

Company code: 600522

Company abbreviation: Zhongtian Technology



Jiangsu Zhongtian 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.

2. All directors of the company attended the board meeting.

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

4. Xue Jiping, the person in charge of the company, Gao Hongshi, the person in charge of accounting work, and Xu Jiping, the person in charge of the accounting department (accounting supervisor)

Statement: Guarantee the authenticity, 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

The company held the twenty-seventh meeting of the seventh board of directors on April 28, 2022, reviewed and approved the "Company Profit Distribution in 2021"

It is proposed to distribute a cash dividend of RMB 1.00 (tax included) to all shareholders for every 10 shares based on the total share capital registered on the equity registration date when the company's

2021 profit distribution plan is implemented. After the implementation of this profit distribution plan, the remaining undistributed profits of the company will be carried forward to the next year. This year, the

capital reserve will not be converted into share capital. This plan still needs to be submitted to the general meeting of shareholders for deliberation. VI. RISK STATEMENT OF FORWARD-LOOKING

## STATEMENTS

Applicable Not applicable This

annual report includes forward-looking statements. All statements, other than statements of historical fact, that the Company expects or expects possible or imminent future business activities, events or developments (including but not limited to forecasts, objectives, estimates and business plans) are forward-looking statements. Actual future results or trends may differ materially from these forward-looking statements due to a number of variables. The forward-looking statements in this annual report were made by the Company on April 28, 2022, and the Company undertakes no obligation or duty to update such forward-looking statements. 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 risks in detail in this report, please refer to Section III Management Discussion and Analysis on the Company.

The contents of the possible risks and countermeasures in the discussion and analysis of the future development of the company.

The company's future operating outlook in this report is based on the management's current operating judgment and the current macroeconomic policy.

The predictions and plans made in accordance with policies and market conditions do not constitute performance commitments made by

the company. Eleven, other

Applicable Not applicable

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	The financial statements for reference signed and sealed by the person in charge of the company, the person in charge of accounting work, and the person in charge of the accounting organization For reference Original copies of all company documents and announcements publicly disclosed in designated newspapers

## Section 1 Interpretation

## 1. Interpretation

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

Definition of common words		
Zhongtian Technology, Zhongtian Technology Co., Ltd., and the company	refer to	Jiangsu Zhongtian Technology Co., Ltd.
Zhongtian Technology Group	refers to	Zhongtian Technology Group Co., Ltd.
Zhongtian Energy Storage Technology	refers to	Zhongtian Energy Storage Technology Co., Ltd.
Zhongtian Precision Materials	refers to	Zhongtian Precision Materials Co., Ltd.
Zhongtian Science and Technology Optical Fiber	refers to	Zhongtian Science and Technology Optical Fiber Co., Ltd.
Zhongtian Technology Submarine Cable, Zhongtian Submarine Cable	refers to	Zhongtian Technology Submarine Cable Co., Ltd.
Zhongtian Photovoltaic Technology	refers to	Zhongtian Photovoltaic Technology Co., Ltd.
Zhongtian Broadband Technology	refers to	Zhongtian Broadband Technology Co., Ltd.
Zhongtian Light Alloy	refers to	Zhongtian Light Alloy Co., Ltd.
Shanghai Zhongtian Aluminum Wire	refers to	Shanghai Zhongtian Aluminum Wire Co., Ltd.
Jiangdong Electricity Guide Tong	refers to	Jiangdong Electricity Communication Co., Ltd.
China Securities Regulatory Commission, China Securities Regulatory Commission	refers to	the China Securities Regulatory Commission
Shanghai Stock Exchange	refers to	the Shanghai Stock Exchange
"Company Law"	means the	"Company Law of the People's Republic of China"
"Securities Law"	means the	"Securities Law of the People's Republic of China"
"Stock Listing Rules"	means the	"Shanghai Stock Exchange Listing Rules"
"Articles of Association"	means	"Articles of Association of Jiangsu Zhongtian Technology Co., Ltd."
"The Fourteenth Five-Year Plan"	refer to	The Fourteenth "National Economic and Social Development of the People's Republic of China" Five-Year Plan Outline
Ministry of Industry and Information Technology, Ministry of Industry and Information Technology,	Refers to the	Ministry of Industry and Information Technology of the People's Republic of China
National Development and Reform Commission	Refers to the	National Development and Reform Commission of the People's Republic of China
ICT	Refers to	Information and Communication Technology
4G	Refers to the	fourth generation mobile phone mobile communication standard
5G	Refers to the	fifth generation mobile phone mobile communication standard
PON	Refers to	passive optical network
ADSS	Refers to all-dielectric self-supporting	optical cable
OPGW	Refers to fiber optic composite overhead	ground wire
PI film	Refers to polyimide	film
FCCL	Refers to flexible copper clad	laminates
IPTV	Refers to interactive network	television
PCB	Refers to	finger printed circuit board
WEC	Refers to the	Global Wind Energy Council
MW	Refers to megawatt,	a unit of installed capacity
MWh	Refers to megawatt hour,	a unit of electrical energy
GB	Refers to gigabyte,	the unit of measurement of information
GW	Refers to gigawatts,	a unit of installed capacity
GWh	Refers to 100 million watt-hours,	the unit of electrical power
kVA	Refers to KVA,	a unit of power equipment capacity
	Refers to RMB	ordinary shares (A shares)
share	Refers to RMB	



## Section 2 Company Profile and Main Financial Indicators

## 1. Company Information

The Chinese name of the company	Jiangsu Zhongtian Technology Co., Ltd.
The Chinese abbreviation of the	Zhongtian Technology
company The foreign name of the	JIANGSU ZHONGTIAN TECHNOLOGY CO., LTD.
company The foreign abbreviation of the	ZTT
company The legal representative of the company	Xue Jiping

## 2. Contact and contact information

	Board Secretary	Securities Affairs Representative
Name Hu Zimu	Yang Dongyun	
Contact address No. 88	Qixin Road, Economic and Technological Development Zone, Nantong City, Jiangsu Province No. 88, Qixin Road, Economic and Technological Development Zone, Nantong City, Jiangsu Province	
	0513-83599505	0513-83599505
	0513-83599504	0513-83599504
Telephone fax e-mail	ztirm@chinaztt.com	ztirm@chinaztt.com

## 3. Introduction to the basic situation

The company's registered	Zhongtian Village, Hekou Town, Rudong County, Jiangsu Province
address The historical change of the company's	Not applicable
registered address The company's office address The	No. 88, Qixin Road, Economic and Technological Development Zone, Nantong City, Jiangsu Province
zip code of the company's office address	226009
	www.chinaztt.com
	ztirm@chinaztt.com

## 4. Information disclosure and storage location

Media name and website for the company to disclose the annual report "China Securities Journal", "Shanghai Securities News", "Securities Times"	
The website of the stock exchange where the company discloses its annual report is www.sse.com.cn	
Location of the company's annual report	Zhongtian Technology Securities Department, Nantong Economic and Technological Development Zone, Jiangsu Province

## V. Company stock profile

Company stock profile				
Stock Types Stocks Listed on the Stock Exchange	Stock Abbreviation	Shanghai Stock	Stock abbreviation before the stock code change	
A crotch	Exchange Zhongtian Technology		600522	/

## 6. Other relevant information

Accountant hired by the company Law Firm (Domestic)	Name	Zhongxinghua Certified Public Accountants (Special General Partnership)
	Office Address	15th Floor, East Tower, Sichuan Building, No. 1 Fuwai Street, Xicheng District, Beijing
	Signature Accountant Name	Wen Guosheng, Cheng Xiaofang

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 higher than the previous year Increase or decrease in the same period (%)	2019	
		adjusted	before fixing		adjusted	before fixing
Operating	46,163,306,590.50	42,081,553,999.57	44,065,727,358.66	9.70	38,767,339,353.15	38,806,127,262.50
income attributable to shareholders of listed	172,092,691.39	2,274,661,507.02	2,274,661,507.02	-92.43	1,960,221,727.45	1,960,221,727.45
companies Net profit attributable to shareholders of listed companies	45,681,806.96	2,099,778,556.27	2,099,778,556.27	-97.82	1,601,079,186.44	1,601,079,186.44
Net profit from recurring profit						
and loss Net cash flow from operating activities	-547,066,018.19	2,587,550,556.12	2,587,550,556.12		2,909,289,169.19	2,909,289,169.19
	Late 2021	Late 2020		Compared with the end of the current period year-end increase reduce(%)	Late 2019	
		adjusted	before fixing		adjusted	before fixing
Net assets attributable to shareholders of listed companies	26,934,407,813.77	23,466,286,420.37	23,466,286,420.37	14.78	21,436,964,543.90	21,245,728,588.60
	45,631,714,971.49	47,145,307,412.68	47,145,307,412.68	-3.21	40,115,232,835.86	40,315,232,835.86

## (2) Main financial indicators

Key Financial Indicators	2021	The current period of 2020 is compared with the previous year			2019	
		After adjustment	Before adjustment	increase or decrease in the same period (%)	After adjustment	Before adjustment
Basic earnings per share (RMB/share) 0.057	Diluted	0.754	0.754	-92.44	0.649	0.649
earnings per share (RMB/share) 0.057 Basic earnings		0.701	0.701	-91.87	0.626	0.626
after deducting non-recurring gains and losses Earnings per share (yuan/share)	0.015	0.696	0.696	-97.84	0.530	0.530
Weighted average return on equity (%) 0.73		10.14	10.14	9.41 less A decrease	9.51	9.51
Weighted net of non-recurring gains and losses Average return on equity (%)	0.19	9.44	9.44	of 9.25 percentage points percentage point	7.88	7.88

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

ŸApplicable ŸNot applicable

The major financial indicators during the above-mentioned reporting period decreased significantly compared with the previous year, mainly due to the Company's risk of high-end communication business during the reporting period

It was due to the 100% provision for impairment of assets of RMB 3.619 billion.

#### 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

ŸApplicable ŸNot 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

ŸApplicable ŸNot applicable

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

ŸApplicable ŸNot 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	10,690,107,486.44	13,303,711,341.59	12,803,742,637.52	9,365,745,124.95
attributable to listed company shares Dong's net profit is	492,441,854.08	-247,623,781.39	242,908,316.36	-315,633,697.66
attributable to listed company shares East's deduction non-recurring net profit after profit and loss	547,115,522.06	-347,237,086.04	252,165,982.82	-406,362,611.88
cash generated from business activities net cash flow	-1,592,736,706.76	550,317,425.59	-959,518,509.10	1,454,871,772.08

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

ŸApplicable ŸNot applicable

During the operation of the high-end communication business, the Company failed to have sufficient pricing power for raw material procurement and product sales.

According to the relevant provisions of the "Guidelines for the Application of Regulatory Rules - Accounting Class No. 1", the recognition of high-end communication business revenue has been changed from the "Total Method" to

"Net method", and use retrospective restatement method to retrospectively adjust the financial data of 2019 and 2020,

The data from January to September of 2019 are corrected, please refer to Section X, Financial Report XVI. Other important matters 1. Accounting differences in the previous period

Error correction.

#### X. Non-recurring profit and loss items and amounts

√Applicable √Not applicable

Unit: Currency: RMB

Unauthorized approval for non-	Amount in 2021 -	2020 Amount 2019 Amount	
recurring gains and losses on disposal of non-	2,768,138.07	-5,262,731.32 -1,110,340.23	
current assets, or there is no formal approval document, or Occasional tax refunds, deductions			
Government subsidies included in the current profit and loss, but The company's normal business operations are closely related to the national policies, quotas according to certain standards, or Except for government subsidies that are continuously enjoyed by quantitative	167,947,491.05	186,643,703.43	364,762,416.35
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 of the enterprise is less than that when the investment is obtained. Enjoy the fairness of the identifiable net assets of the investee Value generated income			
Gains and losses on exchange of non-monetary assets			
Gains and losses on entrusting others to invest or manage assets			
Due to force majeure factors, such as natural disasters The provision for impairment of various assets			
Debt Restructuring Gains and Losses			
Business restructuring costs, such as the cost of relocating employees Outgoing, integration costs, etc.			
Excessive excesses arising from transactions where the transaction price is manifestly unfair Gains and losses over fair value			
Subsidiaries arising from business combination under the same control The net profit or loss of the current period from the beginning of the period to the date of combination has nothing to do with the normal business of the company profit and loss		-3,867,724.17	-9,092,141.55
Except for the valid business related to the normal operation of the company In addition to hedging business, holding trading financial Assets, Derivative Financial Assets, Trading Finance Fair value arising from liabilities and derivative financial liabilities Gains and losses on changes in value, and disposal of transactional financial Assets, Derivative Financial Assets, Trading Finance Liabilities, Derivative Financial Liabilities and Other Debt Investments investment income	-17,945,884.53	46,089,011.17	122,197,531.03
Receivables and contracts that are individually tested for impairment Profits and losses obtained from reversal of provision for impairment of assets with external entrusted loans		1,565,882.73	154,393.30
Subsequent measurement using the fair value model Changes in fair value of investment real estate profit and loss			

According to tax, accounting and other laws and regulations To make a one-time adjustment to the current profit and loss effect of profit and loss			
Custody fee income from entrusted operations			
Other non-operating income other than the above and spending	-8,942,080.93	871,683.43	-19,765,856.69
Other gains and losses that meet the definition of non-recurring gains and losses project	10,884,733.41	7,032,895.55	
Less: Income tax impact amount	17,983,800.25	52,556,401.95	90,269,513.27
of minority shareholders' equity impact amount (after	4,781,436.25	5,633,368.12	7,733,947.93
tax) Total	126,410,884.43	174,882,950.75	359,142,541.01

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	Ending balance	Current period changes	Impact on current profits Amount
Held-for-trading financial assets 10	1,619,114.08	30,245,276.64	-71,373,837.44	2,810,874.37
Derivative financial				
assets 106,178,475.78	Other equity instr	459,165,932.56	73,568,959.75	-32,609,516.03
Other non-				
current financial facilities		492,689,295.76	33,503,363.21	
	892,134,647.52	718,147,971.63	-173,986,675.89	-126,395,415.95
Produce				
Total derivative financial	2,474,013.84	5,258,075.00	2,784,061.16	-2,334,273.51
liabilities	1,561,592,183.77	1,319,909,578.78	-241,682,604.99	-125,918,815.09

12. Others

ÿApplicable ÿNot applicable

Section 3 Management Discussion and Analysis

1. Discussion and analysis of operating conditions

During the reporting period, the company focused on creating value for customers in the fields of green energy, communication network, etc.

Under the new journey of the "14th Five-Year Plan", comply with the "clean and low-carbon" new economic order, strive to be the main force of the "dual-carbon" ultra-long track, and advance

Step by step to practice the mission of "connecting optical power grids for a better life". In 2021, the company will achieve an operating income of 46.163 billion yuan and a net profit of 46.163 billion yuan.

282 million yuan, net profit attributable to shareholders of the listed company was 172 million yuan, and the following operating results were achieved:

(1) Energy network: help upgrade the energy structure and promote clean and low-carbon transformation

The company is committed to becoming a global energy network solution service provider. By increasing technological innovation and market integration, it will continue to increase the R&D investment in core technologies such as wind power, energy storage, photovoltaics, and power grid construction, with marine economy as the leader, new energy as breakthrough, intelligent Supported by the energy grid, the entire value chain system of the energy grid industry will be built.

1. Double-engine promotion of equipment construction, submarine cable faucet sails far away

The company is deeply engaged in the R&D, innovation and application promotion of the serialization, matching and engineering of submarine photoelectric composite cable products, and ranks among the world's leading enterprises of ultra-high voltage submarine cables. Adhering to the strategic direction of "systematization of core products and internationalization of engineering services", technology research and development is oriented towards the far-reaching sea, and market layout is oriented towards globalization. Under the guidance of national strategies such as "One Belt One Road" and "domestic circulation as the main body, domestic and international dual circulation", we will give full play to the advantages of industrial scale and production system, participate in international cooperation and competition, and create new advantages for future development.

As of the end of December 2021, the company's marine series business is executing orders of about 7 billion yuan. With the new submarine cable production base and new When the shipbuilding machine is put into operation, the company will provide customers with more, better and better services.

(1) Practicing the spirit of the contract, improving quality and efficiency to help the tide of offshore wind power installation

2021 is a milestone year for my country's offshore wind power industry. According to the data released by the National Energy Administration in the first quarter of 2022, in 2021 The newly installed capacity of offshore wind power in my country was 16.9GW in 2010, exceeding the cumulative additions in previous years. Among them, Zhongtian Submarine Cable served 21 offshore wind power projects (6.29GW in total, accounting for 37%); Zhongtian Offshore Engineering served 6 offshore wind power projects (435 vertical wind turbines totaling 1.75GW, accounting for 10%). During the peak period of offshore wind power installation, the company made overall arrangements for the production capacity of Nantong and Guangdong submarine cable production bases, coordinated the capacity of offshore equipment, and at the same time conducted intensive and orderly operations and scientific construction to escort the full-capacity grid connection of each project.

(2) Actively expand overseas markets, and achieve a new high in international market performance

In 2021, the company will actively deploy overseas markets, and won more than 20 orders in Canada, Vietnam, the Philippines, Indonesia, Qatar, the United Arab Emirates and other countries, with a total of about 160 million US dollars. The first 230kV high-voltage general contracting performance in the Philippines; the medium-voltage submarine photoelectric composite cable project of Qatar Oil and Gas, with a total length of more than 230km, is the largest submarine cable supply project in the overseas oil and gas industry signed by the company so far, which further consolidates the company as an international The status of the mainstream submarine cable supplier in the oil and gas industry; at the same time, the company is actively deploying the European offshore wind power market, and will implement Germany in 2021. Tennet two general contracting projects.

By the end of 2021, the supply performance of Zhongtian submarine cable covers six continents except Antarctica, with a total mileage of over 20,000 kilometers.



Figure 1-1: Global Layout of Marine Products

(3) Focus on research and development of breakthrough key technologies, and won a number of awards

During the reporting period, the R&D team led by Zhongtian Technology made breakthroughs in the key technologies of non-metallic armored umbilical cables for deep-sea ROVs. In addition, the company won the bid for CNOOC's "IWOCSS Umbilical Cable System" integration project.

Repair service; "UHV XLPE insulated flexible DC fiber optic composite submarine cable" won the 22nd China Patent Excellence Award, "±525kV flexible DC XLPE insulated submarine cable system major core key technology research projects" won the In 2021, the key projects of the wind power equipment industry chain in Jiangsu Province and the submarine cable digital intelligent manufacturing series projects won the second prize of equipment management and technological innovation achievements in the power industry, and the second prize of equipment management and technological innovation achievements in the petroleum and chemical industries.

2. Develop energy storage technology that adapts to new energy power systems, and have the strength to solve the problem of consumption



Figure 1-2: Typical performance of the company's historical energy storage systems

During the reporting period, under the two-wheel drive of policy guidance and new energy development planning, the company took the development of new energy distribution and storage as an opportunity to continue to expand the scale of the energy storage industry. Strength to solve the problem of power consumption. Promote high-quality development of enterprises through technological innovation.

The company adheres to the R&D and manufacturing concept of green, safe and high-performance energy storage systems, and specially designs long-life and high-safety cells for large-scale energy storage products, matching multi-level safety protection systems and intelligent monitoring systems. The DC high voltage energy storage battery system meets the optimal configuration of new energy stations + energy storage. During the reporting period, the company's main product, the 500KW/1MWh container energy storage system, adopts the high-performance long-life lithium iron phosphate battery pack with independent intellectual property rights, which has the characteristics of large capacity, good rate discharge performance and long cycle life, which can meet the megawatt level. For the energy storage capacity required for power output, the AC voltage of the system adopts isolation transformer access, which is safe and stable, the DC voltage range is wide, and the design is more flexible.

In terms of product safety, from the aspects of ceramic edge design guarantee of single cell, foolproof design strategy of battery module, three-level fire safety guarantee of system integration standardization, and on-site prevention and control of high-configuration installation and commissioning, the safety of system product life cycle is realized. Full protection.

3. Focus on the development and utilization of photovoltaic resources to promote green economic development

The company closely adheres to the "dual carbon" goal, promotes the development of photovoltaic resources as a key task, and through cooperation with energy companies such as the Central Power Generation Group, converts photovoltaic resources into EPC general contracting business, fully reflecting the value of resources. The company has made use of its extensive market network advantages in the country over the years, and promoted the development of photovoltaic resources in many places through industrial cooperation and other methods.

The company takes local resources as the basic point, among which the focus is on the developable resources of photovoltaic power stations in the Rudong area, and promotes the transition from capital investment to Resource development drives the development and transformation of upstream industries. During the reporting period, the company established a joint venture with Jiangsu Donghe Investment Group Co., Ltd.

Obtained the right to develop the photovoltaic resources of the coastal tidal flats in Rudong; signed a ground resource development agreement with Fengli Town to lock the area under the jurisdiction  
50,000 mu of tidal flat resources in the area; led the preparation of a pilot program for the development of rooftop photovoltaics in Rudong County and was successfully approved.

The company actively seeks external cooperation on the technology side and investment side, and has reached strategic partnerships with well-known companies in the industry to jointly promote  
The high-quality implementation of the project has resulted in a win-win situation for all parties. During the reporting period, the company signed a strategy with Kehua Data Co., Ltd.  
Cooperation agreement, win-win cooperation and mutual assistance in photovoltaic, energy storage, integrated energy business, new energy project cooperation and development, etc.  
Make use of their respective technological and resource advantages to jointly promote the construction and development of renewable energy projects, so as to achieve the goals of the "14th Five-Year Plan".  
grain. Investment and development, information sharing, construction and operation, technical services, etc. of the company and Three Gorges Electric Power Co., Ltd. in photovoltaic and energy storage projects  
Reached a consensus on further integrating the high-quality resources of the upstream and downstream industrial chains of photovoltaic and energy storage related industries, and jointly promoted them within the scope of Jiangsu.  
Renewable energy projects.

4. Grasping the development opportunity of building a power system with new energy as the main body, and realizing high-quality growth of the power grid industry

The construction of a new power system with new energy as the main body is based on the basic premise of energy transformation and low-carbon development, and a strong and smart grid.  
It is a grid hub platform, with the main task of maximizing the consumption of new energy, supported by the interaction of source, network, load and storage, with clean, low-carbon, safe and  
Fully controllable, intelligent and friendly power system with basic features. The company focuses on the power business development strategy of "transmission and distribution integration and continuous innovation",  
A complete integrated industrial chain of power transmission and distribution has been formed, actively assisting the construction of new power systems, and providing protection for the access of new energy to the power grid system.  
barrier.

The output of new energy has randomness, volatility, low annual average utilization hours, and the characteristics of "large installed capacity and low power".  
The scale of new energy applications is rapidly increasing, and the power transmission environment and working conditions will become more and more complex, especially in the open field, repeated ice and the need for  
In areas with long-distance power transmission, the power grid needs safer, larger capacity, and smarter new power products to be put into line construction to improve the power grid.  
Improve the efficiency of road transmission, reduce carbon emissions, and help achieve the goal of "carbon peaking and carbon neutrality". The capacity-enhancing wire developed by the company can be  
Replace the tower and use the original corridor to achieve larger capacity transmission; the developed version 2.0 energy-saving wire can be  
In order to further reduce line loss and improve line operation efficiency, during the reporting period, the domestic market for special conductors won 1.538 billion bids, and the market  
The first share, fully demonstrating the product performance of the company's top high-performance overhead transmission wires.

In order to improve the transmission capacity of new energy bases, State Grid and South Grid have gradually increased investment in UHV projects, not only for my country's  
The power grid construction creates huge market space and directly drives the innovation and development of the cable industry. The company takes serving the power grid as its responsibility, through  
During the reporting period, relying on first-class research and development strength, excellent product quality and perfect service system  
Department, successively won the bids of Baihetan-Jiangsu, Baihetan-Zhejiang, Jingmen-Wuhan, Nanchang-Changsha, Nanyang-Jingmen-Changsha  
For high-voltage projects, the market share of ordinary conductors, special conductors, and OPGW remains the first, and the UHV large-span conductors have achieved full market share.  
The shares won the bid with a total of 1.299 billion yuan, which fully established the company's leading position in the power grid construction industry and has obvious market competitive advantages.

project name	product	share ranking	
State Grid Co., Ltd. 2021 Baihe Beach ~ Jiangsu Extra High The first line material tender for pressure engineering	Steel core aluminum stranded wire	30.68%	1
	large span wire	100%	1
	OPGW	100%	1
The ninth batch of UHV projects of State Grid Corporation of China in 2021 Procurement (Jingmen-Wuhan, Nanchang-Changsha and other line materials bidding purchase)	Steel core aluminum stranded wire	17.51%	1
	large span wire	100%	1
	OPGW	37.07%	2
State Grid Co., Ltd. 2021 UHV Project Twentieth Steel Core Aluminum Stranded Wire		22.59%	1



The second batch of procurement (Nanyang Jingmen Changsha second material bidding procurement)	large span wire	100%	1
	OPGW	64.28%	1

Table 1-1: Statistics on the winning bids for the UHV part of the State Grid in 2021

High-quality development provides strong support and helps achieve the national "double carbon" goal.

(2) Communication network: Focusing on optical communication, 5G, industrial Internet and other fields, improve the independent innovation ability of products

During the reporting period, the company focused on the construction of "all-optical network", played the role of the optical communication industry chain, and provided more comprehensive solutions and product services for the upgrading of communication networks. Focusing on the solutions of the four major products and services of "physical infrastructure, wireless network, bearer network, IoT application and platform", and focusing on optical communication, 5G, industrial Internet and other fields, constantly improve antennas, leaky coaxial cables, 5G ICT technology industry clusters such as energy-integrated cabinets, optical modules, data centers, active terminals, and high-performance raw materials to create "5G y"Hard core capability system, consolidate the main advantages and create greater value for customers.

1. Create three common technology basic platforms to guide the extension of the industrial chain to the high end

The company gradually builds a quartz material synthesis technology platform centered on vapor deposition, a transmission technology platform centered on electromagnetic field theory, and a structural molding and equipment R&D technology platform centered on mechanical and electrical design, supporting four major product groups and special products. R&D. In 2021, a total of 10 new products of the company's communication network have passed the appraisal, of which 6 new products/new technologies have reached the international leading level in key technology level, production process, performance indicators, etc., 4 new products/new technologies have reached the international advanced level, And applied for relevant core patents, and the outstanding social benefits play an important role in promoting the construction of national communication infrastructure.



Figure 1-3: Authorized patents related to quartz materials, technologies and equipment

The company continues to improve the technology level of VAD (Vapor Axial Deposition) and OVD (Outer Vapor Deposition), through technological innovation and application Expand, improve the overall pass rate, reduce preparation costs, and build industry competitive advantages. The self-developed G.654.E fiber optic cable products have the characteristics of low loss and large effective area, and can transmit longer distances without repeaters. It is the best choice for current 400G or even 800G systems to effectively suppress nonlinear effects while enduring higher communication capacity, and has now entered the stage of mass production.

The company actively researches 5G wireless communication antennas and leaky cable technology, and develops 4448 antennas, wide-angle leaky cable 2.0 technical solutions, 5G-R A variety of advanced products such as leaky cables have been recognized by the market and customers. The 4448 antenna has passed the strict inspection of operators and has become a mainstream supplier. The wide-angle leaky cable 2.0 technical solution has passed the test and verification of the tower customer, established a strategic cooperative relationship with the customer based on the patented technology, and obtained an important market position. The 5G-R leaky cable obtained the industry's first test report and started to promote the industrialization layout. The leaky cable technology has been applied in major projects such as the 5G coverage project of the Shanghai-Sutong Highway-Railway Bridge and the 5G leaky cable coverage project of the Beijing-Zhangjiakou High-speed Railway.



Figure 1-4: Related projects in the communications industry

2. Improve production capacity and strictly control quality through the integrated application of "5G + Industrial Internet"

Based on the advantages accumulated in the fields of optical communication, intelligent manufacturing and industrial Internet, the company is the first in the industry to develop "5G + industrial Internet" integration application, realize the transformation from "manufacturing" to "intelligent manufacturing". Zhongtian Technology Precision Materials Co., Ltd.

In March, it passed the national-level intelligent manufacturing demonstration acceptance. This acceptance not only enabled the digital construction of the whole scene and the whole process of the factory, but also showed it shows that the company's intelligent manufacturing is at the leading level in the industry.

Since the outbreak of the new crown epidemic, the company has given full play to the professional advantages and responsibilities of an information and communication enterprise, and actively improved production capacity. Force, strict quality control, in order to continue to improve customer satisfaction. In 2021, on the one hand, the company will adjust the organizational structure to optimize , strengthen management capabilities, create grass-roots team construction methods, and enrich the technical strength of grass-roots; on the other hand, through the introduction of rapid change Model, standard operation, 5S three-setting, visualization and other management modules, carry out lean production activities, improve production efficiency and automation capabilities One-step improvement, rapid response to customer delivery requirements.

3. Give full play to its own advantages, the main product set has achieved better performance, and consolidate its position in the industry

During the reporting period, the supply and demand structure of the domestic optical communication industry was adjusted, and the operators' bidding strategy for centralized procurement became more rational. The competitive landscape has been effectively improved. The company seizes the opportunity, and its main product, optical cable, is bid for the centralized procurement of China Mobile and China Telecom. The brand name has been greatly improved; the total amount of centralized procurement and distribution of feeder and accessories products, ODN and other products ranks first in the industry, enhancing brand influence and industry status; the antenna has successfully won the bid in China Mobile's 700M antenna project and China Telecom's indoor sub-antenna project, and achieved good results.

The above results lay the foundation for the performance in 2022.

Bid Winning	share	ranking
Situation China Mobile 2021-2022 Ordinary Optical Cable Products China Mobile	11.97%	4
2022-2023 Special Optical Cable Products China Mobile 2021-2022 Butterfly Cable	18.85%	1
Products China Mobile 2021-2022 Ribbon Cable Products	12.50%	3
	13.54%	2
China Telecom drop cable (2021) China Telecom outdoor	11.74%	2
optical cable (2021)	14.15%	1
Centralized procurement of optical cable splice boxes for China	30%	1
Telecom trunk line maintenance China Telecom feeder products (2021)	27.24%	1
China Telecom Parts Products (2021) Centralized Procurement Project China Tower 2022	29.21%	1
Centralized Procurement Project of Feeder Products	40%	1
China Telecom Room Branch Antenna Project	24.88%	1
China Mobile 700M Antenna Project (Standard Package 1)	15.94%	2

Table 1-2: Statistics of bid-winning part of the communications industry in 2021

The company won the bid of China Communications Communications G.654.E optical fiber and cable bidding project and became its mainstream supplier. This is another example of the self-developed G.654.E optical fiber and cable following China Telecom's 2017 Shanghai-Jinhua-Heyuan-Guangzhou trunk line centralized procurement. major projects. At the same time, Optical Cable participated in the "All Optical" (FTTP) broadband and Ethernet projects carried out in the UK by Openreach, a network infrastructure company of British Telecom (BT), and realized the execution of batch orders for microbeam optical cables and other products during the reporting period, and on this basis Continue to develop new products.

(3) International layout: Equal emphasis on quality and efficiency to improve the quality of business operations, and lean sales to promote stable business development

The company provides forward-looking communications and power technologies and solutions to customers around the world. During the reporting period, the Company continued to improve its independent innovation capability, transformed to digitalized production and green and low-carbon products, and comprehensively strengthened the coordination between global marketing network and overseas production bases.

At the same time, the overall allocation of overseas production capacity to overcome unfavorable factors such as the new crown epidemic, international logistics, trade barriers, etc., the production capacity of overseas industrial bases is not sufficient.

Continuously improve, serve international customers with innovative products, continue to contribute "Chinese solutions", and achieve a higher level together with the local cable industry

win-win cooperation. During the reporting period, the sales revenue of overseas industrial bases increased significantly, and the profitability continued to improve.

1. Improve the manufacturing layout of the industrial chain and continue to improve the quality of operations

During the reporting period, the international industry realized the regional layout of the fiber-cable industry chain, moved towards the upstream of the industry chain, and insisted on improving quality and efficiency as an important starting point for promoting high-quality development. Improve the production capacity and quality of main products through multiple measures such as digitization, automation, and process innovation;

comprehensively implement diversified cost-saving measures such as supply chain cost reduction, energy saving, material recycling, etc. to reduce production costs and expand product competitiveness; adhere to strong talents

Enterprises, promote the localization of talents; use digital marketing methods to promote products through cloud promotion, online communication and other methods.

During the reporting period, the company's sales of optical fibers and cables in South Asia, Latin America, ASEAN, and Europe have achieved steady growth; the new "dual carbon" situation has promoted the increase in the newly installed capacity of new energy power generation such as wind power and solar power around the world, driving related cables. With the growth of product demand, Demei Cable fully utilizes its advantages in location, brand and ultra-high voltage cable technology, and ranks among the top ten exporters of Turkish cable companies. Germany and Spain have successively obtained major projects.

2. Focus on customer value creation and continue to make efforts in the international high-end market

During the reporting period, the international sales of power products covered special conductors, OPGW, high-voltage cables, line fittings, insulators, etc.

The sales performance has grown steadily year-on-year, among which the main product wire export industry leads the industry; OPGW ranks among the top in many overseas markets such as Saudi Arabia; special wire,

OPGW, hardware, insulators and other main products are successfully shortlisted for British suppliers; won the bid for Brazil 345kV The high-voltage cable project achieved a major breakthrough in the high-voltage cable

market in South America. The overseas sales performance of communication products has grown significantly, and product sales have achieved full coverage in countries along the "Belt and Road".

In addition, during the reporting period, the company established Zhongtian Georgia Co., Ltd. and Zhongtian Bangladesh Co., Ltd., as well as Zhongtian Engineering Pte. Ltd., which is located in Singapore and serves overseas general contracting projects. Continue to expand into new fields and new business formats.

## 2. Industry situation of the company during the reporting period

(1) Energy network field

1. The development of marine resources promotes the sustained high compound growth of the marine industry

Since the construction of the first large-scale offshore wind power project of the Donghai Bridge in my country, offshore wind power construction has shown a high compound growth, especially in 2021, affected by the subsidy decline, my country's offshore wind power has experienced a "rush to install". According to data released by the National Energy Administration, in 2021, the newly installed capacity of offshore wind power in my country will reach 16.9GW, and the cumulative installed capacity will be nearly 26.38GW, ranking first in the world in terms of new and cumulative installed capacity that year.

