749.46 million, and Fiberhome Communications will still contribute 34.35%.

2. Significant non-equity investment

☐Applicable ☐Not applicable

3. Financial assets measured at fair value ☐Applicable

☐Not applicable

4. The specific progress of major asset restructuring and integration during the reporting

period ☐Applicable ☐Not applicable

(VI) Significant assets and equity sale

Applicable Not applicable

(VII) Analysis of major controlling and shareholding

companies Applicable Not applicable

Company name	Registered capital (ten thousand)	Shareholding ratio (%)	Business Scope	Total assets (ten thousand)	Net profit (ten thousand)
Wuhan Fiberhome Information Integration Technology Co., Ltd.	yuan) 52,262	100.00	Development, research and development of information technology and related products. Technical services; engineering design, construction and system integration of information systems; information consulting services; production and sales of computer software and hardware; production and sales of network and data communication products. 100.00	yuan) 355,495.49	thousand yuan) 6,284.32
Nanjing Fiberhome Air Communication Development Co., Ltd. Wuhan	6,325	Research, development and sales of computer software and hardware, communication electronic products and related products; system integration, construction and technical services of computers and communication products 81.59	Research, development and sales of computer	368,873.40	4,581.15
Fiberhome Technology Service Co., Ltd.	17,092	software and hardware, communication electronic products and related products; computer and communication products system integration, construction and technical services. 60.00	Research and development, design, production, sales and after-sales service of optical fiber	111,053.41	4,236.05
Fiberhome Fujikura Optical Technology Co., Ltd. Wuhan	16.5 million (USD million)	preforms and optical fibers, as well as various other technical services related to optical fibers. 83.35	Optical fiber communication, data communication, wireless communication and related communication technology,	68,783.22	378.84
Ltd. Wuhan Fiberhome International Technology Co., Ltd.	16,000	information technology development and product manufacturing and sales; system integration and product sales; related engineering design and construction; technical services; investment in projects; self-operation and agency of various products and technology import and export business. 100.00	Scientific and technological development in the field of optical fiber communication and related information and	614,005.99	21,703.97
Nanjing Third Generation Communication Technology Co., Ltd.	8,000	communication technology and sales of related high-tech products; system integration of communication products and computers.		21,499.75	1,713.52
Ltd. Ruiguang Communication Technology Co., Ltd.	26,672	100.00	R&D, production and sales of optical communication equipment, optical fibers, optical fiber preforms, optical materials and related products; communication engineering design, construction, system integration and software development; information consulting and related services. 69.23	66,497.12	6,735.66
Changchun Fiberhome Technology Co., Ltd.	1,300	processing and sales of optical fiber and cable products		1,824.88	-499.02
Ltd. Fiberhome Super Micro Information Technology Co., Ltd.	22,775	70.00	Technical development and product production, sales and after-sales service of communication servers, high-performance computers, storage products, cloud computing, switches, workstation software and hardware products	107,317.02	2,141.23
Chengdu Datang Cable Co., Ltd.	11,612	100.00	Research and development, manufacturing and	56,575.33	3,457.25

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			Sales; technical development, technology transfer, technical consultation and technical services of communication accessories; communication and information system engineering design, installation and construction.		
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(VIII) Situation of structured entities controlled by the company yApplicable yNot

applicable

VI. The company's discussion and analysis on the company's future development (1) Industry pattern

and trends yApplicable yNot applicable The 2022 government work report clearly states: to promote

the development of the digital economy. Strengthen the overall layout of digital China construction.

building numbers

Information infrastructure, gradually build a national integrated big data center system, promote the large-scale application of 5G, promote the digital transformation of industries, and develop smart cities and digital villages. Accelerate the development of the industrial Internet, cultivate and expand digital industries such as integrated circuits and artificial intelligence, and improve the innovation and supply capabilities of key software and hardware technologies. Improve the governance of the digital economy, cultivate a market for data elements, release the potential of data elements, improve application capabilities, and better enable economic development and enrich people's lives. On November 21, 2021, the Ministry of Industry and Information Technology officially issued the "14th Five-Year Plan for the Development of the Information and Communication Industry", which made it clear that by 2025, the overall scale of the communication industry, infrastructure construction, green energy conservation, application popularization, development and innovation, and inclusive sharing requirements. By 2025, the overall scale of the information and communication industry will be further expanded, the quality of development will be significantly improved, a new type of digital infrastructure that is high-speed ubiquitous, integrated and interconnected, intelligent, green, safe and reliable will be basically built, innovation capabilities will be greatly enhanced, emerging business formats will flourish, and the economy will be empowered The ability of social digital transformation and upgrading has been comprehensively improved, and it has become a strong pillar for building a manufacturing power, a network power, and a digital China.

——The communication network infrastructure shall maintain the international advanced level. Build the world's largest 5G independent networking network

Comprehensive coverage of villages and towns, basic coverage of administrative villages, and in-depth coverage of key application scenarios; Gigabit fiber optic network achieves basic coverage of urban and rural areas. The intelligent resource scheduling level of the backbone network has been significantly improved, the interconnection and interoperability structure has been continuously optimized, the overall performance has maintained a world-class level, and the network, platforms, applications, and terminals have fully supported IPv6. A comprehensive ecosystem of mobile Internet of Things with low, medium and high-speed coordinated development has been fully formed. The layout of the international communication network has been more balanced, and the network quality and service capabilities have been significantly improved.

——The service capabilities of data and computing power facilities have been significantly enhanced. The layout of the data center realizes the coordinated development of the eastern, central and western regions, and the level of intensive and large-scale development has been significantly improved, forming a multi-level computing power facility system with digital network collaboration, data cloud collaboration, cloud-edge collaboration, and green intelligence. The facility service capabilities such as intelligence and blockchain have been significantly enhanced.

—— Achieve key breakthroughs in the construction of integrated infrastructure. Basically build a high-quality industrial Internet network covering all regions and industries, and create a number of "5G + Industrial Internet" benchmarks. The industrial Internet identification analysis system is more complete, and the service capacity is greatly improved. Build a batch of influential industrial Internet platforms and public service platforms. Key highways and urban roads have achieved large-scale coverage of cellular vehicle networking (C-V2X). ——The level of digital application has been greatly improved. Information and communication technology is deeply integrated with various fields of economy and society, and the level of data application in industry and information and communication fields has been significantly improved. New business forms and new models of the Internet are booming, the scope of innovative applications of the Industrial Internet continues to extend to the core links of production and manufacturing, the number of companies that go to the cloud and platforms has increased significantly, and the level of digitalization and intelligence in social governance and public services has been significantly improved. The collaborative innovation ecosystem will be further optimized, and a group of characteristic and specialized enterprises will be cultivated in the links of terminal, content and application development. ——The level of green development has reached a new level. New technologies, new equipment and new energy sources for energy conservation and emission reduction were widely used, the level of structural and systematic energy conservation innovation was significantly improved, and the comprehensive energy consumption per unit of total telecommunications business was further reduced. Information and communication technology has achieved remarkable results in enabling energy conservation and emission reduction in various fields of society, and has played an important role in promoting green economic and social development.

At present, the new generation of information and communication technology is driving the society to accelerate towards the intelligent digital era, the digital economy contains a broad space, artificial intelligence has entered a period of accelerated development, and the development of the communication industry has ushered in new historical opportunities. In the process of a new round of technological revolution and industrial transformation, the driving force of industry growth will shift from basic connection to digital service innovation. Technological innovation will become the core engine of high-quality development of enterprises, and green and low-carbon development is the only way for high-quality development of enterprises. In 2021, FiberHome has made a good start in the "14th Five-Year Plan". In the future, we will seize the precious opportunity of the development of the digital economy, go all out to promote high-quality development, and jointly create a new situation in the information and communication industry.

(II) Company development strategy

Applicable Not applicable Fiberhome

always takes "maximizing the value of digital connection and benefiting human society" as its mission, based on the main business of optical communication, and provides domestic first-class and world-renowned information and communication products and solutions business. Through talent-strengthening, independent innovation, and internationalization strategies, we will continue to develop digital connection root technologies, continue to innovate digital connection applications and services, and strive to become a benchmark enterprise in digital transformation. In the future, Fiberhome will continue to expand the three major markets of international, domestic operators and industry informatization, adhere to market orientation, strengthen innovation drive, and provide customers with innovative and reliable technologies, products and solutions.

(3) Business plan Applicable

Not applicable At present, the

external environment is more complex and severe, international opportunities and risks coexist, broadband and 5G construction is still in the window period, but the repeated epidemics, geopolitical conflicts and other factors have far-reaching effects, and the risks in the political and economic fields continue to accumulate; my country's economic development is also facing the triple pressure of demand contraction, supply shock, and weakening expectations. Industry mergers and acquisitions of leading manufacturers and cross-border competition among Internet giants have further increased the difficulty of competition. The company will build a new development pattern of the company with a pragmatic attitude of seeking truth from facts and paying close attention to implementation, focusing on the following aspects:

1. Pay close attention to customer understanding and improve business

quality. Domestic operator market: seize the opportunity of operators' 5G+gigabit broadband construction, closely follow the operator's centralized procurement project, and take advantage of the opportunity of operator transformation to promote breakthroughs in key markets in an orderly manner, and do a good job in new Product market expansion and business layout; continue to improve the organization of customer relationship building, deeply understand the real needs of customers, and promote the effective improvement of market capabilities; focus on key project management, continue to improve project planning and operation capabilities, and effectively improve the project success rate. International market: Continue to expand the scope of new customers, expand the national coverage of diversified businesses, and break through the market of large multinational operators. Continuously tap the value of potential existing customers, strengthen customer understanding and connection capabilities, and improve the support rate of key customer relationships; improve market forecasting and delivery matching capabilities; attract personnel to overseas through increased recruitment and supporting incentive policies, focusing on ensuring the health and safety of overseas employees under the epidemic. Safety. Large informatization market: Seize the opportunity of industry informatization development and focus on strategic market segments; dig deep into featured solutions such as electric power, private network, government and enterprise, and create a series of independent and controllable model projects; continue to promote the construction of its own products and identify key points The breakthrough point of the industry's core products, determine the product direction, accelerate the scale output of its own products; integrate resources, complement each other's advantages, and work with partners to build an information ecosystem. In terms of project delivery management, we will continue to improve governance rules, enhance integrated delivery capabilities, and ensure that delivery businesses are visible, manageable, and controllable; through cross-domain flow, we will forge practical project management experts and build a strong delivery moat.

2. Pay close attention to R&D efficiency, build a solid technical base,

pay close attention to the improvement of R&D organization efficiency, give better play to the supporting and leading role of scientific and technological innovation, and drive the cultivation and development of medium and long-term technological competitiveness; build sustainable and efficient value delivery capabilities for customers. Continuously improve the competitiveness of "three super" products and "multi-service" fields, and quickly make up for equipment capacity and core switching control; Invest in key technology research and development, accelerate epitaxial development, form differentiated competitive advantages, and launch more competitive comprehensive solutions. Help green new infrastructure, expand new space for network energy, and provide energy solutions for smart data center scenarios from edge to core. Accelerate the promotion of breakthroughs in ICT core technologies, deepen the product layout of "cloud + data + application", and continue to promote the next-generation Fiberhome Cloud product family featuring security, reliability, flexibility and intelligence. 3. Pay close attention to lean operation, focus on digital transformation, make concerted efforts to pay close attention to the implementation of reform, identify the digital scenarios and goals of the business domain, implement data governance in the transformation, and effectively support the lean operation of market-oriented innovation and customer-oriented main business streams. Based on the digital transformation blueprint plan, clarify the transformation scenarios and goals, and carry out optimized innovation based on the actual situation of Fiberhome to drive continuous business improvement; actively build a digital R&D collaboration platform to help improve the overall R&D efficiency; accelerate the construction and application of basic platforms to build a company-level Cloud management platform, relying on big data platform and data portal to provide data services to various fields. Relying on the quality committee, comprehensively promote customer node monitoring, deeply integrate node monitoring with daily business, and improve satisfaction in peacetime; deepen and expand quality trend analysis, promote the integration of quality tools into business processes, and improve product quality more effective. 4. Pay close attention to the activation of the team, stimulate the vitality of employees, firmly grasp the first resource element of "people", continuously enhance the vitality of the enterprise, focus on forging a high-quality professional cadre talent team, and continuously improve the ability and level of operation and management.

Promote the implementation of managerial contract management, enhance the mobility of the cadre team, and build a reserve team of cadres; according to the company's business, management The development of science and technology, scientific planning of job responsibilities, and the design of a differentiated salary system to further stimulate the vitality of employees; focus on employee experience, increase non-material incentives and diversity, and improve employee satisfaction; attach great importance to the team of experts Construction, let the team of technical experts play a greater role in business decision-making; take corporate universities as the starting point, solidly promote the construction of qualifications, and cultivate a group of industry experts.

(IV) Risks that may be faced ÿApplicable

ÿNot applicable 1. Macroeconomic risks In

recent years, the international political and economic environment has been complicated and uncertain factors in the external environment have increased. In the post-epidemic era, although China's economy has maintained a steady momentum of development, its future growth will face greater uncertainty. The company still faces operational risks and macroeconomic risks caused by the epidemic. While strengthening operations, the company will do a good job in epidemic prevention and control, continue to promote strategic transformation, actively seek new profit growth points, increase the company's core competitiveness, and lay a solid foundation for the company's long-term development. 2. Technological innovation risk The company belongs to the high-tech industry of optical communication. It is very important for the future development of the company to have its own core technology. Adjust the direction of innovation in a timely manner, and transform innovative achievements into mature products to market. However, if the field of forward-looking technological innovation deviates from the development trend of the industry, or if there is insufficient investment in research and development, the technology cannot be updated in time, and new products that meet the market demand cannot be continuously developed, it may face the risk of declining product competitiveness and customer awareness. adversely affect future operations.

The company will carry out technical reserves and cutting-edge research according to the new development direction and trend of the industry. At the same time, with the goal of "providing complete solutions to customers", it will increase investment in research and development, establish and improve a new product incubation mechanism, through market segmentation and key points. Customers, custom research and development of products to meet the special needs of customers. 3. Human resources risk Talent is the life source of an enterprise, and its importance is self-evident. The company's key management and technical personnel not only need to have excellent management capabilities and rich market development capabilities, but also need to have a profound understanding and accumulation of industries, products and technologies. Although the company has maintained the stability of key teams by establishing a competitive compensation incentive system and restricted stock incentive plan, the company still cannot completely avoid the adverse impact of the loss of key personnel on the company in the future. Once some key personnel are lost, it may bring risks to the company such as the development of new products and new markets being blocked. In addition, the company's demand for professional talents will increase with the company's business expansion and performance growth. Maintaining the inflow of fresh blood and cultivating a competitive and stable international professional talent team is very important for the company's future development. If it fails to continuously introduce and motivate professional talents and strengthen talent training, the company will face the risk of insufficient professional talents, which may lead to backwardness in technological breakthroughs, product innovation, market expansion, and system management.

In response to the above risks, the company will further strengthen the combination of internal selection and training with the introduction of market-oriented talents, and promote the construction of high-quality professional leaders through the establishment of "corporate universities". , Strengthen the construction of talent team. 4. Risk of exchange rate fluctuations Exchange rate fluctuations may bring risks to the company's product export business and assets measured in foreign currencies, including foreign exchange transaction risks arising from inconsistencies in exchange rates between the transaction date and the settlement date in foreign currency-denominated transactions. Assets denominated in foreign currencies bring risks of changes in foreign exchange gains and losses with fluctuations in exchange rates.

In response to possible exchange rate risks, the company strengthens the research on exchange rate trends, controls the rhythm of fund receipts and payments, matches the currency of fund receipts and payments, adopts favorable currencies and settlement methods, and uses financial instruments for hedging. Measures such as agreeing on protective contract terms to reduce the adverse impact of exchange rate fluctuations on the company's performance. 5. The risk of the new crown pneumonia epidemic As the new crown pneumonia epidemic shows a trend of normalization, multi-point distribution and local cluster outbreaks, the regulatory blockade and the voluntary isolation of people flow caused by the epidemic will affect the normal production and operation of enterprises, and the duration and the degree of impact is uncertain; at the same time, it may also lead to an increase in the cost of raw materials, labor and logistics.

(V) Other

ÿApplicable ÿNot Applicable

7. Explanation of the situation and reasons for the company's failure to disclose in accordance with the standards due to inapplicability of the standards or special reasons such as state secrets and business secrets
 secrets yApplicable yNot applicable

Section 4 Corporate Governance

I. Explanation on corporate governance yApplicable yN/A

The governance structure and the company's internal

control system, the company's authority, decision-making body, supervisory body and management have clear powers and responsibilities, standardized operation, and effectively protect the legitimate rights and interests of the company and shareholders. At present, the company has established a corporate governance structure with clear rights and responsibilities, mutual checks and balances, and an effective internal control system in accordance with the requirements of the listed company norms, and has operated in strict accordance with the law. The actual situation of corporate governance meets the requirements of relevant laws and regulations, and there is no regulatory authority issues requiring a deadline for rectification. 1. Regarding shareholders and shareholders' general meetings The company strictly follows the "Articles of Association", "Procedural Rules for General Meetings of Shareholders" and other regulations and requirements, regulates the convening, holding and deliberation procedures of shareholders' general meetings, and hires lawyers to issue legal opinions on the legitimacy of shareholders' general meetings to ensure The equal status of all shareholders, especially the small and medium shareholders, fully exercise the legitimate rights and interests of shareholders, and ensure the shareholders' right to know, participate and vote on the company's major issues. 2. Regarding the relationship between the controlling shareholder and the listed company, the controlling shareholder of the company has a code of conduct, which exercises the rights of the investor through the general meeting of shareholders, and does not go beyond the direct or indirect intervention of the general meeting of shareholders.

Pre-company decision-making and business activities. The company and the controlling shareholder are separated from each other in terms of personnel, assets, finance, organization and business. The company's board of directors, supervisory board and management can operate independently, and the company has independent and complete business and independent management capabilities. During the reporting period, the company did not provide guarantee for the controlling shareholder and its affiliated enterprises, nor did the controlling shareholder occupy the company's funds for non-operational purposes.

3. About directors and the board of directors

The company selects directors in strict accordance with the "Articles of Association". The number and composition of directors comply with relevant laws and regulations. All directors can perform their duties conscientiously and diligently, actively participate in relevant business training, and earnestly study relevant laws and regulations. The rights, obligations and responsibilities of company directors are clearly defined. 4. About Supervisors and the Supervisory Committee The Supervisory Committee of the Company shall perform its duties in strict accordance with relevant laws and regulations and the relevant provisions of the Articles of Association, perform its supervisory functions diligently and conscientiously, and supervise the operation of the company in accordance with the law, including supervising the exercise of functions and powers by the Company's Board of Directors and senior management personnel, and supervising the association of the company. Transaction status, financial position and preparation of periodic reports. 5. About relevant stakeholders The company fully respects the legal rights of customers, employees, suppliers and partners, the public and other stakeholders, and strives to actively cooperate with stakeholders to jointly promote the sustainable and healthy development of the company, taking into account the economic benefits of the company Simultaneous improvement of social benefits.

6. Regarding information disclosure and transparency,

the company has formulated the "Administrative Measures for Information Disclosure" in accordance with the relevant provisions of the "Securities Law", "Shanghai Stock Exchange Listing Rules", "Articles of Association", and "Administrative Measures for Information Disclosure of Listed Companies". Clarify the person responsible for information disclosure, perform information disclosure obligations in a true, accurate, complete and timely manner, disclose the latest information of the company on the newspapers and websites designated by the China Securities Regulatory Commission, ensure the openness, fairness and impartiality of the company's information disclosure, and actively maintain the company and the The legitimate rights and interests of investors, especially minority shareholders. 7. About investor relations During the reporting period, the company established long-term close communication and contact with investors, actively established an investor management system, and designated the secretariat of the company's board of directors as the investor relations management agency to be responsible for daily communication with investors, including Receiving visits from investors, answering hotline calls, replying to email inquiries, and replying to investor questions on the SSE E interactive platform, etc., to ensure that investors keep abreast of company information and safeguard the legitimate rights and interests of investors. Through telephone, network, email, fax and other channels, timely and effectively reply to the relevant questions raised by investors, so as to treat all investors in a true, accurate, complete, timely and equal manner, and strengthen investors' understanding, understanding and understanding of the company. support. Corporate governance is a long-term task of the company. The company will continue to improve the corporate governance structure, improve the internal control mechanism of the company, and further improve the company's directors, supervisors and senior management personnel.

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healthy development.

Whether there is any major difference between corporate governance and laws, administrative regulations and CSRC regulations on listed company governance; if there is a major difference, the reasons should be explained
 yApplicable yNot applicable

2. The specific measures taken by the controlling shareholder and actual controller of the company to ensure the independence of the company's assets, personnel, finance, organization, business, etc., as well as the solutions, work progress and follow-up work plans that affect the company's independence
 yApplicable yNo The applicable company is independent from the controlling shareholder in business, assets, finance and other aspects, and has independent and complete business and independent management capabilities. The controlling shareholder of the company exercises shareholder rights in accordance with the law through the general meeting of shareholders, and there is no behavior that exceeds the authority of the general meeting of shareholders and directly or indirectly interferes with the company's business decision-making and business activities. During the reporting period, the controlling shareholder did not take advantage of its special position to encroach on and damage the interests of the Company and other shareholders.

The situation of the controlling shareholder, actual controller and other units under their control engaged in the same or similar business as the company, as well as the impact on the company of horizontal competition or major changes in horizontal competition, the resolution measures taken, the progress of the resolution and the follow-up resolution plan
 yApplicable yNot applicable

3. Brief introduction to the general meeting of shareholders

Date of the session		The search index of the designated website where the resolution is published	Disclosure date of publication of resolution	meeting outcome
2021 First Extraordinary General Meeting	2021-2-8 www.sse.com.cn	2021-2-9 To consider and approve the	"Proposal on Termination of the Implementation of the 2018 Restricted Stock Incentive Plan and Repurchase and Cancellation of Restricted Stocks that have been granted but have not yet been lifted"	2021- 3-29 www.sse.com.cn 2021-3-30 Deliberation and approval of the "Proposal on
2021 Second Extraordinary General Meeting	the downward revision of	the conversion price of "Fenghuo Convertible Bonds"		
2020 Annual General Meeting	2021-5-21 www.sse.com.cn	2021-5-22 1. Reviewed and approved the	"2020 Work Report of the Board of Directors"; 2. Reviewed and approved the "2020 Work Report of the Supervisory Committee"; 3. Reviewed and approved the "2020 Independent Directors"	4. Reviewed and approved the 2020 Financial Final Report of the Company; 5. Reviewed and approved the Proposal on Estimated Daily Connected Transactions in 2021; Financial Services Agreement> and Proposal on Related Party Transactions; 7. Reviewed and approved the 2020 Company Profit Distribution Plan; 8. Reviewed and approved the Proposal on the Appointment of the 2021 Auditor; 9. Reviewed and approved the 2020 Annual Report Text and Abstract ". 2021-11-5 www.sse.com.cn 2021-11-6 1. Considered and approved the "2021 Restricted Stock Incentive Plan of Fiberhome Technology Co., Ltd. (Draft)" and its summary; 2. Considered and approved the "Beacon Technology Co., Ltd. 2021 Restricted Stock Incentive Plan Performance Appraisal for Limited by Share Ltd
The Third Extraordinary General Meeting of Shareholders in 2021				

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				<p>3. Reviewed and approved the Proposal on Requesting the General Meeting of Shareholders to Authorize the Board of Directors to Handle Matters Related to the Company's 2021 Restricted Stock Incentive Plan; 4. Reviewed and approved the Proposal on the Subsidiary Signing the Project Framework Cooperation Agreement and Related Party Transactions.</p>
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Preference shareholders with restored voting rights request to convene an extraordinary general meeting

☐Applicable ☐Not applicable

Description of the general meeting of

shareholders ☐Applicable ☐Not applicable

(1) Changes in shareholding and remuneration of current and outgoing directors, supervisors and senior management personnel during the reporting period

•Applicable •Not applicable

Unit: share

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									Right to Incentive Share Grant			
He Jianming	Vice President	Male	57	2009-04-21	2022-04-27		250,550	297,216	46,666	Termination of the third tranche of equity incentives Share Repurchase and Fourth Tranche Right to Incentive Share Grant	113	No
Fu Yuhang	Vice President and Treasurer Director of Services	Female	50	2016-04-07	2022-04-27		140,000	181,666	41,666	Termination of the third tranche of equity incentives Share Repurchase and Fourth Tranche Right to Incentive Share Grant	105	No
	Board Secretary			2016-04-07	2023-12-24	Blue Ocean Vice President						no
Male	44	2014-04-17	2022-04-27				234,500	276,166	41,666	Termination of the third tranche of equity incentives Share Repurchase and Fourth Tranche Right to Incentive Share Grant	105	No
Fan Zhiwen	Vice President	Male	42	2018-04-12	2022-04-27		152,500	200,833	48,333	Termination of the third tranche of equity incentives Share Repurchase and Fourth Tranche Right to Incentive Share Grant	100	no
Vice President	Li Shiyu	Male	48	2020-06-01	2022-04-27		70,000	158,333	88,333	Termination of the third phase of equity incentive Share Repurchase and Fourth Tranche Right to Incentive Share Grant	90	No
Fan Zhiqiang	Vice President	Male	45	2020-12-25	2022-04-27		70,000	158,333	88,333	Termination of the third phase of equity incentive Share Repurchase and Fourth Tranche Right to Incentive Share Grant	90	No
Wang Yang,	Vice President	Male	43	2020-12-25	2022-04-27		126,600	214,933	88,333	Termination of the third phase of equity incentive Share Repurchase and Fourth Tranche Right to Incentive Share Grant	90	No
total	/	//		/	/		1,862,150	2,252,146	389,996	/	967.77	/

Name	main working experience
Lu Guoqing is currently the	Party Secretary and Chairman of China Information Technology, the Party Secretary, Executive Director and General Manager of Wuhan Academy of Posts and Technology, and the Party Secretary, Chairman and General Manager of FiberHome Technology. Former Deputy Secretary of the Party Committee of China Information Technology Secretary, Vice Chairman, General Manager, Chief Accountant and Assistant to the President of Wuhan Academy of Postal Sciences.
He Shuping is currently the	general manager of China Information Technology, deputy general manager of Wuhan Post Academy, director and deputy general manager of FiberHome Technology. He used to be the deputy general manager of China Xinke, the company's president and vice president.
Liu Huiya is currently the deputy secretary of the Party Committee of China Information Technology, a member of the Standing Committee of the Party Committee of the Telecommunications Research Institute, and the secretary of the Disciplinary Committee. He used to be a member of the party group and the leader of the discipline inspection team of the Institute of Telecommunications Science and Technology.	
Chen Shanzhi is currently a member of the Standing Committee and Deputy General Manager of the Party Committee of China Information Technology, and Deputy General Manager of the Telecom Research Institute and a member of the Standing Committee of the Party Committee. He used to be the vice president and party member of the Institute of Telecommunications Science and Technology.	

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Ge Jun is currently a member of the Standing Committee and Deputy General Manager of the Party Committee of China Information Technology. He used to be the company's president, vice president, chief financial	
officer and secretary of the board of directors. Wang Weihua is currently the Director of the Group Customer Department of Hunan Communication Industry Service Co., Ltd. He used to be the chief engineer and deputy general manager of Hunan Provincial	
Posts and Telecommunications Planning and Design Institute. Tao Jun is currently the deputy general manager and chairman of the labor union of Jiangsu Communications Service Co., Ltd. He used to be the general manager of Jiangsu Posts and	
Telecommunications Construction Engineering Co., Ltd. Tian Zhilong is currently a professor, doctoral supervisor, academic committee and teaching committee member of the School of Management, Huazhong University of Science and Technology; independent director of Changjiang Futures Co., Ltd., Zhejiang Yate Electric Co., Ltd.	
independent director of the company.	
Wang Xiongyuan is currently a professor and doctoral supervisor of Zhongnan University of Economics and Law; an independent director of Sichuan Xexin Electromechanical Co., Ltd. and Hubei Dinglong Holding Co., Ltd., and an independent director of Bank of Jinzhou Co., Ltd.	
Non-Executive Director.	
Guo Yuemei is currently a professor and doctoral supervisor of the School of Finance and Taxation, Zhongnan University of Economics and Law; independent director of Jinglun Electronics Co., Ltd., Hubei Chutian Intelligent Transportation Co., Ltd., Aier Eye Hospital Group Co., Ltd., and Beijing Aerospace Hengfeng Technology Co., Ltd. .	
Chen Zhen is currently the partner and lawyer of Hubei Today Law Firm; Yu Shaohua, securities dispute mediator of China Securities Association and China Securities Capital Market Legal Service Center, is currently the deputy general manager of China	
Information Technology, the deputy general manager of Wuhan Post Academy, and the deputy general manager of FiberHome Technology. . He used to be the assistant to the president of the Wuhan Institute of Posts and Telecommunications Science, the chief engineer of the institute, and the vice president of the company. Ding Feng is	
currently the director of the general manager's office of China Information Technology Co., Ltd., and he was the deputy secretary and vice president of the general party branch of Wuhan Hongxin Communication Technology Co., Ltd. Wu Haibo is currently the Director of the Financial Management Department of China Information Technology.	
He used to be the chief financial officer and securities affairs representative of Wuhan Guangxun Technology Co., Ltd. Zhang Haiyan is currently the Director of the Foreign Affairs Office of China Information Technology. He Yan is currently the senior R&D project manager of the pre-research department of the company's broadband business	
output line; he used to be the company's network output line senior R&D project manager and special manager of the company's broadband product department. Yin Shuni is currently the contract manager of the assembly department of the company's system equipment manufacturing department. Ye Qing is currently the Human Resources	
Director of Wuhan Fiberhome Information Integration Technology Co., Ltd. Zeng Jun is currently the president and deputy secretary of the party committee of the company. He used to be the vice president of the company and the general manager of Wuhan Fiberhome Technology Service Co., Ltd. He Jianming is currently the Secretary of	
the Party Committee and Vice President of the company. Former assistant to the president of the company. Fu Yuhang is currently the vice president, chief financial officer and secretary of the board of directors of the company. He used to be a supervisor of the company, director and deputy director of the Financial Management Department	
of Wuhan Academy of Postal Sciences. Lan Hai is currently the vice president of the company. He used to be the president of the company's cable production line. Fan Zhiwen is currently the vice president of the company. He used to be the president and vice president of the company's network production line, the deputy general manager	
of the optical network product department, and the general manager of Wuhan Feisiling Microelectronics Technology Co., Ltd. Li Shiyu is currently the vice president of the company. He used to be the assistant to the president of the company, the president and vice president of the cable production line, etc. Fan Zhiqiang is currently the vice	
president of the company. He used to be the assistant to the president of the company, the general manager, deputy general manager and executive deputy general manager of Wuhan Fiberhome International Technology Co., Ltd. Wang Yang is currently the vice president of the company. He used to be the assistant to the president of the	
company, the general manager and deputy general manager of Nanjing Fiber Mars Air Communication Development Co., Ltd. Description of other situations yApplicable yNot applicable	

(2) Positions of current and outgoing directors, supervisors and senior management during the reporting period

1. Positions in shareholder units

√Applicable √Not applicable

Name of staff member Lu	Name of shareholder unit Position held in shareholder unit	
Guoqing	Party Secretary, Chairman and General Manager of FiberHome Technology Group Co., Ltd.	
	Party Secretary, Executive Director and General Manager of Wuhan Academy of Posts and Telecommunications Co., Ltd.	
	Secretary of the Party Committee and Chairman of China Information and Communication Technology Group Co., Ltd.	
He Shuping	Director and Deputy General Manager of FiberHome Technology Group Co., Ltd.	
	Deputy General Manager of Wuhan Research Institute of Posts and Telecommunications Co., Ltd.	
	General Manager of China Information and Communication Technology Group Co., Ltd.	
Chen Shanzhi	Deputy General Manager and Member of the Standing Committee of the Party Committee of China Information and Communication Technology Group Co., Ltd.	
Ge Jun Yu	Deputy General Manager and Member of the Standing Committee of the Party Committee of China Information and Communication Technology Group Co., Ltd.	
Shaohua	Director and Deputy General Manager of FiberHome Technology Group Co., Ltd.	
	Deputy General Manager of Wuhan Research Institute of Posts and Telecommunications Co., Ltd.	
	Deputy General Manager of China Information and Communication Technology Group Co., Ltd.	
Ding Feng	Supervisor of FiberHome Technology Group Co., Ltd.	
	Supervisor of Wuhan Research Institute of Posts and Telecommunications Co., Ltd.	
	Director of the General Manager's Office of China Information and Communication Technology Group Co., Ltd.	
Wu Haibo and	Director of Financial Management Department of China Information and Communication Technology Group Co., Ltd.	
Zhang Haiyan	Director of Foreign Affairs Office of China Information and Communication Technology Group Co., Ltd.	
are serving as shareholders	FiberHome Technology Group Co., Ltd. is the controlling shareholder of the company, Wuhan Academy of Posts and Telecommunications Co., Ltd.,	
job description	China Information and Communication Technology Group Co., Ltd. is the indirect controlling shareholder of the company.	

2. Employment in other units

√Applicable √Not applicable

Staff last name name	Other unit name	Positions held in other units
Lu Guoqing	Wuhan Optical Valley Fiberhome Technology Venture Capital Co., Ltd. He Shuping Wuhan Polytechnic	Chairman
	Optical Technology Co., Ltd. Wuhan Fiberhome International Technology Co., Ltd. Telecom Science and Technology	Chairman
	Research Institute Co., Ltd. SMIC International Integrated Circuit Manufacturing	Chairman
Chen Shanzhi	Co., Ltd. Fiberhome Super Micro Information Technology Co., Ltd. Jiangsu Province	Member of the Standing Committee of the Party Committee, Deputy General Manager
	Telecommunications Industry Group Co., Ltd. Jiangsu Communication Service Co.,	director
Ge	Ltd. Jiangsu Telecommunications Industry Qiaoning Real Estate Co., Ltd. Wang	Chairman
Juntaojun	Weihua Hunan Communication Industry Service Co., Ltd. Tian Zhilong Huazhong	director
	University of Science and Technology Changjiang Futures Co., Ltd. Zhejiang Yate	Director, Deputy General Manager, Chairman of the Labor Union
	Electric Co., Ltd. Zhongnan University of Economics and Law Sichuan Kexin	Chairman
Electromechanical Co., Ltd. Hubei	Dinglong Holding Co., Ltd. Bank of Jinzhou Co., Ltd. Zhongnan University of	Group Account Director
Economics and Law Jinglun Electronics Co., Ltd. Hubei Chutian Intelligent Transportation Co., Ltd. Aier Eye Hospital		professor
	Group Co., Ltd. Beijing Aerospace Hengfeng Technology Co., Ltd.	independent director
		independent director
Wang Xiongyuan		Professor, Doctoral Supervisor
		independent director
		independent director
		independent director
Guo Yuermei		Professor, Doctoral Supervisor
		independent director
		independent director
		independent director
		independent director

Chen Zhen	Hubei Today Law Firm Wuhan Tongbo	partner, lawyer
Ding Feng	Technology Co., Ltd. Wuhan Zhongzhi Digital	Chairman
	Technology Co., Ltd. Wuhan Optical Valley Fiberhome	Chairman of the Supervisory Board
	Technology Venture Capital Co., Ltd. Wu Haibo Wuhan Guangxun Technology	Chairman of the Supervisory Board
Co., Ltd. Wuhan Changjiang Communication Industry Group Co., Ltd. CITIC Mobile Communication Technology		director
	Co., Ltd. Company Wuhan Tongbo Technology Co., Ltd.	director
		Chairman of the Supervisory Board
		Chairman of the Supervisory Board
Zhang Haiyan Director of Wuhan Fiberhome International Technology Co., Ltd.		
Zeng Jun, Chairman of Wuhan Fiberhome Network Co., Ltd.		
	Director of GF Fund Management Co., Ltd.	
He Jianming	Chairman of Wuhan Feisiling Microelectronics Technology Co., Ltd.	
	Director of Wuhan Fiberhome Information Integration Technology Co., Ltd.	
	Director of Wuhan Fiberhome International Technology Co., Ltd.	
	Director of FiberHome Supermicro Information Technology Co., Ltd.	
Director of Fu Yuhang Wuhan Fiberhome Network Co., Ltd.		
	Director of Wuhan Fiberhome International Technology Co., Ltd.	
	Supervisor of Wuhan Fiberhome Information Integration Technology Co., Ltd.	
blue ocean	Chairman of Wuhan Fiberhome Potian Information Technology Co., Ltd.	
	Chairman of Wuhan Fiberhome Information Integration Technology Co., Ltd.	
	Chairman of Xiamen Fiberhome Media Technology Co., Ltd.	
	Chairman of Xinjiang Digital Corps Information Industry Development Co., Ltd.	
	Nanjing Fiber Mars Air Communication Development Co., Ltd.	director
	Wuhan Smart City Construction Development Co., Ltd. Hubei	director
	Chutian Cloud Co., Ltd.	director
Fan Zhiwen Wuhan Fiberhome Information Integration Technology Co., Ltd. Wuhan Feisiling		director
	Microelectronics Technology Co., Ltd. Fiberhome Super Micro	director
	Information Technology Co., Ltd. Wuhan Fiberhome International	director
	Technology Co., Ltd. Xi'an Northern Optical Communication Co.,	director
Li Shiyu	Ltd. Fiberhome Fujikura Optical Fiber Technology Co., Ltd. Fujikura	Chairman
	Fiberhome Optoelectronics Material Technology Co., Ltd. Wuhan	Chairman
	Fiberhome International Technology Co., Ltd. Fan Zhiqiang Wuhan	Vice Chairman
	Fiberhome Technology Service Co., Ltd. Wuhan Fiberhome	director
International Technology Co., Ltd. Xi'an Fiberhome Software Technology Co., Ltd. Nanjing Fiberhome		Chairman
	World Communication Technology Co., Ltd. Nanjing Fiberhome	director
Wang Yang	Space Communication Development Co., Ltd. Beijing Aerospace	Executive Director, General Manager
	Ideal Technology Co., Ltd. Co., Ltd. Fiberhome Cloud Technology	Executive Director, General Manager
	Co., Ltd., Telecom Science and Technology Research Institute Co.,	director
	Ltd., and CITIC Mobile Communication Technology Co., Ltd. are	director
	China Telecom	director
in other units of employment illustrate	<p>a subsidiary controlled by the Division;</p> <p>SMIC Integrated Circuit Manufacturing Co., Ltd. is a subsidiary of China Telecom Science and Technology Research Institute Co., Ltd.</p> <p>company;</p> <p>Wuhan Tongbo Technology Co., Ltd. is a subsidiary controlled by Wuhan Academy of Posts;</p> <p>Wuhan Guangxun Technology Co., Ltd., Wuhan Changjiang Communication Industry Group Co., Ltd., Wuhan Li</p> <p>Gongguang Technology Co., Ltd., Wuhan Optical Valley Fiberhome Technology Venture Capital Co., Ltd., Wuhan Zhongzhi Digital</p> <p>Technology Co., Ltd. is a subsidiary controlled by FiberHome Technology.</p> <p>Wuhan Fiberhome Information Integration Technology Co., Ltd., Nanjing Fiberhome Air Communication Development Co., Ltd., Fiberhome Sea</p>	

	<p>Ocean Network Equipment Co., Ltd., Wuhan Fiberhome Ruituo Technology Co., Ltd., and Fiberhome Cloud Technology Co., Ltd. are all wholly-owned subsidiaries of Fiberhome Communications. Wuhan Fiberhome International Technology Co., Ltd., Fiberhome Super Micro Information Technology Co., Ltd., Wuhan Feisiling Microelectronics Technology Co., Ltd., Fiberhome Fujikura Optical Fiber Technology Co., Ltd., and Wuhan Smart City Construction and Development Co., Ltd. are all subsidiaries of Fiberhome Communications. Hubei Chutian Cloud Co., Ltd., Wuhan Fiberhome Potian Information Technology Co., Ltd., Fujikura Fiberhome Photoelectric Material Technology Co., Ltd., Xinjiang Digital Corps Information Industry Development Co., Ltd., and GF Fund Management Co., Ltd. are all Fiberhome Communication companies. Wuhan Fiberhome Network Co., Ltd. is a wholly-owned subsidiary of Wuhan Fiberhome Information Integration Technology Co., Ltd., a wholly-owned subsidiary of Fiberhome Communications. Wuhan Fiberhome Technology Service Co., Ltd. is a holding subsidiary of Wuhan Fiberhome Information Integration Technology Co., Ltd., a wholly-owned subsidiary of Fiberhome Communications. Xi'an Fiberhome Software Technology Co., Ltd. and Nanjing Fiberhome Tiandi Communication Technology Co., Ltd. are wholly-owned subsidiaries of Nanjing Fiberhome Communication Development Co., Ltd., a wholly-owned subsidiary of Fiberhome; Beijing Aerospace Ideal Technology Co., Ltd. is Nanjing Fiberhome Communication Development Co., Ltd. shareholding company. Xiamen Fiberhome Media Technology Co., Ltd. is a joint stock company of Wuhan Fiberhome Potian Information Technology Co., Ltd., a subsidiary of Fiberhome Communications.</p>
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(3) Remuneration of directors, supervisors and senior management personnel

☐Applicable ☐Not applicable Decision-making procedures for remuneration of

directors, supervisors and senior management personnel	<p>According to the relevant provisions of the "Articles of Association", the remuneration of the company's directors and supervisors shall be reviewed and decided by the company's general meeting of shareholders; the remuneration of senior management personnel shall be reviewed and decided</p>
	<p>by the company's board of directors. The annual remuneration of the company's directors and supervisors and the annual remuneration of senior management personnel are determined by the company's general meeting of shareholders and the board of directors after a comprehensive balance of many factors such as the company's operating scale, operating performance, and the annual remuneration level of managers of high-tech companies in the same industry and region. Fixed salary is paid monthly, and performance salary is paid after assessment.</p>
Actual payment of remunerations to directors, supervisors and senior executives Total	
remunerations actually received by all directors, supervisors and senior executives at the end of the reporting period	<p>During the reporting period, the directors (excluding independent directors), supervisors and senior executives who were paid by the company actually received a total of 9.5177 million yuan, or 793,100 yuan per capita. During the reporting period, the company's independent directors actually received a total of 160,000 yuan in remuneration.</p>

(IV) Changes of directors, supervisors and senior management of the company ☐Applicable

☐Not applicable Name

	Positions held President	Changes	Reason for change
Ge Jun	President	outgoing	Job change Appointment of
Zeng Jun		appointment	board of directors

(V) Explanation on punishments by securities regulatory authorities in the past three

years ☐Applicable ☐Not applicable

(VI) Other

☐Applicable ☐Not applicable

V. Information about the Board of Directors held during the reporting period

Date of the meeting session	The first extraordinary	meeting outcome
meeting of the eighth board of directors	2021-1-21 1. To consider	and approve the "Proposal on Termination of the Implementation of the 2018 Restricted Stock Incentive Plan and Repurchase and Cancellation of Restricted Shares that have been granted but have not yet been lifted";

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		2. Reviewed and approved the "Proposal on Amending the Articles of Association"; 3. Reviewed and approved the "Proposal on Holding the First Extraordinary General Meeting of Shareholders in 2021". 2021-3-12 1. To consider and approve the "Proposal on Proposing Downward Amendment to the Conversion Price of Corporate Bonds"; 2. To consider and approve the "Proposal on Holding
The Second Extraordinary Meeting of the Eighth Board of Directors	the Second Extraordinary General Meeting of Shareholders in 2021". 2021-3-29 Deliberation and approval of the "Proposal on Determining the Downward Correction of the Conversion Price of "Fenghuo Convertible Bonds" 2021-4-15 1. Deliberation and approval of the 2020 Company Operation Report; 2. Deliberation and approval of the 2020 Company 3. Reviewed and approved the "2020 Work Report of the Board of Directors"; 4. Reviewed and approved the "2020 Work Report of Independent Directors"; 5. Reviewed and approved the "2020 Audit Committee	
The third extraordinary meeting of the eighth board of directors The second	Performance Report"; Estimated Proposal for Routine Related Party Transactions in 2021; 7. Reviewed and approved the Proposal on Signing the Financial Services Agreement and Related Party Transactions with Datang Telecom Group Finance Co., Ltd.; 8. Reviewed and approved the 2020 Profit	
meeting of the eighth board of directors	Distribution Plan; 9 , reviewed and approved the "2020 Internal Control Self-Assessment Report"; 10. reviewed and approved the "2020 Internal Control Audit Report"; 11. reviewed and approved the company's "2020 Sustainability Report"; 12. Reviewed and approved the "2020 Company Raised Funds" Special Report on Storage and Actual Use; 13. Considered and approved the Proposal on Implementing the New Lease Standards and Changes in Relevant Accounting Policies; 14. Considered and approved the Proposal on the Appointment of the 2021 Auditor; 15. Considered and approved the 2020 16. To consider and approve the "Proposal on Holding the 2020 Annual General Meeting of Shareholders".	
The third meeting of the eighth session of the board of directors The fourth	2021-4-29 The "Company 2021 First Quarterly Report" was reviewed and approved	
extraordinary meeting of the eighth session of the board of directors The fifth	2021-6-23 Deliberation and approval of the "Proposal on the Indirect Controlling Shareholder's Proposed Capital Increase in the Holding Subsidiary Wuhan Feisiling Microelectronics Technology Co., Ltd. and Related Transactions" 2021-7-25 1. Deliberation and approval of the "Beacon Communication	
extraordinary meeting of the eighth session of the board of directors	Technology Co., Ltd. 2021 restrictive Stock Incentive Plan (Draft)" and its summary; 2. Considered and approved the "Performance Appraisal Measures for Fiberhome Communication Technology Co., Ltd.'s 2021 Restricted Stock Incentive Plan"; 4. To consider and approve the "Proposal on Proposal to Hold the Company's Extraordinary General Meeting of Shareholders". 2021-8-26 1. Considered and approved the Company's "Special Report on the Deposit and Actual Use of Raised Funds for the Semi-annual 2021"; 2. Considered and approved the full text and abstract of the Company's "2021 Semi-annual Report"; President's Proposal. 2021-10-14 Reviewed and approved the "Proposal on the Subsidiary Signing the Project Framework Cooperation Agreement and	
The Fourth Meeting of the Eighth Board of Directors	Related Party Transactions" 2021-10-22 1. Reviewed and approved the company's "2021 Third Quarterly Report"; 2. Reviewed and approved the "2021 Annual Report" Proposal for Estimated Routine Related Party Transactions. 2021-10-29 Deliberation and approval of the "Regarding the Investment in Wuhan Optics Valley Fiberhome Industry Investment Fund Partnership (with	
The sixth interim meeting of the eighth board of directors The fifth meeting of		
the eighth board of directors		
The Seventh Interim Meeting of the Eighth Board of Directors		Limited Partnership) Proposal for Additional Investment and Related Party Transactions"

The eighth board of directors eight ad hoc meetings	2021-11-10 1. Considered and approved the "Regulations on Adjusting the Company's 2021 Restricted Stock Incentive Plan" Proposal for Granting the List of Incentive Objects"; 2. Reviewed and approved the "Regarding the Company's Compliance with the Conditions for Granting Restricted Stocks and the Incentive The Proposal on Granting Restricted Stocks to Objects"; 3. Considered and approved the "On the Use of Part of Idle Raised Funds to Temporarily Supplement Working Capital" King's Proposal.
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VI. Directors' performance of duties

(1) Directors' participation in the board of directors and shareholders' general meetings

director Name	whether independent director	Participation in the Board of Directors						participating shareholders General Assembly
		This year should Participate in Dong meeting times number	personally Attend frequency	to communicate way parameter add times	entrust number of seats	absent frequency	Is it continuous never kissed twice self-attendance Discussion	shareholders present times of the assembly number
Whether Lu Guoqing is		12	12	10	0	0 No	0 No	4
Liu Huiya or He Shuping		12	11	10	1	0 No	0 No	4
is Chen Shanzhi or Ge		12	12	10	0	0 No	0 No	4
Jun or Tao Jun is Wang		12	12	10	0	0 No	0 No	4
Weihua or Tian Zhilong		12	12	10	0	0 No	0 No	4
is Wang Xiongyuan or		12	12	10	0	0 No	0 No	4
Guo Yuemei is Chen		12	12	10	0	0 No		4
Zhen		12	12	10	0			4
		12	12	10	0			4
		12	12	10	0			4
		12	12	10	0			4

Instructions for not attending two consecutive board meetings in person

ÿApplicable ÿNot applicable

The number of board meetings held during the year	12
Including: the number of on-site meetings The number of	2
meetings held by means of communication The number of	10
meetings held on-site combined with the means of communication	0

(2) Dissents raised by directors on matters related to the company

ÿApplicable ÿNot applicable

(3) Others

ÿApplicable ÿNot applicable

7. Special Committees under the Board of Directors

ÿApplicable ÿNot applicable

(1) Membership of special committees under the board of directors

Special Committee Category Member Name	
Audit Committee Wang Xiongyuan (Chairman), Guo Yuemei, Tian Zhilong, Wang Weihua, He Shuping	
Remuneration and Appraisal Committee Tian Zhilong (Chairman), Wang Xiongyuan, Chen Zhen, Guo Yuemei, Tao Jun	
Strategic Committee Lu Guoqing (Chairman), Liu Huiya, Chen Shanzhi, Ge Jun, Wang Weihua, Tao Jun, Chen Zhen	

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(2). During the reporting period, the Strategy Committee held 2 meetings

Date of meeting	Contents of the meeting	Important opinions and suggestions
		listen to the special report, and suggest that the company base itself on the main business of optical network, build a coordinated layout of cloud network and terminal core, and help the company's digital transformation; continue to increase investment in independent research and development, continuously improve the level of domestic substitution, and continue to strengthen the core competitiveness of the company's products. Listening to the special report, it is suggested that the company seize the
2021-8-26	The first meeting of the Strategy Committee in 2021	development opportunities brought by information application technology innovation, take the information technology industry as the foundation, actively strengthen ecological cooperation, rationally plan the development direction, improve the competitiveness of solutions through technological innovation, and strongly support the company's future health Rapid development.

(3). During the reporting period, the Remuneration and Appraisal Committee held 2

meetings. Date of the meeting	Contents of the meeting	Important opinions and suggestions
2021-1-15	The first meeting of the Remuneration and Appraisal Committee in 2021	Review the subject qualifications of the incentive objects of the "2021 Restricted Stock Incentive Plan"
2021-1-28	The second meeting of the Remuneration and Appraisal Committee in 2021	Review the subject qualifications of the incentive objects of the "2021 Restricted Stock Incentive Plan"

(4) During the reporting period, the Audit Committee held 4 meetings Date of

of the Audit Committee	Contents of the meeting	Important Opinions and
2021-1-28	The first meeting of the Audit Committee in 2021	Suggestions After listening to the introduction of Lixin Certified Public Accountants (Special General Partnership) on the annual financial and internal control audit work schedule and work plan, paying attention to the key issues of this year's audit, and agreeing to the audit work time of Lixin Certified Public Accountants (Special General Partnership) arrange. 1. Heard the preliminary audit opinions of Lixin Certified Public
2021-3-23	The second meeting of the Audit Committee in 2021	Accountants (Special General Partnership), reviewed the first draft of the annual financial accounting statements prepared by the company (unaudited), and believed that the annual financial statements of the company could be prepared in accordance with the requirements of the new accounting standards, and were basically in line with the financial statements. The relevant regulations of the Ministry of Finance and the China Securities Regulatory Commission and other relevant departments; the first draft of the annual financial statements (unaudited) prepared by the company can basically reflect the actual production and operation of the company; 2. Listen to the company's "2020 Internal Audit Work Report and 2021 Annual Work Plan" In the report, no major problems were found in the internal audit work, and the 2021 work plan was recognized. 1. Reviewed and approved the Company's 2020 Final Accounts Report; 2. Reviewed and
2021-4-14	The third meeting of the Audit Committee in 2021	approved the Company's 2020 Annual Report, believing that the content and format of the report conform to the compilation requirements of the China Securities Regulatory Commission and the Shanghai Stock Exchange, and the information contained can be authentic It reflects the company's operation management and financial status in the current year; 3. Reviewed and approved the "2020 Internal Control Self-Assessment Report" of the company, and believed that the report truly reflected the basic situation of the company's internal control and had no major defects; 4. Reviewed and approved the "2020 Internal Control Self-Assessment Report" Proposal on Implementing the New Lease Standards; 5. Considered and approved the Proposal on Renewal of Accounting Firms by the Company, and agreed to propose to the Board of Directors to re-appoint Lixin Certified Public Accountants (Special General Partnership) as the Company's 2021 annual audit and internal control audit institution; 6. Deliberated and approved the "Proposal on Estimated Daily Connected Transactions in 2021"; 7. Deliberated and approved the "About Signing with Datang Telecom Group Finance Co., Ltd."