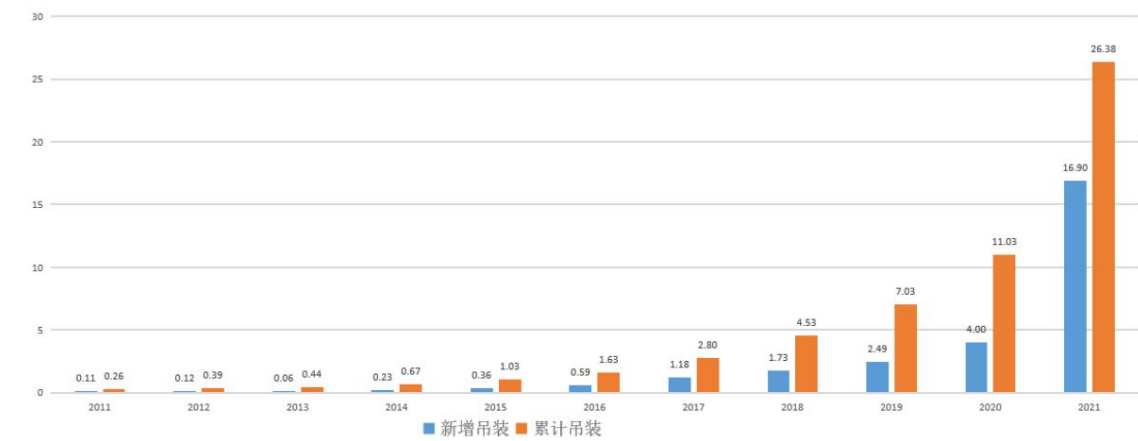


Figure 2-1: Historical installed capacity of offshore wind power in my country Source: National Energy Administration, CWEA

(1) Guided by the "3060" dual-carbon goal, provinces vigorously develop offshore wind power

Under the guidance of the "dual carbon" goal, each coastal province has also increased its deployment of offshore wind power according to its own characteristics. According to the north star wind According to statistics from the power generation network in March 2022, the near-term and long-term plans for offshore wind power in coastal provinces and cities that have been released have exceeded 150GW, of which the "14th Five-Year Plan" plan is nearly 60GW. Offshore wind power will enter the fast lane during the 14th Five-Year Plan period. Please refer to the table below for the offshore wind power part of each province's 14th Five-Year Plan energy plan:

		file name	core content
Fujian	2021.5	"Notice on Printing and Distributing the Three-Year Action Plan (2021-2023) for Accelerating the Construction of "Maritime Fujian" and Promoting the High-quality Development of the Marine Economy"	Expand the offshore wind power industry chain, promote the development of offshore wind power in Fuzhou, Ningde, Putian, Zhangzhou and Pingtan in an orderly manner, and plan to build deep-sea offshore wind power bases
Guangxi	2021.5	"Guangxi Zhuang Autonomous Region's 14th Five-Year Plan for National Economic and Social Development and Outline of Vision for 2035"	Scale and intensively develop offshore wind power and build a Beibu Gulf offshore wind power base
Guangdong	2021.6	"Promoting the orderly development of offshore wind power and related Implementation plan for sustainable industrial development	With front-end subsidies, the cumulative installed capacity of offshore wind power will reach 18GW by the end of 2025, and the development plan of offshore wind power will be further revised
Zhejiang	2021.6	"Renewable Energy Development in Zhejiang Province" Fourteen Five "Plan"	During the "14th Five-Year Plan" period, offshore wind power increased by 4.5GW, Added or started 9.96GW
Jiangsu	2021.9	"Jiangsu Province" Fourteenth Five-Year Plan Offshore Wind Power The Second Publicity of Planning Environmental Impact Assessment"	During the "14th Five-Year Plan" period, offshore wind power increased by 21.21GW
Guangxi	2021.11	"Guangxi Offshore Wind Power Planning"	Select 5.7GW to carry out preliminary work, and strive to build and connect more than 1.2GW to the grid by the end of 2025, vigorously promote the
Zhejiang	2021.11	"On Promoting the High Quality of New Energy in Zhejiang Province" Development Implementation Opinions (Revised Draft)"	"wind and scenery multiplication project", and steadily promote the grid parity of offshore wind
Guangdong	2021.12	"Guangdong Province Marine Economic Development "14th Five-Year Plan" and "14th Five-Year" period to cultivate and expand the marine industry, build	

		planning"	Offshore wind power industry cluster. Strive to have a cumulative installed capacity of 18GW by 2025. During the 14th Five-Year Plan
Hainan 2022.2		"Hainan Province Offshore Wind Power Project Investment Promotion (Competitive Configuration) Plan"	period, 11 sites are planned with a total of 12.3GW, including 3 demonstration projects with a total of 4.2GW (Shenergy 1.2GW; CNOOC 1.5GW; Mingyang 1.5GW) Involving national offshore wind
Fujian 2022.3	2022 Provincial Key Project List		power Testing Center and Six Offshore Wind Projects (1.88GW)
Shandong 2022.3		"2022 Provincial Energy Work Guidance See"	The total planned scale in 2021-2030 is 35GW. The development of the sea areas under the management of central Bozhong and southern peninsula provinces will be fully launched. In 2022, the construction scale will be more than 5GW, and it will be completed and connected to the grid 2GW or so.

Table 2-1: Provinces' 14th Five-Year Energy Plans Involving Offshore Wind Power Policies

(2) Building a community with a shared future for mankind, and under the vision of carbon neutrality, countries around the world have successively established offshore wind power goals

According to statistics from Capital Securities, major economies in the world, including the EU, the US, Japan, the UK, and Canada, have

The goal of carbon neutrality, and without exception, the development of wind power and photovoltaics is one of the important paths to achieve carbon neutrality.

Economy	The long-term goal of offshore wind
EU	power The installed capacity of offshore wind power in the Baltic Sea region will reach 93GW by 2050 (including 28GW in Poland), and the installed capacity of offshore wind power in Europe will reach 450GW by 2050
The United States	will deploy 30GW of offshore wind power by 2030 Japan will reach
10GW of offshore wind power by 2030, and 30-45GW by 2040	
The United Kingdom	plans to spend 160 million pounds to help the development of offshore wind power, and the installed capacity of offshore wind power
will reach 40GW in 2030. Germany is actively promoting the production of hydrogen from offshore wind power. Delayed to the end of 2023, the wind power installed	
capacity targets in 2025/2030 are 12GW and 19GW, giving a total of	
Vietnam	59GW of offshore wind potential sites
India has 195GW of development capacity, government announces 30GW of offshore wind capacity by 2030	

Table 2-2: Offshore Wind Power Forward Planning in Major World Economies Source: Capital Securities

(3) International oil prices have repeatedly hit new highs, leading the upsurge in offshore oil and gas investment

Offshore oil and gas resources are very rich, and their average reserves are much higher than those on land. According to IEA data, global offshore oil and gas

The proven rate of 24% and 31% is still in the early stage of exploration. According to the results of the third national oil and gas resource evaluation, my country's marine

The oil resources are 24.6 billion tons, accounting for 23% of the total national oil resources; the marine natural gas resources are 16 trillion cubic meters,

It accounts for 30% of the total, and the mining space is huge.

Since March 2021, international oil prices have recovered, and offshore oil and gas has re-entered the boom cycle. IMF, IEAOPEC, IEA, etc.

Organizations are optimistic, and OPEC+ has shifted from production cuts to restrained production increases. With the acceleration of vaccine injection, the consumption of refined oil has increased

Brent oil prices have remained at mid-to-high levels and are likely to continue higher. However, my country's onshore oil reserves are relatively poor, and it is imperative to

increase the development of offshore oil and gas resources, and the offshore oil and gas industry is bound to boom.

(4) Large-capacity wind turbines are iteratively accelerated, and construction ships need to be upgraded urgently

With the accelerated iteration of large-scale offshore wind turbines, the professional construction vessels (especially professional hoisting vessels) required for offshore wind power construction are still the biggest shortcoming restricting the rapid development of offshore wind power. According to the statistics of Polaris Power Network in December 2021, there are currently about 45 construction platforms that can be used for offshore wind power in China, but no more than 5 professional platforms that can be used for wind turbines above 10MW. It is estimated that by the end of 2022, the number of platforms that can be used for wind turbines with a single machine of more than 10MW will increase to more than 10. Since 2022, according to the statistics of the currently announced project start-up information, nearly 10GW of offshore wind power projects have been launched across the country, of which Guangdong exceeds 7GW (most of which use wind turbines above 10MW). It is still in short supply for quite a long time.

2. Riding on the "double carbon" east wind, the solar storage industry has entered a new journey

(1) The electrochemical energy storage industry continues to grow, with broad market prospects

In recent years, the scale of domestic new energy power generation has grown substantially, and the installed scale of electrochemical energy storage has maintained a growing trend. As of 2021, the cumulative installed capacity of electrochemical energy storage in China will reach 5.51GW, a year-on-year increase of 68.5%. With the large-scale promotion of distributed energy sources such as distributed photovoltaics and distributed wind power, the electrochemical energy storage industry will continue to grow, with broad market prospects.



Figure 2-2: China's cumulative installed capacity of electrochemical energy storage from 2017 to 2021 Source: CNESA, China Business Industry Research Institute The level of chain modernization, the entire industry has achieved sustained and rapid growth, and the supply capacity of advanced products has been continuously improved. In 2021, the national lithium-ion battery output will be 324GWh, a year-on-year increase of 106%, of which energy storage lithium battery output will be 32GWh, a year-on-year increase of 146%. Compared with 2020, the rapid growth of the power storage market is the main reason for the growth of domestic energy storage lithium battery production.

(2) Macro and local policies assist the rapid deployment of new energy distribution and storage

In July 2021, the National Development and Reform Commission and the National Energy Administration jointly issued the "Guiding Opinions on Accelerating the Development of New Energy Storage", clarifying the installed capacity target in the next few years, requiring vigorously promoting the construction of power-side energy storage projects and actively promoting grid-side storage. It can rationalize the layout and actively support the diversified development of user-side energy storage. By 2025, the installed capacity of new energy storage will reach more than 30GW, and the new energy storage will transform from the initial stage of commercialization to large-scale development and to full-scale market development.

By the end of 2021, 21 provincial-level administrative regions across the country have clarified the regulations for new energy power generation projects in the province or in some regions. In terms of the ratio and duration of the mandatory allocation and storage, the three provinces of Jiangsu, Zhejiang and Yunnan have introduced policies to encourage allocation and storage. On the whole, the average allocation and storage ratio of each province is about 10% of the installed capacity of new energy, and the allocation and storage time is about 2 hours. Among them, the province or In some provinces, the installed capacity of wind power and photovoltaics will reach 81% of the national installed capacity of wind power in 2021, which is the main source of the increase in the installed capacity of energy storage.

(3) The withdrawal of state subsidies will not affect the new high of photovoltaic installed capacity

The National Development and Reform Commission issued the "Notice on Matters Concerning the 2021 New Energy Feed-in Tariff Policy". From 2021, the central government will no longer subsidize the newly registered centralized photovoltaic power stations, industrial and commercial distributed photovoltaic projects and newly approved onshore wind power projects, and implement Cheap Internet access. For new projects, the on-grid electricity price shall be implemented according to the local benchmark price of coal-fired power generation, and can be voluntarily participated in market-based transactions.

into the on-grid electricity price.

In 2021, the central government proposed the action goal of "carbon neutrality and carbon peaking", built a dual-carbon "1+N" policy system, built a new power system with new energy as the main body, and the photovoltaic industry has entered a new journey of large-scale parity grid access. , favorable policies and market mechanisms for photovoltaics have been introduced. It will have a positive impact on the development of my country's photovoltaic industry in the short and medium and long term. By the end of 2021, the cumulative installed capacity of photovoltaic power generation grid-connected reached 306.56GW, ranking first in the world for 7 consecutive years; the new installed capacity of photovoltaics nationwide was 54.88GW, the highest in history.

The annual production is the most.

## 2016-2021年中国光伏发电装机容量统计

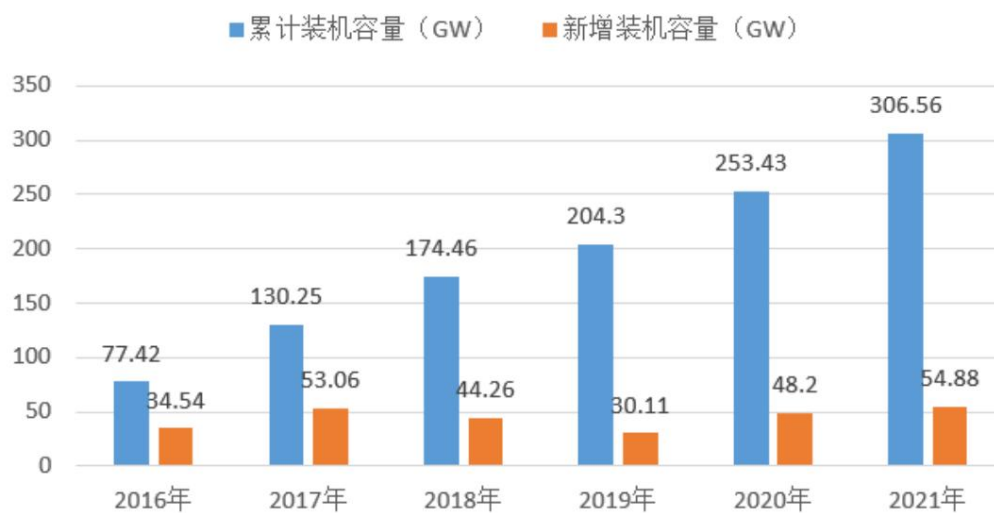


Figure 2-3: Statistical data of China's photovoltaic power generation capacity from 2016 to 2021 Source: National Energy Administration

### (4) Centralized and distributed development go hand in hand

As of 2021, the cumulative installed capacity of distributed photovoltaics in my country will reach 107.5GW, exceeding 100GW, accounting for about 100GW of all photovoltaic power generation. One third of the grid-connected installed capacity. Among the newly added photovoltaic power generation grid-connected installed capacity, distributed photovoltaics increased by about 29GW, accounting for about 55% of all new photovoltaic power generation installed capacity, and exceeded 50% for the first time in history. The development trend of centralized and distributed photovoltaic power generation is obvious.

2016-2021年中国分布式光伏装机容量统计

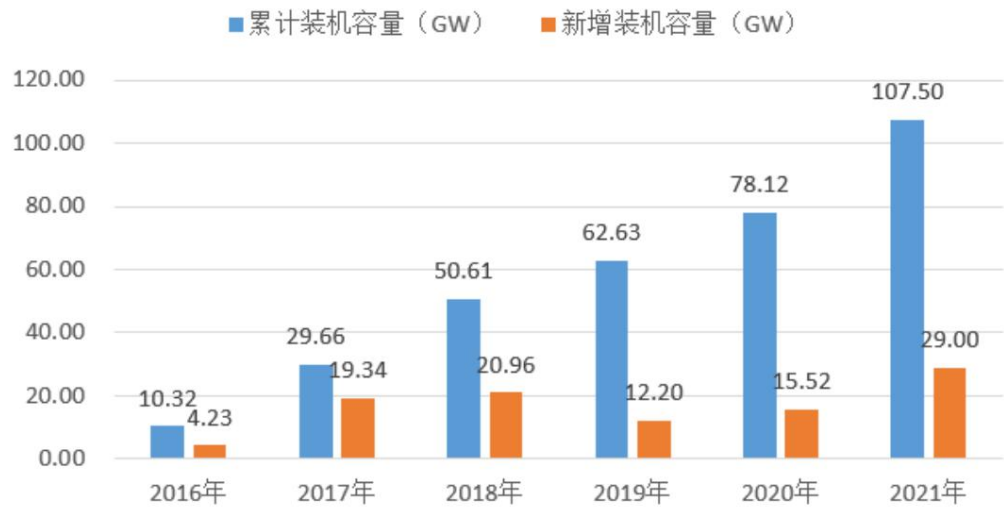


Figure 2-4: Statistical data on the installed capacity of distributed photovoltaic power generation in China from 2016 to 2021 Source: National Energy Administration

In December 2021, the State-owned Assets Supervision and Administration Commission of the State Council issued the "About Promoting the High-quality Development of Central Enterprises and Doing a Good Job in Carbon Reaching Peak and Carbon Neutrality" "Guiding Opinions" requires adhering to both centralized and distributed development, giving priority to the development and utilization of wind energy and solar energy in the vicinity.

In terms of centralized photovoltaics, the "14th Five-Year Plan for National Economic and Social Development of the People's Republic of China and the Outline of Vision 2035" pointed out that during the 14th Five-Year Plan period, Songliao Clean Energy Base, Hebei Clean Energy Base, Yellow River Nine major clean energy bases including Jiziwan Clean Energy Base. In October 2021, General Secretary Xi Jinping proposed in his keynote speech at the 15th COP Leaders Summit of the Convention on Biological Diversity that in order to promote the achievement of carbon peaking and carbon neutrality, China will vigorously develop renewable energy. Energy, accelerate the planning and construction of large-scale wind power photovoltaic base projects in desert, Gobi, and desert areas. Currently, the first phase of installation

The large-scale wind power photovoltaic base project with a capacity of about 100 million kilowatts has been started in an orderly manner, and the application for the second phase of the project has been started. future, set Chinese-style photovoltaics will rely on development models such as "multi-energy complementarity" and "source-grid-load-storage integration" to build more "scenery + solar thermal", "Photovoltaic sand control", "new energy + energy storage", "new energy + hydrogen energy" innovative application and demonstration projects.

In terms of distributed photovoltaics, in June 2021, the National Energy Administration issued the "Notice on Submitting the Pilot Program for Rooftop Distributed Photovoltaic Development in the Whole County (City, District)", requiring the integration of resources to achieve intensive development. In November, the State Organ Affairs Administration, the National Development and Reform Commission, etc.

The four ministries and commissions jointly issued the "Implementation Plan for In-depth Development of Green and Low-Carbon Leading Actions of Public Institutions to Promote Carbon Peaking", proposing that by 2025, the photovoltaic roof area of new buildings in public institutions can be installed and strive to achieve a photovoltaic coverage rate of 50%. In addition, the National Development and Reform Commission

The release of the "Notice on Further Improving the Time-of-use Electricity Price Mechanism" has also created a favorable policy environment for the development of distributed photovoltaics.

The large peak-valley price difference will further promote the development of industrial and commercial distributed photovoltaics.

3. The pace of power grid construction is accelerated, and UHV projects are accelerated

(1) The electricity consumption of the whole society continues to grow, and the energy structure continues to transform

As the basic industry of the national economy, the development of the power industry has a strong basic support and promotion effect on economic growth, and economic growth will also drive the growth of electricity demand. In recent years, my country's social demand for electricity has continued to grow. According to statistics from the National Energy Administration, my country's total electricity consumption in 2021 will be 8,312.8 billion kWh, a year-on-year increase of 10.3%. From 2017 to 2021, the domestic electricity demand will maintain a growth trend.





Figure 2-5: Source of electricity consumption in the whole society from 2017 to 2021: National Energy Administration

According to the 2021 national power industry statistics released by the National Energy Administration, by the end of 2021, the national installed power generation capacity will be about 2.377 billion kilowatts, a year-on-year increase of 7.9%, of which the installed capacity of renewable energy power generation will reach 1.063 billion kilowatts, accounting for 44.8% of the total installed power generation capacity. Among the installed capacity of renewable energy power generation, the installed capacity of hydropower is 391 million kilowatts (including 36 million kilowatts of pumped storage energy), the installed capacity of wind power is 328 million kilowatts, the installed capacity of photovoltaic power generation is 306 million kilowatts, the installed capacity of nuclear power generation is 53.26 million kilowatts, and the installed capacity of biomass power generation is 37.98 million kilowatts. They account for 16.5%, 13.8%, 12.9%, 2.24% and 1.6% of the country's total installed power generation capacity, respectively. In recent years, my country's energy transformation trend is strong, and the effect is prominent. The proportion of non-fossil energy installed capacity and the proportion of power generation has continued to increase, which will further accelerate the construction of inter-provincial transmission channels.

(2) Focus on the construction of new power systems, and the investment in power grid planning has increased significantly

In September 2021, State Grid announced a plan to invest 350 billion US dollars (about 2.23 trillion yuan) in the next five years to promote electricity Power grid to help energy transformation; of which 900 million US dollars was invested in research and development, which was used to break through the key core technologies for building new power systems.

In addition, China Southern Power Grid's "14th Five-Year" Power Grid Development Plan issued by China Southern Power Grid states that during the "14th Five-Year Plan" period, China Southern Power Grid Corporation will plan to invest about 670 billion yuan in the overall power grid construction to speed up the digital power grid construction and the process of modernizing the power grid, to promote the construction of a new power system with new energy as the main body.

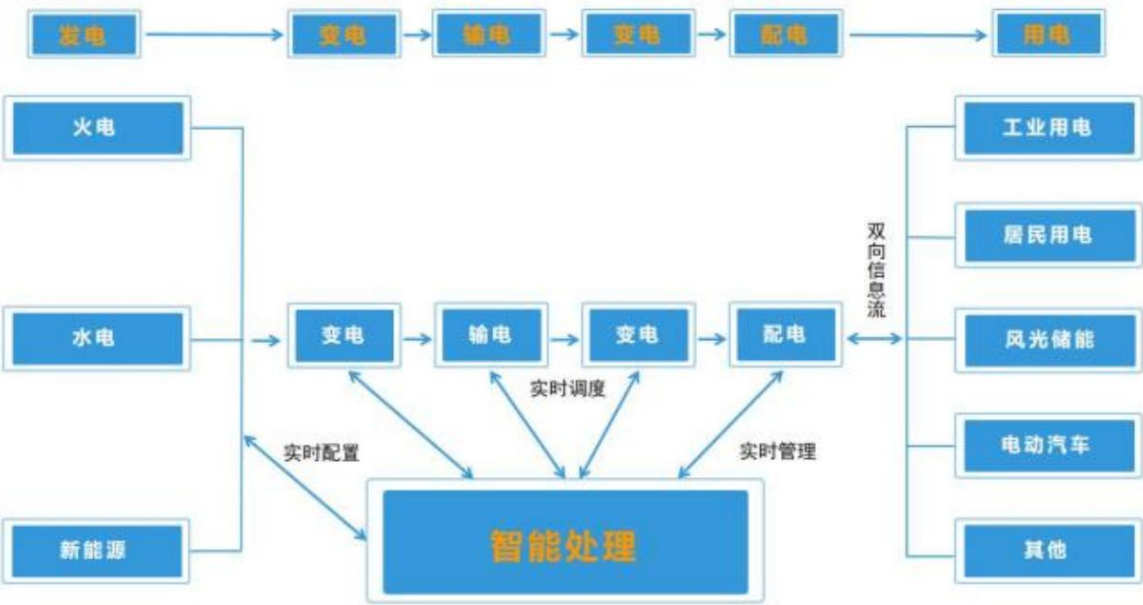
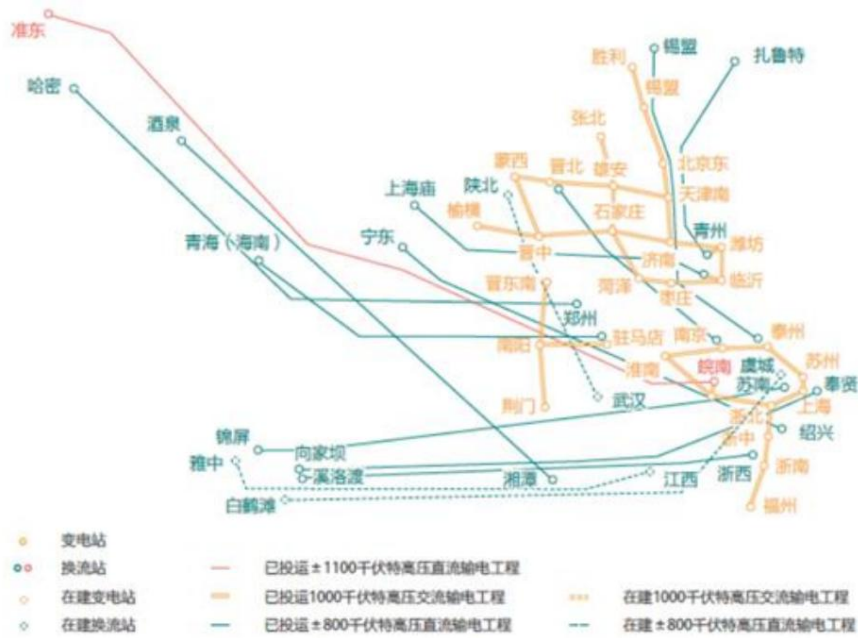


Figure 2-6: Smart Grid Industry Chain Source: Dongguan Securities

According to the above plan, the total investment in power grid planning during the "14th Five-Year Plan" period of State Grid and China Southern Power Grid will exceed 2.9 trillion yuan, superimposed on the investment plans of domestic local power grid companies, the total investment in the national power grid during the "14th Five-Year Plan" period is expected to be nearly 30,000 yuan. 100 million yuan, which will be significantly higher than the 2.57 trillion yuan total investment in the national power grid during the "13th Five-Year Plan" period. The huge investment scale will bring huge development opportunities to domestic smart grid industry chain companies.

(3) The power transmission from the energy base creates a huge demand for UHV transmission lines

my country's coal resources are concentrated in Shanxi, Shaanxi, Inner Mongolia, Xinjiang and other places; water resources are concentrated in Sichuan, Yunnan, Guizhou, Tibet and other places; wind energy is concentrated in the three eastern provinces, Inner Mongolia, Xinjiang, Gansu, Qinghai, Tibet and other places; solar energy is concentrated in Tibet, Xinjiang, Qinghai, Gansu and other places; the economically developed areas are mainly concentrated in the eastern coastal and southern regions. On the whole, the renewable energy and new energy bases are mainly distributed in the west and north, while the electricity load centers are mainly concentrated in the east and south. The development of UHV power grids can not only effectively promote the large-scale development and delivery of hydropower in the southwest and clean energy in the west and north, thereby promoting the construction of large energy bases, and promoting the transformation of local resource advantages into economic advantages, it can also effectively promote the central and eastern regions to increase their acceptance of foreign energy. The proportion of power transmission, increase the supply of clean energy, alleviate the shortage of energy supply, and strongly support the control of smog, the UHV transmission network is of great significance to my country's energy distribution, power construction and development.



Under the strategic guidance of the dual carbon goals, the proportion of new energy has been continuously increased, and the construction of a strong smart grid with UHV as the backbone grid can effectively support the development and utilization of various new energy sources and high-proportion grid connection, and realize the high efficiency of various energy facilities. access. During the reporting period, State Grid launched the bidding for UHV engineering materials such as Baihetan-Jiangsu, Baihetan-Zhejiang, Jingmen-Wuhan, Nanchang-Changsha, Nanyang-Jingmen-Changsha, etc., and launched Jinshang-Hubei, Sichuan-Chongqing, Zhangbei - Shengli, Ganzhi - Tianfu South, Tianfu South - Chengdu East, Tianfu South - Tongliang feasibility study integrated design bidding, UHV construction speed up again. It is estimated that by 2030, the inter-regional and inter-provincial power transmission capacity of the State Grid will increase from the current 240 million kilowatts to more than 370 million kilowatts, providing strong grid support for the development of various clean energy sources.

(2) Communication network field

The domestic communication industry is transforming to high-quality development, and the development momentum continues to increase. In 2021, my country's communication industry will actively promote the construction of a network power and digital China, and the construction coverage and application popularization of new information infrastructure such as 5G and gigabit optical networks will be accelerated in an all-round way, providing strong support for creating new advantages in the digital economy and enhancing new momentum for economic development.

1. The industry maintains a stable and positive trend, and achieves a good start in the "14th Five-Year Plan"

According to the "2021 Statistical Bulletin of the Communications Industry" issued by the Ministry of Industry and Information Technology, the increase in telecommunication business revenue has accelerated, and the total amount of telecommunication business has grown rapidly. In 2021, the total telecommunications business revenue will reach 1.47 trillion yuan, an increase of 8.0% over the previous year, and the growth rate has increased by 4.1 percentage points year-on-year. The total amount of telecommunications business calculated at the price of the previous year amounted to 1.7 trillion yuan, a year-on-year increase of 27.8%.

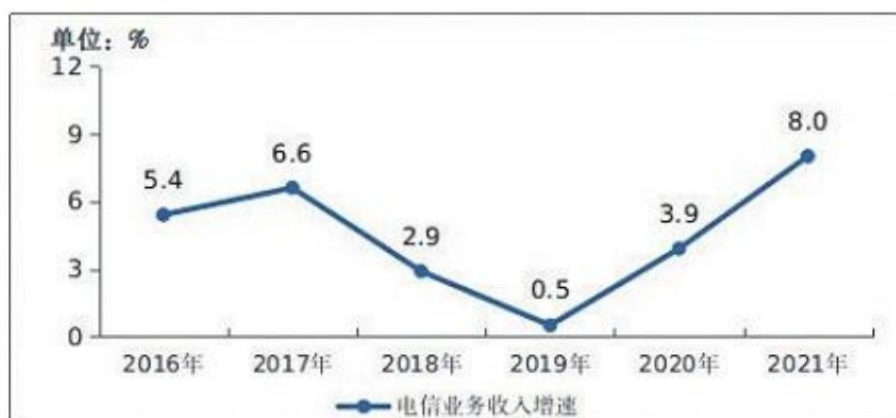


Figure 2-8: Telecom Business Revenue Growth 2016-2021

Revenue from data and internet business grew steadily. In 2021, the fixed data and Internet business will achieve revenue of 260.1 billion yuan, an increase of 9.3% over the previous year, and the proportion of telecom business revenue will increase from 17.4% in the previous year to 17.8%; mobile data and Internet business revenue will be 640.9 billion yuan, An increase of 3.3% over the previous year.

Emerging businesses achieved rapid growth and enhanced business driving effect. Benefiting from the accelerated development of emerging businesses such as cloud computing and big data, the related business revenue in 2021 will be 222.5 billion yuan, an increase of 27.8% over the previous year, and the proportion of telecom business revenue will increase from 12.8% in the previous year to 15.2%. Among them, data center, cloud computing, and big data business increased by 18.4%, 91.5% and 91.5% respectively over the previous year.

35.5%



Figure 2-9: 2016-2021 mobile data and Internet business, fixed value-added business revenue development

## 2. The network infrastructure continues to evolve and upgrade

Fixed asset investment was basically the same as the previous year. In 2021, the three basic telecommunications companies and China Tower Co., Ltd.

Cheng Telecom invested 405.8 billion yuan in fixed assets.

5G network construction has been accelerated, and network coverage has continued to advance. In 2021, the total number of mobile communication base stations in the country will reach 9.96 million. A net increase of 650,000. Among them, there were 5.9 million 4G base stations, 1.425 million 5G base stations, and over 650,000 5G base stations were newly built throughout the year.

The network infrastructure was optimized and upgraded, and the construction of an all-optical network was further advanced. In 2021, 3.19 million kilometers of new optical cable lines will be built, and the total length of national optical cable lines will reach 54.88 million kilometers. By the end of 2021, the number of Internet broadband access ports reached 1.018 billion, a net increase of 71.8 million over the end of the previous year.

## 3. The scale of users of new infrastructure has expanded rapidly, and mobile Internet traffic has maintained rapid growth

The number of mobile phone users increased slightly, and the number of 5G users expanded rapidly. In 2021, there will be a net increase of 47.55 million phone users nationwide households, with a total of 1.824 billion households. The total number of mobile phone users was 1.643 billion, with a net increase of 48.75 million throughout the year, and the penetration rate was 116.3 units/100 persons, an increase of 3.4 units/100 persons compared with the end of the previous year.



Figure 2-10: Development of fixed and mobile phone penetration rates from 2011 to 2021

The proportion of users with broadband access of 100M and above continued to rise, and the development of gigabit users accelerated. By the end of 2021, the total number of fixed Internet broadband access users of the three basic telecommunications companies reached 536 million, with a net increase of 52.24 million throughout the year. Among them, the number of users with an access rate of 100Mbps and above was 498 million, with a net increase of 63.85 million in the whole year, accounting for 93% of the total number of users, accounting for an increase of 3.1 percentage points compared with the end of the previous year; the number of users with an access rate of 1000Mbps and above was 3456 10,000 households, a net increase of 28.16 million over the end of the previous year.

In 2021, mobile Internet access traffic will reach 221.6 billion GB, an increase of 33.9% over the previous year. Average monthly mobile internet households throughout the year Traffic (DOU) reached 13.36GB/household month, an increase of 29.2% over the previous year; DOU reached 14.72GB/household in December, a record high. Among them, mobile Internet traffic reached 212.5 billion GB, an increase of 35.5% over the previous year, accounting for 95.9%

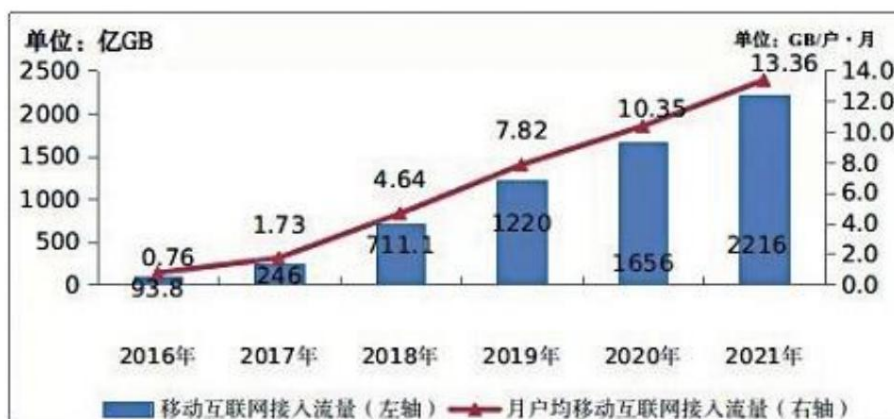


Figure 2-11: Growth of Mobile Internet Traffic and Monthly Traffic per Household (DOU) from 2016 to 2021

#### 4. The overseas optical fiber and cable market continues to pick up, and 5G drives a new round of market demand

In 2021, with the development of communication technologies such as 5G, FTTx, and cloud computing, the overseas optical fiber and cable market is gradually gaining momentum, generating a momentum of market recovery. Relevant countries in Europe, South America, Africa, Southeast Asia, South Asia and other regions have gradually started network construction and upgrades. Related to this, the local demand for a series of products in the optical fiber and cable industry has increased.

The number of fiber-optic connections in Europe has exceeded 100 million households, and more than half of European households have access to a full-fiber network. 2022

The pace of construction is expected to accelerate further, with more than 60% of households expected to have access to full-fiber internet by the end of this year. The acceleration of fiber optic installation in the Netherlands is particularly evident, and Dutch operator KPN expects to connect more than 600,000 households in 2022. At the same time, the Chilean market in Latin America has strong demand for communication products, and Mexico currently has the most concentrated communication construction projects of Totalplay and Megacable. By the end of 2021, Brazil's broadband network has covered more than 90% of the population, 80% of the target has been completed in 4G network construction, and the number of users has reached 260 million.

(3) Emerging industries

In recent years, thanks to the virtuous circle of innovation and entrepreneurship, and the frequent influence of favorable industrial support policies, the new material industry has developed rapidly.

It is playing an increasingly important role in promoting the transformation of the national economy and promoting the progress of the world economy. Variety of new materials

At present, the company mainly involves the following three fields:

- 1. In the field of high-performance polyimide (PI) film: certain progress and breakthroughs have been made in China, but high-end key technologies are still subject to foreign control

As a key basic material, high-performance PI film is widely used in power transmission and distribution equipment, wind power

Manufacture of machines, high-speed traction motors, high-voltage transformers, VLSI, flexible packaging substrates, and flexible connecting strips. With the development of strategic emerging industries such as new generation of electronic information technology, energy saving and environmental protection, high-end equipment manufacturing, new materials and new energy vehicles in China, PI film will be more widely used during the "14th Five-Year Plan" period. , flexible display devices and high-power power batteries and other high-tech fields usher in new opportunities for development. However, my country's high-performance PI membrane technology is backward, and has been relying on imports for many years. Downstream enterprises in the domestic PI membrane industry have been suppressed by foreign PI membrane manufacturers for a long time in terms of supply quantity, bargaining power and delivery cycle, and domestically produced materials have replaced imported materials. strong will.

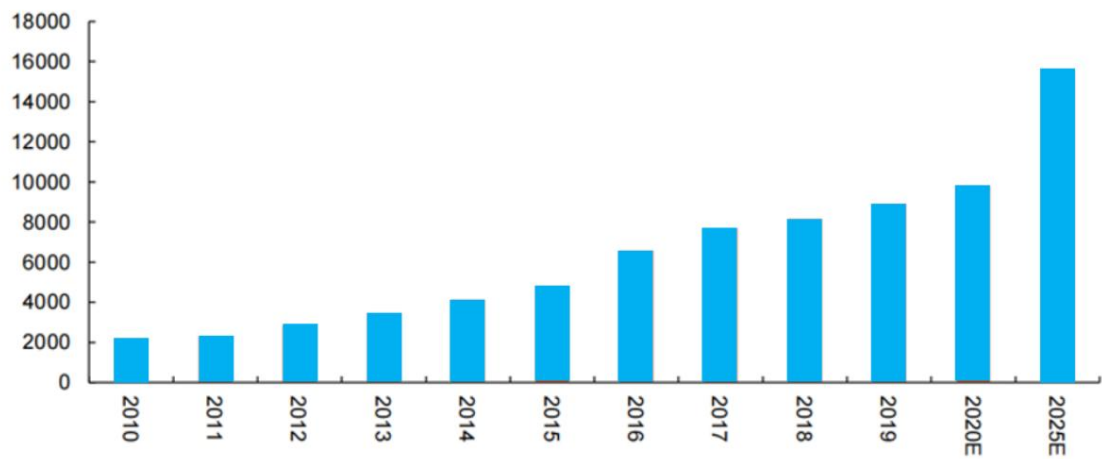


Figure 2-12: China's PI film production capacity and forecast (tons) from 2010 to 2025E Source: Jiakan

Consulting, Qianzhan Industry Research Institute, Shengang Securities Research Institute

PI film for artificial graphite thermal conductive film

In 2021, the Chinese market demand will exceed 3,000 tons, an increase from 2020. In 2022, with the further development of 5G communication technology

As the demand for consumer electronics matures and the demand for consumer electronics expands, the amount of PI film used for artificial graphite thermal conductive film is expected to grow further. importer It should be supplied by South Korean PI cutting-edge, etc. The domestic supply is mainly supplied by Zhongtian Electronics, etc. Domestic and imported products with a thickness of 62.5μm or less have formed a homogenous competition situation in the market, and the manufacturing capacity of thick products with a thickness of 100μm and above. , the domestic overall ahead of foreign counterparts. Thick products with specifications of 100μm and above are driven by the terminal demand of electronic consumer goods, and have significantly increased in the second half of 2021. The overall consumption is expected to exceed 700 tons in 2022, bringing market opportunities for the company's development.