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		<p>Financial Services Agreement > Proposal for Related Party Transactions.</p> <p>Agree to submit the above proposal to the second meeting of the eighth board of directors of the company for review discussion.</p> <p>8. Listen to the company's management suggestions from the annual audit accounting firm, and hope that the company</p> <p>In accordance with the recommendations of the management proposal, the management has improved the internal control links of the company.</p> <p>The Company has established sufficient and various financial management systems to continuously improve the level of corporate governance.</p>
2021-8-26 Audit Committee	2021 Fourth meeting of the year	<p>Reviewed and approved the company's "2021 Semi-annual Report" and agreed to submit the report to the</p> <p>It was submitted to the 4th meeting of the 8th Board of Directors of the Company for deliberation.</p>

(5) The specific circumstances of the objection

☐Applicable ☐Not applicable

8. Explanation of the Board of Supervisors finding that the company has risks

☐Applicable ☐Not applicable

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

IX. Employees of the parent company and major subsidiaries at the end of the reporting

period (I) Employees

Number of on-the-job employees of the	8,758
parent company Number of on-the-job employees of	7,630
major subsidiaries Total number of active employees	16,388
	452
Professional Composition	Professional composition
Category Production	3,767
Personnel Sales Personnel	4,099
Technical Personnel	7,396
Financial Personnel	216
Administrative Personnel	910
Total	16,388
education level	
Educational level category	Quantity (person)
PhD, master's,	58
undergraduate,	3,529
college and below	9,063
total	3,738
	16,388

(2) Remuneration policy

☐Applicable ☐Not applicable

In 2021, the company will continue to optimize the salary incentive system, sort out and evaluate the salary status of various personnel, and clarify the investment of resources point, and formulate personalized salaries for personnel in R&D systems, marketing systems, key links in the value chain and other management service support systems policies; innovative incentive and management models, through the establishment of medium and long-term incentive models, continue to improve the income level and Competitive remuneration, thereby enhancing employee satisfaction and sense of belonging. The company pays five insurances and one housing fund for employees in accordance with the law, and provides employees with Work dormitory, meal allowance, paid annual leave, leisure activities and other benefits, to give employees the greatest care and protection.

The company will continue to optimize the salary structure and standards, improve performance management methods, and make performance management more targeted, timely, and Orientation and motivation. Strive to create a mechanism and environment for attracting talents, retaining talents, and assigning them according to work, and attracting more outstanding talents

Talent grows with the company.

(III) Training plan

Applicable Not applicable

During the reporting period, the company continued to improve the training system and training mechanism construction by serving the company's strategy and driving business development, focusing on reform and development, talent team building and employee growth needs. "University" and other different training forms, organize appropriate training for employees at different levels and positions, and continuously build a new training system that combines centralized and decentralized, internal and external training, theory and practice, and online and offline. Form a new pattern of multi-level, multi-form and multi-category education and training, and create a learning, practical and innovative workforce.

In 2022, the company will gradually improve the training map that matches the career development channel through training management work combined with the talent development needs of the company's employees, improve the professional quality, professional level and work ability of employees, accelerate job competency, and provide talent guarantee for the company to achieve its strategic development goals. .

(IV) Outsourcing of labor services

Applicable Not applicable

X. Profit distribution or capital reserve conversion plan (1)

Formulation, implementation or adjustment of cash dividend policy

Applicable Not applicable The

company has revised the relevant provisions on cash dividends in the Articles of Association and the Rules of Procedure for the General Meeting of Shareholders in accordance with the requirements of the China Securities Regulatory Commission's "Notice on Further Implementing Issues Related to Cash Dividends of Listed Companies" and in light of the company's actual business needs , and formulated the "Fenghuo Communication Technology Co., Ltd.'s Shareholder Dividend Return Plan for the Next Three Years (2022-2024)", which further clarified the basic principles of profit distribution policies, specific distribution policies, review and decision-making procedures and mechanisms, and plan implementation. . The company's current profit distribution policy is in line with the relevant provisions of the "Articles of Association", which can fully protect the legitimate rights and interests of minority shareholders. In 2021, the company has not adjusted the relevant policies on cash dividends.

The company has always attached importance to stable returns to shareholders, and has been effectively implemented. Since the company was listed in 2001, the profit distribution policy has maintained continuity and stability, and cash dividends are distributed every year, with a total cumulative dividend of about 3.2 billion yuan (excluding 2021).

(II) Special explanation of cash dividend policy

Whether the minority shareholders have the

opportunity to fully express their opinions and demands, and whether their legitimate	Yes No Yes
rights and interests have been fully protected	No Yes No
	Yes No Yes
	No

(3) In the reporting period, if the parent company is profitable and the profit available to shareholders for distribution by the parent company is positive, but no cash profit distribution plan has been proposed,

The company shall disclose the reasons in detail and the use and use plan of the undistributed profits

Applicable Not applicable

XI. Situation and impact of the company's equity incentive plan, employee stock ownership plan or other employee incentive measures

Matters Overview	query index
In view of the continued implementation of the company's "2018 Restricted Stock Incentive Plan", it will be difficult to announce the number: 2021-003,	

<p>To achieve the expected incentive purpose and effect, in order to fully implement the employee incentive mechanism,</p> <p>Protect the interests of employees, the company and all shareholders, and combine the company's future development regulations</p> <p>According to the "2018 Restricted Shares of FiberHome Communication Technology Co., Ltd.</p> <p>The relevant regulations of the Incentive Plan (Draft), approved by the company for the first time in 2021</p> <p>Considered and approved by the extraordinary general meeting, it was decided to terminate the implementation of restricted shares in 2018</p> <p>Ticket incentive plan, repurchase and cancellation of 1,755 incentive objects have been awarded but not yet released</p> <p>A total of 38,611,173 shares of all restricted stocks except restricted stocks will be issued in 2021.</p> <p>On April 19, the repurchase and cancellation were completed.</p>	<p>2021-004~2021-005~</p> <p>2021-008~2021-017</p>
<p>In order to further promote the construction of the modern enterprise system, build the company's directors and senior management</p> <p>The medium- and long-term incentive and restraint mechanism for managers and employees in key positions has been approved by the company.</p> <p>The third extraordinary general meeting of shareholders in 2021 was reviewed and approved, and the company plans to implement the 2021</p> <p>Annual restricted stock incentive plan. After the eighth extraordinary meeting of the eighth board of directors</p> <p>and reviewed and approved at the third extraordinary meeting of the eighth session of the Board of Supervisors, and determined that the</p> <p>November 10, 2009 was the grant date, and 1,773 incentive objects were actually awarded</p> <p>56,283,000 restricted shares to be completed on December 13, 2021</p> <p>Share registration.</p>	<p>Announcement No.: 2021-038,</p> <p>2021-040~2021-057~</p> <p>2021-059~2021-061~</p> <p>2021-062~2021-065</p>

(2) Incentives not disclosed in the temporary announcement or with follow-up progress

Equity incentives

~Applicable ~Not applicable

other instructions

~Applicable ~Not applicable

Employee stock ownership plan

~Applicable ~Not applicable

other incentives

~Applicable ~Not applicable

(3) Share incentives granted to directors and senior executives during the reporting period

~Applicable ~Not applicable

~Applicable ~Not applicable

Unit: share

name title	holding at the beginning of the year	limited sex stock quantity	New in the reporting period Grant restrictions number of sex stocks quantity	restricted stock grant of ticket price (Yuan)	unlocked shares	Unlocked shares share	held at the end of the period restricted stock number of tickets	end of reporting period Market price (yuan)
Zeng Jun President	He	93,334	140,000	11.74	0	140,000	140,000 2,517,200	
Jianming Vice President, Party	Secretary of the Committee	93,334	140,000	11.74	0	140,000	140,000 2,517,200	
Fu Yuhang Vice President, Finance	Director, Director board secretary	93,334	135,000	11.74	0	135,000	135,000 2,427,300	
Blue Ocean Vice President 93,334 Fan	Zhiwen Vice		135,000	11.74	0	135,000	135,000 2,427,300	
President 86,667 Li Shiyu Vice President 46,667 Fan			135,000	11.74	0	135,000	135,000 2,427,300	
Zhiqiang Vice President 46,667			135,000	11.74	0	135,000	135,000 2,427,300	
			135,000	11.74	0	135,000	135,000 2,427,300	

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Vice President	Wang Yang	46,667	135,000	Total / 600,004	1,090,000	11.74 /	0	135,000	135,000	2,427,300	0	1,090,000	1,090,000	/
						Note: Due								

to the company's decision to terminate the implementation of the 2018 restricted stock incentive plan, a total of 600,004 restricted shares held by the above personnel at the beginning of the year have been repurchased and cancelled on April 19, 2021.

(IV) Evaluation mechanism for senior management personnel and the establishment and implementation of incentive mechanism during the reporting period ☐Applicable

☐Not applicable The company has established a performance evaluation system for senior management personnel. In accordance with the requirements of the

"Governance Guidelines for Listed Companies", the remuneration and assessment professional committee under the board of directors has established an incentive and restraint mechanism, and is responsible for the formulation of remuneration policies and the review of remuneration plans. The Remuneration and Appraisal Committee evaluates the company's senior executives and the units they are responsible for in terms of business performance and management indicators according to the company's annual financial report's various evaluation indicators and annual business plan objectives.

In order to promote the sustainable and healthy development of the company and build a medium and long-term incentive and restraint mechanism for the company's directors, senior managers and employees in key positions, the company implemented a new stock incentive plan in 2021. This restricted stock incentive plan effectively combines the interests of shareholders, the company and employees through the setting of company performance indicators and the performance appraisal of incentive objects, so as to further enhance the company's competitiveness and sustainable development capabilities. , to achieve the company's future development strategy and maximize shareholder value.

XII. The construction and implementation of the internal control system during the reporting

period ☐Applicable ☐N/A On the basis of a strict internal control management system,

combined with the characteristics of the industry and the actual operation of the enterprise, the internal control system has been continuously improved and refined, which has improved the decision-making efficiency of the enterprise, provided a guarantee for the legal compliance of enterprise operation and management and asset safety, and effectively promoted the Steady implementation of company strategy.

The company's internal control system has a reasonable structure, and the internal control system framework meets the requirements of the Ministry of Finance, the China Securities Regulatory Commission and other five ministries and commissions for the integrity, rationality and effectiveness of the internal control system, and can meet the needs of company management and development. The company has continuously improved the internal control system, and the internal control operation mechanism is effective, which has achieved the expected internal control objectives and protected the interests of the company and all shareholders.

The sixth meeting of the eighth board of directors of the company reviewed and approved the company's "2021 Internal Control Evaluation Report".
See the Shanghai Stock Exchange website.

Explanation of major defects in internal control during the reporting period

☐Applicable ☐Not applicable

XIII. Management and control of subsidiaries during the reporting period ☐Applicable ☐Not

applicable During the reporting period, the company promoted the subsidiaries to improve

the work system of each governance body in accordance with the "Articles of Association", "Management Measures for Holding Subsidiaries" and other management regulations. Strengthen the selection, appointment, dismissal and assessment of personnel in important positions in each subsidiary, manage or supervise the standardized operation, information disclosure, financial capital, operation and other matters of the subsidiary subsidiaries, and fully mobilize the subsidiaries in accordance with the requirements of modern corporate governance and market-oriented operation. Company dynamism and people motivation.

14. Relevant information on the internal control audit report

☐Applicable ☐Not applicable The

company hired Lixin Certified Public Accountants (special general partnership) to conduct an independent audit on the effectiveness of the company's internal control in 2021, and issued a standard unqualified audit report. The internal control audit conclusion is that the company has maintained effective internal control over financial reporting in all major aspects in accordance with the Basic Norms for Enterprise Internal Control and relevant regulations. For the full text of the audit report, please refer to the website of the Shanghai Stock Exchange. Whether to disclose the internal control audit report: yes Internal control audit report Opinion type: standard unqualified opinion

15. The rectification of self-examination problems in the special action of listed company governance

Not applicable

XVI. Others √Applicable

√Not applicable

Section 5 Environmental and Social Responsibility

1. Environmental information

(1) Explanation on the environmental protection of the company and its main subsidiaries that are key pollutant discharge units announced by the environmental protection

department √Applicable √Not applicable

(2) Explanation on environmental protection of companies other than key pollutant

discharge units √Applicable √Not applicable 1. Situation of administrative penalties due

to environmental issues √Applicable √Not applicable

2. Disclose other environmental information with reference to key pollutant discharging units

√Applicable √Not applicable The

company strictly implements the National Environmental Impact Assessment Law, and all construction projects carry out environmental impact assessment work as required. The construction of various projects has always adhered to the principle of "three simultaneous" environmental protection. The environmental protection facilities and the main project are designed, constructed, put into production and use at the same time, and the environmental protection completion acceptance of the project is completed on schedule. The company has obtained the pollutant discharge permit in accordance with legal requirements.

For the "Announcement of Fiberhome Communication Technology Co., Ltd. on Environmental Information Disclosure", please refer to the company website

√www.fiberhome.com√

3. Reasons for not disclosing other environmental information

√Applicable √Not applicable

(3) Relevant information conducive to ecological protection, pollution prevention and control, and fulfillment of

environmental responsibilities

It is an important way to promote the construction of ecological civilization and high-level protection of the ecological environment. In the "14th Five-Year Plan for Circular Economy

Development" issued by the National Development and Reform Commission, it is pointed out that vigorously developing the circular economy and promoting the conservation and recycling of resources will ensure the security of national resources, promote the realization of carbon peaking and carbon neutrality, and promote the construction of ecological civilization. of great significance. This also allows Fiberhome to start anew from the perspective of environmental protection.

Due to the outdated management and monitoring methods of traditional construction sites, it is impossible to objectively understand the site environment, waste and resources, resulting in frequent occurrence of excessive dust inside and outside the construction site, noise disturbance, and resource waste. FiberHome Smart Site Solution realizes the information management of the environment inside and outside the construction site and resource usage through environmental management, vehicle management, and resource management, and covers the construction site with technology and green: through the worker bee dust monitoring system, real-time monitoring of dust concentration, noise index, For the environmental conditions of construction sites such as wind and wind direction, when the indicators are abnormal, the dust suppression system can be linked in time and the supervisors can be notified to deal with the relevant problems; vehicle information identification and entry and exit washing supervision are carried out through the vehicle washing capture system to prevent the body dust from affecting the urban environment and realize the vehicle The flushing control is informatized to achieve green management of vehicles entering and leaving the site; the speed, position, trajectory, etc. of construction vehicles are supervised in real time through the vehicle behavior management system. Prevent engineering vehicles, mud tankers, etc. from deviating from the route and abnormal unloading when transporting materials, and reduce environmental pollution and site losses caused by lack of transportation supervision; realize the management of site hydropower through the energy management system, including smart water meter docking and data collection Analysis, hydropower data display, temporary power management, and IoT distribution box safety monitoring to achieve refined management of energy consumption.

Today, when the concept of environmental protection is deeply rooted in the hearts of the people, how to use scientific and technological means to achieve low-carbon environmental protection will be the only way for us to achieve the dual-carbon goal. The implementation of green projects on construction sites can not only add new impetus to the rapid development of new infrastructure, but also help the rational use of resources and the development of circular economy. The new smart construction site will make more and greater contributions to protecting our home environment and green mountains and waters today and in the future.

(IV) Measures and effects taken to reduce their carbon emissions during the reporting period

☑Applicable ☐Not applicable

After the release of the carbon target, how to better save energy and reduce consumption and operate with low carbon has become an unavoidable problem in industrial development.

Under the carbon peaking and carbon neutrality targets, all industries are striving to reduce comprehensive energy consumption and carbon emissions. In 2021, China Telecom also released the carbon peaking and carbon neutrality action plan, and put forward clear goals in terms of base station power saving and green data center construction. In this context, Fiberhome, based on its rich experience and product capabilities in data center construction, integrates the "zero carbon" concept into data center design, meets the needs of data center construction of different scales and environments, and provides scenario-based scenarios for telecom operators. Solutions and products bring multi-dimensional efficient cooling, significantly reducing PUE; highly reliable system links, achieving comprehensive energy saving. Fiberhome's new-generation FitNeo LCS liquid cooling solution is designed for green and low-carbon operation of high heat density cabinets. FitNeo LCS adopts chip-level cooling and directly utilizes the maximum temperature difference for rapid heat exchange, achieving ultra-low PUE, CLF as low as 0.04, and power consumption reduced by 5-20%; The pipeline of the unit is delivered quickly through factory prefabricated modular assembly, and the on-site hot welding process is simplified; the coolant is corrosion-inhibiting and bacteriostatic, ultra-low conductance, ultra-high pressure bearing of connecting parts, ultra-low leakage rate, and liquid leakage in the whole link Detection can be automatically reported. Through self-developed components, engineering installation, dynamic loop control, self-developed servers, and efficient after-sales, FiberHome can build a safe and reliable zero-carbon data center for customers and provide full-chain integrated services. The integration of the energy revolution and the digital revolution is accelerating, and the digital transformation of the energy and power industry is the general trend. Fiberhome will insist on innovation as the first driving force for development, continue to open source and reduce carbon, build a solid green digital infrastructure, and promote the development of the industry in a safe, low-carbon and sustainable direction, and towards an efficient, clean, intensive and circular green The low-carbon direction upgrade provides support for the digital transformation of more customers, escorts a green and low-carbon economy, and serves the realization of the goal of "carbon peaking and carbon neutrality".

2. Social responsibility work ☑Applicable

☐Not applicable Fiberhome always

adheres to its original intention and mission, is constantly committed to technological research and innovation, provides customers with the best products and services, and at the same time integrates its corporate social responsibility into the company's daily life During operation and development, we actively pursue the harmonious development and common progress of the enterprise and stakeholders such as shareholders, customers, suppliers and employees. For details of the company's social responsibility work, please refer to the "2021 Sustainability Report of Fiberhome Communication Technology Co., Ltd." disclosed by the company on the website of the Shanghai Stock Exchange on the same day.

3. Consolidate and expand the achievements of poverty alleviation, rural revitalization and other work

details , take the initiative to undertake social responsibilities, fulfill social obligations, innovate poverty

alleviation work methods and methods based on the company's actual situation, and carry out targeted poverty alleviation work through various forms such as paired assistance and education poverty alleviation, and strive to be planned and effective, and fully fulfill social responsibilities.

Section VI Important Matters

I. Fulfillment of commitments (1)

Commitments made by the company's actual controller, shareholders, related parties, acquirers and the company and other related parties in the reporting period or continuing to the reporting period

☑Applicable ☐Not applicable

(2) There is a profit forecast for the company's assets or projects, and the reporting period is still in the profit forecast period.

Explanation on whether the original profit forecast has been reached and

the reasons ☐Have reached ☐Not reached ☐Not applicable

(3) Completion of performance commitment and its impact on goodwill impairment test

☐Applicable ☐Not applicable

II. Non-operating capital occupation by the controlling shareholder and other related parties during the reporting

period ☐Applicable ☐Not applicable

III. Illegal guarantee ☐Applicable

☐Not applicable

IV. Explanation of the board of directors of the company on the "non-standard opinion audit report" of the accounting firm

☐Applicable ☐Not applicable

V. The company's analysis and explanation on the reasons and effects of changes in accounting policies, accounting estimates or correction of major accounting errors

(1) The company's analysis and explanation on the reasons and impact of changes in accounting policies and accounting estimates

☐Applicable ☐Not applicable

(2) The company's analysis and explanation on the reasons and impact of the correction of major accounting errors

☐Applicable ☐Not applicable

(3) Communication with the former accounting firm

☐Applicable ☐Not applicable

(4) Other instructions

☐Applicable ☐Not applicable

VI. Appointment and dismissal of accounting firms

Unit: 10,000 Yuan Currency: RMB

	Currently employed
Name of domestic accounting firm	Lixin Certified Public Accountants (Special General Partnership)
Remuneration of domestic accounting firm	93
Auditing period of domestic accounting firm	5

	name
Internal Control Audit Accounting Firm Sponsor	Lixin Certified Public Accountants (Special General Partnership)
	Sinolink Securities Co., Ltd.

Description of Appointment and Dismissal of Accounting Firms

☐Applicable ☐Not applicable

After consideration and approval at the company's 2020 annual general meeting held on May 21, 2021, the company re-appoints Lixin Certified Public Accountants

The firm (special general partnership) is the company's 2021 financial audit and internal control audit institution, with a term of one year and payment of

its 2021 audit fee is 930,000 yuan (tax included).

Explanation on the change of the accounting firm during the audit period

☐Applicable ☐Not applicable

7. Situations facing delisting risks (1) Reasons for

delisting risk warning ☐Applicable ☒Not applicable

(II) Countermeasures to be taken by the company

☒Applicable ☐Not applicable

(3) Situations and reasons for facing termination of listing

☒Applicable ☐Not applicable

VIII. Matters related to bankruptcy and

reorganization ☒Applicable ☐Not applicable

IX. Major lawsuits and arbitrations ☒The company

has major lawsuits and arbitrations this year ☐The company has no major lawsuits and arbitrations this year

X. The listed company and its directors, supervisors, senior managers, controlling shareholders, and actual controllers are suspected of violations of laws and regulations, and have

been punished and rectified ☒Applicable ☐Not Applicable

11. Explanation on the integrity of the company and its controlling shareholders and actual controllers during the reporting period

☒Applicable ☐Not applicable

Larger amount of debts due but not paid off, etc.

XII. Significant related transactions (I)

Related transactions related to daily operations 1. Matters that

have been disclosed in temporary announcements and have no progress or changes in subsequent

implementation ☒Applicable ☐Not applicable

2. Matters that have been disclosed in the interim announcement but have progress or changes in subsequent implementation

☒Applicable ☐Not applicable (1)

The "Proposal on Estimated Daily Connected Transactions in 2021" was reviewed at the second meeting of the eighth session of the Board of Directors held on April 15, 2021, and the 2020 Annual Shareholders' Meeting held on May 21, 2021 Approved by the general meeting to make predictions on the daily business transactions such as sales, acceptance and provision of labor services, and procurement between the company and the controlling shareholder, its subsidiaries, and other related parties (for details, please refer to the company's April 17, 2021 publication in the China Securities Journal. ", "Shanghai Securities News", "Securities Times" and the announcement on the website of the Shanghai Stock Exchange, announcement number: 2021-020). Due to the needs of daily business operations, the company held the fifth meeting of the eighth session of the board of directors on October 22, 2021, at which it reviewed and approved the "Proposal on Increasing the Estimates of Daily Related Party Transactions in 2021", which added an agreement with Wuhan Changjiang Computing Technology Co., Ltd. (For details, please refer to the company's announcement published in China Securities Journal, Shanghai Securities News, Securities Times and the website of Shanghai Stock Exchange on October 23, 2021, announcement number: 2021-051)

The related transactions between the company and its controlling shareholder and other related enterprises are an important part of the company's production and operation activities, and are an important means for the company to rationally allocate resources and reduce operating costs, and have a significant and positive impact on the company. These related transactions are carried out under the principles of openness, fairness and impartiality, within the framework of a series of agreements and contracts, and the legitimate rights and interests of the company and shareholders have been fully guaranteed. The above transactions have no impact on the independence of the company, and the company's main business will not be dependent on related parties.

During the reporting period, the details of the daily related transactions between the company and related parties are as follows:

Unit: ten thousand yuan

Related party	Affiliates and this company relationship	Related party transactions content	Expected delivery in 2021 Exchange amount	Actual release in 2021 Surplus	accounting for similar transactions The proportion of the amount (y)
Wuhan Post and Telecommunications Research Institute Research Institute Co., Ltd.	Indirect holding shares East	Selling goods 1,000-5,000 Receiving labor services		14.12	0.0005
		1,000-2,000 Providing labor services 100-500			0.0000
		Accepting labor services Selling goods 100-500		15.73	0.0006
FiberHome Technology Group has limited company	controlling shareholder	300-6,000 Purchasing goods 20,000-50,000			0.0000
		Selling goods 2,000-7,000 Providing labor services 100-500		81.72	0.0031
		500-1,500 Labor 500-4,000 Providing labor		909.66	0.0346
Wuhan Guangxun Technology Co., Ltd. limited company and its Subsidiary	shared by the "China "Xinke" control	Purchase goods 1,000-3,000 Sell goods 100-500		25,261.11	0.9600
		Accept labor 1,000-6,000		2,246.17	0.0854
				26.13	0.0010
CITIC Mobile Communications technology co., Ltd. company and its subsidiaries	shared by the "China "Xinke" control			10,522.51	0.3999
				970.57	0.0369
				655.26	0.0249
Wuhan Tongbo Technology Co., Ltd. Ltd and its subsidiaries manage	shared by the "China "Xinke" control				0.0000
					0.0000
				4.37	0.0002
				2,496.61	0.0949
Wuhan Changjiang Communication Co., Ltd. Industry Group Co., Ltd. Company and its subsidiaries	shared by the "China "Xinke" control	Purchased goods 2,000-8,000		1,747.15	0.0664
Wuhan Zhongzhi Digital Technology Technology Co., Ltd. and its Subsidiary	shared by the "China "Xinke" control	Purchasing Goods	200-1,500	300.83	0.0114
		Sales of goods	300-1,000	922.28	0.0350
Wuhan Polytechnic Optical Technology Co., Ltd. limited company and its Subsidiary	shared by the "China "Xinke" control	Purchasing Goods	100-1,000	552.04	0.0210
		Sales of goods	100-500	86.11	0.0033
Wuhan Fiberhome Fuhuadian Gas LLC	shared by the "China "Xinke" control	Sales of goods	1,00-4000	119.71	0.0045
Telecommunications Science and Technology Research Institute Limited and its subsidiaries	shared by the "China "Xinke" control	Provide labor 500-5,000 Purchase goods			0.0000
		1,000-5,000 Sell goods 1,000-5,000 Accept labor		1,300.34	0.0494
		services 500-5,000 Purchase goods 0-15,000 Sell		1,038.59	0.0395
		goods and accept labor services Provide labor		15.08	0.0006
Wuhan Yangtze River Computing Division Technology Co., Ltd.	Also accepted by the "China Letter Section" control	Purchase goods 1,000-3,000 Sell goods 500-2,000		13,258.81	0.5039
		services	0-31,300	30,887.01	1.1737
			0-2,100		0.0000
other related parties	shared by the "China "Xinke" control		0-100		0.0000
				340.75	0.0129
				713.86	0.0271
			100-500	5.41	0.0002

(2) In order to strengthen the company's international market development and ensure that the company's holding subsidiary, Wuhan Fiberhome International Technology Co., Ltd.

Fiberhome International (Indonesia) Co., Ltd., a holding subsidiary of the company (hereinafter referred to as "Beacon International Indonesia Subsidiary")

The network coverage project undertaken by the Indonesian Communications and Information Construction Engineering Bureau (hereinafter referred to as the "Indonesia Project") was successfully completed.

It was successfully implemented, reviewed and approved at the sixth extraordinary meeting of the eighth board of directors of the company, and approved at the third extraordinary general meeting of shareholders in 2021.

The Indonesian subsidiary of Fiberhome International and CITIC Mobile Communications (Indonesia) Co., Ltd. (hereinafter referred to as "Xinke Mobile Indonesia Subsidiary Company") signed the "Project Cooperation Framework Agreement", and the Indonesian subsidiary of Xinke Mobile provided the department for the first phase of the Indonesian project.

According to the raw materials required, the total purchase amount is expected to be no more than RMB 350 million; and it will provide the first phase of the Indonesian project.

For wireless communication technology services, the total service fee is not expected to exceed RMB 450 million. As of the end of the reporting period, Indonesia

The project has executed purchases of RMB 94.1 million and executed service fees of RMB 190.12 million.

3. Matters not disclosed in the temporary announcement

ÿApplicable ÿNot applicable

(II) Connected transactions of asset or equity acquisition and sale

2. Items that have been disclosed in temporary announcements, but there are progress or changes in subsequent implementation

ÿApplicable ÿNot applicable

3. Matters not disclosed in the temporary announcement

ÿApplicable ÿNot applicable

4. If performance agreement is involved, the achievement of performance during the reporting period shall be disclosed

ÿApplicable ÿNot applicable

(3) Significant related-party transactions of joint foreign investment

1. Matters that have been disclosed in temporary announcements and have no progress or changes in subsequent

implementation ÿApplicable ÿNot applicable

Summary of the matter	query index
After consideration and approval at the fourth extraordinary meeting of the eighth session of the board of directors of the company, China Information Technology plans to use the 200 million yuan to Wuhan Feisiling Microelectronics Technology Co., Ltd., a subsidiary of the company (hereinafter referred to as "Fisiling") to increase capital; the company and Wuhan Academy of Posts capital increase. After the completion of this capital increase, the company holds 76.31% equity of Feisiling, Wuhan The Academy of Posts and Sciences holds a 12.29% stake, and China Information Technology holds an 11.40% stake.	Announcement number: 2021-030 2021-031 9
After deliberation and approval at the seventh extraordinary meeting of the eighth board of directors of the company, the company and Wuhan Optics Valley Fenghe Investment Fund Management Co., Ltd. (hereinafter referred to as "Optical Valley Fenghe"), Wuhan Optics Valley Fiberhome Optoelectronics Information Industry Investment Fund Partnership (Limited Partnership) (with hereinafter referred to as "Optoelectronics Fund of Funds") to make additional investment in Fiberhome Industrial Investment Fund. beacon The additional investment amount of Fire Communication, Optics Valley Fenghe and Optoelectronics FOF is 8,568 RMB 10,000, RMB 2.49 million, and RMB 161.29 million; after the additional investment is completed, the fund subscription The model increased from RMB 500 million to RMB 749.46 million, and the proportion of capital contribution by each partner remained unchanged.	Announcement number: 2021-053 2021-054 9

2. Items that have been disclosed in temporary announcements, but there are progress or changes in subsequent implementation

ÿApplicable ÿNot applicable

3. Matters not disclosed in the temporary announcement

ÿApplicable ÿNot applicable

(IV) Credit and debt transactions with related parties

1. Matters that have been disclosed in temporary announcements and have no progress or changes in subsequent

implementation ÿApplicable ÿNot applicable

2. Items that have been disclosed in temporary announcements, but there are progress or changes in subsequent implementation
ÿApplicable ÿNot applicable

3. Matters not disclosed in the temporary announcement
ÿApplicable ÿNot applicable

Unit: 10,000 Yuan Currency: RMB

Related party	connection relation	Funding to related parties			Affiliate direction listed company		
		Opening Balance	occur <small>Forehead</small>	closing balance	opening balance	occur <small>Forehead</small>	Ending balance
Controlling shareholder of FiberHome Technology Group Co., Ltd.		0.00 0.00		0.00 6,300.00	0.00 6,300.00		
Aggregate		0.00 0.00		0.00 6,300.00	0.00 6,300.00		
reasons for the formation of related claims and debts Impact of related claims and debts on the company		FiberHome Technology Group Co., Ltd. provides loans to the company					

(V) Financial business between the company and the financial company with an associated relationship, the financial company controlled by the company and the related party
ÿApplicable ÿNot applicable

(6) Others

ÿApplicable ÿNot applicable

13. Significant contracts and their performance

(1) Entrustment, contracting and leasing matters

1. Custody situation

ÿApplicable ÿNot applicable

2. Contracting situation

ÿApplicable ÿNot applicable

3. Leasing ÿApplicable

ÿNot Applicable

(2) Guarantee situation

ÿApplicable ÿNot applicable

(3) Entrusting others to manage cash assets

1. Entrusted wealth management (1)

General situation of entrusted wealth management

ÿApplicable ÿNot applicable

Other situations

ÿApplicable ÿNot applicable

(2) Individual entrusted wealth management

ÿApplicable ÿNot applicable

Other situations

ÿApplicable ÿNot applicable

(3) Provision for impairment of entrusted wealth management

ÿApplicable ÿNot applicable

2. Entrusted loans (1) Overall

situation of entrusted loans

̃Applicable ̃Not applicable

Other situations

̃Applicable ̃Not applicable

(2) Individual entrusted loans

̃Applicable ̃Not applicable

Other situations

̃Applicable ̃Not applicable

(3) Provision for impairment of entrusted loans

̃Applicable ̃Not applicable

3. Other situations

̃Applicable ̃Not applicable

(IV) Other major contracts

̃Applicable ̃Not applicable

XIV. Explanation of other major events that have a significant impact on investors' value judgments and investment decisions

̃Applicable ̃Not applicable

Section 7 Changes in Shares and Shareholders

1. Changes in share capital

(1) Statement of changes in shares

1. Statement of Changes in Shares

Unit: share

	Before this change		Increase or decrease in this change (+, -)					After this change	
	quantity	Proportion (%)	issue new shares	deliver share	Public product Money change share	other	Subtotal	quantity	Proportion (%)
1. Limited sale clause pieces of shares	38,611,173	3.300	56,283,000			-38,611,173	17,671,827	56,283,000	4.738
1. State shareholding									
2. State-owned legal person share									
3. Other domestic capital holdings share	38,499,172	3.290	56,256,000			-38,499,172	17,756,828	56,256,000	4.736
Of which: domestic non- State-owned legal person									
from within Shareholding	38,499,172	3.290	56,256,000			-38,499,172	17,756,828	56,256,000	4.736
4. Foreign shareholding	112,001	0.010	27,000			-112,001	-85,001	27,000	0.002
of which: foreign law									

Shareholding									
overseas from	112,001	0.010	27,000			-112,001	-85,001	27,000 0.002	
Shareholding									
2. Unlimited sales	1,131,542,819 96.700					1,886	1,886	1,131,544,705 95.262	
tradable shares									
1. Ordinary RMB	1,131,542,819 96.700					1,886	1,886	1,131,544,705 95.262	
share									
2. Domestically listed									
foreign shares									
3. Overseas listed									
foreign shares									
4. Other									
3. Total number of shares	1,170,153,992 100.00 56,283,000					-38,609,287 17,673,713		1,187,827,705 100.00	

2. Explanation of changes in shares

̈Applicable ̈Not applicable

(1) In view of the continued implementation of the company's "2018 Restricted Stock Incentive Plan", it will be difficult to achieve the expected incentive purpose and in order to fully implement the employee incentive mechanism, protect the interests of employees, the company and all shareholders, and combine the company's future development regulations according to the relevant provisions of the "2018 Restricted Stock Incentive Plan of FiberHome Communication Technology Co., Ltd. (Draft)", after deliberation and approval at the company's first extraordinary general meeting in 2021, it was decided to terminate the implementation of the 2018 restricted stock incentive plan. A total of 38,611,173 restricted shares have been repurchased and cancelled by 1,755 incentive objects that have been granted but have not yet been lifted. The repurchase and cancellation of the aforementioned shares will be completed on April 19, 2021. For details, please refer to the website of the Shanghai Stock Exchange and the "China Securities Journal" Securities News, Shanghai Securities News, and Securities Times published on January 23, 2021, "Fenghuo Communication Technology Co., Ltd. Co., Ltd. on the termination of the implementation of the 2018 restricted stock incentive plan and the repurchase and cancellation of the restrictions that have been granted but have not been lifted Announcement on Sexual Stocks" (Announcement No.: Lin 2021-005) and the "Beacon Communication Technology" published on April 15, 2021 Announcement on the Implementation of the Repurchase and Cancellation of Restricted Shares for Equity Incentives of Joint Stock Co., Ltd. (Announcement No.: 2021-017).

(2) On November 5, 2021, the company held the third extraordinary general meeting of shareholders in 2021, which reviewed and approved the "Beacon Communications Technology Co., Ltd. 2021 Restricted Stock Incentive Plan (Draft) and other related proposals. According to the 2021 Restrictions According to the relevant provisions of the Sexual Stock Incentive Plan (Draft) and the authorization of the general meeting of shareholders, the board of directors of the company actually gave incentives to 1,773 shareholders. The company granted 56.283 million restricted shares, and completed the registration procedures for the aforementioned shares on December 13, 2021. For details, please refer to the website of Shanghai Stock Exchange and China Securities Journal, Shanghai Securities News and Securities Times in 2021 "Fenghuo Communication Technology Co., Ltd. 2021 Restricted Stock Incentive Plan Grant Results" published on December 15, 2020 Announcement (Announcement No.: 2021-065).

(3) Approved by the China Securities Regulatory Commission "Regarding the Approval of FiberHome Communications Technology Co., Ltd. Approval for the Exchange of Corporate Bonds" (Zheng Jian Xu Ke [2019] No. 1490), the company issued a public offering on December 2, 2019 issued 30,883,500 convertible corporate bonds (bond abbreviation: Fiberhome Convertible Bonds, bond code: 110062), each face value RMB 100, the total issuance amount is RMB 3,088.35 million, and the duration is 6 years from the date of issuance, from 2020 The stock transfer began on June 8. As of December 31, 2021, an accumulative amount of RMB 710,000 of Fiberhome Convertible Bonds had been converted into corporate bonds. Ordinary shares of the Company, and the accumulative number of converted shares was 27,517 shares. For details, please refer to the website of the Shanghai Stock Exchange and the China Securities Journal, Shanghai Posted by Securities News, Securities Times on April 2, 2021, July 2, 2021, October 9, 2021, 2022 "Fenghuo Communication Technology Co., Ltd. Convertible Debt-to-equity Conversion Results and Share Change Announcement" published on January 5, No.: 2021-016, 2021-033, 2021-044, 2022-001).

3. The impact of changes in shares on financial indicators such as earnings per share and net assets per share in the last year and the latest period (if any) ̈Applicable ̈Not applicable

4. Other contents deemed necessary by the company or required by securities regulators to be disclosed ̈Applicable ̈Not applicable

(2) Changes in restricted shares

ÿApplicable ÿNot applicable

Unit: Share						
Shareholder name	Restricted shares at the beginning of the year number	this year lift Restricted number of shares	Increase limit this year Number of crotch	Year-end restricted shares number	Reasons for restricted sales	release date Expect
Ge Jun et al 1655 The third issue Power Incentive Program first incentive pair elephant	35,711,173	0 -35,711,173		0	The third phase of equity Incentive Program Lock Encouragement within the commuter pass plan terminated, shares repurchase	2021-4-19
Chu Xiaoming et al 100 third place Equity Incentive plan reserved shares incentive object	2,900,000	0	-2,900,000	0	The third phase of equity Incentive Program Lock Encouragement within the commuter pass plan terminated, shares repurchase	2021-4-19
Zeng Jun et al 1773 name 2021 Equity incentive plan Draw incentive object	0	0	18,573,390 18,573,390	2021 Equity	Incentive Program Lock Within the commuter pass	2023-11-10
Zeng Jun et al 1773 name 2021 Equity incentive plan Draw incentive object	0	0	18,573,390 18,573,390	2021 Equity	Incentive Program Lock Within the commuter pass	2024-11-10
Zeng Jun et al 1773 name 2021 Equity incentive plan Draw incentive object	0	0	19,136,220 19,136,220	Equity in 2021	Incentive Program Lock Within the commuter pass	2025-11-10
Total 38,611,173		0	17,671,827 56,283,000		/	/

II. Securities Issuance and Listing

(I) Securities issuance as of the reporting period

ÿApplicable ÿNot applicable

Unit: Share Currency: RMB				
Stocks and Derivatives Types of Securities	Issue Date	Issue Price (or Interest Rate)	Issue Quantity	Listing Date
Common Stock Shares				
RMB common stock	2021-12-15		11.74	18,573,390 2023-11-10
RMB common stock	2021-12-15		11.74	18,573,390 2024-11-10
RMB common stock	2021-12-15		11.74	19,136,220 2025-11-10
convertible corporate bonds, split-trade convertible bonds				
none				
Bonds (including corporate bonds, corporate bonds, and non-financial corporate debt financing instruments)				
none				
other derivative securities				
none				

Explanation of securities issuance as of the reporting period (for bonds with different interest rates during the duration, please explain separately):

☐Applicable ☐Not applicable

On November 5, 2021, the company held the third extraordinary general meeting of shareholders in 2021 to review and approve the "Beacon Communication Technology Co., Ltd. 2021 Restricted Stock Incentive Plan (Draft) and other related proposals. According to the 2021 Restricted Shares

According to the relevant regulations of the Incentive Incentive Plan (Draft) and the authorization of the general meeting of shareholders, the board of directors of the company actually awarded 1,773 incentive objects.

56,283,000 restricted shares will be granted, and the registration procedures for the aforementioned shares will be completed on December 15, 2021.

The lock-up period is 24 months from the date of the restricted stock grant.

The unlocking period and each unlocking time schedule of the restricted shares granted by this plan are shown in the following table:

Unlock Arrangement	Unlock time	The number of unlockables accounts for the limit The ratio of the number of sex stocks
Unlock for the first time	From the first trading day after 24 months from the grant date to 36 from the grant date Until the last trading day of the month	33%
Unlock the second time	From the first trading day after 36 months from the grant date to 48 from the grant date Until the last trading day of the month	33%
Unlock the third time	From the first trading day after 48 months from the grant date to 60 from the grant date Until the last trading day of the month	34%

(2) Changes in the total number of shares of the company and changes in the structure of shareholders and changes in the structure of assets and liabilities of the company

☐Applicable ☐Not applicable

(3) Existing internal employee shares

☐Applicable ☐Not applicable

3. Shareholders and actual controllers

(1) Total number of shareholders

The total number of ordinary shareholders as at the end of the reporting period (account)	125,153
The total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report (account)	122,099

(2) As at the end of the reporting period, the top ten shareholders and top ten tradable shareholders (or shareholders not subject to selling restrictions) shareholdings

Unit: share

Shareholdings of the top ten shareholders							
Shareholder name (full name)	increase during the reporting period reduce	Number of shares held at the end of the period quantity	Proportion (%)	have sales restriction pieces of shares quantity	Pledge, Token or Freeze knot situation		nature of shareholders
					Share status	number quantity	
FiberHome Technology Group Co., Ltd.	0 494,097,741 41.60	Hong Kong Securities Clearing Company Limited		0 None	0 State-owned legal person		
9,192,527 31,403,157 2.64 Changzhou Action Venture Capital Partnership				0 none	0 other		
Industry (Limited Partnership)	0 18,956,067		1.60	0 none	0		non-state-owned Corporation
Shenzhen Guoxie Phase I Equity Investment Fund Partnership (Limited Partnership) Hunan	0 11,773,681 0.99			0 none	0		non-state-owned Corporation
Sanli Communication and Trade Co., Ltd.	0 10,900,000 0.92	0 8,435,300	0.71	0 None	0 State-owned legal person		
Zheng Qi'an Agricultural Bank of China Co., Ltd.				0 None	0 Domestic natural person		
Division - CSI 500 Trading Open index securities investment fund	3,648,206	3,648,206 0.31		0 none	0 other		

Bank of China Limited - Huaxia CSI 5G Communication Themed Transaction open-end index securities investment base Money	-8,150,454	3,496,879 0.29		0 none 0 other		
China Telecom Group Jiangsu Telecom Company	0	3,040,870 0.26		0 None 0 State-owned legal person		
Zhang Feng	719,500 2,171,900 0.18	Shareholdings of the top ten		0 None 0 Domestic natural person		
shareholders not subject to selling restrictions						
Shareholder name	Hold no sale conditions Number of outstanding shares		Type and quantity of shares			
			number of species			
FiberHome Technology Group Co., Ltd.	494,097,741 RMB ordinary shares 494,097,741					
Hong Kong Securities Clearing Co., Ltd.	31,403,157 RMB ordinary shares 31,403,157					
Changzhou Action Venture Capital Partnership (Limited Partnership)	18,956,067 RMB ordinary shares 18,956,067					
Shenzhen Guoxie Phase I Equity Investment Fund Partnership (Limited Partnership) Hunan	11,773,681 RMB ordinary shares 11,773,681					
Sanli Communication and Trade Co., Ltd. Zheng Qi'an Agricultural Bank of China Co., Ltd.	10,900,000 RMB ordinary shares 10,900,000					
- China 500 Trading Open Index	8,435,300 RMB ordinary shares 8,435,300					
Digital Securities Investment	3,648,206 RMB ordinary shares 3,648,206					
Fund Bank of China Co., Ltd. - Huaxia CSI 5G Communication Themed Transactional Development Open Index Securities Investment Fund	3,496,879 RMB ordinary shares 3,496,879					
China Telecom Group Jiangsu Telecom Company 3,040,870 RMB ordinary shares 3,040,870						
Zhang Feng 2,171,900 RMB ordinary shares 2,171,900						
Description of the special account for repurchase among the top ten shareholders Not applicable						
The above description of the shareholders' entrusted voting rights, entrusted voting rights and abstention from voting is not applicable						
Explanation of the related relationship or concerted action of the above shareholders	There is no relationship between the controlling shareholder of the company and the top ten shareholders of other companies affiliated relationship, nor does it belong to the Letter of Change in Shareholding of Listed Company Shareholders Persons acting in concert as specified in the Administrative Measures for Information Disclosure. The company does not know whether there is any related relationship among the other shareholders mentioned above. Or whether it belongs to the "Management of Information Disclosure of Changes in Shareholding of Shareholders of Listed Companies" Persons acting in concert as specified in the Administrative Measures.					
Description of preferred shareholders with restored voting rights and the number of shares they hold	Not applicable					

Number of shares held by the top ten shareholders with restrictions on sales and restrictions on sales

☐Applicable ☐Not applicable

Unit: share

sequence No	Name of Shareholders with Sales Restrictions	limited holding Sale conditional shares quantity	Restricted shares can be listed and traded		Restrictions
			Circumstances can be listed and traded time	Add new listing Easy Share Quantity	
1	Zeng Jun, etc. 1773 2021 Equity incentive plan incentive objects	18,573,390 2023-11-10	10 Stock Incentive Plan	0 2021	Restrictive first lock-in period
2	Zeng Jun, etc. 1773 in 2021 Equity incentive plan incentive objects	18,573,390 2024-11-10		0 2021	Restrictive stock incentive plan second lock-up period
3	Zeng Jun, etc. 1773 in 2021 Equity incentive plan incentive objects	19,136,220 2025-11-10		0 2021	Restrictive stock incentive plan third lock-up period
Affiliate relationship or concerted action of the above-mentioned shareholders moving description		The company does not know whether there is any related relationship among the above-mentioned other shareholders, or whether they are As stipulated in the "Administrative Measures for Information Disclosure of Changes in Shareholding of Listed Companies" People acting in concert.			

(3) Strategic investors or general legal persons become the top 10 shareholders due to placement of new shares ☐Applicable

☒Not applicable

IV. Information on the controlling shareholder and actual controller (I)

Information on the controlling shareholder 1 Legal person ☐Applicable

☒Not applicable Name of the person in charge of the unit or the legal

representative Date of establishment September 6, 2011 Main business

computer, communication and other electronic equipment	FiberHome Technology Group Co., Ltd. Lu National
optical cables and electrical equipment, special equipment for environmental monitoring, electrical signal equipment, metal structures,	
security equipment, metal signs for transportation equipment management engineering,	
power transmission and distribution and control equipment, batteries, lighting equipment Manufacture of industrial automation control system devices and electrical instruments; electrical equipment repair; wiring and plumbing engineering; construction engineering; wholesale of computer software and auxiliary equipment, communications and radio and television equipment; engineering and technical research and experimental development; software development and Information technology services; security system monitoring and integration services; environmental protection monitoring; engineering management services, engineering survey and design and planning management; data processing and storage services; technology and information consulting services; enterprise management consulting; Internet information services; network platform development and Operation management; real estate development, self-owned house leasing, property management services; labor dispatch; import and export of goods, technology import and export, agency import and export (excluding goods or technologies whose import and export are prohibited or restricted by the state). (Projects subject to approval according to law can only carry out business activities after approval by relevant departments) As of the end of the reporting period, FiberHome Technology Group Co., Ltd. held 41.68% of Wuhan Guangxun Technology Co., Ltd. (stock code: 002281); held Wuhan Yangtze River Communication Industry Group Co., Ltd. (stock code: 600345) 28.63% shares; it is the controlling shareholder of the above two companies. No other information	
Shareholdings of other domestic and overseas listed companies that controlled and participated in during the reporting period	

2 Natural person

☐Applicable ☒Not applicable

3 Special explanation on the fact that the company does not have a controlling shareholder

☐Applicable ☒Not applicable

4 Explanation on the change of controlling shareholder during the reporting period

☐Applicable ☒Not applicable

5 Block diagram of the property rights and control relationship between the company and the controlling shareholder

☐Applicable ☒Not applicable



(2) The actual controller

1 Legal person

yApplicable yNot applicable

name	State-owned Assets Supervision and Administration Commission of the State Council
------	---

2 Natural person

yApplicable yNot applicable

3 Special explanation on the fact that the company has no actual controller

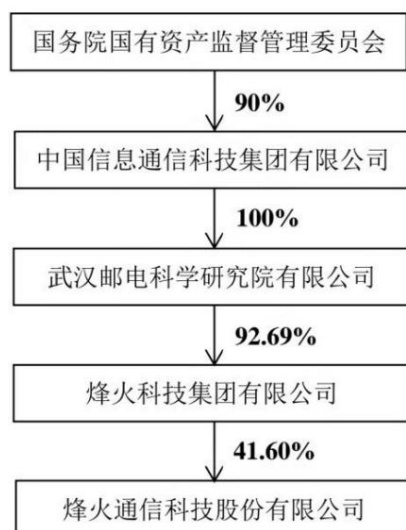
yApplicable yNot applicable

4 Explanation on the change of the company's control during the reporting period

yApplicable yNot applicable

5 Block diagram of the property rights and control relationship between the company and the actual

controller yApplicable yNot applicable



6 The actual controller controls the company through trust or other asset management methods

yApplicable yNot applicable

(3) Other information on controlling shareholders and actual controllers

yApplicable yNot applicable

V. The accumulative number of shares pledged by the controlling shareholder or the largest shareholder of the company and its persons acting in concert accounted for the number of shares held by them in the company

The ratio reaches **more than 80%**

yApplicable yNot applicable

6. Other legal person shareholders holding more than 10% of the shares

yApplicable yNot applicable

7. Explanation on share restriction and reduction

yApplicable yNot applicable

VIII. Specific implementation of share repurchase during the reporting period

̳Applicable ̳Not applicable

Section VIII Preference Shares

̳Applicable ̳Not applicable

Section IX Bonds Related Information

I. Corporate bonds, corporate bonds and non-financial corporate debt financing instruments

̳Applicable ̳Not applicable

II. Convertible corporate bonds ̳Applicable

̳Not applicable

(1) Issuance of convertible bonds

̳Applicable ̳Not applicable

Approved by the China Securities Regulatory Commission "Zheng Jian Xu Ke [2019] No. 1490", the company's public offering can be transferred. The corporate bond exchange was successfully issued on December 6, 2019, and the issue price was parity with the face value of each 100 yuan. The issuance amount was RMB 3,088,350,000 (30,883,500 sheets, 3,088,350 lots), and the total amount of funds raised was RMB 3,088,350,000. After deducting the issuance cost of RMB31,462,800, the net amount of funds raised is RMB3,056,887,200. superior. The above-mentioned raised funds have been verified by Lixin Certified Public Accountants (special general partnership), which issued the letter of the letter [2019] Verification Report No. ZE10780. With the approval of the Shanghai Stock Exchange's "[2019] No. 296" self-regulatory decision, the company Convertible corporate bonds of RMB 3,088.35 million have been listed on the Shanghai Stock Exchange since December 25, 2019. It is called "Fenghuo Convertible Bond", and the bond code is "110062".

The term of the convertible bonds issued this time is 6 years from the date of issuance, that is, from December 2, 2019 to December 1, 2025. The coupon rate is 0.2% in the first year, 0.5% in the second year, 1.0% in the third year, 1.5% in the fourth year, 1.8% in the fifth year, and 1.0% in the third year. 2.0% for six years; the conversion period starts from the first trading day after the expiration of six months from the end date of the issuance (T+4 day) to the convertible company. The maturity date of the corporate bonds is from June 8, 2020 to December 1, 2025.

(2) Information on holders of convertible bonds and guarantors during the reporting period

̳Applicable ̳Not applicable

Name of convertible corporate bonds Number	Fiberhome Convertible Bonds	
of convertible bond holders at the end of the	7,971	
period The top ten convertible bond holders	Not applicable	
of the company's convertible bond guarantors are as follows:		
Name of Convertible Corporate Bond Holder	Amount of bonds held at the end of the period (yuan)	holding ratio (%)
FiberHome Technology Group Co., Ltd.	502,800,000	16.28
Enterprise Annuity Plan of China National Petroleum Corporation - Industrial and Commercial Bank of China line co., Ltd.	67,649,000	2.19
MERRILL LYNCH INTERNATIONAL Industrial and	66,000,000	2.14
Commercial Bank of China Limited - China Universal Convertible Bonds type securities investment fund	50,000,000	1.62
China Galaxy Securities Co., Ltd. Guosen	49,663,000	1.61
Securities Co., Ltd.	47,248,000	1.53

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China Construction Bank Corporation - E Fund Double Bond Enhanced Bond Securities Investment Funds	41,961,000	1.36
Dacheng Fund - Postal Savings Bank - Dacheng Fund - Postal Savings No. 1 Collective Assets management plan	40,815,000	1.32
Wells Fargo Fuyi Progressive Fixed Income Pension Products - Industrial and Commercial Bank of China Co., Ltd.	38,624,000	1.25
Industrial and Commercial Bank of China Co., Ltd. Enterprise Annuity Plan - China Construction Bank Corporation Limited	35,617,000	1.15

(3) Changes in convertible bonds during the reporting period

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Convertible Company Bond Name	Before this change	This change increases or decreases			After this change
		Share	redemption	sell back	
Fiberhome Convertible Bond	3,087,684,000	transfer - 44,000	0	0 3,087,640,000	3,087,640,000

The cumulative conversion of convertible bonds during the reporting period

ÿApplicable ÿNot applicable

Name of convertible corporate bonds Shares	Fiberhome Convertible Bonds
converted during the reporting period (RMB) Number	44,000
of shares converted during the reporting period	1,886
(shares) Cumulative number of shares converted	27,517
(shares) Cumulative number of shares converted to the total number of issued shares of the company before the	0.00235
conversion (%) Amount of shares not converted (RMB)) Proportion of unconverted convertible bonds to the total	3,087,640,000
issuance of convertible bonds (%)	99.97701

(IV) Previous adjustment of the conversion price

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Convertible Corporate Bond Name Fiberhome		Convertible Bond		
Conversion price adjustment day	turn after adjustment Share price	Disclosure time	Disclosure Media	Conversion price adjustment illustrate
2020-7-17	25.65 2020-7-10	Shanghai Stock Exchange	change website, "China China Securities Journal, Shanghai Securities News, "Securities Times"	Implementing the 2019 Annual Equity assign
2021-3-31	22.60 2021-3-30	Shanghai Stock Exchange	change website, "China China Securities Journal, Shanghai Securities News, "Securities Times"	About the downward revision of the conversion price grid
2021-4-20	22.93 2021-4-19	Shanghai Stock Exchange	change website, "China China Securities Journal, Shanghai Securities News, "Securities Times"	Termination of real equity incentive plan And the repurchase cancellation has not been lifted All restricted shares ticket
2021-7-16	22.85 2021-7-9	Shanghai Stock Exchange	change website, "China China Securities Journal, Shanghai Securities News, "Securities Times"	Implementing the 2020 Annual Benefit assign
The latest conversion price as of the end of the reporting period			22.85	

(V) The company's liabilities, credit changes and cash arrangements for debt repayment in future years ☐Applicable ☐Not

applicable New Century Credit Rating Investment Service Co., Ltd. (hereinafter referred to as "Shanghai New Century")

conducted a comprehensive analysis of the credit status of the Fiberhome Convertible Bonds issued by the company on December 2, 2019, and issued a credit rating report. On June 11, 2021, Shanghai New Century conducted a follow-up rating on the company's main body and debts. According to the above rating report, the company's main body credit rating result is "AAA", the rating outlook is "stable", and the rating result of Fiberhome Convertible Bonds is "" AAA". All aspects of the company's operating conditions are stable, the asset structure is reasonable, the credit status is good, and there are sufficient funds to repay the principal and interest of the bonds.

(VI) Other information on convertible

bonds ☐Applicable ☐Not applicable

Section X Financial Report

1. Audit report

☐Applicable ☐Not applicable

Audit Report

Xinhui Shi Bao Zi [2022] No. ZE10122

All shareholders of FiberHome Communication Technology Co., Ltd.:

I. Audit opinion We have

audited the financial statements of Fiberhome Communication Technology Co., Ltd. (hereinafter referred to as Fiberhome), including the consolidated and parent company's balance sheet as of December 31, 2021, the consolidated and parent company's income statement in 2021, the consolidated and Parent company's cash flow statement, consolidated and parent company's statement of changes in owner's equity and related financial statement notes.

We believe that the attached financial statements are prepared in accordance with the Accounting Standards for Business Enterprises in all material aspects, and fairly reflect the consolidated and parent company's financial position as of December 31, 2021, as well as the consolidated and parent company's operating results and cash in 2021. flow.

2. Basis for Forming Audit Opinion We carried out

the audit work in accordance with the Chinese Certified Public Accountants Auditing Standards. Our responsibilities under these standards are further explained in the "CPA's Responsibility for the Audit of Financial Statements" section of the auditor's report. In accordance with the Code of Professional Ethics for Chinese Certified Public Accountants, we are independent from Fiberhome and have fulfilled other responsibilities in terms of professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. Key audit matters The key audit

matters are the matters most important to the audit of the financial statements of the current period according to our professional judgment. These matters are addressed in the context of the audit of the financial statements as a whole and the formation of an audit opinion, and we do not express an independent opinion on these matters. A summary of the key audit matters that we identified in our audit is as follows: Key audit matter How the matter was addressed in the audit

(1) Revenue recognition	
As stated in Notes III.(26) and V.(44) of Fiberhome's consolidated financial statements, Fiberhome's confirmed operating income in 2021 is RMB 26.315 billion.	Our audit procedures for revenue recognition mainly include: 1. Understand and evaluate the management's related issues related to revenue recognition

<p>The main source of income is the sale of communication equipment, cables, data networks and other products. Since revenue is one of Fiberhome's key performance indicators, there is an inherent risk of management manipulating the timing of revenue recognition in order to achieve specific goals or expectations. Therefore, we regard revenue recognition as a key audit matter.</p>	<p>2. Select samples to check sales contracts, identify contract terms and conditions related to the transfer of control over commodities, and evaluate whether the timing of revenue recognition complies with the requirements of the Accounting Standards for Business Enterprises; 3. Combining product types Perform analysis on revenue and gross profit to determine whether there is any abnormal fluctuation in the amount of revenue in the current period; 4. Select a sample of revenue transactions recorded in the current year, check invoices, sales contracts and delivery documents, and evaluate whether the relevant revenue recognition is in line with the company's revenue recognition. Accounting policy; 5. Select a sample of the revenue transactions recorded around the balance sheet date, check the outbound documents and other supporting documents to evaluate whether the revenue is recorded in the appropriate accounting period.</p>
(2) Inventories As	
<p>stated in Notes III, (10) and V, (VII) of Fiberhome's consolidated financial statements, as of December 31, 2021, the book value of inventories was 14.605 billion yuan, accounting for 40.7% of the total assets in the consolidated financial statements %. Inventories have a significant impact on the financial statements, and the provision for depreciation of inventories depends on the estimation of the net realizable value of inventories at the end of the period, which involves significant management judgment. Therefore, we identify inventories as a key audit</p>	<p>Our audit procedures for inventory mainly include: 1. Understand the relevant internal controls of Fiberhome's inventory and provision for inventory depreciation, and test the effectiveness of key internal control design and implementation; 2. Discuss with Fiberhome's management and governance Inventory management risks and countermeasures, and how to identify inventory risk and reward transfer; 3. Execute analysis procedures to analyze inventory turnover rate and compare it with the turnover rate of the previous year and the same industry to judge the rationality of its fluctuations; Analyze the changes in gross profit margin in the past two years to determine whether there is any abnormality in the inventory carry-over cost. 4. Inventory inventory, including the implementation of the monitoring and selection procedures to check the quantity and condition of the inventory; 5. For the issued goods, the implementation includes inspection of contracts, invoices, shipping documents, etc., to verify the existence of the issued goods ; 6. Carry out post-period tests on the issued commodities in the inventory, including checking the main business cost of the commodities issued after the balance sheet date and the payment collection situation after the period; 7. Obtain the detailed list of the inventory depreciation reserves of FiberHome, and evaluate the inventory depreciation Accuracy of preparation for accrual.</p>

4. Other information Fiberhome

management (hereinafter referred to as management) is responsible for other information. The other information includes information covered in FiberHome's 2021 annual report, but does not include the financial statements and our audit report. Our audit opinion on the financial statements does not cover the other information, nor do we express any form of assurance conclusion on the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or what we learned during the audit or appears to be materially misstatement.

Based on the work we have performed, if we determine that other information is materially misstatement, we should report that fact. We have nothing to report in this regard.

V. Responsibilities of the management and those charged with governance for the financial statements The

management is responsible for preparing the financial statements in accordance with the Accounting Standards for Business Enterprises, so as to achieve a fair reflection, and design and implement the financial statements.

To exercise and maintain the necessary internal controls so that the financial statements are free from material misstatement due to fraud or error.

When preparing the financial statements, the management is responsible for evaluating Fiberhome's ability to continue as a going concern, and discloses related to going concern matters and apply the going concern assumption unless liquidation, discontinuation of operations is planned, or there is no other realistic option.

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

6. The CPA's responsibility for the audit of the financial statements Our goal is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement due to fraud or error, and to issue an auditor's report containing an audit opinion. Reasonable assurance is a high level of assurance, but there is no assurance that an audit performed in accordance with Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are generally considered material if the misstatements, individually or in aggregate, could reasonably be expected to affect economic decisions made by users of the financial statements based on the financial statements.

We exercise professional judgment and maintain professional scepticism in conducting our audit in accordance with Auditing Standards. At the same time, we also perform the following tasks:

(1) Identify and assess the risks of material misstatement of the financial statements due to fraud or error, design and implement audit procedures to address these risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for an audit opinion. Because fraud may involve collusion, forgery, willful omission, misrepresentation or override of internal control, the risk of failure to detect material misstatement due to fraud is higher than the risk of failure to detect material misstatement due to error.

(2) To understand the internal control related to auditing so as to design appropriate auditing procedures. (3) Evaluate the appropriateness of the management's selection of accounting policies and the rationality of accounting estimates and related disclosures. (4) draw conclusions on the appropriateness of management's use of the going concern assumption. At the same time, based on the audit evidence obtained, draw conclusions as to whether there are significant uncertainties in matters or circumstances that may give rise to significant doubts about Fiberhome's ability to continue as a going concern. If we conclude that there is a material uncertainty, auditing standards require us to draw the attention of users of the financial statements to the relevant disclosures in the financial statements in the audit report; if the disclosures are insufficient, we should issue a non-qualified opinion. Our conclusions are based on information available as of the date of our audit report. However, future events or circumstances may cause Fiberhome to not be able to continue as a going concern. (5) Evaluate the overall presentation (including disclosure), structure and content of the financial statements, and evaluate whether the financial statements fairly reflect the relevant transactions and events.

(6) Obtain sufficient and appropriate audit evidence on the financial information of the entities or business activities in Fiberhome to express an audit opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit and are solely responsible for our audit opinion.

We communicate with those charged with governance on matters such as the planned scope, timing and significant audit findings of the audit, including communication of internal control deficiencies of concern that we identified during our audit.

We also provide a statement to those charged with governance that we have complied with ethical requirements related to independence and communicate with those charged with All relationships and other matters that could reasonably be considered to affect our independence, and related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our audit report unless laws and regulations prohibit public disclosure of such matters, or in rare circumstances where the adverse consequences of communicating a matter in our audit report would reasonably be expected to outweigh the benefits in the public interest, we determine The matter should not be communicated in the audit report.

Lixin Certified Public Accountants
(Special General Partnership)

Chinese certified public accountant: Chen Yongbo
(project partner)

Chinese CPA: Tan Jiaming

Shanghai, China

April 14, 2022 _ _

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2. Financial Statements

Consolidated Balance Sheet

December 31, 2021 Prepared

by: FiberHome Communication Technology Co., Ltd.

Unit: Currency: RMB

project	Notes	December 31, 2021	December 31, 2020
Current assets:			
Monetary funds	Seven, 1	4,722,328,889.25	3,970,119,030.18
settlement reserve			
Loan funds			
Tradable financial assets			
Derivative financial assets			
Notes Receivable	Seven, 4	564,579,407.19	514,473,946.03
Accounts	Seven, 5	4,219,346,217.10	5,759,438,494.37
Receivable Financing	Seven, 6	226,789,683.55	329,395,822.00
Advance Payments	Seven, 7	345,089,367.41	503,677,053.94
Premium Receivable			
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	Seven, 8	680,787,426.49	596,182,363.45
Including: Interest receivable	Seven, 8		642,230.03
Dividends receivable	Seven, 8	120,883,381.30	122,936,408.75
Financial assets purchased under resale agreements			
Inventory	7. 9	14,605,127,829.73	13,573,769,661.42
contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	Seven, 13	543,316,389.58	584,307,724.42
Total non-current		25,907,365,210.30	25,831,364,095.81
assets:			
Disbursement of loans and advances			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity	Seven, 17	2,504,388,911.83	2,303,055,915.83
investment Other equity instrument	Seven, 18	208,320,177.10	180,180,877.10
investment Other non-current financial	Seven, 19	87,835,200.00	
assets Investment real estate Fixed	Seven, 20	118,359,580.19	123,172,072.20
assets Construction in progress	Seven, 21	3,458,968,602.08	3,351,012,566.80
Productive biological assets	Seven, 22	1,191,041,559.72	877,285,666.87
Oil and gas assets			
Right-of-use assets	Seven, 25	88,643,581.49	
Intangible assets	Seven, 26	956,897,089.00	999,562,835.45
development expenses	Seven, 27	1,124,462,769.65	1,134,462,734.80
Goodwill long-term	Seven, 28	2,176,100.99	2,176,100.99
deferred expenses	Seven, 29	57,841,461.70	63,836,733.96

Deferred tax assets	Seven, 30	174,021,010.44	175,429,112.05
Other non-current assets			
Total non-current assets		9,972,956,044.19	9,210,174,616.05
Total assets Current		35,880,321,254.49	35,041,536,711.86
liabilities:			
short-term	Seven, 32	288,551,830.63	478,994,749.92
borrowing from the central bank			
borrowed funds			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Bills Payable	Seven, 35	5,945,822,579.78	5,735,955,139.32
Accounts Payable	Seven, 36	5,655,602,359.07	6,499,895,295.12
Advance Receipts	Seven, 37	1,343,880.42	1,842,850.63
Contract	Seven, 38	3,167,330,872.21	3,673,718,865.41
Liabilities Sales Repurchase Financial Assets			
Deposits and deposits			
Agent for buying and selling securities			
Agent underwriting securities			
Employee benefits	Seven, 39	235,488,072.07	276,908,499.29
payable Taxes payable	Seven, 40	244,709,192.95	108,055,419.90
Other payables Including:	Seven, 41	1,700,919,945.73	1,569,735,281.44
Interest payable, dividend	Seven, 41	19,879,205.32	9,545,151.84
payable, handling	Seven, 41	3,627,070.98	25,800,868.46
fee and commission payable			
Reinsurance Accounts Payable			
held-for-sale liabilities			
Non-current liabilities due within one year	Seven, 43	16,100,527.03	
Other current liabilities Current liabilities	Seven, 44	458,729,157.64	234,492,693.54
Total non-current liabilities:		17,714,598,417.53	18,579,596,794.57
Insurance contract reserve			
Long-term	Seven, 45	2,455,800,000.00	1,399,000,000.00
borrowings and	Seven, 46	2,598,158,273.57	2,466,278,366.08
bonds payable Including: preferred shares			
perpetual bond			
Lease liability	7. 47	72,034,161.25	
long-term payables			
Long-term employee compensation payable			
Estimated	Seven, 50	33,643,501.45	31,269,935.23
liabilities	Seven, 51	413,117,237.29	489,726,155.94
Deferred income Deferred	Seven, 30	875,526.48	1,208,971.85
tax liabilities Other non-current liabilities			
Total non-current		5,573,628,700.04	4,387,483,429.10
liabilities Total		23,288,227,117.57	22,967,082,223.67
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)	Seven, 53	1,187,827,705.00	1,170,153,992.00
Other equity instruments Including:	Seven, 54	736,445,634.32	736,456,128.94
preference shares			

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perpetual bond			
Deduction of	Seven, 55	5,849,004,949.61	5,670,215,294.31
capital reserve: general	Seven, 56	660,762,420.00	502,885,629.73
risk reserve of special	Seven, 57	-61,789,343.35	-29,021,364.89
reserve for other	Seven, 58	4,033,225.78	4,114,502.60
comprehensive income of	Seven, 59	423,898,292.01	385,782,676.16
treasury stock surplus reserve			
Undistributed profits	7. 60	4,254,828,135.24	4,037,612,506.25
are attributable to the parent company's owners' equity (or shareholders' rights benefit) total		11,733,486,178.61	11,472,428,105.64
Minority shareholders'		858,607,958.31	602,028,382.55
equity Total owner's equity (or shareholders' equity)		12,592,094,136.92	12,074,456,488.19
Liabilities and Owner's Equity (or Shareholders' Equity) total		35,880,321,254.49	35,041,538,711.86

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

Parent Company Balance Sheet

December 31, 2021

Prepared by: FiberHome Communication Technology Co., Ltd.

Unit: Currency: RMB

project	Notes	December 31, 2021	December 31, 2020
Current assets:			
monetary		1,893,022,468.14	1,793,110,783.00
capital trading financial assets			
Derivative financial assets			
Notes Receivable		538,130,116.12	674,251,939.34
Accounts	Seventeen, 1	6,696,326,803.50	188,131,165.60
Receivable Accounts		171,454,293.49	119,194,467.60
Receivable Financing		Seventeen, 2	105,104,880.07
Advances Other Receivables	1,478,172,548.44		1,915,025,135.22
Including: Interest Receivable			642,230.03
Dividends Receivable		792,843,957.31	563,125,261.31
Inventory		8,784,185,866.72	9,146,317,723.56
contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		1,657,506.60	26,377,164.29
Total non-current		19,751,080,768.61	18,548,067,643.02
assets:			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity	Seventeen, 3	7,656,193,734.93	208,188,477.10
investment Other equity instrument		87,835,200.00	177,320,877.10
investment Other non-current financial			
assets Investment real estate			

Fixed assets		1,473,837,536.67	1,511,056,205.04
Construction in progress productive biological assets		743,542,352.84	454,261,735.59
Oil and gas assets			
Right-of-use asset		30,744,728.14	
Intangible asset		178,174,482.07	281,357,395.70
development expenditure		268,173,814.17	541,790,677.45
Goodwill			
Long-term prepaid expenses			
Deferred tax assets		61,631,074.66	61,631,074.66
Other non-current assets			
Total non-current assets		10,708,321,400.58	10,404,088,789.03
Total assets Current		30,459,402,169.19	28,952,156,432.05
liabilities:			
Held-for-trading		151,009,830.63	299,062,949.92
financial liabilities for short-term borrowings			
Derivative financial liabilities			
Bills Payable		4,601,090,800.24	5,308,097,598.00
Accounts Payable		6,285,863,662.13	5,615,546,930.33
Advance Receipts			
Contract		1,849,744,911.45	2,271,378,299.28
liabilities Payable		777,573.74	5,925,524.60
employee benefits		82,495,820.80	12,431,704.25
Taxes payable Other		2,703,252,562.07	2,360,527,498.83
payables Including: Interest		19,459,591.30	8,678,074.19
payable		3,339,566.98	25,520,348.46
Dividends payable Liabilities held for sale			
Non-current liabilities due within one year		5,428,397.50	
Other current liabilities Current liabilities		240,466,838.49	144,981,593.57
Total non-current liabilities:		15,920,130,397.05	16,017,952,098.78
Long-term		2,455,800,000.00	1,399,000,000.00
borrowings and		2,598,158,273.57	2,466,278,366.08
bonds payable Including: preferred shares			
perpetual bond			
Lease liability		25,843,574.17	
long-term payables			
Long-term employee compensation payable			
Estimated		8,052,316.86	7,116,488.66
liabilities		257,354,460.99	229,317,488.03
Deferred income Deferred tax liabilities			
Other non-current liabilities			
Total non-current		5,345,208,625.59	4,101,712,342.77
liabilities Total		21,265,339,022.64	20,119,664,441.55
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)		1,187,827,705.00	1,170,153,992.00
Other equity instruments Including:		736,445,634.32	736,456,128.94
preference shares			

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perpetual bond			
Less capital		6,408,626,795.95	6,251,050,505.96
reserve: special reserve		660,762,420.00	502,885,629.73
for other comprehensive		-17,093,954.17	-12,790,360.94
income of treasury shares			
Total owner's		423,898,292.01	385,782,676.16
equity (or		1,115,121,093.44	804,724,678.11
shareholders' equity) of surplus reserve undistributed profit		9,194,063,146.55	8,832,491,990.50
Liabilities and Owner's Equity (or Shareholders' Equity)		30,459,402,169.19	28,952,156,432.05
total			

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

Consolidated Income Statement

January-December 2021

Unit: Currency: RMB

project	Notes	2021 2020 7th, 61 26,314,980,323.21	4,980,323.21
1. Total operating income of	21,074,437,344.29		
which: operating income and	7. 61 26,314,980,323.21	21,074,437,344.29	
interest income			
Premium earned			
Fee and commission income			
2. Total operating costs		26,231,306,698.12	21,012,388,251.94
Including: operating costs	7. 61 20,605,045,544.83	16,710,168,996.19	
and interest expenses			
Fees and Commissions Expenses			
Surrender			
Net payout			
Net withdrawal of insurance liability reserves			
dividend payment policy			
Reinsurance costs			
Taxes and surcharges 7. 62 Selling expenses 7. 63 Administrative		88,207,762.85	79,880,508.10
expenses 7. 64 Research and development expenses 7. 65 Financial		1,417,945,407.08	1,139,924,029.01
expenses 7. 66 Of which: interest expenses 7. 66 Interest income		294,402,563.55	270,033,445.67
with "-" VII. 68 Of which: investment in associates and joint ventures		3,460,430,939.06	2,578,505,846.31
		365,274,480.75	233,875,426.66
		215,601,048.07	190,996,220.56
		31,805,235.94	39,050,781.69
		260,084,788.39	281,328,732.35
		402,567,577.96	208,297,287.44
capital gains	7. 68	402,172,216.54	230,254,461.68
Financial assets measured at amortized cost			
Terminate recognition of income			
Exchange gains (losses are listed with "-")			
Net exposure hedging gains (losses are marked with a "-" fill in)			

Gains from changes in fair value (losses are marked with "-" number)	7. 70	2,735,200.00	
Credit impairment losses (losses are filled in with "-" List)	Seven, 71	-17,428,642.46	-83,893,003.51
Asset impairment losses (losses are filled with "-" List)	Seven, 72	-239,800,960.06	-257,769,976.29
Assets disposal gains (losses are filled with "-" 3.	Seven, 73	1,837,970.21	-1,323,032.12
Operating profit (losses are listed with "-") Plus: non-		493,669,559.13	208,689,100.22
operating income minus: non-operating expenses 4.	Seven, 74	10,905,357.81	6,944,752.74
Total profit (total losses are listed with "-") Less:	Seven, 75	13,533,103.78	10,323,619.41
Income tax expenses Net losses are listed with "-") (1)		491,041,813.16	205,310,233.55
Classification by business continuity	Seven, 76	135,408,745.64	62,444,915.00
		355,633,067.52	142,865,318.55
1. Net profit from continuing operations (net losses are marked with "-" number)		355,633,067.52	142,865,318.55
2. Net profit from discontinued operations (net losses are marked with "-" number)			
(2) Classification by ownership			
1. Net profit attributable to shareholders of the parent company (net loss Losses are listed with "-")		287,975,372.16	102,292,206.30
2. Minority shareholders' profit and loss (net loss is marked with "-" fill in)		67,657,695.36	40,573,112.25
6. Net after-tax other comprehensive income (1) Other		-37,900,442.84	-42,669,058.34
comprehensive income attributable to owners of the parent company net after tax		-32,767,978.46	-34,948,712.58
1. Other comprehensive income that cannot be reclassified to profit or loss beneficial		-5,524,757.41	-115,689.00
(1) Remeasurement of changes in defined benefit plans			
(2) Other comprehensive items that cannot be transferred to profit or loss under the equity method income		-664,057.41	
(3) Changes in the fair value of other equity instrument		-4,860,700.00	-115,689.00
investments (4) Changes in the fair value of the company's own credit risk			
2. Other comprehensive income to be reclassified into profit or loss (1) Other		-27,243,221.05	-34,833,023.58
comprehensive income that can be transferred to profit or loss under the equity method beneficial		-1,507,135.82	-3,479,575.34
(2) Changes in fair value of other debt investments			
(3) Financial assets are reclassified and included in other comprehensive income amount of benefit			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedging reserve			
(6) Translation differences of foreign currency financial		-25,736,085.23	-31,353,448.24
statements (7) Others			
(2) Other comprehensive income attributable to minority shareholders net after tax		-5,132,464.38	-7,720,345.76
7. Total comprehensive income		317,732,624.68	100,196,260.21
(1) Comprehensive income attributable to owners of the parent company lump sum		255,207,393.70	67,343,493.72

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(2) Total comprehensive income attributable to minority		62,525,230.98	32,852,766.49
shareholders 8. Earnings per share:			
(1) Basic earnings per share (yuan/share)		0.25	0.09
(2) Diluted earnings per share (yuan/share)		0.23	0.09

If a business combination under the same control occurs in the current period, the net profit realized by the merged party before the merger is: RMB 0, and the merged party in the previous period realized

The net profit is: 0 yuan.

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

Parent company income statement

January-December 2021

Unit: Yuan Currency: RMB 2021

project	Notes	Year 2020	Year 17, 4
I. Operating income minus:		19,284,601.03	11,336,433.99
operating costs, taxes and	Seventeen, 4	16,798,299,399.32	13,530,764,191.29
additional sales		26,050,636.70	25,157,664.02
expenses, management		1,251,194,547.06	825,403,347.15
expenses, research		63,981,029.70	84,631,881.23
and development		1,371,739,535.55	798,173,438.15
expenses, financial		256,136,480.93	253,859,663.29
expenses, including: interest		220,024,477.46	204,702,866.44
expenses, interest		32,442,311.77	39,348,922.50
income plus: other income		50,831,580.57	32,060,645.58
Investment income (losses are listed with "-") 17. 5	including:	701,593,624.87	646,726,175.00
investment in associates and joint ventures	Seventeen, 5	401,465,159.43	225,959,549.24
capital gains			
Financial assets measured at amortized cost			
Terminate recognition of income			
Net exposure hedging gains (losses are marked with a "-"			
fill in)			
Gains from changes in fair value (losses are marked with "-"		2,735,200.00	
number)			
Credit impairment losses (losses are filled with "-"		293,083,871.78	17,905,618.51
List)			
Asset impairment losses (losses are filled with "-"		-185,667,121.19	-248,776,534.97
List)			
Assets disposal gains (losses are filled with "-"		2,419,928.83	-752,871.32
List)			
2. Operating profit (losses are listed with "-") Plus: non-		382,196,486.17	115,606,843.76
operating income minus: non-operating expenses		8,346,788.41	3,059,035.78
Fill in with "-") (1) Net profit from continuing		9,387,116.08	7,339,231.09
operations (net loss equal to		381,156,158.50	111,326,648.45
			624,661.09
		381,156,158.50	110,701,987.36
		381,156,158.50	110,701,987.36
Fill in with "-")			
(2) Net profit from discontinued operations (net losses are marked with "-"			

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number)			
V. After-tax net amount of other comprehensive income (1)		-4,303,593.23	-3,595,264.34
Other comprehensive income that cannot be reclassified into profit or loss		-2,796,457.41	-115,689.00
1. Remeasurement of changes in defined benefit plans			
2. Other comprehensive items that cannot be transferred to profit or loss under the equity method		-664,057.41	
3. Changes in the fair value of other equity instrument		-2,132,400.00	-115,689.00
investments 4. Changes in the fair value of the company's own credit risk			
(2) Other comprehensive income that will be reclassified into profit or loss 1. Other		-1,507,135.82	-3,479,575.34
comprehensive income that can be transferred to profit or loss under the equity method		-1,507,135.82	-3,479,575.34
2. Changes in fair value of other debt investments			
3. Financial assets are reclassified and included in other comprehensive income			
amount of benefit			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedge reserve			
6. Differences in translation of foreign currency financial statements			
7. Others			
6. Total comprehensive		376,852,565.27	107,106,723.02
income 7. Earnings per share:			
(1) Basic earnings per share (yuan/share)			
(2) Diluted earnings per share (RMB/share)			

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

Consolidated Statement of

Cash Flows January-December 2021

Unit: Currency: RMB

Item	Notes	2021	2020
1. Cash flow from operating activities:			
Net increase in cash customer deposits and interbank		30,237,401,371.93	25,529,013,645.29
deposits received from sales of goods and rendering of labor services			
Net increase in borrowing from the central bank			
Net increase in funds borrowed from other financial institutions			
Cash received from the original insurance contract premium			
Net cash received from reinsurance operations			
Net increase in policyholders' savings and investment funds			
Cash for interest, fees and commissions			
Net increase in borrowed funds			
Net increase in repurchase business funds			
Net cash received from agents buying and selling securities			
Refund of taxes and fees		1,053,907,729.26	1,039,182,689.18
received Other cash received related to operating activities VII. 78 Subtotal of		487,857,929.78	508,502,034.68
cash inflows from operating activities		31,779,167,030.97	27,076,698,370.15
		25,913,086,157.70	22,084,490,453.14
Net increase in deposits with central banks and interbanks			

Cash to pay the original insurance contract compensation			
Net increase in borrowed funds			
Cash for interest, fees and commissions			
Cash to pay policy dividends			
Various taxes and fees paid to employees and		3,510,017,020.78	3,003,809,003.73
cash paid for employees and other cash		811,052,818.67	672,408,030.83
payments related to operating activities VII. 78		1,492,582,140.71	1,203,415,832.36
Subtotal of cash outflow from		31,726,738,137.86	26,964,123,320.06
operating activities Net cash flow from		52,428,893.11	112,575,050.09
operating activities II. Cash flow from investing activities:			
Cash back on investment to obtain		306,779.12	
investment income Cash received from		321,068,651.47	177,530,890.22
disposal of fixed assets, intangible assets and other long-term assets		1,396,349.72	455,748.96
net cash recovered			
Disposal of cash received by subsidiaries and other business units			
net amount			
Other cash received relating to investing activities			
Subtotal of cash inflows from investing activities		322,771,780.31	177,986,639.18
Purchase and construction of fixed assets, intangible assets and other long-term assets		700,567,503.75	962,481,904.04
cash paid			
Net increase in cash		203,780,000.00	
pledged loans paid for by investments			
Obtain cash paid by subsidiaries and other business units			
net amount			
Other cash paid relating to investing activities			
Subtotal of cash outflows from		904,347,503.75	962,481,904.04
investing activities Net cash flows from		-581,575,723.44	-784,495,264.86
investing activities 3. Cash flows from financing activities:			
Cash received from absorbing investments		892,762,420.00	
Including: Received by subsidiaries from minority shareholders' investments		200,000,000.00	
cash			
Cash received from borrowings		5,196,895,757.40	5,761,866,688.35
Cash received from other financing activities			
Subtotal of cash inflows from financing		6,089,658,177.40	5,761,866,688.35
activities Cash paid to repay debts to		4,048,971,380.45	4,920,666,000.00
distribute dividends, profits or cash paid to pay interest Of		227,340,103.92	521,659,926.71
which: dividends paid by subsidiaries to minority shareholders,		12,664,882.87	11,495,953.47
profit			
Payment of other cash related to financing activities VII, 78		536,667,316.92	11,202,211.73
Subtotal of cash outflow from		4,812,978,801.29	5,453,528,138.44
financing activities Net cash flow from financing		1,276,679,376.11	308,338,549.91
activities IV. Effect of exchange rate changes on cash and cash		-65,654,851.68	-67,209,790.12
equivalents V. Net increase in cash and cash equivalents		681,877,694.10	-430,791,454.98
Add: Beginning balance of cash and cash equivalents		3,851,703,745.40	4,282,495,200.38
VI. Balance of cash and cash equivalents at the end of the period		4,533,581,439.50	3,851,703,745.40

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

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Parent company cash flow statement

from January to December 2021

Unit: Currency: RMB

Item	Notes	2021	2020
1. Cash flow from operating activities:			
Cash received from sales of goods and		18,172,454,747.59	17,560,892,165.52
provision of labor services Refunds of		649,351,441.45	817,776,770.43
taxes and fees received from cash		945,855,811.31	540,142,239.56
received from other operating activities		19,767,662,000.35	18,918,811,175.51
Cash inflows from operating activities are		17,941,014,752.79	16,391,994,041.23
subtotaled. Subtotal of cash outflows		1,220,413,266.03	899,200,645.95
from operating activities to pay other		78,003,376.45	81,582,875.82
cash related to operating activities Net		1,916,354,047.43	1,547,141,542.31
cash flow from operating activities		21,155,785,442.70	18,919,919,105.31
		-1,388,123,442.35	-1,107,929.80
2. Cash flow from investing activities:			
Cash back on investment			
Cash received from investment income to		388,059,151.47	259,063,600.22
dispose of fixed assets, intangible assets and other long-term assets		14,211,540.16	252,148.00
net cash recovered			
Disposal of cash received by subsidiaries and other business units			
net amount			
Cash received from other investing activities Subtotal of cash		39,835,671.41	713,770,783.18
inflows from investing activities Purchase and construction		442,106,363.04	973,086,531.40
of fixed assets, intangible assets and other long-term assets		259,361,097.85	540,628,566.99
cash paid			
Cash paid by investment		281,780,000.00	274,706,240.00
to obtain cash paid by subsidiaries and other business units			
net amount			
Payment of other cash related to investing		140,000,000.00	603,600,000.00
activities Subtotal of cash outflows from		681,141,097.85	1,418,934,806.99
investing activities Net cash flows from		-239,034,734.81	-445,848,275.59
investing activities 3. Cash flows from financing activities:			
Cash received from		660,762,420.00	
absorption of investments		4,494,977,500.00	5,313,215,000.00
Cash received from borrowings Cash		3,815,000,000.00	2,916,500,000.00
received from other financing activities		8,970,739,920.00	8,229,715,000.00
Cash received from other financing		3,509,237,500.00	4,652,421,000.00
activities Subtotal of cash outflow from financing		201,989,126.55	487,690,208.65
activities Net cash flow from financing activities		3,499,308,693.94	2,922,002,769.16
IV. Effect of exchange rate changes on cash		7,210,535,320.49	8,062,113,977.81
and cash equivalents V. Net increase in		1,760,204,599.51	167,601,022.19
cash and cash equivalents		-11,559,274.67	-16,175,571.94
		121,487,147.68	-295,530,755.14
Add: Beginning balance of cash and cash equivalents		1,771,414,098.96	2,066,944,854.10
VI. Balance of cash and cash equivalents at the end of the period		1,892,901,246.64	1,771,414,098.96

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

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Consolidated Statement of Changes in Owner's
Equity January-December 2021

Unit: Currency: RMB

project	2021														
	Equity attributable to equity holders												Minority shareholders' equity	Total owner's equity	
	Paid-up capital (or shares Book)	Other equity instruments			Capital reserve minus	surplus reserve of special	reserve for other comprehensive	income of treasury	shares	generally risk Prepare	undistributed profit	That he			Subtotal
		priority share	discount debt	other											
One, last year Ending	1,170,153,992.00			736,456,128.94	5,670,215,294.31	502,885,629.73	-29,021,364.89	4,114,502.60	385,782,676.16		4,037,612,506.25		11,472,428,105.64	602,028,382.55	12,074,456,488.19
balance plus: accounting Policy change											35,698,594.40		35,698,594.40		35,698,594.40
early stage difference error correction															
same control under the control of the enterprise and															
other															
2. The current year Initial balance 3.	1,170,153,992.00			736,456,128.94	5,670,215,294.31	502,885,629.73	-29,021,364.89	4,114,502.60	385,782,676.16		4,073,311,100.65		11,508,126,700.04	602,028,382.55	12,110,155,082.59
Increase in the current period Less changes (reduced by Fill in with "-")	17,673,713.00			-10,494.62		178,789,655.30	157,876,790.27	-32,767,978.46		-81,276.82	38,115,615.85		181,517,034.59	225,359,478.57	256,579,575.76
(1) Comprehensive Total Income											287,975,372.16		255,207,393.70	62,525,230.98	317,732,624.68
(2) All investment and reduction less capital	17,673,713.00			-10,494.62		178,789,655.30	157,876,790.27						38,576,083.41	198,034,248.78	236,610,332.19
1. owner vote 2y other rights	-38,611,173.00					-980,997.69							-39,592,170.69	200,000,000.00	160,407,829.31
tool holder invested capital															
3. share-based payment credit owner Amount of Equity	56,283,000.00					138,801,987.67	157,876,790.27						37,208,197.40		37,208,197.40

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4. Other (3)	1,886.00				-10,494.62	40,968,665.32							40,960,056.70	-1,965,751.22	38,994,305.48		
Profits									38,115,615.85		-106,458,337.57		-68,342,721.72	-3,979,904.00	-72,322,625.72		
Allocate																	
1. Withdrawal of surplus									38,115,615.85		-38,115,615.85						
Accumulation 2. Extract general																	
Risk preparation																	
3. to the owner											-68,342,721.72		-68,342,721.72	-3,979,904.00	-72,322,625.72		
(or shareholders)																	
allocation																	
4. other																	
(4) All																	
Insider's rights																	
carry over																	
1. capital reserve																	
capital increase																	
(or share capital)																	
2. surplus reserve																	
capital increase																	
(or share capital)																	
3. surplus reserve																	
breakeven																	
4. defined benefit																	
Plan changes																	
Carry forward retained earnings																	
beneficial																	
5. Other comprehensive																	
Earnings carry forward																	
Deposit income																	
6. other																	
(5) Special								-81,276.82					-81,276.82		-81,276.82		
Reserve																	
1. Extraction in this issue																	
2. Use in this								81,276.82					81,276.82		81,276.82		
issue (6) Others																	
Fourth, the current period	1,187,827,705.00				736,445,634.32	5,849,004,949.61	660,762,420.00	61,789,343.35	4,033,225.78	423,898,292.01			4,254,828,135.24		11,733,486,178.61	858,607,958.31	12,592,094,136.92
closing balance																	

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project	2020														
	Equity attributable to equity holders												Minority shareholders' equity	Total owner's equity	
	Paid-up capital (or shares Book)	Other equity instruments			Capital reserve minus	surplus reserve of special	reserve for other comprehensive	income of treasury shares	generally risk Prepare	undistributed profit	That he	Subtotal			
		priority share	long-term debt	other											
One, last year Ending	1,170,984,634.00			736,614,979.32	5,583,457,970.06	745,412,849.00	5,927,347.69		374,712,477.42		4,343,973,608.61		11,470,258,168.10	585,483,314.13	12,055,741,482.23
balance plus: accounting policy change															
Previous term difference error correction															
same control under the control of the enterprise and															
other															
2. The current year Initial balance 3.	1,170,984,634.00			736,614,979.32	5,583,457,970.06	745,412,849.00	5,927,347.69		374,712,477.42		4,343,973,608.61		11,470,258,168.10	585,483,314.13	12,055,741,482.23
Increase in the current period Less changes (reduced by Fill in with "-" List)	-830,642.00			-158,850.38	86,757,324.25 -242,527,219.27	-34,948,712.58	4,114,502.60		11,070,198.74		-306,361,102.36		2,169,937.54	16,545,068.42	18,715,005.96
(1) Comprehensive Total Income							-34,948,712.58				102,292,206.30		67,343,493.72	32,852,766.49	100,196,260.21
(2) All investment and reduction less capital	-830,642.00			-158,850.38	86,757,324.25 -242,527,219.27								328,295,051.14	-4,811,744.60	323,483,306.54
1. owner vote 2. other rights	25,631.00				636,312.60								661,943.60		661,943.60
total holder invested capital															
3. share-based payment credit owner Amount of Equity	-856,273.00				79,128,717.27 -242,527,219.27								320,799,663.54		320,799,663.54
4. Other (3)				-158,850.38	6,992,294.38								6,833,444.00	-4,811,744.60	2,021,699.40
Profits Allocate									11,070,198.74		-408,653,308.66		-397,583,109.92	-11,495,953.47	-409,079,063.39
1. Withdrawal of surplus									11,070,198.74		-11,070,198.74				

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Accumulation																
2. Extract general Risk preparation																
3. to the owner (or shareholders) allocation											-397,583,109.92		-397,583,109.92	-11,495,953.47	-409,079,063.39	
4. other																
(4) All Insider's rights carry over																
1. capital reserve capital increase (or share capital)																
2. surplus reserve capital increase (or share capital)																
3. surplus reserve breakeven																
4. defined benefit Plan changes Carry forward retained earnings beneficial																
5. Other comprehensive Earnings carry forward Deposit income																
6. other																
(5) Special Reserve								4,114,502.60					4,114,502.60		4,114,502.60	
1. Extract in this issue 2. Use in this issue								4,114,502.60					4,114,502.60		4,114,502.60	
(6) Others																
Fourth, the current period closing balance	1,170,153,992.00			736,456,128.94	5,670.2	5,294.31	502,885,629.73	-29,021	364.89	4,114,502.60	385,782,676.16		4,037,612,506.25	11,472,428,105.64	602,028,382.55	12,074,456,488.19

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

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Statement of Changes in Owner's Equity of Parent

Company from January to December 2021

Unit: Currency: RMB

project	2021									
	Paid-up capital (or shares Book)	Other equity instruments			capital reserve	Less: Other comprehensive income on treasury shares	Special reserve	surplus reserve	Total undistributed profit	owner's equity
		Preference Shares	Perpetual Bonds	Others						
I. Addition of the balance at the end of the	1,170,153,992.00			736,456,128.94	6,251,050,505.96	502,885,629.73	-12,790,360.94	385,782,676.16	804,724,678.11	8,832,491,990.50
previous year: correction of errors in the									35,698,594.40	35,698,594.40
previous period of accounting policy changes										
other										
2. The opening balance of the	1,170,153,992.00			736,456,128.94	6,251,050,505.96	502,885,629.73	-12,790,360.94	385,782,676.16	840,423,272.51	8,868,190,584.90
current year 3. The increase or decrease in the current period Fill in with "-" (1)	17,673,713.00			-10,494.62	157,576,289.99	157,876,790.27	-4,303,593.23	38,115,615.85	274,697,820.93	325,872,561.65
Total comprehensive income							-4,303,593.23		381,156,158.50	376,852,565.27
(2) Owner's investment and reduction of capital	7,673,713.00 -38,611,173.00			-10,494.62	157,576,289.99	157,876,790.27				17,362,718.10
1. Common stock invested by the owner					-980,997.69					-39,592,170.69
2. Investment by holders of other equity instruments Book										
3. Share-based payment included in owner's equity Amount	56,283,000.00				138,801,987.67	157,876,790.27				37,208,197.40
4. Others	1,886.00			-10,494.62	19,755,300.01					19,746,691.39
(III) Profit distribution								38,115,615.85	-106,458,337.57	-68,342,721.72
1. Withdrawal of surplus								38,115,615.85	-38,115,615.85	
reserve 2 . Distribution to owners (or shareholders) 3. other									-68,342,721.72	-68,342,721.72
(IV) Internal transfer of owner's equity										
1. Converting capital reserve into capital (or share capital)										
2. Turn surplus reserve into capital (or share capital)										
3. Surplus reserve to make up for losses										
4. Changes in the defined benefit plan carried forward Deposit income										
5. Other comprehensive income carried forward to retained earnings										
6. other										
(5) Special Reserve										
1. Extraction in this issue										
2. Use in this issue										
(6) Others										
4. The ending balance of the current period	1,187,827,705.00			736,445,634.32	6,408,626,795.95	660,762,420.00	-17,093,954.17	423,898,292.01	1,115,121,093.44	9,194,063,146.55

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project	2020										
	Paid-up capital (or shares Book)	Other equity instruments			capital reserve	Less: Other comprehensive income on treasury shares	Special reserve	surplus reserve	Total undistributed profit	owner's equity	
		Preference Shares	Perpetual Bonds	Others							
I. Addition of the balance at the end of the previous year: changes in accounting policies	1,170,984,634.00			736,614,979.32	6,171,285,476.09	745,412,849.00	-9,195,096.60		374,712,477.42	1,102,675,999.41	8,801,665,620.64
Early error correction											
other											
2. The opening balance of the	1,170,984,634.00			736,614,979.32	6,171,285,476.09	745,412,849.00	-9,195,096.60		374,712,477.42	1,102,675,999.41	8,801,665,620.64
current year 3. The increase or decrease in the current period Fill in with "-") (1)	-830,642.00			-158,850.38	79,765,029.87	-242,547,219.27	-3,595,264.34		11,070,198.74	-297,951,321.30	30,826,369.86
Total comprehensive income							-3,595,264.34			110,701,987.36	107,106,723.02
(2) Owner's investment and capital reduction	-830,642.00			-158,850.38	79,765,029.87	-242,547,219.27					321,302,756.76
1. Common stock invested by the owner 2.	25,631.00				636,312.60						661,943.60
Investment by holders of other equity instruments Book											
3. Share-based payment included in owner's equity Amount	-856,273.00				79,128,717.27	-242,547,219.27					320,799,663.54
4. Others				-158,850.38							-158,850.38
(III) Profit distribution									11,070,198.74	-408,653,308.66	-397,583,109.92
1. Withdrawal of surplus									11,070,198.74	-11,070,198.74	
reserve 2 . Distribution to owners (or shareholders) 3. other										-397,583,109.92	-397,583,109.92
(IV) Internal transfer of owner's equity											
1. Converting capital reserve into capital (or share capital)											
2. Turn surplus reserve into capital (or share capital)											
3. Surplus reserve to make up for losses											
4. Changes in the defined benefit plan carried forward Deposit income											
5. Other comprehensive income carried forward to retained earnings											
6. other											
(5) Special Reserve											
1. Extraction in this issue											
2. Use in this issue											
(6) Others											
4. The ending balance of the current period	1,170,153,992.00			736,456,128.94	6,251,050,505.96	502,885,629.73	-12,790,360.94		385,782,676.16	804,724,678.11	8,832,471,990.50

Person in charge of the company: Lu Guoqing

Person in charge of accounting work: Fu Yuhang

Person in charge of accounting organization: Anyang

3. Basic information of the company

1. Company profile

applicable Fiberhome Communication

Technology Co., Ltd. (hereinafter referred to as "the company" or "the company") was established in December 1999 through the State Economic and Trade Commission State Economic and Trade Enterprise Reform [1999] 1227 The approval of the document was initiated by the Wuhan Academy of Posts and Telecommunications (hereinafter referred to as "Postal Academy"), in conjunction with Wuhan Modern Communication Electric Factory, Hunan Sanli Communication and Economics and Trade Co., Ltd., Hubei Southeast Industrial Development Co., Ltd., Huaxia International Posts and Telecommunications Engineering Co., Ltd., China Telecom Jiangsu Telecom Company, Beijing Zhongjing Xintong Information Consulting Co., Ltd., Beijing Keximeng Science and Technology Industry Center, Hubei Institute of Chemistry, Zhejiang Nantian Communication Technology Development Co., Ltd., Wuhan Xinneng Industrial Development Co., Ltd. The ten promoters of the company jointly invested and established by way of sponsorship.

The company's enterprise legal person business license registration number: 914200007146661114. On

August 23, 2001, it was officially listed and traded on the Shanghai Stock Exchange.

The industry it belongs to is the communications and related equipment manufacturing industry.

As of December 31, 2021, the company has cumulatively issued a total of 1,187,827,705 shares, with a registered capital of 1,187,827,705 yuan. The registered place is: No. 88, Postkeyuan Road, Hongshan District, Wuhan City, and the headquarters address: No. 6, Gaoxin 4th Road, Wuhan City. The main business activities of the company are: scientific and technological development in the field of optical fiber communication and related communication technology and information technology; design, manufacture and sales of related high-tech products, including optical fiber preform, optical fiber composite overhead ground wire (OPGW), optical fiber composite phase line (OPPC)) and hardware and accessories, power wires, wires, cables and related materials and accessories, communication cables and accessories, submarine optical cables, submarine cables and submarine communication equipment Design, manufacture and sales; data center equipment room infrastructure and supporting products (including Planning and design, development, production, sales, technical services, engineering installation, maintenance and consulting of power supply and distribution, air conditioning and refrigeration equipment, intelligent management equipment, etc.; general servers, storage products, cloud computing, big data, virtualization software, applications Technology development and product production, sales and after-sales service of software, switches and workstation software and hardware products; system integration and agency sales; Internet access service business in value-added telecommunication business and Internet access data center business in value-added telecommunication business; related Engineering design and construction; technical services; self-support import and export business (the scope of import and export business and the catalogue of commodities are subject to the approval of the foreign trade and economic department). The parent company of the company is Fiberhome Technology Group Co., Ltd., and the actual controller of the company is China Information and Communication

Technology Group Co., Ltd.

manage.

2. Scope of consolidated financial statements

Applicable Not applicable As of December

31, 2021, the subsidiaries within the scope of the Company's consolidated financial statements are as follows:

Subsidiary name
Wuhan Fiberhome Technology Co., Ltd. Wuhan
Fiberhome Information Integration Technology Co., Ltd.
Nanjing Fiberhome Mars Air Communication Development
Co., Ltd. Fiberhome Fujikura Optical Fiber Technology Co.,
Ltd. Wuhan Fiberhome International Technology Co., Ltd.
Nanjing Third Generation Communication Technology Co.,
Ltd. Fiberhome Communications India Private Limited
Liability Company Fiberhome Latin America Cable Co., Ltd.
Ruiguang Communication Technology Co., Ltd. Wuhan
Yunxin Industry Investment Technology Co., Ltd. Changchun
Fiberhome Technology Co., Ltd. Xi'an North Optical
Communication Co., Ltd. Chengdu Datang Cable Co., Ltd.
Wuhan Feisiling Microelectronics Technology Co., Ltd.
Sifenghuo Cloud Technology Co., Ltd. Xi'an Fiberhome
Digital Technology Co., Ltd. Fiberhome Marine Network
Equipment Co., Ltd. Wuhan Fiberhome Ruituo Technology
Co., Ltd. Fiberhome Supermicro Information Technology
Co., Ltd. Wuhan Optical Network Information Technology
Co., Ltd. Xinjiang Fiberhome Optical Communication Co.,
Ltd. Fiberhome American Research Institute Chengdu
Fiberhome Cloud Network Information Technology Co., Ltd.

Subsidiary name
FiberHome (Singapore) Co., Ltd. Fiberhome
Offshore Engineering Equipment Co., Ltd. For the

relevant information of the company's subsidiaries, please refer to "IX. Interests in other entities" in this note. For the changes in the scope of consolidation during the reporting period, please refer to "VIII. Changes in the scope of consolidation" in this note.

IV. Basis for the preparation of financial statements 1.

Basis for preparation This financial statement is in

accordance with the Accounting Standards for Business Enterprises - Basic Standards and various specific accounting standards, application guidelines for accounting standards for business enterprises, interpretations of accounting standards for business enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"), and the relevant provisions of China Securities Regulatory Commission's "Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reports"

2. Going concern ☐Applicable

☐Not applicable The financial

statements are prepared on the basis of going concern.

V. Important accounting policies and accounting estimates

Specific accounting policies and accounting estimates reminders:

☐Applicable ☐Not applicable The following disclosures have

covered the specific accounting policies and accounting estimates formulated by the Company based on the actual production and operation characteristics. For details, please refer to "V. 10.6) Test method and accounting treatment method for impairment of financial assets", "V. 15. Inventory", "V. 23. Fixed assets", "V. 29. Intangible assets", "V. 29. Intangible assets", "V. , 38. Income".

1. Statement of Compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises, and truly and completely reflect the Company's financial status, operating results, changes in shareholders' equity and cash flow and other relevant information.

2. Accounting period The

company's accounting year starts from January 1 to December 31 of the Gregorian calendar.

3. Operating cycle ☐Applicable

☐Not applicable

A fiscal year starts from January 1st to December 31st in the Gregorian calendar.

4. Standard currency for

bookkeeping The Company's standard currency for bookkeeping is RMB.

5. Accounting treatment method for business combination under the same control and not under the same control (Goodwill),

measured on the basis of the book value of the assets and liabilities of the merged party in the consolidated financial

statements of the ultimate controlling party on the combination date. The difference between the book value of the net assets obtained in the merger and the book value of the merger consideration paid (or the total face value of the issued shares) shall be adjusted to the share premium in the capital reserve. If the share premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted. .

Business combination not under common control: The cost of the combination is the fair value of the assets paid by the acquirer, the liabilities incurred or assumed, and the equity securities issued by the acquirer to obtain the control right of the acquiree on the acquisition date. The difference between the cost of combination that is greater than the fair value share of the identifiable net assets of the acquiree obtained in the combination is recognized as goodwill; the cost of combination is less than the fair value of the identifiable net assets of the acquiree acquired in the combination.

The difference between the fair value shares shall be included in the current profit and loss. The identifiable assets, liabilities and contingent liabilities of the acquiree that meet the recognition conditions acquired in the merger are measured at fair value on the acquisition date. The directly related expenses for the business combination are included in the current profit and loss when they occur; the transaction costs for the issuance of equity securities or debt securities for the business combination are included in the initial recognition amount of the equity securities or debt securities.

6. Preparation method of consolidated financial statements

√Applicable √Not applicable 1) Scope of consolidation The scope

of consolidation of consolidated financial statements is

determined on the basis of control, and the scope of consolidation includes the Company and all subsidiaries. Control means that the company has power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power over the investee to affect the amount of its returns. 2) Consolidation procedure The company regards the entire enterprise group as an accounting subject, and prepares consolidated financial statements in accordance with unified accounting policies, reflecting the overall financial status, operating results and cash flow of the enterprise group. The effects of internal transactions between the Company and its subsidiaries and between subsidiaries are offset. If the internal transaction indicates that the relevant assets have suffered impairment loss, the full amount of the loss shall be recognized. If the accounting policies and accounting periods adopted by the subsidiaries are inconsistent with the Company's, necessary adjustments shall be made in accordance with the Company's accounting policies and accounting periods when preparing the consolidated financial statements. The subsidiary's owner's equity, current net profit and loss and the share of minority shareholders in the current comprehensive income are listed separately under the item of owner's equity in the consolidated balance sheet, under the item of net profit in the consolidated income statement and under the item of total comprehensive income. The current loss shared by the minority shareholders of the subsidiary exceeds the balance formed by the minority shareholders' share in the owner's equity of the subsidiary at the beginning of the period, which offsets the minority shareholders' equity. (1) Addition of subsidiaries or businesses During the reporting period, if a subsidiary or business is added due to business combination under the same control, the operating results and cash flows from the beginning of the current period to the end of the reporting period for the subsidiary or business combination shall be included in the consolidated financial statements. The opening balance of the consolidated financial statements and the relevant items in the comparative statements are adjusted, and it is deemed that the consolidated reporting entity has been in existence since the time when the ultimate controlling party began to control.

During the reporting period, if a subsidiary or business is added due to a business combination not under the same control, the identifiable assets determined on the date of purchase shall be used.