PI film for FCCL substrate

With the rapid development of electronic technology, the output of flexible copper clad laminates (FCCL) has grown steadily, and the production scale has continued to expand. The demand and growth trend of FCCL based on PI film are more prominent. As the world's largest electronic product manufacturing base, China has always been a major consumer of electronic-grade PI films (PI films for FCCL substrates). However, the performance of the domestic thermal PI film is significantly different from that of the foreign electronic grade PI film. The PI film for FCCL substrates, especially the TPI film for 2L-FCCL, is completely dependent on imports. With the development and maturity of domestic chemical PI film manufacturing technology, domestic electronic grade PI film products will be widely used in the local market.

PI film for high frequency and high speed transmission

With the advent of the 5G era, smartphones, as a key application scenario, put forward new requirements for the development and innovation of antennas. MPI Film (Modified Polyimide film, modified polyimide film) is expected to become an antenna material in the 5G era due to its high operating temperature, easy operation under low temperature lamination copper foil, and lower price than LCP (liquid crystal polymer film). One of the mainstream choices.

International PI membrane companies actively carry out research and development of MPI membranes. DuPont has developed commercialized MPI membrane products. Manufacturers have not yet developed MPI membranes that meet the requirements. The development of MPI membranes should be carried out as soon as possible, especially to promote industrialization as soon as possible. The future development of the electronics industry is of great significance.

2. The field of supercapacitors: Diversified growth in application fields to help sustainable green energy storage

According to the statistics and forecasts of foreign market research institutions, the global supercapacitor market size is expected to increase to about 12.83 billion yuan in 2025. At present, in the industrialization of supercapacitors, foreign companies such as the United States, Japan, and South Korea have been at the forefront. The products cover button-type, cylindrical and soft-pack supercapacitors, which can be used in transportation, industry, power grid, consumer electronics, sensors and other fields.

In recent years, my country's supercapacitor market has maintained a growth trend, especially in the fields of wind power generation, rail transit, urban electric buses, smart meters, and consumer electronics. According to incomplete statistics from the Supercapacitor Industry Alliance, it is conservatively estimated that the market size will reach 7.63 billion yuan by 2025, with an average annual growth rate of more than 20%. With the gradual implementation of the "dual carbon" goal, the further deepening of the power system reform, the development of the energy storage industry, and the rapid growth of renewable energy installed capacity, the supercapacitor market is expected to continue to grow rapidly in the next 3-5 years.

3. Superconducting products: usher in a growth trend and promote low-carbon transformation

Due to technical and cost reasons, the global superconducting market is still dominated by low-temperature superconducting. The industrial chain of low-temperature superconducting industry mainly includes four links: upstream raw materials, superconducting wires (occupying the main market share), superconducting magnets, and superconducting equipment. According to the "2021-2025 2021-2025 Superconducting Cable Industry In-depth Market Research and Investment Strategy Suggestion Report" released by Xinsijie Industry Research Center, since 2015, the global superconducting cable market has shown a rapid growth trend, and by 2019, the market size will be approximately \$270 million. It is estimated that from 2019 to 2025, the global superconducting cable market will continue to grow at a growth rate of about 11.9%, and the market size will reach about 530 million US dollars by 2025.

According to China Securities Network, State Grid is expected to invest more than US\$70 billion annually in the next five years to promote the upgrade of the power grid to the energy Internet, promote clean and low-carbon transformation of energy, and help achieve the goal of "carbon peaking and carbon neutrality". Due to the characteristics of non-resistance, low power consumption, and high current carrying capacity, superconducting cables will usher in new development opportunities driven by the development of domestic high-temperature superconducting materials.

3. Businesses engaged in by the company during the reporting period

(1) Energy network field

Guided by the "3060" low-carbon green goal, the company makes the best use of the situation and optimizes the industrial structure. Adhering to the strategic direction of "systematization of core products and internationalization of engineering services" in the marine industry, technology research and development is oriented to the far-reaching sea, and the market layout is oriented to globalization. In the new energy industry, firmly grasp the national and local policy wind vane, take resources as the starting point, consolidate the foundation for high-quality development of the industry through green energy construction, and achieve the development goals of "scaled photovoltaic industry and integrated energy storage industry"; The industry has always adhered to the strategic leadership of continuous innovation and development of transmission and distribution integration, and continued to target the development of high-end medium and high voltage power grid products and intelligent distribution network products. By enhancing its market position and service capabilities in the energy network field, it will transform from a "product supplier" to a "system integration service provider" and become the world's leading provider of energy network system solutions.

#### 1. Marine industry: Facing the far-reaching sea, multi-location deployment helps to access the Internet at a reasonable price

The company continues to develop marine equipment such as submarine optical cables, submarine cables, submarine photoelectric composite cables and submarine cable construction ships, and now has the total integration capability of marine system engineering that integrates submarine cables - submarine observation, exploration - submarine cable laying - fan construction. Committed to becoming the world's leading energy information interconnection system solution provider.

##### (1) The leading submarine cable set sail, and technological innovation ushered in the era of parity



Figure 3-1: The smooth delivery and operation of the  $\pm 400$  kV DC submarine cable contracted and laid by Zhongtian Technology

The company seizes the national strategic opportunities such as "developing the ocean" and "carbon peaking and carbon neutrality", complies with the country's high-quality development and "clean and low-carbon" development requirements, and gives full play to its advantages in brand, technology, talents, etc. Large R&D investment and talent team building, adhere to the submarine cable as the main business, take technological innovation as the guide, and take the market demand as the guide, strive to build a deep-sea, globalized technology and product system, and accelerate the digitalization of product manufacturing and service systems Intelligent construction.

Based in Nantong submarine cable manufacturing base

On this basis, increase the industrial layout, establish a South China Sea submarine cable manufacturing base in Shanwei, Guangdong, take advantage of Lufeng's geographical advantages to radiate the markets in Guangdong, Fujian, and Guangxi Southeast Asia, and prepare to build a Jiangsu Dafeng submarine cable manufacturing base in Yancheng Dafeng to give full play to Yancheng's regional advantages, with Dafeng Port as the core, radiating from northern Jiangsu to Bohai Bay. Make full use of localization advantages to consolidate the offshore wind power market in Guangdong and Jiangsu provinces.

At the same time, the company has deployed 66kV current collector submarine cables for large-capacity generator sets, flexible ultra-high voltage DC submarine cables to solve large-capacity transmission bottlenecks, three-core 330kV ultra-high voltage large-capacity transmission submarine cables, dynamic cables for deep-sea floating wind turbines, low A number of new technologies and high-tech products, such as aluminum core submarine cables with grid-connected line costs, light-duty environmentally friendly non-lead-sheathed submarine cables, and deep-sea submarine cables that meet the requirements of 2,000-meter water depth, provide technical support for the future development of my country's offshore wind power at affordable prices.



(2) The efficient performance of offshore engineering has completed the rush to install the tide, and the joint venture will build a new generation of offshore wind power ships

Since the company completed the construction of "two types and three ships" in early 2019, it has made milestone progress in the field of offshore engineering. It won the bid for 3 general contracting projects and several subcontracting projects in the same year that it was put into operation. It is the only company in the industry that only uses An enterprise that has achieved leaps from commissioning to subcontracting and then to general contracting in one year.

During the reporting period, through scientific construction and overall arrangement, the company relies on professional construction fleets and engineering skills with rich experience in offshore operations. The technical personnel have created a number of high-quality projects and created the Zhongtian offshore wind power miracle.

In the past two years, the trend of large-scale wind turbines has been obvious, and major machine manufacturers have successively launched large-scale offshore wind turbines of 10MW and above. At present, the company will upgrade the "two types and three ships" to meet the requirements of offshore wind power of 10MW and below in Jiangsu, Zhejiang, Shandong and other places. Machine construction capability. In addition, in order to build a next-generation offshore wind power installation vessel and foundation construction that can adapt to the large-scale and far-reaching wind turbines in the future Ship, the company and the leading enterprises in the wind power field jointly established an offshore engineering company to diversify and rapidly improve the integration of piling, hoisting, operation and maintenance ability.

2. New energy industry: Grasp photovoltaic + energy storage resources to promote green energy project engineering and service construction

Guided by new energy infrastructure, the company deploys photovoltaic and energy storage dual-industry infrastructure to customize a full range of green Energy solutions to help the development of green and clean energy.

(1) Expand production capacity to meet new market demands, and strive to become a service provider of energy storage system integration solutions

Under the guidance of the national dual carbon policy, the company takes "energy storage" as its development orientation, vigorously promotes the application of new energy distribution and storage, adheres to the R&D and manufacturing of green energy storage systems, provides customers with customized energy storage system solutions, and is committed to Become a "world-class energy storage system integration solution provider".

The company focuses on the R&D and production of lithium battery series products such as low-cost and long-life lithium-ion batteries, high-specific energy and large-capacity lithium-ion batteries, and high-voltage container energy storage systems. During the reporting period, on the basis of the original lithium battery production capacity, the company invested in the expansion of the production line for the production of high-power, large-capacity, high-safety, long-life square lithium-ion batteries based on electric energy storage systems, and further increased the production capacity of lithium batteries. , to help advance the "dual carbon" goal.

The company is based on the large-scale energy storage market and backup power market, and develops comprehensively at home and abroad. The energy storage market is powered by the user side, electricity Years of energy storage system solutions and engineering experience on the grid side, power generation side and other fields, as well as long-term friendly cooperative relations with relevant customers. 20MWh wind storage project, Foshan Century Internet Data Center Optical Storage EPC Project, Rudong User-side Energy Storage Power Station Project and other green energy storage power station projects have been constructed in an orderly manner, and various demonstration pilot projects have been established in the industry. In terms of backup power supply, we focus on supporting base stations for communications, seize the opportunity for 5G commercial use, and concentrate on supplying supporting backup power supply systems. Relying on product technology and service advantages, we have become an excellent supplier of backup power supply products for the four major telecom operators, and our market share ranks among the top in the industry. three.



Figure 3-2: 10MW/20MWh Wind Energy Storage Project of Damascus in Qidong, Hunan

(2) Based on the photovoltaic power generation application demonstration area, extend the full life cycle service of the power station

Since the company undertook the construction of the first batch of 18 distributed photovoltaic power generation application demonstration areas in 2013, it has actively developed the EPC general contracting business of photovoltaic power plants, and has continuously expanded the number of operation and maintenance power stations and customer groups, and is committed to becoming a full-cycle service provider of photovoltaic power plants. The company closely follows the development trend of the industry, takes the development of photovoltaic resources as the starting point, and forms strategic cooperative relations with a number of state-owned power generation groups and energy enterprises, and has formed a resource development team with strong comprehensive capabilities and high business level to actively promote the acquisition of photovoltaic resources, to promote the implementation of project investment and achieve mutual benefit and win-win for all parties.

The company focuses on the EPC general contracting business of photovoltaic power stations. With years of experience in photovoltaic power station construction and mature design and project management teams, the company has the ability to undertake EPC general contracting projects for various types of power stations. During the reporting period, the company completed the 30MWp rooftop distributed photovoltaic project in Nantong Tongzhou Hengke. The project and the general contracting tasks of key projects such as the 300MW fishery-photovoltaic complementary power generation project (Phase I) in Huanggang Xiaochi Binjiang New Area have further improved the internal and external processes and trained the team, laying a solid foundation for becoming a national general contracting unit of photovoltaic power plants.



Figure 3-3: Huanggang Xiaochi Binjiang New Area 300MW Fishery-Solar Hybrid Power Generation Project (Phase I)

The company pays close attention to the photovoltaic operation and maintenance market, and pays attention to the preservation and appreciation of the stock assets of the power station under the background of the great development of photovoltaics. Based on the mature operation and maintenance team accumulated over the years, guided by the expansion of the operation and maintenance business, it expands, tempers, and shapes the skill-based operation and maintenance. The team, while ensuring the good service of the company's existing power station assets, actively went to the external market. During the reporting period, it undertook Shanghai Construction Engineering (Jiangsu) distributed photovoltaic power station, IKEA Wood (Nantong) distributed photovoltaic power station and State Power Investment Hengke distribution Operation and maintenance services for projects such as photovoltaic power plants, etc., to customers

Provide professional operation and maintenance services, strive to maintain and increase the value of customer power plants, and ensure the safety of customer power plant assets. At present, the asset scale of various power stations under operation and maintenance management reaches 500MW.

3. Power grid construction: transmission and distribution integration continues to innovate and develop to serve new power systems

The company takes serving the power grid as its responsibility, has the advantages of a complete industrial chain of power transmission and distribution products, and actively participates in the main grid with UHV. The construction of a new power system with new energy as the main body. The industrial chain covers OPGW, aluminum-clad steel, special conductors, power fittings, insulators, arresters, overhead insulated conductors, high, medium and low voltage power cables, cable accessories, distribution transformers, switch cabinets, power engineering design and services, etc. Provide system solutions and equipment.

(1) Continue to consolidate the competitiveness of high-end products, and the market shares of many products are in the forefront

The company actively responds to the national strategy of "carbon peaking and carbon neutrality", focusing on energy saving, environmental protection, safety and reliability, and develops high-performance, high-Technical transmission and distribution products, provide solutions for new power systems, maintain a leading level in transmission and distribution product technology, and become an important Leading supplier of lines and critical engineering projects.

During the reporting period, the company's high-strength and high-elongation aluminum-clad steel-core high-strength heat-resistant aluminum alloy stranded wires, solid-state die-forged aluminum alloy spacers, oil-immersed variable frequency step-up transformers for offshore platforms, and refractory fiber composite power with a rated voltage of 10kV Cable, rated voltage 35kV polypropylene 6 products of ethylene insulated power cables and cable assemblies for salt spray resistant and fully sealed offshore wind turbines with rated voltage of 35kV (Um=40.5kV) have passed the technical appraisal of new products organized by China Electricity Council, of which 4 products have reached the international leading level, and 2 products have reached the international leading level. The products have reached the international advanced level. Secondly, the State Grid Corporation of China released the new technology evaluation results in 2021. Zhongtian Technology Co., Ltd. has corrosion-resistant aluminum-clad steel-core heat-resistant aluminum alloy stranded wires, steel-core high-conductivity heat-resistant aluminum alloy stranded wires, and cross-linked polyethylene with a rated voltage of 220kV. Five new technologies passed the evaluation: insulated smooth aluminum sheathed power cable system, large-core optical fiber composite overhead ground wire (OPGW) for smart grid, and aluminum-zirconium alloy winding distribution transformer. The passing of the evaluation is the recognition of the technical ability, application ability and innovation ability of Zhongtian Technology's products.

Relying on first-class R&D strength, excellent product quality and perfect service system, the company has made great achievements in the common wire, Special conductors, OPGW, power cables, line fittings and other products continue to maintain a leading position in the market.

(2) Adhere to innovation-driven development and achieve more quality growth

The company always regards scientific and technological innovation as the driving force for high-quality and sustainable development of the enterprise, serves the construction of a clean, low-carbon, safe and efficient energy system, and helps the implementation of the "double carbon" goal.

During the reporting period, the company has always adhered to the strategic guidance of continuous innovation and development of transmission and distribution integration, aiming at the development of high-end medium and high-voltage power grid products and intelligent distribution network products, helping my country's power construction to continue to develop in the direction of digitalization and intelligence. around

"Build a new power system with new energy as the main body, and realize the power-centered energy system" construction, vigorously develop high-voltage and large-capacity energy storage converters, orderly charging, OPGW large-capacity communication technology, uLOFSTM optical fiber sensing technology , Intelligent sensing hardware and other intelligent product development. The company's power product matrix will be further improved to meet the diversified application needs of customers to the greatest extent and help achieve "double carbon".

(2) Communication network field

As a company committed to becoming a leading global ICT infrastructure and service provider, under the requirements of clean and low-carbon new economic development, it will seize the development opportunities of the new infrastructure strategy and provide comprehensive solutions for optical network cities, smart cities and physical infrastructure. Promote the technological transformation of the information and communication industry, build a digital city base, and empower the ecological construction of the digital industry.

1. The main product cluster and the special product characteristic operation are gaining momentum, and the comprehensive business capability is further improved

The company has a complete industrial chain of rod fiber and cable, and has formed an integrated industrial layout of silicon tetrachloride - optical fiber preform - optical fiber - optical cable raw material - full range of optical cable - terminal products - logistics transportation and comprehensive service solutions. Adhering to the differentiated operation strategy, highlighting the characteristic operation, and paying special attention to the research and development of special optical cables, dozens of product series have been listed as national torch projects and national-level products, filling many domestic blanks. Since its inception, it has started research on ADSS, OPGW, leaky cables and other special optical cables, and has become a single champion in the manufacturing industry. Innovation, quality, efficiency and sustainable development capabilities have led the development of the industry, and its market share has been leading the country and even the world for many years. , enjoys the reputation of "special optical cable looking for Zhongtian" in the industry. The company serves more than 100 operators around the world, and customizes optical communication products for customers in different regions to meet local usage habits. With rapid development efficiency, excellent product performance and reliable

Product quality, win the trust of customers.



Figure 3-4: The communications industry has obtained the manufacturing single champion product certificate

With the gradual application coverage of domestic 5G networks and the accelerated construction of new infrastructure such as data centers, the demand for supporting communication equipment and optical cable supporting components is huge. The company focuses on the research and development, manufacturing, sales and technical services of access products for communication wiring, and has formed a complete ODN product line, including traditional ODN products, high-power products, energy management products, intelligent supporting products, and system integration. There are more than 300 categories of products, providing customers with system solutions of communication network, power configuration and intelligent control.

2. Innovate and upgrade new businesses, and continue to develop in-depth industrialization

In terms of the industrialization of full-band series antennas, the company continues to invest heavily in base station antenna business resources. The 5G series base station antenna products developed by the company have the technical development and mass production capabilities of 2/3/4/5G base station antennas and radio frequency devices. , and form a complete product line of communication antennas and radio frequency devices, which can meet the diversified product needs of 2/3/4/5G and other multi-network standards at home and abroad. Customers include China Mobile, China Telecom, China Unicom, China Tower, China Radio and television, ZTE and other operators and main equipment manufacturers.

In terms of optical module technology, we strengthened the technical research and innovation of application scenarios, and developed optical modules to meet the new needs of various scenarios. By analyzing the new requirements of 5G bearer, data center and all-optical access network for optical modules such as high speed, high performance, low power consumption, low cost and intelligence, R&D resources are focused on high-speed optical module products and first-tier markets, focusing on R&D Introduced 400G/100G series for data centers, 25G series for fronthaul network, 25G LMDM optical modules, and passive wavelength splitting optical modules to introduce low-cost, high-quality, low-power industrial-grade CWDM color optical modules.

In terms of one-stop green data center solutions, closely following the national dual-carbon strategy, we have innovatively developed low-carbon data center products. It has been widely used in data centers, 5G networks, industrial Internet, smart cities and other scenarios. In 2021, it won the bid for the first centralized procurement of China Telecom's modular (DC) warehouse project, providing development opportunities for the data center business to become bigger and stronger.

3. The international business has entered the scale from the expansion period, and the single product sales have been extended to the overseas integrated general contracting output.

In 2021, overseas optical fiber and cable demand will continue to pick up, and the total market demand in North America, Europe, Asia-Pacific and other regions will show a long-term healthy growth trend.

The existing communication network infrastructure cannot meet the demand for use, and the pace of network construction of local communication operators is accelerating. Bringing overseas market opportunities, the company's overseas market exports of communication products achieved a year-on-year growth of 48%, and 5G energy-saving cabinets, data centers, and optical module products achieved breakthroughs in overseas markets for the first time.

The company has successfully developed an ODN rapid implementation plan with independent intellectual property rights, giving full play to the company's advantages of the lowest double anti-duty tariffs.

It takes Europe as a key strategic market to carry out integrated cooperation in research, production and sales, respond quickly to customer needs, and customize and develop various types of FTTH products for customers, which are recognized by customers and achieve high-quality growth in export sales and profits.

In terms of engineering general contracting, the company insists on extending to the direction of service-oriented manufacturing. Using technological advantages to target overseas operators for 5G construction

Set up projects, focus on IBS room divisions to expand business, build efficient IBS packaging capacity bidding teams, and finely study customer technical requirements

requirements, design product specifications accurately, and successfully won the bid for Qatar Ooredoo 2021-2023 IBS 5G material centralized procurement project, helping the company to achieve

Expansion of global 5G room service.

(3) Emerging industries

The company entered the field of high-end new materials in 2019. After more than two years of resource integration, option research and development and technical research, the company is currently

It has independently developed a variety of high-end materials such as high-performance PI films, supercapacitors, and high-temperature superconductors, and has successfully achieved industrialization.

1. High-performance polyimide (PI) film: breaking the import situation and gradually expanding the market

The company has the chemical imidization PI film manufacturing technology with independent intellectual property rights, and the product performance has reached the international advanced level and has

passed the application evaluation of some domestic first-line FCCL manufacturers and artificial graphite film manufacturers, and has ZI-H for the flexible circuit board industry. Type PI film and ZI-C type PI film used in the artificial graphite thermal conductive film industry.



Figure 3-5: High-performance PI film for ZI-C artificial graphite film



Figure 3-6: ZI-H high-performance PI film for flexible circuit board industry

During the reporting period, ZI-C conventional products of 25um to 62.5um were normally supplied to the market, and ZI-C ultra-thick products with thickness specifications of 100um and above were successfully introduced into the market, supplied to the market in batches, and recognized by end customers; ZI-C H products are supplied to the market in batches and are highly recognized by the market, breaking the dependence on imports, and the market supply is gradually increasing. We are currently developing three other high-end products with higher technical thresholds and relying entirely on imports in China. Phased results have been achieved, which is expected to further solve the long-term dependence on imports of high-performance polyimide films in my country.

2. Supercapacitor: achieve multi-point flowering, international leading technology

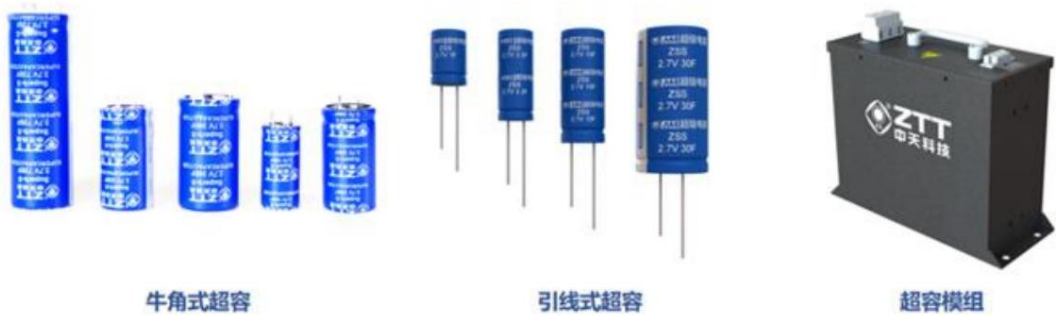


Figure 3-7: Related products of the company in the field of super capacitors

The company has successfully mass-produced horn-type and lead-type supercapacitors, forming a full range of products with specifications of 1-3000F. The product performance meets the design requirements, and the key parameters such as AC and DC internal resistance, leakage current and high and low temperature load life are superior to domestic counterparts. Some indicators are better than imported products.

During the reporting period, the company flourished in the fields of electricity meter, power grid distribution network side, AGV and start-stop. The developed high-temperature supercapacitor products have been supplied to the market in batches, and have successfully achieved high market recognition; the developed dual 85-type supercapacitor products for electricity meters have passed the terminal Preliminary certification by customers and the introduction into the market in batches; two other high-voltage products with more technical content and added value are currently being developed. Breakthrough progress has been made before.

In April 2021, the company organized and held the 2021 Supercapacitor Industry Annual Meeting and the Seminar on the Promotion of Localization of Key Materials. Released a new foam aluminum product, which has received high attention from the majority of peers; "High-power lithium-ion battery technology" achievement appraisal, was rated as "international leading level", for the application of foam aluminum in high-power batteries



Laid the technical foundation. The 5.5V1.5F supercapacitor module product developed by the company has passed the authoritative test of the State Grid Metrology Center, and the industry is the first to obtain the test report of the 5.5V1.5F supercapacitor module.

3. Superconducting products: service demonstration projects, dedicated to the application of new technologies

The company's main business is based on the research and development of high-temperature superconducting demonstration projects in the power industry, and establishes the industrialization capability of high-temperature superconducting products. In October 2021, the 10 kV three-phase coaxial high-temperature AC superconducting cable developed by China Southern Power Grid Shenzhen Power Supply Bureau and constructed by Zhongtian Superconducting Co. It is expected to "package" to solve many problems such as the difficulty of using land for power grid construction in large cities, the continuous growth of power grid load demand, and the saturation of urban transmission and distribution corridors.

and challenges.



Figure 3-8: Shenzhen 10kV Three-Phase Coaxial HTS Cable Demonstration Project

The high-temperature superconducting projects in the power industry generally have huge investment, but they have significant demonstration and can bring huge economic and social effects. Benefits, projects often have a long execution cycle, the company has entered the first echelon in the industry, and needs to continue to invest to occupy the market position, In the temporary market intermittent period, we will seek new development points. In the future, with the implementation of superconducting energy storage applications, the company will usher in new economic growth points.

IV. Analysis of core competitiveness during the reporting period

̈Applicable ̈Not applicable

1. Continuous organizational change to achieve a struggling team

Through the common mission, core values and cultural gene traction, the company integrates the spirit of Zhongtian into the business management concept of the enterprise to form a driving force for self-struggle. The company has successively launched the "Top Ten Strivers" and "Zhang Jian-style General Manager" selections to encourage the company's middle and senior managers to inherit the spirit of the sages, act with perseverance and dedication.



Figure 4-1: The first "Zhang Jian-style general manager"

Since its establishment, the company has always implemented the talent concept of "honoring goodness and virtue, and making the best use of talents", actively building a talent supply chain,

Human resources are the core resources of enterprises. With the help of the information system platform, the company realizes high-efficiency and refined management of human resources, and digitalization runs through the whole process of human resources management.

Relying on innovative platforms such as national enterprise technology centers, national post-doctoral scientific research stations, Zhongtian Science and Technology Research Institute, Zhongtian Shanghai Science and Technology Innovation Center, and provincial key laboratories, combined with industrial development direction and technology research and development needs, targeted introduction of high-level talents ; Focusing on the "14th Five-Year Plan" and longer-term development, laying out the talent development chain, guaranteed by the innovative talent development mechanism, with the "sail, endurance, pilot, voyage" training system and "Future Star" and other talent projects as carriers, Implement the talent strategy of "internationalization of local talents and localization of international talents" to increase the contribution rate of talents. Exploring and implementing a new model of integration of production and education, the company attaches great importance to the training and development of vocational school students, and promotes the construction of a younger industrial workforce through the combination of intelligent transformation and digital transformation projects and craftsman training; customized high-skilled talent training plans, cultivated through school-enterprise cooperation The company has a team of multi-skilled, specialized and high-skilled craftsmen to create a benign labor ecological environment.



Figure 4-2: Zhongtian Technology Cultivation of New Generation Talents



The company develops the cadre rotation and competition mechanism, establishes a reserve talent pool for AB roles, and provides targeted training for key talents

Measures to optimize the selection and training plan of reserve cadres and strengthen the construction of talent echelon.

The company adheres to customer demand-oriented, organizational capacity-building as the driving force, and establishes the qualification standards for professional positions.

Adhering to the selection principle of "employing talents, internal priority", employees are encouraged to participate in the company's job competition, and an "H"-shaped career development channel is established, so

that the various grades can communicate horizontally and vertically, so that talents can be reasonably distributed within the company. Mobility to achieve personal career development of employees. Train and manage the

"Parachute Plan" for external experts, and give periodic evaluations and incentives. Strengthen independent innovation, have a number of "Provincial Innovation and Entrepreneurship", "Provincial 333", "City Jianghai

Talents", "City 226" talent teams, continue to build a pioneering force with the courage to develop, and serve the global industrial layout.

## 2. Implement complementary chain and strong chain, strengthen independent innovation

The company has formulated the "14th Five-Year" strategic plan, with the goal of forming a marine economy as the leader, new energy as the breakthrough, and smart grid as the support.

Support, 5G communication as the basis, and new materials as the growth point of the industrial layout. In 2021, in UHV, rail transit, marine economic

Driven by new infrastructure opportunities such as economy, new energy, and 4G/5G data centers, the company strengthens independent innovation and implements the "supplementary chain and strong chain" strategy.

As the industry chain moves up the value chain, it will find the direction to move towards the high point of technology, the peak of benefits, and the pain point of customers. Zhongtian Communication Co., Ltd. and

Zhongtian Marine System Co., Ltd. have been awarded the title of national-level specialized and special new "Little Giant" enterprises, and Zhongtian Submarine Cable Co., Ltd. has been approved as the Jiangsu

Provincial Key Laboratory of Ocean Energy and Information Transmission and the National Enterprise Technology Center Branch Center. The company ranks among the top 10 most competitive companies in the global

submarine cable (energy field), the top 10 most competitive companies in the global cable industry, the top 10 most competitive companies in the global optical fiber cable industry, and the 116th among the top 500 global

new energy companies. .

## 2021年承担的省级以上重大项目、科技奖项



### 省级以上重大项目

- 1、十四五国家重点研发计划（4项）
- 2、国家先进制造业和现代服务业融合发展试点项目
- 3、江苏省智能工厂
- 4、江苏省工业互联网标杆工厂
- .....

### 省级以上科技奖项

- 1、江苏省科技进步奖三等奖（2项）
- 2、中国光学工程学会科学技术奖二等奖（1项）
- 3、中国通信学会科学技术奖二等奖（1项）
- 4、中国电力企业联合会科学技术奖二等奖（1项）
- 5、中国电子学会科学技术奖二等奖（1项）
- 6、中国电工技术学会科学技术奖二等奖（1项）
- 7、中国机械学会科学技术奖二等奖（1项）
- .....

Figure 4-3: Some major projects and scientific and technological awards undertaken by the company at or above the provincial level in 2021

In terms of R&D innovation, the company has been recognized as a national high-tech enterprise, a national technological innovation demonstration enterprise, a national innovative pilot enterprise, and a national intellectual property demonstration enterprise. The company makes full use of national enterprise technology centers, national post-doctoral research stations, national CNAS certification test and testing centers, provincial and ministerial engineering technology centers, and a wide range of industry-university-research cooperation platforms to actively deploy cutting-edge key technology research to promote the transformation of scientific and technological achievements and major projects. application work.

In 2021, the company will implement the management measure of "increasing R&D expenses year by year", lay out and plan "supplementary and strong chain" products, and independently establish and complete more than 170 new product and new technology development projects, including "5G communication and energy integration cabinets", "rated voltage 35kV". Polypropylene Insulated Power Cable", "Rated Voltage 35kV XLPE Insulated Optical Fiber Composite Dynamic Submarine Cable", "Rated Voltage

26 products including 10kV XLPE insulated cluster submarine cable" have passed the Jiangsu Provincial Department of Industry and Information Technology and the China Electric Power Enterprise Association.

Most of the new products and new technologies identified by the Federation are rated as international leading achievements.

The company has undertaken more than 10 major national/provincial science and technology projects, "R&D and industrialization of a new generation of high-speed railway communication cables and fixed systems", "extremely cold-resistant optical fibers for communications and ultra-low loss, ultra-low temperature OPGW and fittings" 12 projects including "Key Technology and Application" won the second prize of provincial and industry society science and technology awards, "Three-phase oil-immersed aluminum-zirconium alloy winding fully sealed distribution transformer", Five technologies including "220kV XLPE insulated smooth aluminum sheathed power cable system" were selected as new technologies of State Grid Corporation of China application directory. A number of products such as "±400kV flexible DC submarine cable" and "10kV superconducting AC cable" have been applied for the first time in major national projects, achieving good economic and social benefits.



Figure 4-4: Major product engineering applications in 2021

In terms of intellectual property rights, highlight the work orientation and evaluation mechanism of service operation and development, high-quality creation of intellectual property rights, key technologies The subject patent competition situation analysis, risk prevention and control and other work were carried out solidly. In 2021, 374 Chinese patent applications and 20 PCT patent applications will be submitted, and 98 invention patents will be authorized. "A method and equipment for continuous high temperature stretching and uninterrupted cutting of glass rods" won the 22nd China Patent Silver Award. "UHV XLPE Insulated Flexible DC Optical Fiber Composite Submarine Cable", "An Optical and Wireless FiWi Network Bandwidth Restoration Method and Device" won the China Patent Excellence Award.



Figure 4-5: China Patent Awards in 2021

In terms of standards, the company has extensively participated in the activities of more than 50 international and domestic standardization organizations such as IEC, ITU-T, IEEE, and CIGRE. 2 experts are registered experts in IEC, and 14 experts are deputy directors and committee members in 18 standardization organizations. In 2021, it participated in the formulation and revision of more than 80 standards, and one OPGW IEEE international standard and 47 national and industry standards were officially released. Three industry standards such as "Type Leaky Coaxial Cable" won the second prize of the Science and Technology Award of China Communications Standardization Association; the two group standards led by the aluminum-clad invar wire and the aluminum-clad invar-core heat-resistant aluminum alloy stranded wire were selected as the 2021 Hundred Years by the Ministry of Industry and Information Technology. A demonstration project for the application of group standards.



Figure 4-6: Industry-University-Research Cooperation Platform

The company has established an open, inclusive and win-win cooperation and innovation mechanism, and cooperates with Shenyang Institute of Automation, Chinese Academy of Sciences, Shanghai Institute of Microsystems and Information Technology, Chinese Academy of Sciences, Guangzhou Marine Geological Survey, Tsinghua University, Shanghai Jiaotong University, Zhejiang University, etc.53 Each research institute and university has established an innovation cooperation platform and an industry-university-research cooperation relationship, with an average of more than 40 industry-university-research projects under development each year. Through independent development, joint development, commissioned development and other forms, it helps the company's key technology research, talent training and training , The transformation of scientific and technological achievements continues to move towards a new level.

As a national CNAS accredited laboratory, the company's testing center has advanced equipment and testing capabilities. DEKRA, UL and many other authoritative testing institutions at home and abroad have established joint laboratories to lay a solid foundation for the high-end and internationalization of products and technologies research basis.



Figure 4-7: Cooperation in advanced laboratories

3. Actively change the number of intellectuals to promote the improvement of quality and efficiency

Zhongtian Technology continues to carry out intelligent transformation and digital empowerment to promote the upgrading of production and manufacturing. In 2021, it will focus on "employing fewer people, With the goal of "good quality and high efficiency", we will continue to increase investment in equipment automation, management informatization and industrial Internet integration applications. More than 130 new smart transformation projects have been added, and smart workshops and smart factories have been gradually built. Has obtained 2 smart manufacturing trials of the Ministry of Industry and Information Technology There are two national-level intelligent manufacturing new model special projects, three provincial-level and above intelligent factories, and more than 20 provincial-level demonstration intelligent workshops.

In accordance with the promotion idea of "mechanization of manual operation - automation of mechanical operation - intelligentization of automatic operation", create a smart cable industry Able to manufacture benchmarks, realize intelligentization of material supply, logistics, manufacturing, testing, packaging, warehousing, quality traceability, and intelligentization rate of key equipment More than 90%, forming a common model and specification for intelligent manufacturing in the cable industry.

Based on the principle of "service business, focus on system", based on lean manufacturing, relying on the Asun industrial Internet platform, integrating IFS (Enterprise Resource Management System), NCC (Financial Management Information System), MES (Manufacturing Execution System), OTC (Sales Management System), SRM (Supplier Management System), CRM (Customer Relationship Management System), HRM (Human Resources) management system), KMS

(knowledge management system) and other systems; promote the standardization of master data, with a master data standardization rate of 95%; promote equipment cloud management management, the system coverage rate reaches 80%, and an integrated platform is built to help decision-making in production, operation and management.



Figure 4-8: Ten categories of smart manufacturing application scenarios

Actively deploy "5G+Industrial Internet" integrated and innovative applications, cooperate with the three major telecom operators, Huawei, and the China Academy of Information and Communications Technology to create 10 typical "5G+Industrial Internet" integrated application scenarios. Take the lead in realizing the intelligent inspection of the manufacturing process in the preform industry; realize the collaborative manufacturing of the "rod fiber cable" industry chain through the integration and innovation of industrial Internet identification and intelligent manufacturing, and was selected as one of the top ten typical cases of Sino-German Industry 4.0; independent application in the submarine cable industry The controllable digital twin system realizes visualization of production, remote service, and dynamic logistics; it overcomes the industry problem of surface defect detection in high-speed cable production, and realizes cloud shortages. Optimized trap model; explored the application of multi-machine collaborative system, realized efficient collaboration of manipulator, logistics system, and production equipment, and improved operational efficiency by 35%.



Figure 4-9: Digital Partner Situation

Adhere to openness and inclusiveness, and build a collaborative innovation ecosystem. Cooperate with Shanghai Electric, CSSC 716, Hitachi, Siemens and other industrial chains, suppliers The upstream and downstream enterprises and industry partners of the Yingchain will carry out collaborative intelligent manufacturing and integrated development, and create an open, inclusive, cooperative and win-win industrial ecosystem.

4. Promote green manufacturing and promote sustainable development





Figure 4-10: "Carbon Peak, Carbon Neutral" Green and Low-Carbon Manufacturing (GLCM) Action Plan Outline and Technical Route

The company focuses on sustainable development, actively participates in the construction of new power systems with new energy as the main body, and vigorously builds green and low-carbon manufacturing System, vigorously promote the digitalization, service-oriented and green and low-carbonization of the manufacturing industry, and solidly respond to the national goal of "carbon peaking and carbon neutrality". In January 2022, the company released the "Zhongtian Technology Green and Low-Carbon Manufacturing (GLCM) Action Plan (2021-2030)" to the society, which is the first company in the industry to release a special action plan.

Since the establishment of the "14th Five-Year" strategic positioning of Zhongtian Technology, it has implemented innovation-driven "carbon emission reduction". Through more than one year of efforts, it has achieved a 10% reduction in energy consumption intensity and a 12% reduction in carbon emission intensity. By the end of 2021, 5 subsidiaries have been awarded energy management system certificates, 4 subsidiaries have been awarded greenhouse gas inventory management system certificates, 2 subsidiaries have been identified as national green manufacturing plants, and many units have been identified as provincial green manufacturing plant. In March 2022, Zhongtian Technology will take the initiative to integrate with world trade, start the countdown to carbon tax, face the opening up, and integrate into the big cycle.



Figure 4-11: Carbon Tax Countdown Activity

Zhongtian Technology firmly establishes the concept of green and low-carbon development, and implements green design, green procurement, green production, green life and other measures by means of energy substitution, raw material substitution, energy conservation and emission reduction, and material recycling, and is committed to the full life cycle of products and services. Green and low-carbon, adhere to green and low-carbon technological innovation, and optimize the structure of energy consumption and industrial development. By 2030, compared with the baseline data of 2020, the comprehensive energy consumption of ten thousand yuan of output value will be reduced by about 40%, and the carbon dioxide emission of ten thousand yuan of output value will be reduced by about 50%. A total of 2-3 "carbon neutral" parks will be built, and 30 "carbon neutral" and "factory", and successfully achieve the company goal of "carbon peaking in 2030 and carbon neutrality in 2055".

5. Deepen upward thinking and integrate into the international cycle



Figure 4-12: The company's global industrial layout

As one of the earliest "going out" enterprises in the field of optical communication, through years of exploration and development, the company has formed an export and

The global industrial layout is driven by two engines and continues to promote the international development pattern of manufacturing service-oriented. The company operates six overseas factories in India, Brazil, Indonesia, Morocco, Turkey and Germany, and has set up 54 overseas representative offices and 10 overseas marketing centers. Its main products are exported to 160 countries and regions, and its sales cover more than 150 power companies. More than 60 communication operators around the world provide high-quality solutions, and 7 of the world's top ten oil and gas companies have used Zhongtian submarine cables.

2021 is the 20th year of the company's internationalization. In the face of the complex situation of the normalization of new crown epidemic prevention and control and the century-old changes, the company adheres to the business policy of "following the trend and winning the high quality", and continues to focus on customer value creation. Optimize product output

The internal structure of the three aspects of export, overseas general contracting projects and international production capacity layout, stimulate endogenous power through reform and innovation, and deepen customer acquisition

Seize the existing opportunities, expand the incremental market through business transformation, ensure stable development by improving quality and efficiency, build a solid industrial chain, supply chain, and value chain system, strengthen the advantages of sustainable development, and deeply integrate into the international cycle.

6. Optimize the connection between production and sales and adapt to the unified market

As a leading enterprise in the field of optical communication and energy in China, after several rounds of organizational reform, it has formed a sales model of the current ten major divisions, established a marketing network segmented by product fields, regional markets, customer nature, etc., leading product research and development, satisfying and serve customer needs. The company has established production bases in Nantong, Yancheng, Shanghai, Guangdong, Sichuan, Henan and other domestic regions, and set up offices in 31 provinces, municipalities and autonomous regions across the country to quickly respond to customer needs. Provide high-quality products and supporting solutions for major livelihood infrastructure projects, and become an excellent supplier for customers such as power grids and operators.

In the face of many uncertainties such as shrinking demand, weakening expectations, and the impact of the new crown epidemic in the external circulation of the enterprise, the company will adhere to the values of "quality-based dignity, customer-centered, and striver-oriented" and follow the "green" Drive, compliance and steady progress", meet the challenges, provide value-added value for customers, and adapt to the unified national market.

V. Main operating conditions during the reporting period

During the reporting period, the company focused on the two major fields of energy network and communication network, with marine economy as the leader, new energy as the breakthrough, intelligent

The industrial layout with energy grid as the support, 5G communication as the foundation, and new materials as the growth point, combined with its own industrial structure advantages, continues to deepen

Into the development of new products and new technologies, with the development goal of "seeking progress while maintaining stability and excellent performance", and taking "fine manufacturing, intelligent manufacturing"

The development path is to win the market, attract and serve customers with new and special products, and at the same time strengthen internal management, strictly control costs and expenses, Mode effect reduces product cost. With the advancement of a series of business strategies, the company's operations are as follows:

(1) Analysis of main business

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

Unit: Currency: RMB

Changes in the number of subjects in the current period of the same period of the previous year (%)			
Operating income 46,163,306,590.50 42,081,553,999.57	9.70		
¥¥¥¥38,771,817,890.58 36,232,077,704.56 ¥¥¥¥758,648,666.42 689,733,343.75 ¥¥¥¥692,292,363.07 619,653,997.19 ¥¥¥¥435,174,638.66			7.01
410,004,575.50 ¥¥¥¥1,468,163,109.30 1,216,560,275.47 ¥¥¥¥¥¥¥¥¥¥2,547,068,078.19 2,597,559,556.12 ¥¥¥¥1,995,000,323.86 1,886.24			9.99
impairment loss -2,123,584,086.93 -148,931,657.33 Asset impairment loss -1,728,877,771.06 -146,048,661.18			11.72
			6.14
			20.68
			Not applicable
			Not applicable
			Not applicable
			Not applicable
			Not applicable

Reason for change in net cash flow from operating activities: Mainly due to the increase in the acceptance of high-end communication business bills due in the current period

Explanation for the change in net cash flow from investing activities: mainly due to the increase in the recovery of other investments in the current period

Reason for change in net cash flow from financing activities: Mainly due to the increase in working capital borrowings for undertaking marine business in the current period

Reasons for changes in credit impairment losses: mainly due to the full provision for impairment of high-end communication business transactions in the current period.

Reasons for changes in asset impairment losses: mainly due to the full provision for impairment of high-end communication business inventories in the current period.

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

See the table below for details

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

Unit: Currency: RMB

Main business by industry						
sector	Operating income	Operating cost	gross profit margin ¥%¥	operating income Incomparable Annual increase or decrease ¥%¥	business success Benby Annual increase or decrease ¥%¥	gross profit margin Annual increase or decrease ¥%¥
Manufacturing 35,2	3,090,296.26 28,156,950,195.86		20.04	28.05	28.40 minus 0.22	percentage points
Trade 10,141,969,397.73	10,029,929,322.47		1.10 -36.70	-36.87 increase by 0.27		percentage points
Photovoltaic power generation 326,492,175.20		229,911,363.28	29.58	15.72	9.17 Added 4.22	percentage points
Main business by product						
By product	Operating income	Operating cost	gross profit margin ¥%¥	operating income Incomparable Annual increase or decrease	business success Benby Annual increase or decrease	gross profit margin Annual increase or decrease ¥%¥

				¥¥	¥¥	
Optical Communication and network	7,476,171,504.58 5,796,079,667.19		22.47	23.05	40.00 minus 9.39	percentage points
Power grid construction	11,159,772,382.54 9,621,203,052.83		13.79	11.57	11.74 decreased by 0.13	percentage points
Ocean Series	9,419,082,893.28 6,070,395,246.00		35.55 101.82	127.39 Decrease	7.25	percentage points
New energy	2,087,915,519.89 1,772,020,172.23		15.13	38.67	27.19 Add 7.66	percentage points
Copper products	4,852,442,615.12 4,644,981,089.05		4.28	74.52	72.88 increased by 0.91	percentage points
Commodity trade	10,141,969,397.73 10,029,929,322.47		1.10 -36.70	-36.87 increase	by 0.27	percentage points
other	544,197,556.05	482,182,331.84	11.40 -28.94	-26.36 decrease	by 3.11	percentage points
Main business by region						
by region	Operating income	Operating cost	gross profit margin ¥¥	operating income Incomparable Annual increase or decrease ¥¥	business success Benby Annual increase or decrease ¥¥	gross profit margin Annual increase or decrease ¥¥
Domestic	35,505,653,150.74 28,656,152,135.12		19.29	10.79	6.73 Add 8.07	percentage points
Overseas	10,175,888,718.45 9,760,638,746.49		4.08 -13.44	-12.67 decrease	by 0.84	percentage points

Description of main business by industry, product, region and sales model

Not applicable

(2). Analysis table of production and sales

¥Applicable ¥Not applicable

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

¥Applicable ¥Not applicable

(4). Cost analysis table

unit: yuan

By industry							
sector	cost constitute project	Current Amount	This period accounts for total cost Proportion (%)	Amount in the same period of last year	Same as last year period accounts for the total cost ratio example(%)	current gold forehead year-on-year Change ratio example(%)	Happening illustrate
Manufacturing		28,156,950,195.86 73.29 19,944,437,884.36 55.34		10,029,929,322.47 26.11 15,887,348,916.40 44.08		41.18	
Trade Photovoltaic		229,911,363.28				-36.87	
Power Generation			0.60	210,593,154.46 by product	0.58	9.17	
By product	cost constitute	Current Amount	This period accounts for total cost	Amount in the same period of last year	Same as last year period accounts for the total	current gold forehead	Happening illustrate



	project		Proportion (%)		cost ratio example(%)	year-on-year Change ratio example(%)	
Optical Communication and network	direct Material	4,424,845,410.45 76.34 2,949,812,531.78 71.25				50.00	
Optical Communication and network	direct artificial	458,035,340.52	7.90	414,820,149.20	10.02	10.42	
Optical Communication and network	Fuel power	320,483,564.72	5.53	206,476,924.07	4.99	55.22	
Optical Communication and network	manufacture cost	592,715,351.51 10.23		569,093,779.35	13.75	4.15	
Power grid construction	direct Material	8,649,173,516.55 89.90 7,918,549,558.55 91.96				9.23	
Power grid construction	direct artificial	293,445,998.07	3.05	206,484,475.01	2.40	42.12	
Power grid construction	Fuel power	247,761,563.78	2.58	147,417,516.69	1.71	68.07	
Power grid construction	manufacture cost	430,821,974.43	4.48	338,000,929.75	3.93	27.46	
Ocean series	direct material	5,235,690,828.62 86.25 2,390,534,765.70			89.55	119.02	
Ocean series	directly artificial	90,779,947.70	1.50	46,998,669.81	1.76	93.15	
Ocean Series	fuel Power	108,238,949.47	1.78	37,180,583.61	1.39	191.12	
Ocean series	manufacturing cost	635,685,520.21 10.47		194,880,392.01	7.30	226.19	
new energy	directly Material	1,321,687,265.04 74.59 1,184,249,914.87 85.00				11.61	
new energy	direct artificial	26,951,924.83	1.52	52,664,290.33	3.78	-48.82	
new energy	Fuel power	106,357,997.99	6.00	31,905,085.94	2.29	233.36	
new energy	manufacture cost	317,022,984.37 17.89		124,415,902.82	8.93	154.81	
copper products	direct Material	4,490,416,253.14 96.67 2,576,559,227.50 95.90				74.28	
copper products	direct artificial	33,457,509.57	0.72	20,220,761.72	0.75	65.46	
copper products	Fuel power	43,411,363.83	0.93	38,152,380.60	1.42	13.78	
copper products	manufacture cost	77,695,962.51	1.67	51,854,996.16	1.93	49.83	
Commodity		10,029,929,322.47	100 15,887,348,916.40 100.00 654,758,203.36			-36.87	
trade other		482,182,331.84	100	100.00		-26.36	

Cost analysis and other information

Not applicable

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

ŸApplicable ŸNot applicable

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

ŸApplicable ŸNot applicable

(7). Major sales customers and major suppliers

#### A. The company's main sales customers

The sales of the top five customers are 15,820,633,500 yuan, accounting for 34.27% of the total annual sales; among which the sales of the top five customers are related to

The sales volume is 00,000 yuan, accounting for 0% 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

ŸApplicable ŸNot applicable

#### B. The company's main suppliers

The purchase amount of the top five suppliers was 11,965,418,000 yuan, accounting for 28.91% of the total annual purchase amount; among which the purchase amount of the top five suppliers was

The purchase amount of related parties is 00,000 yuan, accounting for 0% 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

ŸApplicable ŸNot applicable

other instructions

Not applicable

#### 3. Fee

ŸApplicable ŸNot Applicable

#### 4. R&D investment (1).

R&D investment table

ŸApplicable ŸNot applicable

unit: yuan

Expenditure R&D investment in the	1,468,163,109.30
current period	
	1,468,163,109.30
	3.18

(2). R&D personnel situation table

ŸApplicable ŸNot applicable

The number of R&D personnel in the company	736
The ratio of the number of R&D personnel to the total number of employees in the company	5.73%
(%) Educational structure of R&D personnel	
Educational Structure	Educational structure number of people
Category Doctoral Student	10
Master Graduate	117
Undergraduate Specialist	458
	111

High school and below	40
Age structure of R&D staff	
Age structure category	age structure
Under 30 years old (excluding 30 years old)	324
30-40 years old (including 30 years old, excluding 40 years old)	339
40-50 years old (including 40 years old, excluding 50 years old)	47
50-60 years old (including 50 years old, not Including 60 years old)	26
old) 60 years old and above	0

(3). Situation description

ÿApplicable ÿNot applicable (4).

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

ÿApplicable ÿNot applicable

5. Cash flow

ÿApplicable ÿNot applicable

For details, please refer to Section III Management Discussion and Analysis of this report (I) 1. Income Statement and Cash Flow Statement of Main Business Analysis

Account Change Analysis Form

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

ÿApplicable ÿNot applicable

(3) Analysis of assets and liabilities

ÿApplicable ÿNot applicable

1. Assets and Liabilities

unit: yuan

project name	Closing amount of the current period	end of the current period total capital percentage of production ÿ%ÿ	End of last period	1st half last count Total assets proportion ÿ%ÿ	this issue final amount than the previous period end-of-period change dynamic ratio ÿ%ÿ	Fact Sheet
transactional financing <small>Produce</small>	30,245,276.64	0.07	101,619,114.08	0.22 -70.24		Mainly for financial management at the end of the current period product reduction
Derivative financial assets	73,568,959.75	0.16	106,178,475.78	0.23 -30.71		Mainly due to end-of-period hedging Due to the decrease in contract floating profit
Receivables financing	240,933,182.65	0.53	935,238,094.45	1.98 -74.24		Mainly the bank at the end of the current period due to decrease in acceptance bills
Prepayments	454,178,747.70	1.00 3,739,575,347.43		7.93 -87.85		Mainly Qualcomm at the end of this period Product Advance Reclassification caused by
contract assets	242,630,790.21	0.53	147,202,844.23	0.31	64.83	Mainly by the end of the current period Process progress confirms revenue increase added
Long-term receivables	51,759,223.20	0.11	306,972,326.29	0.65 -83.14		Mainly due to financing at the end of the current period decrease in receivables To.

Long-term equity investment	732,750,015.33	1.61	448,570,843.56	0.95	63.35	Mainly the end-of-period alignment communication network technology limited company investment To
investment real estate	6,036,643.29	0.01	70,435,910.32	0.15 -91.43		Mainly Turkish sons Disposal of investment assets of the company caused by
Construction in progress	993,090,570.29	2.18	504,284,391.74	1.07	96.93	The main line at the end of the current period is south submarine cables, storage batteries and Copper foil expansion and other projects under construction due to increased investment
right-of-use asset	92,149,675.45	0.20				Mainly execute new leases due to changes in standards
goodwill	8,386,288.63	0.02	22,371,165.78	0.05 -62.51		Mainly for Shen Dawei The same, Wuhan Xingsi for business due to impairment of reputation
Deferred income tax Provision	846,526,067.06	1.86	315,362,505.82	0.67 168.43		Mainly for Qualcomm business bad debts and inventory impairment Recognize an increase in deferred tax caused by
short-term loan	3,450,966,505.64	7.56 1,190,640,130.63		2.53 189.84		Mainly for marine business Increase working capital borrowing caused by
bills payable	3,022,409,642.66	6.62 5,845,623,929.92		12.40 -48.30		Mainly for Qualcomm business Issue bills to pay at maturity Due to decrease in closing notes
contract liabilities	2,047,531,834.96	4.49 3,833,086,822.99		8.13 -46.58		Mainly for the period-end forecast due to decrease in receipts
due within one year Non-current liabilities	10,150,796.35	0.02 1,046,375,521.32		2.22 -99.03		Mainly the year at the end of the current period Long-term loan repayment due within also caused
Other current liabilities	366,495,684.86	0.80	600,065,161.16	1.27 -38.92		Mainly to be confirmed at the end of the current period Recognized sales tax reduction caused by
Long term loan	1,906,010,077.79	4.18	498,913,700.00	1.06 282.03		Mainly due to the end of the current period to ensure long-term due to increased borrowing
Bonds payable			3,444,316,513.74	7.31 -100.00		Mainly all convertible bonds Due to conversion and redemption
lease liability	75,775,153.03	0.17				Mainly execute new leases due to changes in standards

other instructions

Not applicable

## 2. Overseas assets

Applicable Not applicable

## (1) Scale of assets

Among them: overseas assets 258,242.66 (unit: ten thousand yuan Currency: RMB), accounting for 5.66% of total assets

(2) Relevant explanations for the relatively high proportion of overseas assets

✓Applicable ✓Not applicable

3. Restrictions on major assets by the end of the reporting period

✓Applicable ✓Not applicable

project	Reasons for restricted book value at the end of the period	
Monetary Funds	1,884,502,362.85	Margin and fund freezing
Notes Receivable	231,086,256.47	Bill pool and loan pledge
Accounts	70,000,000.00	factoring loan
Receivable Other Non-current Assets	60,746,704.77	long-term margin

4. Other instructions

✓Applicable ✓Not applicable

(IV) Analysis of industry operating information

✓Applicable ✓Not applicable

For details, please refer to "VI. Discussion and Analysis of the Company's Future Development" in "Section III Discussion and Analysis of Operation" of this annual report

"(1) Industry Pattern and Trend"

Photovoltaic industry operating information analysis

1. Photovoltaic equipment manufacturing business

Applicable Not applicable

2. Key technical indicators of photovoltaic products

Applicable Not applicable

3. Photovoltaic power station information

Applicable Not applicable

Unit: 10,000 Yuan Currency: RMB

Photovoltaic power station development:					
The number of power stations held at the beginning of the period and the total	Number of power stations sold during the reporting period	The number and total number of power stations held at the end of the period	Approved final assembly in hand	The total of sold power station projects	The sale of the power station in the current period will affect the operation of the company in the current period.
Installed capacity	and total installed capacity	Installed capacity	machine capacity	Turnover	performance impact
54, 361.67MW	6, 36.79MW	57, 366.54MW	35.5MW	15,142.05	471.4

Applicable Not applicable

Unit: 10,000 Yuan Currency: RMB

The cumulative operation of photovoltaic power plants this year:							
area	Installed capacity	Power generation (10,000 kilowatts)	On-grid electricity (10,000 kilowatts)	Settled electricity (10,000 kilowatts)	On-grid electricity price (yuan/	Electricity revenue	subsidy
	MW	Time)	Time)	Time)	kWh)		
distributed:							
Jiangsu	327.75	37,177.6	37,177.6	37,177.6	0.93	30,740.82 377.99	14,553.5
	6.21	687.24	687.24	687.24	0.62	349.07	0
	4.71	390.83	390.83	390.83	1.01		62.38
	27.87	2,638.42	2,638.42	2,638.42	0.42	969.33	0
Shandong Anhui Hubei total	366.54	40,894.09	40,894.09	40,894.09	/	32,437.21	14,615.88

Applicable Not applicable

Unit: 10,000 Yuan Currency: RMB

Photovoltaic power station operation:										
Photovoltaic power station	where land	Installed capacity MW	Electricity subsidy and Years	Power generation (10,000 kWh)	go online Electricity (thousands watt hour)	settlement Electricity (thousands watt hour)	Feed-in tariff (yuan/kW Time)	electricity bill income	business profit	cash flow
distributed:										
Nantong power station	Nantong	130.56	0.42/0.859 yuan/ degrees, 20 years	13,480.34	13,480.34	13,480.34	0.93	11,065.17	2,672.71	11,247.45
Hefei Feixi	Hefei	4.71	0.6156 yuan/degree, 20 years	390.83	390.83	390.83	1	349.07	5.89	225.38
Rudong Western mouth	Rudong county	164.9	0.459/0.809 yuan /degree 20 years	20269.45	20269.45	20269.45	0.98	17572.53	7,418.6	16,224.72
Hubei power station	bamboo forest bridge, Xue Ji	27.87	0.4161 yuan/degree, No subsidy	2638.42	2638.42	2638.42	0.42	969.33	-606.74	1,403.22
Xuzhou rainbow power station	Xuzhou Suining	16.37	Spontaneous use, no supplement paste	1711.06	1711.06	1711.06	0.71	1068.33	149.96	1,175.1
Yancheng Power	Yancheng	15.92	0-0.42 yuan/degree Subsidy for 20 years	1716.75	1716.75	1,716.75	0.68	1034.79	186.41	1,170.21
Station Shandong rainbow power station	Shandong Jinan	6.21	Spontaneous use, no supplement paste	687.24	687.24	687.24	0.62	377.99	69.72	417.78
Financial derivative products related to the electricity fee income of the power station (if any): none										

4. Recommended form

(1). Production of photovoltaic products and capacity under construction

☑Applicable ☐Not applicable

(2). Main financial indicators of photovoltaic products

☑Applicable ☐Not applicable

If photovoltaic products are sold overseas, they should be listed by country or region

☑Applicable ☐Not applicable

(3). Information on photovoltaic power station engineering contracting or development projects

☑Applicable ☐Not applicable

Unit: 10,000 Yuan Currency: RMB

Electricity price subsidy for the installed capacity of the photovoltaic power station location and the investment scale of the development and construction period							Current investment	Project progress	Current project receipts
							Forecast	condition	enter
distributed:									
Hengke Project Nantong	180 days	11808.78	Non-raised 7954.2	Acceptance 7,924.32					
Jiangdong Fittings Nantong	90 days	2194.07	Non-raised 4756.27	Construction 1,411.87					
Jiangdong Electronics Nantong	90 days	423.52	Non-raised 0.8267	Under construction 299.84					
Huaneng International Nantong	90 days	361.54	Non-raised 0.874	Acceptance 287.79					
Jiangsu Surun Nantong	90 days	209.64	Non-raised 182.06	Delivery 188.31					
Jiangsu Yameng Nantong	90 days	144.5	Non-raised 123.97	Delivery 132.57					
Supply of self-products in the power station project: The photovoltaic supports and new energy cables required by the company's distributed photovoltaic power stations are provided by the company's industrial chain.									

5. Other instructions

☑Applicable ☐Not applicable



(5) Analysis of investment status

Overall analysis of external equity

investment ☐Applicable ☐Not applicable

For details, please refer to “17. Long-term equity investment” in “VII. Notes to Consolidated Financial Statements” in Section X of this report.

1. Significant equity investment

☐Applicable ☐Not applicable

Unit: ten thousand yuan

Name of investment	Amount	Shareholding %	type of investment
company Zhongtian Gold Investment Co., Ltd.	17,600.00	100	cash
Zhongtian Technology Equipment Cable Co., Ltd.	8,500.00 250.00	100	cash
Zhongtian Photovoltaic Materials Co., Ltd. Zhongtian		100	cash
Energy Storage Technology Co., Ltd. Zhongtian	20,000.00	100	cash
Technology Brazil Co., Ltd. Zhongtian Broadband	9,530.34	100	cash
Technology Co., Ltd. Zhongtian Electronic Materials	4,004.00	100	cash
Co., Ltd. Zhongtian Technology Morocco Co., Ltd.	1,770.00	92	cash
Zhongtian Group Shanghai Superconducting	3,661.93	100	cash
Technology Co., Ltd. Jiangdong Electronic Materials Co.,	1,000.00	70	cash
Ltd. Zhongtian Chaorong Technology Co., Ltd.	2,500.00	100	cash
	5,000.00	100	cash

2. Significant non-equity investment

☐Applicable ☐Not applicable

3. Financial assets measured at fair value

☐Applicable ☐Not applicable

securities broker code	short name	Number of shares held at the end of the period Amount (shares)	Initial investment amount (Yuan)	Book value at the end of the period (Yuan)	Book value at the beginning of the period (Yuan)	Profit and loss during the reporting period (yuan)	reporting period owner Changes in Equity (Yuan)
002281 Optical	Technology 25986591	600919 Jiangsu	15,880,694.50 605,227,704.39	754,650,602.64		-149,422,898.25	
Bank 19368828			25,686,750.93 112,920,267.24	105,756,956.76		7,163,310.48	
688596 Zhengfan	Technology 2124332		9,060,275.53	54,913,982.20	94,208,679.88	468,933.20 42,340,248.16	

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

period ☐Applicable ☐Not applicable

(VI) Sale of major assets and equity

☐Applicable ☐Not applicable

(VII) Analysis of major holding companies

☐Applicable ☐Not applicable

For details, please refer to “1. Equity in subsidiaries” of “IX. Equity in other entities” in Section X of this report.

(VIII) Situation of structured entities controlled by the company

√Applicable √Not applicable

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

Industry pattern and trends √Applicable √Not applicable

1. Energy network field

(1) Advance into the deep sea and help offshore wind power grid parity

Guided by the "3060" dual carbon goals, the 14th Five-Year Plan issued by various coastal provinces has made important arrangements for the construction of offshore wind power. 60GW (see the table below for the planning details of some provinces), and local subsidies have been introduced successively to ensure a smooth transition of offshore wind power to the era of comprehensive parity in the early 14th Five-Year Plan. It is foreseeable that offshore wind power will continue its high-speed compound growth during the 14th to 15th five-year plan period.

area	Fourteenth Five-Year Plan Installed Capacity	Incentive policies have been introduced
Guangdong	During the "14th Five-Year Plan" period, the marine industry will be cultivated and expanded, and an offshore wind power industry cluster will be built. Strive to build a cumulative installed capacity of 18GW by 2025	Subsidy policy: From 2022 to 2024, subsidy of 1,500, 1,000, and 500 yuan per kilowatt for full-capacity grid connection.
Shandong	The master plan is 35GW, with construction starting at least by 2025  10GW, put into operation 5GW	Subsidy policy: From 2022 to 2024, subsidy of 800, 500, and 300 yuan per kilowatt for grid-connected projects.  Offshore wind power projects that will be completed and connected to the grid by the end of 2023 will be exempt from building or leasing energy storage facilities.
Zhejiang	New offshore wind power during the "14th Five-Year Plan" period  4.5GW, 9.96GW newly added or started	Vigorously develop the new energy industry, introduce offshore wind power development policies, and vigorously promote the "scenery multiplication project".
Jiangsu	During the "14th Five-Year Plan" period, there are 42 planned offshore wind power sites, with a scale of 12.12GW	During the "14th Five-Year Plan" period, focus on the implementation of projects in the territorial waters, arrange 2-3GW scale competition every year, steadily carry out the demonstration of deep-sea offshore wind power, and promote the flexible DC centralized transmission technology of offshore wind power.
During the 14th	Five-Year Plan period in Hainan, 11 sites with a total of 12.3GW are planned	3 demonstration projects with a total of 4.2GW, and the remaining 8 competing projects with a total of 4.2GW  8.1GW
25 planned sites	in Guangxi, with a total installed capacity of 22.5GW	The National Energy Administration approved 7.5GW in advance, requiring 3GW to be put into operation by 2025.

Table 6-1: The 14th Five-Year Plan and Incentive Policies for Offshore Wind Power in Some Coastal Provinces Source: Fengmang Energy

During the 14th Five-Year Plan period, in addition to the continuation of the high-speed compound growth trend, my country's offshore wind power may also experience the following new situations:

Project scale: The large-scale development of offshore wind power projects is an important way to achieve parity. It has the following advantages: (1) It is beneficial to reduce the cost of early development and project construction management; (2) It is beneficial to reduce the entry and exit of large construction machinery and equipment. Dispatch and reduce construction costs; (3) It is conducive to giving full play to the advantages of centralized delivery, and diluting the cost of sending submarine cables and sea areas; it is conducive to exerting intelligence

It adopts the technical means of centralized operation and maintenance such as intelligentization, intelligence and big data to reduce the operation and maintenance cost. Among them, the leading submarine cable companies need

Provide submarine cable products with better quality, higher voltage level and larger transmission capacity to better utilize the advantages of centralized delivery.

Offshore and deep-sea projects: With the development of offshore projects becoming more and more saturated, my country's offshore wind power is speeding up to the deep blue, and the market is eager to

The demand structure of submarine cable products will change: (1) For longer transmission distances, power collection lines need to be optimized, and flexible HVDC technology is more widely used; (2) According to the World Bank estimates, the global offshore wind power technology has a development potential of 71,000GW, More than 70% are located in deep water areas suitable for floating wind power. Traditional submarine cables can no longer meet floating wind turbines, and dynamic submarine cables with extremely high tensile strength requirements are required; (3) The deep and far-sea nature of offshore wind power has put forward new requirements for construction, from "port engineering" to "Offshore engineering" means that most of the original ship machinery resources need to be upgraded.

The iteration of large-capacity wind turbines is accelerated: the cost of wind turbines accounts for more than 40% of the total investment in offshore wind power, and the large-scale wind turbine units can effectively reduce the unit cost of offshore wind power. During the 13th Five-Year Plan period, the capacity of wind turbines is generally 4-6MW, and 8-10MW wind turbines have been used in small batches in the sea areas of Fujian and Guangdong. Entering 2022, all major mainstream wind turbine manufacturers have released 16MW models. Judging from the tenders for affordable projects that have been launched, the wind turbine capacity is required to be above 10MW. Corresponding to the large-scale wind turbine, the voltage level of the array submarine cable in the field will also be increased from the original 35kV to 66kV. At the same time, the large-scale application of large-megawatt-class offshore wind turbines requires the support of industries such as offshore construction and marine engineering. In addition to the upgrading and reconstruction of some existing ships, new shipbuilding machines are also expected to be put into operation. It is expected that in the next two to three years my country's high-performance offshore wind power professional construction ships are still in a state of short supply.

(2) The popularity of the solar energy storage policy has not diminished, triggering a heated discussion about the application of new energy in the power market

̣The development of new energy and policies are driven by two wheels, and the momentum of energy storage continues to rise

The National Development and Reform Commission and the National Energy Administration jointly issued the "14th Five-Year Plan for New Energy Storage Development Implementation Plan" to clarify the development goals of new energy storage, to full market development. This policy is a programmatic document for the development of new energy storage during the "14th Five-Year Plan" period following the "Guiding Opinions on Accelerating the Development of New Energy Storage" in 2021. In 2025, the installed capacity target, market position, and business model of energy storage have been clarified, and relevant national and local policies have been further improved. Applications, energy storage on the power generation side, grid side, and user side will usher in new application demands, and the industry has broad prospects.

With the continuous expansion of the installed capacity of renewable energy and the continuous improvement of policies related to energy storage and electricity prices, the demand for new energy storage technologies mainly based on lithium batteries is clear. amount of space. Since it will take time for the domestic power spot market to be fully established, policies that require or encourage the deployment of energy storage will still be the core driving force for domestic energy storage project investment in the next 2-3 years. GII (High-tech Industrial Research Institute of New Energy) predicts that the domestic energy storage market will enter a stage of rapid development during the 14th Five-Year Plan period, and the domestic energy storage battery shipment scale in 2025 is conservatively estimated to exceed 320GWh.

̣The release of demand for new energy storage construction drives the two-way development of the industry and technology

As the proportion of new energy sources such as wind energy and solar energy in my country's energy system continues to increase, energy storage technologies and industries closely related to the development of new energy sources have also attracted much attention. The new energy storage is mainly electrochemical energy storage represented by lithium-ion batteries. The electrochemical energy storage system mainly includes battery pack, bidirectional converter (PCS), energy management system (EMS), battery management system (BMS) and other It consists of multiple components such as electrical equipment. The development potential of electrochemical energy storage is huge. Leaders in various fields have deployed different links of the energy storage track in advance, and the release of demand promotes the development of the industry.

As the only way to apply photovoltaic and wind power on a large scale, energy storage is a key track for global energy innovation, and the industry development path is clear. Since the "13th Five-Year Plan", my country's electrochemical energy storage, compressed air energy storage and other technological innovations have made great progress.

The cumulative installed capacity of type energy storage exceeds 4GW. At present, my country's new energy storage market is still in the early stage of development, the penetration rate is low, and the market still has Great potential for development. With the continuous advancement of technology, the new energy storage industry will further develop.

̣ The deepening development of electricity market-oriented transactions promotes the formation of energy storage business models

While the scale of new energy storage applications is expanding rapidly, it also faces problems such as imperfect market mechanisms, lack of effective cost alleviation mechanisms, and high energy storage costs that are not attractive to investors. In the process of building a unified national electricity market, The establishment of effective energy storage business models should be explored.

The long-term mature business model supports steady development The income model is gradually enriched, and the single-project multi-layer income model needs to be developed. Policies can only be used as a driving force for the initial development of the industry. The main body of energy storage should take advantage of the reform of policies and market mechanisms to explore and establish a mature business model, achieve real independence of the main body and obtain bargaining power in the energy storage service market to protect the industry. Steady development. At present, my country's energy storage companies have developed a variety of profit models on the power generation side, transmission and distribution side, and user side, mainly including peak shaving and valley filling income, peak and frequency regulation and other grid auxiliary services, supporting energy storage leasing, shared energy storage, and energy contracts. management mode. In addition, all localities should make overall arrangements for energy storage projects according to development needs and local conditions, promote the coordinated development of renewable energy and energy storage, and promote the integration of "source, network, load, and storage" and the construction of multi-energy complementary bases.

In December 2021, the Shanxi Energy Supervision Office publicly solicited opinions on the "Implementation Rules for Shanxi Independent Energy Storage Power Stations to Participate in Electric Power Primary Frequency Regulation Market Transactions (Trial)". This is the first local policy in the country for independent energy storage to participate in a frequency regulation to obtain paid services. Similar rules are conducive to the rapid adjustment of resources by energy storage.

̣ Local financial subsidies for photovoltaics fill the vacancies left by the withdrawal of state subsidies

In 2022, photovoltaics will enter a fully unsubsidized era. With the disappearance of the kWh subsidy support for household photovoltaics of 0.03 yuan/kWh for X20 years, local governments are gradually becoming policy promoters in the household photovoltaic market, filling the fill the vacancy left by the exit. According to the statistics of Great Wall Securities, at present, more than 30 provinces, cities and districts, including Shandong, Anhui, Guangdong, Zhejiang, and Shaanxi, have clarified their photovoltaic subsidy policies.