The fair value of assets, liabilities and contingent liabilities are included in the consolidated financial statements from the date of acquisition. (2) Disposal of

subsidiaries √ General treatment method When the control over the investee is lost due to the disposal of part of the equity investment or other

reasons, the remaining equity investment after disposal shall be re-measured according to its fair value on the date of loss of control. The sum of

the consideration obtained from the disposal of the equity and the fair value of the remaining equity, minus the difference between the share of the original subsidiary's net assets calculated continuously since the purchase date or the merger date and the sum of the goodwill calculated according to the original shareholding ratio, is calculated. The investment income in the current period when the control right is lost. Other comprehensive income related to the original subsidiary's equity investment that can be reclassified into profit or loss in the future, and other changes in owners' equity under the equity method, are converted to investment income for the current period when control is lost. √ Step-by-step disposal of a subsidiary If the subsidiary disposes of the equity investment in the subsidiary in stages through multiple transactions until the control is lost, the terms, conditions and economic impact of the disposal of the equity investment in the subsidiary shall meet one or more of the following conditions: It usually indicates that the multiple transactions are a package transaction:

i. These transactions are entered into at the same time or in consideration of mutual influence; ii. These transactions as a whole can

achieve a complete commercial result; iii. The occurrence of one transaction depends on the occurrence of at least one other

transaction; iv. A transaction is not economical on its own, but it is economical when considered in combination with other transactions.

If each transaction belongs to a package of transactions, each transaction shall be accounted for as a transaction that disposes of a subsidiary and loses control;

each disposal price before the loss of control corresponds to the share of the net assets of the subsidiary corresponding to the disposal investment. The difference is recognized as other comprehensive income in the consolidated financial statements, and is transferred to the profit and loss of the current period when the control is lost.

If each transaction does not belong to a package transaction, before the loss of control, part of the transaction shall be disposed of without losing control.

The company's equity investment is subject to accounting treatment; when the control right is lost, accounting treatment is carried out according to the general treatment method for disposal of subsidiaries. (3)

Purchase of minority stakes in subsidiaries Newly acquired long-term equity investment due to purchase of minority stakes shall be entitled to the subsidiary from the date of purchase or the

agreement calculated according to the newly increased shareholding ratio.

The difference between the shares of net assets calculated continuously from the same day, adjust the share premium in the capital reserve in the consolidated balance sheet,

If the share premium in the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

(4) The difference between the disposal price for the partial disposal of the equity investment in the subsidiary and the corresponding share of the net assets of the subsidiary that has been continuously calculated since the date of purchase or the date of consolidation corresponding to the disposal of the long-term equity investment without losing control shall be adjusted and consolidated. If the share premium in the capital reserve in the balance sheet is insufficient to offset the share premium in the capital reserve, the retained earnings shall be adjusted.

7. Classification of joint arrangement and accounting treatment of joint operation √Applicable

√Not applicable

8. Determination of cash and cash equivalents

Cash equivalents are short-term (generally due within three months from the date of purchase) held by the enterprise, highly liquid, and easy to transfer.

Exchange for a known amount of cash with little risk of a change in value.

9. Foreign currency business and foreign currency statement

conversion √Applicable √Not applicable 1) Foreign currency

business The foreign currency business uses the spot exchange rate on the transaction date as the conversion exchange rate to convert the foreign currency amount into RMB for bookkeeping. The balance of foreign currency monetary items on the balance sheet date is translated at the spot exchange rate on the balance sheet date. The exchange difference arising therefrom, except for the exchange difference arising from the foreign currency special borrowing related to the purchase and construction of assets eligible for capitalization, shall be calculated according to the capital of borrowing costs. In addition to the principle of processing, it is included in the current profit and loss. 2) Conversion of foreign currency financial statements Assets and liabilities in the balance sheet shall be converted at the spot exchange rate on the balance sheet date; except for the item of "undistributed profit", other items of owner's equity shall adopt the spot exchange rate at the time of occurrence discount. For the income and expense items in the income statement, the spot exchange rate on the date of the transaction (or: an exchange rate determined by a systematic and reasonable method that is similar to the spot exchange rate on the date of the transaction. Reminder: If this method is used, it should be clearly stated Which method and caliber) are converted.

When disposing of an overseas operation, the foreign currency financial statement translation difference related to the overseas operation shall be transferred from the owner's equity item to the current profit and loss of disposal.

10. Financial instruments

√Applicable √Not applicable The

company recognizes a financial asset, financial liability or equity instrument when it becomes a party to a financial instrument contract. 1) Classification of financial instruments According to the company's business model for managing financial assets and the contractual cash flow characteristics of financial assets, financial assets are classified as: financial assets measured at amortized cost, financial assets measured at fair value and changes in Financial assets included in other comprehensive income and financial assets at fair value through profit or loss. The Company classifies financial assets measured at amortized cost as financial assets measured at amortized cost that meet the following conditions and are not designated as being measured at fair value through profit or loss: - The business model is aimed at collecting contractual cash flows; - Contractual cash flows are only payments of principal and interest based on the amount of principal outstanding. The company will meet the following conditions at the same time and is not designated as a financial asset measured at fair value through profit or loss for the current period:

Financial assets (debt instruments) classified as fair value through other comprehensive income:

- the business model is aimed at both collecting contractual cash flows and selling the financial asset; - contractual cash flows are only payments of principal and interest based on the amount of principal outstanding. For non-trading equity instrument investment, the company can irrevocably designate it as a financial asset (equity instrument) measured at fair value through other comprehensive income at the time of initial recognition. The designation is made on an individual investment basis, and the relevant investment meets the definition of an equity instrument from the issuer's perspective.

Except for the above-mentioned financial assets measured at amortized cost and at fair value through other comprehensive income, the Company classifies all other financial assets as financial assets at fair value through profit or loss. At initial recognition, if the accounting mismatch can be eliminated or significantly reduced, the company can classify it as amortized cost measurement or measure at fair value and

Financial assets whose changes are included in other comprehensive income are irrevocably designated as financial assets at fair value through profit or loss. Financial liabilities are classified at initial recognition into: financial liabilities at fair value through profit or loss and financial liabilities at amortized cost. Financial liabilities that meet one of the following conditions can be designated as financial liabilities at fair value

through profit or loss at initial measurement: (1) The designation can eliminate or significantly reduce accounting mismatches. (2) According to the enterprise risk management or investment strategy stated in the official written document, manage and evaluate the financial liability portfolio or financial assets and financial liability portfolio on the basis of fair value, and use this as the basis within the enterprise to provide key management services. personnel report.

(3) The financial liability includes embedded derivatives that need to be separated separately. 2)

Recognition basis and measurement method of financial instruments (1) Financial assets measured at amortized cost Financial assets measured at amortized cost include notes receivable, accounts receivable, other receivables, long-term receivables, creditor's rights Investments, etc., are initially measured at fair value, and the relevant transaction costs are included in the initial recognition amount; accounts receivable that do not include significant financing components and accounts receivable that the company decides not to consider financing components of no more than one year are accounted for by contract. The transaction price is initially measured.

Interest calculated using the effective interest method during the holding period is included in the current profit

and loss. When recovering or disposing, the difference between the price obtained and the book value of the financial asset shall be included in the current profit and loss.

(2) Financial assets (debt instruments) at fair value through other comprehensive income Financial assets (debt instruments) at fair value through other comprehensive income include receivables financing, other claims Investments, etc., are initially measured at fair value, and relevant transaction costs are included in the initial confirmation amount. The financial assets are subsequently measured at fair value, and changes in fair value are included in other comprehensive income except for interest, impairment losses or gains and exchange gains and losses calculated using the effective interest method. When the recognition is terminated, the accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in current losses.

beneficial.

(3) Financial assets (equity instruments) at fair value through other comprehensive income Financial assets (equity instruments) at fair value through other comprehensive income include other equity instrument investments, etc. The value is initially measured, and the relevant transaction costs are included in the initial recognition amount. The financial assets are subsequently measured at fair value, and changes in fair value are included in other comprehensive income. The dividends obtained are included in the current profit and loss.

When the recognition is terminated, the accumulated gains or losses previously included in other comprehensive income are transferred out of other comprehensive income and included in retained earnings.

(4) Financial assets at fair value through profit or loss Financial assets at fair value through profit or loss include financial assets held for trading, derivative financial assets, and other non-current financial assets. The value is initially measured, and the relevant transaction costs are included in the current profit and loss. The financial assets are subsequently measured at fair value, and changes in fair value are included in current profit and loss.

(5) Financial liabilities measured at fair value through profit or loss for the current period Financial liabilities at fair value through profit or loss include financial liabilities held for trading, derivative financial liabilities, etc. Transaction costs are included in the current profit and loss. The financial liability is subsequently measured at fair value, and changes in fair value are included in the current profit and loss. When the recognition is terminated, the difference between its book value and the consideration paid is included in the current profit and loss. (6) Financial liabilities measured at amortized cost Financial liabilities measured at amortized cost include short-term borrowings, notes payable, accounts payable, other payables, long-term borrowings,

Bonds payable and long-term payables are initially measured at fair value, and relevant transaction costs are included in the initial recognition amount. Interest calculated using the effective interest method during the holding period is included in the current profit and loss. When the recognition is terminated, the difference between the consideration paid and the book value of the financial liability shall be included in the current profit and loss. 3) When derecognition of financial assets and transfer of financial assets meet one of the following conditions, the company derecognition of financial assets: - The contractual right to receive cash flow from financial assets is terminated; - Financial assets have been transferred, and almost all ownership of financial assets has been transferred. Risks and rewards are transferred to the transferee; - The financial assets have been transferred, although the company neither transfers nor retains almost all the risks and rewards of ownership of the financial assets, but does not retain control over the financial assets.

When the transfer of financial assets occurs, if almost all the risks and rewards of ownership of the financial assets are retained, the recognition will not be terminated.

the financial asset.

When judging whether the transfer of financial assets satisfies the above-mentioned conditions for derecognition of financial assets, the principle of substance over form shall be adopted. The

company distinguishes the transfer of financial assets into the overall transfer and partial transfer of financial assets. The overall transfer of financial assets satisfies the derecognition

If the conditions are met, the difference between the following two amounts shall be included in the

current profit and loss: (1) The book value of the transferred financial asset; (2) The

consideration received due to the transfer is accumulated with the change in the fair value that was directly included in the owner's equity. Amount (involving money transferred

Financial assets are the sum of financial assets (debt instruments) at fair value through other comprehensive income.

If the partial transfer of financial assets satisfies the conditions for derecognition, the overall book value of the transferred financial assets shall be apportioned between the derecognition part and the non-derecognition part according to their respective relative fair values, and the difference between the following two amounts shall be calculated. Included in the current profit and loss: (1) The book value of the

derecognized part; (2) The consideration of the derecognized part, and the amount of the corresponding derecognized part in the accumulated amount of changes in fair value originally included in the owner's equity (involving the transferred financial assets is the sum of financial assets (debt instruments) at fair value through other comprehensive income. If the transfer of financial assets does not meet

the conditions for termination of recognition, the financial assets continue to be recognized, and the consideration received is recognized as a financial liability. 4) Derecognition of financial liabilities

If all or part of the current obligations of financial liabilities have been relieved, the recognition of the financial liabilities or a part thereof shall be terminated; if the company signs an agreement with the creditor, the existing financial liabilities shall be replaced by assuming new financial liabilities, and the new financial liabilities shall be replaced by new financial liabilities. If the contract terms of financial liabilities and

existing financial liabilities are substantially different, the recognition of existing financial liabilities shall be terminated, and new financial liabilities shall be recognized at the same time.

If all or part of the contract terms of the existing financial liabilities are substantially modified, the recognition of the existing financial liabilities or part of the existing financial liabilities shall be terminated.

At the same time, the financial liability after the revised terms is recognized as a new financial liability.

When the financial liabilities are derecognized in whole or in part, the book value of the derecognized financial liabilities and the consideration paid (including the transferred out non-recognized financial liabilities)

The difference between cash assets or new financial liabilities assumed) shall be included in the current profit and loss.

If the company repurchases part of the financial liabilities, on the repurchase date, the overall book value of the financial liabilities shall be allocated according to the relative fair value of the part that continues to be recognized and the part that is derecognized. The difference between the book value allocated to the derecognized part and the consideration paid (including non-cash assets transferred out or new financial liabilities assumed) is included in the current profit and loss. 5) Determination method of fair value of financial assets and financial liabilities For financial instruments in active market, the fair value

is determined by quotation in active market. For financial instruments that do not have an active market, their fair value is determined using valuation techniques. When valuing, the company adopts

valuation techniques that are applicable in the current situation and that are supported by sufficient available data and other information, and choose the characteristics of the assets or liabilities

considered by market participants in the transaction of the relevant assets or liabilities. , and prefer the relevant observable input value. Unobservable input values are used only when the relevant observable input values are unavailable or impractical to obtain. 6) Test method and accounting treatment method for impairment of financial assets

He estimates the expected credit losses of financial assets (debt instruments) and financial guarantee contracts, etc. of comprehensive income.

The company considers the past events, the current situation and the forecast of future economic conditions and other reasonable and evidence-based information, and takes the risk of default as the weight to calculate the difference between the cash flow receivable in the contract and the cash flow expected to be received. The probability-weighted amount of the present value of the expected credit loss is recognized.

If the credit risk of the financial instrument has increased significantly since the initial recognition, the company shall measure its loss provision according to the amount equivalent to the expected credit loss during the entire duration of the financial instrument; if the credit risk of the financial instrument has not been recognized since the initial recognition If there is a significant increase, the company measures its loss provision according to the amount equivalent to the expected credit loss of the financial instrument in the next 12 months. The resulting increase or reversal of the loss provision is included in the current profit and loss as an impairment loss or gain.

By comparing the risk of default of financial instruments on the balance sheet date with the risk of default on the date of initial recognition, the company determines the relative changes in the risk of default during the expected duration of the financial instrument, and evaluates the credit risk of financial instruments since the initial recognition. after a significant increase. Usually overdue for more than 30 days, the company considers that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition. If the credit risk of a financial instrument on the balance sheet date is low, the company considers that the credit risk of the financial instrument has not increased

significantly since the initial recognition.

If there is objective evidence that a financial asset has been credit-impaired, the company will

Make provision for impairment.

For receivables and contract assets formed by transactions regulated by Accounting Standards for Business Enterprises No. 14 - Revenue (2017), no

Regardless of whether there is a significant financing component, the company always measures its losses according to the amount equivalent to the expected credit loss during the entire duration Prepare.

The company divides the receivables into two groups according to the credit risk characteristics, calculates the expected credit loss on the basis of the combination, and confirms the

The basis for the combination is as follows:

Portfolio 1, Receivables other than Portfolio 2

Combination 2. Accounts receivable from subsidiaries within the scope of consolidation of Fiberhome

For receivables divided into groups, the company refers to the historical credit loss experience, combined with the current situation and the future economic

Predict the situation, prepare a comparison table between the aging of accounts receivable and the expected credit loss rate of the entire duration, and calculate the expected credit loss.

For Portfolio 1, based on all reasonable and substantiated information, including forward-looking information, the expected loss rate of accounts receivable is estimated

Calculated as follows:

Aging	Expected loss rate (%)
within 1 year (including 1 year) 1-2	1.00%3.00%3.50%1.50%2.50%50.00
years 2-3 years 3-4 years 4-5	3.00%25.00%20.00%10.00%75.00%35.00
years More than 5 years	5.00%50.00%100.00%70.00%40.00
	20.00%65.00%60.00%100.00
	50.00%80.00%100.00
	100.00

Note: The company has compiled a comparison table between the aging of accounts receivable and the expected credit loss rate of the entire duration according to the credit risks in different regions at home and abroad.

For lease receivables, the company chooses to always measure its losses at an amount equivalent to the lifetime expected credit loss

Prepare.

11. Determination method

and accounting treatment method of expected credit loss of notes receivable

Applicable Not applicable

Refer to this note "Financial instruments 6) Test method and accounting treatment method for impairment of financial assets"

12. Accounts receivable

Determination method and accounting treatment method of expected credit loss of accounts receivable

Applicable Not applicable

Refer to this note "Financial instruments 6) Test method and accounting treatment method for impairment of financial assets"

13. Receivables financing

Applicable Not applicable

Refer to this note "Financial instruments 6) Test method and accounting treatment method for impairment of financial assets"

14. Other receivables

Determination method and accounting treatment method of expected credit loss of other

receivables Applicable Not applicable

Refer to this note "Financial instruments 6) Test method and accounting treatment method for impairment of financial assets"

15. Inventory

Applicable Not applicable

1) Classification and cost of inventory

Inventories are classified as: materials in transit, raw materials, turnover materials, goods in stock, products in progress, goods shipped, and materials for consignment processing Wait.

Inventories are initially measured at cost, which includes purchase costs, processing costs and other expenses incurred to bring the inventory to its current location and condition. 2) Valuation method of delivered inventories Inventories are priced according to the first-in-first-out method and the individual identification method when they are delivered. 3) Determination of the net realizable value of different types of inventories Based on the balance sheet date, inventories should be measured at the lower of cost and net realizable value. When the cost of inventory is higher than its net realizable value, provision for inventory depreciation shall be made. Net realisable value refers to the estimated selling price of inventories in daily activities less the estimated costs to be incurred upon completion, estimated selling expenses and related taxes. In the normal production and operation process, the estimated selling price of the inventory minus the estimated sales expenses and related taxes and fees are used to determine the amount of commodity inventory directly used for sale, such as finished products, goods in stock, and materials for sale. Net realizable value; material inventory that needs to be processed, in the normal production and operation process, is the amount after the estimated selling price of the finished product produced minus the estimated cost to be incurred upon completion, estimated selling expenses and related taxes and fees , determine its net realizable value; the net realizable value of inventories held for the execution of a sales contract or a labor service contract shall be calculated on the basis of the contract price. Net realisable value is calculated on the basis of normal selling price. After the provision for inventory depreciation has been made, if the factors affecting the previous write-down of the inventory value have disappeared, resulting in the net realizable value of the inventory.

If it is higher than its book value, it shall be reversed within the original provision for inventory depreciation, and the reversed amount shall be included in the current profit and loss. 4) The inventory system of inventory adopts perpetual inventory system. 5) Amortization method for low-value consumables and packaging (1) One-time write-off method for low-value consumables; (2) One-time write-off method for packaging.

16. Contract assets (1).

Recognition method and standard of contract assets

ŸApplicable ŸNot applicable The company lists contract

assets or contract liabilities in the balance sheet according to the relationship between performance obligations and customer payment. The Company's right to receive consideration for the transfer of goods or services to the customer (and that right depends on factors other than the passage of time) is listed as a contract asset. Contract assets and contract liabilities under the same contract are presented on a net basis. The Company's unconditional (depending only on the passage of time) right to receive consideration from customers is presented separately as receivables.

(2) Determination method and accounting treatment method of expected credit loss of contract assets

test methods and accounting treatment methods".

17. Assets held for sale

ŸApplicable ŸNot applicable

Mainly through sale (including non-monetary asset exchange with commercial substance) rather than continuous use of a non-current asset or disposal If the purchase group recovers its book value, it is classified as held for sale. The

company classifies non-current assets or disposal groups that meet the following conditions as held for sale: (1) According to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under the current conditions; (2))

The sale is very likely to occur, that is, the company has made a resolution on a sale plan and obtained a firm purchase commitment, and the sale is expected to be completed within one year. If the relevant regulations require the relevant authority of the company or the regulatory department to approve the sale, the approval has been obtained.

18. Debt investment (1).

Determination method and accounting treatment method of expected credit loss of debt investment

✓Applicable ✓Not applicable

19. Other debt investments (1).

Determination and accounting methods for expected credit losses of other debt investments ✓Applicable

✓Not applicable

20. Long-term receivables

(1). Determination method and accounting treatment method of expected credit loss of long-term

receivables ✓Applicable ✓Not applicable

21. Long-term equity investment

✓Applicable ✓Not applicable 1)

Judgment criteria for joint control and significant influence Joint

control refers to the common control over an arrangement in accordance with relevant agreements, and the relevant activities of the arrangement must go through the participation of shared control rights. Decisions can only be made after unanimous consent of the parties. If the company and other joint venture parties jointly control the investee and have rights to the net assets of the investee, the investee is a joint venture of the company. Significant influence refers to the power to participate in the financial

and operating decisions of the investee, but cannot control or jointly control the formulation of these policies with other parties. If the company can exert significant

influence on the investee, the investee is an associate of the company. 2) Determination of initial investment cost (1) Long-term equity investment formed by business

combination For long-term equity investment in subsidiaries formed by business combination under the same control, on the combination date, the acquisition of the owner's

equity of the merged party shall be combined with the ultimate controlling party. The share of book value in the financial statements is taken as the initial investment

cost of long-term equity investments. The difference between the initial investment cost of the long-term equity investment and the book value of the consideration

paid shall be adjusted to the share premium in the capital reserve; when the share premium in the capital reserve is insufficient to offset, the retained earnings shall be

adjusted. If it is possible to control the investee under the same control due to additional investment and other reasons, the initial investment cost of the long-term equity

investment recognized according to the above principles and the book value of the long-term equity investment before the merger plus the new payment consideration for

further acquisition of shares on the merger date. The difference between the sum of the book value and the book value shall be adjusted to the equity premium. If the equity

premium is insufficient to offset, the retained earnings shall be offset. For a long-term equity investment in a subsidiary formed by a business combination not under the same

control, the initial investment cost of the long-term equity investment shall be the combination cost determined on the purchase date. If it is possible to exercise control over an

investee not under the same control due to additional investment or other reasons, the initial investment cost shall be the sum of the book value of the originally held equity

investment plus the new investment cost. (2) Long-term equity investment obtained by other means other than business combination. For long-term equity investment

obtained by cash payment, the initial investment cost shall be the purchase price actually paid. For long-term equity investment obtained by issuing equity securities, the fair

value of the issued equity securities shall be used as the initial investment cost. 3) Subsequent measurement and profit and loss recognition method (1) Long-term equity

investment accounted for by the cost method The long-term equity investment of a company in a subsidiary is accounted for by the cost method, unless the investment

meets the conditions for holding for sale. Except for the price actually paid when obtaining the investment or the declared but undistributed cash dividends or profits

included in the consideration, the company recognizes the current investment income according to the cash dividends or profits declared and distributed by the

investee. (2) Long-term equity investment accounted for by equity method The long-term equity investment in associates and joint ventures is accounted for by equity

method. The difference between the initial investment cost and the fair value share of the identifiable net assets of the investee at the time of the investment shall not

be adjusted, and the initial investment cost of the long-term equity investment shall not be adjusted; The difference is included in the current profit and loss, and the

cost of long-term equity investment is adjusted at the same time. The company recognizes investment income and other comprehensive income according to the share of the

net profit and loss and other comprehensive income realized by the investee that should be enjoyed or shared, and adjusts the book value of long-term equity investment at the

same time;

The book value of the long-term equity investment shall be reduced accordingly for the portion that should be enjoyed in the calculation of gold dividends; for other changes in the owner's equity of the investee other than net profit and loss, other comprehensive income and profit distribution (referred to as "other changes in owner's equity"), adjust The book value of long-term equity investments is included in owners' equity. When recognizing the share of the investee's net profit or loss, other comprehensive income and other changes in owner's equity, it is based on the fair value of the investee's identifiable net assets when the investment is obtained, and in accordance with the company's accounting policy and accounting period, The net profit and other comprehensive income of the investee shall be adjusted and recognized. The unrealized profit and loss of internal transactions between the company and its associates and joint ventures shall be calculated according to the proportion attributable to the company and shall be offset, and the investment income shall be recognized on this basis, but the assets invested or sold constitute business except. If the unrealized internal transaction losses with the investee belong to asset impairment losses, they shall be fully recognized.

The net loss incurred by the company to a joint venture or an associate shall be limited to the book value of the long-term equity investment and other long-term equity that substantially constitutes a net investment in the joint venture or associate, except for the obligation to undertake additional losses. . If the joint venture or joint venture realizes net profit in the future, the company shall resume the recognition of the profit sharing amount after the profit sharing amount makes up for the unrecognized loss sharing amount. (3) Disposal of long-term equity investment For the disposal of long-term equity investment, the difference between its book value and the actual price obtained shall be included in the current profit and loss. If part of the long-term equity investment accounted for by the equity method is disposed of, and the remaining equity is still accounted for by the equity method, the other comprehensive income accounted for by the original equity method shall be carried forward according to the same basis as the investee's direct disposal of relevant assets or liabilities. Changes in equity are carried forward proportionally to the current profit and loss.

If the joint control or significant influence over the investee is lost due to the disposal of equity investment or other reasons, other comprehensive income recognized by the original equity investment due to the use of the equity method for accounting shall be calculated as related to the direct disposal of the investee when the equity method is terminated. Assets or liabilities are accounted for on the same basis, and other changes in owner's equity are transferred to the current profit and loss when the equity method is terminated.

If the company loses control over the investee due to the disposal of part of the equity investment and other reasons, and the remaining equity can exercise joint control or significant influence on the investee when preparing individual financial statements, it shall be accounted for by the equity method instead, and the remaining equity shall be accounted for by the equity method. It is deemed that the equity method is used for adjustment since the acquisition, and other comprehensive income recognized before the acquisition of the control right of the investee is carried forward on the same basis as the investee directly disposes of the relevant assets or liabilities. Changes in other recognized owner's equity are carried forward to the current profit and loss proportionately; if the remaining equity cannot exercise joint control or exert significant influence on the investee, it is recognized as a financial asset, and the difference between its fair value and book value on the date of losing control is calculated. The difference is included in the current profit and loss, and all other comprehensive income and other changes in owner's equity recognized before the acquisition of the control right of the investee are carried forward. If the equity investment in the subsidiary is disposed of in stages through multiple transactions until it loses control, and it belongs to a package transaction, each transaction shall be accounted for as a transaction that disposes of the equity investment in the subsidiary and loses control; every time before the loss of control The difference between the disposal price and the book value of the long-term equity investment corresponding to the disposed equity is first recognized as other comprehensive income in individual financial statements, and then transferred to the current profit and loss when control is lost. If it does not belong to a package transaction, each transaction shall be accounted for separately.

22. Investment real estate (1). If

the cost measurement model is adopted: Depreciation or amortization method Investment real estate refers to real

estate held for the purpose of earning rent or capital appreciation, or both, including leased land Use rights, land use rights held and ready to be transferred after appreciation, leased buildings (including buildings for lease after self-construction or development activities and buildings under construction or development for future lease) . Subsequent expenditures related to investment real estate shall be included in the cost of investment real estate when the relevant economic benefits are likely to flow in and the cost can be reliably measured; otherwise, it shall be included in the current profit and loss when incurred. The Company adopts the cost model to measure the existing investment real estate. The investment real estate measured according to the cost model - buildings for rental use the same depreciation policy as the company's fixed assets, and the land use rights for rental use the same amortization policy as intangible assets.

23. Fixed assets

(1). Confirmation conditions

✓Applicable ✗Not applicable

Fixed assets refer to those held for the production of commodities, provision of labor services, lease or operation and management, and whose service life exceeds one accounting year tangible assets. Fixed assets are recognized when the following conditions are met at the same time:

(1) The economic benefits related to the fixed asset are likely to flow into the enterprise;

(2) The cost of the fixed asset can be measured reliably.

Fixed assets are initially measured at cost (and taking into account the impact of expected disposal costs).

Subsequent expenditures related to fixed assets, when the economic benefits related to them are likely to flow in and their costs can be measured reliably,

Included in the cost of fixed assets; for the replaced part, derecognize its book value; all other subsequent expenses are included in the occurrence

Current profit and loss.

(2). Depreciation method

✓Applicable ✗Not applicable

Category	depreciation method	Depreciation period (years)	Average age of buildings and	Residual rate	annual depreciation rate
buildings	Average age of machinery and equipment	10-25	Average age of buildings and	3.00	2.77
Average age of office equipment and other fixed assets	decoration	Average age 0.00 14.29 -33.33	10	3.00	9.70
			7	3.00	13.86
			5	3.00	19.40
			7	3.00	13.86
			7	3.00	13.86
			3-7		

The depreciation of fixed assets adopts the straight-line method, and the depreciation is determined according to the type of fixed assets, the estimated service life and the estimated net residual value rate.

Rate. For the fixed assets for which the impairment provision has been made, the book value after deducting the impairment provision and the basis can still be used in the future period.

The number of years determines the depreciation amount. If the service life of each component of fixed assets is different or provide economic benefits to the enterprise in different ways,

Then select different depreciation rates or depreciation methods to accrue depreciation separately.

(3) Recognition basis, valuation and depreciation method of fixed assets acquired under financial lease

✓Applicable ✗Not applicable

24. Construction in progress

✓Applicable ✗Not applicable

Construction in progress is measured at the actual cost. Actual costs include construction costs, installation costs, borrowings eligible for capitalization expenses and other necessary expenses incurred before the construction in progress reaches its intended usable state. Construction in progress is on schedule

When in use, it will be transferred to fixed assets and depreciation will be accrued from the next month.

25. Borrowing costs

✓Applicable ✗Not applicable

1) Recognition principles for capitalization of borrowing costs

If the borrowing costs incurred by the company can be directly attributable to the acquisition, construction or production of assets that meet the capitalization conditions, they shall be capitalized.

Included in the cost of relevant assets; other borrowing costs, when incurred, are recognized as expenses according to the amount incurred, and are included in the current profit and loss.

Assets eligible for capitalization are those that require a long period of acquisition, construction or production activities before they can reach their intended use.

Or assets such as fixed assets, investment real estate, and inventories in a marketable state.

2) Period of capitalization of borrowing costs

The capitalization period refers to the period from the time when the borrowing costs start to be capitalized to the time when the capitalization stops, and the capitalization of borrowing costs is suspended. period is not included.

Borrowing costs begin to be capitalized when the following conditions are simultaneously met:

(1) The asset expenditure has occurred, and the asset expenditure includes the expenditure in the form of cash payment, transfer of non-cash assets or assumption of interest-bearing debts for the purchase, construction or production of assets eligible for capitalization;

(2) The borrowing costs have been incurred;

(3) The necessary acquisition, construction or production activities have been started in order to make the asset ready for its intended use or sale. Borrowing costs cease to be capitalized when the purchased, constructed or produced assets that meet the capitalization conditions are ready for their intended use or sale. 3) During the period of capitalization suspension, if there is an abnormal interruption in the acquisition, construction or production process of an asset that meets the capitalization conditions, and the interruption lasts for more than 3 months, the capitalization of borrowing costs shall be suspended; Borrowing costs will continue to be capitalized when the assets that are produced and eligible for capitalization reach the intended usable or marketable state. The borrowing costs incurred during the interruption period are recognized as the current profit and loss, and the borrowing costs continue to be capitalized until the acquisition and construction of the asset or production activities resume.

4) Calculation method of capitalization rate and capitalized amount of borrowing costs

For special loans borrowed for the purchase, construction or production of assets that meet the capitalization conditions, the actual borrowing costs incurred in the current period of the special borrowings, minus the unused loan funds deposited. The capitalized amount of borrowing costs is determined based on the amount of interest income obtained from entering the bank or the investment income obtained from temporary investment.

For general borrowings occupied for the purchase, construction or production of assets eligible for capitalization, the capitalization rate for general borrowings shall be calculated and determined based on the weighted average of the asset expenditures of the accumulated asset expenditures exceeding the special borrowings multiplied by the capitalization rate of the occupied general borrowings. the amount of borrowing costs. The capitalization rate is calculated and determined based on the weighted average effective interest rate of general borrowings.

During the capitalization period, the exchange differences between the principal and interest of special borrowings in foreign currencies are capitalized and included in the cost of assets eligible for capitalization. The exchange differences arising from the principal and interest of other foreign currency borrowings other than foreign currency special borrowings are included in the current profit and loss.

26. Biological assets

ÿApplicable ÿNot applicable

27. Oil and gas properties

ÿApplicable ÿNot applicable

28. Right-of-use assets

ÿApplicable ÿNot applicable

Refer to this note "lease"

29. Intangible assets (1).

Pricing method, service life, impairment test Include the purchase

price, related taxes and other expenses directly attributable to

bringing the asset to its intended use. (2) Subsequent

measurement When the intangible asset is obtained, its useful life is analyzed and

judged. For intangible assets with limited service life, they shall be amortized within the period that brings economic benefits to the enterprise; if the period in which the intangible assets will bring economic benefits to the enterprise cannot be foreseen, it shall be regarded as an intangible asset with an indefinite service life and shall not be amortized.

2) Estimated service life of intangible assets with limited service life

project	Expected service life
land use rights	38-50
software patent rights	3-10
	5-10

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project	Expected service life 5-10
Proprietary	
technology parking	3

lot 3) Judgment basis for intangible assets with indefinite service life and procedure disclosure requirements for reviewing their service life: For intangible assets with indefinite service life, the judgment basis and A procedure for reviewing the useful life.

(2) Accounting policy for internal research and development

expenditure ÿApplicable ÿNot applicable 1) Specific criteria for

dividing research stage and development stage Expenses for the company's internal research and development projects are divided into research stage expenditure and development stage expenditure. Research phase: The phase of original planned investigations, research activities to acquire and understand new scientific or technical knowledge, etc. Development stage: The application of research results or other knowledge to a plan or design to

The phase of activities that produce new or substantially improved materials, devices, products, etc.

2) Specific conditions for capitalization of expenditures in the development

stage Expenditures in the research stage shall be included in the current profit and loss when incurred. Expenses in the development stage meet the following conditions at the same time, it is confirmed as no Expenditures at the development stage that cannot meet the following conditions are included in the current profit and loss:

ÿ It is technically feasible to complete the intangible asset so that it can be used or sold; ÿ Has the intention to complete the intangible asset and use or sell it; ÿ The way in which the intangible asset generates economic benefits, including If the product exists in the market or the intangible asset itself exists in the market, and the intangible asset will be used internally, its usefulness can be proved; ÿ There are sufficient technical, financial and other resources to support the development of the intangible asset, and the ability to use or Sell the intangible asset; ÿ Expenses attributable to the development stage of the intangible asset can be measured reliably. If it is impossible to distinguish the research stage expenditure and the development stage expenditure, all the research and development expenditure incurred shall be included in the current profit and loss.

30. Impairment of long-term assets

ÿApplicable ÿN/A If there is any

indication of impairment on the balance sheet date, an impairment test shall be carried out. If the result of the impairment test indicates that the recoverable amount of the asset is lower than its book value, an impairment provision shall be made according to the difference and included in the impairment loss. The recoverable amount is the higher of the fair value of the asset less disposal costs and the present value of the asset's estimated future cash flows. The provision for asset impairment is calculated and confirmed on an individual asset basis. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset group shall be determined based on the asset group to which the asset belongs. An asset group is the smallest group of assets that can independently generate cash inflows. For goodwill formed due to business combination, intangible assets with uncertain service life, and intangible assets that have not yet reached a usable state,

Impairment testing is performed at least annually at the end of each year, regardless of whether there is an indication of impairment.

The company conducts the goodwill impairment test. The book value of the goodwill formed due to business combination shall be apportioned to the relevant asset group in a reasonable manner from the date of purchase; if it is difficult to apportion it to the relevant asset group, it shall be apportioned to the relevant asset group. portfolio of asset groups. The relevant asset group or asset group combination is the asset group or asset group combination that can benefit from the synergistic effect of the business combination.

When conducting an impairment test on the relevant asset group or combination of asset groups containing goodwill, if there is any sign of impairment in the asset group or combination of asset groups related to goodwill, the asset group or combination of asset groups that do not contain goodwill shall be tested first. Carry out an impairment test, calculate the recoverable amount, and compare it with the relevant book value to confirm the corresponding impairment loss. Then carry out an impairment test on the asset group or combination of asset groups containing goodwill, and compare its book value with the recoverable amount. If the recoverable amount is lower than the book value, the amount of impairment loss is first offset and apportioned to the asset group or asset group The book value of goodwill in the portfolio is then deducted proportionally to the book value of other assets according to the proportion of the book value of other assets other than goodwill in the asset group or portfolio of asset groups.

Once the above-mentioned asset impairment loss is confirmed, it will not be reversed in subsequent accounting periods.

31. Long-term deferred expenses

✓Applicable ✓Not applicable Long-

term deferred expenses are recorded according to the actual amount incurred, and are amortized evenly in stages within the benefit period or the specified period. If you are waiting for a long time

If the expense item cannot benefit the subsequent accounting period, all the amortized value of the item that has not been amortized will be transferred to the current profit and loss.

32. Contract liabilities (1).

Recognition method of contract liabilities ✓Applicable

✓Not applicable The company lists contract assets or

contract liabilities in the balance sheet according to the relationship between performance obligations and customer payment. The obligation of the company to transfer goods or provide services to customers for which the company has received or receivable consideration from customers is listed as contract liabilities. Contract assets and contract liabilities under the same contract are presented on a net basis.

33. Employee remuneration

(1). Accounting treatment of short-term remuneration ✓Applicable

✓Not applicable During the accounting period when employees

provide services to the company, the company recognizes the actual short-term remuneration as a liability and includes it in the current profit and loss or related assets cost.

The social insurance premiums and housing provident fund paid by the company for the employees, as well as the union funds and employee education funds drawn according to regulations, shall be calculated and determined according to the provision basis and ratio in the accounting period when the employees provide services to the company. Employee compensation amount. Employee welfare expenses incurred by the Company shall be included in the current profit and loss or the cost of relevant assets according to the actual amount when they are actually incurred, of which non-monetary benefits are measured at fair value.

(2) Accounting treatment method of post-employment benefits

✓Applicable ✓Not applicable ✓ Setting up the contribution plan The

company pays basic pension insurance and unemployment

insurance for employees in accordance with the relevant regulations of the local government. During the accounting period when employees provide services for the company, The amount to be paid is calculated based on the payment base and proportion specified in the local area, recognized as a liability, and included in the current profit and loss or the cost of related assets. In addition, the company also participates in the enterprise annuity plan/supplementary pension fund approved by the relevant state departments. The company pays a certain percentage of the total wages of employees to the annuity plan/local social insurance institution, and the corresponding expenses are included in the current profit and loss or the cost of related assets. ✓ Defined benefit plan The company assigns the welfare obligations arising from the defined benefit plan to the employees provided according to the formula determined by the expected cumulative welfare unit method.

The period of service is included in the current profit and loss or the cost of related assets.

The deficit or surplus formed by the present value of the defined benefit plan obligations minus the fair value of the defined benefit plan assets is recognized as a net liability or net asset of a defined benefit plan. If there is a surplus in the defined benefit plan, the company shall measure the net assets of the defined benefit plan at the lower of the surplus of the defined benefit plan and the asset cap.

All defined benefit plan obligations, including those expected to be paid within twelve months of the end of the annual reporting period in which the employee provides services, are based on treasury bonds or active debt that matches the term and currency of the defined benefit plan obligations on the balance sheet date Market yields on high-quality corporate bonds in the market are discounted.

The service cost generated by the defined benefit plan and the net interest of the net liabilities or net assets of the defined benefit plan are included in the current profit and loss or the cost of relevant assets; the changes arising from the remeasurement of the net liabilities or net assets of the defined benefit plan are included in other comprehensive Income, and will not be transferred back to profit or loss in subsequent accounting periods. When the original defined benefit plan is terminated, all the part originally included in other comprehensive income will be carried forward to undistributed profits within the scope of equity.

When the defined benefit plan is settled, the settlement gain or loss shall be recognized according to the difference between the present value of the defined benefit plan obligation and the settlement price determined on the settlement date.

(3) Accounting treatment of dismissal benefits ¥Applicable

¥Not applicable If the company provides dismissal benefits

to employees, the employee compensation liabilities arising from the dismissal benefits shall be recognized on the earlier of the following two dates and included in the current profits and losses: the company cannot unilaterally withdraw When termination benefits are provided due to a termination plan or a layoff proposal; when the company confirms costs or expenses related to restructuring involving the payment of termination benefits.

(4) Accounting treatment of other long-term employee benefits ¥Applicable

¥Not applicable

34. Lease liabilities

¥Applicable ¥Not applicable

Refer to this note "lease"

35. Estimated liabilities

¥Applicable ¥Not applicable When

the obligations related to contingencies meet the following conditions, the company will recognize them as estimated liabilities: (1) The obligation is the current obligation undertaken by the company; (2) The obligation is fulfilled It is likely to cause economic benefits to flow out of the company; (3) The amount of the obligation can be measured reliably. Estimated liabilities are initially measured based on the best estimate of the expenditures required to perform the relevant current obligations. When determining the best estimate, factors such as risks, uncertainties and the time value of money related to contingencies are taken into consideration.

If the impact of the time value of money is significant, the best estimate is determined by discounting the relevant future cash outflows.

If there is a continuous range of required expenditures, and the probability of occurrence of various outcomes within this range is the same, the best estimate shall be based on this range.

The middle value within the range is determined; in other cases, the best estimate shall be dealt with in the following cases: • If the

contingency involves a single item, it shall be determined according to the most likely amount. • If a contingent event involves

multiple projects, it shall be determined according to various possible results and related probabilities. If all or part of the expenses required

to pay off the estimated liabilities are expected to be compensated by a third party, when the compensation amount is basically confirmed to be received, it will be recognized as an

asset separately, and the confirmed compensation amount will not exceed the book value of the estimated liabilities.

The company reviews the book value of the estimated liabilities on the balance sheet date. If there is conclusive evidence that the book value cannot reflect the current best estimate, the book value shall be adjusted according to the current best estimate.

36. Share-based payment

¥Applicable ¥Not applicable The

company's share-based payment is a transaction of granting equity instruments or assuming liabilities determined on the basis of equity instruments in order to obtain services from employees or other parties. The Company's share-based payment is divided into equity-settled share-based payment and cash-settled share-based payment. 1) Equity-settled share-based payment and equity instruments If the equity-settled share-based payment is exchanged for services provided by employees, it shall be measured at the fair value of the equity instruments granted to employees. For share-based payment transactions that can be exercised immediately after the grant, the fair value of the equity instrument is included in the relevant costs or expenses on the grant date, and the capital reserve is increased accordingly. For share-based payment transactions that can be exercised only after the service during the waiting period is completed or the specified performance conditions are met, on each balance sheet date during the waiting period, the company shall, based on the best estimate of the number of exercisable equity instruments, execute the transaction according to the grant date. For fair value, the services obtained in the current period are included in the relevant costs or expenses, and the capital reserve is increased accordingly. If the terms of the equity-settled share-based payment are modified, at least the services acquired are recognized as if the terms were not modified. In addition, any modification that increases the fair value of the equity instruments granted, or that is beneficial to the employee on the modification date, is recognized as an increase in services received. During the waiting period, if the granted equity instrument is cancelled, the company will treat the cancelled granted equity instrument as an accelerated exercise, and the amount that should be recognized during the remaining waiting period will be immediately included in the current profit and loss, and the capital reserve will be recognized at the same time. However, if a new equity instrument is granted, and it is determined on the grant date of the new equity instrument that the new equity instrument granted is used to replace the cancelled equity instrument,

The Granted Alternative Equity Instrument shall be treated in the same manner as the modification of the terms and conditions of the original Equity Instrument.

2) Cash-settled share-based payment and equity instrument cash-settled

share-based payment shall be measured at the fair value of the liabilities calculated and determined on the basis of shares or other equity instruments undertaken by the company. For share-based payment transactions that can be exercised immediately after the grant, the Company shall include the relevant costs or expenses at the fair value of the liabilities on the grant date, and increase the liabilities accordingly. For share-based payment transactions that can be exercised only after the service during the waiting period is completed or the specified performance conditions are met, on each balance sheet date during the waiting period, the company shall, on the basis of the best estimate of the vesting situation, follow this The company assumes the fair value of the liabilities, includes the services obtained in the current period into the relevant costs or expenses, and includes the liabilities accordingly. On each balance sheet date and settlement date before the settlement of the relevant liabilities, the fair value of the liabilities is re-measured, and the changes are included in the current profit and loss.

37. Other financial instruments such as preferred shares and perpetual

bonds yApplicable yNot applicable

At initial recognition, the financial instrument or its components are classified as financial assets, financial liabilities or equity instruments.

Financial instruments such as perpetual bonds/preferred shares issued by the company meet one of the following conditions, and the entire financial instrument shall be recognized at the time of initial recognition.

or its components are classified as financial liabilities:

- (1) There are contractual obligations that the company cannot unconditionally avoid by delivering cash or other financial assets; (2) Contractual obligations that include the delivery of a variable number of its own equity instruments for settlement; (3) Those that include settlements with its own equity Derivatives (such as conversion rights, etc.), and the derivatives are not in a fixed amount
- (4) There are contract terms that indirectly form contractual obligations; (5) When the issuer liquidates, the perpetual bonds are in the same position as the ordinary bonds and other debts issued by the issuer. Payoff order. For financial instruments such as perpetual bonds/preferred shares that do not meet any of the above conditions, the entire financial instrument or its

Components are classified as equity instruments.

38. Revenue (1).

Accounting policy adopted for revenue recognition and measurement

yApplicable yNot applicable 1) Accounting policy adopted for revenue

recognition and measurement Revenue is recognised when the service is in control. get

The right to control the relevant goods or services refers to the ability to direct the use of the goods or services and obtain almost all economic benefits from them.

If the contract contains two or more performance obligations, the company will allocate the transaction price to each individual performance obligation according to the relative proportion of the stand-alone selling price of the goods or services promised by each individual performance obligation on the contract start date. The Company measures revenue based on the transaction price allocated to each individual performance obligation. The transaction price refers to the amount of consideration that the Company is expected to be entitled to receive for the transfer of goods or services to the customer, excluding payments received on behalf of third parties and payments expected to be refunded to the client. The Company determines the transaction price according to the terms of the contract and its previous customary practices, and when determining the transaction price, considers the influence of factors such as variable consideration, significant financing components existing in the contract, non-cash consideration, and consideration payable to customers. The company determines the transaction price including variable consideration at an amount not exceeding the amount that is highly probable that the accumulated recognized revenue will not be reversed significantly 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 amortizes the transaction price and the contract consideration during the contract period using the effective interest rate method. difference.

If one of the following conditions is met, it belongs to the performance obligation within a certain period of time; otherwise, it belongs to the performance obligation at a certain point in time.

Service:

- When the company performs the contract, the customer obtains and consumes the economic benefits brought by the company's performance. • The customer can control the goods under construction during the company's performance. • 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 performance part that has been completed so far throughout the contract period. For the performance obligations performed within a certain period of time, the Company shall recognize the revenue according to the performance progress during the period, except that the performance progress cannot be reasonably determined. Considering the nature of the goods or services, the company adopts the output method or the input method to determine the progress of the contract.

When the progress of contract performance cannot be reasonably determined, and the costs incurred are expected to be compensated, the Company shall recognize the revenue according to the amount of costs incurred until the progress of contract performance can be reasonably determined. For performance obligations performed at a certain point in time, the company recognizes revenue when the customer obtains control over the relevant goods or services. When judging whether a customer has obtained control over a good or service, the company considers the following indications:

- The company has a current right to receive payment for the good or service, that is, the customer has a current payment obligation for the good or service.
- The company has transferred the legal title of the goods to the customer, that is, the customer has legal title to the goods.
- The company has transferred the commodity in kind to the customer, that is, the customer has physically possessed the commodity.
- The company has transferred the main risks and rewards of the ownership of the commodity to the customer, that is, the customer has obtained the main risks and rewards of the ownership of the commodity.
- The customer has accepted the goods or services, etc.

2) Specific principles

• Sales of goods contract The company signs a formal sales contract with the customer, and the goods under the contract are handed over to the customer.

That is, the performance obligation in the commodity contract is fulfilled, and the company recognizes the income from the sale of the commodity.

• System integration category The company signs system integration installation contracts with customers and organizes construction according to customer types and needs. After the project is completed and delivered to the customer for acceptance and the acceptance certificate is obtained, the performance obligations in the contract are fulfilled, and the company recognizes system integration revenue at this point in time.

• The recognition policy for service income is: The company provides service income mainly for operation and maintenance services, equipment maintenance services, etc. for operators. The company can only obtain the economic benefits brought by the company when the service is completed. When the service confirmation document is issued, the performance obligation of the contract is fulfilled, and the company confirms the revenue.

• The recognition policy for the income of communication network traffic monitoring software and its training business is: Direct sales, and the income will be confirmed after the software is provided to the customer with an acceptance certificate.

(2) Differences in accounting policies for revenue recognition due to the adoption of different business models for similar businesses

• Applicable

• Not Applicable

39. Contract costs

• Applicable

• Not applicable

Contract costs include contract performance costs and contract acquisition costs. Costs incurred by the Company for performing contracts that do not fall within the scope of relevant standards such as inventories, fixed assets or intangible assets shall be recognized as an asset as contract performance costs when the following conditions are met:

- The cost is directly related to a current or anticipated contract.
- This cost increases the Company's future resources to meet its performance obligations.
- The cost is expected to be recovered. If the incremental cost incurred by the Company for obtaining the contract is expected to be recovered, it is recognized as an asset as the cost of obtaining the contract. Assets related to contract costs are amortized on the same basis as revenue recognition for goods or services related to the asset; however

If the amortization period of contract acquisition cost does not exceed one year, the company will record it into the current profit and loss when it occurs.

For assets related to contract costs, if the book value is higher than the difference between the following two items, the company shall make provision for impairment of the excess and recognize it as asset impairment loss: 1) Due to the transfer of goods or services related to the asset The remaining consideration expected to be obtained; 2) The estimated cost to be incurred for the transfer of the relevant goods or services. If the factors of impairment in the previous period change afterward, so that the aforementioned difference is higher than the book value of the asset, the company shall reverse the provision for impairment that has been accrued and shall be included in the current profit and loss, but the book value of the asset after the reversal shall not exceed It is assumed that the book value of the asset on the reversal date under the condition that no provision for impairment is made.

40. Government subsidies

• Applicable

• Not applicable

1) Types of

government grants are monetary assets or non-monetary assets obtained by the company from the government for free, and are classified into government grants related to assets.

Grants and government grants related to income.

Government subsidies related to assets refer to the government subsidies obtained by the company and used for purchase and construction or to form long-term assets in other ways.

help. Government grants related to income refer to government grants other than government grants related to assets.

2) Government subsidies

measured according to the amount receivable at the time of confirmation shall be confirmed when there is conclusive evidence at the end of the period that they can meet the relevant conditions stipulated by the financial support policy and are expected to receive financial support funds. Government grants other than government grants measured according to the receivable amount shall be recognized when the grants are actually received. 3) Accounting treatment of government grants related to assets, write down the book value of related assets or recognize as deferred income.

If it is recognized as deferred income, it will be included in the current profit and loss in a reasonable and systematic way within the useful life of the relevant assets (related to the company's daily activities, included in other income; unrelated to the company's daily activities, included in non-operating income); government subsidies related to income, which are used to compensate the company's related costs or losses in subsequent periods, are recognized as deferred income, and are included in the current profit and loss (related to the company's If it is related to daily activities, it is included in other income; if it is not related to the company's daily activities, it is included in non-operating income) or offsets related costs or losses; if it is used to compensate for the relevant costs or losses incurred by the company, it is directly included in Included in the current profit and loss (related to the company's daily activities, included in other income; irrelevant to the company's daily activities, included in non-operating income) or offset related costs or losses.

The discounted interest on policy-oriented loans obtained by the Company shall be accounted for in the following two cases: (1) If the finance appropriates the discounted funds to the lending bank, and the lending bank provides loans to the Company at the preferential policy interest rate, the Company shall The actual received loan amount is taken as the entry value of the loan, and the relevant loan costs are calculated according to the loan principal and the policy preferential interest rate. (2) If the finance directly transfers the discounted funds to the company, the company will offset the relevant borrowing costs with the corresponding discounted interest.

41. **Deferred income tax assets/deferred income tax liabilities** yApplicable

ynApplicable Income tax includes current income tax and deferred income

tax. Except for business combination and directly included in owners' equity (including other comprehensive income

In addition to the income tax arising from the transaction or event of profit), the Company will include current income tax and deferred income tax into the current profit and loss.

Deferred tax assets and deferred tax liabilities are calculated and recognized based on the difference (temporary difference) between the tax bases of assets and liabilities and their carrying amounts. For deductible temporary differences, the recognition of deferred tax assets is limited to the amount of taxable income that is likely to be obtained in the future to deduct the deductible temporary differences. For deductible losses and tax credits that can be carried forward to future years, the corresponding deferred tax assets are recognized to the extent that the future taxable income that is likely to be used to deduct the deductible losses and tax credits is limited. . For taxable temporary differences, except in special circumstances, deferred tax liabilities are recognized. Special circumstances in which deferred tax assets or deferred tax liabilities are not recognised include: • Initial recognition of goodwill; • Transactions that are neither a business combination nor affect accounting profits and taxable income (or deductible losses) when they occur or something

item.

Deferred tax liabilities are recognized for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, unless the company can control the timing of the reversal of the temporary difference and the temporary difference is likely to be in the foreseeable future will not turn back. For deductible temporary differences related to investments in subsidiaries, associates and joint ventures, when the temporary differences are likely to be reversed in the foreseeable future and it is likely to be obtained in the future to offset the deductible temporary differences. Deferred tax assets are recognized when taxable income is determined.

On the balance sheet date, for deferred income tax assets and deferred income tax liabilities, in accordance with the provisions of the tax law, the related assets will be recovered as expected. The applicable tax rate is measured in the period in which the asset or the related liability is settled.