For photovoltaic companies, the local subsidy policy is also a policy bonus that can be seized. Some industry experts said in an interview with the media that the central government has been subsidizing photovoltaics and wind power for a long time. Through direct financial support, my country's photovoltaic and wind power technologies have achieved rapid development, and their power generation costs have been declining. The enthusiasm of enterprises has also increased. relatively high. After the national subsidy is cancelled, it is more beneficial for the local governments to choose whether to continue the subsidy, which is more conducive to the development of the new energy industry in a targeted manner.

̣ The large base and the distributed whole county will push forward together to promote the growth of demand in the photovoltaic industry

Ground power stations and distributed photovoltaics are the main sources of photovoltaic demand. Large-scale wind and solar base projects and distributed photovoltaics throughout the county promote projects. The project has a large scale of installed capacity and strong certainty. With the gradual implementation of the project, it is expected to become a strong support for the demand for new photovoltaic installations in the future.

The large base project continued to advance. In October 2021, General Secretary Xi Jinping announced at the 15th COP Leaders Summit of the Convention on Biological Diversity: "Vigorously develop renewable energy, and speed up the planning and construction of large-scale wind power photovoltaic base projects in deserts, Gobi, and desert areas. The first phase of the project with an installed capacity of about 100 million kilowatts has started in an orderly manner in the near future." According to the statistics of photovoltaics in November 2021, about 60GW of large-scale wind power photovoltaic base projects in China have been announced to start construction, of which the scale of photovoltaic projects of investment companies has been clarified as 26.13GW; the second batch of new energy large base projects has recently started to declare, according to the notice , it is required to have been approved (recorded) and can start construction in 2022, in principle, it can be completed and connected to the grid in 2023; the scale of a single project is not less than 1GW.

province	project name	PV installed capacity (unit: GW)
----------	--------------	----------------------------------

Jilin	Jixi Base Lu DC Baicheng 1.4 million kilowatt delivery project	0.4
Inner Mongolia	2 million kilowatts photovoltaic desertification control project in Kubuqi, Mengxi Base	2
Inner Mongolia	Inner Mongolia Erdos Outbound Project Wind Power Photovoltaic	2.2
Shaanxi	Base Weinan New Energy Base Shaanwu DC	2.93
Shaanxi	Phase I Outbound New Energy Project	3.95
Shaanxi	Shenfu-Hebei South Grid UHV Channel Supporting New Energy Project Qingyu	2.2
Qinghai	DC Supporting Phase II 10,000-kilowatt wind-solar-storage	3.5
Shandong	integration base in Yancheng tidal flat in northern Shandong	2
Shandong	The first batch of silver 1.1 million kilowatt new energy projects of "Longdian into Shandong"	1.1
Guangxi	Guangxi Hengzhou 2.6 million kilowatts wind-solar storage integrated large-scale base demonstration	2.6
project Ningxia	National Energy Group Ningxia Electric Power Company 2 million kilowatts smart photovoltaic project	2
Inner Mongolia	Inner Mongolia Tuoketuo 2 million kilowatt delivery project	0.3
Anhui	1.2 million kilowatts wind and solar project in southern Fuyang,	0.65
Shanxi	Anhui 300,000 kilowatts "photovoltaic + energy storage" project in Yuyang, Shanxi	0.3
total		26.23

Table 6-2: Some major base projects that have been announced for construction Source: Photovoltaics, West China Securities Research Institute

The whole county promotes rooftop distributed photovoltaics to expand the photovoltaic market space. In June 2021, the General Department of the National Energy Administration issued the "About  
"Notice on Submitting the Pilot Program of Roof Distributed Photovoltaic Development in the Whole County (City, District)", it is planned to organize the whole county (city, district) nationwide  
Promoting the pilot work of rooftop distributed photovoltaic development;  
A total of 676 counties (cities, districts) were submitted nationwide, all of which were listed as the whole county's rooftop distributed photovoltaic development trials.  
point.

Building type Party	Proportion of installed photovoltaic power generation
and government organs building roof 50%	
40% of the roofs of public buildings such as schools, hospitals, and village committees	
Roofs of industrial and commercial	30%
plants Roofs of rural residents	20%

Table 6-3: Proportion of installed photovoltaic power generation in the total roof area of the entire county Source: National Energy Administration, West China Securities Research Institute

According to the forecast of CPIA (China Photovoltaic Industry Association), the scale of newly installed photovoltaic capacity in my country and the world will continue to grow in the future.  
In 2022, my country's newly installed capacity will be between 60-75GW, and the global newly installed capacity will be between 150-170GW; by 2025,  
my country's newly installed photovoltaic capacity will reach 90-110GW, and the global photovoltaic installed capacity will increase to 270-330GW, which will achieve stability  
increase.

(3) Energy transformation to build a new power system and increase the scale of investment in power grid construction

•1 The proportion of new energy power generation increases, and grid investment is expected to accelerate

According to the "2021-2022 National Electricity Supply and Demand Situation Analysis and Forecast Report" issued by China Electricity Council, it is estimated that in 2022, my country's  
The electricity consumption is expected to reach 87-88,000 GWh, a year-on-year increase of 5%-6%;  
The installed capacity is about 230GW. In addition to the growth in electricity consumption, the power system and power structure are also changing. New energy to the main body  
Energy is moving forward. It is estimated that in the next few years, the average annual new energy installed capacity is expected to exceed 100GW. At the same time, the development of distributed power,  
Speed up the access of electric vehicles. Under this trend, it is urgent to increase investment in power grids, build new transmission channels, and improve the level of intelligence in distribution networks.  
Realize digital empowerment and better support the transformation of the power system.

On January 13, 2022, the State Grid annual work meeting pointed out that the planned investment in the power grid in 2022 will reach 501.2 billion yuan.

For the first time, the annual power grid investment plan of the State Grid exceeded 500 billion yuan, a record high, with a year-on-year increase of 8.84%.

\*2 During the “14th Five-Year Plan” period, UHV was vigorously developed

UHV is the core measure to solve the spatial mismatch between new energy and terminal loads, and it is also the key to realizing the interconnection of large power grids and improving the power flow control and stability of the system. From 2021 to 2022, the construction of domestic large-scale wind and solar base projects will be launched one after another, which will generate new demand for UHV.

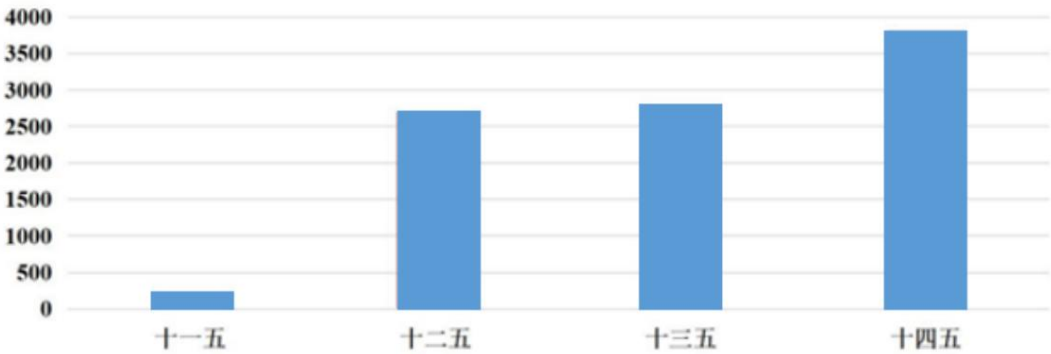


Figure 6-1: State Grid UHV Investment Scale Source: Dongguan Securities

On January 24, 2022, the President of the People's Republic of China delivered an important speech. Regarding energy and power, President Xi Jinping mentioned: It is necessary to intensify the planning and construction of large-scale wind and photovoltaic bases based on the surrounding clean, efficient, advanced and energy-saving coal power. A new energy supply and consumption system based on stable, safe and reliable UHV power transmission and transformation lines. President Xi Jinping's statement sent an important signal. The new energy supply and consumption system based on wind and photovoltaic power bases, supported by clean coal power, and ultra-high voltage transmission, conforms to my country's resource endowment and the objective laws of power system development, and has an important impact on power development.

In March 2022, the National Development and Reform Commission and the National Energy Administration issued the “14th Five-Year Plan for Modern Energy System”, proposing “to promote the construction of a new power system and promote the gradual increase in the proportion of new energy. Intensify efforts to plan and construct large-scale A new energy supply and consumption system based on the wind power photovoltaic base, supported by the surrounding clean, efficient, advanced and energy-saving coal power and with stable, safe and reliable UHV transmission and transformation lines as the carrier.”

\*3 The proportion of investment in distribution network is expected to increase significantly during the “14th Five-Year Plan” period

The distribution network is the key link of energy production, conversion and consumption, and the core of the new power system with new energy as the main body. The distribution network is divided into rural power grid and urban power grid. In terms of rural power grid, the automation level of my country's rural power grid is low. However, a large number of distributed new energy sources such as photovoltaics and wind power have been built in rural areas, which has a great impact on the scheduling, protection and response of rural power grids. Big impact, the need for intelligent and digitalization of rural power grid is urgent. In terms of urban power grids, the large number of microgrids and the unpredictable load access have caused the urban distribution network to face greater pressure. The urban distribution network urgently needs to be expanded to solve the problem of grid-connected consumption of distributed new energy. Therefore, the proportion of investment in distribution network is expected to increase significantly during the “14th Five-Year Plan” period.

After the large-scale application of electric vehicles in the future, the battery capacity will be larger, and the fast charging power of a single vehicle will reach hundreds of kilowatts or more. At the same time, the load fluctuation caused by the simultaneous charging of a large number of electric vehicles is superimposed on the original load peak-valley curve of the power grid, which will affect the regional distribution network. A huge power load impact is generated, and it is necessary to use the AC-DC hybrid flexible distribution network system to achieve orderly charging time, orderly charging power, and orderly distribution flow, so as to ensure the safe operation of the distribution network, which will promote orderly charging technology, development and use.

During the "14th Five-Year Plan" period, the distribution network planning will change from the traditional physical grid planning to the energy grid, information support, and value creation.

The system is comprehensively extended, promoting the construction of a smart energy system centered on electricity, and realizing the transformation from "source-load-driven" to "source-load interaction"

Change. In terms of State Grid, during the "14th Five-Year Plan" period, it plans to invest 2.2 trillion to promote the transformation and upgrading of the power grid, of which the distribution network is expected to account for

In terms of China Southern Power Grid, about 670 billion yuan is planned to be invested during the "14th Five-Year Plan" period to speed up the construction of digital power grids and modernized power grids, of which about 320 billion yuan is invested in the distribution network.

Driven by the national top-level design and the investment and construction of the two major power grid companies, UHV and smart grids will usher in a new round of construction peaks during the "14th Five-Year Plan" period.

## 2. Communication network field

In 2021, the Ministry of Industry and Information Technology issued the "14th Five-Year Plan for the Development of the Information and Communication Industry". The plan highlights the functions and positioning of the information and communication industry. The infrastructure has also expanded from traditional information transmission as the core of telecommunication network facilities to fusion perception, transmission, storage, computing and processing as one of the new digital infrastructure, has developed into the base of the digital economy.

### (1) Digital transformation, the potential of mobile traffic consumption will be further released

Under the influence of the new crown epidemic, the penetration rate of non-contact services has increased significantly, and users are more interested in mobile Internet such as online shopping and online office. Application dependence deepens. In 2021, my country's mobile Internet users will account for 86.2% of mobile phone users. Previously, the penetration rate from 2016 to 2019 was basically stable at 80%-82%. Thanks to the improvement of mobile terminal functions and the continuous acceleration of the network, the application scenarios of high-traffic such as short videos and webcasts are more abundant, and the potential of mobile traffic consumption is further released. In terms of growth rate, under the base of the 5-year average growth rate of mobile Internet traffic from 2016 to 2020 as high as 109%, it will still achieve a relatively high growth rate of 33.9% in 2021; 23.6 times the year.

"Metaverse" has started a new journey for the next generation of Internet and has become an industry outlet. The mobile Internet traffic dividend is coming to an end. Deeply digging user value and finding new entrances are new growth drivers. The realization of the massive real-time information interaction and immersive experience of the Metaverse requires the continuous improvement of communication technology and computing power. The continuous improvement of capabilities and the continuous upgrade of computing power such as cloud computing and edge computing technologies will promote the development of the Metaverse, drive the large-scale development of new infrastructure and users, and the future development prospects are promising.

### (2) The market demand for communication networks is increasing, and the layout of the industrial chain is expected to accelerate

By the end of 2021, the length of newly built optical cable lines will reach 3.19 million kilometers, and the total length of optical cable lines nationwide will reach 54.88 million kilometers (about 2.6 billion core kilometers), 1,126,000, 18,740,000 and 35,020,000 kilometers, and the length of the access network optical cable line increased by 2.97 million kilometers over the previous year. Access network optical cable construction has become the main force. According to the forecast of consulting agency CRU, the demand for optical cables in China will reach 261 million core kilometers in 2022, a year-on-year increase of 6.5%. By 2025, fiber optic cable demand will peak at 283 million core kilometers.

### (3) The major strategic decision of "carbon peaking and carbon neutrality" promotes a comprehensive green transformation of production and lifestyle

The 14th Five-Year Plan and the 2035 Vision Outline clearly stated that "by 2035, the green transformation of production and lifestyle will achieve remarkable results, the allocation of energy resources will be more reasonable, the utilization efficiency will be greatly improved, and the energy consumption per unit of GDP and carbon dioxide emissions will be reduced by 13.5% respectively, 18%". Data centers reduce carbon emissions through green energy conservation. Digital technology reduces power resource consumption in ICT systems and improves energy utilization through software and hardware support, gradually achieving the national goal of "carbon peaking and carbon neutrality".

### (4) "East and West Calculation" has become a strong driver of the communication industry chain

The current new round of technological revolution and industrial transformation is reshaping the global economic structure. As the core productivity of the digital economy, computing power, Become the new focus of global strategic competition. National Development and Reform Commission, Central Cyberspace Administration, Ministry of Industry and Information Technology, National Energy Administration Recently, a document was jointly issued and agreed to start the construction of national computing power hub nodes in Beijing-Tianjin-Hebei, Yangtze River Delta, Guangdong-Hong Kong-Macao Greater Bay Area, Chengdu-Chongqing, Inner Mongolia, Guizhou, Gansu, and Ningxia, and planned 10 national data center clusters including Zhangjiakou cluster. At this point, the "East and West" project was officially launched.



Figure 6-2: Regional layout of national hub nodes

"East and West" computing power system, build high-speed data transmission between data center clusters, as well as between clusters and major cities Network, optimize the communication network structure, expand the network communication bandwidth, and reduce the data revolving delay. Establish a data center network monitoring system to promote efficient supply docking and coordinated development between data centers and networks. Optimistic about the demand for IDC (Internet Data Center), ICT (Information Communication Technology) equipment, optical modules, operators, optical communications and other fields driven by the construction of the "East Digital and Western Computing" computing power system network, especially the new technology in "East Digital". The application of "Western Computing" backbone transmission platform promotes research on G.654.E fiber, multi-core fiber and hollow-core photonic crystal fiber.

3. Emerging industries

The new material industry covers a wide range, product updates and iterations are rapid, and a number of alternative new material technologies have reached the outbreak period, while the competition of new material companies is more about technology competition. Always keep your business competitive.

(1) High-performance polyimide (PI) film: the market demand is becoming more and more abundant, and the product is moving towards high-end and high-value

Because of its important strategic significance and high added value, high-performance PI film has been supported by many national industrial policies in recent years. Technology is also progressing rapidly. However, the technical threshold of high-performance PI membrane is very high, the core equipment is dependent on imports, the R&D investment is large, the cycle is long, the process is very complex, and long-term technical accumulation is required, so there are not many actual projects.

Domestic artificial graphite thermal conductive film manufacturers have entered the expansion stage, and the entry of new investors has made artificial graphite thermal conductive. The domestic market demand for PI membranes for membranes has exceeded 3,000 tons per year, and there will be a shortage of supply. With the domestic chemical method PI membrane products With the increase of scale and further improvement of performance, the supply capacity of domestic PI film will be further improved, and the proportion of imports will gradually decrease.

With the rapid development of electronic technology, the industrialization scale of FCCL will continue to expand. As a high-performance PI film as a substrate, In 2022, the domestic market demand is expected to exceed 1,400 tons. In terms of market supply, the company is committed to improving brand influence,



Expand the application scope of ZI-H film in the field of FCCL, gradually increase the supply to the market, and meet the urgent needs of localization of core materials in the electronics industry

However, due to the current production capacity limitation of the company's ZI-H membrane, more PI membrane demand still relies on imports.

(2) Super capacitor industry: the technology is becoming more and more mature, and the process of localization of key materials is accelerating

Among the existing supercapacitor technologies in my country, the development of electric double-layer supercapacitor technology is relatively mature, and a relatively complete product system has been formed. Packages and other specifications. The single-unit capacity of large-capacity supercapacitors can reach up to 3000F, and the power density can reach up to 16kW/kg, which is basically the same as that of foreign advanced products; the technology of small-capacity supercapacitors has also reached the international advanced level. In the field of hybrid supercapacitors, especially lithium-ion supercapacitors, technology and products have also made great progress. The lithium-ion supercapacitors produced by Chinese enterprises have a single capacity of up to 60000F and an energy density of up to 100Wh/kg, which is superior to similar products in Japan and South Korea and reaches the international leading level.

At present, from the perspective of the market share of porous carbon materials for supercapacitors in my country, compared with imported materials, the overall market share of domestic porous carbon materials is relatively low, ranging from 20% to 30%. With the improvement of technology and management level of my country's porous carbon materials enterprises, my country's domestic porous carbon materials are expected to achieve market breakthroughs in the past two years, and the sales volume and domestic market share will increase.

(3) Superconducting industry: technology research is in full swing, and many types of products are ready to go

Since the beginning of the 21st century, great progress has been made in the research and development of superconducting power technology at home and abroad, including kilometer-level superconducting transmission cables, superconducting transformers with a capacity of more than 1MVA, and superconducting current limiters with transmission voltage levels (110kV and above). ), MW-level superconducting energy storage systems, 36.5MW-level superconducting motors, 79MW superconducting generators, and 8-10MVar superconducting synchronous modulators have all been demonstrated in actual power grids, and good demonstration results have been achieved.

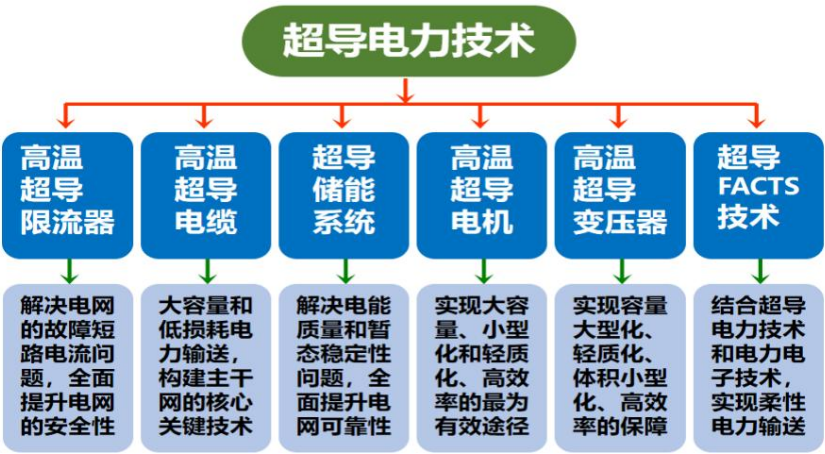


Figure 6-3: Application Scenario of Superconducting Electricity Technology

my country's superconducting power technology application research and development is generally at the forefront of international counterparts, and has its own characteristics and advantages. Taking advantage of the research and development advantages of superconducting products, the company has achieved fruitful results in high-temperature superconducting demonstration projects in the power industry. Together with its subsidiary, Chengdu Xintong, it has increased the research on low-temperature refrigeration technology and low-temperature systems closely related to the application of superconducting technology, and further improved the company's superconductivity. Product and application technology development level. At the same time, the company pays attention to the research and development and technical investment of superconducting related edge products to supplement the market share outside of high temperature superconducting products.

(II) Company development strategy

Applicable Not applicable

In 2021, the company will practice the business policy of "homeopathic dual circulation, winning with high quality", give full play to the advantages of the mechanism, and plan for increments.

Seize the opportunities of new infrastructure construction and overseas new crown epidemic; optimize the stock, adhere to digital leadership and service-based value-added. Perfect Zhongtian "Ten"

"Fourth Five-Year" strategy: comply with the "clean and low-carbon" new economic order, strive to be the main force of the "dual-carbon" ultra-long track, and strive to become an enterprise that takes responsibility for the regional economy, serving the construction of an electricity-centered energy system, The new development stage of the new power system with energy as the main body.

(3) Business plan yApplicable

yNot applicable

1. Seize the "dual carbon" opportunity to provide better marine energy system solutions

In line with the country's high-quality development and "clean and low-carbon" development requirements, give full play to its own brand, technology, talents and other aspects

advantages, increase investment in R&D and talent team building, adhere to the guidance of technological innovation and market demand, strive to build a deep-sea, globalized technology and product system, and

accelerate the digital and intelligent construction of product manufacturing and service systems, Efforts will be made to improve the capability of marine energy system solutions, and actively embrace the new era of "grid parity" for offshore wind power.

(1) Upgrade high-end manufacturing and promote the digitization of manufacturing

Continue to develop digital construction, improve the manufacturing capacity of the marine equipment industry, enhance the integration of digital technology and machinery and equipment, combine 5G technology to build video networks, Internet of Things, and build a new generation of smart factories. Through the digitalization of the manufacturing industry, "manufacturing upgrade + management upgrade" can be realized to achieve the effect of increasing efficiency and improving quality.

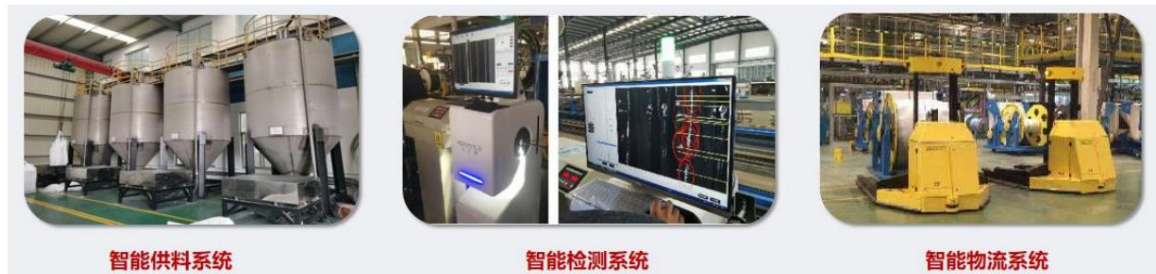


Figure 6-4: Part of the digital construction results of the company's marine industry

(2) Provide integrated services and practice servitization of manufacturing

The marine series business will mainly focus on four major areas: product system integration service, general engineering contracting, testing service output, and technical service output. Through resource layout, the capability of offshore wind power operation and maintenance general contracting, marine equipment testing and testing, and offshore product design consulting services has been formed. Key projects include: building a comprehensive submarine cable and special cable system that integrates operation and maintenance testing, troubleshooting, and emergency repair. Operation and maintenance service platform; expand the operation and maintenance testing business of electrical equipment of wind turbines and oil and gas platforms; build submarine topographic mapping capabilities; realize the replacement and maintenance of large parts of wind turbines.



Figure 6-5: Some of the company's products and services

(3) Localized layout in the domestic market to provide faster and better services

The company built submarine cable production bases in Shanwei and Dafeng respectively, and established a joint venture with leading partners in the industry chain in Yangjiang and Yancheng.

Engineering construction company, to build the next generation of offshore wind power installation ships and foundation construction ships that adapt to the large-scale and far-reaching wind turbines in the future.

Ship-machine transition efficiency and response speed.



Figure 6-6: National Layout of Marine Industry

(4) Localize the development of overseas markets and steadily increase the market share of China's intelligent manufacturing

The overseas market implements a localization strategy. By establishing local companies, recruiting local technical personnel, and forming service teams,

Provide package operation and maintenance services, form a strong bond with customers, and further improve in the international offshore wind power, power grid and offshore oil and gas markets

market share.

2. Photovoltaic distribution and storage help new energy infrastructure and escort the green and low-carbon development of energy

The new energy industry is guided by the new energy infrastructure policy, adhering to the business policy of "green drive, compliance and steady progress", and adapts to energy

The general trend of industrial development, vigorously expand the construction of green energy projects, match the supply of key materials, and continue to improve the quality of supply chain development.

We will strive to build a new energy industry system and help the high-quality development of new energy infrastructure.

(1) Focus on energy storage system integration technology and create a world-class energy storage system integrated supply system

The company takes the initiative to grasp the policy opportunity of new energy distribution and storage, and provides green energy system solutions and energy storage system power station construction and service.

We will work hard to solve the problem of consumption, aim at pilot demonstration projects, and take the initiative to follow up and implement the project of "revealing the list and taking command".



Figure 6-7: The company's energy storage system products

The company adheres to the R&D and manufacturing of green energy storage systems, and is committed to becoming a "world-class provider of integrated solutions for energy storage systems".

Provide customers with customized energy storage system solutions to realize the beautiful vision of "green life further", based on electricity storage

Large-scale mass production of high-power, large-capacity, high-safety, long-life square lithium-ion batteries for energy systems, with high efficiency, long life,

High-security system integration is the core, focusing on the safety, reliability, technicality, integration, and intelligence of system products.

The characteristic highlights are located in various key projects. The company has set up a comprehensive system integration team to provide a complete set of system integration solutions for the market and customers, and simultaneously assist the development of system integration services.

While focusing on the extension of product end to customer service, the company has also laid out the construction of upstream key materials. On the basis of lithium batteries, we will carry out in-depth actions to supplement and strengthen the industrial chain, strengthen the supply guarantee of key materials such as cathode materials, copper foils, precision structural parts, and lithium battery films upstream, and focus on shaping product competitiveness, R&D and innovation capabilities, and highlighting the industry. Aggregation effects and cost advantages.

#### (2) Continue to explore the business model of energy storage and accelerate the large-scale application of new energy storage

In the field of energy storage systems, the company complies with the "new energy distribution and storage" policy, provides safe and high-quality services for customers such as State Grid and major power generation companies, and vigorously promotes the construction of pilot demonstration green energy storage system projects. Relying on the geographical advantage of large-scale new energy access to the power grid in Rudong County, Nantong City, Zhongtian Technology cooperates with relevant partners to jointly study and promote the technical and commercial dual value of shared energy storage at new energy collection points, and explore new commercialization routes according to local conditions; It is actively promoting the Rudong 500MW/1GWh shared energy storage power station project. After the project is implemented, it will become the largest centralized energy storage power station in the country at the present stage. Important parts of. In the later stage, with the completion of the photovoltaic construction of Rudong Dayangkou tidal flat, a larger-scale, more advanced and more representative shared energy storage power station will be built.

#### (3) Product R&D and general contracting service "two-wheel" drive comprehensive energy service extension

Over the years, the company has been actively deploying in the photovoltaic field, creating an operation system for the entire industry chain, and practicing the transformation of manufacturing services into services. Under the background of the national goal of "carbon peaking and carbon neutrality", various types of photovoltaic resources have been fully tapped, and the installed capacity of photovoltaic projects will grow rapidly. The company fully recognizes that high-quality photovoltaic resources have an important influence in the promotion of photovoltaic projects, and regards resource development as an important starting point for the company's operations. In the future, the company will give full play to its own advantages, carry out in-depth cooperation with high-quality resource parties, drive the acquisition of general contracting projects through resource development, and leverage other general contracting projects of partners in the mode of resource exchange, so as to provide the EPC general contracting business of photovoltaic power plants. Powerful assistance has achieved great development of the photovoltaic industry chain.

The company focuses on the development of photovoltaic power station products and general contracting services, and focuses on creating a coordinated development of upstream materials and downstream terminal systems. industrial chain model. The photovoltaic general contracting business and product research and development are bundled and promoted, actively promoting the in-depth promotion and application of key materials such as PVDF films, supporting the forward-looking needs of the market, focusing on the development of lightweight components and flexible front sheets, and promoting the production and use of such new products. The application of large fluorine film in color steel tiles and waterproof membranes increases the proportion of use in new fields, forming a virtuous circle in which general contracting services with Zhongtian characteristics drive product development and application, and high-quality products improve general contracting quality.

Taking the photovoltaic power generation business as an entry point, the company extends its business in the field of comprehensive energy services. Relying on the smart energy management cloud platform, real-time monitoring of all energy consumption of customers, including water, gas, electricity, photovoltaic and carbon emissions, etc., provides data-based and refined management for customers' energy consumption, and is committed to helping customers improve the overall plant area. Supervision ability, reduce the operating cost of enterprise factory area.

#### (4) Efforts will be made to build a new comprehensive energy system with "source-grid-load hydrogen storage integration"

The National Development and Reform Commission and the National Energy Administration issued the "Guiding Opinions on Promoting the Integration of Power Sources, Networks, Loads and Storage and Multi-Energy Complementary Development", requiring the overall planning, design, construction, and operation of various power sources, giving priority to the development of new energy, and promoting multi-energy complementarity. Improve the level of renewable energy consumption.

The company is actively planning the "source-grid-load hydrogen storage integrated energy" project, including various types of energy sources, multi-type Characteristic load, using local power network, equipped with energy storage system, combined with the form of hydrogen energy, using green power locally, reducing overall energy consumption, exploring the construction of a park-type energy self-balancing system, and demonstrating the park model of a new type of power system in the future, Increase regional renewable energy

The degree of development and utilization, optimize the energy consumption structure, increase the proportion of new energy consumption, reduce fossil energy consumption and carbon emissions, and

The establishment of a diversified clean energy supply system and the establishment and improvement of a green, low-carbon and circular development economic system have provided a strong guarantee.

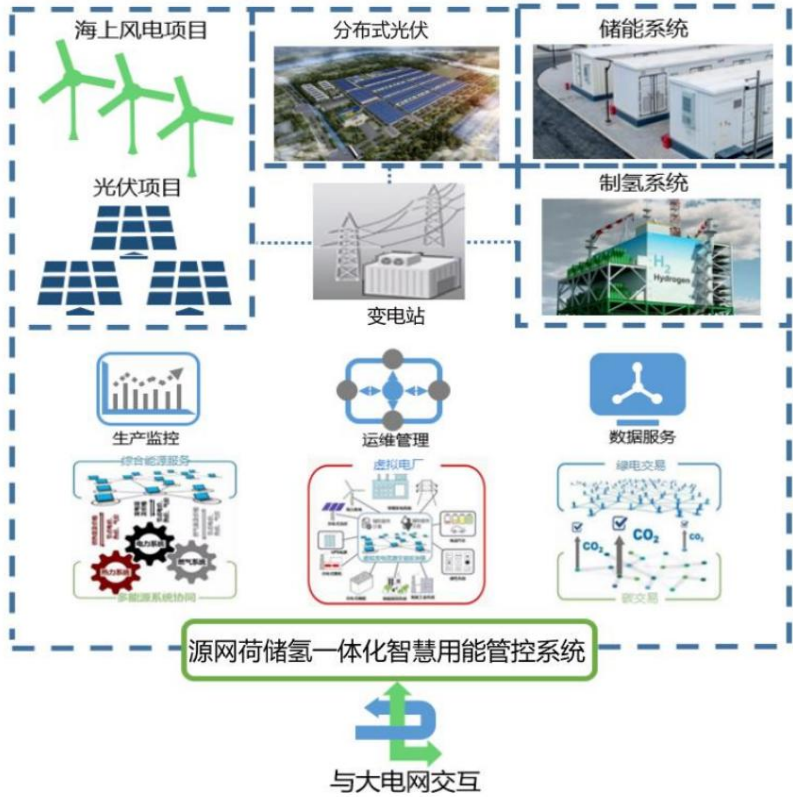


Figure 6-8: Schematic diagram of the integrated smart energy management and control system for hydrogen storage with source, network and load

3. Provide power grid construction system solutions to enhance the core competitiveness of enterprises

(1) Seize the opportunity of new infrastructure, strengthen the main business, make up for shortcomings, and stand at the forefront of technology

Facing the development needs of future smart grid and high-end intelligent operation and maintenance, provide system design scheme, key technical equipment, operation and maintenance technology

Platform and other integrated solutions to develop towards low-carbon, intelligent and maintenance-free. Deeply cultivate mature markets, break through blank markets, and deeply cultivate projects

General contractor, consolidate the first brand of China's export of line products, and build a global leading position in special conductors, OPGW, and maintenance-free fittings. Industry

The chain products are filled and supplemented to maintain the competitive advantage of the market and products.

(2) Improve the product matrix and cultivate champion products

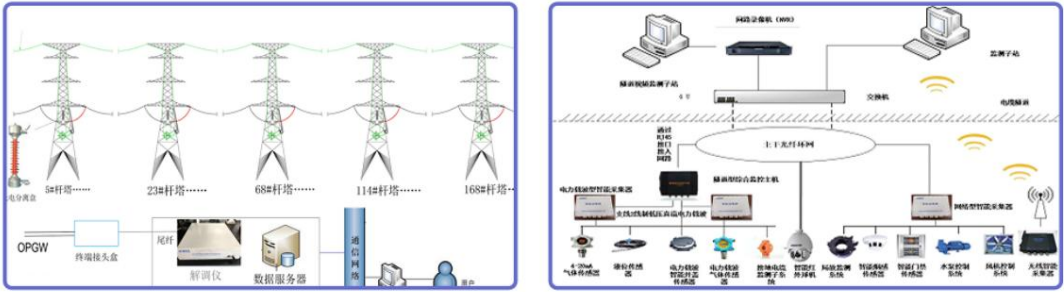
Focusing on the construction of new power systems, continuously enhance the R&D and production capacity in the field of high-end power transmission and distribution, and consolidate high-quality

development foundation and promote the rapid growth of the power industry chain. In the field of overhead power transmission, focus on energy saving, environmental protection, safety and reliability, develop high-performance

Energy transmission products, intelligent sensing products; in the field of distribution network, develop environmentally friendly power cables, cable tunnels, submarine cable system monitoring

and other intelligent products, to create a coordinated development of transformers, switch cabinets, and cable accessories with power cables as the leader, and integration of design and construction

The system integrator is developing towards the high-end, characteristic and special direction.



架空输电线路全光纤一体化综合在线监测系统

电缆隧道在线监测系统

Figure 6-9: Partial display of sensing products in the power industry chain

(3) Promote the digitization and integration of the power industry chain, and create an industry benchmark for cable companies

Promote the digitization of high-end products and featured products, and use technologies such as industrial Internet, big data, cloud platforms, and simulation analysis

Methods To realize the integration of industrialization and industrialization, build a digital factory benchmark enterprise in the domestic power cable industry, and improve the core competitiveness of the enterprise. Improve manufacturing

industry service capability level, a single product develops to an integrated service provider, and at the same time, technical service output and product value-added services develop in a coordinated manner.

Strengthen and expand the integrated general contracting service, and establish "power product engineering design, production supply, construction and installation, maintenance, emergency repair and operation and maintenance"

Full life cycle service capability.

4. Seize the opportunity of the new communication boom cycle and continue to provide better comprehensive services for global customers

In 2022, the company will plan for sustainable development, speed up the construction of 5G communication network and Gigabit network, and "calculate the east and west", etc.

Strategic opportunities, re-anchor new positioning, implement new strategies, and stimulate new kinetic energy. From consolidating the four major product clusters, promoting the development of industrial chains

development; do a good job in technological supplementary chain, strengthen chain, promote industrial upgrading; accelerate digital construction, practice "carbon emission reduction" green manufacturing and other aspects of development

exhibition work.

(1) Consolidate the four major product clusters and promote the development of industrial chains

Make full use of the complete industrial chain to provide service coverage access, multi-scheme transmission backhaul, and physical infrastructure for 5G network connections

and other capability services to distribute system gateways, terminals, room-divided leaky cables, network management, optical transmission networks and modular data center products,

Create 5G communication network solutions covered by passive room distribution, pico base station + passive room distribution and active room distribution, including data

Center, 5G bearer network, 5G IoT product solutions, forming data center, smart HVAC and power products on the supply side

physical infrastructure group as the core; bearer network group with services such as special preforms, optical fibers, optical cables, ODN, 25/100G high-speed optical modules and 10G PON as the core; 4/5G

antennas, small base stations and RF leaky cables and other products as the core of the wireless network group and

A product group in the direction of IoT terminal and platform with smart security as the core.



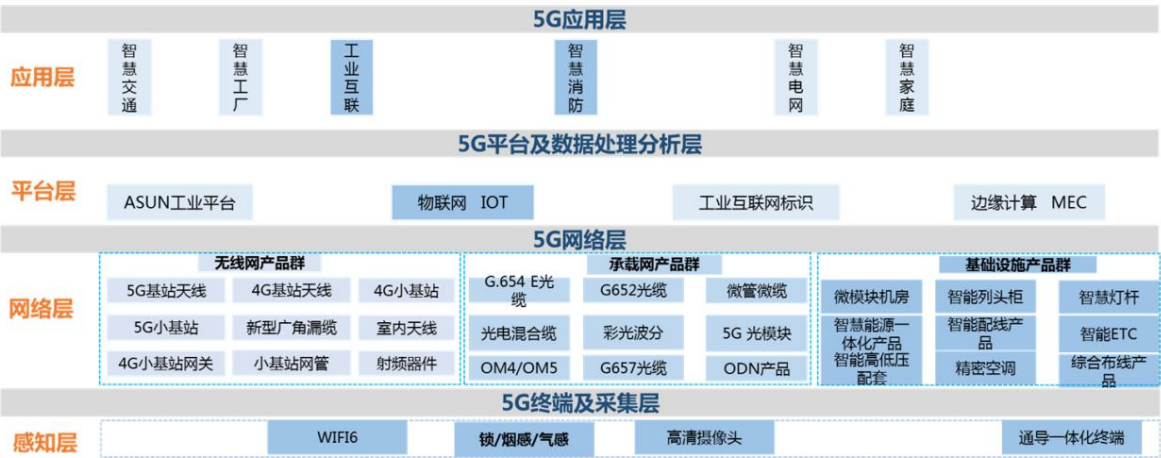


Figure 6-10: The architecture diagram of the "5G+Industrial Internet" information system of Zhongtian Technology Co., Ltd.

(2) Do a good job of technical supplementary chain and strong chain, and promote industrial upgrading

The restructuring of the global production layout is accelerating, and the upgrading of the industrial chain is not only a passive demand for the reconstruction of the global production layout, but also a guarantee for the new development pattern.

A proactive response to high-quality implementation by the Bureau.

Actively make up for shortcomings, implement key high-end technological breakthroughs such as few-mode and multi-core research and development, high-purity quartz products, thin-diameter high-strength series optical fibers, and 400G optical modules, and move towards a technological high point; mine leaky cable system solutions, FTTH overseas EPC total Packages and other projects continue to serve the manufacturing industry and move towards enterprise transformation and upgrading.

Forging long plates, constantly exerting leading advantages in the professional technology industry, focusing on 5G leaky cables, 5G energy integration cabinets and non-metal fire-resistant optical cables, etc., adhere to the road of product differentiation to solve customer pain points; in addition, in traditional process optimization, energy saving and reduction On the basis of cost reduction, we will tap the potential from the independent substitution of core raw materials, structure optimization, design optimization, etc., realize innovation and cost reduction, and move towards the peak of benefits. Through a series of measures, we will accurately implement chain supplementation and strong chain, and improve core competition. force to promote industrial upgrading.

The company will focus on cultivating a group of companies that focus on market segments, have strong innovation capabilities, have a high market share, master key high-end technologies, and The vanguard unit with excellent volume and efficiency has become the main force in strengthening the chain.

(3) Accelerate digital construction and practice "carbon emission reduction" green manufacturing

In order to comply with the national strategic requirements of "carbon peaking and carbon neutrality", according to the company's release of the "Green and Low-Carbon Manufacturing (GLCM) Action Plan (2021-2030)", by making full use of automation and information technology, accelerating digital construction, improving production efficiency, achieving higher output value with smaller consumption and emissions, and practicing "carbon emission reduction" green manufacturing.

The company's communication product manufacturing cluster is guided by "small, good, high", based on the existing "smart workshop", "smart factory", "green factory", "Industrial Internet benchmark factory" and other pilot demonstrations and innovative achievements , continue to advance in accordance with the evolution route of "digitalization-networking-intelligence", on the one hand fill the gaps in agile manufacturing, concurrent engineering, flexible manufacturing, lean production and other data

Digitized basic disks, on the other hand, continue to make efforts in networked directions such as cloud manufacturing, networked manufacturing, and computer-integrated manufacturing to strive for

In terms of communication product manufacturing clusters, high-quality and highly competitive intelligent manufacturing capabilities will be formed to improve product quality stability, consistency and market competitiveness.

5. Strengthen internationalization with localization and stimulate new kinetic energy of global business with innovation

With the popularization of the new crown vaccine and the lifting of preventive measures against the new crown in various countries, the recovery of the world economy continues, and the OECD (OECD) predicts

With a global economic growth of 4.5% in 2022, the digital economy and green economy will remain important drivers of world economic growth. stand

Market opportunities, the company will strictly follow the business policy of "green drive, compliance and steady progress", continue to optimize overseas production capacity, and continuously improve

Market channel system, international talent system, green and low-carbon manufacturing system, manufacturing digital system, independent innovation system synergistic structure

comprehensive competitive advantage.

(1) Optimizing the layout of overseas production capacity and striving for development upstream of the value chain

In 2022, the global optical communication market will be driven by 5G, cloud computing, data center, FTTH and other multi-industry applications, which will drive the continuous growth of regional optical fiber and cable demand. The "Digital Europe" project will be implemented in 2021 and is expected to be completed in 2027. Among the three plans approved for the first time, the largest investment plan has a total investment of 1.98 billion euros, of which 1.38 billion euros will be invested by the end of 2022. Artificial intelligence, cloud technology, and quantum communication infrastructure. In 2022, the growth rate of optical fiber and cable demand in emerging markets such as South Asia, ASEAN, and Latin America is expected to reach more than 5%. Fully grasping market opportunities, the company is expanding its optical fiber and cable production capacity in Morocco, India and Indonesia in an orderly manner to form a regional rapid delivery capability; strengthening the construction of overseas R&D teams, building three regional R&D centers in Europe, Latin America and Southeast Asia, based on overseas data center products The development direction is to launch new products of "super-large number of cores, super-light weight and super-small cable diameter" for the market, to provide regional customers with customized optical cable and broadband service system solutions; to improve the overseas after-sales service system and improve customer satisfaction.

Under the background of "dual carbon", the global wind energy, solar energy and other clean energy power generation are generally in a stage of rapid development. The global energy allocation pattern dominated by clean energy, centered on electricity, higher voltage levels, larger transmission capacity, and longer distances is the future development trend. In 2022, affected by the situation in Russia and Ukraine, the European energy crisis will become prominent. European countries such as Germany and Poland will increase investment in power infrastructure construction, and the basic investment in power transmission and distribution networks will continue to maintain steady growth. Demei Cable adheres to the guidance of ultra-high voltage and expands the production capacity of ultra-high voltage cables; strengthens the drive of innovation, focusing on the research and development of 400kV ultra-high voltage new products represented by oxidized conductors; leverages its location and brand advantages, and continues to provide products to high-end markets in Europe and the Middle East; relying on professional The engineering service team of the company will further expand the overseas EHV cable general contracting projects. With the guideline of "diversification of local customers and globalization of target markets", the construction services will fully cover the Middle East, Europe and Latin American markets, and move towards the upstream of the value chain. Improve the voice of the industry.

(2) Actively create a new format of foreign trade and accelerate the construction of an international marketing service system

In 2022, in terms of international trade, the company will continue to improve the construction of the international marketing service system, and further add overseas sales companies and offices. While insisting on cultivating traditional superior products, we will focus on cultivating "new fist" products such as high-voltage cables, hardware, radio frequency, broadband, etc., and strive to develop into a new growth pole with sales exceeding 100 million US dollars during the 14th Five-Year Plan period; deepen cooperation and promote high-quality "" We will further accelerate the process of internationalization by establishing "hardcore" customer relationships; expanding the construction of existing overseas warehouses, and gradually forming a network of specialized and intelligent overseas warehouses; promoting the healthy and sustainable innovation and development of new business forms and new models, and expanding diversified service areas. In terms of overseas general contracting projects, the company continues to build an industrial system that integrates R&D and design, manufacturing and production, testing and inspection, laying and installation, and engineering services. On the basis of general contracting projects, it has fully entered the field of international new energy general contracting such as wind power, solar energy, and large-scale energy storage (BESS).

(IV) Possible risks   ✓Applicable   ✗Not applicable

The company will closely follow the development opportunities of national industrial policies, optimize product structure and enhance profitability. Focus on energy network and communication network

The two major fields of network, promote the quality and upgrade of the industrial chain, and enhance the ability to resist risks. It is expected that the following risks may be faced in the future:

1. Market risk



The company's main business covers a wide range of fields. Among them, due to the large number of enterprises in my country's wire and cable industry, the industry is highly fragmented, and the market Low concentration. At present, the technical content of medium and low voltage cables and the requirements for equipment investment are not high, and the relevant market competition is extremely fierce.

The company faces a certain degree of market competition risk; the construction of the global optical communication network drives the rapid growth of demand for optical fiber cables and access equipment, and the industry enters a new round of business cycle, but the market conditions of various raw materials are controlled by the new crown epidemic, petrochemicals, logistics and transportation, etc. Due to the combined influence of many factors, the industry faces the risk of high raw material prices affecting the company's profitability; at the same time, there are uncertain risks in the market development of new products.

To this end, the company will adhere to differentiated development, relying on technological innovation on the basis of diversifying operations and consolidating its competitive position in the main market. To develop new products, cultivate market segments, reasonably match production capacity, and at the same time strengthen the construction of new product sales teams.

## 2. Competitive risk

In recent years, the rapid development of the offshore wind power market has driven the growth in demand for submarine cables, driving more companies to enter the submarine cable industry or further expand production capacity. At the same time, with the continuous acceleration of the process of "grid parity" of offshore wind power, submarine cables, as an important part of the offshore wind power industry chain, will gradually increase the pressure to reduce costs and increase efficiency. In this context, the competition of key enterprises in the industry in medium and low voltage submarine cables may further intensify. Under the wave of digital transformation of the whole society, the application of new technologies in the optical communication industry is developing rapidly, and the company will face the competitive risk of rapidly matching market application demands in terms of product and service iterative upgrades.

To this end, the company insists on scientific and technological innovation unswervingly, constantly develops cutting-edge core new products and new technologies, practices fine culture, and strengthens products. Brand building and consolidate competitive position.

## 3. Overseas risks

The company is one of the earliest manufacturers of optical cables and cables in China to go out. The "Belt and Road" initiative brings new opportunities for enterprises to "go global". However, most of the countries along the "Belt and Road" are emerging economies and developing countries. The level of market economic system and legal system construction is uneven, and some countries are politically unstable. , economic fluctuations and other risks, financial, legal, taxation, policies, etc. are quite different from those in China, the exchange rate fluctuates greatly, and there are many uncertainties and risks in overseas business and overseas investment.

At present, the international trade environment is changing, economic globalization is facing greater challenges, and Chinese enterprises are restricted in some fields. not yet Come, if the trade environment between some countries/regions and China continues to deteriorate, restricting imports and exports, raising tariffs or setting up other trade barriers, the company may face risks such as shortage of equipment, raw materials and other assets and loss of customers, which will lead to limited production and orders. Decrease and increase costs, adversely affect the company's business and operations.

To this end, while accelerating the "going out", the company will continue to improve the professional level of overseas personnel through a multi-pronged approach and enhance risk prevention. Ability to judge and control, turning challenges into opportunities.

## 4. Policy Risk

The company closely follows the national industrial policy for investment layout, and builds production capacity according to market demand. However, in the fields of optical communication and power grid construction, there is a risk of excessive dependence on customers caused by high customer concentration. The three major communication operators, State Grid, South China Changes in grid investment schedules will have an impact on industry demand. Since the formulation and implementation of policies are often adjusted according to the actual development of the national economy and the industry, such adjustments will have a greater impact on the investment layout, production capacity setting and technical direction of enterprises.

To this end, the company will increase the interpretation and grasp of the national macro-industry policy, improve the ability to predict market trends, and adjust the and impact have adequate preparations.

## 5. Epidemic risk

To prevent the risk of financial market fluctuations caused by the global spread of the sudden epidemic, and the resulting changes in the overseas economic environment, Bringing operational risks to the international industrial layout.

To this end, the company will formulate strict safety production protection measures, and at the same time pay close attention to the domestic and international dynamic epidemic situation, and prepare in advance Coordination of orders, procurement, production and delivery, and protect the safety of employees.

(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 ŸApplicable ŸNot applicable

## Section 4 Corporate Governance

### I. Explanation on corporate governance

ŸApplicable ŸN/A

In accordance with the requirements of relevant regulations, a relatively scientific corporate governance structure has been established, and various systems have been continuously improved. The powers, decision-making bodies, supervisory bodies, and management of the company have clear powers and responsibilities in accordance with the Articles of Association. The board of directors of the company believes that the actual situation of the corporate governance structure basically conforms to the requirements of the "Governance Guidelines for Listed Companies".

During the reporting period, the company timely revised and improved the Articles of Association of Jiangsu Zhongtian Technology Co., Ltd. and Co., Ltd. Related Transaction Management System", "Jiangsu Zhongtian Technology Co., Ltd. Information Disclosure Management System", "Jiangsu Zhongtian Technology Co., Ltd. Insider Registration Management System", "Jiangsu Zhongtian Technology Co., Ltd. Investor Relations" Management System" and "Work Rules for the Secretary of the Board of Directors of Jiangsu Zhongtian Technology Co., Ltd.". Comparing with the "Governance Guidelines for Listed Companies" of the China Securities Regulatory Commission, the corporate governance of the company meets the requirements, and the actual situation is as follows: 1. About shareholders and shareholders' meeting The company can ensure that all shareholders enjoy equal status and that all shareholders can fully exercise their shareholder rights.

During the reporting period, the company convened and convened the general meeting of shareholders in strict accordance with the procedural requirements of the "Rules of Procedures for the General Meeting of Shareholders", with lawyers present to witness it; the voting method combined with on-site voting was adopted to provide convenience for shareholders to participate in the meeting, and related shareholders were not interested in related transactions. Voting is avoided, and major matters affecting the interests of small and medium investors shall be counted separately by small and medium investors.

### 2. Regarding the controlling shareholder and the listed

company, the company and the controlling shareholder strictly implement the "five separations" in terms of personnel, assets, finance, organization and business, conduct independent accounting, and independently assume responsibilities and risks. The company's board of directors, board of supervisors and internal management agencies operate independently; the company has independent and complete business and independent management capabilities in terms of business; in terms of labor, personnel and wage management, there is an independent human resources department; assets are complete, property rights Clear; in terms of finance, there are independent accounting systems, financial management systems and bank accounts, as well as independent institutions and functional departments. 3. About directors and the board of directors During the reporting period, the company selected directors in strict accordance with the Company Law, the Articles of Association, the relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange. The directors of the company can abide by the relevant laws and regulations of the company's articles of association, perform their duties as directors with integrity and diligence, and safeguard the interests of the company; when the board of directors discusses related transactions, independent directors express independent opinions, and related directors abstain from voting. under the board

Set up investment strategy committee, audit committee, nomination committee and remuneration and appraisal committee, all of which are independent directors

Participate in the audit committee, and one independent director of the audit committee is an accounting professional and serves as the chairman. Special committees are

Assist the board of directors to perform decision-making functions in investment strategy, audit, personnel and remuneration, etc., operate well, give full play to professional advantages,

It ensures the legitimacy, scientificity and correctness of the decision-making of the board of directors, and reduces the risk of the company's operation.

#### 4. About Supervisors and Supervisory Committee

During the reporting period, the company strictly complied with the "Company Law", "Articles of Association", relevant regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange.

Provisions for the election of supervisors. The company's board of supervisors consists of three supervisors, one of whom is an employee representative supervisor, which complies with the requirements

of laws and regulations. Supervisors of the company can conscientiously perform their duties, and in the spirit of being responsible to shareholders, supervise the legality and compliance of the company's

finance and the performance of duties by the company's directors, general managers and other senior managers, and safeguard the legitimate rights and interests of the company and shareholders.

#### 5. About Investor Relations and Stakeholders During the reporting

period, the company continued to strengthen the management of investor relations in accordance with the "Administrative Measures for Corporate Information Disclosure". The

company has set up an investor consultation hotline, and has ensured effective communication with investors through various means such as SSE e-interaction, the company's investor exchange

platform, e-mail, and fax. The company has received visits and investigations from a number of securities companies, as well as from funds and other professional investment companies. Senior

managers such as board secretaries actively participate in investor exchange activities organized by securities companies and institutions. The company treats stakeholders based on the principles

of openness, impartiality, fairness and trustworthiness. While safeguarding the interests of the company's shareholders, it can fully respect the legitimate rights and interests of investors,

employees, customers and other stakeholders.

#### 6. About performance evaluation and incentive and restraint

mechanism

The performance and performance of senior managers are evaluated and rewarded. The company formulates and implements the "Administrative Measures for Incentive Remuneration of

Senior Management" to motivate core technical personnel and business backbones according to the annual operating conditions. The appointment of the company's management personnel is

open and transparent, in line with relevant laws, regulations and the "Articles of Association". 7. About affiliated transactions The company strictly follows the requirements of the Company Law,

the Securities Law, the Stock Listing Rules, and the Guidelines for the Implementation of Affiliated Transactions of Listed Companies and other relevant regulations to perform affiliated

transaction decision-making procedures. In the deliberation of the general meeting, related directors and related shareholders abstain from voting, and independent directors review in

advance and express independent opinions; the price of related party transactions is determined according to the market price, and the pricing is fair and reasonable; the company has fully

disclosed the expected and actual occurrence of related party transactions for the year. 8. Regarding information disclosure and transparency, the company appoints directors of the company in

strict accordance with the "Stock Listing Rules" and the company's "Administrative Measures for Information Disclosure Affairs" and other relevant regulations.

The secretary of the board of directors and securities affairs representatives are responsible for the daily information disclosure work, and appoint China Securities Journal, Shanghai Securities News,

"Securities Times" and the website of the Shanghai Stock Exchange are the media for the company's public information disclosure. The company can disclose periodic reports and temporary

announcements in a true, accurate, complete and timely manner, and do a good job of confidentiality before disclosure, earnestly fulfill the information disclosure obligations of listed companies, ensure

the openness, fairness and impartiality of information disclosure, and actively protect investors, especially investors. The legitimate rights and interests of small and medium investors.

#### 9. During the reporting period, the company strictly

followed the requirements of the "Registration and Management System for Insiders of Insider Information" and other regulations to ensure that the insider information was notified.

Love's registration work to ensure the confidentiality of insider information to prevent insider information transactions.

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 details of the company's controlling shareholder and actual controller in ensuring the independence of the company's assets, personnel, finance, organization, business, etc. measures, as well as solutions, work progress and follow-up work plans that affect the company's independence

☐Applicable ☐Not applicable

The controlling shareholder, actual controller and other units under its control are engaged in the same or similar business as the company, and the situation of horizontal competition

Or the impact of major changes in the competition in the industry on the company, the resolution measures taken, the progress of the resolution, and the follow-up resolution plan

☐Applicable ☐Not applicable

### 3. Brief introduction to the general meeting of shareholders

Date of the session		Designation of Resolution Publication The query index of the website	Phi dew date	meeting outcome
2020 Annual Shareholders Tournament	2021-3-25 www.sse.com.cn		2021-3-26	For details, please refer to the "2020 Annual Report" disclosed by the company. Announcement on Resolutions of the Annual General Meeting of Shareholders (Announcement Number: 2021-026)
First time in 2021 general meeting of shareholders	2021-8-25 www.sse.com.cn		2021-8-26	For details, please refer to the "2021 Resolutions of the First Extraordinary General Meeting of Shareholders Announcement (Announcement No.: 2021-056)
Second visit in 2021 general meeting of shareholders	2021-12-31 www.sse.com.cn		2022-1-1	For details, please refer to the "2021 Resolutions of the Second Extraordinary General Meeting of Shareholders Announcement (Announcement No.: 2022-001)

Preference shareholders with restored voting rights request to convene an extraordinary general meeting

☐Applicable ☐Not applicable

### Explanation of the General Meeting of Shareholders

☐Applicable ☐Not applicable

## IV. Information on Directors, Supervisors and Senior Management

(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

Name and Position (Note)	Gender	Age		start of term date	term ends date	Shares held at the beginning of the year number	Year-end holdings number	Shares during the year Increase or decrease the amount of change	increase or decrease reason	During the reporting period from acquired by the company Total remuneration before tax Amount (ten thousand yuan)	Are you in the company Related party acquisition remuneration
Chairman Xue Jiping	Male	71		June 2019 13th of March	June 2022 12th of the month	1,309,650	1,309,650			151.83	no
Xue Chi Vice Chairman	Male	43		June 2019 13th of March	June 2022 12th of the month					151.83	no
David Wu Independent Director	Male	69		June 2019 13th of March	June 2022 12th of the month					9.00	no
Zhu Rong Independent Director	Male	59		June 2019 13th of March	June 2022 12th of the month					9.00	no
Zheng Hangbin Independent Director	Male	52		June 2019 13th of March	June 2022 12th of the month					9.00	no
Director Lin Jintong	Male	76		June 2019 13th of March	June 2022 12th of the month					0	no
He Jinliang Director	Male	56		June 2019 13th of March	June 2022 12th of the month					0	no
Lu Wei Director, General Manager	Male	48		June 2019 13th of March	June 2022 12th of the month	144,000	144,000			212.35	no
Shen Yichun Director	Male	43		June 2019 13th of March	June 2022 12th of the month					201.36	no
Xue Rugen, Chairman of the Supervisory Board	Male	65		June 2019 13th of March	June 2022 12th of the month	20,000	20,000			161.43	no
Lin Feng Supervisor	Male	43		2019 6 2022 6		52,000	52,000			154.95	No

				13th of the month	12th of the month						
Liu Zhizhong	employee representative Supervisor	Male 45		June 2020 10th of the month	June 2022 12th of the month					147.20	no
Qu Zhi	Deputy General Manager	Male 47		June 2019 13th of March	June 2022 12th of the month	150,000	150,000			187.38	no
Xiao Fangyin,	Deputy General Manager	Male 42		June 2019 13th of March	June 2022 12th of the month	40,000	40,000			210.26	no
Teng Yi, Deputy	General Manager	Male 60		June 2019 13th of March	June 2022 12th of the month	10,000	10,000			222.90	no
Jie level, deputy	general manager	male 45		June 2019 13th of March	June 2022 12th of the month	42,100	42,100			112.12	no
Gao Hongshi,	Chief Financial Officer	Male 57		June 2019 13th of March	June 2022 12th of the month	100,000	100,000			158.61	no
Yang Dongyun, Secretary of the Board of Directors	Book	female 41		June 2019 13th of March	June 2022 12th of the month	35,000	35,000			58.10	no
total	/	/	/	//		1,902,750	1,902,750		/	2,157.32	/

Name	main working experience
Xue Jiping, the chairman of Zhongtian Technology Group; from 1999 to July 2013, he served as the chairman and general manager of Jiangsu Zhongtian Technology Co., Ltd., and since July 2013, he has been the chairman of Zhongtian Technology.	
From August 2004 to October 2005, Xue Chi was the deputy general manager of Nantong Zhongtian Jiangdong Real Estate Co., Ltd.; from November 2005 to February 2009, he was the chairman and general manager of Zhongtian Technology Submarine Cable Co., Ltd. Manager; from February 2009 to February 2013, he was the general manager of Zhongtian Technology Optical Fiber Co., Ltd. Director and Deputy General Manager of Zhongtian Technology from February 2009 to June 2019. June 2019 to He is currently the vice chairman of Zhongtian Technology.	
David Wu successively served as deputy director of Huaneng Shanghai Shidongkou No. 2 Power Plant, deputy manager of Huaneng International Power Development Corporation Shanghai Branch, in charge of work, director of Huaneng Shanghai Shidongkou No. 2 Power Plant, Huaneng International Power Development Co., Ltd. Deputy General Manager, Member of the Party Leadership Group and Director of China Power Co., Ltd., Chairman of Huaneng Weihai Power Plant, Xindian Power Plant, Rizhao Power Plant and Xinhua Power Plant, Secretary of the Party Committee and Director of Shanghai Times Shipping Co., Ltd. Deputy Chief Engineer of China Huaneng Group Corporation and General Manager and Secretary of the Party Group of East China Branch of China Huaneng Group Corporation; Chief Economist of China Huaneng Group Corporation, Chairman of Huaneng Shanghai Gas Turbine Power Generation Co., Ltd., and Director of Huaneng International Power Development Company. From December 2013 to October 2020, he worked at Jinlihua Electric Co., Ltd. independent director. He has been an independent director of COSCO SHIPPING Holdings Co., Ltd. since May 2017. He has been an independent director of Zhongtian Technology since June 2019.	
Zhu Rong worked in Nantong Tianyuan Taxation Firm from March 2003 to December 2016, serving as the director of the quality control department. In January 2017, he worked in Lixin Tax Agency (Nantong) Co., Ltd., Ren Feng Director of Control. He has been an independent director of Zhongtian Technology since June 6, 2016.	
Zheng Hangbin has worked in the Jiangsu Provincial Department of Commerce (formerly the Foreign Trade and Economic Cooperation Commission) since 1991, and has worked in government agencies, enterprises and institutions, law firms, industry associations, colleges and universities and other units for more than 30 years; Currently employed as Supervisor of Nanjing University Alumni Association, Researcher of Nanjing University Public Policy Research Institute; Director of Hong Kong, Macao, Taiwan and Foreign Affairs Committee of Jiangsu Lawyers Association; Jiangsu Provincial Government Investment Foundation	

	Member of Gold Expert Advisory Committee, member of Legal Expert Committee of Jiangsu Banking Regulatory Bureau, Supervisor of Jiangsu Association of Foreign-Invested Enterprises, and Adjunct Professor of Nanjing Audit University. He has been an independent director of Zhongtian Technology since June 2019.
Lin Jintong was a researcher at King's College, University of London in 1990. He returned to China in 1993 to teach, and successively served as the head of the Department of Radio Engineering, the dean of the School of Telecommunications Engineering, the vice president and the president of Beijing University of Posts and Telecommunications. Now retired. He has been an independent director of Comba Telecom (Hong Kong Securities 2342) since May 2012. Since July 2017, he has been an independent director of Tongding Internet (Shenzhen Securities 002491). He has been an independent director of UT StarCom (Nasdaq UTSI) since September 2019. Since August 2016, he has served as the director of Zhongtian Technology.	
He Jinliang received his Ph.D. from Tsinghua University in 1994 and was promoted to professor in 2001. He is currently the director of the Institute of High Voltage and Insulation Technology, Department of Electrical Engineering, Tsinghua University, and a doctoral tutor. He has worked as a visiting scientist at the Korea Institute of Electrical Engineering and a visiting professor at Stanford University in the United States. Mainly engaged in the research of advanced power transmission technology, lightning protection technology, sensor network and big data, nano-dielectric materials and systems. He has been successively selected by the National Fund for Distinguished Young Scholars, the Changjiang Scholar Distinguished Professor of the Ministry of Education, the Chief Scientist of the 973 Project of the Ministry of Science and Technology, and an expert who enjoys special government allowances. Elected as IEEE Fellow, IET Fellow, and HPEM Fellow. He has successively served as a member of the First Scientific and Technological Innovation Advisory Committee of the Shanghai Stock Exchange, director of the National Lightning Protection Standards Committee, director of the High Voltage Special Committee of the Beijing Society of Electrical Engineering, deputy director of the Transmission Line Special Committee of the Chinese Society of Electrical Engineering and High Voltage Special Committee Deputy director of the committee, member of the Nuclear Safety and Environment Expert Committee of the Ministry of Environmental Protection, deputy director of the High Power Transient Sub-Technical Committee of the National Electromagnetic Compatibility Standardization Technical Committee, and member of the National Lightning Arrester Standardization Technical Committee. He is the chairman of the Asia Pacific International Conference on Lightning (International Organization) and a member of the Scientific Committee of the International Conference on Lightning Protection (International Organization). Since June 2019, he has served as the director of Zhongtian Technology.	
Lu Wei joined Zhongtian Technology in 2001 and has served as the head of the Quality Assurance Department of Zhongtian Technology, manager of the Optical Cable Office, employee representative supervisor, deputy general manager and general manager of Shanghai Zhongtian Aluminum Wire Co., Ltd., and Zhongtian Technology General Manager of Power Grid Business Department, Deputy General Manager of Zhongtian Technology. From July 2013 to June 2019, he served as the general manager of Zhongtian Technology. Since June 2019, he has served as the director and general manager of Zhongtian Technology.	
Shen Yichun joined Zhongtian Technology in July 2005 and is currently the President of Zhongtian Technology Communication Industry Group, the general manager of Zhongtian Technology Precision Materials Co., Ltd., the representative of the Jiangsu Provincial Congress of the Communist Party of China, the representative of the Municipal People's Congress, and the CPPCC member of Chongchuan District. At the same time, he is also the executive vice chairman of the Asia-Pacific Optical Fiber and Cable Industry Association, a member of the OSA of the United States, a member of the Communication Line Committee of the China Institute of Communications, a member of the Communication Cable and Optical Cable Expert Committee of the China Electrical Equipment Industry Association, and a doctoral tutor of Zhejiang University School of Mechanical Engineering. Since June 2019, he has served as the director of Zhongtian Technology. Xue Rugen served as deputy general manager of Rudong Zhongtian Investment Co., Ltd. from 1998 to 2010, and has been a supervisor	
of Zhongtian Technology since November 2009. Lin Feng joined Zhongtian Technology in 2002 and has served as the deputy director, director, director of the planning department, general manager of the Project Office, and general manager of the Science and Technology Development Department of Zhongtian Technology.	
	Industry Management Association) the seventh supervisor, the vice chairman of the Nantong Municipal Party Committee of Zhigong Party, and a member and standing member of the 13th CPPCC Nantong Municipal Committee. Since June 2019, he has served as the supervisor of Zhongtian Technology.
Liu Zhizhong joined Zhongtian Technology in July 2001. He is currently the Vice President of Zhongtian Technology Communication Industry Group, a member of the Communist Party of China, a representative of the People's Congress of Chongchuan District, Nantong City, and the third-level training object of the sixth "333 High-level Talent Training Project" in Jiangsu Province. He has successively won the Science and Technology Entrepreneur of Jiangsu Province, the Model Worker of Nantong City, the Top Ten Entrepreneurial Leaders of Nantong City, the May 1st Labor Medal of Nantong City, the First Completion of the Top Ten Scientific and Technological Innovation Achievements of Nantong City Workers, the New Long March Assaulter of Nantong City, etc. Honor, undertook several projects such as the new model application project of special optical fiber intelligent manufacturing of the Ministry of Industry and Information Technology of China, the new generation communication optical fiber intelligent factory project in Jiangsu Province, the strategic emerging industry project in Jiangsu Province, the transformation project of scientific and technological achievements in Jiangsu Province, and the intellectual property strategy promotion plan in Jiangsu Province. Provincial and ministerial level projects. Qu Zhi joined Zhongtian Technology in June 2002 and served as the business manager, deputy general manager and	
general manager of Zhongtian Technology's Overseas Business Department. He is currently the Deputy General Manager of Zhongtian Technology and President of International Industry Group. Xiao Fangyin joined Zhongtian Technology in 2003 and worked in the Power Grid Division from 2003 to 2007, serving as sales manager and regional manager; from 2008 to 2018, he	
worked in the Private Network Division, serving as the brand manager and deputy general manager of petroleum and petrochemical systems , Executive Deputy General Manager, General Manager. In 2019, he served as President of Zhongtian Technology Marine Industry Group. Since June 2019, he has been the deputy general manager of Zhongtian Technology. Teng Yi worked in the state-run 925 Factory from December 1979 to 1996. He successively served as the deputy director of the Total Quality Management Office, the chief of the inspection department, and the chief of the production department. From 1996 to 1998, he was an intern dispatcher in Changzhou Changlin Co., Ltd. Technology: successively served as Beijing	
business representative, deputy general manager of the power grid business department, general manager of the power grid business department, and vice president of the power industry group. Since June 2019, he has been the deputy general manager of Zhongtian Technology.	

	He is a senior engineer and a first-class registered construction engineer, and he is the training object of the 333 project in Jiangsu Province. In July 2001, he joined the China Communication Service Design Consulting Research Institute, and successively served as director, vice president and other positions, engaged in communication engineering design, product planning and development, and has in-depth research on communication networks. In July 2016, he joined Zhongtian Broadband Technology Co., Ltd. as the chief engineer, in charge of the company's strategic planning, technology research and development, enterprise informatization construction and equipment and technological transformation projects, and organized the company's new field product project development. In December 2018, he served as the chief engineer of Zhongtian Technology Communication Industry Group. Since June 2019, he has been the deputy general manager of Zhongtian Technology.
Gao Hongshi	Gao Hongshi, male, born in April 1965, member of the Communist Party of China, university degree, senior accountant. He joined Zhongtian Science & Technology in April 2002 and served as Finance Minister of Zhongtian Science & Technology Optical Fiber Co., Ltd. and Deputy Chief Financial Officer of Zhongtian Science & Technology. Since March 2011, he has been the Chief Financial Officer of Zhongtian Technology. He serves as the executive director of the Private Enterprise Branch of the Jiangsu Association of Chief Accountants, the vice president of the Nantong Business Accounting Society, the executive director, deputy secretary-general, and president of the Nantong Association of Chief Accountants.
Yang Dongyun	joined Zhongtian Technology in 2001; from January 2003 to March 2011, he served as the representative of Zhongtian Technology's securities affairs, and since March 2011, he has been the secretary of the board of directors of Zhongtian Technology.