On the balance sheet date, the Company will review the book value of deferred tax assets. If it is probable that sufficient taxable income cannot be obtained in future periods to offset the benefits of deferred tax assets, the book value of deferred tax assets is written down. The write-down amount is reversed when it is probable that sufficient taxable income will be obtained.

When it has the legal right to settle on a net basis and intends to settle on a net basis or to acquire assets and settle liabilities simultaneously, current income tax assets and current income tax liabilities are presented on a net basis after offsetting.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are listed at the net amount after offset when the following conditions are met at the same time:

Show:

• The taxpayer has the legal right to settle the current tax assets and current tax liabilities on a net basis; • The deferred tax assets and deferred tax liabilities are related to the income tax levied by the same taxation authority on the same taxpayer or are paid to different taxpayers Relevant, but in each future period in which significant deferred income tax assets and liabilities are reversed, the taxable entity involved intends to settle the current income tax assets and liabilities on a net basis or to acquire assets and settle liabilities at the same time.

42. Leasing

(1) Accounting treatment method of operating lease

Not applicable The lease fee paid by the company for renting

assets shall be apportioned on a straight-line basis over the entire lease period without deducting the rent-free period, and shall be included in the current expenses. The initial direct expenses related to leasing transactions paid by the company are included in the current expenses. When the asset lessor bears the lease-related expenses that should be borne by the company, the company deducts the part of the expenses from the total rent

Apart from that, the rental expenses after deduction shall be apportioned during the lease term and included in the current expenses.

For operating leases that adopt the simplified method of rent reduction related to the new crown pneumonia epidemic, the company continues to include the original contract rent in the cost or expense of the relevant assets in accordance with the same method as before the reduction. In the event of rent reduction or exemption, the company will treat the reduced rent as contingent rent and include it in profit or loss during the period of reduction or exemption; if rent payment is delayed, the company will recognize the rent payable as payable during the original payment period, and offset the previous period when the actual payment is made.

Confirmed payables.

The lease fee charged by the company for leasing assets shall be apportioned on a straight-line basis over the entire lease term without deducting the rent-free period, and shall be recognized as lease-related income. The initial direct expenses related to the lease transaction paid by the company are included in the current expenses; if the amount is relatively large, they are capitalized and included in the current income by installments on the same basis as the lease-related income recognition during the entire lease period.

When the company bears the lease-related expenses that should be borne by the lessee, the company deducts the part of the expenses from the total rental income

Apart from that, the rental expenses after deduction are allocated over the lease term.

For operating leases that adopt the simplified method of rent reduction related to the new crown pneumonia epidemic, the company continues to recognize the original contract rent as rental income in the same way as before the reduction; if rent reduction or exemption occurs, the company will treat the reduced rent as contingent rent, and offset the rental income during the reduction or exemption period; if the rental collection is delayed, the company will recognize the receivable rent as an account receivable during the original collection period, and offset the receivable recognized in the previous period when it is actually received.

(2) Accounting treatment method of financial lease

Not applicable Financial leased assets: The company takes the

lower of the fair value of the leased asset and the present value of the minimum lease payment as the leased asset on the start date of the lease. The entry value, the minimum lease payment is taken as the entry value of the long-term payable, and the difference is regarded as the unrecognized financing expense. The company adopts the effective interest rate method to amortize the unrecognized financing expenses during the asset lease period and include them in the financial expenses. The initial direct costs incurred by the company are included in the value of the leased assets. For the financing leases that adopt the simplified method of rent reduction related to the new crown pneumonia epidemic, the company will continue to recognize the unrecognized financing expenses as the current financing expenses at the same discount rate as before the reduction, and continue to use the same method as before the reduction. The leased assets are accrued for depreciation. For the rent reduction or exemption that occurs, the company regards the reduced rent as contingent rent, and when a concession agreement is reached to release the original rent payment obligation, it is included in the current profit and loss, and the long-term payables are adjusted accordingly. Or discounted at the discount rate before the discount and included in the current profit and loss and adjusted the unrecognized financing expenses; if the rent payment is delayed, the company will offset the long-term payables recognized in the previous period when the actual payment is made.

Assets leased out by finance: On the start date of the lease, the company recognizes the difference between the sum of the finance lease receivables, the sum of the unguaranteed residual value and its present value as the unrealized financing income, and it is recognized as the lease income in each period when the rent is received in the future. The initial direct expenses related to the lease transaction incurred by the company are included in the initial measurement of the finance lease receivables, and the amount of income recognized during the lease period is reduced.

For finance leases that adopt the simplified method of rent reduction related to the new crown pneumonia epidemic, the Company continues to recognize unrealized financing gains as lease income at the same interest rate embedded in the lease as before the reduction. In the event of rent reduction or exemption, the company will treat the reduced rent as contingent rent. When a concession agreement is reached, etc., when the original rent collection right is waived, the originally recognized rental income will be offset, and the insufficient offset will be included in investment income, and adjusted accordingly. Long-term receivables, or discounted at the discount rate before discount and included in the current profit and loss and adjusted for unrealized financing income; if the rental collection is delayed, the company will offset the long-term receivables recognized in the previous period when it is actually received.

(3) Determination method and accounting treatment method of lease under the new lease standards A

contract for a lessee to obtain consideration. On the contract inception date, the Company assesses

whether the contract is a lease or contains a lease. A contract is or contains a lease if a party

to a contract transfers its right to control the use of one or more identified assets for a period of time in exchange for consideration. If the contract contains multiple separate leases at the same time, the company will split the contract and account for each separate lease separately.

reason. If the contract contains both lease and non-lease parts, the lessee and the lessor will split the lease and non-lease parts.

For rent reductions, exemptions, deferred payments and other rental reductions directly caused by the COVID-19 epidemic and reached on existing lease contracts, if the following conditions are met at the same time, the company adopts a simplified method for all lease options. Reassessment of lease classification: The lease consideration after the concession is reduced or basically unchanged from that before the concession, of which the lease consideration can be undiscounted or discounted at the discount rate before the concession; the concession is only for June 30,

2022 Lease payments payable prior to 30 June 2022

The addition does not affect the satisfaction of this condition, and the reduction of lease payments payable after June 30, 2022 does not satisfy this condition; and after

comprehensive consideration of qualitative and quantitative factors, it is determined that there are no significant changes in other terms and conditions of the lease. y

The company as the lessee

A. Right-of-use assets On

the commencement date of the lease period, the company recognizes right-of-use assets for leases other than short-term leases and leases of low-value assets. use

The right assets are initially measured at cost. The cost includes: the initial measurement

amount of the lease liability; the lease payments made on or before the

commencement date of the lease term, if there is a lease incentive, deduct the enjoyment of the relevant lease incentives

Forehead:

Initial direct costs incurred by the Company; the Company's

efforts to dismantle and remove the leased asset, restore the site where the leased asset is located, or restore the leased asset to the terms of the lease agreement

costs that are expected to be incurred, but do not include costs that are incurred to produce inventories.

The Company subsequently adopts the straight-line method to depreciate the right-of-use assets. If it can be reasonably determined that the ownership of the leased asset will be obtained at the expiration of the lease term, the company shall accrue depreciation within the remaining useful life of the leased asset; otherwise, the leased asset shall be depreciated within the shorter of the lease term and the remaining useful life of the leased asset. .

The company determines whether the right-of-use asset has been impaired in accordance with the principles described in "III. (19) Impairment of long-term assets" in this note. value and account for identified impairment losses.

B. Lease liabilities On

the commencement date of the lease period, the company recognizes lease liabilities for leases other than short-term leases and leases of low-value assets. Lease negative

The debt is initially measured at the present value of outstanding lease payments. Lease payments include:

Fixed payments (including in-substance fixed payments), net of lease incentive-related amounts if there is a lease incentive; variable lease payments that depend on an

index or ratio; estimated payments based on residual value guarantees provided by the company; purchase options the exercise price of the option, provided that the

company is reasonably certain that the option will be exercised; and the amount payable for exercising the option to terminate the lease, provided that the lease term

reflects that the company will exercise the option to terminate the lease. The company uses the interest rate implicit in the lease as the discount rate, but if the interest

rate implicit in the lease cannot be reasonably determined, the company's incremental borrowing rate is used as the discount rate. The company calculates the interest expense

of the lease liability in each period of the lease term according to the fixed periodic interest rate, and includes it into the current profit and loss or the cost of related assets. Variable lease

payments that are not included in the measurement of lease liabilities are included in the current profit and loss or the cost of related assets when they are actually incurred. After the commencement

date of the lease term, the Company re-measures the lease liabilities and adjusts the corresponding right-of-use assets in the following situations:

If the book value of the right-of-use asset has been reduced to zero, but the lease liability still needs to be further reduced, the difference shall be included in the current profit and loss:

When there is a change in the evaluation results of the purchase option, lease renewal option or termination option, or the actual exercise of the aforementioned options is inconsistent with the original evaluation result, the Company shall calculate the lease payment amount after the change and the revised discount rate according to the The calculated present value of the lease liability is remeasured;

When the actual fixed payment changes, the estimated payable amount of the residual value of the guarantee changes, or the index or ratio used to determine the lease payment changes, the company will re-calculate the present value based on the changed lease payment and the original discount rate. Measure the lease liability. However, where changes in lease payments result from changes in floating interest rates, a revised discount rate is used to calculate the present value.

C. Short-term leases and leases of low-value assets

The company chooses not to recognize right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and the relevant lease payments are included in the current profit and loss on a straight-line basis over the lease term. related asset costs. Short-term leases are leases that, at the commencement date of the lease term, have a lease term of not more than 12 months and do not include a purchase option. A low-value asset lease refers to a lease with a lower value when a single leased asset is a brand-new asset. If the company subleases or expects to sublease the leased assets, the original lease is not a low-value asset lease.

D. Lease modification

If the lease is modified and the following conditions are met at the same time, the company will account for the lease modification as a separate lease: The lease modification expands the scope of the lease by adding the right to use one or more leased assets; The consideration for the lease is equivalent to the amount adjusted according to the contractual conditions of the stand-alone price of the expanded part of the lease scope. If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the company re-allocates the consideration of the contract after the change, re-determines the lease term, and calculates the current value based on the lease payment after the change and the revised discount rate. value to remeasure the lease liability. If the lease change leads to the narrowing of the lease scope or the shortening of the lease term, the company will reduce the book value of the right-of-use asset accordingly, and include the relevant gains or losses on partial or complete termination of the lease into the current profit and loss.

If other lease changes result in re-measurement of lease liabilities, the Company adjusts the book value of the right-of-use asset accordingly.

E. Rent concessions related to the COVID-19 epidemic

For those adopting the simplified method of rent concessions related to the COVID-19 epidemic, the company does not assess whether there is a lease change, and continues to calculate the interest expense of the lease liability at the same discount rate as before the concession. Included in the current profit and loss, and continue to accrue depreciation for the right-of-use asset in the same method as before the reduction. In the event of rent reduction or exemption, the company will treat the reduced rent as the variable lease payment amount. When the original rent payment obligation is relieved by reaching a concession agreement, the discounted amount at the undiscounted or pre-discount discount rate will be used to offset the relevant asset costs. or expenses, and adjust the lease liabilities accordingly; if the rent payment is delayed, the company offsets the lease liabilities recognized in the previous period when the actual payment is made.

For short-term leases and low-value asset leases, the company continues to include the original contract rent in the cost or expense of the relevant assets in the same way as before the concession. In the event of rent reduction or exemption, the Company will treat the reduced rent as a variable lease payment, and write down the relevant asset costs or expenses during the period of reduction or exemption; if the rent payment is delayed, the Company will recognize the rent payable as payable during the original payment period, and When the actual payment is made, the payables recognized in the previous period are offset. The company, as the lessor, on the lease commencement date, the company divides the leases into financial leases and operating leases. A financial lease is a lease that essentially transfers almost all the risks and rewards associated with the ownership of the leased asset, regardless of whether the ownership is ultimately transferred. Operating leases refer to leases other than finance leases. When the company acts as a sublease lessor, it classifies the sublease based on the right-of-use asset arising from the original lease.

A. Accounting for operating leases

Lease receipts from operating leases are recognized as rental income on a straight-line basis over each period of the lease term. The Company capitalizes the initial direct expenses incurred in relation to operating leases, and is amortized and included in the current profit and loss on the same basis as the rental income is recognized during the lease term. Variable lease payments not included in lease receipts are included in profit or loss for the period when they are actually incurred. If the operating lease is changed, the company will account for it as a new lease from the effective date of the change, and the advance receipts or lease receivables related to the lease before the change are regarded as the receipts of the new lease.

B. Accounting treatment of financial

Leases On the lease commencement date, the company recognizes financial lease payments receivable for financial leases, and derecognizes financial lease assets. When the Company initially measures the finance lease receivables, the net investment in the lease is regarded as the entry value of the finance lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement date of the lease term, discounted at the interest rate implicit in the lease.

The company calculates and recognizes the interest income in each period of the lease period according to the fixed periodic interest rate. The derecognition and impairment of finance lease receivables shall be accounted for in accordance with "III. (IX) Financial instruments" in this note.

Variable lease payments that are not included in the net lease investment measurement are included in the current profit and loss when they

are actually incurred. If the financial lease is changed and the following conditions are met at the same time, the company will account for the change as a separate lease: The change expands the scope of the lease by adding the right to use one or more leased assets; The increased consideration and lease The stand-alone price of the expanded part is equivalent to the amount adjusted according to the contract situation.

If the modification of a financial lease is not accounted for as a separate lease, the Company shall treat the modified lease according to the following circumstances: If the modification takes effect on the lease commencement date, the lease will be classified as an operating lease, and the Company will treat it as accounted for as a new lease from the effective date of the change, and the net investment in the lease before the effective date of the change is taken as the book value of the leased asset; if the change is effective on the lease start date, the lease will be classified as a finance lease. , the company follows this note "III. (IX)

Financial Instruments' policy on modifying or renegotiating contracts is accounted for.

C. Rent concessions related to the new crown pneumonia epidemic

For operating leases that adopt the simplified method of rent concessions related to the new coronary pneumonia epidemic, the company continues to recognize the original contract rent as rental income in the same way as before the concession; The Company regards the reduced rent as the variable lease payment amount, and offsets the lease income during the period of reduction and exemption; if the rent is delayed, the Company recognizes the rent receivable as an account receivable during the original collection period, and offsets it when it is actually received. Less receivables recognized in previous periods.

For financial leases that adopt the simplified method of rent reduction related to the new crown pneumonia epidemic, the company continues to calculate the interest at the same discount rate as before the reduction and recognize it as lease income. In the event of rent reduction or exemption, the company will treat the reduced rent as the variable lease payment, and when a concession agreement is reached, etc. to waive the right to receive the original rent, the discounted amount at the undiscounted or pre-discount discount rate will be used to offset the original confirmed amount. For lease income, the part that is not enough to be written off is included in investment income, and the finance lease receivables are adjusted accordingly; if the rent is delayed, the company offsets the finance lease receivables recognized in the previous period when it is actually received.

43. Other important accounting policies and accounting estimates yApplicable

yNot applicable

44. Changes in important accounting policies and accounting estimates (1).

Changes in important accounting policies yApplicable yNot applicable

The content and reasons for changes in accounting policies	approval procedure	Remarks (name and amount of statement items that are significantly affected) Right-of-use assets,
Adjustments made by the company as a lessee to operating leases that existed before the date of initial application	Board of Directors	lease liabilities, prepaid accounts, of which: the amount of non-current liabilities due within one year is detailed in other descriptions. Operating costs and sales expenses are detailed in other descriptions
The Group and the Company reclassify all self-selling expenses to operating costs for the transportation costs incurred before the control of the goods is transferred to the customer and for the performance of the sales contract. Other explanations y Implementation of Accounting Standards	Board of Directors	

for Business Enterprises No. 21 – Leases (Revised in 2018) The Ministry of Finance revised the

Accounting Standards for Business Enterprises No. 21 – Leases in 2018 (referred to as "New Lease Standards"). The company

will implement the new lease standards from January 1, 2021. According to the revised standard, for contracts that existed before the date of initial application, the company chooses not to reassess whether it is a lease or contains a lease on the date of initial application. * As the lessee, the company chooses to adjust the amount retained at the beginning of the year in which the new lease standard is first implemented according to the cumulative impact of the first implementation of the new lease standard

The amounts of income and other related items in the financial statements are not adjusted for comparable period information.

For operating leases that existed before the date of initial application, the Company measures the lease liability at the present value of the remaining lease payments on the date of initial application discounted at the company's incremental borrowing rate on the date of initial application, and selects the following two methods for each lease One measurement of right-of-use assets: Assuming that the book value of the new lease standard is adopted from the start date of the lease term, the company's incremental borrowing rate on the date of initial application is used as the discount rate. An amount equal to the lease liability, adjusted as necessary for prepaid rent. For operating leases prior to the date of initial application, the Company applies one or more of the following simplified treatments for each lease while applying the above method:

1) Leases to be completed within 12 months after the date of initial application are treated as short-term leases; 2) When measuring lease liabilities, the same discount rate is used for leases with similar characteristics; 3) The measurement of right-of-use assets does not include initial direct costs; 4) If there is a lease renewal option or a lease termination option, the lease term shall be determined according to the actual exercise of the option prior to the initial execution date and other latest information; 23) Estimated liabilities" assess whether the contract including the lease is a onerous contract before the date of initial application, and adjust the right-of-use asset according to the amount of the loss provision included in the balance sheet before the date of initial application; 6) Changes to leases that occurred before the date of initial application, without retrospective adjustment, according to the final arrangement of lease change, accounting treatment in accordance with the new lease standards.

In measuring the lease liability, the Company discounts the lease payments using the lessee's incremental borrowing rate (weighted average: 4.65%) at 1 January 2021. Present value of outstanding minimum lease payments for significant operating leases disclosed in the consolidated financial statements as at December 31, 2020,

discounted at the company's incremental borrowing rate as at January 1, 2021 Under the new lease standard at January 1, 2021 The difference between the above discounted present value of the lease liability and the lease liability	111,922,416.67
	100,949,180.24
	100,949,180.24
	0

For the financial leases that existed before the date of initial application, the Company shall measure the right-of-use assets and lease liabilities according to the original book values of the assets under financing leases and the financial lease payments payable on the date of initial application. • The Company, as the lessor, for the sub-lease classified as an operating lease before the date of initial application and subsistence after the date of initial application, the Company will re-evaluate on the date of initial application based on the remaining contract term and terms of the original lease and sub-lease, and re-evaluate in accordance with the new Classification according to the provisions of the lease standard. If it is reclassified as a finance lease, the Company will account for it as a new finance lease. Except for sub-lease, the Company does not need to adjust its lease as a lessor in accordance with the new lease standards. The Company conducts accounting treatment in accordance with the new lease standards from the date of initial implementation. • The main impact of the company's implementation of the new lease standards on the financial statements is as follows: Amount of impact on the balance on January 1, 2021 Remarks on changes in accounting policies (name and amount of items in the statement and reason table that are significantly affected) Consolidated parent company As a lessee, the company adjusts the right-of-use assets 103,553,539.25 32,676,778.39 Lease liabilities 73,233,763.55

initial execution date - 2,604,359.01	Among them: non-27,711 approval procedure	15,416.84	On the implementation of the Accounting Standards for Financial Instruments, the company's operating lease liabilities are classified as financial liabilities, and the difference between the original and the new standard is 15,416.84.	15,416.84
which clearly stipulates: "Under normal circumstances, the transportation commercial risk is provided to the transporter, and the transporter is responsible for the transportation risk."	Under normal circumstances, the transportation commercial risk is provided to the transporter, and the transporter is responsible for the transportation risk."	15,416.84	On the implementation of the Accounting Standards for Financial Instruments, the company's operating lease liabilities are classified as financial liabilities, and the difference between the original and the new standard is 15,416.84.	15,416.84
as the contract performance cost, and shall be amortized and included in the current profit and loss shall be based on the "Termination of the policy" on the date of the change in the policy.	Under normal circumstances, the transportation commercial risk is provided to the transporter, and the transporter is responsible for the transportation risk."	15,416.84	On the implementation of the Accounting Standards for Financial Instruments, the company's operating lease liabilities are classified as financial liabilities, and the difference between the original and the new standard is 15,416.84.	15,416.84
items in 2020, the amount and the reason, the consolidated parent company 220,310,858.72 128,390,013.87	Under normal circumstances, the transportation commercial risk is provided to the transporter, and the transporter is responsible for the transportation risk."	15,416.84	On the implementation of the Accounting Standards for Financial Instruments, the company's operating lease liabilities are classified as financial liabilities, and the difference between the original and the new standard is 15,416.84.	15,416.84
				4,579,901.48

	Report Items Affected by the Approval Process		
Board of Directors	Operating cost		
	sales expense	220,310,858.72 128,390,013.87	

According to the "Implementation Questions and Answers" issued by the Ministry of Finance on November 2, 2021, according to the implementation schedule and connection regulations of the new revenue standards, new financial instrument standards, and new lease standards, from January 1, 2021, all implementing enterprises Accounting standards companies are required to implement the new standards. When accounting using the equity method, the opening balance of its 2021 financial statements should be adjusted accordingly.

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change in accounting policy Contents and Reasons for	Report Items Affected by the Approval Process	Amount impacted on January 1, 2021 balances	
		Consolidated parent company	
Implementing Accounting Standards for Business Enterprises of unlisted companies in From January 1, 2021 related to new financial instruments Accounting Standards	Board of Directors	long-term equity investment	35,698,594.40 35,698,594.40
		Undistributed profit	35,698,594.40 35,698,594.40

(2). Changes in significant accounting

estimates yApplicable yNot applicable

(3). The first implementation of the new lease standards from 2021 to adjust the financial statements at the beginning of the year for the first

implementation yApplicable yNot applicable

Consolidated Balance Sheet

Unit: Currency: RMB

project	December 31, 2020	January 1, 2021	Adjustments	
Current assets:				
Monetary funds	3,970,119,030.18	3,970,119,030.18		
settlement reserve				
Loan funds				
Tradable financial assets				
Derivative financial assets				
Notes Receivable	514,473,946.03	514,473,946.03		
Accounts	5,759,438,494.37	5,759,438,494.37		
Receivable Financing	329,395,822.00	329,395,822.00		
Advance Payments	503,677,053.94	501,072,694.93		-2,604,359.01
Premium Receivable				
Reinsurance accounts receivable				
Reinsurance contract reserves receivable				
Other receivables	596,182,363.45	596,182,363.45		
Including: Interest receivable	642,230.03	642,230.03		
Dividends receivable	122,936,408.75	122,936,408.75		
Financial assets purchased under resale agreements				
Inventory	13,573,769,661.42	13,573,769,661.42		
contract assets				
Assets held for sale				
Non-current assets due within one year				
Other current assets	584,307,724.42	584,307,724.42		
Total non-current	25,831,364,095.81	25,828,759,736.80		-2,604,359.01
assets:				
Disbursement of loans and advances				
Debt investment				
Other debt investments				
Long-term receivables				
Long-term equity	2,303,055,915.83	2,338,754,510.23	180,180,877.10	35,698,594.40
investment Other equity instruments	180,180,877.10			
Investment in other non-current financial assets				

investment real estate	123,172,072.20	123,172,072.20	
fixed assets construction	3,351,012,566.80	3,351,012,566.80	
in progress productive	877,285,666.87	877,285,666.87	
biological assets			
Oil and gas assets			
Right-of-use assets		103,553,539.25	103,553,539.25
Intangible assets	999,562,835.45	999,562,835.45	
Development expenses	1,134,462,734.80	1,134,462,734.80	
Goodwill Long-term	2,176,100.99	2,176,100.99	
deferred expenses	63,836,733.96	63,836,733.96	
Deferred income tax assets	175,429,112.05	175,429,112.05	
Other non-current assets			
Total non-current assets	9,210,174,616.05	9,349,426,749.70	139,252,133.65
Total assets Current	35,041,538,711.86	35,178,186,486.50	136,647,774.64
liabilities:			
short-term	478,994,749.92	478,994,749.92	
borrowing from the central bank			
borrowed funds			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Bills Payable	5,735,955,139.32	5,735,955,139.32	
Accounts Payable	6,499,895,295.12	6,499,895,295.12	
Advance Receipts	1,842,850.63	1,842,850.63	
Contract	3,673,718,865.41	3,673,718,865.41	
Liabilities Sales Repurchase Financial Assets			
Deposits and deposits			
Agent for buying and selling securities			
Agent underwriting securities			
Employee benefits	276,908,499.29	276,908,499.29	
payable Taxes payable	108,055,419.90	108,055,419.90	
Other payables Including:	1,569,735,281.44	1,569,735,281.44	
Interest payable, dividend	9,545,151.84	9,545,151.84	
payable, handling	25,800,868.46	25,800,868.46	
fee and commission payable			
Reinsurance Accounts Payable			
held-for-sale liabilities			
Non-current liabilities due within one year		27,715,416.69	27,715,416.69
Other current liabilities Current liabilities	234,492,693.54	234,492,693.54	
Total non-current liabilities:	18,579,598,794.57	18,607,314,211.26	27,715,416.69
Insurance contract reserve			
Long-term	1,399,000,000.00	1,399,000,000.00	
borrowings and	2,466,278,366.08	2,466,278,366.08	
bonds payable Including: preferred shares			
perpetual bond			
Lease liability		73,233,763.55	73,233,763.55
long-term payables			
Long-term employee compensation payable			

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Estimated	31,269,935.23	31,269,935.23	
liabilities	489,726,155.94	489,726,155.94	
Deferred income Deferred	1,208,971.85	1,208,971.85	
tax liabilities Other non-current liabilities			
Total non-current	4,387,483,429.10	4,460,717,192.65	73,233,763.55
liabilities Total	22,967,082,223.67	23,068,031,403.91	100,949,180.24
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)	1,170,153,992.00	1,170,153,992.00	
Other equity instruments Including:	736,456,128.94	736,456,128.94	
preference shares			
perpetual bond			
Deduction of	5,670,215,294.31	5,670,215,294.31	
capital reserve: general	502,885,629.73	502,885,629.73	
risk reserve of special	-29,021,364.89	-29,021,364.89	
reserve for other	4,114,502.60	4,114,502.60	
comprehensive income of	385,782,676.16	385,782,676.16	
treasury stock surplus reserve			
Undistributed profits	4,037,612,506.25	4,073,311,100.65	35,698,594.40
attributable to the parent company's owner's equity (or Shareholders' Equity) Total	11,472,428,105.64	11,508,126,700.04	35,698,594.40
Minority Shareholders'	602,028,382.55	602,028,382.55	
Equity Owner's Equity (or Shareholders' Equity) total	12,074,456,488.19	12,110,155,082.59	35,698,594.40
Liabilities and Owner's Equity (or Shares East equity) total	35,041,538,711.86	35,178,186,486.50	136,647,774.64

Description of the adjustment of each item:

☐Applicable
 ☐Not applicable

Implement Accounting Standards for Business Enterprises No. 21 - Leases (Revised in 2018) (hereinafter referred to as "New Lease Standards"), adjust the Right-of-use assets, lease liabilities, prepayments and non-current liabilities due within one year are presented at the beginning of the period.

According to the "Implementation Questions and Answers" issued by the Ministry of Finance on November 2, 2021, according to the new revenue standards, new financial instrument standards, new lease The implementation schedule and convergence of the leasing standards stipulate that from January 1, 2021, all enterprises that implement the accounting standards for business enterprises must implement the new guidelines. When accounting using the equity method, the opening balance of its 2021 financial statements should be adjusted accordingly.

Parent Company Balance Sheet

Unit: Currency: RMB

project	December 31, 2020	January 1, 2021	adjustment
Current Assets:			
Monetary funds	1,793,110,783.00	1,793,110,783.00	
for trading financial assets			
Derivative financial assets			
Notes Receivable	674,251,939.34	674,251,939.34	
Accounts	4,768,685,549.94	4,768,685,549.94	
Receivable Accounts	119,194,467.60	119,194,467.60	
Receivable Financing	105,104,880.07	105,104,880.07	
Advances Other Receivables	1,915,025,135.22	1,915,025,135.22	
Including: Interest Receivable	642,230.03	642,230.03	
Dividends Receivable	563,125,261.31	563,125,261.31	
stock	9,146,317,723.56	9,146,317,723.56	

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contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	26,377,164.29	26,377,164.29	
Total non-current	18,548,067,643.02	18,548,067,643.02	
assets:			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity	7,376,670,823.49	7,412,369,417.89	35,698,594.40
investment Other equity instruments	177,320,877.10	177,320,877.10	
Investment in other non-current financial assets			
investment real estate			
Fixed assets	1,511,056,205.04	1,511,056,205.04	
Construction in	454,261,735.59	454,261,735.59	
progress productive biological assets			
Oil and gas assets			
Right-of-use asset		32,676,778.39	32,676,778.39
Intangible asset	281,357,395.70	281,357,395.70	
development expenditure	541,790,677.45	541,790,677.45	
Goodwill			
Long-term prepaid expenses			
Deferred tax assets	61,631,074.66	61,631,074.66	
Other non-current assets			
Total non-current assets	10,404,088,789.03	10,472,464,161.82	68,375,372.79
Total assets Current	28,952,156,432.05	29,020,531,804.84	68,375,372.79
liabilities:			
Held-for-trading	299,062,949.92	299,062,949.92	
financial liabilities for short-term borrowings			
Derivative financial liabilities			
Bills Payable	5,308,097,598.00	5,308,097,598.00	
Accounts Payable	5,615,546,930.33	5,615,546,930.33	
Advance Receipts			
Contract	2,271,378,299.28	2,271,378,299.28	
liabilities Payable	5,925,524.60	5,925,524.60	
employee benefits	12,431,704.25	12,431,704.25	
Taxes payable Other	2,360,527,498.83	2,360,527,498.83	
payables Including: Interest	8,678,074.19	8,678,074.19	
payable	25,520,348.46	25,520,348.46	
Dividends payable Liabilities held for sale			
Non-current liabilities due within one year		4,579,901.48	4,579,901.48
Other current liabilities Current liabilities	144,981,593.57	144,981,593.57	
Total non-current liabilities:	16,017,952,098.78	16,022,532,000.26	4,579,901.48
Long-term	1,399,000,000.00	1,399,000,000.00	
borrowings and	2,466,278,366.08	2,466,278,366.08	
bonds payable Including: preferred shares			
perpetual bond			
lease liability		28,096,876.91	28,096,876.91

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Long-term payables			
Long-term employee compensation payable			
Estimated	7,116,488.66	7,116,488.66	
liabilities	229,317,488.03	229,317,488.03	
Deferred income Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities	4,101,712,342.77	4,129,809,219.68	28,096,876.91
Total liabilities Owner's	20,119,664,441.55	20,152,341,219.94	32,676,778.39
equity (or shareholders' equity):			
Paid-in capital (or share capital)	1,170,153,992.00	1,170,153,992.00	
Other equity instruments Including:	736,456,128.94	736,456,128.94	
preference shares			
perpetual bond			
Less capital	6,251,050,505.96	6,251,050,505.96	
reserve: special reserve	502,885,629.73	502,885,629.73	
for other comprehensive	-12,790,360.94	-12,790,360.94	
income of treasury shares			
Owner's Equity	385,782,676.16	385,782,676.16	
(or Shareholders'	804,724,678.11	840,423,272.51	35,698,594.40
Equity) of Undistributed Profits of Surplus Reserve			
total	8,832,491,990.50	8,868,190,584.90	35,698,594.40
Liabilities and Owner's Equity (or shareholders' equity) total	28,952,156,432.05	29,020,531,804.84	68,375,372.79

Description of the adjustment of each item:

Applicable Not applicable

Implement Accounting Standards for Business Enterprises No. 21 - Leases (Revised in 2018) (hereinafter referred to as "New Lease Standards"), adjust the

Right-of-use assets, lease liabilities, prepayments and non-current liabilities due within one year are presented at the beginning of the period.

According to the "Implementation Questions and Answers" issued by the Ministry of Finance on November 2, 2021, according to the new revenue standards, new financial instrument standards, new lease

The implementation schedule and convergence of the leasing standards stipulate that from January 1, 2021, all enterprises that implement the accounting standards for business enterprises must implement the new guidelines. When accounting using the equity method, the opening balance of its 2021 financial statements should be adjusted accordingly.

(4) Explanation on retrospective adjustment of previous comparative data for the first implementation of the new lease

standards from 2021 Applicable Not applicable

45. Others

Applicable Not applicable

1) Termination of

operation Termination of operation is a separately distinguishable component that meets one of the following conditions, and the component has been disposed of by the company

Or classified by the Company as held for sale:

(1) The component represents a separate main business or a separate main business area;

(2) The component is a related item to be disposed of to an independent main business or a separate main business area.

part of the joint plan;

(3) The component is a subsidiary acquired exclusively for resale.

Profit and loss from continuing operations and profit and loss from discontinued operations are presented separately in the income statement. Impairment losses from discontinued operations and reversal of operations

Profit or loss and disposal profit or loss are presented as profit or loss from discontinued operations. For the discontinued operations presented in the current period, the Company in the current financial statements,

The information originally presented as profit and loss from continuing operations is re-presented as profit and loss from discontinued operations in a comparable accounting period.

2) Hedging Accounting

Classification of Hedging

(1) Fair value hedge refers to the hedge against the risk of changes in fair value of recognized assets or liabilities and unrecognized firm commitments (except foreign exchange risk).

(2) A cash flow hedge refers to a hedge against the risk of changes in cash flows arising from a specific type of risk associated with a recognized asset or liability, a likely expected transaction, or an unspecified risk. The foreign exchange risk included in the confirmed firm commitment.

(3) Hedging of net investment in overseas operations refers to the hedging of foreign exchange risks of net investment in overseas operations. net investment in overseas operations, It refers to the equity share of an enterprise in the net assets of overseas operations.

Designation of Hedging Relationship and Determination of Hedging

Effectiveness At the beginning of the hedging relationship, the Company has a formal designation of the hedging relationship, and has prepared formal written documents on the hedging relationship, risk management objectives and hedging strategy. The document sets out the nature and quantity of the hedging instrument, the nature and quantity of the hedged item, the nature of the hedged risk, the type of hedging, and the Company's assessment of the effectiveness of the hedging instrument. Hedging effectiveness refers to the degree to which changes in the fair value or cash flow of the hedging instrument can offset changes in the fair value or cash flow of the hedged item caused by the hedged risk. The company continuously evaluates the effectiveness of the hedge, and judges whether the hedge is satisfied within the specified accounting period of the hedging relationship.

Apply hedge accounting for effectiveness requirements. If not, the hedging relationship is terminated. The use of hedge accounting shall

meet the following requirements for hedge effectiveness: (1) There is an economic relationship between the hedged item and the

hedging instrument. (2) Among the value changes arising from the economic relationship between the hedged item and the

hedging instrument, the impact of credit risk does not dominate. (3) Adopt an appropriate hedging ratio, which will not create an imbalance in the relative weights of the hedged

item and the hedging instrument, resulting in accounting results inconsistent with the hedge accounting objective. If the hedging ratio is no longer appropriate, but the objective of

hedging risk management has not changed, the number of hedged items or hedging instruments should be adjusted so that the hedging ratio can meet the effectiveness requirements again.

Hedging accounting treatment (1) Fair value hedging Changes in fair value of hedging derivatives are included in the current profit and loss. Changes in the fair value of the hedged item due to hedging risks are included in the current profit and loss, and the book value of the hedged item is adjusted at the same time. For fair value hedges related to financial instruments

measured at amortized cost, adjustments made to the book value of the hedged item are amortized over the remaining period between the adjustment date and the maturity date and

included in the current profit and loss. Amortization in accordance with the effective interest method can begin immediately after the adjustment of the book value and no later than the

end of the hedged item. If the hedged item is derecognised, the unamortised fair value is recognised in profit or loss for the current period. If the hedged item is an unrecognized definite

commitment, the fair value of the definite commitment is recognized as an asset or liability due to the cumulative fair value changes caused by the hedged risk, and the related gain or

loss is included in the current profit and loss. Changes in fair value of hedging instruments are also included in profit or loss for the current period. (2) The part of the profit or loss of the cash flow

hedging hedging instrument that belongs to the effective hedge is directly recognized as other comprehensive income, and the part that belongs to the ineffective hedging is included in the

current profit and loss. If the hedged transaction affects the current profit and loss, such as when the hedged financial income or financial expense is recognized or the expected sale occurs, the

amount recognized in other comprehensive income shall be transferred to the current profit and loss. If the hedged item is the cost of a non-financial asset or non-financial liability, the

amount originally recognized in other comprehensive income is transferred out and included in the initially recognized amount of the non-financial asset or non-financial liability (or

otherwise If it is recognized in comprehensive income, it is transferred out in the same period when the non-financial asset or non-financial liability affects profit or loss, and is included in current profit and loss). If the expected transaction or firm commitment is not expected to occur, the accumulated gain or loss of the hedging instrument previously included in other comprehensive

income is transferred out and included in the current profit and loss. If the hedging instrument expires, is sold, the contract is terminated or exercised (but not replaced or rolled over),

or the designation of the hedging relationship is withdrawn, the amount previously recorded in other comprehensive income is not transferred out until Expected transactions or firm

commitments affect current profit and loss. (3) Hedging of net investment in foreign operations Hedging of net investment in foreign operations, including hedging of monetary items as part of the

net investment, is treated similarly to cash flow hedges. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is included in other

comprehensive income, and the portion that is an ineffective hedge is recognized as the current profit and loss. When disposing of overseas operations, any accumulated gains or losses included

in other comprehensive income are transferred out and included in the current profit and loss.

3) Repurchase of the company's

shares for reasons such as reducing the registered capital or rewarding employees. If the shares of the company or its subsidiaries are purchased, the actual payment will be made.

The amount shall be treated as treasury stock and shall be registered for reference at the same time. If the repurchased shares are cancelled, the par value of the cancelled shares and the cancelled shares will be

The difference between the total face value of the shares calculated by the number of shares and the amount actually paid for the repurchase shall be offset against the capital reserve.

Write down retained earnings; if the repurchased shares are awarded to the employees of the company, it is an equity-settled share-based payment.

When the company or the company's subsidiary shares are purchased and the price is received, the cost of the treasury stock and the capital reserve during the waiting period will be resold and delivered to the employees.

(Other capital reserve) accumulated amount, and at the same time, adjust the capital reserve (capital premium or share premium) according to the difference.

6. Taxes 1.

Main taxes and tax rates

Main taxes and tax rates

☐Applicable ☐Not applicable

tax	Tax basis	tax rate
Value-added tax, urban maintenance and construction tax, actual paid turnover	Sales of goods, provision of taxable labor services, provision of taxable services	13%, 9%, 6%
tax, education fee surcharge, actual paid turnover	added tax, urban maintenance and construction tax, actual paid turnover	7%
tax	added tax, urban maintenance and construction tax, actual paid turnover	3%
		1.5%
		25%☐15%☐12.5%
	1.2% of the residual value after the proportion determined by the local taxation bureau; 12% of the rental income	1.20%☐12%
land holding tax	According to the actual land area and local tax bureaus fixed tax rate	4 yuan/ȳ, 5 yuan/ȳ, 6 yuan/ȳ,

If there are taxpayers with different corporate income tax rates, an explanation of the disclosure

☐Applicable ☐Not applicable

Name of taxpayer Wuhan	Income tax rate (%)
Fiberhome Information Integration Technology Co., Ltd.	15
Fiberhome Fujikura Optical Fiber Technology Co., Ltd.	15
Nanjing Fiberhome Space Communication Development	15
Co., Ltd. Changchun Fiberhome Technology Co., Ltd. Xi'an	15
Northern Optical Communication Co., Ltd. Ruiguang	15
Communication Technology Co., Ltd. Wuhan Optical Valley	15
Wisdom Technology Co., Ltd. Wuhan City Fiber Vision	15
Technology Co., Ltd. Wuhan Fiberhome Technology Service	15
Co., Ltd. Xi'an Fiberhome Software Technology Co., Ltd.	15
Wuhan Optical Network Information Technology Co., Ltd.	15
Wuhan Feisiling Microelectronics Technology Co., Ltd.	12.5
Fiberhome Super Micro Information Technology Co., Ltd.	15
Chengdu Datang Cable Co., Ltd. Chengdu FiberHome Cloud	15
Network Information Technology Co., Ltd.	15
	12.5

2. Tax benefits

☐Applicable ☐Not applicable

(1) The value-added tax is based on the sales income of products and raw materials, and the tax rate is 13% (after April 1, 2019).

According to Caishui [2008] No. 1, the Ministry of Finance and the State Administration of Taxation jointly issued "The Ministry of Finance and the State Administration of Taxation on Corporate Income Tax If Notice on Preferential Policies for Encouraging Software Enterprises and Integrated Circuit Industry

[2011] Circular 100 "Notice on VAT Policies for Software Products" stipulates that the sales of self-developed software products shall be subject to the statutory tax rate. The value-added tax is levied, and the portion of the actual tax burden exceeding 3% is levied and refunded immediately. The Company and its subsidiary Wuhan Optical Network Co., Ltd. Company, Wuhan Fiberhome Technology Service Co., Ltd., Wuhan Fiberhome Technology Co., Ltd., Nanjing Fiberhome Air Communication Development Co., Ltd. This file is applicable to Xi'an Fiberhome Software Technology Co., Ltd.

(2) Communication equipment and communication equipment exported by the Company and its holding subsidiary Wuhan Fiberhome International Technology Co., Ltd. The VAT exemption, credit and refund policy for optical fiber and cable products is applicable, and the tax refund rate is 13% (after April 1, 2019).

(3) According to the "Regulations on Carrying out Transportation in Eight Provinces and Cities including Beijing" promulgated by the Ministry of Finance and the State Administration of Taxation on July 31, 2012 Circular on the pilot program of replacing business tax with value-added tax in the transportation industry and some modern service industries (Cai Shui [2012] No. 71), the company and its subsidiaries Wuhan FiberHome Technology Service Co., Ltd. is subject to VAT at a rate of 6% on the income from research and development, technical services, and information technology services.

(4) According to the "Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Implementing the Replacing of Business Tax with Value-Added Tax" (Cai Shui [2016] No. 36) It stipulates that "the applicable tax rate for general taxpayers is 11%, but taxpayers of clearing contractors, taxpayers of construction projects, and taxpayers of old construction projects may If you choose to apply the simple tax calculation method, the applicable tax rate for small-scale taxpayers is 3%." The company and its subsidiary Wuhan Fiberhome Information Integration Technology Co., Ltd.,

The communication engineering services of Wuhan FiberHome Technology Service Co., Ltd. belong to the scope of "replacement of business tax with value-added tax" in the construction industry. According to the "Building The construction project with the contract start date stated before April 30, 2016 shall be taxed at a simplified rate of 3%. In 2019 Construction projects after April 1, 2019 are taxed at 9%.

(5) According to the "Notice of the Ministry of Finance and the State Administration of Taxation on Comprehensively Implementing the Replacing of Business Tax with Value-Added Tax" (Cai Shui [2016] No. 36) It stipulates that "General taxpayers can choose to apply the simplified tax calculation method when renting out their real estate acquired before April 30, 2016. The tax payable shall be calculated at a levy rate of 5%". Nanjing Third Generation Communication Technology Co., Ltd., a subsidiary of the company, applies this document.

3. Other

☐Applicable ☐Not Applicable

7. Notes to Consolidated Financial Statements

1. Monetary funds

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing balance	Opening Balance
Total cash on	956,910.79	975,112.99
hand bank	4,532,560,859.80 188,811,118.66	3,850,664,963.50
deposits in other	4,722,328,889.25	118,478,953.69
currencies		3,970,119,030.18
Of which: total amount deposited abroad	1,162,792,885.26	473,105,854.08

other instructions

The restricted monetary funds are detailed as follows:

project	Closing balance	Balance at the end of last year
Margin	188,747,449.75	118,415,284.78
total	188,747,449.75	118,415,284.78

2. Trading financial assets

☐Applicable ☐Not applicable

3. Derivative financial assets

☐Applicable ☐Not applicable

4. Notes receivable (1).

Notes receivable are listed by category

ŸApplicable ŸNot applicable

Unit: Currency: RMB

Project	Closing balance	Opening Balance
Bank Acceptance Notes	196,305,899.71	35,292,011.03
Commercial Acceptance Notes	368,273,507.48	479,181,935.00
Total	564,579,407.19	514,473,946.03

(2). Notes receivable pledged by the company at the end of the

period ŸApplicable ŸNot applicable

(3). Notes receivable that have been endorsed or discounted by the company at the end of the period and are not yet due on the balance

sheet date ŸApplicable ŸNot applicable

Unit: Currency: RMB

Project	End-of-period derecognition	Amount not terminated at the end of the period
Bank Acceptance Notes	amount 120,090,040.77	187,983,218.92
Commercial Acceptance Notes	295,003,009.22	
Total	415,093,049.99	187,983,218.92

(4) Bills that the company transfers to accounts receivable due to the drawer's failure to perform at the end of the

period ŸApplicable ŸNot applicable

(5). Disclosure by classification according to the bad debt provision

method ŸApplicable ŸNot applicable

Provision for bad debts is made on a single item basis:

ŸApplicable ŸNot applicable

Provision for bad debts by combination:

ŸApplicable ŸNot applicable

If the bad debt provision is made according to the general model of expected credit loss, please refer to the disclosure of other receivables:

ŸApplicable ŸNot applicable

(6). Bad debt provision ŸApplicable

ŸNot applicable

(7) Notes receivable actually written off in the current period

ŸApplicable ŸNot applicable

other instructions

ŸApplicable ŸNot applicable

5. Accounts receivable

(1). Disclosed by age

ŸApplicable ŸNot applicable

Unit: Currency: RMB

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aging	Closing book balance
Within 1 year	
Of which: sub-items within 1 year	
Within 1 year	3,273,961,428.89
Within 1 year Subtotal	3,273,961,428.89
1 to 2 years 2 to 3	1,233,786,194.61
years More than 3	386,097,239.99
years	
3 to 4 years	396,335,221.99
4 to 5 years	183,618,603.58
5+ years	370,589,354.92
total	5,844,388,043.98

(2) Disclosure according to bad debt provision

method ÿApplicable ÿNot applicable

Unit: Currency: RMB

category	Ending balance					Opening Balance				
	Book balance		bad debt provision		book value	Book balance		bad debt provision		book value
	amount	Proportion (%)	amount	accrual Proportion (%)		amount	Proportion (%)	amount	accrual Proportion (%)	
Withdrawal by single item bad debt provision										
in:										
Withdrawal by combination Provision for bad	5,844,388,043.98	100.00	1,625,041,826.88	27.81	4,219,346,217.10	7,355,596,001.58	100.00	1,596,157,507.21	21.70	5,759,438,494.37
debts includes:										
Aging portfolio 5,844,388,043.98 Total		100.00	1,625,041,826.88	27.81	4,219,346,217.10	7,355,596,001.58	100.00	1,596,157,507.21	21.70	5,759,438,494.37
5,844,388,043.98		/	1,625,041,826.88			/	1,596,157,507.21		/	5,759,438,494.37

Provision for bad debts is made on a single item basis:

ÿApplicable ÿNot applicable

Provision for bad debts by combination:

ÿApplicable ÿNot applicable

Portfolio accrual item: aging portfolio

Unit: Currency: RMB

name	Ending balance		
	Accounts	Bad debt	Provision ratio (%)
Aged portfolio	receivable 5,844,388,043.98	provision 1,625,041,826.88	27.81
total	5,844,388,043.98	1,625,041,826.88	27.81

Recognition standards and explanations for bad debt provision by combination:

ÿApplicable ÿNot applicable

The credit risk characteristics are the same, and the bad debt provision is made according to the aging portfolio.