Description of other situations

√Applicable √Not 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 employee	Name of shareholder	Shareholders' unit Position held	Term Start Date	Term End Date
Xue Jiping	Chairman of Zhongtian Technology Group Co., Ltd.	May 19, 2003 to present		
and Xue	Director of Zhongtian Technology Group Co., Ltd.	May 19, 2003 to present		
Rugen in the shareholder unit job description	none			

## 2. Employment in other units

☐Applicable
 ☐Not applicable

Name of the employee	Name of other units	Served in other units job title	term start date	term end date Expect
David Wu	COSCO SHIPPING Holdings Co., Ltd. Company	independent director	May 25, 2017 Day	
Zhu Rong	Lixin Tax Accountants Office (South Tong) Co., Ltd. Zheng	Director of Risk Control Department	January 2017	
Hangbin Jiangsu Xingao	Law Firm Senior Partner Attorney	January 2019		
Lin Jintong	Advisory Committee Member of China Institute of Communications meeting	deputy director		
Lin Jintong	Comba Telecom System Holdings Co., Ltd. Company	independent director	May 21, 2012 Day	
Lin Jintong	Tongding Internet Information Co., Ltd. company	independent director	July 5, 2017 Day	
Lin Jintong	UT StarCom (US Nas Dak UTSI)	independent director	September 2019	
He Jinliang	High Voltage Department of Electrical Engineering, Tsinghua University Institute of Insulation Technology	Director	January 2001	
Serving in other units Description of the situation	none			

## (3) Remuneration of Directors, Supervisors and Senior Management

☐Applicable
 ☐Not applicable

Decision on remuneration of directors, supervisors and senior management policy procedure	<p>Reports of directors, supervisors and senior managers who hold other positions in the company</p> <p>Remuneration is based on the distribution system formulated within the enterprise, and the post salary bonus is implemented.</p> <p>Jin's compensation system, taking into account factors such as his performance of duties, performance level, etc.</p> <p>Set the remuneration standard and submit it to the board of directors and the general meeting of shareholders for deliberation and approval;</p> <p>The company also holds other positions as directors and supervisors.</p> <p>The adopted standards provide wages, benefits, allowances.</p>
Determination of remuneration for directors, supervisors and senior management in accordance with	<p>According to the board of directors and the directors, supervisors and senior management serving in the company in early 2021</p> <p>objectives signed by managers, conduct an internal audit of their performance, determine their performance</p> <p>The level of capital shall be submitted to the board of directors and the general meeting of shareholders for deliberation.</p>
The actual remuneration of directors, supervisors and senior management All directors,	The company will pay according to the deliberation of the board of directors and the general meeting of shareholders.
supervisors and senior management at the end of the reporting period Total remuneration actually received by personnel	21,573,200 yuan

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

ÿApplicable ÿNot applicable

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

ÿApplicable ÿNot applicable

(6) Others

ÿApplicable ÿNot applicable

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

The date of the session of the	seventh session of the	meeting outcome
Board of Directors fifteen meetings	January 2021 15th day	For details, please refer to the "Announcement on Resolutions of the Fifteenth Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-004)
The seventh board of directors sixteen meetings	March 2021 3 days	For details, please refer to the "Announcement on Resolutions of the Sixteenth Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-011)
The seventh board of directors seventeen meetings	April 2021 28th day	For details, please refer to the "Announcement on Resolutions of the Seventeenth Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-031)
The seventh board of directors Eighteen meetings	May 2021 27th	For details, please refer to the "Announcement on Resolutions of the Eighteenth Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-035)
The seventh board of directors Nineteen meetings	August 2021 5 days	For details, please refer to the "Announcement on Resolutions of the Eighteenth Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-050)
The seventh board of directors twenty meetings	August 2021 27th	For details, please refer to the "Announcement on Resolutions of the 20th Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-058)
The seventh board of directors twenty-one meeting	October 2021 29th of March	For details, please refer to the "Announcement on Resolutions of the 21st Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-072)
The seventh board of directors Twenty-second meeting	November 2021 23rd of March	
The seventh board of directors Twenty-three meetings	December 2021 15th of the month	For details, please refer to the "Announcement on Resolutions of the 21st Meeting of the Seventh Board of Directors" disclosed by the company (Announcement No.: Lin 2021-089)

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 plus board frequency	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
Xue Jiping No Xue	Chi No Wu	9	9	9	0	0 No	0 No 0 No 0 No	3
Dawei Is Zhu Rong	Zheng	9	9	9	0	0 No	0 No 0 No 0 No	3
Hangbin Lin Jintong	No He	9	9	9	0	0 No	0 No 0 No	1
Jinliang No Lu Wei	No Shen	9	9	9	0			3
Yichun No		9	9	9	0			0
		9	9	9	0			1
		9	9	9	0			0
		9	9	9	0			1
		9	9	9	0			3

Explanation on failure to attend the board meeting in person for two consecutive

times ☐Applicable ☒Not applicable

The number of board meetings held during the year	9
Including: the number of on-site meetings The number of	0
meetings held by means of communication The number of	9
meetings held on-site combined with the means of communication	0

(2) Situations where directors raise objections to relevant matters of the

company ☐Applicable ☒Not applicable

(3) Others

☐Applicable ☒Not applicable

7. Information on special committees under the board of

directors ☐Applicable ☒Not applicable (1). Membership of

special committees under the board of directors Special committee

categories	Audit committee Nomination committee	member name
Remuneration and appraisal committee Strategy committee		Zhu Rong, Zheng Hangbin, Shen
		Yichun, Xue Chi, Zheng Hangbin, Zhu
		Rong, Wu Dawei, Zheng Hangbin,
		Xue Chi, Xue Jiping, Xue Chi, Wu Dawei

(2) During the reporting period, the Audit Committee held 6 meetings

Date	meeting content	Important Opinions and	Other performance of duties
March 3, 2021	Review the 2020 Annual Report of Jiangsu Zhongtian Technology Co., Ltd., the Summary of the 2020 Annual Report of Jiangsu Zhongtian Technology Co., Ltd., the 2020 Profit Distribution Plan of Jiangsu Zhongtian Technology Co., Ltd., and the Jiangsu Zhongtian Technology Co., Ltd. 2020 Performance Report of the Audit Committee of the Board of Directors "Special Report of Jiangsu Zhongtian Technology Co., Ltd. on the Annual Deposit and Use of Raised Funds (2020)" "Jiangsu Zhongtian Technology Co., Ltd. 2020 Internal Control Evaluation Report" " Proposal on Renewing the Appointment of Zhongxinghua Certified Public Accountants (Special General Partnership) as the Company's Audit Institution in 2021, Proposal on Routine Connected Transactions in 2020 and Expected Routine Connected Transactions in 2021, and Comprehensive Bank Credit Granting for Holding Subsidiaries in 2021 "Proposal on Providing Guarantee", "Proposal on Using Part of Idle Raised Funds to Temporarily Supplement the Company's Working Capital", " Proposal on Accounting Policies", "On Spin-off of Subsidiary Zhongtian Technology Submarine Cable Co., Ltd. to be listed on the Science and Technology Innovation Board" The "Plan" to review the "Zhongtian Technology Co., Ltd. 2021 First	Suggestions All proposals at this meeting were approved by unanimous votes	
April 28, 2021	Quarterly Report" All proposals at this meeting were approved by unanimous votes. All proposals	at this meeting were unanimously approved	
May 27, 2021	Reviewed the "Proposal on Changing the Investment Project of "Graphene Composite Materials" Raised Funds to "High-Performance Electronic Copper Foil" Project" and "Proposal on Expanding the Implementation Scope of the "High-Performance Lithium Battery" Raised Funds Investment Project"		

		All proposals at this meeting are	
August 27, 2021	Reviewed the 2021 Semi-annual Report of Jiangsu Zhongtian Technology Co., Ltd., the Proposal on the Provision of Asset Impairment Provisions, the Special Report of Jiangsu Zhongtian Technology Co., Ltd. on the Deposit and Use of Raised Funds, and the Jiangsu Zhongtian Technology Co., Ltd. The Company's Proposal on Terminating the Spin-off and Listing of Subsidiaries on the Shanghai Stock Exchange's Science and Technology Innovation Board" Reviewed the "Jiangsu Zhongtian	unanimously agreed to be considered and passed All proposals at this	
October 29, 2021	Technology Co., Ltd. 2021 Third Quarterly Report", "Proposal on Accrual of Assets Impairment Reserves", "Jiangsu Zhongtian Technology Co., Ltd. Proposal on Increasing the Routine Operating Related-party Transactions with Some Related Parties in 2021, Proposal on Adjusting the Guarantee Limit for Some Controlled Subsidiaries in 2021 for Comprehensive Bank Credit Extension Reviewing the Revision of the Management of Related-party Transactions of Jiangsu Zhongtian Technology Co.,	meeting are unanimously agreed to be considered and passed All	
December 15, 2021	Ltd. System> Proposal"	proposals at this meeting are unanimously agreed to be considered and passed	

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

Date	meeting content	Important Opinions and	Other performance of duties
March 3, 2021	Review the "Proposal on the 2020 Remuneration Plan for the Company's Directors, Supervisors and Senior Management"	Suggestions All proposals at this meeting were approved by unanimous votes	
August 5, 2021	Reviewed the "Proposal on the First Phase Employee Stock Ownership Plan of Jiangsu Zhongtian Technology Co., Ltd. (Draft)" and its Summary	All proposals at this meeting were approved by unanimous votes	

(4). During the reporting period, the Strategy Committee held 3 meetings

Date	meeting content	Important Opinions and Suggestions	Other performance of duties
March 3, 2021	Reviewed the "Proposal on the Spin-off of Subsidiary Zhongtian Technology Submarine Cable Co., Ltd. for the Initial Public Offering of RMB Ordinary Shares and Listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange" Reviewed the "Regarding the Change in the Raising of "Graphene	All proposals at this meeting are unanimously approved for consideration	
May 27, 2021	Composite Materials" The Proposal for the Capital Investment Project for the "High-Performance Electronic Copper Foil" Project" and the "Proposal for Expanding the Implementation Scope of the "High-Performance Lithium Battery" Raised Funds Investment Project"	All proposals at this meeting are unanimously approved for consideration and approval All proposals	
December 15, 2021	Review the "Proposal on Establishing Joint Ventures with Foreign Investment"	at this meeting are unanimously approved for consideration and approval	

(5) The specific circumstances of the objection

matters ̳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	2,742
parent company Number of on-the-job employees of	10,094
major subsidiaries Total number of on-the-job	12,836
employees	
number of workers	
Professional composition	
Professional Composition	Professional composition
Category Production	8,930
Personnel Sales Personnel	806
Technical Personnel	1,658
Financial Personnel	256
Administrative Personnel	380
Other Totals	806
	12,836
education level	
Educational level category	Quantity (person)
Ph.D. and above, master's	24
degree,	329
undergraduate	2,962
college, high	2,413
school and below total	7,108
	12,836

## (2) Remuneration policy

✓Applicable    ✗Not applicable

The company implements a salary system of "striver-oriented, talent-first", based on the value of the post, grades by post and salary by grade,

The salary system is in line with the market; the promotion mechanism with clear ability and performance orientation, can be up and down, and develop in an orderly manner. company

Combining business objectives with economic benefits, prices, market level, living standards and other factors, increase the income of all employees. company established

Intellectual Property Bank Points Award, Innovation Award, Skill Competition Award, Striver Bonus Package and other awards, and short-term incentives are implemented through bonuses.

incentives, which are related to organizational performance to achieve sustainable business development; long-term incentives are implemented through striver incentives and stock ownership plans, and the core

The tiers and backbone tiers are tilted, and the shareholding structure and performance results remain dynamic and rational. Employees with outstanding work performance and outstanding contributions to the enterprise

Provide adequate incentives for workers to ensure that the income distribution system is more fair and reasonable, scientific and standardized, and incentives are effective.

## (3) Training plan

✓Applicable    ✗Not applicable

In 2021, in response to the more intense business environment and the company's internal business needs, Zhongtian Technology will focus on its main business, large-scale

The model introduces outstanding graduates from colleges and universities and industry leading talents, professional talents and mature talents to support and drive the implementation of the company's strategy. male

The company attaches great importance to education and talent training, and established Zhongtian Science and Technology College to carry out systematic training for talents, design and formulate education improvement plans.

Plan, provide school resources convenience, set up scholarships, scholarships, bursaries and reimbursement of tuition fees. Adopt a mature tutor system training model

One-on-one training guidance. Build an H-shaped career development channel, establish an internal talent market, and expand the multi-channel career development of talents.

It enables vertical and horizontal communication between various grades to ensure the realization of personal values and career development plans. A "parachute" training plan has been formulated for high-level talents to ensure that external experts and doctors can adapt to the corporate culture as soon as possible, create a good talent ecology, and activate the vitality of innovation and creation of high-level talents.

(IV) Outsourcing of labor services

Applicable Not applicable 10. Profit

distribution or capital reserve conversion plan (1) Formulation, implementation or

adjustment of cash dividend policy Applicable Not applicable 1. Profit distribution policy and

implementation are in accordance with the China Securities Regulatory Commission According to

the "Guidelines for the Supervision of Listed Companies No. 3 - Cash Dividends of

Listed Companies", the company has revised and improved the profit distribution policy in the Articles of Association, and further clarified the profit distribution principle, profit distribution interval and

Proportion, conditions for implementing cash dividends, conditions for stock dividend distribution, decision-making mechanisms and procedures for profit distribution, decision-making mechanisms and procedures for adjusting profit distribution policies, etc.

On March 3, 2021, the 16th meeting of the seventh session of the Board of Directors reviewed and approved the "2020 Profit Distributing Party of the Company".

It is proposed to use the total shares after deducting the repurchased shares in the special repurchase account from the equity registration date when the company's 2020 profit distribution plan is implemented.

This is the base, and a cash dividend of RMB 1.00 (tax included) will be distributed to all shareholders for every 10 shares. After the implementation of this profit distribution plan, the remaining undistributed profits of the company will be carried forward to the next year. This year, the capital reserve will not be converted into share capital.

The formulation and implementation of this dividend policy is in line with the relevant provisions of the Company's Articles of Association, and the dividend standards and proportions are in line with the "Listing"

The relevant requirements of the Company Supervision Guidelines No. 3 - Cash Dividends of Listed Companies, the independent directors issued an independent

opinion and unanimous agreement. The distribution plan was reviewed, approved and implemented at the 2020 Annual General Meeting of Shareholders held on March 25, 2021. On May 10, 2021, the company's 2020

annual equity distribution was completed. The company's total share capital is 3,066,154,751 shares. After deducting the 49,505,125 shares held by the company's special account for repurchase, the actual number of

shares distributed this time is 3,016,649,626 shares, and a cash dividend of 0.10 yuan per share (tax included) is distributed, with a total cash dividend of 301,664,962.6 yuan. (tax included).

2. Profit distribution plan for 2021 The company held the

twenty-seventh meeting of the seventh board of directors on April 28, 2022 to review and approve the "2021 Profit Distribution Plan of the Company". The total share capital on the day is the base, and a

cash dividend of RMB 1.00 (tax included) will be distributed to all shareholders for every 10 shares. After the implementation of this profit distribution plan, the remaining undistributed profits of the company will be

carried forward to the next year. This year, the capital reserve will not be converted into share capital. This plan still needs to be submitted to the general meeting of shareholders for deliberation.

(II) Special explanation of cash dividend policy Applicable Not

applicable Whether it complies with the regulations of the

company's articles of association or the requirements of the resolution of the shareholders' meeting Yes No Whether the dividend standard and ratio are clear and clear Yes No	Whether the relevant
decision-making procedures and mechanisms are complete Yes No Whether the independent directors fulfilled their duties and played their due role Yes No Whether the minority shareholders' demands are fully	expressed
express their opinions and demands, and whether their legitimate rights and interests have been fully protected 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

When the reasons for detailed disclosure and the use and use plan of undistributed profits

Applicable ☐ Not applicable ☒ XI. The company's equity incentive plan, employee stock ownership plan or

other employee incentive measures and their impact (1) Relevant incentive matters have been announced on a temporary basis ☐ Applicable ☐ Inapplicable

matters that are disclosed and there is no progress or change in subsequent implementation

	For the query
The company has implemented the first phase employee stock ownership plan of Jiangsu Zhongtian Technology Co., Ltd. Up to now, the employee stock ownership plan has completed the stock purchase, and the stock lock-up period is 12 months.	index, please refer to the "Jiangsu Zhongtian Technology Co., Ltd. Phase 1 Employee Stock Ownership Plan (Draft)" disclosed by the company, and the "Announcement on Resolutions of the Company's Phase 1 Employee Stock Ownership Plan" (Announcement No.: Lin 2021-049), "Announcement on the Implementation Progress of the First Employee Stock Ownership Plan" (Announcement No.: Lin 2021-064), "Announcement on Resolutions of the First Holders' Meeting of the First Employee Stock Ownership Plan" (Announcement No.: Lin 2021-065), "Announcement on the Completion of the Purchase of Shares under the First Employee Stock Ownership Plan" (Announcement No.: Lin 2021-066) and related announcements

(II) Incentive situation not disclosed in the temporary announcement or with follow-up

progress Equity incentive situation ☐ Applicable ☐ Not applicable

Other instructions

☐ Applicable ☐ Not applicable

Employee stock ownership plan

☐ Applicable ☐ Not applicable

Other incentive measures

☐ Applicable ☐ Not applicable

(3) Equity incentives granted to directors and senior executives during the reporting period ☐ Applicable ☐ Not

applicable (IV) The appraisal mechanism for senior executives during the reporting period, and the establishment

and implementation of the incentive mechanism ☐ Applicable ☐ Not applicable to the company A performance appraisal mechanism for all staff has

been established, and annual performance appraisals are implemented for senior managers. According to the completion of the company's annual

business objectives, combined with the annual personal assessment and evaluation, the annual work of the senior management personnel is evaluated. The Remuneration and Appraisal Committee under the Board of Directors has carefully reviewed the remuneration of the company's senior management in 2021 in strict accordance with relevant laws and regulations, the Articles of Association and the Working Rules of the Remuneration and Appraisal Committee. The remuneration paid to the senior management is fair and reasonable, in line with the company's relevant remuneration policies and assessment standards, and there is no violation of the company's remuneration management system.

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

☐ Applicable ☐ Inapplicable For details, please refer to the 2021 Internal Control Evaluation Report

of Jiangsu Zhongtian Technology Co., Ltd. disclosed by the company on April 30, 2022.

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 adhered to the risk prevention as the orientation and the purpose of improving the management effectiveness to enhance the execution of the internal control system and the effectiveness of the internal control management. Form a closed management loop of risk prevention and control before the event, monitoring and early warning during the event, and evaluation and optimization after the event. Combined with the company's industry characteristics and the actual operation of business expansion, the management of subsidiaries has been further strengthened, and risk control has been carried out on the organization, resources, assets, investment and operation of subsidiaries, and a systematic internal control system has been established from the management level to the business level. Long-term internal control and supervision mechanism.

## 14. Relevant information on the internal control audit report

Applicable N/A  
Agree.

Please refer to the website of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) for the Company's 2021 Internal Control Audit Report.

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

## I. Environmental Information (I)

Explanation on the environmental protection of companies and their major subsidiaries that are key pollutant discharge units announced by the environmental protection department Applicable Not applicable 1. Pollutant discharge information Applicable Not applicable

Zhongtian Technology Co., Ltd.: Nantong Ecological Environment Bureau will list Zhongtian Technology as a key pollutant discharge unit from 2021. In strict accordance with the requirements of the hazardous waste management plan system, Zhongtian Technology reports waste drawing oil, 200L waste oil drum, waste ink bottle, aluminum sludge, aluminum ash, waste paint residue, waste emulsion, etc. Qualified units carry out professional collection and treatment, and the treatment method is safe and reliable, achieving "zero discharge of hazardous waste", and will not cause secondary pollution to the environment.

Jiangdong Electronic Materials: Jiangdong Electronic Materials, in strict accordance with the requirements of the hazardous waste management plan system, filters copper-containing sludge cakes, zinc-containing sludge cakes, nickel-containing sludge cakes, chromium-containing sludge cakes, and electrolyte filtration wastes (filter elements, filter bags, etc.). , waste diatomite), waste activated carbon, chemical packaging, waste reverse osmosis membrane, waste motor oil, waste stretching oil, sludge, alkali etching tank residue, etc. are reported to the environmental protection department for the record, and then entrusted to qualified units for professional collection and treatment, the treatment method is safe and reliable, achieves "zero emission", and will not cause secondary pollution to the environment.

Zhongtian Light Alloy: Nantong Municipal Bureau of Ecology and Environment will list Zhongtian Light Alloy as a key pollutant discharge unit from 2021. Zhongtian Light Alloy strictly follows the requirements of the hazardous waste management plan system and disposes of aluminum-containing sludge, waste oil, waste diatomite, oil-containing filter cloth, waste packaging barrels, waste packaging bags, waste emulsion, alkali etching waste, degreasing waste, After the oxidation waste liquid is reported to the environmental protection department for the record, it is entrusted to a qualified unit for professional collection and treatment. The treatment method is safe and reliable, achieving "zero discharge" and will not cause secondary pollution to the environment.



## 2. Construction and operation of pollution prevention and control facilities

✓Applicable ✓Not applicable

The company strictly implements the "three simultaneous" requirements for environmental protection in construction projects to ensure that environmental protection facilities are designed and implemented simultaneously with the main project.

Work and synchronization are put into use. For the environmental protection facilities that have been built and put into operation, through independent research and development and foreign cooperation, we will actively develop

The reduction of pollutant sources and the upgrading and transformation of pollution prevention and control facilities are implemented through the combination of source reduction, process control and end-point treatment.

way to reduce pollutant emissions.

During the reporting period, the company's pollution prevention and control facilities were in good operation, and the pollutants were discharged stably up to the standard.

## 3. Environmental impact assessment of construction projects and other environmental protection administrative licenses ✓Applicable ✓Not

applicable

In terms of the three simultaneous aspects of construction projects, the company strictly implements the relevant requirements of the "Environmental Impact Assessment Law", and conducts

Environmental impact assessment, and implement the environmental protection measures in the assessment documents in the design documents and engineering construction.

At present, Zhongtian Technology Co., Ltd. and Zhongtian Light Alloy have all handled the pollutant discharge permit, and Jiangdong Electronic Materials has handled the registration management.

## 4. Emergency plan for environmental emergencies ✓Applicable ✓Not

applicable

In terms of emergency response to environmental emergencies, the first is to strengthen safety management, especially process safety management, to avoid safety hazards from the source.

Secondary environmental events caused by all accidents. The second is to strengthen the investigation of environmental hidden dangers, and combine the requirements of laws, regulations and systems to conduct special inspections on environmental protection.

The look-up table has been refined and improved, and each unit has formulated an annual environmental hidden danger investigation plan and tracked and managed it. The third is to strengthen environmental

Emergency management, prepared contingency plans for environmental emergencies in accordance with the requirements of laws and regulations, and completed the review, revision and filing of the plans;

At the time, the company also formulated an emergency plan drill plan, and conducted regular drills on the emergency plan.

## 5. Environmental self-monitoring plan ✓Applicable ✓Not

applicable

The company and its subsidiaries (hereinafter referred to as "the companies") follow the "National Key Monitoring Enterprises Self-Monitoring and Information Disclosure"

Measures (for Trial Implementation)" and other regulations, and carry out corporate information disclosure work. Each company discharges pollutants (control) according to national or local

standards, formulate environmental self-monitoring plans and monitoring plans based on the actual situation of each company, and publish them on the website of the local environmental protection bureau and the "National Important

The platform is open for monitoring and information disclosure by monitoring companies. The content of the plan includes: monitoring items, monitoring points, monitoring methods,

Monitoring frequency, standard limits, implementation of emission standards, monitoring methods, analytical instruments, monitoring undertakings, etc.

Each company conducts automatic monitoring in strict accordance with the requirements of the monitoring plan, and entrusts third-party qualified units to regularly discharge major pollutants

monitoring the situation, and an effective environmental monitoring system has been formed through a combination of self-monitoring and third-party monitoring.

The company's established measurement management system ensures the effectiveness and reliability of the company's environmental monitoring.

## 6. Administrative penalties due to environmental issues during the reporting period ✓Applicable ✓Not applicable

## 7. Other environmental information that should be disclosed ✓Applicable

✓Not applicable

## (2) Explanation on environmental protection of companies other than key pollutant discharge units ✓Applicable

✓Not applicable

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

responsibilities ☐Applicable ☐Not applicable

For details, please refer to Section 1 of the 2021 Sustainability Report of Jiangsu Zhongtian Technology Co., Ltd. disclosed on the same day as this report.

The fourth chapter builds a harmonious ecology.

(IV) Measures and effects taken to reduce carbon emissions during the reporting period ☐Applicable ☐Not applicable

For details, please refer to Section 1 of the 2021 Sustainability Report of Jiangsu Zhongtian Technology Co., Ltd. disclosed on the same day as this report.

Chapter 3 Green and Low-Carbon Manufacturing.

2. Social responsibility work

☐Applicable ☐Not applicable

For details, please refer to the 2021 Sustainability Report of Jiangsu Zhongtian Technology Co., Ltd. disclosed on the same day as this report.

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

☐Applicable ☐Not applicable

Section VI Important Matters

I. Fulfillment of commitments (I) Commitments

made by the company's actual controller, shareholders, related parties, acquirers, and the company and other related parties during the reporting period or continuing to the reporting period ÿApplicable ÿNot applicable

Commitment Background	Commitment Type	Commitment party	Commitment	Commitment time and deadline	Is there a deadline for performance	Whether it is timely and strictly implemented	If it fails to perform and perform, it should be performed in a timely manner, and the unfinished performance should be completed by the next specific reason for performance. Step plan is not applicable	if it fails to perform, it should be performed in a timely manner, and the unfinished performance should be completed by the next specific reason for performance. Not applicable
Commitments related to major asset restructuring	Solve the competition	Controlling shareholder Zhongtian Technology Group	It will not directly or indirectly own, manage, control, invest in, or engage in any other business or project that is the same, similar or competitive with Zhongtian Technology (including Zhongtian Technology-controlled enterprises), Zhongtian Broadband, Zhongtian Alloy, and Jiangdong Fittings. We will try our best to avoid and reduce related-party	May 21, 2015, long-term validity				
	Resolve related party transactions	Controlling shareholder Zhongtian Technology Group	transactions with Zhongtian Technology. For related-party transactions that cannot be avoided or have reasonable reasons, we will follow the principles of market fairness, fairness and openness, sign agreements in accordance with the law, perform legal procedures, and ensure no Damage the legitimate rights and interests of Zhongtian Technology and other shareholders. There is no horizontal competition with Zhongtian	May 21, 2015, long-term validity	Whether it is not applicable	Not applicable		
Commitments Related to Refinancing	Solve the competition	Controlling shareholder Zhongtian Technology Group, actual controller Xue Jiping	Technology Co., Ltd., and it will no longer invest or control any other enterprises that engage in the same or similar business as Zhongtian Technology Co., Ltd.	March 22, 2011, March 28, 2014, long-term validity March 22, 2011, March 28, 2014, long-term validity	Whether it is not applicable	Not applicable		
	Resolve related party transactions	Controlling shareholder Zhongtian Technology Group, actual controller Xue Jiping	It will try to avoid related transactions with Zhongtian Technology Co., Ltd., and for the inevitable related business or transactions, it will be carried out on an equal and voluntary basis and in accordance with the principles of fairness, fairness and equivalent compensation, and the transaction price will be based on The reasonable price recognized by the market is determined.		Whether it is not 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  
 yHave reached yNot reached yNot applicable

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

yApplicable yNot applicable

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

period yApplicable yNot applicable

III. Illegal guarantee yApplicable

yNot applicable

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

yApplicable yNot 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

yApplicable yNot applicable

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

yApplicable yNot applicable

For details, please refer to Chapter XVI Financial Report of this report. Other important events 1. Correction of previous accounting errors

(3) Communication with the former accounting firm

yApplicable yNot applicable

(4) Other instructions

yApplicable yNot applicable

VI. Appointment and dismissal of accounting firms

Unit: 10,000 Yuan Currency: RMB

	Currently employed
Name of domestic accounting firm	Zhongxinghua Certified Public Accountants (Special General Partnership)
Remuneration of domestic accounting firm	270
Auditing period of domestic accounting firm	17

	Name	remuneration
Internal Control Audit Accounting Firm Zhongxinghua Certified Public Accountants	through partnership)	90

Description of Appointment and Dismissal of Accounting Firms

yApplicable yNot applicable

The company held the 16th meeting of the 7th board of directors on March 3, 2021, and reviewed and approved the "Regarding the Renewal of ZTE

The Proposal of Accounting Firm (Special General Partnership) as the Company's Audit Institution in 2021", which was held on March 25, 2021

It was reviewed and approved at the company's 2020 Annual General Meeting of Shareholders.

Explanation on the change of accounting firm during the audit period

•Applicable •Not applicable VII. Situations facing delisting risk (1)

Reasons for delisting risk warning •Applicable •Not applicable (2)

Countermeasures to be taken by the company •Applicable • Not

applicable (3) Situation and reasons for facing termination of listing

•Applicable •Not applicable VIII. Matters related to bankruptcy and

reorganization •Applicable •Not applicable IX. Major litigation and

arbitration •The company has major litigation and arbitration this year

•The company has no major litigation or arbitration this year Litigation

and arbitration matters (1) Litigation and arbitration matters have been

disclosed in temporary announcements and there is no follow-up

progress •Applicable •Not applicable

Overview of the matter and	For the query
types The plaintiff, Jiangsu High Hope International Group Zhongjin Holding Co., Ltd., filed three lawsuits for contract disputes, of which the accumulative amount involved was 299 million yuan. It is currently in the trial of the first instance and has not yet been judged, so it is impossible to judge its impact on the company. .	index, please refer to the "Announcement of Jiangsu Zhongtian Technology Co., Ltd. on Litigation" disclosed by the company (announcement number: 2021-057)

(2) Litigation and arbitration situations not disclosed in the temporary announcement or with subsequent progress  
☐Applicable ☒Not applicable

Unit: 10,000 Yuan Currency: RMB

During the reporting period:									
Suing (applying) party	Responding (appealed) party	Jointly liable party	Types of Litigation and Arbitration	Litigation (Arbitration) Basic Information	Litigation (Arbitration) Amount Involved	Whether the litigation (arbitration) forms an estimated liability and	Litigation (Arbitration) Progress	Litigation (Arbitration) Trial Results and Impact	Litigation (Arbitration) Judgment Execution
Jiangsu High Hope International Group Zhongjin Holdings Co., Ltd.	Jiangsu Zhongtian Technology Co., Ltd.		Sales contract disputes	On September 15, 2020 and October 29, 2020, 6 "equipment customization contracts" were signed between Huihong Zhongjin and Zhongtian Technology Co., Ltd., with a total contract price of 199,571,520 yuan. After the signing of the above contract, High Hope Zhongjin has issued a 6-month bank acceptance bill to Zhongtian Technology Co., Ltd. for the total contract amount. Huihong Zhongjin believed that there was a dispute over the sale and purchase contract, and demanded that Zhongtian Technology refund the corresponding payment for the goods and the corresponding capital occupation interest.	the amount 19,957.152	No	The case is currently in the trial of the first instance and has not yet been judged		

(3) Other explanations  
☒Applicable ☐Not applicable

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

XI. Explanation on the integrity of the company, its controlling shareholder and actual controller during the reporting period  
Bad credit status such as outstanding payment.

## XII. Significant related transactions

## (1) Related party transactions related to daily operations

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

implementation ÿApplicable ÿNot applicable

Overview of the	query index
<p>matter The company held the sixteenth meeting of the seventh board of directors on March 3, 2021</p> <p>2020 meeting, reviewed and approved the</p> <p>Yihe's Proposal on Expected Daily Related Party Transactions in 2021.</p> <p>The joint directors Mr. Xue Jiping and Mr. Xue Chi abstained from voting, and the independent directors</p> <p>The matter was reviewed in advance and agreed. The above motion has been</p> <p>The company's 2020 annual general meeting held on March 25, 2021</p> <p>The meeting reviewed and approved, and the related shareholders Zhongtian Technology Group Co., Ltd.,</p> <p>Xue Jiping abstained from voting.</p>	<p>For details, please refer to the "About 2020 Daily Connections" disclosed by the company</p> <p>Transactions and the company's expected daily related party transactions in 2021</p> <p>Announcement (Announcement No.: Lin 2021-016), 2020</p> <p>Announcement on Resolutions of the Annual General Meeting of Shareholders (Announcement No.: 2021-026)ÿ</p>
<p>On October 29, 2021, the company held the seventh session of the board of directors.</p> <p>The 21st meeting reviewed and approved the company's "About increase and part</p> <p>The Proposal for the Routine Operating Related Party Transactions of Related Parties in 2021.</p> <p>Calculate the total amount of the company's daily operating related party transactions in 2021</p> <p>An increase of RMB 194.9 million, related directors Mr. Xue Jiping and Xue Chixian</p> <p>Students abstained from voting, the independent directors reviewed in advance and issued the same</p> <p>opinion. The above proposal was held by the company on December 31, 2021</p> <p>Considered and approved at the second extraordinary general meeting of shareholders in 2021, related shareholders</p> <p>Zhongtian Technology Group Co., Ltd. and Xue Jiping abstained from voting.</p>	<p>For details, please refer to the "About the increase and some related parties" disclosed by the company.</p> <p>2021 Announcement on Routine Operating Related Party Transactions (Announcement</p> <p>No.: Pro 2021-075), "Second Pro</p> <p>Announcement on Resolutions of the General Meeting of Shareholders (Announcement No.: 2022-001)ÿ</p>

## 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

## (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

## 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

## (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) Guarantees yApplicable

yNot applicable

Unit: 10,000 Currency: RMB

The company's external guarantees (excluding guarantees to subsidiaries)														
guarantor	The relationship between the guarantor and the guaranteed party			Date of Guarantee (Agreement Signing Date)	Guarantee start date	Guarantee expiry date	Warranty Type	Collateral (if any)	Whether the guarantee is guaranteed whether the related party has fulfilled the	Whether the guarantee is overdue and the counter-guarantee is	Whether the guarantee is overdue amount			connection relation
Total amount of guarantees during the reporting period (excluding guarantees for subsidiaries)						0								
Total guarantee balance at the end of the reporting period (A) (excluding guarantees for subsidiaries)						0								
Guarantee of the company and its subsidiaries to its subsidiaries														
Total amount of guarantees to subsidiaries during the reporting period						692,406.87								
Total balance of guarantees to subsidiaries at the end of the reporting period (B)						692,406.87								
The total amount of company guarantees (including guarantees to subsidiaries)														
Total Guarantee (A+B)						692,406.87								
Proportion of total guarantees to the company's net assets (%)						24.96%								
Including: The amount of guarantees provided for shareholders,														
actual controllers and their related parties (C) The amount of debt guarantees provided directly or														
indirectly for the guaranteed objects whose asset-liability ratio exceeds 70% ( D) The amount in which the total amount of guarantee exceeds 50% of the net assets (E) The total amount of the above three guarantees (C+D+E) Unexpired						156,519.85								
guarantees may bear joint and several liability for repayment Description of guarantees														
						156,519.85								

(3) Entrusting others to manage cash assets

1. Entrusted financial management

(1) Overall situation of entrusted wealth management

☐Applicable ☐Not applicable

Unit: 10,000 Yuan Currency: RMB overdue amount

type	Source of funds	Amount	Outstanding balance	
Bank wealth management products	Idle own funds	50,000	50,000	0

Other situations

☐Applicable ☐Not applicable

(2) Individual entrusted wealth management

☐Applicable ☐Not applicable

Unit: 10,000 Yuan Currency: RMB

trustee	Entrusted financial management type	Amount of entrusted wealth management	Entrusted financing start date	Entrusted financing termination date	Sources of funds	capital investment	Remuneration determination method	Annualized rate of return	Expected earnings (if any)	actual gain or loss	actual recovery	Whether it has gone through legal procedures	Whether there is an entrusted financial plan in the future	Amount of impairment provision (if any)
Industrial and Commercial Bank of China Rudong Sub-branch Industrial	Large value negotiable time deposit	4,000.00	2021/3/9 2024/3/9	Idle self-owned funds 2021/3/10			fixed rate	3.9875%			not expired	Yes	Yes	
and Commercial Bank of China Rudong Sub-branch	certificate Large value negotiable time deposit certificate	2,000.00	2024/3/10	Idle self-owned funds			fixed rate	3.9875%			not expired	Yes	Yes	

Chinese industry and commerce	large amount	44,000	2021/3/11 2024/3/11	able			fixed	3.9875%			did not arrive	Yes	Yes	
Bank Rudong	transfer order	.00			own		interest rate				Expect			
branch	certificate of deposit				funds									

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

ÿApplicable ÿNot applicable

Other situations

ÿApplicable ÿNot applicable

(2) Individual entrusted loans

ÿApplicable ÿNot applicable

Other situations

ÿApplicable ÿNot applicable

(3) Provision for impairment of entrusted loans

ÿApplicable ÿNot applicable

3. Other situations

ÿApplicable ÿNot 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

1. Regarding the company's termination of the spin-off and listing of Zhongtian Technology Submarine Cable

On August 27, 2021, the company held the twentieth meeting of the seventh board of directors, and reviewed and approved the "Jiangsu Zhongtian Technology"

Proposal of the Co., Ltd. on Terminating the Spin-off of its Subsidiaries and Listing on the Science and Technology Innovation Board of the Shanghai Stock Exchange (Announcement No.: Lin

2021-058). On August 30, 2021, the company disclosed the "Regarding the Termination of Audit by the Shanghai Stock Exchange on the Controlled Subsidiary"

Announcement of the Decision (Announcement No.: Lin 2021-063).

The company's termination of the spin-off and listing of Zhongtian Technology Submarine Cable this time will not have a major adverse impact on the production and operation of the company and Zhongtian Technology submarine cable.

It will not hinder the implementation of the company's strategic plan.

2. Risks related to high-end communication business

On July 22, 2021, the company disclosed the "Announcement on Significant Risks of the Company", and the company and its subsidiaries operate high-end

Abnormal execution of contracts related to communication business (announcement number: Lin 2021-043).

In 2021, the company's 100% provision for impairment of assets related to the high-end communication business will total 3,618,950,000 yuan, deducting income

After the tax factor, the net profit of the company's 2021 consolidated statement will be reduced by RMB 3,076,107,500, and the company's 2021 consolidated statement will be reduced accordingly.

Net profit attributable to shareholders of the listed company was RMB 2,972,969,600.

In 2021, the production and operation of the company's main industries of marine, electric power, and new energy will be stable and continue to grow. The loss accrued this time is mainly

Based on prudent accounting treatment, it does not constitute the company and its related subsidiaries to assume relevant responsibilities or waive relevant rights in law.

We will continue to apply for legal measures to safeguard corresponding rights and interests.