If the bad debt provision is made according to the general model of expected credit loss, please refer to the disclosure of other receivables:

ÿApplicable ÿNot applicable

(3) Bad debt provision ÿApplicable

ÿNot applicable

Unit: Currency: RMB

category	Opening Balance	Amount of change in the current period				Ending balance
		accrual	take back or turn back	resell or write off	other changes	
Accounts receivable	1,596,157,507.21	50,282,647.72	21,398,328.05	Total 1,596,157,507.21	50,282,647.72	1,625,041,826.88
21,398,328.05						1,625,041,826.88

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

✓Applicable ✓Not applicable

(4) Accounts receivable actually written off in the current

period ✓Applicable ✓Not applicable

(5) The accounts receivable of the top five ending balances collected by debtors

✓Applicable ✓Not applicable

Unit: Currency: RMB

company name	Ending balance	Accounts receivable ending balance Proportion of total number (%)	Ending balance of bad debt provision
27467	142,246,887.92	2.43	3,577,929.42
2457	110,639,878.21	1.89	2,711,010.11
18969	97,267,982.80	1.66	2,431,699.57
4576	86,437,664.70	1.48	2,160,941.62
15178	74,800,497.12	1.28	3,491,832.21
total	511,392,910.75	8.74	14,373,412.93

other instructions

none

(6) Accounts receivable derecognized due to transfer of financial assets

✓Applicable ✓Not applicable

The amount of derecognition of the item	The method of transferring financial assets and the gain or loss related to the derecognition
Accounts receivable de-recognition 1,082,278,010.17	No follow-up factoring 16,306,266.38

(7) Amount of assets and liabilities formed by transferring accounts receivable and continuing

involvement ✓Applicable ✓Not applicable

other instructions:

✓Applicable ✓Not applicable

6. Receivables financing

✓Applicable ✓Not applicable

Unit: Currency: RMB

Total	Closing	Opening Balance
project bank acceptance notes	balance 226,789,683.55	329,395,822.00
	226,789,683.55	329,395,822.00

Increase/decrease changes and fair value changes of receivables financing in the current period:

Applicable Not applicable

If the bad debt provision is made according to the general model of expected credit loss, please refer to the disclosure of other receivables:

Applicable Not applicable

other instructions:

Applicable Not applicable

7. Advance payment

(1). Prepayments are listed by aging

Applicable Not applicable

Unit: Yuan Currency: RMB Beginning

aging	Ending balance		Balance	
	276,110,941.91	392,235,574.16	378.89 75,931,580.62	Proportion(%)
Within 1 year	23,565,060.71	24,529,485.13	8,791,985.90	8,376,089.08
1 to 2 years			10.61	
2 to 3 years			6.83	
More than 3			2.55	
years total			100.00	100.00

none

(2) Prepayments of the top five ending balances collected by prepayment objects

Applicable Not applicable

company name	Ending balance	of the total closing balance of prepayments Proportion(%)
300006	33,252,263.74	9.64
2446	17,273,999.06	5.01
701994	16,800,000.00	4.87
301122	9,438,392.14	2.74
105443	8,533,995.39	2.47
total	85,298,650.33	24.73

other instructions

none

other instructions

Applicable Not applicable

8. Other receivables

List of items

Applicable Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Interest Receivable		642,230.03
Dividends	120,883,381.30	122,936,408.75
Receivable Total	559,904,045.19	472,603,724.67
Other Receivables	680,787,426.49	596,182,363.45

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other instructions:

ÿApplicable ÿNot applicable

Interest receivable

(1). Classification of interest

receivable ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Time Deposit	0.00	642,230.03
Entrusted Loan		
bond investment		
total	0.00	642,230.03

(2). Important overdue interest

ÿApplicable ÿNot applicable

(3). Provision for bad debts ÿApplicable

ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Dividends receivable

(1). Dividends receivable

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project (or investee) Nanjing	Closing balance	Opening Balance
Huaxin Fujikura Optical Communication Co., Ltd.	120,431,408.75 451,972.55	122,936,408.75
Fiberhome Xiangyun Network Technology Co.,		
Ltd. Total	120,883,381.30	122,936,408.75

(2). Important dividends receivable aged over 1 year

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project (or investee)	Ending balance	Reasons for aging not recovered	Is there an impairment and the basis for its judgment
Nanjing Huaxin Fujikura Optical Communication Co., Ltd. limited company	120,431,408.75 4-5 years paid as planned		no
total	120,431,408.75	/	/

(3). Provision for bad debts ÿApplicable

ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Other receivables

(1). Disclosure by age

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

aging	Closing book balance
Within 1 year	
Of which: sub-items within 1 year	
Within 1 year	191,238,735.38
Within 1 year Subtotal	191,238,735.38
1 to 2 years 2 to 3	139,318,981.09
years More than 3	124,857,372.65
years	
3 to 4 years	83,308,336.34
4 to 5 years	41,937,736.56
5+ years	22,232,429.97
total	602,893,591.99

(2) Classification by nature of payment

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

nature of payment	Ending book balance	Opening book balance
Deposit reserve	434,003,580.27	323,354,303.45
funds in lieu of	86,984,956.06	105,101,328.46
advances and	23,032,537.68	32,418,806.26
other transactions	58,872,517.98	71,457,942.08
total	602,893,591.99	532,332,380.25

(3) Provision for bad debts

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

bad debt provision	Expectation of the entire duration of the first	The third phase	total
	Expected credit losses over the next 12 months	lifetime expectation credit loss (issued credit impairment)	
January 1, 2021 balance	1,599,901.08 38,612,067.94	19,516,686.56 59,728,655.58	
January 1, 2021 balance in this			
Expect			
-- transfer to the second stage			
-- transfer to the third stage			
-- go back to the second stage			
-- go back to the first stage			
This period's accrual is	312,486.27	5,633,305.05	2,715,743.41
reversed in the current period		25,400,643.51	
and written off in the current period			
Write-off in this period			
other changes			
December 31, 2021 Balance	1,912,387.35 18,844,729.48	22,232,429.97 42,989,546.80	

Explanation on the significant changes in the book balance of other receivables with changes in loss provision in the current period:

✓Applicable ✓Not applicable

Book balance	12-month	Expectations for the	Expectations for	total
	forecast for Phase 1 credit loss	entire duration of the second stage credit loss (not incurred credit impairment)	the entire duration of the third stage credit loss (incurred credit impairment)	
The balance at the end of the previous year	159,990,108.14	352,825,585.55	The balance at the	19,516,686.56
end of the previous year was			532,332,380.25	
This period				
-- transfer to the second stage				
-- transfer to the third stage				
-- go back to the second stage				
-- go back to the first stage				
New additions in the	31,248,627.23	63,297,019.40	2,715,743.41	97,261,390.04
current period Other changes in the		26,700,178.30		26,700,178.30
current period de-recognition				
Ending balance	191,238,735.37	389,422,426.65	22,232,429.97	602,893,591.99

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

✓Applicable ✓Not applicable

(4) Provision for bad debts

✓Applicable ✓Not applicable

Unit: Currency: RMB

Category	Beginning Balance	Amount of change in the current period				Ending balance
		accrual	take back or turn back	resell or write off	other change	
Aging portfolio	59,728,655.58	8,661,534.73	25,400,643.51	Total 59,728,655.58	8,661,534.73	42,989,546.80
25,400,643.51						42,989,546.80

Among them, the amount of bad debt provision reversed or recovered in the current period is important:

✓Applicable ✓Not applicable

(5) Other receivables actually written off in the current period

✓Applicable ✓Not applicable

(6) Other receivables with the top five ending balances collected by debtors

✓Not applicable

Unit: Currency: RMB

company name	sex of payment quality	Ending balance	aging	account for other receivables total closing balance Proportion(%)	bad debt provision Ending balance
X1223	Deposit 24,773,855.00	Deposit 23,912,596.12	1-3 years	4.11	880,089.75
21505	Advances 23,000,000.00	Deposit 18,287,866.10	within 1 year	3.97	194,480.96
27093	Deposit 12,490,255.14		1-2 years	3.81	690,000.00
28108			1-2 years	3.03	225,136.28
13324			1-2 years	2.07	374,707.65

total		102,464,572.36		16.99	2,364,414.64
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(7) Receivables involving government subsidies

ÿApplicable ÿNot applicable

(8) Other receivables derecognized due to transfer of financial assets

ÿApplicable ÿNot applicable

(9) Amount of assets and liabilities formed by transferring other receivables and continuing to be

involved ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

9. Inventory

(1). Inventory

classification ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing balance of			Opening Balance			
	Book balance	Inventory depreciation reserve/combination	Book value	Book balance	Inventory depreciation reserve/combination	Book value	
		Impairment with fulfillment costs			Impairment with fulfillment costs		
		Prepare			Prepare		
Raw materials	2,996,903,832.04	Work in progress	92,693,580.87	2,904,210,251.17	2,703,390,190.77	69,985,793.99	2,633,404,396.78
progress	514,750,574.81	Goods in stock	34,034,887.38	480,715,687.46	493,882,209.10	36,676,693.35	457,205,515.75
Turnover materials	1,810,642.01	Consumable	168,145,181.14	4,394,000,291.05	3,569,861,199.40	141,269,946.52	3,428,591,252.88
raw materials			1,810,642.01	1,673,253.74			1,673,253.74
physical assets							
contract performance	168,854,795.87		168,854,795.87	171,351,129.22			171,351,129.22
Cost							
Materials in transit	367,299,087.72	Goods	367,299,087.72	321,971,458.03			321,971,458.03
delivered	7,194,293,551.48	Engineering	906,056,477.03	6,288,237,074.45	7,401,154,267.61	841,581,612.59	6,559,572,655.02
costs							
Total	15,806,057,956.15		1,200,930,126.42	14,605,127,829.73	14,663,283,707.87	1,089,514,046.45	13,573,769,661.42

(2) Provision for depreciation of inventories and provision for impairment of contract performance costs

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Opening Balance	The increase in the current period and the decrease in the current				Ending balance
		period are accrued	to other reversal	sal or write-off of other		
Raw materials	69,985,793.99	22,707,786.88				92,693,580.87
in product	36,676,693.35	513,944.02		3,155,749.99		34,034,887.38
inventory	141,269,946.52	26,875,234.62				168,145,181.14
merchandise turnover materials						
consumable biological assets						
contract performance costs						
The total number of	841,581,612.59	192,537,963.11	1,089,514,046.45		128,063,098.67	906,056,477.03
products shipped	242,634,928.63				131,218,848.66	1,200,930,126.42

(3) Explanation that the ending balance of inventory contains the capitalized amount of borrowing

costs ☐Applicable ☐Not applicable

(4) Explanation of the amortization amount of contract performance costs in the

current period ☐Applicable ☐Not applicable

other instructions

☐Applicable ☐Not applicable

10. Contract assets

(1).Contract assets ☐Applicable

☐Not applicable

(2) Amount and reasons for significant changes in book value during the reporting period

☐Applicable ☐Not applicable

(3) Provision for impairment of contract assets in the current period

☐Applicable ☐Not applicable

If the bad debt provision is made according to the general model of expected credit loss, please refer to the disclosure of other receivables:

☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

11. Assets held for sale

☐Applicable ☐Not applicable

12. Non-current assets due within one year

☐Applicable ☐Not applicable

Significant debt investments and other debt investments at the end of the period:

☐Applicable ☐Not applicable

other instructions

none

13. Other current assets

☐Applicable ☐Not applicable

Unit: Currency: RMB

Project	Ending balance	Opening Balance
contract acquisition cost		
Receivable return cost		
Total value-added tax	452,768,627.43 90,547,762.15	427,943,607.24
prepaid income tax to be	543,316,389.58	156,364,117.18
deducted		584,307,724.42

other instructions

none

14. Debt investment

(1) Debt investment ÿApplicable ÿNot

applicable

(2). Important debt investments at the end of the

period ÿApplicable ÿNot applicable

(3). Withdrawal of provision for impairment

ÿApplicable ÿNot applicable

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

ÿApplicable ÿNot applicable

other instructions

ÿApplicable ÿNot applicable

15. Other debt investments

(1) Other debt investment ÿApplicable ÿNot

applicable

(2). Other important debt investments at the end of the period

ÿApplicable ÿNot applicable

(3). Withdrawal of provision for impairment

ÿApplicable ÿNot applicable

The amount of provision for impairment in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

16. Long-term receivables (1).

Long-term receivables ÿApplicable ÿNot

applicable

(2) Provision for bad debts ÿApplicable ÿNot

applicable

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly

ÿApplicable ÿNot applicable

(3). Long-term receivables derecognized due to transfer of financial assets ÿApplicable ÿNot

applicable

(4) Amount of assets and liabilities formed by transferring long-term receivables and continuing involvement

ÿApplicable ÿNot applicable

other instructions

ÿApplicable ÿNot applicable

17. Long-term equity investment

√Applicable √Not applicable

Unit: Currency: RMB

investee	beginning of the period balance	Changes in other comprehensive								end of period balance	Impairment preparation period closing balance
		additional investment	reduce invest	Recognition under the equity method investment profit and loss	income during the current period profit adjustment	other equity changes	declare cash dividend or profit	Accrual and deduction value preparation	That he		
1. Joint ventures											
Subtotal											
2. Joint ventures											
Jiangsu Fiberhome Chengcheng Technology											1,360,743.96
Co., Ltd. Wuhan Fiberhome Putian Information Technology Co., Ltd. 15,647,198.66				-1,658,178.02						13,989,020.64	
Fujikura Fiberhome Photoelectric Material Technology Co., Ltd. 454,690,629.99 Wuhan				-17,914,280.11						436,776,349.88	
Optics Valley Electromechanical Technology Co., Ltd. 34,761,686.00 Hubei Chuan				-2,788,946.74						31,972,739.30	
93,237,229.90 Wuhan Optics Valley Fenghe Investment Fund Management Co., Ltd.				5,875,980.26						99,113,210.16	
Company	8,293,212.76			4,286,903.27						12,580,116.03	
Wuhan Optics Valley Fiberhome Industrial Investment Fund Partnership Enterprise (Limited Partnership)	235,701,997.34 85,680,000.00			46,655,344.44			322,600.00			367,714,741.78	
GF Fund Management Co., Ltd. Xinjiang	1,229,038,790.15			367,008,336.33 -2,171,193.23		-980,997.69 317,846,051.47				1,275,048,884.09	
Digital Corps Information Industry Development Co., Ltd. Responsible	35,494,941.61			794,063.98			445,000.00			35,844,005.59	
company Nanjing Huaxin Fujikura Optical Communication	222,202,244.05			1,055,112.76						223,257,356.81	
Co., Ltd. Beacon Cloud Network Technology Co., Ltd.	9,686,579.73			-1,142,119.63			451,972.55			8,092,487.55	
Subtotal	2,338,754,510.23 85,680,000.00 2,338,754,510.23			402,172,216.54 -2,171,193.23 402,172,216.54		-980,997.69 319,065,624.02 -980,997.69				2,504,388,911.83	1,360,743.96
total	85,680,000.00			-2,171,193.23		319,065,624.02				2,504,388,911.83	1,360,743.96

other instructions

none

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18. Investment in other equity instruments

(1) Investment in other equity instruments

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project	Closing balance	Opening Balance
Hubei Fiberhome Boxin Cable Co., Ltd. Wuhan	13,383,898.77	12,970,998.77
Yunjingfei Optical Fiber Material Co., Ltd. Wuhan Optics	5,633,685.88	5,445,385.88
Valley Information Optoelectronics Innovation Center Co., Ltd. Wuhan	22,383,710.66	25,715,110.66
Fiberhome Singularity Investment Fund Enterprise (Limited Partnership)	60,399,031.39	62,865,231.39
Wuhan Optics Valley Fiberhome Optoelectronics Information Industry Investment Fund Co., Ltd. Partnership (Limited Partnership)	106,388,150.40	70,324,150.40
Beijing Aerospace Ideal Technology Co., Ltd. Total	131,700.00	2,860,000.00
	208,320,177.10	180,180,877.10

(2) Investment in non-trading equity instruments ÿApplicable

ÿNot applicable

Unit: Currency: RMB

project	Confirmed this time dividend income	Grand total gain	Grand total loss	Other comprehensive income Profit transfer into retention Amount of earnings	designated as public Fair value measurement and its change meter into other comprehensive The reason for the benefit	Other comprehensive income Profit transfer into retention The reason for the benefit
Wuhan Optics Valley Fiberhome Optoelectronics Interest Industry Investment Fund Partnership Industry (Limited Partnership)				- Management designation		

other instructions:

ÿApplicable ÿNot applicable

19. Other non-current financial assets

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Total	Closing balance	Opening Balance
financial assets whose items are measured at fair value and whose changes are included in current	87,835,200.00	
profit and loss	87,835,200.00	

other instructions:

ÿApplicable ÿNot applicable

20. Investment real estate

investment real estate measurement model

(1) Investment real estate using cost measurement model

Unit: Currency: RMB

Item 1.	Construction in progress of land use rights for houses and buildings	total
Original book value		
1. Beginning balance	197,279,798.51	197,279,798.51
2. Increase in current period		

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(1) Outsourcing				
(2) Inventory\fixed assets\in construction project transfer				
(3) Increase in business combination				
3. Decreased amount in the	1,927,007.02			1,927,007.02
current period (1) Disposal	1,927,007.02			1,927,007.02
(2) Other transfer out				
4. Closing balance II.	195,352,791.49			195,352,791.49
Accumulated depreciation and accumulated amortization				
1. Opening balance	74,107,726.31			74,107,726.31
2. Increase in current period	4,754,681.82			4,754,681.82
(1) Accrual or amortization	4,754,681.82			4,754,681.82
3. Decrease in current	1,869,196.83			1,869,196.83
period (1) Disposal (2)	1,869,196.83			1,869,196.83
Other transfer out				
4. Closing balance	76,993,211.30			76,993,211.30
III. Provision for impairment				
1. Opening balance				
2. The increase in the current period				
(1) Provision				
3. The amount reduced in the current period				
(1) Disposal				
(2) Other transfer out				
4. Closing balance				
4. Book value				
1. Book value at the end of the period 2.	118,359,580.19			118,359,580.19
Book value at the beginning of the period	123,172,072.20			123,172,072.20

(2).Investment real estate for which the title certificate has not been

obtained ☐Applicable ☐Not applicable

other instructions

☐Applicable ☐Not applicable

21. List of fixed assets

items ☐Applicable ☐Not

applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Fixed Assets	balance 3,458,968,602.08	3,351,012,566.80
Fixed Assets Liquidation		
total	3,458,968,602.08	3,351,012,566.80

other instructions:

☐Applicable ☐Not applicable

Fixed assets

(1). Fixed assets ÿApplicable

ÿNot applicable

Unit: Currency: RMB

project	Houses and buildings	Machine equipment	Transportation tools	Electronic equipment	Instrumentation	Fixed assets	Renovation	Office equipment and its he	total
1. Original book value:									
1. Opening balance	2,214,411,275.54	1,320,729,266.90	73,211,864.66	822,299.58	1,636,90,553,475.22	606,020,302.66	517,104,735.68	6,244,330.50	
2. Increase in this period amount	62,199,568.10	247,891,852.63	5,144,631.06	151,912,189.62		78,227,942.26	63,181,723.93	39,574,157.83	648,132,065.43
(1) Purchased construction	58,565,457.19	49,616,809.10	5,144,631.06	128,455,379.56		78,099,737.19	40,800,449.18	30,728,548.81	391,411,012.09
Project transferred to (3) Enterprise Merge increase	3,634,110.91	198,275,043.53		23,456,810.06		128,205.07	22,381,274.75	8,845,609.02	256,721,053.34
3. Decrease in this period amount	3,035,658.64	29,210,074.63	6,557,341.89	53,104,762.01		10,199,520.46	38,789,099.33	12,240,979.64	153,137,436.60
(1) Disposal or scrap	3,035,658.64	29,210,074.63	6,557,341.89	53,104,762.01		10,199,520.46	38,789,099.33	12,240,979.64	153,137,436.60
2. Accumulated depreciation									
1. Opening balance	387,915,896.67	2. Increase	631,959,081.34	604,61,885.14	532,163,009.51	565,581,853.74	380,350,356.44	323,648,854.37	2,882,080,937.21
in current period amount	62,131,947.44	121,859,253.35	10,340,510.12	124,576,717.82		96,545,917.31	69,748,838.14	52,256,389.21	537,459,573.39
(1) Provision	62,131,947.44	3. Decrease in	121,859,253.35	10,340,510.12	124,576,717.82		96,545,917.31	69,748,838.14	52,256,389.21
the current period amount	2,914,232.29	24,262,226.40	6,389,411.86	52,311,026.60		9,925,542.18	38,513,252.39	11,381,767.59	145,697,459.31
(1) Disposal	2,914,232.29	24,262,226.40	6,389,411.86	52,311,026.60		9,925,542.18	38,513,252.39	11,381,767.59	145,697,459.31
4.									
Closing balance	447,133,611.82	3. 729,556,108.29	644,12,983.40	604,428,700.73	652,202,228.87	411,585,942.19	364,523,475.99	3,273,843,051.29	
Impairment provision									
1. Beginning balance	2.	5,539,854.76	17,495.28	5,548,921.56		116,379.93		14,346.75	11,236,998.28
Increase in the current period amount									
(1) Provision									
3. Decrease in this period amount		4,723,520.53							4,723,520.53
(1) Disposal		4,723,520.53							4,723,520.53
4.									
Closing balance		816,334.23	17,495.28	5,548,921.56		116,379.93		14,346.75	6,513,477.75
4. Book value									
1. Period-end book Value	1,826,441,573.18	809,038,602.38	7,368,675.15	311,129,386.95	106,263,288.22	218,826,985.07	179,900,091.13	3,458,968,602.08	
2. Opening book value	1,826,495,378.87	683,230,330.80	127,732,484.24	284,587,650.56	124,855,241.55	225,669,946.22	193,441,534.56	3,351,012,566.80	

(2) Temporarily idle fixed assets ÿApplicable

ÿNot applicable

(3) Fixed assets leased through finance lease ÿApplicable

ÿNot applicable

(4) Fixed assets leased out through operating lease

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Floor	Book value at the end of the period
30-35, Building 1, Project R&D Building	39,760,971.16

(5) Fixed assets for which the certificate of title has not been

obtained ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Liquidation of Fixed

Assets Applicable ÿ Not Applicable

22. List of projects

under construction

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Construction	1,191,041,559.72	877,285,666.87
materials in progress		
total	1,191,041,559.72	877,285,666.87

other instructions:

ÿApplicable ÿNot applicable

Construction in

progress (1). Status of construction

in progress ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing balance			Opening Balance		
	Book balance	impairment Prepare	Book value	Book balance	impairment Prepare	Book value
FiberHome Ruituo Optical Fiber Preform Project (1	172,068,154.85		172,068,154.85	219,525,373.04		219,525,373.04
Phase) Fiberhome Industrial Park Plant New Project (Pearl Hai)	473,503.88		473,503.88	35,859,768.68		35,859,768.68
Xinjiang Residential Network Engineering				225,997.00		225,997.00
Project Residential Network Projects in Hubei, Jiangxi, Fujian and other places eye	1,366,587.90		1,366,587.90	215,046.49		215,046.49
New Plant Waste Gas Treatment Equipment and				31,323,397.72		31,323,397.72
Pipeline R&D Center Phase II	28,520,317.76		28,520,317.76	18,699,572.53		18,699,572.53
OVD cladding deposition	57,074,494.78		57,074,494.78	55,692,975.14		55,692,975.14
equipment development VAD mandrel	22,124,847.68		22,124,847.68	16,346,418.40		16,346,418.40
deposition and sintering integrated				17,509,935.48		17,509,935.48
equipment				12,689,436.12		12,689,436.12
			379,830,747.60	199,575,181.49		199,575,181.49
Industrialization Project	150,411,226.04		150,411,226.04	122,068,965.74		122,068,965.74
Fiberhome East China Headquarters Base Project	195,654,710.25		195,654,710.25	100,888,215.18		100,888,215.18
Phase I Fenghua No. 2 Ship Phase IV PCVD	89,289,085.68		89,289,085.68			
Expansion Project Others	25,770,085.10		25,770,085.10			
	68,457,798.20		68,457,798.20	46,665,383.86		46,665,383.86
total	1,191,041,559.72		1,191,041,559.72	877,285,666.87		877,285,666.87

(2). Changes of important projects under construction in the current

period ̳Applicable ̳Not applicable

Unit: Currency: RMB

project name	Budget number	beginning of the period balance	Increase in this period	This period is transferred to fixed Asset amount	Other reductions in this period small amount	end of period balance	Engineering tired count investment account for the budget Proportion(%)	Engineering progress Every time	capitalization of interest Cumulative amount	Of which: current profit Interest capitalized amount	current profit interest capital Conversion rate (%)	Sources of funds
Fiberhome Reituo Fiber Pre-Fiber Rod Making Project (Phase	896,980,000.00	219,525,373.04	102,420,440.16	149,877,658.35		172,068,154.85	65.28	65.28% 43,510,616.47	21,881,045.75	7.44%		Partially self-funded Partially raised
I) R&D Center Phase II	430,000,000.00	18,699,572.53	27,230,877.53	17,410,132.30		28,520,317.76	69.76	69.76%				Partially self-funded Partially raised
Fiberhome Industrial Park Factory New project (Zhuhai) Xi'an	370,029,000.00	35,859,768.68	1,260,502.88	33,222,025.58	3,424,742.10	473,503.88	96.99	96.99%				Partially self-funded Partially raised
Industrial Park decoration 19,470,355.47	Hubei, Jiangxi, Fuzhou	17,509,935.48	558,442.39	18,068,377.87			100.00 100.00%					self-funded
Jian, Gansu and other places Ground grid project	226,365,245.00	215,046.49	1,151,541.41			1,366,587.90	24.02	24.02%				self-funded
Xinjiang resident network project project	220,252,959.14	225,997.00			225,997.00		25.23	25.23%				self-funded
OVD cladding deposition Equipment	246,720,000.00	55,692,975.14	1,381,519.64			57,074,494.78	45.99	45.99%				self-funded
Development VAD Mandrel Deposition Sintering integrated	24,400,000.00	16,346,418.40	5,778,429.28			22,124,847.68	90.67	90.67%				self-funded
equipment Fenghua No.	108,849,600.00		89,289,085.68	89,289,085.68	364,075,086.76	229,070,838.97	218,578,194.10	3,650,739.10	370,916,992.53			self-funded
2 ship total	2,543,067,759.61						/	/	43,510,616.47	21,881,045.75	/	/

(3) Provision for impairment of construction in progress in the current

period ̳Applicable ̳Not applicable

other instructions

̳Applicable ̳Not applicable

Engineering

materials (1). Status of engineering

materials ̳Applicable ̳Not applicable

23. Productive biological assets (1).

Productive biological assets using the cost measurement model

̳Applicable ̳Not applicable

(2). Productive biological assets using the fair value measurement model

̳Applicable ̳Not applicable

other instructions

̳Applicable ̳Not applicable

24. Oil and gas properties

Applicable ̳ Not applicable

25. Right-of-use assets

̳Applicable ̳Not applicable

Unit: Currency: RMB

Item	House and building machinery and equipment	Total means of transport	
1. Original book value			
1. Beginning balance 57,881,447.81	2. Increase in current	1,746,021.08 43,926,070.36	103,553,539.25
period 10,776,061.45 New lease	10,776,061.45 3. Decrease		3,513,918.17 14,289,979.62
in current period			3,513,918.17 14,289,979.62
4. Closing balance 2.	68,657,509.26	1,746,021.08 47,439,988.53	117,843,518.87
Accumulated depreciation			
1. Opening balance			
2. The increase in the current period is 17,734,946.86 (1)		582,007.03 10,882,983.49	29,199,937.38
The provision is 17,734,946.86 3. The increase in the		582,007.03 10,882,983.49	29,199,937.38
(1) Disposal			
4. Closing balance	17,734,946.86	582,007.03 10,882,983.49	29,199,937.38
III. Provision for impairment			
1. Opening balance			
2. The increase in the current period			
(1) Provision			
3. The amount reduced in the current period			
(1) Disposal			
4. Closing balance			
4. Book value			

1. Book value at the end of the period	50,922,562.40	2.	1,164,014.05	36,557,005.04	88,643,581.49	
Book value at the beginning of the period	57,881,447.81		1,746,021.08	43,926,070.36	103,553,539.25	

other instructions:

none

26. Intangible assets

(1).Intangible assets

Applicable Not applicable

Unit: Currency: RMB

project	Land use rights	Patent rights	Non-patent technology		software	parking lot right to use	total
1. Original book value							
1. Opening balance	408,489,026.74	2.	11,669,328.68	549,111,913.05	457,740,000.88	530,810.10	1,427,541,079.45
current period amount					63,200,920.95		63,200,920.95
(1) Purchase					61,420,920.95		61,420,920.95
(2) Internal research and increase					1,780,000.00		1,780,000.00
(3) Enterprise cooperation and increase							
3. Decrease in this period amount					3,580,934.23		3,580,934.23
(1) Disposal					3,580,934.23		3,580,934.23
4. Closing balance	408,489,026.74		11,669,328.68	549,111,913.05	517,359,987.60	530,810.10	1,487,161,066.17
2. Cumulative amortization							
1. Beginning balance	2.	58,757,180.31	11,669,328.68	124,407,179.35	232,191,546.41	530,810.10	427,556,044.85
Increase in the current period amount		8,952,416.18		56,353,625.80	40,427,064.95		105,733,106.93
(1) Provision		8,952,416.18		56,353,625.80	40,427,064.95		105,733,106.93
3. Decrease in this period amount					3,447,373.76		3,447,373.76
(1) Disposal					3,447,373.76		3,447,373.76
4. Closing balance		67,709,596.49	11,669,328.68	180,760,805.15	269,171,237.60	530,810.10	529,841,778.02
3. Provision for impairment							
1. Opening balance					422,199.15		422,199.15
2. Increase in this period amount							
(1) Provision							
3. Decrease in this period amount							
(1) Disposal							
4. Closing balance					422,199.15		422,199.15
4. Book value							
1. Period-end book Value	340,779,430.25			368,351,107.90	247,766,550.85		956,897,089.00
2. Opening book value	349,731,846.43			424,704,733.70	225,126,255.32		999,562,835.45

At the end of the period, the intangible assets formed through the company's internal research and development accounted for 39.87% of the balance of intangible assets

(2) Situation of land use right for which the property right certificate has not been

obtained ☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

27. Development expenditure

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	beginning of the period balance	Increase in this period		The decrease in the current period		end of period balance
		Internal development expenditure	other	is recognized as intangible Assets	Transfer to current profit and loss	
Development expenditure	1,134,462,734.80	265,305,329.29	Total 1,134,462,734.80	1,780,000.00	273,525,294.44	1,124,462,769.65
265,305,329.29				273,525,294.44		1,124,462,769.65

other instructions

none

28. Goodwill (1).

Original book value of goodwill

☐Applicable ☐Not applicable

Unit: Currency: RMB

Investee name or form Goodwill matters	Opening Balance	Increase in the current period and decrease the disposal formed		Ending balance
		by the merger of enterprises in the current period		
Chengdu Datang Cable Co., Ltd. 2,176,100.99	Total 2,176,100.99			2,176,100.99
				2,176,100.99

(2) Provision for impairment of

goodwill ☐Applicable ☐Not applicable

(3) Relevant information about the asset group or combination of asset groups where the goodwill

belongs ☐Applicable ☐Not applicable

(4) Explain the goodwill impairment test process, key parameters (such as the forecast period growth rate when the present value of future cash flows is estimated, the stable period

Growth rate, profit rate, discount rate, forecast period, etc., if applicable) and recognition method for impairment loss of goodwill ☐Applicable ☐Not

applicable

(5) Impact of goodwill impairment test

☐Applicable ☐Not applicable

other instructions

☐Applicable ☐Not applicable

29. Long-term deferred expenses

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Beginning balance	Increase in current period	Amortization amount in current period	Other decrease amount	Closing balance
Renovation	26,134,631.61	5,130,825.48	25,582,510.12	5,682,946.97	
Fee Data Center Fixed Assets	21,751,613.04	193,881.48	20,943,922.38	1,001,572.14	
Decoration engineering fee					
Optical communication industry building repair cost	2,379,660.20			387,756.02	1,991,904.18
Electricity Expansion	2,166,893.10			442,811.76	1,724,081.34
Insurance Premium	11,055,896.27	1,445,159.71		5,175,075.56	7,325,980.42
Others	348,039.74			74,976.48	273,063.26
total	63,836,733.96	6,769,866.67	12,765,138.93		57,841,461.70

other instructions:

none

30. Deferred tax assets/deferred tax liabilities

(1). Deferred income tax assets that have not been

offset ☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing balance		Opening Balance	
	deductible temporary difference	Deferred income tax assets	deductible temporary difference	Deferred income tax assets
Asset impairment provision	768,757,778.76	163,774,119.10	755,617,639.41	165,495,465.93
Unrealized profit from internal transaction				
Run				
deductible loss				
Estimated	25,591,184.59	3,838,677.69	24,153,446.60	3,623,016.99
liabilities other	35,601,000.54	6,408,213.65	41,493,006.66	6,310,629.13
total	829,949,963.89	174,021,010.44	821,264,092.67	175,429,112.05

(2) Deferred income tax liabilities that have not been

offset ☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing		Opening Balance	
	Balance Taxable Temporary difference	Deferred income tax debt	taxable temporary difference	Deferred income tax debt
Business combination not under common control				
Value-added product evaluation				
Fair value of other debt investments change				
Fair investment in other equity instruments change in value				
other	5,836,843.20	875,526.48	8,059,812.33	1,208,971.85
total	5,836,843.20	875,526.48	8,059,812.33	1,208,971.85

(3) Deferred income tax assets or liabilities listed in net amount after offset

☐Applicable ☐Not applicable

(4). Details of unrecognized deferred tax assets

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

Total	Ending balance	Opening Balance
deductible losses for item	2,039,011,536.21	1,591,018,317.99
deductible temporary differences	2,563,995,243.47	2,274,379,321.53
	4,603,006,779.68	3,865,397,639.52

(5). Deductible losses of unrecognized deferred income tax assets will expire in the following years

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

years	Closing amount	Opening	Remark
2021		amount 207,683,187.54	
2022	148,638,449.93	148,638,449.93	
2023	317,052,863.86	317,052,863.86	
2024	859,763,357.98	859,763,357.98	
2025	741,241,462.22	741,241,462.22	
2026	497,299,109.48		
total	2,563,995,243.47	2,274,379,321.53	/

other instructions:

☐Applicable
 ☐Not applicable

31. Other non-current assets

☐Applicable
 ☐Not applicable

32. Short-term loans

(1). Classification of short-term

loans
 ☐Applicable
 ☐Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
mortgage loan	balance 151,009,830.63	189,062,949.92
mortgage loan		
loan for sure		
Credit loan	137,542,000.00	289,931,800.00
Explanation	288,551,830.63	478,994,749.92

of the classification of total short-term borrowings:

The pledged loan is the bank acceptance bill that has been discounted but not terminated

(2) Short-term borrowings that have been overdue but not

repaid
 ☐Applicable
 ☐Not applicable

Among them, the important overdue and outstanding short-term borrowings are as follows:

☐Applicable
 ☐Not applicable

other instructions

☐Applicable
 ☐Not applicable

33. Trading financial liabilities

•Applicable •Not applicable

34. Derivative financial liabilities

•Applicable •Not applicable

35. Notes payable

(1). List of bills payable

•Applicable •Not applicable

Unit: Currency: RMB

Types	Closing	Opening Balance
of Commercial Acceptance	balance 570,707,732.36	788,424,678.19
Bills Total Bank Acceptance	5,375,114,847.42	4,947,530,461.13
Bills The	5,945,822,579.78	5,735,955,139.32

total amount of bills payable due but not paid at the end of the current period is 0 yuan.

36. Accounts Payable

(1). List of accounts payable

•Applicable •Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Total payables	5,357,878,764.06	5,919,025,501.05
for engineering and	297,723,595.01	580,869,794.07
equipment	5,655,602,359.07	6,499,895,295.12

(2). Important accounts payable aged over 1 year

•Applicable •Not applicable

Unit: Currency: RMB

project	Reasons for Outstanding or Carry-forward	Closing Balances
700106	269,387,459.20 The payment	settlement time has not been reached
300702	236,493,880.42 The payment	settlement time has not been reached
701290	200,994,464.80 The payment	settlement time has not been reached
1355	174,553,876.50 The payment	settlement time has not been reached
700207	170,934,034.18 The payment	settlement time has not been reached
total	1,052,363,715.10	

other instructions

•Applicable •Not applicable

37. Advance receipts

(1). List of advance receipts

•Applicable •Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
lease payment	balance 1,343,880.42	1,842,850.63
total	1,343,880.42	1,842,850.63

(2). Important advance receipts aged over 1 year

ÿApplicable ÿNot applicable

other instructions

ÿApplicable ÿNot applicable

38. Contract liabilities

(1) Contract liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Advance payment	balance 3,167,330,872.21	3,673,718,865.41
total	3,167,330,872.21	3,673,718,865.41

(2) Amount and reasons for significant changes in book value during the reporting

period ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

39. Employee benefits payable

(1). List of employee benefits payable

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Opening balance Increase in current period Decrease in current period Closing balance			
1. Short-term remuneration	269,173,080.67 3,155,848,036.22 3,196,353,522.00 228,667,594.89			
2. Post-employment benefits				
Profit - set withdrawal plan	7,735,418.62	293,150,497.95	294,065,439.39	6,820,477.18
3. Dismissal benefits				
Four, within one year other benefits				
total	276,908,499.29 3,448,998,534.17 3,490,418,961.39 235,488,072.07			

(2). List of short-term remuneration

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Item	Opening Balance	Increase in this period	Decrease the closing balance of the current period	
1. Salary, bonus, Allowances and subsidies	149,376,605.62 2,799,525,573.69 2,844,732,830.68 104,169,348.63			
2. Employee benefits	941,566.85	50,930,982.37	50,397,563.17	1,474,986.05
3. Social insurance	3,806,376.21 Including: medical insurance	130,317,737.92	130,556,951.14	3,567,162.99
fee	3,062,665.27	117,496,123.40	117,811,004.70	2,747,783.97
Work injury insurance insurance	392,673.83	4,423,152.73	4,388,100.39	427,726.17
maternity insurance insurance	351,037.11	8,380,049.94	8,339,434.20	391,652.85

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Other		18,411.85	18,411.85	
4. Housing provident fund	20,977,656.63	5. Trade	151,501,652.94	159,963,398.67
union funds and Employee education funds	94,070,875.36		23,572,089.30	10,702,778.34
6. Short-term salary shortage				106,940,186.32
7. Short-term profit sharing Enjoy plan				
Total	269,173,080.67	3,155,848,036.22	3,196,353,522.00	228,667,594.89

(3). List of defined withdrawal plans

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Opening Balance	Increase in this period	Decrease the closing balance of the current period
1. Basic endowment insurance	4,906,475.00	267,511,883.84	266,864,427.10
2. Unemployment insurance premiums			5,553,931.74
3. Enterprise annuity contributions	222,097.90	10,888,522.82	10,888,522.82
			287,742.02
			978,803.42
total	7,735,418.62	293,150,497.95	294,065,439.39
			6,820,477.18

other instructions:

☐Applicable ☐Not applicable

40. Taxes payable

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
VAT	balance 189,150,972.09	44,139,193.23
consumption tax		
business tax		
Corporate income	26,622,394.91	38,010,651.82
taxIndividual income	6,896,926.04	5,867,903.68
taxCity maintenance and	4,780,299.17	3,682,604.39
construction taxProperty	3,560,107.00	2,637,629.57
taxLand use taxEducation	393,581.93	381,621.65
surcharge and local education surchargeOthers	5,067,193.54	4,230,837.81
	8,237,718.27	9,104,977.75
total	244,709,192.95	108,055,419.90

other instructions:

none

41. Other payables

List of items

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Interest payable	balance 19,879,205.32	9,545,151.84
Dividends payable	3,627,070.98	25,800,868.46

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Total other	1,677,413,669.43	1,534,389,261.14
payables	1,700,919,945.73	1,569,735,281.44

other instructions:

ÿApplicable ÿNot applicable

Interest payable

(1). Listed by category

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Interest on long-term loans with installment	balance	1,730,896.19
interest and principal repayment at maturity	1,963,098.97	6,947,178.00
Corporate bond interest on short-term loans	17,496,492.33 419,614.02	867,077.65
total	19,879,205.32	9,545,151.84

Important Overdue Interest Scenarios:

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Dividends

payable (1). Listed by

category ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Ordinary stock dividends	balance 3,627,070.98	25,800,868.46
are divided into preferred shares of equity instruments/perpetual bond dividends		
Preferred Stock\Perpetual Bond Dividend-XXX		
Preferred Stock\Perpetual Bond Dividend-XXX		
Dividends Payable - XXX		
Dividends Payable - XXX		
total	3,627,070.98	25,800,868.46

Other descriptions, including significant dividends payable not paid for more than 1 year, should disclose the reasons for non-payment:

none

Other payables (1).

Other payables are listed according to the nature of the

payment ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Current	balance	694,698,197.64
Accounts Related	744,747,752.17	63,000,000.00
Party Loan Deposit and	63,000,000.00	268,791,812.29
Margin Restricted Stock Repurchase Obligation	195,982,313.92 662,032,330.00	502,885,629.73

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other	11,651,273.34	5,013,621.48
total	1,677,413,669.43	1,534,389,261.14

(2). Important other payables aged over 1 year ☐Applicable

☐Not applicable

other instructions:

☐Applicable ☐Not applicable

42. Liabilities held for sale

☐Applicable ☐Not applicable

43. Non-current liabilities due within one year

☐Applicable ☐Not applicable

Unit: Currency: RMB

Long-	Ending balance	Opening Balance
term borrowings due within 1 year of the project		
Bonds payable due within 1 year		
Long-term payables due within 1 year		
Total lease liabilities due within 1	16,100,527.03	27,715,416.69
year	16,100,527.03	27,715,416.69

other instructions:

none

44. Other current liabilities

Other current liabilities

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
short-term bonds payable		
Payable for return		
Project tax received in advance	418,709,427.35	234,492,693.54
and others	40,019,730.29	
total	458,729,157.64	234,492,693.54

Changes in short-term bonds payable:

☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

45. Long-term loans (1).

Classification of long-term loans

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
pledge loan		
mortgage loan		

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loan for sure		
Credit loan	2,455,800,000.00	1,399,000,000.00
Explanation	2,455,800,000.00	1,399,000,000.00

of the classification of total long-term borrowings:

none

Additional notes, including interest rate ranges:

ÿApplicable ÿNot applicable

46. Bonds payable (1).

Bonds payable

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing balance	Opening Balance
Convertible corporate bonds	2,598,158,273.57 2,598,158,273.57	2,466,278,366.08
total		2,466,278,366.08

(2) Increase or decrease in bonds payable: (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities)

ÿApplicable ÿNot applicable

Unit: Currency: RMB

bond name	issue value	issued date	bond term	issued amount	beginning of period balance	This period issued	accrued at face value interest	Amortization of premium and discount	This period repay	end of period balance
Fiberhome Convertible Bond 100		2019/12/2	6 years	3,088,350,000.00	2,466,278,366.08		16,724,698.33	148,648,605.82	44,000.00	2,598,158,273.57
Total/	3,088,350,000.00	2,466,278,366.08	As of	December 31, 2021,	a total of RMB 710,000 of		16,724,698.33	148,648,605.82	44,000.00	2,598,158,273.57

Fiberhome Convertible Bonds have been converted into ordinary shares of the company, and the accumulated conversion of shares 27,517 shares, accounting for 0.00235% of the total issued ordinary shares of the company before the convertible bonds of Fiberhome.

(3) Explanation on the conversion conditions and conversion time of convertible corporate

bonds ÿApplicable ÿNot applicable

ÿ According to the "Reply on Approval of Fiberhome Communications Technology Co., Ltd.'s Public Issuance of Convertible Corporate Bonds" issued by China Securities Regulatory Commission (Zheng Jian Xu Ke [2019] No. 1490), approved FiberHome to issue convertible corporate bonds of RMB 3,088,350,000.00;

ÿ Bond term: The duration of the convertible corporate bonds issued this time is 6 years from the date of issuance, that is, from December 2, 2019 1 December 2025;

ÿ Bond interest rate: 0.2% in the first year, 0.5% in the second year, 1.0% in the third year, 1.5% in the fourth year, 1.8% in the fifth year, and 2.0% in the sixth year;

ÿ Term and method of repayment of principal and interest: The convertible corporate bonds issued this time adopt the method of paying interest once a year, and will be repaid upon maturity. Principal and final year interest;

ÿ Share conversion period: The conversion period of the convertible corporate bonds issued this time starts from the date when the issuance of the convertible corporate bonds ends (December 2019). 6 days, i.e. the day when the raised funds are transferred to the issuer's account), from the first trading day after 6 months to the maturity of the convertible corporate bonds date. (i.e. from June 6, 2020 to December 1, 2025 (if it is a statutory holiday or rest day, it will be postponed to the 1st subsequent day) working days; interest payment during the extension period will not bear additional interest));

ÿ Conversion price: The initial conversion price of the convertible corporate bonds issued this time is 25.99 yuan per share, which will be adjusted on July 17, 2020 After the conversion price is 25.65 yuan / share. Not lower than the average trading price of the company's stock in the 20 trading days prior to the announcement of the prospectus (if the If the stock price is adjusted due to ex-rights or ex-dividend within 20 trading days, the average trading price on the trading day before the adjustment shall be calculated according to the corresponding price. Ex-rights and ex-dividend adjusted prices) and the company's stock trading average price in the previous trading day, when the company's stock When the closing price of at least 15 trading days is lower than 80% of the current conversion price, the board of directors of the company has the right to propose the conversion price Amend the plan downwards and submit it to the company's general meeting for voting, and set redemption and put-back terms;

ÿ Credit rating: The company's main credit rating is "AAA", and the credit rating of this convertible corporate bond debt is "AAA".

(4) Other financial instruments classified as financial liabilities explain the basic

information of other financial instruments such as preferred shares and perpetual bonds issued at the end of the period

ÿApplicable ÿNot applicable

Statement of changes in financial instruments such as preferred shares and perpetual bonds issued at the end of the period

ÿApplicable ÿNot applicable

Explanation of the basis for classifying other financial instruments as financial liabilities:

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

47. Lease liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing balance	Opening Balance
Less lease payments:	88,119,131.87 -16,084,970.62	73,233,763.55
total lease liabilities due within one year		
	72,034,161.25	73,233,763.55

other instructions:

none

48. List of long-term payables

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Long-term payables

(1). Long-term payables are listed according to the nature of the

payment ÿApplicable ÿNot applicable

Special payables (1).

List special payables according to the nature of the

payment ÿApplicable ÿNot applicable

49. Long-term employee benefits payable

ÿApplicable ÿNot applicable

50. Estimated liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project	Opening Balance	Ending balance	Cause of formation
external guarantee			

pending litigation			
Product Quality Assurance	31,269,935.23	33,643,501.45	
Restructuring Obligations			
Pending onerous contracts			
Payable for return			
other			
total	31,269,935.23 Other	33,643,501.45	/

explanations, including relevant important assumptions and estimates of important estimated liabilities:

none

51. Deferred income

Deferred income

☐Applicable ☐Not applicable

Unit: Currency: RMB

Reasons for the formation of the opening balance of the project and the closing balance of the project	Decrease in this period		
Government grants 213,081,742.32 21,797,146.53 128,444,365.19 106,434,523.66 Related to assets			
Government subsidies 276,644,413.62 98,954,089.36 68,915,789.35 306,682,713.63 Related to income			
Total 489,726,155.94 120,751,235.89 197,360,154.54 413,117,237.29			/

Projects involving government subsidies:

☐Applicable ☐Not applicable

Unit: Currency: RMB

Opening balance of liability items	New subsidy for this period amount	Included in this period non-operating income deposit amount	Included in other Income amount	other changes	Ending balance	related to assets/ related to earnings
Government grants 213,081,742.32 21,797,146.53	Government grants 276,644,413.62		20,870,710.93 107,573,654.26	106,434,523.66 Related to assets		
98,954,089.36			68,915,789.35		306,682,713.63 related to income	

other instructions:

☐Applicable ☐Not applicable

52. Other non-current liabilities

☐Applicable ☐Not applicable

53. Share capital

☐Applicable ☐Not applicable

Unit: Currency: RMB

	Opening Balance	Increase or decrease in this change (+, -)					Ending balance
		issue new shares	deliver shares	Provident fund Convertible	other	Subtotal	
shares							
Total	1,170,153,992.00	56,284,886.00			-38,611,173.00 17,673,713.00	1,187,827,705.00	

other notes:

(1) According to the relevant provisions of the "2018 Restricted Stock Incentive Plan of FiberHome Communication Technology Co., Ltd. (Draft)", the At the first extraordinary general meeting of shareholders in 2021, the company decided to terminate the implementation of the 2018 restricted stock incentive plan, repurchase and cancel 1,755 incentive objects have been granted but have not yet lifted all restricted shares, a total of 38,611,173 shares, and will be issued in April 2021.

The repurchase and cancellation of the aforesaid shares were completed on March 19.

(2) On November 5, 2021, the company held the third extraordinary general meeting of shareholders in 2021, to consider and approve the "2021 Restricted Stock Incentive Plan of Fiberhome Communications Technology Co., Ltd. (Draft)" and other related proposals. According to the relevant provisions of the "2021 Restricted Stock Incentive Plan (Draft)" and the authorization of the general meeting of shareholders, the board of directors of the company actually granted 56.283 million restricted shares to 1,773 incentive objects, and completed the issuance of the aforementioned shares on December 13, 2021. registration procedures. (3) Approved by the China Securities Regulatory Commission "Approval for the Public Issuance of Convertible Corporate Bonds by Fiberhome Communications Technology Co., Ltd." (Zheng Jian Xu Ke [2019] No. 1490), the company publicly issued 30,883,500 bonds on December 2, 2019. Zhang convertible corporate bonds (bond abbreviation: Fiberhome Convertible Bonds, bond code: 110062), each with a face value of RMB 100 and a total issued amount of RMB 3,088.35 million, with a duration of 6 years from the date of issuance and from June 8, 2020. Started to convert shares. As of December 31, 2021, a total of RMB 710,000 of Fiberhome convertible bonds have been converted into ordinary shares of the company, with a total of 27,517 shares converted.

54. Other equity instruments (1).

Basic information on other financial instruments such as preference shares and perpetual bonds issued at the end of

the period ☐Applicable ☐Not applicable

outstanding financial instruments	publish time		dividend rate or interest rate	Issue price	quantity	amount	Expiration date or renewal	Share conversion conditions	Conversion situation
110062 Fiberhome Convertible Bonds	2019/12/2		Year 1 0.2% Year 2 0.5% Year 3 1.0% Year 4 1.5% Year 5 1.8% Accounting Classification: Other Equity Instruments	100 yuan / piece	30,883,500.00 3,088,350,000.00	2025/	12/1	FiberHome Communications Technology Co., Ltd. issued the "Indicative Announcement of FiberHome Communications Technology Co., Ltd. on the Adjustment of the Conversion Price of "Beacon Convertible Bonds" in March 2021 (Announcement No.: Announcement No.: Lin 2021-015), the conversion price Adjusted from RMB 25.65/share before revision to RMB 22.65/share.	As of December 31, 2021, an accumulative amount of RMB 710,000 of Fiberhome Convertible Bonds had been converted into ordinary shares of the company, with a total of 27,517 shares converted, accounting for 0.00235% of the total issued ordinary shares of the company before the conversion of Fiberhome Convertible Bonds.
total						3,088,350,000.00			

(2). Statement of changes in financial instruments such as preferred shares and perpetual bonds issued at the end of the

period ☐Applicable ☐Not applicable

Unit: Currency: RMB

outstanding financial instruments	beginning of the period		Increase in this period		Decrease in this period			end of period	
	quantity	Book value	quantity	Book value	Quantity	Book Value	Quantity		Book value
110062 Fiberhome	30,876,840	736,456,128.94			1,886.00	10,494.62	30,874,954	736,445,634.32	
convertible bonds total	30,876,840	736,456,128.94			1,886.00	10,494.62	30,874,954	736,445,634.32	

Changes in the increase or decrease of other equity instruments in the current period, explanation of the reasons for the changes, and the basis for relevant accounting

treatment: ☐Applicable ☐Not applicable

Note: As of December 31, 2021, a total of RMB 710,000.00 of Fiberhome Convertible Bonds have been converted into ordinary shares of the company, reducing the book value of equity instruments by RMB 169,345.00.

other instructions:

√Applicable √Not applicable

55. Capital reserve

√Applicable √Not applicable

Unit: Currency: RMB

Project	Opening Balance	Increase in this period	Decrease the closing balance of the current period
capital premium (equity Premium)	5,459,550,032.95	625,736,540.71	465,721,187.73
Other capital reserves	210,665,261.36	980,997.69	229,439,563.68
Total	5,670,215,294.31	645,491,840.72	466,702,185.42

Other explanations, including the increase or decrease in the current period, and explanation of the reasons for the changes:

1) On January 21, 2021, the company convened the board of directors to review and approve the "On Termination of the Implementation of the 2018 Restricted Stock Incentive Plan" The Proposal for Repurchase and Cancellation of Restricted Shares Granted But Not Released 465,721,187.73 yuan.

2) On November 10, 2021, the company convened a board of directors to review and approve the "Regarding the company's compliance with the conditions for granting restricted stocks and The Proposal on Granting Restricted Stocks to Reward Objects", the subscription of restricted stocks will increase the capital premium by RMB 604,479,420.00.

3) On November 10, 2021, the company convened a board of directors to review and approve the "Regarding the company's compliance with the conditions for granting restricted shares and "Proposal on Granting Restricted Stocks to Incentive Objects", the company amortized the cost of equity incentives in the current period, and other capital reserves increased by 19,755,300.01 Yuan;

4) In 2021, Fiberhome convertible bonds will be converted into shares by RMB 44,000.00, increasing the capital premium by RMB 43,755.40;

5) The capital premium increased by RMB 21,213,365.31 due to the capital increase of the minority shareholders of the subsidiary.

6) Changes in other equity of the investee under equity method accounting are RMB 980,997.69.

56. Treasury stock

√Applicable √Not applicable

Unit: Currency: RMB

Project	Opening	Increase in this period	Decrease the closing balance of the current period
2018 Restrictive stock incentive plan	balance 502,885,629.73		502,885,629.73
2021 Restrictive stock incentive plan		660,762,420.00	660,762,420.00
total	502,885,629.73	660,762,420.00	502,885,629.73

changes in the current period, and explanations for the reasons for the changes:

For details, please refer to Note "55. Capital reserve" change explanation.

57. Other comprehensive income

√Applicable √Not applicable

Unit: Currency: RMB

project	Beginning of the period balance	Amount incurred in the current period						end of period balance
		Before current income tax Amount	Minus: previous period into other combined income carry-in loss	Minus: previous period into other combined income term transfer	minus: all income tax cost	Attributable to parent after tax company	attributable to after-tax minority shareholders	
I. Other comprehensive income that cannot be reclassified into profit or loss	-10,912,917.96 Including: re-measurement of changes in defined benefit plans	-5,524,757.41				-5,524,757.41		-16,437,675.37
Other comprehensive income that cannot be transferred to profit or loss under the equity method		-664,057.41				-664,057.41		-664,057.41
Changes in the fair value of investments in other equity instruments	-10,912,917.96	-4,860,700.00				-4,860,700.00		-15,773,617.96
Changes in the fair value of the company's own credit risk instruments								
II. Other comprehensive income reclassified into profit or loss	-27,243,221.05 Including: other comprehensive income that can be transferred to profit or loss under the equity method	-1,507,135.82				-1,507,135.82	-45,351,667.98	-4,986,711.16

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Changes in fair value of other debt investments								
Financial assets reclassified into other comprehensive income amount								
Provision for credit impairment of other debt investments								
cash flow hedge reserve								
Translation differences of foreign currency financial statements	-14,628,871.59	-25,736,085.23				-25,736,085.23	-5,132,464.38	-40,364,956.82
Total other comprehensive income	-29,021,364.89	-32,767,978.46				-32,767,978.46	-5,132,464.38	-61,789,343.35

Other notes, including the adjustment of the effective portion of the cash flow hedge profit or loss to the initial recognition amount of the hedged

item: Nil

58. Special Reserve

Applicable Not applicable

Unit: Currency: RMB

Total	Opening	Increase in this period	Decrease the closing balance of the current period
project safety	balance 4,114,502.60		81,276.82
production costs	4,114,502.60 Other		81,276.82

explanations, including changes in the current period and reasons for changes:

none

59. Surplus reserve

Applicable Not applicable

Unit: Currency: RMB

Statutory surplus reserve at the beginning of	An increase of	Decrease the closing balance of the current period
the project period 385,782,676.16 Discretionary surplus	38,115,615.85 in the current period	423,898,292.01
reserve		
Reserve Fund		
business development fund		
other		
Total 385,782,676.16	38,115,615.85	Explanation of surplus reserve, including 423,898,292.01

changes in the current period and reasons for changes:

none

60. Undistributed profits

Applicable Not applicable

Unit: Currency: RMB

Before	Current	Previous period
item adjustment, the total amount of undistributed	period 4,037,612,506.25	4,343,973,608.61
profits at the end of the previous period after adjustment (increase +, decrease -) Undistributed	35,698,594.40	
profits at the beginning of the adjustment period plus: Net profit attributable to owners of the	4,073,311,100.65	4,343,973,608.61
parent company in the current period minus: Appropriation of statutory surplus reserve	287,975,372.16	102,292,206.30
Withdrawal of discretionary surplus reserve	38,115,615.85	11,070,198.74
Extract general risk provision		
Ordinary stock dividends payable	68,342,721.72	397,583,109.92
ordinary stock dividends converted into share capital		
Adjustment of undistributed profits at the end of	4,254,828,135.24	4,037,612,506.25

the period and the details of the undistributed profits at the beginning of the period:

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1. Due to the retrospective adjustment of "Accounting Standards for Business Enterprises" and related new regulations, the undistributed profit at the beginning of the period is affected by 0 yuan.
2. Due to the change of accounting policies, the undistributed profit at the beginning of the period was affected by RMB 35,698,594.40.
3. Due to the correction of major accounting errors, the undistributed profit at the beginning of the period is affected by 0 yuan.
4. The change in the scope of consolidation due to the same control will affect the undistributed profit at the beginning of the period of 0 yuan.
5. Other adjustments will affect the undistributed profit of RMB 0 at the beginning of the period in total.

61. Operating income and operating costs

(1) Operating income and operating costs

Applicable Not applicable

Unit: Currency: RMB

project	Amount for this period		Amount in the previous period	
		Cost	cost of revenue	
Revenue Main business	25,974,997,902.24	20,337,232,988.69	20,736,317,125.06	16,451,954,627.87
business	339,982,420.97	267,812,556.14	338,120,219.23	258,214,368.32
Total	26,314,980,323.21	20,605,045,544.83	21,074,437,344.29	16,710,168,996.19

(2) Income from contracts Applicable Not

applicable

Description of revenue generated by the contract:

Applicable Not applicable

(3). Explanation of performance

obligations Applicable Not applicable

(4) Explanation of apportionment to remaining performance

obligations Applicable Not applicable

other instructions:

none

62. Taxes and surcharges

Applicable Not applicable

Unit: Yuan Currency: RMB Amount incurred

project	Amount for this period	in the previous period
sale tax		
business tax		
Urban Maintenance and Construction	24,901,052.63	24,601,287.46
Tax Education Fee Additional Resource	10,792,546.76	10,322,960.10
Tax		
Property	17,591,983.96	12,285,437.20
tax Land use tax	4,814,237.88	3,474,012.96
Vehicle and vessel	16,650,880.62	46,630.00
use tax Stamp tax	7,592,550.87	5,826,580.13
Local education plus	88,207,762.85	6,276,547.14
others		3,139,687.89
total		79,880,508.10

other instructions:

none

63. Sales expenses

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Amount incurred	Amount in the previous period
Employee	in the current period	508,120,565.61
compensation consulting and	633,918,683.43	76,483,986.41
service fees Advertising	99,122,291.13	9,332,104.66
expenses Travel, office and communication	30,610,059.59	155,407,753.50
expenses Rental expenses Others	193,494,351.61	76,410,182.15
	54,058,299.62	314,169,436.68
total	406,741,721.70 1,417,945,407.08	1,139,924,029.01

other instructions:

none

64. Administrative expenses

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	The current period	Amount in the previous period
Employee	155,347,845.56	140,662,343.23
compensation depreciation	38,488,429.28	27,284,823.94
and amortization Travel, office and communication	18,707,302.93	32,355,964.36
expenses Lease expenses Others	17,472,383.43	18,004,559.08
	64,386,602.35	51,725,755.06
total	294,402,563.55	270,033,445.67

other instructions:

none

65. Research and development expenses

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	The current period	Amount in the previous period
Employee	2,156,210,522.30	1,601,189,883.94
compensation material	420,851,532.60	320,370,636.14
consumption depreciation	319,174,226.56	240,607,491.85
and amortization other	564,194,657.60	416,337,834.38
total	3,460,430,939.06	2,578,505,846.31

other instructions:

none

66. Financial expenses

☐Applicable ☐Not applicable

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Unit: Currency: RMB

project	The current period	Amount in the previous period
Interest expense	215,601,048.07	190,996,220.56
minus: interest income	-31,805,235.94	-39,050,781.69
Bank charges, foreign	37,670,532.66	40,105,421.64
exchange gains and losses,	130,442,328.07	39,073,408.38
interest expense on lease liabilities,	6,330,385.84	
others	7,035,422.05	2,751,157.77
total	365,274,480.75	233,875,426.66

other instructions:

none

67. Other income

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Amount for this period	Amount in the previous period
Total	89,786,500.28	72,942,033.29
Government	170,298,288.11	208,386,699.06
Grant Tax Rebate	260,084,788.39	281,328,732.35

other instructions:

Government grants included in other income:

Subsidy items	Current amount	The amount of the previous period is related to assets/related to income
Government subsidy - government	68,915,789.35	43,889,188.33 Assets income related
subsidy related to income - total	20,870,710.93	29,052,844.96 related
related to assets	89,786,500.28	72,942,033.29

68. Investment income

ÿApplicable ÿNot applicable

Unit: Yuan Currency: RMB Amount incurred

Long-	The current period	in the previous period
term equity investment income accounted for by item equity	amounted to 402,172,216.54	230,254,461.68
method Investment income from disposal of long-term equity	-10,961.81	
investment Investment income from trading financial assets during the holding period		
Dividend income from other equity instrument investments during the holding		184,040.22
period Interest income from debt investments during the holding period		
Interest income from other debt investments during the holding period		
Investment income from disposal of held-for-trading financial assets		
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investments		
Debt Restructuring Proceeds		
other	406,323.23	-22,141,214.46
total	402,567,577.96	208,297,287.44

other instructions:

none

69. Net exposure hedging gains

•Applicable •Not applicable

70. Income from changes in fair value

•Applicable •Not applicable

Unit: Currency: RMB

Held-for-trading financial assets that generate gains	Amount for this period	Amount in the previous period
from changes in fair value		
Of which: gains from changes in fair value from derivative financial instruments		
Held-for-trading financial liabilities		
Investment real estate at fair value		
Other non-current financial assets	2,735,200.00	
total	2,735,200.00	

other instructions:

none

71. Credit impairment losses

•Applicable •Not applicable

Unit: Currency: RMB

project	Amount for this period	Amount in the previous period
Bad debt loss on notes receivable		
Bad debt loss of accounts	32,938,089.63	79,603,080.70
receivable Bad debt loss of other	-15,509,447.17	4,289,922.81
receivables Impairment loss of debt investment		
Impairment losses on other debt investments		
Long-term receivables bad debt losses		
Impairment loss on contract assets		
total	17,428,642.46	83,893,003.51

other instructions:

none

72. Asset impairment loss

•Applicable •Not applicable

Unit: Currency: RMB

project	Amount for this period	Amount in the previous period
1. Bad debt losses		
2. Inventory depreciation loss and contract performance cost impairment loss	239,800,960.06	257,731,896.13
3. Long-term equity investment impairment loss		
4. Impairment loss of investment real estate		
V. Impairment loss of fixed assets VI.		31,459.69
Impairment loss of engineering materials		
7. Impairment losses of construction in progress		
8. Impairment loss of productive biological assets		
9. Impairment losses of oil and gas properties		
X. Intangible assets impairment loss		6,620.47
11. Goodwill impairment loss		
12. Others		

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total	239,800,960.06	257,769,976.29
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other instructions:

none

73. Income from asset disposal

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	The current period	Amount in the previous period
Gains from disposal of fixed assets	amounted to 1,837,970.21	-1,323,032.12
Gains from disposal of intangible assets		
total	1,837,970.21	-1,323,032.12

other instructions:

none

74. Non-operating income

Non-operating income

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Amount for this period	Amount in the previous period	Include current non-recurring losses amount of benefit
Total gains on disposal of non-current assets			
Of which: gains from disposal of fixed assets			
Gains from disposal of intangible assets			
Gains from exchange of non-monetary assets			
accept donations			
government	693,500.00	2,122,558.05	
grants other	10,211,857.81	4,822,194.69	
total	10,905,357.81	6,944,752.74	

Government subsidies included in current profit and loss

☐Applicable ☐Not applicable

Unit: Currency: RMB

Government	The amount incurred in the current period	The amount incurred in the previous period	is related to assets/related to income
grants related to subsidy projects and income	693,500.00	2,122,558.05	related to earnings

other instructions:

☐Applicable ☐Not applicable

75. Non-operating expenses

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Amount for this period	Amount in the previous period	Included in the current non-recurring period Amount of profit and loss
Total loss on disposal of non-current assets			
Of which: loss on disposal of fixed assets			

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Loss on disposal of intangible assets			
Non-monetary asset exchange losses			
Donations	6,111,337.07	3,887,975.09	
and others	7,421,766.71	6,435,644.32	
total	13,533,103.78	10,323,619.41	

other instructions:

none

76. Income tax expense

(1). Income tax expense table

☐Applicable ☐Not applicable

Unit: Currency: RMB

Total	Amount incurred	Amount in the previous period
deferred income tax expenses of	in the current period	72,057,960.13
current income tax expenses of the	134,399,358.37	-9,613,045.13
project	1,009,387.27 135,408,745.64	62,444,915.00

(2) Adjustment process of accounting profits and income tax

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Amount for this period
Income tax	491,041,813.16
expense on total profit calculated at statutory/applicable	73,656,271.97
tax rate Effect of different tax rates applied to	60,316,130.94
subsidiaries Adjustment effect of income tax in	-138,487.18
previous periods Effect of non-taxable income Effect	-66,471,887.37
of non-deductible costs, expenses and losses Impact of	21,462,593.51
deductible losses Deductible temporary differences or deductible losses that	-1,174,183.44
have not been recognized in the current period for deferred tax assets	436,234,097.35
influences	
Impact of Income Tax Deductions Impact	-10,509,300.64
of R&D Expenses Additional Deductions	-375,507,513.30
Other Income Tax Expenses	-2,458,976.20
	135,408,745.64

other instructions:

☐Applicable ☐Not applicable

77. Other comprehensive income

☐Applicable ☐Not applicable

See report for details

78. Items of cash flow statement

(1). Other cash received related to operating activities

☐Applicable ☐Not applicable

Unit: Currency: RMB

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project	Amount incurred	Amount in the previous period
Government	in the current period	278,380,972.47
subsidy interest	291,049,524.00	38,408,551.66
income other	31,805,235.94	191,712,510.55
total	165,003,169.84 487,857,929.78	508,502,034.68

Description of other cash received related to operating activities:

none

(2) Other cash paid related to operating activities ☐Applicable

☐Not applicable

Unit: Currency: RMB

project	Amount incurred	Amount in the previous period
Pay-as-you-go Sales Expenses	in the current period	736,241,614.82
Pay-as-You-Go Management Expenses and R&D	598,992,027.09	428,613,429.70
Expenses Others	663,785,820.41	38,560,787.84
total	229,804,293.21 1,492,582,140.71	1,203,415,832.36

Description of other cash paid related to operating activities:

none

(3) Other cash received related to investment activities

☐Applicable ☐Not applicable

(4) Other cash paid related to investment activities ☐Applicable

☐Not applicable

(5) Other cash received related to financing activities ☐Applicable

☐Not applicable

(6) Other cash paid related to financing activities ☐Applicable

☐Not applicable

Unit: Currency: RMB

Project	Amount for this period	Amount in the previous period
repayment of loans and interest from related units		
Total amount paid for repayment of lease liabilities by	504,332,360.73	11,202,211.73
repurchasing equity incentives for employees' resignation	32,334,956.19	
shares	536,667,316.92	11,202,211.73

Other cash descriptions related to fundraising activities paid:

none

79. Supplementary information on cash flow statement

(1). Supplementary information on cash flow

statement ☐Applicable ☐Not applicable

Unit: Currency: RMB

Supplementary	Current Amount	Amount of the previous period
information 1. Adjusting net profit to cash flow from operating activities:		
Net profit plus: provision for asset impairment Credit impairment loss	355,633,067.52	142,865,318.55
Depreciation of fixed assets, depletion of oil and gas properties, productive biological assets	239,800,960.06	257,769,976.29
	17,428,642.46	83,893,003.51
Amortization	542,214,255.21	539,489,662.80
of production depreciation right-of-	29,199,937.38	
use assets Amortization of	105,733,106.93	129,601,737.94
intangible assets Amortization of long-	12,765,138.93	13,106,411.09
term deferred expenses Amortization of disposal of fixed assets, intangible assets and other long-term assets	-1,837,970.21	1,323,032.12
Losses (revenues are listed with		
"-") Loss from scrapping fixed assets (incomes are listed	1,200,036.97	36,103.75
with "-") Loss from changes in fair value (incomes are	-2,735,200.00	
listed with "-") Financial expenses (incomes are listed	124,800,707.75	216,567,724.95
with "-") Investment losses (revenues are listed with "-")	-402,567,577.96	-208,297,287.44
Decrease in deferred tax assets (increase with "-") Increase	1,408,101.61	-9,667,728.82
in deferred tax liabilities (decrease with "-") Decrease in	-333,445.37	54,683.69
inventories (increase with "-") Decrease in operating	-1,031,358,168.31	-4,723,887,438.04
receivables (increase with "-") Increase in operating payables	954,806,405.95	1,225,498,803.42
(decrease with "-") Others	-893,729,105.81	2,444,221,046.28
Net cash flow from operating activities 2. Significant	52,428,893.11	112,575,050.09
investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds due within one year		
Financing leased fixed assets		
3. Net change in cash and cash equivalents:		
Closing balance of cash	4,533,581,439.50	3,851,703,745.40
minus: Opening balance of cash	3,851,703,745.40	4,282,495,200.38
plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	681,877,694.10	-430,791,454.98

(2) Net cash paid for acquisition of subsidiaries in the current period

ÿApplicable ÿNot applicable

(3) Net cash received from disposal of subsidiaries in the current

period ÿApplicable ÿNot applicable

(4) Composition of cash and cash equivalents

ÿApplicable ÿNot applicable

Unit: Yuan Currency: RMB

project	Closing	Beginning Balance
1. Cash Among	balance 4,533,581,439.50	3,851,703,745.40
them: bank deposits with	956,910.79	975,112.99
cash on hand that can be used for payment at any time	4,532,560,859.80	3,850,664,963.50

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Funds in other currencies readily available for payment	63,668.91	63,668.91
Deposits with central bank funds available for payment		
Deposits with other banks		
Loans from other banks		
2. Cash Equivalents		
Of which: Bond investments due within three months		
3. Balance of cash and cash equivalents at the end of the	4,533,581,439.50	3,851,703,745.40
period Including: the parent company or the subsidiaries within the group using restricted cash		
Gold and Cash Equivalents		

other instructions:

ÿApplicable ÿNot applicable

80. Notes to items in the Statement of Changes in

Owner's Equity Explain the "other" item names and adjusted amounts for adjusting the closing balance of the previous year:

ÿApplicable ÿNot applicable

81. Assets with restricted ownership or right to use

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending book value	Restricted Reason
Monetary Funds	188,747,449.75	Margin
Notes Receivable		
stock		
fixed assets		
intangible assets		
total	188,747,449.75	/

other instructions:

none

82. Foreign currency monetary items

(1). Foreign currency monetary items

ÿApplicable ÿNot applicable

unit: yuan

project	Closing foreign currency balance	Converted exchange rate	Converted to RMB at the end of the period balance
Monetary		- 1	444,938,757.56
funds Of which:	74,789,206.94	6.3757	476,833,546.69
US	10,396,962.64	7.2197	75,062,951.17
Dollars	1,693.64	8.6064	14,576.14
Euros Pounds Algerian	118,130,852.50	0.0459	5,422,206.13
Dinars Lei Rubles	36,649.84	1.4581	53,439.13
Bangladeshi Takazloty	25,678,485.79	0.0855	2,195,510.54
Ringgits	181,741.90	0.0742	13,485.25
	1,215,831.10	1.5717	1,910,921.74
	33,011,937.33	1.5267	50,399,324.72

	129,226.49	4.622	597,284.84
Australian	1,205,353,322,764.00	0.0005	602,676,661.38
Dollar,	93,716,799.54	0.1912	17,918,652.07
Indonesian Rupiah,	27,551,108.22	1.1443	31,526,733.14
Thai Baht, Brazilian	1,116,799,431.46	0.1251	139,711,608.88
Real, Philippine	191,774.38	0.0075	1,438.31
Peso, Chilean	191,774.38	0.4822	92,473.61
Peso, Turkish Lira,	34,481,657.44	0.0621	2,141,310.93
Argentine Peso,	267,853,260.00	0.0003	80,355.98
Vietnamese Dong,	156,206,365.32	0.0358	5,592,187.88
Pakistani Rupee,	1,438,775.95	0.0564	81,146.96
Kenyan Shilling,	259,734.95	0.4058	105,400.44
Egyptian Pound,	41,219,079.32	0.3116	12,843,865.12
Mexican Peso,	8,068,161.35	0.6893	5,561,383.62
Moroccan Dirham Sol,	755,325.29	1.5976	1,206,707.68
South African Rand,	20,478,918.40	0.4004	8,199,758.93
Myanmar Dollar,	9,851.94	0.0036	35.47
Colombian Peso,	1,306,748,247.00	0.0016	2,090,797.20
Indian Rupee, Hryvnia,	28,495,726.50	0.0857	2,442,083.76
Accounts Receivable	697,686.74	0.2335	162,909.85
Of which: USD, EUR, Philippine		- 8,	635,947,129.55
Peso, Indian Rupee, Brazilian	622,813,260.25	6.3757 3	970,870,503.38
Real, Ringgit, Zloty,	51,985,925.31	7.2197 3	75,322,784.96
Indonesian Rupiah,	21,800,708,024.50	0.1251 2	727,268,573.86
Thai Baht, Chilean	3,748,844,793.70	0.0857 3	21,275,998.82
Peso, Argentine Peso,	61,880,815.66	1.1443	70,810,217.36
Pakistani Rupee,	68,113,747.49	1.5267	103,989,258.29
Kenyan Shilling,	1,543,775.62	1.5717	2,426,352.14
Mexican Peso,	979,888,745,183.00	0.0005	489,944,372.59
Moroccan Dirham Sol,	288,863,597.93	0.1912	55,230,719.92
Colombian Peso,	3,189,574,011.00	0.0075	23,921,805.08
Australian Dollar,	112,422,313.90	0.0621	6,981,425.69
Singapore Dollar,	363,510,836.20	0.0358	13,013,687.94
Japanese Yen, Ruble,	31,970,357.70	0.0564	1,803,128.17
Moroccan Dirham	366,652,993.80	0.3116	114,249,072.87
Other receivables in	7,496,764.84	0.6893	5,167,520.00
South African Rand,	1,559,458.86	1.5976	2,491,391.47
Ringgit Malaysia	95,719,138.00	0.0016	153,150.62
Including: USD EUR	90,936.89	4.622	420,310.31
Algerian Dinar	8,791,278.76	4.7179	41,476,374.06
	118,756.00	0.0554	6,579.08
	15,387,271.29	0.0855	1,315,611.70
	3,399,989.86	0.6893	2,343,613.01
	17,451,487.38	0.4004	6,987,575.55
	195,504,750.56	1.5267	298,477,102.68
			219,566,750.01
	4,985,522.64	6.3757	31,786,196.70
	288,173.90	7.2197	2,080,529.11
	2,373,823.91	0.0459	108,958.52

Romanian	50,194.31	1.4581	73,188.32
LeuRussian	80,906,072.61	0.0855	6,917,469.21
RubleBengali	330,000.00	0.0742	24,486.00
	30,528.87	1.5717	47,982.22
	5,691,903.86	1.5267	8,689,829.62
	230,670,209,513.00	0.0005	115,335,104.76
	8,780,834.76	0.1912	1,678,895.61
	15,180,137.28	1.1443	17,370,631.09
	228,646,191.04	0.1251	28,603,638.50
	77,007,102.00	0.0075	577,553.27
	754,021.29	0.4822	363,589.07
	5,077,139.61	0.0621	315,290.37
	452,432,851.00	0.0003	135,729.86
	25,611,301.40	0.0358	916,884.59
	1,179,770.44	0.0564	66,539.05
	4,589,228.90	0.3116	1,430,003.73
	40,000.00	0.6893	27,572.00
	24,646.40	1.5976	39,375.09
	92,999.57	0.4004	37,237.03
	34,029,032.29	0.0857	2,916,288.07
	5,040.00	4.7179	23,778.22
TacazlotyRinggitIndonesian			253,816,094.97
RupiahThai BahtBrazilian	3,832,287.57	6.3757	24,433,515.86
RealPhilippine	15,963,482.22	0.1251	1,997,031.63
PesoChilean	705,423,558.00	0.0005	352,711.78
PesoTurkish	95,952,435,803.00	0.0016	153,523,897.28
LiraArgentine	8,222,851.22	0.3116	2,562,240.44
PesoVietnamese	182,247,871.00	0.0075	1,366,859.03
DongPakistan	694,452.67	1.1443	794,662.19
RupeeKenyan	231,704,415.35	0.0855	19,810,727.51
ShillingMexican	103,481.73	1.5717	162,642.24
Peso DirhamsolSouth	31,972,101.27	1.5267	48,811,807.01
African RandIndian			87,542,000.01
RupeeSingapore Prepayments	699,776,179.10	0.1251	87,542,000.01
in Yuan Of which: USD		- 4	296,288,712.15
Philippine Peso Indonesian	453,118,064.13	6.3757	2,888,944,841.47
Rupiah Colombian	15,830,626.88	7.2197	114,292,376.89
Peso Mexican Peso	32,898.00	4.622	152,054.56
Chilean Peso Brazil	1,012,921,998,175.00	0.0005	506,460,999.09
Real Russian Ruble	114,548,025.64	0.1912	21,901,582.50
Zloty Ringgit Short-	6,015,672,538.51	0.1251	752,560,634.57
term borrowings Of	36,035.92	0.4822	17,376.52
which: Philippine	118,436,067.19	0.0621	7,354,879.77
Peso Accounts	32,518,101.00	0.0003	9,755.43
Payable Of which:	50,760,285.13	0.0358	1,817,218.21
USD Euro Australian	2,248,368.07	0.6893	1,549,800.11
Rupiah Thai Baht	305,660.89	1.5976	488,323.84
Philippine Peso	1,486,767.52	0.4004	595,301.72
Turkey Lira Argentine Peso Vietnamese Dong Pakistan Dirham South African Rand Indian Rupee	1,675,233.00	0.0857	143,567.47

Other payables			997,722,800.39
Of which: USD,	49,397,098.65	6.3757	314,941,081.86
EUR,	3,251,394.16	7.2197	23,474,090.42
Romanian leu,	823	1.4581	1,200.02
Russian rouble,	7,019,891.08	0.0855	600,200.69
Zloty, Ringgit,	24,338.52	1.5717	38,252.85
Indonesian rupiah,	26,879,129.73	1.5267	41,036,367.36
Thai baht, Brazil-	767,898,152,486.00	0.0005	383,949,076.24
Real, Philippine	34,988,111.87	0.1912	6,689,726.99
peso, Argentine	5,931,619.71	1.1443	6,787,552.43
peso, Vietnamese	1,732,878,554.49	0.1251	216,783,107.17
dong, Pakistani	46,178,549.83	0.0621	2,867,687.94
rupee, Kenyan	26,234,865.00	0.0003	7,870.46
shilling, Mexican	7,637,184.22	0.0358	273,411.20
peso, Dirhamsol,	3,491,790.83	0.0564	196,937.00
Myanmar kyat,	204,246.12	0.3116	63,643.09
Accounts received in	9,004.00	0.6893	6,206.46
advance, of which :	1,959.15	1.5976	3,129.94
USD EUR Algerian	905,075.00	0.0036	3,258.27
Dinar Indonesian Rupiah		- 3.609	609,818,320.80
Philippine Peso Bangladeshi	31,588,933.03	6.3757	201,401,560.32
Taka Indian Rupee	346,467.42	7.2197	2,501,390.83
Ringgit	18,018,399.84	0.0459	827,044.55
	1,092,361,244,991.00	0.0005	546,180,622.50
	22,821,771,983.22	0.1251	2,855,003,675.10
	14,882,840.01	0.0742	1,104,306.73
	21,207,649.46	0.0857	1,817,495.56
	643,364.91	1.5267	982,225.21

other instructions:

none

(2) Explanation of overseas business entities, including for important overseas business entities, their main overseas business locations and functional currency of bookkeeping should be disclosed and selection basis, and the reasons for changes in the functional currency of bookkeeping should also be

disclosed yApplicable yNot applicable

Name of Unit Currency Fiberhome International (Egypt) Trading Company	USD	location
Fiberhome International (Germany) Co., Ltd. Euro Fiberhome International		Egypt
(Poland) Co., Ltd. Poland Zloty Fiberhome International (Malaysia) Co., Ltd.		Germany
Malaysian Ringgit Myanmar International Optical Fiber Communication Technology Co., Ltd.		Poland
Company Myanmar Yuan Fiberhome International (Thailand) Co., Ltd. Thai Baht Fiberhome International (Brazil)		Malaysia
Technology Co., Ltd. Brazilian Real Wuhan Fiberhome Technology (Philippines) Co., Ltd. Philippine Peso		Myanmar
Fiberhome International (Indonesia) Co., Ltd. Fiberhome International (Vietnam) Co., Ltd. Vietnamese Dong		Thailand
International (Chile) Co., Ltd.		Brazil
		the Philippines
	Indonesian Rupiah Indonesia	
	Vietnamese Dong Vietnam	
	Chilean Peso Chile	

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Fiberhome International Argentina Co.,	Argentine Peso Argentina	
Ltd. Fiberhome International Russia Co., Ltd.	Russian Rupee Russia	
Fiberhome International Pakistan Co., Ltd. Fiberhome	Pakistani Rupee (PKR) Pakistan	
International Kenya LLC Fiberhome International	Kenyan shilling Kenya	
(Mexico) Co., Ltd. Fiberhome International (Morocco)	US dollar	
Co., Ltd. Fiberhome International (Peru) Co., Ltd.	Rupee India	
Fiberhome International (South Africa) Co., Ltd.	US dollar Ecuador	
	Singapore Dollar Singapore	
	Mexican Peso Mexico	
	dirham morocco	
	Peru Sol Peru	
	rand south africa	

83. Hedging

Applicable Not applicable

84. Government subsidies

(1) Basic information on government

subsidies Applicable Not applicable

Unit: Currency: RMB

Types		The amount of the listed item included in the current profit and loss	
of government grants related to assets	Amount 106,434,523.66	Deferred	20,870,710.93
and government grants related to income	income 254,888,237.87	Other income, non-operating income	254,888,237.87

(2) Refund of government subsidy

Applicable Not applicable

other instructions:

none

85. Other

Applicable Not applicable

8. Changes in the scope of consolidation

1. Business combination not under the same

control Applicable Not applicable

2. Business combination under the same

control Applicable Not applicable

3. Reverse purchase

Applicable Not applicable

4. Whether there is a situation

in which a single disposal of a subsidiary will result in the loss of control over the investment in the subsidiary

Applicable Not applicable

other instructions:

Applicable Not applicable

5. Changes in the scope of consolidation due to other reasons

Explain the changes in the scope of consolidation caused by other reasons (such as the establishment of new subsidiaries, liquidation of subsidiaries, etc.) and related circumstances:

Applicable Not applicable

The Company newly established 4 overseas wholly-owned grandchildren, and cancelled 1 overseas grandchild.

6. Other

Applicable Not applicable

IX. Interests in other entities 1. Interests in

subsidiaries

(1) Composition of enterprise group

Applicable Not applicable

Subsidiary name	Main business land	The business nature of the place of registration	Shareholding ratio (%)		get Way
			Direct and indirect		
Wuhan Fiber Vision Technology Co., Ltd. Wuhan Wuhan Software Development Industry		Wuhan Fiberhome Information Integration	80		set up directly
Technology Co., Ltd. Wuhan Wuhan Information System Integration 100 Nanjing Fiberhome Air Communication Development Co., Ltd. Nanjing Nanjing					set up directly
Computer Hardware,		Communication Manufacturing	73.66 26.34	Not under common control	business combination
Fiberhome Fujikura Optical Technology Co., Ltd. Wuhan Wuhan Communication Manufacturing		Wuhan Fiberhome International	60		set up directly
Technology Co., Ltd. Wuhan Wuhan Software Development and Trade		easy	83.35		set up directly
Nanjing Third Generation Communication Technology Co., Ltd. Nanjing Nanjing Communication Manufacturing		Fiberhome India Private	65 35.00	Direct establishment	
Limited Liability Company		reason	100		set up directly
Fiberhome Latin America Cable Co., Ltd. Ecuador Ecuador Communication Manufacturing		Ruiguang Communication Technology Co.,	51		set up directly
Ltd. Wuhan Wuhan Communication Manufacturing Wuhan Yunxin Information Technology Co., Ltd. Wuhan Wuhan			100		set up directly
		investment management	100		Enterprises under the same control business merger
Changchun Fiberhome Technology Co., Ltd.	Changchun Changchun Communication Manufacturing	69.23			not under the same control business combination
Xi'an North Optical Communication Co., Ltd. Xi'an Xi'an Communication Manufacturing Industry			51		not under the same control business combination
Chengdu Datang Cable Co., Ltd.	Chengdu Chengdu Communication Manufacturing Industry		100		not under the same control business combination
Wuhan Feisiling Microelectronics Technology Co., Ltd. Wuhan Wuhan Software Development Industry		86.13 Fiberhome Cloud Technology Co., Ltd. Nanjing			set up directly
Nanjing Information System Integration 100 Xi'an Fiberhome Digital Equipment Co., Ltd. Xi'an Xi'an Communication Manufacturing		Maide Mang Fibrehome Wuhan Fiberhome Network Ruituo			set up directly
Technology Co., Ltd. Wuhan Wuhan Software and Information Technology			100		set up directly
			100		set up directly
		technical service	100		set up directly
Fiberhome Supermicro Information Technology Co., Ltd. Wuhan Wuhan Software and Information Technology		technical service	70		set up directly
Wuhan Optical Network Information Technology Co., Ltd. Wuhan Wuhan Software and Information Technology		technical service	100		set up directly
Xinjiang Fiberhome Optical Communication Co., Ltd.	Wuhan Wuhan Research and Trial Development		100		set up directly
Fiberhome American Research Institute	United States American research and development		100		set up directly
Chengdu Fiberhome Cloud Network Information Technology Co., Ltd. Chengdu Chengdu Software and Information Technology		technical service	100		set up directly
Fiberhome (Singapore) Co., Ltd. Singapore-Singapore Trading Self-Operation or Generation 100					set up directly

			reason			
Fenghua Offshore Engineering Equipment Co., Ltd.	Zhuhai Zhuhai Offshore Engineering Equipment		manufacture	60		set up directly

Explanation of the shareholding ratio in the subsidiary being different from the voting rights ratio:

none

Those who hold half or less of the voting rights but still control the investee, and those who hold more than half of the voting rights but do not control the investee.

according to:

none

For important structured entities included in the scope of consolidation, the basis for control:

none

Basis for determining whether a company is an agent or a principal:

none

other instructions:

none

(2). Important non-wholly-owned subsidiaries

☐Applicable ☐Not applicable

Unit: Currency: RMB

Subsidiary name	Minority Shareholding Proportion	This issue belongs to the minority Shareholders' profit and loss	To minority shareholders in this period declared dividends	Minority shareholders' rights at the end of the period profit balance
Fiberhome Fujikura Fiber Technology Co., Ltd. limited company	40.00%	1,515,355.32	287,600.00 179,287,924.53	
Wuhan Fiberhome International Technology Co., Ltd. LLC	16.65% 36,054,567.17			91,708,232.04
Wuhan Fibervision Technology Co., Ltd. limited company	20.00%	659,054.82		4,984,039.24
Changchun Fiberhome Technology Co., Ltd. manage	30.77% -1,535,445.82		3,692,304.00	5,607,044.57
Xi'an North Optical Communication Co., Ltd. Responsible company	49.00% -1,420,762.66			5,158,739.63
Fiberhome Latin America Cable Co., Ltd. any company	49.00% 19,538,871.49			62,863,893.52
Wuhan Feisiling Microelectronics Technology Technology Co., Ltd.	13.87%	3,774,413.97		368,162,883.99
Fiberhome Supermicro Information Technology Co., Ltd. limited company	30.00%	6,424,321.88		54,831,630.40

Explanation on the proportion of shares held by minority shareholders of subsidiaries is different from the proportion of voting rights:

☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

The above are the secondary subsidiaries of the company

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(3). Main financial information of important non-wholly-owned

subsidiaries ýApplicable ýNot applicable

Unit: Currency: RMB

Subsidiary name	Closing						Opening Balance					
	Current	balance Total non-current assets	179,002,397.45	Current liabilities and non-current liabilities Total	239,612,437.72		Current assets Total	non-current assets	827,316,787.88	Current Liabilities Non-current Liabilities Total	Liabilities	
Beacon Fujikura Optical Fiber Technology Co., Ltd	assets 508,829,851.59	687,832,249.04		237,762,437.72	1,850,000.00		664,776,840.27	162,538,947.61		376,412,403.50	5,618,500.00	382,030,903.50
Wuhan Fiberhome International Technology Limited Liability company	6,049,836,288.50	90,223,650.26	6,140,059,938.76	5,546,899,779.62	11,975,824.35	5,588,875,603.97	4,091,384,202.50		39,576,352.76	4,130,960,555.26	3,773,349,906.17	3,773,349,906.17
Wuhan Fiber Vision Technology Co., Ltd	22,849,124.02	8,517,396.30	31,366,520.32	3,406,270.78	3,040,053.33	6,446,324.11	14,456,829.13	8,536,921.99	22,993,751.12	1,368,829.03		1,368,829.03
Changchun Fiberhome Technology limited company	15,536,299.30	2,712,463.65	18,248,762.95	25,849.87		25,849.87	40,771,869.95	5,593,112.45	46,364,982.40	10,821,789.99		10,821,789.99
Xi'an North Guangdong letter limited liability company	99,789,845.94	14,027,495.13	113,817,341.07	103,289,301.01		103,289,301.01	73,184,282.45	13,189,230.44	86,373,512.89	72,945,957.19		72,945,957.19
Fiberhome Latin America Cable limited liability company	99,238,893.58	53,086,070.22	152,324,963.80	24,031,303.55		24,031,303.55	75,280,381.23	54,571,039.38	129,851,420.61	38,893,927.45		38,893,927.45
Wuhan Feisi Lingwei Limited electronic technology company	626,682,209.39	1,255,748,848.47	1,882,431,057.86	283,794,982.43	44,550,452.83	328,345,435.26	571,703,304.39	961,154,014.93	1,532,857,319.32	163,552,576.30	31,151,640.33	194,704,216.63
Fiberhome Super Micro Information Technology Co., Ltd	1,033,680,445.62	39,489,775.60	1,073,170,221.22	890,416,397.11		890,416,397.11	719,084,260.00	49,446,911.72	768,531,171.72	607,189,612.45		607,189,612.45

Subsidiary name	Amount for this period				Amount in the previous period			
	Operating	Net profit	Total comprehensive income	Cash flow from operating	Operating	Net profit	Total comprehensive income	Cash flow from operating activities
income Fiberhome Fujikura Optical Technology Co., Ltd.	667,007,027.76	3,788,388.30	activities 3,788,388.30	11,880,318.69	income 681,609,934.56	2,876,538.68	2,876,538.68	85,135,422.84
International Technology Co., Ltd.	7,622,506,425.42	217,039,687.78	193,881,187.09	937,764,601.41	4,332,443,074.16	60,990,414.10	35,358,150.73	51,966,884.22
Co., Ltd. 40,912,023.65 Changchun Fiberhome Technology Co., Ltd.	6,016,632.90	3,295,274.12	3,295,274.12	2,411,708.62	24,594,127.40	-7,827,889.58	-7,827,889.58	2,251,883.27
Communication Co., Ltd. Fiberhome Latin America Cable Co., Ltd.	1,176,156.49	-4,990,203.89	-4,990,203.89	3,952,869.57	112,405,617.03	-3,346,158.01	-3,346,158.01	-1,319,903.44
Technology Co., Ltd. 435,148,440.75 Fiberhome Super Micro Information Technology Co., Ltd.	3,044,562.49	-2,899,515.64	-2,899,515.64	-8,317,445.68	146,656,538.45	-6,839,654.23	-6,839,654.23	15,007,240.58
	150,251,958.05	39,875,247.94	37,336,167.09	13,470,310.88	99,497,431.41	18,006,129.19	11,036,259.09	24,566,741.96
		15,932,519.91	15,932,519.91	-99,744,574.03	430,334,600.73	14,173,295.18	14,173,295.18	-274,135,043.30
	1,587,068,344.92	21,412,264.84	21,412,264.84	68,462,747.35	1,085,011,499.58	21,234,460.60	21,234,460.60	-31,701,099.88

other instructions:

none

(4) Significant restrictions on using the assets of the enterprise group and paying off the debts of the enterprise

group ☐Applicable ☐Not applicable

(5) Financial support or other support provided to structured entities included in the scope of consolidated financial statements

☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

2. The share of owner's equity in the subsidiary has changed but still controls the subsidiary's transactions

☐Applicable ☐Not applicable

(1) Explanation of changes in the share of owners' equity in subsidiaries ☐Applicable ☐Not

applicable

The company has announced on June 24, 2021 about the indirect controlling shareholder's capital increase in the holding subsidiary Wuhan Feisiling Microelectronics Technology Co., Ltd. and related party transaction announcement, China Xinke will increase the capital of Feisiling by 200 million yuan. After the capital increase is completed, FiberHome The shareholding ratio of Xinyu subsidiary decreased from 86.13% to 76.31%.

(2) The impact of the transaction on minority interests and equity attributable to owners of the parent company

☐Applicable ☐Not applicable

Unit: Currency: RMB

	Wuhan Feisiling Microelectronics Technology Co., Ltd.
Purchase cost/disposal consideration	
--Cash--Fair	200,000,000.00
value of non-cash assets	
Total purchase cost/disposal consideration	200,000,000.00
minus: the difference between the subsidiary's net asset share calculated based on the proportion of equity	178,786,634.69
acquired/disposed of which: Adjusted capital reserve and adjusted surplus reserve	21,213,365.31
	21,213,365.31
Adjusted retained earnings	

other instructions

☐Applicable ☐Not applicable

3. Equity in joint ventures or associates ☐Applicable ☐Not applicable

(1). Important joint ventures or associates ☐Applicable ☐Not

applicable

Unit: Currency: RMB

Joint venture or joint venture name	Main business land	The business nature of the place of registration	Shareholding ratio (%) In joint ventures or joint ventures		business investment meeting
			Direct and indirect calculation method	Equity method	
Fujikura Fiberhome Photoelectric Materials Technology Co., Ltd. limited company	Manufacturing 40 in	Wuhan, Hubei, Hubei			Equity method
Wuhan Fiberhome Potian Information Technology Co., Ltd. limited company	Manufacturing in	Wuhan, Hubei, Wuhan, Hubei	31.27		Equity method

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Wuhan Optics Valley Electromechanical Technology Co., Ltd. manage	Manufacturing in Wuhan, Hubei, Wuhan, Hubei	35.4			Equity method
Hubei Chutianyun Co., Ltd. Hubei Wuhan Hubei Wuhan	Technology Development 45 Wuhan Optical Valley Fiberhome Industry Investment Base				Equity method
	Hubei Wuhan Hubei Wuhan Investment Fund 34.35 Gold Partnership (Limited Partnership)				Equity method
GF Fund Management Co., Ltd. Guangdong Zhuhai	Guangdong Zhuhai Investment Fund 14.187 Nanjing Huaxin Fujikura Optical Communication				Equity method
Co., Ltd.	Jiangsu Nanjing Jiangsu Nanjing Manufacturing Company			49.1	Equity method

Explanation of the shareholding ratio in the joint venture or associate company being different from the voting rights ratio:

none

Basis for holding less than 20% of the voting rights but having significant influence, or holding 20% or more of the voting rights but not having significant influence:

none

(2). Main financial information of important joint ventures yApplicable

yNot applicable

(3). Main financial information of important associates

¥Applicable ¥Not applicable

Unit: Currency: RMB

	Closing balance/ Amount incurred in the current							Beginning Balance / Last Period Amount						
	Fujikura Fiberoptics Materials Material Technology Co., Ltd.	Wuhan Beacon Fire day information technology limited company	Wuhan Optics Valley Electromechanical Technology Co., Ltd	period Chutianyun, Hubei Province limited company	Wuhan Optics Valley Beacon Fire Industrial Investment Fund Partnership (with limited partnership)	Nanjing Huaxin Fujikura Light Communications Co., Ltd.	GF Fund Management has limited company	Fujikura Fiberoptics Materials Material Technology Co., Ltd.	Wuhan beacon fire everywhere limited information technology company	Wuhan Optics Valley Electromechanical Technology Co., Ltd	Chutianyun, Hubei Province limited company	Wuhan Optics Valley Beacon Fire Industrial Investment Fund Partnership (with limited partnership)	Nanjing Huaxin Fujikura Light Communications Co., Ltd.	GF Fund Management has limited company
Current Assets	339,053,095.54 25,376,827.13 816,461,044.26		106,677,085.56 292,646,263.01 775,949,071.19 754,139,231.60 110,195,760.0		253,180,839.05		12,766,203,508.34	328,129,257.63	23,455,484.87	119,916,420.84 289,749,992.38 360,512,568.71 116,464,604.84			644,062,616.19	10,668,640,592.84
Non-Current	26,103,297.01		46,851,914.20 535,702,250.39 545,829,102.06 822,800,985.39 1,287,841,481.99				2,177,647,974.17	927,347,738.00	28,103,368.55	100,800,326.02 234,312,515.02 390,546,318.40 594,825,083.73			548,004,289.10	1,851,761,359.89
Assets Total Assets	1,155,514,139.80	51,479,924.14 216,877,845.63					14,943,851,482.51	1,255,476,995.63	51,558,853.42 236,381,025.68				1,192,066,905.29	12,520,401,952.73
Current Liabilities	45,950,770.61	6,743,689.27	126,554,373.03	164,313,027.09		796,418,951.53	795,661,879.17	99,842,225.70	6,970,196.77	138,184,172.46 119,293,254.24 59,430,419.75	98,875,046.79		708,959,283.74	3,649,065,010.54
Non-current Liabilities	17,622,494.48			156,609,476.35		35,605,548.54	35,605,548.54	18,909,090.92		138,184,172.46			29,439,545.46	72,919,494.75
Total Liabilities	63,573,265.09	6,743,689.27	126,554,373.03	320,922,503.44		832,024,500.07	831,267,427.71	118,751,316.62	6,970,196.77	178,723,673.99	98,875,046.79		738,398,829.20	3,721,984,505.29
Minority interests				4,655,020.49							4,628,800.19			135,283,661.91
attributable to parent company Shareholders' Equity	1,091,940,874.71	44,736,234.87	90,318,472.60 220,255,781.3		822,800,985.39	455,816,981.92	9,140,316,117.49	1,136,725,679.01	44,588,656.65	98,196,853.22 207,193,844.22 495,950,036.94			453,668,076.09	8,663,133,785.53
By shareholding Calculated net worth	436,776,349.88	13,989,020.64	31,972,739.30	99,113,210.16 282,632,138.48		223,257,356.81	1,296,736,647.59	454,690,271.60	13,942,872.93	34,761,686.04	93,237,229.90	170,358,837.69	222,202,244.05	1,229,038,790.15
Adjustments--					85,082,603.30		-21,687,763.50	358.39	1,704,325.73			29,644,565.25		
Goodwill														
--Internal transactions are not real current profit														
--Other					85,082,603.30		-21,687,763.50	358.39	1,704,325.73			29,644,565.25		
rights to associates Book of Interest Investments value	436,776,349.88	13,989,020.64	31,972,739.30	99,113,210.16 367,714,741.78		223,257,356.81	1,275,048,884.09	454,690,629.99	15,647,198.66	34,761,686.04	93,237,229.90 200,003,402.94		222,202,244.05	1,229,038,790.15
There is an open offer joint venture rights fairness of investment value														
Operating income	377,521,370.05	16,449,152.70	87,667,595.87 305,315,814.67 13,027,398.94			1,376,741,605.49 93,465,980,400.06 2,586,934,068.76	401,907,891.25	7,964,045.30	107,454,038.89 185,359,962.78 9,012,770.94			1,348,096,232.39	6,250,926,223.43	
net profit net of	-44,784,804.30	23,292.57	-7,878,380.62		135,823,419.04	2,148,905.83		-27,401,403.74 -10,791,318.22	402,197.05			-1,237,187.17	9,218,674.05	1,823,944,061.89
discontinued operations profit														
Other comprehensive							-15,304,103.94							-22,078,523.70
income Total comprehensive income	-44,784,804.30	23,292.57	-7,878,380.62	13,027,398.94	135,823,419.04	2,148,905.83	2,571,629,964.82	-27,401,403.74 -10,791,318.22	402,197.05	9,012,770.94	-1,237,187.17	9,218,674.05	1,801,865,538.19	
received this year from an associate dividend					322,600.00		317,846,051.47							140,000,000.00

other instructions

none

(4) Summary financial information of unimportant joint ventures and associates

~Applicable ~Not applicable

(5) Explanation on significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

~Applicable ~Not Applicable

(6) Excessive losses of joint ventures or associates ~Applicable ~Not

applicable

(7) Unrecognized commitments related to investment in joint ventures

~Applicable ~Not applicable

(8) Contingent liabilities related to investment in joint ventures or associates

~Applicable ~Not applicable

4. Important joint operation

~Applicable ~Not applicable

5. Relevant explanations of the interests in structured entities not included in the scope of

consolidated financial statements:

~Applicable ~Not applicable

6. Other

~Applicable ~Not applicable

X. Risks associated with financial instruments

~Applicable ~Not applicable

The main financial instruments of the Company include bank loans, notes payable, monetary funds, interest payable, interest receivable, etc. This

The main purpose of these financial instruments is to finance the Company's operations. The company has a variety of other financial

Assets and liabilities such as accounts receivable, accounts payable, notes receivable, etc.

The main risks arising from the Company's financial instruments are credit risk, liquidity risk and market risk.

(1) Credit risk

Credit risk refers to the risk that the counterparty fails to perform its contractual obligations resulting in financial losses to the Company.

The Company deals only with accredited and reputable third parties. In accordance with the company's policy, all requests are subject to

Customers who trade by credit method shall conduct credit review. In addition, the company continuously monitors the balance of accounts receivable to ensure that the

The company will not face significant bad debt risks. For transactions not settled in the functional currency of the relevant business unit, unless the Company

With the special approval of the control department, otherwise the company does not provide credit trading conditions.

(2) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise performs its obligation to settle by cash or other financial assets.

risk.

The Company adopts the revolving liquidity planning tool to manage the risk of shortage of funds. The instrument takes into account both the maturity date of its financial instrument and

Consider the projected cash flows from the company's operations.

The company's goal is to use various financing methods such as bank loans and notes payable to maintain the continuity and flexibility of financing.

balance. It is the Company's policy that, based on the book value of the borrowings reflected in the financial statements, the finance department checks the cash balance and

Rolling forecast of cash flow for the next 12 months to ensure that the company has sufficient funds to repay debt under all reasonable forecasts

service.

Maturity analysis of financial liabilities based on undiscounted contractual cash flows:

project	Ending balance				
	Within 1 year	1-2 years	2-3 years	over 3 years	total
Short-term borrowings	288,551,830.63	Notes			288,551,830.63
payable	5,945,822,579.78	Accounts payable			5,945,822,579.78
5,232,311,944.30	Other payables	42,433,921.37	157,384,792.16	223,471,701.24	5,655,602,359.07
	980,684,979.57	508,902,939.61	173,665,753.58	14,159,996.67	1,677,413,669.43
Interest payable	19,879,205.32	Long-term			19,879,205.32
borrowings	100,000,000.00	Bonds payable	696,000,000.00		2,455,800,000.00
				3,087,640,000.00	3,087,640,000.00
Total	12,567,250,539.60	1,247,336,860.98	1,990,850,545.74	3,325,271,697.91	19,130,709,644.23

project	Balance at the end of last year				
	Within 1 year	1-2 years	2-3 years	over 3 years	total
Short-term	478,994,749.92				478,994,749.92
borrowings	5,735,955,139.32				5,735,955,139.32
Notes payable	5,683,414,182.55	540,271,077.26	163,373,215.57	112,836,819.74	6,499,895,295.12
Accounts payable	Other payables 1,126,519,289.77	292,152,877.41	13,545,965.72	102,171,128.24	1,534,389,261.14
Interest payable	Total long-term borrowings 9,545,151.84				9,545,151.84
payable		500,000,000.00	899,000,000.00		1,399,000,000.00
				3,087,684,000.00	3,087,684,000.00
	13,034,428,513.40	1,332,423,954.67	1,075,919,181.29	3,302,691,947.98	18,745,463,597.34

(3) Market risk

The market risk of financial instruments refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices.

Risks, including exchange rate risk, interest rate risk and other price risk.

1. Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. fixed

Interest-bearing financial instruments with interest rates and floating interest rates expose the Company to fair value interest rate risk and cash flow interest rate risk, respectively. Ben Gong

The company's interest rate risk mainly arises from bank borrowings and bonds payable. The company decides fixed interest rate and floating interest rate according to the market environment

In order to maintain this ratio, the company may use interest rate swaps to achieve the expected interest rate structure. As of December 31, 2021, the Group's existing long-term bank loans are all fixed-rate loans. The management believes that this policy can reasonably avoid company expenses

The policy achieves the risk of paying interest rates in excess of prevailing market rates and the cash flow risk associated with fluctuations in interest payments

A reasonable balance between risks.

2. Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in foreign exchange rates.

The Company continuously monitors foreign currency transactions and the scale of foreign currency assets and liabilities to minimize foreign exchange risks. also,

The company may also sign forward foreign exchange contracts or currency swap contracts to avoid exchange rate risks. In this period and the previous period, the Company

The company has not signed any forward foreign exchange contracts or currency swap contracts.

The exchange rate risk faced by the company mainly comes from financial assets and financial liabilities denominated in US dollars, foreign currency financial assets and foreign currency

The amounts of financial liabilities converted into RMB are listed as follows:

Project closing balance	Balance at the end of last year
-------------------------	---------------------------------

	USD	other foreign currencies	total	Dollar	other foreign currencies	total
monetary funds	476,833,546.69	968,105,210.87	1,444,938,757.56	226,871,234.44	292,828,141.42	519,699,375.86
Accounts receivable	3,970,870,503.38	4,655,076,626.17	8,635,947,129.55	2,222,658,754.00	2,889,627,095.60	5,112,285,849.60
receivables	31,786,196.70	Subtotal	187,780,553.31	219,566,750.01	78,931,586.69	94,554,344.64
	4,479,490,246.77	5,820,962,390.35	10,300,452,637.12	2,528,461,575.13	3,277,009,581.66	5,805,471,156.79
Short-term borrowings	87,542,000.01	Accounts payable	87,542,000.01		235,000,000.00	235,000,000.00
	2,888,944,841.47	1,407,343,870.68	Other payables 314,941,081.86	4,296,288,712.15	1,955,432,778.05	878,437,108.90
Long-term borrowings		682,781,718.53	997,722,800.39	178,407,586.93	664,252,131.85	842,659,718.78
Subtotal	3,203,885,923.33	2,177,667,589.22	5,381,553,512.55	2,133,840,364.98	1,777,689,240.75	3,911,529,605.73

On December 31, 2021, all other variables held constant, if the RMB appreciates or depreciates against the U.S. dollar

5%, the company will increase or decrease the net profit by RMB 63.7802 million (December 31, 2020: RMB 1,973.11). management believes

5% reasonably reflects the reasonable range of possible changes in the RMB against the US dollar in the next year.

XI. Disclosure of fair value 1. Closing fair

value of assets and liabilities measured at fair value

√Applicable √Not applicable

Unit: Currency: RMB

project	Fair value at the end of the period			
	first level fairness Value measurement	second level public Fair value measurement	Level 3 fair value Value measurement	total
I. Continuous fair value measurement (I)				
Financial assets held for trading 1.			87,835,200.00	87,835,200.00
Measured at fair value and changes				
Financial assets included in current profit and loss				
(1) Investment in debt instruments				
(2) Equity instrument investment				
(3) Derivative financial assets				
2. Designated to be measured at fair value and			87,835,200.00	87,835,200.00
The changes are included in the current profit and loss				
financial assets				
(1) Investment in debt instruments				
(2) Equity instrument investment			87,835,200.00	87,835,200.00
(2) Other debt investment				
(3) Investment in other equity instruments			208,320,177.10	208,320,177.10
(4) Investment real estate				
1. Land use rights for lease				
2. Buildings for rent				
3. Hold and prepare for transfer after appreciation				
land use rights				
(5) Biological assets				
1. Consumable biological assets				
2. Productive biological assets				
Assets that are continuously measured at fair value			296,155,377.10	296,155,377.10
Total output				
(VI) Transactional financial liabilities				
1. Measured at fair value and changes				

Financial liabilities included in current profit and loss				
Of which: Trading bonds issued				
Derivative financial liabilities				
other				
2. Designated to be measured at fair value and the change is included in the current profit and loss financial liabilities				
Negatives that continue to be measured at fair value Total debts II.				
Non-continuous fair value measurement (I) Assets held				
for sale				
Non-continuously measured at fair value Total assets not				
continuously measured at fair value total liabilities				

2. Determination basis for the market price of continuous and non-continuous first-level fair value measurement items √Applicable

√Not applicable

3. For continuous and non-continuous second-level fair value measurement items, the valuation techniques used and qualitative and quantitative information on important parameters

√Applicable √Not applicable

4. For continuous and non-continuous third-level fair value measurement items, the valuation techniques used and qualitative and quantitative information on important parameters

√Applicable √Not applicable

project	End-of-period fair value valuation techniques	Unobservable input value range interval (weighted average value)
Equity instrument investment 87,835,200.00	Weighted average cost of capital by discounted cash flow method	long-term revenue growth rate
		Long-term pre-tax operating profit
		Liquidity discount
		control premium
	Listed Company Comparison Method	Liquidity Discount Control 25%-50%
		Premium

5. For the continuous third-level fair value measurement items, the adjustment information between the book value at the beginning and the end of the period and the unobservable parameters are sensitive

Sexual Analysis

√Applicable √Not applicable

Project last year-end balance	balance	change	change	Purchase, issue, sale and settlement of total current gain or loss						Ending balance	For reporting end of period some capital production, included profit and loss period not realized gain or change
		enter No. 1 three Floor	out No. 1 three Floor	Included in profit or loss	included in other combined income	Buy	send Row	out sale	Knot Calculate		
Other equity workers with	180,180,877.10				-4,860,700.00	33,000,000.00				208,320,177.10	
investment other non-current monetary assets				2,735,200.00		85,100,000.00				87,835,200.00	

at fair value measure and change <small>Actively included in the current period</small> Profit and Loss Finance assets				2,735,200.00		85,100,000.00				87,835,200.00	
Equity instrument investment <small>capital</small>				2,735,200.00		85,100,000.00				87,835,200.00	
total	180,180,877.10			2,735,200.00 -4,860,700.00 118,100,000.00						296,155,377.10	

6. Continued fair value measurement items, if there is a transfer between different levels in the current period, the reason for the transfer and the policy for determining the time of the transfer.

Measure

̳Applicable ̳Not applicable

7. Changes in valuation techniques during the current period and the reasons for the changes

̳Applicable ̳Not applicable

8. Fair value of financial assets and financial liabilities not measured at fair value

̳Applicable ̳Not applicable

9. Other

̳Applicable ̳Not applicable

XII. Related parties and related transactions 1. The

parent company of the company

̳Applicable ̳Not applicable

Unit: 10,000 Yuan Currency: RMB

Parent company name	registered place business nature	registered capital		parent company to the company shareholding ratio (%)	parent company to the company Proportion of voting rights (%)
FiberHome Technology Collection regiment co., ltd.	Research and development of communication products in Wuhan, Hubei,		64,731.58	41.60	41.60
	design, investment				

Explanation of the parent company of the company

none

The ultimate controller of the enterprise is the State-owned Assets Supervision and Administration Commission of the State Council

other instructions:

none

2. Subsidiaries of the Company For details of the

subsidiaries of the Company, please refer to the notes

̳Applicable ̳Not applicable

For details of the Company's subsidiaries, please refer to "IX. Interests in other entities" in this note.

3. Information on joint ventures and associates of the company

For the important joint ventures or associates of the company, please refer to the notes

̳Applicable ̳Not applicable

For details of the Company's joint ventures or associates, please refer to "IX. Interests in other entities" in this note.

Other joint ventures or associates that have related party transactions with the company in the current period, or related party transactions with the company in the previous period and formed a balance details as following

√Applicable √Not applicable

Name of joint venture or joint venture	Relationship with this company
Wuhan Optics Valley Electromechanical Technology Co., Ltd. Nanjing	Associates
Huaxin Fujikura Optical Communication Co., Ltd. Wuhan Optics Valley	Associates
Fenghe Investment Fund Management Co., Ltd. Fujikura Fiberhome	Associates
Optoelectronic Materials Technology Co., Ltd. Hubei Chutianyun Co.,	Associates
Ltd. Xinjiang Digital Corps Information Industrial Development Co., Ltd.	Associates
Wuhan Fiberhome Potian Information Technology Co., Ltd. Jiangsu Fiberhome	Associates
Chengcheng Technology Co., Ltd.	Associates
	Associates

other instructions

√Applicable √Not applicable

4. Other related parties

√Applicable √Not applicable

Other related party names	Relationship between other related parties and the company
Research Institute Co., Ltd. Guangzhou Fiberhome Zhongzhi	Also under the control of "China Xinke"
Digital Technology Co., Ltd. Jiangsu Security Technology Co., Ltd.	Also under the control of "China Xinke"
Shanghai Datang Mobile Communication Equipment Co., Ltd.	Also under the control of "China Xinke"
Wuhan Telecom Devices Co., Ltd. Wuhan Fiberhome Zhongzhi	Also under the control of "China Xinke"
Smart Star Technology Co., Ltd. Wuhan Changjiang Communication	Also under the control of "China Xinke"
Intelligent Technology Co., Ltd. Shenzhen Ya Optical	Also under the control of "China Xinke"
Communication Co., Ltd. Wuhan Zhongzhi Digital Technology	Also under the control of "China Xinke"
Co., Ltd. Wuhan Guangxun Electronic Technology Co., Ltd.	Also under the control of "China Xinke"
Wuhan Guangxun Technology Co., Ltd. Wuhan Posts and	Also under the control of "China Xinke"
Telecommunications Research Institute Co., Ltd. Wuhan Hongxin	Also under the control of "China Xinke"
Technology Service Co., Ltd. Wuhan Wangrui Detection	Also under the control of "China Xinke"
Technology Co., Ltd. Daisi Information Technology Co., Ltd. Wuhan	Also under the control of "China Xinke"
Changjiang Computing Technology Co., Ltd. Fiberhome Technology	Also under the control of "China Xinke"
Group Co., Ltd. Wuhan Tongbo Technology Co., Ltd. Wuhan Tongbo	Also under the control of "China Xinke"
Property Management Co., Ltd. Datang Telecom (Chengdu)	Also under the control of "China Xinke"
Information Technology Co., Ltd. Wuhan Changjiang Communication	Also under the control of "China Xinke"
Industry Group Co., Ltd. Datang Terminal Equipment Co., Ltd. Datang	Also under the control of "China Xinke"
Gaohong Data Network Technology Co., Ltd.	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
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	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
	Also under the control of "China Xinke"
	Also under the control of "China Xinke"

Datang Telecom Technology Co., Ltd. The	Also under the control of "China Xinke"
Tenth Research Institute of Telecommunications Science	Also under the control of "China Xinke"
and Technology Co., Ltd. Wuhan Fiberhome Fuhua Electric	Associates controlled by the same group
Co., Ltd. YOFC Optical Fiber and Cable Co., Ltd. Wuhan	Associates controlled by the same group
Smart Metro Technology Co., Ltd. Shenzhen Hongyuan	Associates controlled by the same group
Communication Co., Ltd. Wuhan International Maker	Associates controlled by the same group
Center limited company	Associates controlled by the same group

other instructions

none

5. Related party transactions

(1) Affiliated Transactions of Purchase and Sale of Commodities, Provision and Acceptance of Labor

Services Purchase of Commodities/Acceptance of Labor Services

ApplicableNot applicable

Unit: Yuan Currency: RMB related transaction

Related	content	Amount incurred in the current period	Amount incurred in the previous period
parties Wuhan Zhongzhi Digital Technology	Purchased goods	3,008,270.84	
Co., Ltd. Wuhan Guangxun Technology Co.,	Purchased goods	175,876,198.20	Purchased goods 237,090,737.65
Ltd. Wuhan Hongxin Technology Service Co., Ltd.	3,073,524.45 Purchased goods/connection		3,389,891.67
Wuhan Science and Technology Optical Co., Ltd.	labor services	5,520,428.89 Received	4,790,013.47
Wuhan Changjiang Communication Intelligent	Purchasing	17,471,521.80 0.00	2,323,266.69
Technology Co., Ltd. Wuhan Wangrui Detection	commodities		6,848,990.49
Technology Co., Ltd. Fujikura Fiberhome	Purchasing	507,373,601.03	237,536,821.70
Photoelectric Material Technology Co., Ltd. Wuhan	commodities	59,461,587.87	87,183,570.35
Optics Valley Electromechanical Technology Co.,	Purchasing	2,056,637.17	
Ltd. Diaisi Information Technology Co., Ltd.	commodities	76,734,917.81	65,870,803.00
Technology Co., Ltd. Fiberhome Technology Group	Purchasing	10,946,720.24	22,102,784.74
Co., Ltd. Wuhan Hongxu Information Technology	commodities	132,588,068.13 0.00	8,255,316.97
Co., Ltd. Wuhan Post and Telecommunications	Purchasing		4,528,301.91
Research Institute Co., Ltd. Wuhan Tongbo	commodities	3,407,500.00 0.00	2,388,062.92
Technology Co., Ltd. Wuhan Tongbo Property	Purchasing		180,000.00
Management Co., Ltd. Nanjing Huaxin Fujikura	commodities	1,288,617.08	22,923,812.57
Optical Communication Co., Ltd.	Purchasing	23,677,435.30	25,330,042.04
	commodities	624,229,978.33	659,917,826.67
	receive labor		
CITIC Mobile (Indonesia) Co., Ltd. purchases goods/connects	Receiving	284,218,511.26	
labor services CITIC Mobile Communication Technology Co., Ltd. purchasing goods		101,226,594.78	
Wuhan Wangrui Testing Technology Co., Ltd. receiving labor services	Mountain	54,050.00	
Technology Development Co., Ltd. purchasing goods		924,952.14	
		1,254.72	
		150,839.62	

Sales of goods / provision of labor services

ApplicableNot applicable

Unit: Currency: RMB

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Related	Contents of related-party transactions	Sales of goods in	Amount in the previous period
Party Shenzhen Yaguang Communication	the current period	167,927.44 Sales of goods withdrawal	1,157,694.23
Co., Ltd. Wuhan Zhongzhi Digital Technology Co., Ltd.	of labor services	9,183,712.34 Provision	642,780.33
Wuhan Guangxun Electronic Technology Co., Ltd. sells goods	Wuhan	3,353,463.29	8,021,123.92
Guangxun Technology Co., Ltd. sells goods company		18,140,803.10	19,053,086.22
		967,405.73	0.00
		261,320.75	
		6,552,618.24	4,657,813.35
	Sell goods/delivery for labor	298,533.50	162,350.45
Wuhan Hongxu Information Technology Co.,	selling	1,005,837.66	700,854.69
Ltd. Wuhan Polytechnic Optical Co., Ltd.	merchandise selling merchandise for labor	811,419.72	322,007.53
Diaisi Information Technology Co., Ltd. sells goods	Datang Liancheng	6,623,999.82	
Information System Technology Co., Ltd. sells goods	Datang Fusion	2,657,866.32	
Communications Co., Ltd. sells goods	Research Institute Co., Ltd. sells goods	1,309,734.42	
Hongxin Technology Service Co., Ltd. sells goods	China Information Communication	897.35	
Technology Group Co., Ltd. sells goods	Tanglianyi Technology Co., Ltd. sells goods	175,221.23	
Mobile Communication Equipment Co., Ltd. sells goods	Datang Technology	174,513.27	
Co., Ltd. provides labor services	Guangzhou Fiberhome Digital Technology Co., Ltd. sells goods	722,646.62	
goods Wuhan Fiberhome Wisdom Star Technology Co., Ltd. sells goods	Wuhan	70,796.48	
Huaxin Fujikura Optical Communication Co., Ltd. sells goods	Sales of goods		1,057,860.66
Datang Terminal Equipment Co., Ltd. sales of goods	Datang Telecom (Chengdu)	9,096,559.75	
Information Technology Co., Ltd. sales of goods	Wuhan Fiberhome Fiber Optic Co., Ltd.	817,193.22	
Ltd. sales of goods	YOFC Optical Fiber and Cable Co., Ltd. Smart Technology	436,789.21	
Co., Ltd. sells goods	Hubei Chutianyun Co., Ltd. sells goods	Xinjiang Digital	8,503,847.59
Information Industry Development Co., Ltd.		815,094.34	4,951,393.75
		39,115.04	
		2,333,396.51	4,419,406.33
		42,452.83	
		0.00	311,470.55
		329,877,459.96	349,976,367.79
		464,537.92	235,406.03
		0.00	183,528.94
		43,690.55	261,147.55
		0.00	2,129,872.53
		479,000.00	354,000.00
		1,197,146.00	1,814,226.00
		0.00	10,674,855.21
		308,870,104.75	20,524,442.87
		49,633.00	916,642.51
		50,174,931.92	92,724,880.80
sells goods	company that	37,148,672.57	50,092,901.00
Wuhan Fiberhome Potian Information Technology Co., Ltd. sells goods	The	1,784,321.15	2,734,400.85
Fifth Research Institute of Telecommunications Science and Technology Co.,		437,988.00	0.00
Ltd. sells goods		661,695.69	0.00

Description of related transactions for purchasing and selling commodities, providing and receiving labor services

Applicable Not applicable

(2) Affiliated entrusted management/contracting and entrusted management/outsourcing The

company's entrusted management/contracting situation table:

Applicable Not applicable

Description of related hosting/contracting

Applicable Not applicable

The company's entrusted management / outsourcing situation table

Applicable Not applicable

Description of Association Management/Outsourcing

Applicable Not applicable

(3) Related leases The

company as the lessor:

Applicable Not applicable

Unit: Currency: RMB

lessee name	Types of leased assets	Leases recognized in the current period income	Leases confirmed in the previous period income
Wuhan Optics Valley Fenghe Investment Fund Management Co., Ltd.	house	112,268.05	
Wuhan Optics Valley Fiberhome Technology Venture Capital Co., Ltd.	house	211,348.44	
Wuhan Optics Valley Fiberhome Investment Fund Management Co.,	house	1,260,995.74	
Ltd. Fiberhome Technology Group Co., Ltd. Wuhan Post and	house	9,967,926.10 10,026,627	20
Telecommunications Research Institute Co., Ltd. Datang Telecom	house	2,149,039.82	
Group Finance Co., Ltd. Wuhan Yangtze River Computing Technology	house	95,352.56	
Co., Ltd		493,124.90	

The company as a lessee:

Applicable Not applicable

Description of related leases

Applicable Not applicable

(4) Related-party guarantees

The company is the guarantor

Applicable Not applicable

The company as the guaranteed party

Applicable Not applicable

Description of related guarantees

Applicable Not applicable

(5). Fund borrowing from related

parties Applicable Not applicable

Unit: Currency: RMB

Related party	Loan amount	start date	Expiration Date Description	
Demolition				
FiberHome Technology Group Co., Ltd. 5,000,000.00 FiberHome Technology		2016/3/7	2022/3/7	
Group Co., Ltd. 7,000,000.00		2016/3/7	2025/3/7	

Fiberhome Technology Group Co., Ltd. 10,000,000.00 Fiberhome	2016/3/7	2028/3/7	
Technology Group Co., Ltd. 15,000,000.00 Fiberhome Technology Group	2016/3/7	2029/3/7	
Co., Ltd. 26,000,000.00 The company paid the controlling shareholder	2016/3/7	2031/3/6	

Fiberhome Technology Group Co., Ltd. a total of 766,500 yuan of interest expenses from January to December 2021.

(6).Asset transfer and debt restructuring of related parties

Applicable Not applicable

(7). Remuneration of key management

personnel Applicable Not applicable

Unit: 10,000 Yuan Currency: RMB

	Amount for this period	Amount in the previous period
Remuneration of key project management personnel	951.77	1,382.42

(8).Other related transactions

Applicable Not applicable

6. Accounts receivable and payable from related

parties (1). Receivable items Applicable Not

applicable

Unit: Currency: RMB

project name	Related party	closing balance opening balance			
		Book Balance Bad	Debt Reserve Book Balance Bad Debt Reserve		
Accounts Receivable	Wuhan Guangxun Technology Co., Ltd.	16,333,536.87	339,912.14	6,482,322.82	277,934.25
Accounts Receivable	Wuhan Telecom Devices Co., Ltd.	290,206.11	67,977.83		
Accounts Receivable	Wuhan Hongxin Technology Service Co., Ltd.			29,624.49	740.61
Accounts Receivable	Optical Communication Co., Ltd. Accounts			13,380.00	5,352.00
receivable CITIC Mobile Communication Technology Co., Ltd.		207,913.25	207,913.25	207,913.25	173,072.69
Accounts receivable	Wuhan Zhongzhi Digital Technology Co., Ltd.	2,943,635.95	88,309.08	2,103,161.56	766,391.34
Accounts receivable	Wuhan Polytechnic Optical Co., Ltd. Accounts	143,770.55	21,018.25		
receivable Accounts	receivable Guangzhou Fiberhome Zhongzhi Digital	209,709.21	5,242.73		
Technology Co., Ltd. Accounts receivable	Wuhan Tongbo Technology	3,233,541.33	1,861,169.07	3,521,194.77	1,408,621.26
Co., Ltd. Accounts receivable	Wuhan Changjiang Communication Zhilian	44,200.00	1,105.00		
Technology Co., Ltd. Accounts receivable	Datang Mobile Communication	507,784.76	247,566.08	467,817.35	155,761.22
Equipment Co., Ltd. Accounts Receivable from	Mobile Communication	894,635.64	207,771.62	738,606.03	118,898.41
Equipment Co., Ltd. Wuhan Fiberhome Wisdom Star Technology Co.,		3,101,577.13	13,336.13	416,461.03	161,695.09
Ltd. Accounts Receivable	Datang Terminal Equipment Co., Ltd. Accounts	45,000.00	675.00	311,470.55	15,770.06
Receivable Co., Ltd. 44,734,002.97 Accounts receivable	Nanjing Huaxin			311,470.55	15,770.06
Fujikura Optical Communication Co., Ltd. 110,639,878.21 Accounts		3,265,472.53	667,234.60	3,265,472.53	166,808.65
receivable Datang Telecom (Chengdu) Information Technology Co., Ltd.				279,121.66	112,628.41
755,000.00 Accounts receivable	Wuhan Fiberhome Fuhua Electric Co., Ltd. 617,080.00 Accounts receivable		1,112,095.65 37,984.95	138,626.78 10.11	1,121,623.98
Xinjiang Digital Corps Information Industry Development Co., Ltd. 27,242,805.26 Accounts receivable	Chengdu Optical		62,385.00 354,000.00	370,248.00	3,373,400.00
Fiber and Cable Co., Ltd. 142,500.00 Accounts receivable	Jiangsu Security Technology Co., Ltd. 66,382.73		1,814,226.00	663,524.08 42,533.00	8,850.00
receivable Wuhan Yangtze River Computing Technology Co., Ltd. 142,246,887.92 Accounts receivable	Wuhan		142,500.00 5,267.69	2,635.76 1,929.42	725,690.40
Fiberhome Potian Information Technology Co., Ltd. 1,028,057.96 Accounts receivable	Wuhan Smart Metro		20,266,796.47 552,714.00	14,795,436.55 0.05	1,056,325.03
Technology Co., Ltd. 80,595.04 Accounts receivable	Diaisi Information Technology Co., Ltd. 3,995,571.02		99,989.28		3,562.50
receivable Datang Liancheng Information System Technology Co., Ltd. 2,657,866.32 Accounts receivable					38,452.62
Research on Telecommunications Science and Technology Company Limited 437,988.00					506,669.91
					401,807.61
					3,388.88
			66,446.66		
			10,949.70		

Accounts Receivable	Wuhan Hongxu Information Technology Co., Ltd. Accounts Receivable	356,226.89	5,343.43		
	Fiberhome Xiangyun Network Technology Co., Ltd. Notes Receivable	326,713.43	8,167.84		
	Wuhan Guangxun Technology Co., Ltd. Notes Receivable	64,785.31		14,354,514.05	
	CITIC Mobile Communication Technology Co., Ltd. Notes Receivable			3,832,752.03	
	Co., Ltd. Notes Receivable	200,000.00		178,450.00	
	Wuhan Zhongzhi Digital Technology Co., Ltd. Notes Receivable			2,068,990.00	
	Wuhan Hongxu Information Technology Co., Ltd. Notes Receivable			756,000.00	
	Wuhan Guangxun Electronic Technology Co., Ltd. Notes Receivable	766,490.22			
	Nanjing Huaxin Fujikura Optical Communication Co., Ltd. Notes	30,000,000.00			
	receivable Wuhan Fiberhome Putian Information Technology Co., Ltd. Notes receivable			3,568,642.30	
	Wuhan Changjiang Computing Technology Co., Ltd. Notes receivable	10,729,774.00			
	Datang Mobile Communication Equipment Co., Ltd. Prepayment	2,737,255.81			
	Prepayment by Cangfenghuo Photoelectric Material Technology Co., Ltd. Prepayment by	8,127,881.50			
	Wuhan Research Institute of Posts and Telecommunications Co., Ltd.	2,653,209.28		1,798,209.28	
	Prepayment by Wuhan Changjiang Communication Zhilian Technology Co., Ltd. Prepayment by	3,200,000.00		67,660.00	
	Wuhan Changjiang Computing Technology Co., Ltd. Prepayment by	6,082,523.08			
	Wuhan Guangxun Technology Co., Ltd. Prepayment by	7,294,900.00			
	Wuhan Zhongzhi Digital Technology Co., Ltd. Company prepayments	5,030,837.11			
	Hubei Chutianyun Co., Ltd. Other receivables	732,888.01			
	Jiangsu Fiberhome Chengcheng Technology Co., Ltd. Other receivables	724,480.33			
	CITIC Mobile Communication Technology Co., Ltd. Potevio Information Technology Co., Ltd. Other receivables	6,831,513.40	6,831,513.40	6,831,513.40	6,831,513.40
	Fiberhome Technology Group Co., Ltd. Other receivables	3,393,093.63	1,899,388.27	1,827,787.95	1,827,787.95
	Wuhan Optics Valley Fenghe Investment Fund Management Co., Ltd. Other receivables			92,288.86	18,457.77
	Nanjing Huaxin Fujikura Optical Communication Co., Ltd. Other receivables	107,504.43	1,075.04	348,237.49	121,695.53
	Hubei Chutianyun Co., Ltd. Other receivables			53,020.45	530.20
	Wuhan Telecom Devices Co., Ltd.			54,882.44	548.82
		120,595,902.44	1,364.59	122,936,408.75	
		126,886.91	5,263.67		
		144,459.11	144,459.11		

(2). Items payable

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

Item Name	Related	Ending book	Opening book balance
Accounts Payable	parties Fujikura Fiberhome Optoelectronics	balance 86,679,314.22	
Accounts Payable	Materials Technology Co., Ltd. Wuhan	11,997,200.96	17,155,724.35
Accounts Payable	Optics Valley Electromechanical Technology Co., Ltd. Wuhan	28,724.60	12,610,278.18
Accounts Payable	Telecommunications Devices Co., Ltd.	25,834,175.35	28,200,179.31
Accounts Payable	Company CITIC Mobile Communication	10,498,800.00	2,288,895.38
Accounts Payable	Technology Co., Ltd. Wuhan Zhongzhi	216,833.91	216,833.91
Accounts Payable	Digital Technology Co., Ltd. Wuhan Research	532,804.17	
Accounts Payable	Institute of Posts and Telecommunications	113,671,511.44	959,531.12
Accounts Payable	Co., Ltd. Wuhan Tongbo Technology Co., Ltd.	18,976,850.48	5,922,482.64
Accounts Payable	Ltd. Wuhan Polytechnic Optical Co., Ltd.	521,663.49	
Accounts Payable	Wuhan Wangrui Detection Technology Co., Ltd.	287,202.06	508,343.09
Accounts Payable	Ltd.	3,341,231.81	6,550,447.57
Accounts Payable	Diaisi Information Technology Co., Ltd. The Tenth		
Accounts Payable	Research Institute of Telecommunications Science and	1,813,363.63	2,275,907.64
Accounts Payable	Technology Co., Ltd. Nanjing Huaxin Fujikura Optical		484,598.25
Accounts Payable	Communication Co., Ltd. Shenzhen Hongyuan Communication	57,694,735.71	166,130,977.33
Accounts Payable	Co., Ltd. Wuhan Fiberhome Putian Information Technology	32.86	1,847,320.77
Accounts Payable	Co., Ltd. YOFC Optical Fiber and Cable Co., Ltd. Wuhan	5,918,071.70	1,135,849.04
Accounts Payable	Wisdom Metro Technology Co., Ltd.	10,563,790.71	24,728,073.77
		22,408,300.14	20,503,194.09

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Accounts	Wuhan Changjiang Computing Technology	31,753,203.92	
Payable	Co., Ltd. Jiangsu Security Technology Co.,	26,057,517.30	
Accounts	Ltd. Fiberhome Auspicious Cloud Network	4,440,200.03	
Payable	Technology Co., Ltd. Hubei Chutianyun Co.,	1,104,264.11	
Accounts	Ltd. Wuhan Yintai Technology Power Co., Ltd.	2,707.00	
Payable	Wuhan Changjiang Semiconductor Lighting Technology Co.,	853.75	
Accounts	Ltd. Wuhan Fiberhome Fuhua Electric Co., Ltd. CITIC Mobile	383,469.26	
Payable	(Indonesia) Co., Ltd. Wuhan Hongxin Technology Development	62,845,036.31	
Accounts	Co., Ltd. Wuhan Telecom Devices Co., Ltd. Wuhan Guangxun	181,195.92	
Payable	Technology Co., Ltd. Wuhan Optics Valley Electromechanical	5,644.35	
Accounts	Technology Co., Ltd. CITIC Mobile Communication Technology	130,344,345.52	282,040,384.92
Payable	Co., Ltd. Wuhan Changjiang Communication Zhilian Technology		63,784,077.51
Accounts	Co., Ltd.		226,420.10
Payable			
Accounts	Wuhan Polytechnic Optical Co., Ltd. YOFC	384,532.80	410,224.14
Payable	Optical Fiber and Cable Co., Ltd. Wuhan Smart		2,390,000.00
Bills	Metro Technology Co., Ltd. Wuhan Fiberhome		4,736,960.60
payableOther	Fuhua Electric Co., Ltd. Shenzhen Hongyuan		868,130.00
payablesOther	Communication Co., Ltd. Nanjing Huaxin Fujikura		1,280,270.85
payablesOther	Optical Communication Co., Ltd. Wuhan Yangtze River	30,000,000.00	
payablesOther	Computing Technology Co., Ltd. Company Wuhan	10,729,774.00	
payablesOther	Hongxin Technology Development Co., Ltd. Fiberhome	80,000.00	
payablesOther	Technology Group Co., Ltd. CITIC Mobile		63,000,000.00
payablesOther	Communication Technology Co., Ltd. Wuhan Post and		223,837.14
payablesOther	Telecommunications Research Institute Co., Ltd.		
payablesOther	Wuhan Hongxin Technology Service Co., Ltd. Wuhan	780,759.95	
payablesOther	Fiberhome Potian Information Technology Co., Ltd.	42,048.00	5,760.00
payablesOther	Wuhan Changjiang Communication Intelligent Technology	34,000.00	
payablesContract	Co., Ltd. Wuhan Fiberhome Fuhua Electric Co., Ltd.	6,195,159.59	
liabilitiesContract	Wuhan Optical Valley Information Optoelectronics Innovation Center	380,605.68	
liabilitiesContract	Co., Ltd. Fiberhome Xiangyun Network Technology Co., Ltd. Beijing	275,000.00	
liabilitiesContract	North Fiberhome Technology Co., Ltd. Company Wuhan Science	139,700.00	
liabilitiesContract	and Technology Optical Co., Ltd. Wuhan Hongxin Technology Service	875,460.00	36,196.61
liabilitiesContract	Co., Ltd. CITIC Mobile Communication Technology Co., Ltd. Wuhan	154,000.00	
liabilitiesContract	Optics Valley Electromechanical Technology Co., Ltd. Datang		637,009.00
liabilitiesContract	Telecom Group Finance Co., Ltd.	228,168.92	227,623.52
liabilitiesContract			
liabilities	Fiberhome Technology Group Co., Ltd.	64,961.31	8,766.31
Liability	Wuhan International Maker Center Co., Ltd.	225,195.00	225,195.00
Contract	Wuhan Fiberhome Potian Information Technology Co.,	12,857,614.38	12,857,614.38
Liability	Ltd. Wuhan Smart Metro Technology Co., Ltd. Datang	300,000.01	300,000.01
Contract	Telecom Technology Co., Ltd. Wuhan Guangxun	1,801,759.64	1,801,759.64
Liability	Technology Co., Ltd. Wuhan Guangxun Electronic	9,811.08	123,142.08
Contract	Technology Co., Ltd. Chutian, Hubei Province Cloud Co.,	21,386.00	
Liability	Ltd. Wuhan Optics Valley Information Optoelectronics	6,139,113.10	
Contract	Innovation Center Co., Ltd. Wuhan Zhongzhi Digital Technology Co.,	1,760,400.00	
Liability	Ltd. First Research Institute of Telecommunications Science and	1,599,107.56	
Contract Liability Contract Liability	Liability Contract Liability	143,309.00	

7. Related party commitments

Applicable Not applicable

8. Others

Applicable Not applicable

XIII. Share-based payment 1.

General situation of share-based

payment ☐Applicable ☐Not applicable

Unit: Share Currency: RMB

The total amount of various equity instruments granted	56,283,000.00
by the company in the current period The total amount	
of various equity instruments exercised by the	38,611,173.00
company in the current period The range of the exercise price of other equity instruments outside	
the scope and the remaining term of the contract Other explanations None	

2. Equity-settled share-based payment

☐Applicable ☐Not applicable

Unit: Currency: RMB

Determination of the fair value of equity instruments on the grant date Basis	
for determination of the number of exercisable equity instruments	On each balance sheet day of the lock-up period, the company will revise the estimated number of restricted shares that can be unlocked based on the latest follow-up information such as changes in the number of unlockables and the completion of performance indicators.
Reasons for the significant difference between the current period's	
estimate and the previous period's estimate Accumulated amount of equity-settled	208,561,550.18
share-based payment included in capital reserves Total expenses recognized by	19,755,300.01

equity-settled share-based payment in this period A total of 38,611,173.00 restricted

shares have been repurchased and repurchased. The total amount of funds used to repurchase restricted stocks is RMB 504,332,360.73. 2) The company

was authorized by the general meeting of shareholders on November 10, 2021, and the board of directors reviewed and approved the "2021 Restricted Stock Incentive Plan of Fiberhome Communications Technology Co., Ltd. (Draft)", granting restricted stocks to 1,773 incentive objects, 56,283,000 shares, with a

grant price of RMB 11.74 per share. The method for determining the fair value of equity instruments on the grant date: the difference between the closing price on the grant date and the grant price is taken as the fair value of the restricted stock. The method for determining the best estimate of the number of exercisable equity

instruments: the company will, on each balance sheet date of the lock-up period, revise the estimated unlockable limit based on the latest obtained follow-up

information such as changes in the number of unlockables and the completion of performance indicators number of stocks. The accumulated amount of equity-settled

share-based payment included in capital reserve: RMB 208,561,550.18. The total expenses confirmed for equity-settled share-based payment in the current period:

RMB 19,755,300.01.

3. Cash-settled share-based payment ☐Applicable☐Not applicable

4. Modification and termination of share-based

payment ☐Applicable ☐Not applicable

5. Other

☐Applicable ☐Not applicable

XIV. Commitments and Contingencies

1. Important Commitments ☐Applicable☐Not Applicable

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Important external commitments, nature and amount existing on the balance sheet date

project	December 31, 2021	December 31, 2020
Houses, buildings and machinery	RMB10,853,806.77	RMB18,489,677.30
	USD1,846,443.74	USD132,561.30
		EUR126,870.00
intangible assets	RMB1,259,344.00	RMB7,247,522.25
	USD36,700.00	USD1,590,738.00

2. Contingencies (1).

Significant contingencies existing on the balance sheet date

̈Applicable ̈Not applicable 1) Unexpired letter of guarantee

As of December 31, 2021, the total amount of unexpired

letter of guarantee is RMB 1,210,319,501.78. The total amount converted to US dollars is US\$112,306,067, of which: the amount of the performance guarantee that has not yet expired is 573,807,444.08 yuan; the prepayment guarantee that has not expired is 386,847,701.04 yuan; the guarantee period that has not expired is 162,066,095.87 yuan; the tender guarantee letter that has not yet expired is 42,087,696.76 RMB 39,786,614.02 for the unexpired quality guarantee letter and RMB 5,723,950.00 for the unexpired quality guarantee letter of guarantee. 2) External guarantee ̈ In order to promote the development of the company's overseas business and expand the financing channels of overseas subsidiaries, FiberHome held the fourth meeting of the seventh board of directors on August 16, 2018 and the company's 2018 annual meeting held on September 4, 2018. It was considered and approved at the first extraordinary general meeting of shareholders to provide a joint and several liability guarantee of not more than US\$10 million for the bank comprehensive credit extension of the wholly-owned subsidiary Fiberhome Communications India Pte. The wholly-owned subsidiaries of Fiberhome International (Pakistan) Private Limited Liability Company, Wuhan Fiberhome International (Malaysia) Co., Ltd., Fiberhome International (Indonesia) Co., Ltd., Wuhan Fiberhome International Technology (Philippines) Co., Ltd. and holding subsidiary Fiberhome International (Brazil) Import and Export Co., Ltd.'s comprehensive bank credit line provides joint liability guarantees with an amount of not more than 35.5 million US dollars, and the above amount can be allocated to each other as needed; Fiberhome's independent directors have approved the matter in advance and issued independent opinions. For related matters, please refer to the Announcement of FiberHome Communications Technology Co., Ltd. on Providing Guarantee for Overseas Holding Companies on August 18, 2018 (Announcement No.: Lin 2018-031). As of the reporting date, the overseas company has not yet used the credit line. ̈As of December 31, 2021, the company opened an irrevocable forward in the bank due to the need for purchasing raw materials and importing original accessories

Letter of Credit USD 102,170,019.90.

(2) The company has no important contingencies that need to be disclosed, which should also be

explained: ̈Applicable ̈Not applicable

3. Other

̈Applicable ̈Not applicable

XV. Events after the balance sheet date 1.

Important non-adjusting events ̈Applicable ̈Not

applicable

2. Profit distribution ̈Applicable

̈Not applicable

Unit: Yuan Currency: RMB 95,026,216.40

Profits or dividends to be	95,026,216.40
distributed are declared after deliberation and approval	

3. Sales return

ÿApplicable ÿNot applicable

4. Other events after the balance sheet date

ÿApplicable ÿNot applicable

16. Other important matters

1. Correction of previous accounting errors

(1). Retrospective restatement

ÿApplicable ÿNot applicable

(2). Future Applicable Law

ÿApplicable ÿNot Applicable

2. Debt restructuring

ÿApplicable ÿNot applicable

3. Asset replacement

(1). Non-monetary asset exchange

ÿApplicable ÿNot applicable

(2). Replacement of other assets

ÿApplicable ÿNot applicable

4. Annuity plan

ÿApplicable ÿNot applicable

According to the unified arrangement of China Information and Communication Technology Group Co., Ltd., the company implements annuity plans, which are divided into inclusive annuities and There are two types of incentive annuities. Among them, the inclusive annuity is divided into two payment standards according to the employee's working age; the incentive annuity is divided into Ability and contribution are divided into three payment standards.

5. Termination of

operation ÿApplicable ÿNot applicable

6. Segment information

(1). Determination basis and accounting policy of reportable segment

ÿApplicable ÿNot applicable

(2). Financial information of reportable

segments ÿApplicable ÿNot applicable

(3) If the company has no reporting segment, or cannot disclose the total assets and liabilities of each reporting segment, it shall explain the reasons ÿApplicable ÿNot applicable

(4). Other instructions

ÿApplicable ÿNot applicable

7. Other important transactions and matters affecting investors' decision-making

Applicable Not applicable

8. Other

Applicable Not applicable

XVII. Notes to the main items of the parent company's financial

statements 1. Accounts receivable

(1). Disclosure by ageing

Applicable Not applicable

Unit: Currency: RMB	
aging	Closing book balance
Within 1 year	
Of which: sub-items within 1 year	
Less than one	5,872,545,196.28
year Less than one year	5,872,545,196.28
Subtotal 1 to 2 years 2	1,135,526,057.10
to 3 years More than 3	324,459,179.81
years	
3 to 4 years	297,418,263.66
4 to 5 years	140,889,939.61
5+ years	191,276,308.61
total	7,962,114,945.07

(2) Disclosure according to bad debt provision

method Applicable Not applicable

Unit: Currency: RMB										
category	Ending balance					Opening Balance				
	Book balance		bad debt provision		book value	Book balance		bad debt provision		book value
	amount	Proportion(%)	amount	accrual Proportion (%)		amount	Proportion (%)	amount	accrual Proportion (%)	
Withdrawal by single item bad debt provision										
in:										
Withdrawal by combination Provision for bad	7,962,114,945.07	100.00	1,265,788,141.57	15.90	6,696,326,803.50	6,272,877,706.75	100.00	1,504,192,156.81	23.98	4,768,685,549.94
debits includes:										
Aging portfolio	7,962,114,945.07	100.00	1,265,788,141.57	15.90	6,696,326,803.50	6,272,877,706.75	100.00	1,504,192,156.81	23.98	4,768,685,549.94
Total	7,962,114,945.07	/	1,265,788,141.57	/	6,696,326,803.50	6,272,877,706.75	/	1,504,192,156.81	/	4,768,685,549.94

Provision for bad debts is made on a single item basis:

Applicable Not applicable

Provision for bad debts by combination:

Applicable Not applicable

Portfolio accrual item: aging portfolio

Unit: Currency: RMB	
name	Ending balance

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	Accounts	Bad debt	Provision ratio (%)
Aged portfolio	receivable 7,962,114,945.07	provision 1,265,788,141.57	15.90
total			

Recognition standards and explanations for bad debt provision by combination:

•Applicable •Not applicable

If the bad debt provision is made according to the general model of expected credit loss, please refer to the disclosure of other receivables:

•Applicable •Not applicable

(3) Bad debt provision •Applicable

•Not applicable

Unit: Currency: RMB

category	Opening Balance	Amount of change in the current period				Ending balance
		accrual	withdraw or turn back	resell or write off	other change	
Aging portfolio 1,504,192,156.81	-238,404,015.24	Total 1,504,192,156.81				1,265,788,141.57
-238,404,015.24						1,265,788,141.57

Among them, the amount of bad debt provision recovered or reversed in the current period is important:

•Applicable •Not applicable

(4) Accounts receivable actually written off in the current

period •Applicable •Not applicable

Among them, the important accounts receivable write-off situation

•Applicable •Not applicable

(5) The accounts receivable of the top five ending balances collected by debtors

•Applicable •Not applicable

Unit: Currency: RMB

company name	Ending balance	Accounts receivable ending balance Proportion of total number (%)	Ending balance of bad debt provision
12745	801,627,750.90	10.07	48,176,167.39
27106	233,271,709.17	2.93	10,533,795.90
20692	209,093,299.36	2.63	13,788,303.87
25748	173,303,959.41	2.18	5,199,118.78
14221	164,105,790.12	2.06	4,923,173.70
Total	1,581,402,508.96	19.87	82,620,559.64

other instructions

none

(6) Accounts receivable derecognized due to transfer of financial assets

•Applicable •Not applicable

project	The party to which the financial asset is transferred with the derecognized amount	Gain or loss related to derecognition
	Mode	lose
Derecognition of accounts receivable	1,082,278,010.17 No recourse factoring	16,306,266.38
total	1,082,278,010.17	16,306,266.38

(7) Amount of assets and liabilities formed by transferring accounts receivable and continuing

involvement ☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

2. List of other receivables

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Interest Receivable		642,230.03
Dividends	792,843,957.31	563,125,261.31
Receivable Other Receivables	685,328,591.13	1,351,257,643.88
total	1,478,172,548.44	1,915,025,135.22

other instructions:

☐Applicable ☐Not applicable

Interest receivable

(1). Classification of interest

receivable ☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Time Deposit	0.00	642,230.03
Entrusted Loan		
bond investment		
total	0.00	642,230.03

(2). Important overdue interest

☐Applicable ☐Not applicable

(3). Provision for bad debts

☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

Dividends

receivable (1). Dividends

receivable ☐Applicable ☐Not applicable

Unit: Currency: RMB

Project (or investee) Nanjing	Closing	Opening Balance
Huaxin Fujikura Co., Ltd. Wuhan Fiberhome	balance 120,431,408.75	122,936,408.75
Information Integration Technology Co., Ltd. Fiberhome	86,081,052.56	86,081,052.56
Fujikura Optical Technology Co., Ltd. Wuhan Optical	431,400.00	4,207,800.00
Network Information Technology Co., Ltd.	400,000,000.00	300,000,000.00

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Nanjing Fiberhome Air Communication Development Co., Ltd.	99,900,000.00	49,900,000.00
Chengdu Fiberhome Cloud Network Information Technology Co.,	56,000,000.00	
Ltd. Ruiguang Communication Technology Co., Ltd. Changchun	30,000,000.00	
Fiberhome Technology Co., Ltd. Total	96.00	
	792,843,957.31	563,125,261.31

(2). Important dividends receivable aged over 1 year

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project (or investee)	Reasons for not recovering the ageing balance of the period-end balance	Is there an impairment and the basis for its judgment
Nanjing Huaxin Fujikura Co., Ltd. 120,431,408.75	4-5 years have been paid as planned No	
Wuhan Fiberhome Information Integration Technology Co., Ltd. 86,081,052.56	1-2 years have been paid as planned No	
FiberHome Fujikura Optical Fiber Technology Co., Ltd. 431,400.00	1-2 years have been paid as planned No	
Wuhan Optical Network Information Technology Co., Ltd. 400,000,000.00	1-2 years have been paid as planned No	
Nanjing Fiber Mars Air Communication Development Co., Ltd. 99,900,000.00	1-2 years have been paid as planned No	
total	706,843,861.31 / /	/

(3). Provision for bad debts

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Other receivables

(1). Disclosed by age

ÿApplicable ÿNot applicable

Unit: Currency: RMB

aging	Closing book balance
Within 1 year	
Of which: sub-items within 1 year	
Less than one	412,806,246.65
year Less than one year	412,806,246.65
Subtotal 1 to 2 years 2	220,872,582.16
to 3 years More than 3	69,226,971.96
years	
3 to 4 years	2,537,515.94
4 to 5 years	937,819.10
5+ years	32,954,725.07
total	739,335,860.88

(2). Classification by nature of payment

ÿApplicable ÿNot applicable

Unit: Currency: RMB

nature of payment	Ending book balance	Opening book balance
Margin	197,990,960.96	231,611,983.87
reserve	18,090,461.61	14,583,615.77

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Advances on	463,114,943.82	1,067,427,419.22
behalf of other current payments	60,139,494.49	146,321,751.31
total	739,335,860.88	1,459,944,770.17

(3). Provision for bad debts

Applicable Not applicable

Unit: Currency: RMB

bad debt provision	first stage	second stage	The third phase	total
	Expected credit losses over the next 12 months	lifetime expectation credit loss (unissued credit impairment)	lifetime expectation credit loss (issued credit impairment)	
January 1, 2021 balance	7,412,222.56	79,843,500.00	21,431,403.73	108,687,126.29
January 1, 2021 balance in this				
Expect				
-- transfer to the second stage				
-- transfer to the third stage				
-- go back to the second stage				
-- go back to the first stage				
This period's accrual is			11,523,321.34	11,523,321.34
reversed in the current period	3,284,160.09	62,919,077.79		66,203,177.88
and written off in the current period				
Write-off in this period				
other changes				
December 31, 2021 Balance	4,128,062.47	16,924,482.21	32,954,725.07	54,007,269.75

Explanation on the significant changes in the book balance of other receivables with changes in loss provision in the current period:

Applicable Not applicable

Book balance	first stage	second stage	third stage	total
	Expected credit losses for the next 12 months	lifetime expectation credit loss (unissued credit impairment)	whole life expectancy credit losses (already credit impairment)	
The balance at the end of the previous year	741,222,256.49	697,291,109.95	21,431,403.73	1,459,944,770.17
The balance at the end of the previous year is in the current period				
-- transfer to the second stage				
-- transfer to the third stage				
-- go back to the second stage				
-- go back to the first stage				
New additions in the			11,523,321.34	11,523,321.34
current period Other changes in the	328,416,009.84	403,716,220.79		732,132,230.63
current period de-recognition				
Ending balance	412,806,246.65	293,574,889.16	32,954,725.07	739,335,860.88

The amount of provision for bad debts in the current period and the basis for assessing whether the credit risk of financial instruments has increased significantly:

Applicable Not applicable

(4). Provision for bad debts

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

category	Opening Balance	Amount of change in the current period				Ending balance	
		accrual	take back or turn back	resell or write off	other change		
Aging portfolio	108,687,126.29	11,523,321.34	66,203,177.88	Total 108,687,126.29	11,523,321.34	66,203,177.88	54,007,269.75
							54,007,269.75

Among them, the amount of bad debt provision reversed or recovered in the current period is important:

☐Applicable
 ☐Not applicable

(5) Other receivables actually written off in the current period

☐Applicable
 ☐Not applicable

(6) Other receivables with top five closing balances collected by debtors

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

company name	sex of payment quality	Ending balance	aging	account for other receivables total closing balance Proportion(%)	bad debt provision Ending balance
11473	Deposit 149,700,309.75	Current account	1-3 years	20.25	4,472,795.59
4948	103,617,431.02	Current account 83,048,453.95	within 1 year	14.01	1,036,174.31
13766	Current account 73,515,729.17	Current	1-3 years	11.23	8,612,465.63
19161	account 56,139,994.39	466,021,918.28	within 1 year	9.94	735,157.29
26585			within 1 year	7.59	561,399.94
Total				63.02	15,417,992.76

(7) Receivables involving government subsidies

☐Applicable
 ☐Not applicable

(8). Other receivables derecognized due to transfer of financial assets

☐Applicable
 ☐Not applicable

(9) Amount of assets and liabilities formed by transferring other receivables and continuing to be

☐Applicable
 ☐Not applicable

other instructions:

☐Applicable
 ☐Not applicable

3. Long-term equity investment

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

project	Closing			Opening Balance		
	balance	Book value	Book value of provision for impairment of book balance	Book value of provision for impairment of book	balance	balance
Investment in subsidiaries	5,418,998,673.05	Investment in	5,418,998,673.05	5,340,998,673.05		5,340,998,673.05
associates and joint ventures	2,238,555,805.84	1,360,743.96	2,237,195,061.88	2,072,731,488.80	1,360,743.96	2,071,370,744.84
Total business						
investment	7,657,554,478.89	1,360,743.96	7,656,193,734.93	7,413,730,161.85	1,360,743.96	7,412,369,417.89

(1). Investment in subsidiaries

√Applicable √Not applicable

Unit: Currency: RMB

investee	Opening Balance	Increase in this period	This period reduce	Ending balance	this period Impairment Prepare	Impairment criteria end of preparation period balance
Wuhan Feisiling Microelectronics Technology Co., Ltd. 1,076,358,994.73 Nanjing	1,076,358,994.73			1,076,358,994.73		
Fiberhome Mars Air Communication Development Co., Ltd. Wuhan 844,692,362.30	844,692,362.30	0.00		844,692,362.30		
Technology Co., Ltd. Wuhan Fiberhome Ruituo Technology Co., Ltd. 148,000,000.00	148,000,000.00	0.00		148,000,000.00		
Information Integration Technology Co., Ltd. Fiberhome Ocean Network Equipment Co., Ltd. 464,428,388.53	464,428,388.53	420,950,025.54		705,000,000.00		
Ltd. Wuhan Yunxin Industrial Investment Technology Co., Ltd. 318,133,967.27	318,133,967.27	266,720,000.00		464,428,388.53		
Technology Co., Ltd. Chengdu Datang Cable Co., Ltd. Fiberhome Super Optical Cable Co., Ltd. 219,067,731.82	219,067,731.82	416,223.00		420,950,025.54		
Technology Co., Ltd. Fiberhome Cloud Technology Co., Ltd. Xi'an 100,000,000.00	100,000,000.00	100,000,000.00		318,133,967.27		
Technology Co., Ltd. Fiberhome Fujikura Optical Fiber Technology Co., Ltd. 80,936,460.00	80,936,460.00	52,000,000.00		266,720,000.00		
Generation Communication Technology Co., Ltd. Wuhan Optical Communication Equipment Co., Ltd. 50,000,000.00	50,000,000.00	200,000,000.00		219,067,731.82		
Technology Co., Ltd. Chengdu Fiberhome Cloud Network Information Technology Co., Ltd. 36,143,934.36	36,143,934.36	30,000,000.00		159,416,223.00		
Ltd. Fiberhome Communications India Private Limited Liability Company 23,873,425.50	23,873,425.50	15,000,000.00		100,000,000.00		
North Optical Communication Co., Ltd. Fiberhome Communications Equipment Co., Ltd. 10,988,900.00	10,988,900.00	10,376,560.00		100,000,000.00		
Fiberhome Marine Engineering Equipment Co., Ltd. Total	5,610,000.00	3,301,700.00		80,936,460.00		
				52,000,000.00		
				50,000,000.00		
				200,000,000.00		
				36,143,934.36		
				30,000,000.00		
				23,873,425.50		
				15,000,000.00		
				10,988,900.00		
				10,376,560.00		
				5,610,000.00		
				3,301,700.00		
		48,000,000.00		48,000,000.00		
	5,340,998,673.05	78,000,000.00		5,418,998,673.05		

(2). Investment in associates and joint ventures

√Applicable √Not applicable

Unit: Currency: RMB

invest unit	beginning of the period balance	Changes in other comprehensive								end of period balance	Impairment preparation period closing balance
		additional investment	reduce invest	Recognition under the equity method investment profit and loss	income during the current period Adjustment	Other changes in equity	declare cash dividend or profit	Accrual and deduction value preparation	That he		
1. Joint ventures											
Subtotal											
2. Joint ventures											
Fujikura Fiberhome Photoelectric Material Technology Co., Ltd.	454,690,629.99	Wuhan Optics		-17,914,280.11						436,776,349.88	
Valley Fiberhome Industrial Investment Fund Partnership (partnership)	235,701,997.34	85,680,000.00 Enterprise (limited partnership)		46,655,344.44			322,600.00			367,714,741.78	
Hubei Chutianyun Co., Ltd.	93,237,229.90	GF Fund Management Co., Ltd.	1,229,038,790.15	5,875,980.26						99,113,210.16	
Wuhan Optics Valley Electromechanical Technology Co., Ltd.	34,721,186.00	Wuhan		367,008,336.33	-2,171,193.23	-980,997.69	317,846,051.47			1,275,048,884.09	
Information Technology Co., Ltd.	15,647,198.66	Wuhan Optics Valley Fund Management Co., Ltd.		-2,788,946.74						31,972,739.30	
				-1,658,178.02						13,989,020.64	
companies	8,293,212.76			4,286,903.27						12,580,116.03	
Subtotal of Jiangsu Fiberhome Chengcheng Technology Co., Ltd.	0									0	1,360,743.96
	2,071,370,744.84	85,680,000.00	2,071,370,744.84	401,465,159.43	-2,171,193.23	-980,997.69	318,168,651.47	-980,997.69		2,237,195,061.88	1,360,743.96
total	85,680,000.00			401,465,159.43	-2,171,193.23	318,168,651.47				2,237,195,061.88	1,360,743.96

other instructions:

none

4. Operating income and operating costs

(1). Operating income and operating costs

¥Applicable ¥Not applicable

Unit: Currency: RMB

project	Amount for this period		Amount in the previous period	
		Cost		cost
Revenue Main business	17,790,478,138.38	15,580,952,991.91	Income	12,551,659,570.35
Other business	1,494,122,892.19	1,217,346,407.41		979,104,620.94
total	19,284,601,030.57	16,798,299,399.32	1,160,843,614.74	15,186,433,998.59

(2). Income from contracts ¥Applicable ¥Not

applicable

(3). Description of performance

obligations ¥Applicable ¥Not applicable

(4). Explanation of apportionment to remaining performance

obligations ¥Applicable ¥Not applicable

other instructions:

none

5. Investment income

¥Applicable ¥Not applicable

Unit: Currency: RMB

Long-	Amount for the current period	Amount for the previous period
term equity investment income accounted for by the project cost	299,659,196.00	442,723,800.00
method Long-term equity investment income accounted for by the	401,465,159.43	225,959,549.24
equity method Investment income from the disposal of long-term equity investments		
Investment income of held-for-trading financial assets during the holding period		
Dividend income from other equity instrument investments during the holding		184,040.22
period Interest income from debt investments during the holding period		
Interest income from other debt investments during the holding period		
Investment income from disposal of held-for-trading financial assets		
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investments		
Debt Restructuring Proceeds		
other	469,269.44	-22,141,214.46
total	701,593,624.87	646,726,175.00

other instructions:

none

6. Other

¥Applicable ¥Not applicable

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XVIII. Supplementary information

1. Details of non-recurring profit and loss for the current

period √Applicable √Not applicable

Unit: Currency: RMB

project	Amount	Description
Unauthorized approval of gains and losses	1,837,970.21	
from disposal of non-current assets or tax refunds without formal approval documents,		
government subsidies included in the current profit and loss (closely related to the business of the enterprise, according to national (Except for government subsidies that are entitled to a fixed or quantitative national standard)	57,118,108.46	
The capital occupation fee charged to non-financial enterprises included in the current profit		
and loss		
When the investment is made, it shall enjoy the benefits arising from the fair value of the identifiable net assets of the investee.		
income		
Non-monetary asset exchange gains and		
losses Entrusting others to invest or manage assets gains		
and losses due to force majeure factors, such as natural disasters, various asset impairments accrued		
Prepare		
Profits and losses of debt		
restructuring Enterprise restructuring expenses, such as expenses for employee placement,		
integration expenses, etc. The profit and loss of the part exceeding the fair value arising from the transaction whose		
transaction price is obviously unfair The current period net profit from the merger of subsidiaries under the same control		
profit and loss		
Except for the effective hedging business related to the normal operation of the company,		
the profits and losses arising from contingencies unrelated to the normal operation of the company are held.		
Held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivatives		
Gains and losses from changes in fair value arising from financial liabilities and disposals of financial		
assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and		
Investment income from other debt investments		
Receivables that have been individually tested for impairment, and contract asset impairment provisions are		
reversed Gains and losses obtained from external entrusted loans The fair value of investment properties		
that are subsequently measured using the fair value model		
Changes in profit and loss		
According to the requirements of tax, accounting and other laws and regulations, the current profit and loss shall be conducted once		
The impact of sexual adjustment on current profit and loss		
Custody fee income obtained from entrusted		
operations Other non-operating income and expenses other than the above	-3,321,245.97	
items Other profit and loss items that meet the definition of non-recurring profit		
and loss Less: Amount affected by income tax Amount affected by minority	7,998,007.05 3,797,859.61	
interests	43,838,966.04	
total		

For the non-recurring profit and loss defined by the company in accordance with the definition of "Explanatory Announcement No.

Recurring profit and loss items, and the "Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profits and Losses"

The non-recurring profit and loss items listed in the item are defined as recurring profit and loss items, and the reasons shall be explained.

√Applicable √Not applicable

2. Return on Equity and Earnings per Share

√Applicable √Not applicable

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Profit during the reporting period	weighted average net worth rate of return(%)	EPS	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the company after	2.48	0.25	0.23
deducting non-recurring gains and losses is attributable to the company's general Net profit of stockholders	2.10	0.21	0.20

3. Differences in accounting data under domestic and foreign accounting

standards ☐Applicable ☐Not applicable

4. Other

☐Applicable ☐Not applicable

Chairman: Lu Guoqing

Board approval filing date: April 14, 2022

Revision

information ☐Applicable ☐Not applicable