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

	The ratio before this		This change increases or decreases (+, -)					After this change	
	quantity	change (%)	Issuance of new shares	share	Provident fund transfer share	other	Subtotal	Quantity ratio (%)	
1. Shares subject to sales restrictions	0	0							
1. State-owned shares									
2. State-owned legal person holding shares									
3. Other domestic shares of which:	0	0							
shares held by domestic non-state-owned legal persons and	0	0							
shares held by domestic natural persons									
4. Foreign shareholding									
Of which: Shares held by foreign legal persons									
Shares held by foreign natural persons									
2. Unrestricted tradable shares 3,066,152,870 1. RMB ordinary shares 3,066,152,870		100				346,796,782 346,796,782	3,412,949,652 346,796,782	346,796,782 3,412,949,652	100
2. Domestically listed foreign shares		100							100
3. Foreign shares listed overseas									
4. Other									
3. Total number of shares	3,066,152,870	100				346,796,782 346,796,782	3,412,949,652		100

## 2. Description of changes in shares

☐Applicable ☐Not applicable The

company publicly issued convertible corporate bonds with a total face value of RMB 3,965,120,000.00 to the public in February 2019, with a term of 6

Year, the issue price is 100 yuan / piece, a total of 39,651,200 pieces, and the total amount of funds raised is 3,965,120,000.00

RMB 42,396,560.00 after deducting the underwriting and sponsorship fees, the company actually received the lead underwriter Goldman Sachs Gao Hua Securities Co., Ltd.

The raised funds remitted by Ren Company were RMB 3,922,723,440.00.

On March 20, 2019, the company disclosed the "Jiangsu Zhongtian Technology Co., Ltd. Convertible Corporate Bond Listing Announcement",

The company's convertible corporate bonds were listed on March 22, 2019.

According to the relevant provisions of the "Shanghai Stock Exchange Listing Rules" and the "Jiangsu Zhongtian Technology Co., Ltd. Public Issuance of A

As stipulated in the Prospectus for Convertible Corporate Bonds, the "Zhongtian Convertible Bonds" issued by the company will be settled from the issuance of the convertible corporate bonds.

The first trading day after the expiration of six months from the end date, that is, September 6, 2019, can be converted into the company's A-share ordinary shares.

As of December 31, 2021, a total of RMB 3,959,892,000 of "Zhongtian Convertible Bonds" had been converted into company shares, and the company's share capital

Increased to 3,412,949,652 shares.

During the reporting period, the number of shares formed due to share conversion was 396,301,907 shares, of which 346,796,782 shares were converted from newly added shares

49,505,125 shares were converted from special account repurchases.

## 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 During

the reporting period, the company increased its shares by 346,796,782 shares due to the conversion of convertible bonds, and the company's total share capital increased from

3,066,152,870 shares to 3,412,949,652 shares, which will lead to the dilution of the company's earnings per share and net assets per share. 4. Other contents deemed necessary by the

company or required by securities regulators to disclose

☐Applicable ☐Not applicable

## (2) Changes in restricted shares

☐Applicable ☐Not applicable

## II. Securities Issuance and Listing

## (I) Securities issuance as of the reporting period

☐Applicable ☐Not applicable

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

☐Not applicable

## (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

The company publicly issued convertible corporate bonds with a total face value of RMB 3,965,120,000.00 to the public in February 2019.

As of December 31, 2021, a total of RMB 3,959,892,000 of "Zhongtian Convertible Bonds" had been converted into company shares, and the company's share capital

Increased to 3,412,949,652 shares. During the reporting period, the number of shares formed due to share conversion was 396,301,907 shares, of which

346,796,782 shares were converted from newly added shares, and 49,505,125 shares were converted from special account repurchases.

As of December 31, 2021, the company's total assets were 45.632 billion yuan, owner's equity was 277.39 yuan, and total liabilities were 178.93 yuan Yuan, the asset-liability ratio was 39.21%.

(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 of the end of the reporting period (account)	129,944
The total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report (account)	116,731
The total number of preferred shareholders with restoration of voting rights as of the end of the reporting period (account) Preferred	Not applicable
shares with restoration of voting rights at the end of the previous month before the disclosure date of the annual report Total number of shareholders (households)	Not applicable

(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 or decrease during the reporting period	Number of shares held at the end of the period  quantity	Proportion  (%)	Hold a restricted sale  number of shares	Pledge, token or freeze		nature of shareholders
					condition	number quantity	
Zhongtian Technology Group Co., Ltd.	6,110,000 774,117,883 22.68			0	none		non-state-owned Corporation
Hong Kong Securities Clearing Company	61,813,815 134,147,807		3.93	0 unknown 0 unknown			other
Limited China Securities Finance Corporation	0 92,396,397 -1,522,100		2.71	0 unknown 0 unknown			State-owned corporation
Limited Central Huijin Asset Management Co., Ltd. Mao	70,954,150 58,659,105 58,659,105 41,557,535		2.08	0 unknown			State-owned corporation
Youcong Li Donglin Industrial and Commercial Bank of	41,557,535		1.72				Domestic natural person
China Limited - China Europe Value Smart Choice			1.22				Domestic natural person
Return Mixed Securities Investment Fund Wei	38,293,127 38,293,127		1.12	0 unknown			other
Wei Ping An Fund - Shanghai Pudong	37,274,923 37,274,923		1.09	0 unknown			Domestic natural person
Development Bank - Yunnan International Trust - Yunxin Zhixing No. 2017-213 Single Fund Trust Wei Juanyi	-6,005,992 30,823,953		0.90	0 unknown			other
	27,647,118 27,647,118	Shareholdings of the	0.81	0 unknown			Domestic natural person
top ten shareholders not subject to selling restrictions							
Shareholder name	The number of unrestricted tradable shares held			Type and quantity of shares			
				number of species			
Zhongtian Technology Group Co., Ltd. Hong	774,117,883 RMB ordinary shares			774,117,883			
Kong Securities Clearing Company Limited	134,147,807 RMB ordinary shares			134,147,807			



China Securities Finance Co., Ltd. Central	92,396,397 RMB ordinary shares	70,954,150 RMB	92,396,397
Huijin Asset Management Co., Ltd. Mao Youcong Li	ordinary shares	58,659,105 RMB ordinary shares	70,954,150
Donglin Industrial and Commercial Bank of China Co.,	41,557,535 RMB ordinary shares		58,659,105
Ltd. - China Europe Value Smart Return Hybrid			41,557,535
Securities Investment Fund	38,293,127 RMB ordinary shares		38,293,127
Wei	37,274,923 RMB ordinary shares		37,274,923
Wei Ping An Fund - Shanghai Pudong Development Bank - Yunnan International Trust - Yunxin Zhixing No. 2017-213 Single Capital Trust	30,823,953 RMB ordinary shares		30,823,953
Wei Juanyi	27,647,118 RMB ordinary shares	Not applicable	27,647,118
Explanation on the special account for repurchase			
among the top ten shareholders	Not applicable		
Explanation of the related relationship or concerted action of the above shareholders	<p>There is no relationship between the company's largest shareholder and the top ten other shareholders, nor does it belong to the "Listed Company".</p> <p>Persons acting in concert as stipulated in the Measures for the Administration of Information Disclosure on Changes in Shareholding;</p> <p>In relation to related relationships, it is also unknown whether other shareholders belong to the "Management Office of Information Disclosure on Changes in Shareholding of Listed Companies"</p> <p>Persons acting in concert under the Act.</p>		
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

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

☐Applicable ☐Not applicable

IV. Controlling shareholders and actual controllers

(I) Controlling shareholders

1 corporation

☐Applicable ☐Not applicable

Name	Zhongtian Technology Group Co., Ltd.
The person in charge of the unit or legal representative	Xue Jiping
Date of establishment Main business	May 19, 2003
	Optical fibers, optical cables, wires, cables, wires and related materials and accessories, active devices components, passive components and other optoelectronic devices, communication equipment, power transmission and distribution and control equipment, optical fiber composite overhead ground wire, submarine optical cable, aluminum alloy, magnesium alloy and Research and transfer of processing technology for plates, tubes and profiles; development and construction of wind farms and Development and application of integrated technologies for wind farms and solar photovoltaic power generation systems; Sales of power distribution and control equipment; composite steel strips, aluminum strips, water blocking strips, fillers, etc. Manufacture and sales of communication materials for optical cables; investment management; optical cables, wires, cables, Cable monitoring management system and network engineering, design and installation of temperature measurement equipment installation, construction and related technical services; development of communication equipment; progress of goods and technologies Export (except for goods that the country restricts the company to operate and the country prohibits the import and export of); Processing and sales of wooden trays; scrap materials (copper scrap, aluminum scrap, scrap steel, scrap iron, scrap corner plastic, waste cables) recycling and sales. general freight; freight forwarder (on behalf of Office), freight stowage. (Projects subject to approval according to law shall be approved by relevant departments business activities can be carried out later)
Other domestic holdings and shares during the reporting period	none
Equity of foreign listed companies	
Other information	none

2 natural persons

☐Applicable ☐Not applicable

3 The company does not have a special explanation for controlling shareholders

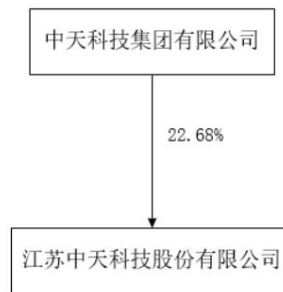
☐Applicable ☐Not applicable

4 Explanation on Changes of Controlling Shareholders 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 corporation

yApplicable yNot applicable

2 natural persons

yApplicable yNot applicable

Whether	Xue Jiping
the name,	China
nationality or nationality has obtained the right of abode in other	no
countries or regions Main occupation and position The domestic and	Chairman of Zhongtian Technology Group, Chairman of Zhongtian Technology Co., Ltd.
overseas listed companies that have been controlled in the past 10 years None	

3 Special instructions for the fact that the company does not have an actual controller

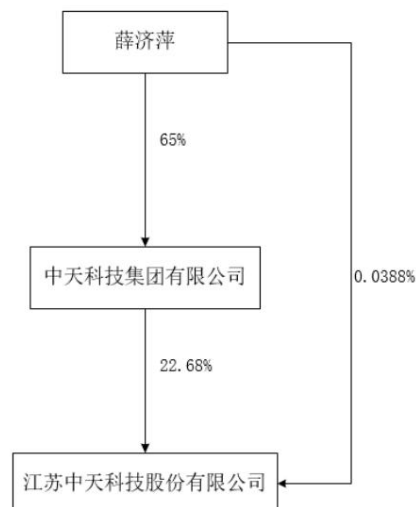
yApplicable yNot applicable

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

☐Applicable ☐Not applicable

(3) Other information on controlling shareholders and actual controllers

☐Applicable ☐Not applicable

V. The proportion of the company's controlling shareholder or the largest shareholder and its persons acting in concert with the accumulative number of pledged shares to the number of company shares held by them

above 80%

☐Applicable ☐Not applicable

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

☐Applicable ☐Not applicable

7. Explanation on share restriction and reduction

☐Applicable ☐Not applicable

VIII. Specific implementation of share repurchase during the reporting period

☐Applicable ☐Not applicable

Unit: 100 million yuan Currency: RMB

Name of the share repurchase plan Phase II of the share repurchase plan through centralized bidding transaction	
Disclosure time of share repurchase plan February 19, 2020	
The number of shares to be repurchased and the proportion of the total share capital (%) 1.45	
Proposed repurchase amount	4
Proposed repurchase use	February 19, 2020 - February 13, 2021
during the repurchase period	The purpose of this repurchase is to convert the convertible into shares issued by the company. corporate bonds
Number of shares repurchased (shares)	0
The number of shares repurchased accounts for the target amount involved in the equity incentive plan	Not applicable
Proportion of shares (%) (if any) The company	
uses centralized bidding to reduce its holdings of repurchased shares progress	Not applicable

Note: During the reporting period, the number of shares to be repurchased and the proportion (%) to the total share capital of the proposed repurchase plan to be implemented are: 22,222,222-

44,444,444, 0.72-1.45; the proposed repurchase amount is 200 million-400 million

## 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

The company publicly issued convertible corporate bonds with a total face value of RMB 3,965,120,000.00 to the public in February 2019, with a term of 6 Year, the issue price is 100 yuan / piece, a total of 39,651,200 pieces, and the total amount of funds raised is 3,965,120,000.00 RMB 42,396,560.00 after deducting the underwriting and sponsorship fees, the company actually received the lead underwriter Goldman Sachs Gao Hua Securities Co., Ltd. The raised funds remitted by Ren Company were RMB 3,922,723,440.00. The net amount of the above-mentioned raised funds is RMB 3,922,723,440.00 On March 6, 2019, the account opened by the company in the Nantong Economic and Technological Development Zone Branch of Bank of Communications Co., Ltd. is: 326008605018170122346 in the special account for raised funds. Zhongxinghua Certified Public Accountants (special general partnership) The availability of funds was verified, and Zhongxing Huayanzi (2019) No. 020009 "Capital Verification Report" was issued.

On March 20, 2019, the company disclosed the "Jiangsu Zhongtian Technology Co., Ltd. Convertible Corporate Bond Listing Announcement", The company's convertible corporate bonds were listed on March 22, 2019.

From November 3, 2021 to November 23, 2021, meet the income of fifteen out of thirty consecutive trading days. The stock price is not lower than 130% of the current conversion price of "Zhongtian Convertible Bonds" (i.e. 12.99 yuan per share). The relevant provisions of the Prospectus for the Public Issuance of A Share Convertible Corporate Bonds by Co., Ltd. have met the conditional redemption of "Zhongtian Convertible Bonds" back terms.

As of the close of the market on the redemption registration date (December 16, 2021), the accumulative "Zhongtian Convertible Bonds" of RMB 3,959,892,000 have been Converted into company shares, accounting for 99.87% of the total issuance of "Zhongtian Convertible Bonds"; the cumulative number of shares converted is 396,382,256 shares, accounting for 12.93% of the total issued shares of the company before the conversion of "Zhongtian Convertible Bonds", of which 346,877,131 shares were converted from new shares 49,505,125 shares were converted from special account share repurchase.

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

Applicable Not applicable

## (3) Changes in convertible bonds during the reporting period

Applicable Not applicable

Unit: Currency: RMB

Convertible Company Bond name	Before this change	This change increases or			After this change
		Convert stock	decreases	sell back	
Zhongtian Convertible Bond	3,964,302,000 3,959,074,000		redemption 5,228,000	0	0

The cumulative conversion of convertible bonds during the reporting period

Applicable Not applicable

Name of convertible corporate bonds Shares	Zhongtian Convertible Bond
converted during the reporting period (RMB) Number	3,959,074,000
of shares converted during the reporting period (shares)	396,301,907

Cumulative number of shares	396,382,256
converted (shares) Cumulative number of shares converted to the total number of issued shares of the	12.93
company before the conversion (%) Amount of shares not yet converted (RMB) Proportion of	0
convertible bonds not converted to total issuance of convertible bonds (%) Note: During the reporting	0

period, the number of shares formed due to conversion is 396,301,907 shares, of which 346,796,782 shares were converted from newly added shares

49,505,125 shares were converted from special account repurchases.

(IV) Previous adjustment of the conversion price

✓Applicable ✓Not applicable

Unit: Currency: RMB

Convertible corporate bond name		Zhongtian Convertible Bond		
Conversion price adjustment date	adjusted conversion price grid	Disclosure time	Disclosure Media	Conversion price adjustment illustrate
July 16, 2019	10.19	July 10, 2019	"China Securities Journal", "Shanghai Securities News", Securities Times and above Sea Stock Exchange website www.sse.com.cn	Due to the implementation of fiscal 2018 profit distribution plan, "Zhongtian Convertible Bonds" Conversion price from 10.29 yuan/share adjustment is 10.19 yuan/share.
July 16, 2020	10.09	July 9, 2020	"China Securities Journal", "Shanghai Securities News", Securities Times and above Sea Stock Exchange website www.sse.com.cn	Due to the implementation of fiscal 2019 profit distribution plan, "Zhongtian Convertible Bonds" Conversion price from 10.19 yuan/share adjustment is 10.09 yuan/share.
April 28, 2021	9.99	May 10, 2021	"China Securities Journal", "Shanghai Securities News", Securities Times and above Sea Stock Exchange website www.sse.com.cn	Due to the implementation of fiscal 2020 profit distribution plan, "Zhongtian Convertible Bonds" Conversion price from 10.09 yuan/share adjustment It is 9.99 yuan/share.
The latest conversion price as of the end of the reporting period		9.99		

(V) The company's liabilities, changes in credit and cash arrangements for debt repayment in future years

✓Applicable ✓Not applicable

(6) Other information on convertible bonds

✓Applicable ✓Not applicable

## Section X Financial Report

### 1. Audit report

ýApplicable ýNot applicable

# Audit Report

Zhongxing Huashen Zi (2022) No. 021531

All shareholders of Jiangsu Zhongtian Technology Co., Ltd.:

### I. Audit opinion

We audited the financial statements of Jiangsu Zhongtian Technology Co., Ltd. (hereinafter referred to as "Zhongtian Technology Company"), including Consolidated and parent company balance sheets at 31 December 2021, 2021 consolidated and parent company income statement, consolidated and parent company The 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 have been prepared in accordance with the Accounting Standards for Business Enterprises in all material respects and fairly reflect Zhongtian Technology Company Consolidated and Parent Company Financials at December 31, 2021 and 2021 Consolidated and Parent Company Operating Results and cash flow.

### 2. Forming the basis for the audit opinion

We performed the audit work in accordance with the Chinese Certified Public Accountants Auditing Standards. "Certified Accountant's Financial The "Responsibility for Auditing Statements" section further elaborates on our responsibilities under these standards. Otherwise, we are independent of Zhongtian Technology Company and fulfill other responsibilities in terms of professional ethics. We believe that the audits we obtain The evidence is sufficient and appropriate to provide a basis for an audit opinion.

### 3. Key audit matters

The key audit matters are the matters that, based on our professional judgment, are considered to be of most significance in the audit of the financial statements of the current period. of these matters We do not express separate opinions on these matters in the context of our audit of the financial statements as a whole and to form an opinion. we are sure The following matters are the key audit matters that need to be communicated in the audit report.

#### (1) Recognition of income

##### 1. Item description

As stated in the Notes to the Financial Statements and the Notes to the Consolidated Financial Statements, the operating income of Zhongtian Technology Co., Ltd. Product sales and non-ferrous metal trade, etc. The total operating income of Zhongtian Technology in 2021 is 46,163,306,590.50 Yuan. In view of the different recognition timing and methods of different income, it may not be taken seriously in actual operation, resulting in misstatement, and the operating income is one of the key evaluation indicators, therefore, we list revenue recognition as a key audit matter.

##### 2. Audit response

(1) Understand, test, and evaluate the design and implementation of key internal controls with respect to the revenue cycle to evaluate the effectiveness of revenue recognition controls

effectiveness;

(2) Understand the relevant policies and operating environment for revenue recognition, evaluate the appropriateness of revenue recognition conditions; communicate with the management

to understand and evaluate whether there is any sign of material bias and misstatement of revenue recognition by management;

(3) Implement analytical procedures and pay attention to the rationality of the fluctuation of income between comparable periods and the current year;

(4) According to the transaction characteristics and nature of the main products, select a reasonable number of customers to implement the confirmation procedure to verify the balance of accounts receivable

and the authenticity of the amount of sales revenue;

(5) Select a certain percentage of the issued goods, check supporting documents such as invoices and sales contracts, and select some issuers at the same time.

Customers check the inventory status on-site, and evaluate the reasonable timing of the transfer of risks and rewards on the basis of verifying the authenticity of the issued products.

sex;

(6) Carry out a cut-off test on the revenue recognized before and after the balance sheet date, and pay attention to whether the revenue is included in the appropriate accounting period.

(2) Provision for bad debts of accounts receivable

1. Item description

As of December 31, 2021, as stated in the Notes to the Financial Statements and the Notes to the Consolidated Financial Statements, Zhongtian Technology Co., Ltd. shall

The balance of accounts receivable is 11,730,296,054.35 yuan, the bad debt provision amount is 624,426,794.64 yuan, and the book value of accounts receivable at the end of the period

higher. As the assessment of bad debt provision for accounts receivable requires management to use significant accounting estimates and judgments, the provision for bad debts of accounts receivable

considered a key audit matter.

2. Audit response

(1) Understand, test, and evaluate the design and implementation of key internal controls related to the management of accounts receivable to confirm the effectiveness of internal controls

effectiveness;

(2) Implement analytical review procedures to analyze the rationality of accounting estimates for bad debt provision for accounts receivable, including determining the accounts receivable group

The basis for the merger, the judgment on the significant amount, the judgment on the separate provision for bad debts, etc.;

(3) Obtained accounts receivable aging details, main customer information, accounting vouchers, invoices, etc. on December 31, 2021

Through the inspection of accounts receivable occurrence and subsequent payment collection, analyze the rationality of accounts receivable aging and customer credit records

record the situation, and evaluate the rationality of the provision for bad debts of accounts receivable;

(4) Obtain the bad debt provision accrual table, check whether the accrual method is implemented in accordance with the bad debt policy, and analyze the basis for the separate accrual of bad debt provision.

Whether the data is sufficient, recalculate the provision for bad debts to verify its accuracy;

(5) Selected some accounts receivable with significant amount to carry out the confirmation procedure, and compared the confirmation result with the amount recorded in the book.

check;



(6) Check the accounting records related to the provision and write-off of bad debts, and obtain the approval documents of the management for the write-off of bad debts, etc.

Determine the correctness of the accounting treatment.

(3) Provision for bad debts of other receivables

#### 1. Item description

As of December 31, 2021, as stated in the notes to the financial statements and the notes to the items in the consolidated financial statements, Zhongtian Technology Co., Ltd.

The balance of other receivables is 2,118,265,001.79 yuan, the bad debt provision amount is 1,976,645,651.59 yuan, and other receivables are accrued in the current period

The amount of bad debt provision is high. Since the assessment of bad debt provision for other receivables requires management to use significant accounting estimates and judgments,

Bad debt provision for other receivables is considered a key audit matter.

#### 2. Audit response

(1) Understand, test and evaluate the design and implementation of key internal controls related to the management of other receivables to confirm internal controls

effectiveness;

(2) Implement analytical review procedures to analyze the rationality of accounting estimates for bad debt provision for other receivables, including the basis for determining the combination

Judgment on separate provision for bad debts, etc.;

(3) Obtained the aging details of other receivables, main customer information, accounting vouchers, invoices and other expenses on December 31, 2021

Keep records, analyze the rationality of the aging of other receivables and customer credit records, and evaluate the provision for bad debts of other receivables.

rationality;

(4) Obtain the bad debt provision accrual table, check whether the accrual method is implemented in accordance with the bad debt policy, and analyze the basis for the separate accrual of bad debt provision.

Whether the data is sufficient, recalculate the provision for bad debts to verify its accuracy;

(5) Check the accounting records related to the provision and write-off of bad debts, and obtain the management's approval documents for the write-off of bad debts, etc.

Determine the correctness of the accounting treatment.

(IV) Provision for inventory depreciation

#### 1. Item description

As of December 31, 2021, as stated in the notes to the financial statements and the notes to the consolidated financial statements, Zhongtian Technology Co., Ltd.

The balance of inventory was 7,310,230,376.76 yuan, the amount of inventory depreciation reserves was 1,725,957,766.40 yuan, and the book value of inventories at the end of the period was higher than

high. As the assessment of inventory depreciation reserves requires management to use significant accounting estimates and judgments, inventory devaluation reserves are considered critical

Audit Matters.

#### 2. Audit response

(1) Understand, test and evaluate the design and implementation of key internal controls related to inventory management to confirm the effectiveness of internal controls

sex;

(2) Implement analytical review procedures to analyze the rationality of the accounting estimates for inventory depreciation reserves, including the judgment of future net realizable value

basis, method, etc.;

(3) Combined with inventory monitoring, check the inventory age, actual status and application fields, changes in market demand, etc.

Whether the management has reasonably estimated the net realizable value;

(4) Obtain the inventory depreciation reserve accrual table, and recalculate the accrued amount of the inventory depreciation reserve to verify its accuracy;

(5) Check the accounting records related to the accrual and write-off of the provision for depreciation, and obtain the approval documents of the management on the provision for depreciation, etc.,

Determine the correctness of the accounting treatment.

#### 4. Other information

The management of Zhongtian Technology Company (hereinafter referred to as the management) is responsible for other information. Additional information includes Zhongtian Technology Co., Ltd.

Information covered in the 2021 Annual Report, excluding the financial statements and our audit report.

Our audit opinion on the financial statements does not cover the other information, nor do we issue any form of assurance on the other information

in conclusion.

In conjunction with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information

There is a material inconsistency or a material misstatement that appears to exist in the financial statements or what we learned during the audit.

Based on the work we have performed, if we determine that other information is materially misstatement, we should report that fact. At this

On the other hand, we have nothing to report.

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

The management is responsible for the preparation of the financial statements in accordance with the Accounting Standards for Business Enterprises so that they can be fairly reflected, and for the design, implementation and maintenance of the financial statements.

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 Zhongtian Technology's ability to continue as a going concern, and for disclosing information related to going concern.

matters, if applicable, and apply the going concern assumption unless management plans to liquidate Zhongtian Technology, terminate operations, or otherwise

His realistic choice.

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

#### 6. The CPA's Responsibilities for the Audit of Financial Statements

Our objective is to obtain reasonable assurance that the financial statements as a whole are free from material misstatement due to fraud or error, and

Issue an audit report containing an audit opinion. Reasonable assurance is a high level of assurance, but does not

A material misstatement is always detected when a material misstatement exists. Misstatements may result from fraud or error, if misstatements are reasonably expected, individually or in aggregate

Misstatements are generally considered to be material if they are likely to affect the economic decisions that users of the financial statements make based on the financial statements.

We exercise professional judgment and maintain professional skepticism in conducting audits in accordance with auditing standards. At the same time, we also

Do the following:

(1) Identify and assess the risk of material misstatement of the financial statements due to fraud or error, and design and implement audit procedures to deal with these risks and obtain sufficient and appropriate audit evidence as a basis for expressing an audit opinion. As fraud may involve collusion,

Falsification, willful omission, misrepresentation or overriding of internal control, high risk of failure to detect material misstatement due to fraud

Risk of material misstatement due to failure to detect errors.

(2) Understand the internal control related to audit to design appropriate audit procedures.

(3) Evaluate the appropriateness of the management's choice of accounting policies and the reasonableness of accounting estimates and related disclosures.

(4) Conclude on the appropriateness of management's use of the going concern assumption. At the same time, based on the audit evidence obtained, it may lead to Whether there are significant uncertainties in matters or circumstances that give rise to significant doubts about Zhongtian Technology's ability to continue as a going concern. like If we conclude that a material uncertainty exists, auditing standards require us to draw the attention of users of the financial statements in our audit report. relevant disclosures in the financial statements; if the disclosures are insufficient, we shall issue a non-qualified opinion. Our conclusions are based on the audit as of Information available on the reporting date. However, future events or circumstances may cause Zhongtian Technology to not continue as a going concern.

(5) Evaluate the overall presentation, structure and content of the financial statements, and evaluate whether the financial statements fairly reflect the relevant transactions and events item.

(6) Obtain sufficient and appropriate audit evidence on the financial information of the entities or business activities of Zhongtian Technology Co., Ltd. form an opinion. We are responsible for directing, supervising and performing group audits. We accept full responsibility 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 communicating our Notable internal control deficiencies identified during the 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 reasonably believed 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 relevant key audit matters. We describe these matters in our audit report unless laws and regulations prohibit public disclosure of these matters, or in the rare In many cases, if the adverse consequences of communicating a matter in the audit report would reasonably be expected to outweigh the benefits in the public interest , we determined that the matter should not be communicated in the audit report.

Zhongxinghua Certified Public Accountants (Special General Partnership) Chinese Certified Public Accountant (Project Partner): Wen Guosheng

Beijing China

Chinese Certified Public Accountant: Cheng Xiaofang

April 28, 2022

## 2. Financial Statements

## Consolidated Balance Sheet

December 31, 2021

Prepared by: Jiangsu Zhongtian Technology Co., Ltd.

Unit: Currency: RMB

project	Note 31	December 2021	December 31, 2020
Current assets:			
Monetary funds		12,368,429,362.35	11,097,562,008.91
settlement reserve			
Loan funds			
Trading Financial Assets		30,245,276.64	101,619,114.08
Derivatives Financial Assets		73,568,959.75	106,178,475.78
Notes Receivables Accounts		718,005,574.65	618,855,646.40
Receivables Financing		11,105,869,259.71	9,405,137,661.42
Prepayments Insurance		240,933,182.65	935,238,094.45
Premiums Receivable		454,178,747.70	3,739,575,347.43
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables		141,619,350.20	199,214,477.66
Including: Interest receivable			
Dividends receivable			
Repurchase of resale financial assets			
		5,584,272,610.36	6,429,904,056.25
Inventory		242,630,790.21	147,202,844.23
contract assets Assets			
held for sale Non-current assets due		7,635,335.39	
within one year Other current assets		1,033,832,786.32	964,695,888.75
Current assets Total non-current		32,001,221,235.93	33,745,183,615.36
assets:			
Disbursement of loans and advances			
Debt investment			
Other debt investments			
Long-term receivables		51,759,223.20	306,972,326.29
Long-term equity		732,750,015.33	448,570,843.56
investment Other equity instrument		492,689,295.76	459,185,932.55
investment Other non-current financial		718,147,971.63	892,134,647.52
assets Investment real estate Fixed		6,036,643.29	70,435,910.32
assets Construction in progress		8,423,644,929.04	8,978,468,675.46
Productive biological assets		993,090,570.29	504,284,391.74
Oil and gas assets			
Right-of-use assets		92,149,675.45	
Intangible assets		1,039,718,433.03	1,088,080,163.40
development expenditure			
		8,386,288.63	22,371,165.78
Goodwill long-		7,695,920.27	23,671,105.74
term deferred tax assets		846,526,067.06 112 /	315,362,505.82

Other non-current assets		217,898,702.58	290,586,129.14
Total non-current assets		13,630,493,735.56	13,400,123,797.32
Total assets Current		45,631,714,971.49	47,145,307,412.68
liabilities:			
short-term		3,450,966,505.64	1,190,640,130.63
borrowing from the central bank			
borrowed funds			
Held-for-trading financial liabilities			
Derivative financial liabilities Bills		5,258,075.00	2,474,013.84
payable Accounts payable		3,022,409,642.66	5,845,623,929.92
Accounts payable in advance		5,157,226,647.74	4,343,085,585.60
Contract liabilities Financial assets		6,671,724.27	249,768,800.01
sold under repurchase		2,047,531,834.96	3,833,086,822.99
Deposits and deposits			
Agent for buying and selling securities			
Agent underwriting securities			
Payable Employee		326,363,154.32	330,908,532.14
Salary Payable Taxes		382,721,253.24	330,951,394.12
Other Payables		251,183,887.23	244,271,669.41
Including: Interest Payable			
Dividends Payable		88,500,000.00	
Handling Fees and Commissions Payable			
Reinsurance Accounts Payable			
Non-current liabilities			
due within one year of held-for-sale liabilities		10,150,796.35	1,046,375,521.32
Other current liabilities Current liabilities		366,495,684.86	600,065,161.16
Total non-current liabilities:		15,026,979,206.27	18,017,251,561.14
Insurance contract reserve			
Long-term		1,906,010,077.79	498,913,700.00
borrowings and			3,444,316,513.74
bonds payable Including: preferred shares			
perpetual bond			
Lease liabilities		75,775,153.03	
Long-term payables		240,663,400.00	191,451,700.00
Long-term payables Long-term		5,104,642.67	5,853,190.88
employee benefits Estimated			
liabilities Deferred income Deferred		240,164,698.63	215,963,623.14
tax liabilities Other non-current		358,051,219.79	475,776,870.97
liabilities		40,000,000.00	40,000,000.00
Total non-current		2,865,769,191.91	4,872,275,598.73
liabilities Total		17,892,748,398.18	22,889,527,159.87
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)		3,412,949,652.00	3,066,152,870.00
Other equity instruments Including:			632,211,333.55
preference shares			
perpetual bond			

Deduction of		11,212,511,672.04	7,606,252,345.00
capital reserve: general			412,305,809.74
risk reserve of special		-58,325,750.23	176,533,219.42
reserve for other		79,583,238.37	22,521,437.50
comprehensive income of		1,057,818,717.79	922,068,983.55
treasury stock surplus reserve			
Undistributed profits		11,229,870,283.80	11,452,852,041.09
are attributable to owners' equity of the parent company (or shareholders' equity) total		26,934,407,813.77	23,466,286,420.37
minority shareholders' equity		804,558,759.54	789,493,832.44
owners' equity (or shareholders' equity) profit) total		27,738,966,573.31	24,255,780,252.81
liabilities and owners' equity (or shareholders' equity) total		45,631,714,971.49	47,145,307,412.68

Person in charge of the company: Xue Jiping in charge of accounting work: Gao Hongshi Person in charge of accounting department: Xu Jiping

Parent Company Balance Sheet

December 31, 2021

Prepared by: Jiangsu Zhongtian Technology Co., Ltd.

Unit: Currency: RMB

project	Note 31	December 2021	December 31, 2020
Current assets:			
Monetary funds		6,560,201,780.04	5,659,877,515.29
Trading financial assets			
Derivatives financial assets		28,269,702.74	54,967,336.05
Notes receivable Accounts		270,269,759.15	69,411,152.80
receivable Accounts		2,611,917,059.90	3,111,690,847.91
receivable Financing		59,883,367.31	546,962,634.96
prepayments Other		44,632,319.67	59,350,747.45
receivables Including: Interest		3,306,768,267.16	3,755,553,503.23
receivable			
Dividends receivable		692,658,228.00	
Inventory		632,259,225.07	622,003,178.46
contract assets			
Assets held for sale			
Non-current assets due within one		7,635,335.39	
year Other current assets Total non-		102,411,124.16	101,062,003.81
current assets:		13,624,247,940.59	13,980,878,919.96
Debt investment			
Other debt investments			

Long-term		51,759,223.20	306,929,601.24
receivables Long-		15,596,593,299.81	14,996,287,352.93
term equity investment		102,966,944.33	95,829,547.25
Other equity instrument		112,920,267.24	137,484,044.88
investment Other non-		6,036,643.28	6,329,539.17
current financial assets		615,672,375.13	719,886,708.45
Investment real estate		81,409,655.21	15,913,341.14
Fixed assets Construction			
in progress Production			
biological assets Oil and			
gas assets Right-of-use		87,421,479.05	90,119,423.61
assets assets			
		1,409,822.84	206,761.52
		48,887,695.54	50,918,447.50
		39,677,697.20	181,139,740.92
Total non-current assets		16,744,755,102.83	16,601,044,508.61
Total assets Current		30,369,003,043.42	30,581,923,428.57
liabilities:			
Short-term		1,377,134,487.60	131,652,317.34
borrowings Trading financial			
liabilities Derivative financial		14,450.00	1,616,825.66
liabilities Notes payable		812,771,844.09	3,240,709,720.80
Accounts payable Accounts		1,843,445,790.24	2,776,972,433.13
payable in advance Contract			
liabilities Employee benefits		222,328,269.22	463,640,160.54
payable Other payables		58,196,441.08	65,762,539.58
Including: Interest payable		25,183,495.85	63,020,738.73
		1,534,282,298.91	542,770,172.45
dividends payable			
Non-current liabilities			
due within one year of held-for-sale liabilities		1,401,039.11	1,046,375,521.32
Other current liabilities Current liabilities		27,366,500.13	67,785,299.76
Total non-current liabilities:		5,902,124,616.23	8,400,305,729.31
Long-term		1,578,628,500.00	466,613,500.00
borrowings and			3,444,316,513.74
bonds payable Including: preferred shares			
perpetual bond			
Lease liabilities			
Long-term payables		31,158,400.00	38,030,700.00
Long-term payables Long-term			
employee benefits Estimated			
liabilities Deferred income Deferred		10,432,500.00	
tax liabilities Other non-current		35,189,942.92	113,021,012.42
liabilities			
Total non-current liabilities		1,655,409,342.92	4,061,981,726.16

Total Liabilities		7,557,533,959.15	12,462,287,455.47
Owner's Equity (or Shareholders' Equity):			
Paid-in capital (or share capital)		3,412,949,652.00	3,066,152,870.00
Other equity instruments Including:			632,211,333.55
preference shares			
perpetual bond			
Minus from		11,137,559,764.44	7,603,910,889.86
capital reserve:			412,305,809.74
special reserve for		28,612,409.59	53,151,810.94
other comprehensive			
income of treasury		1,057,818,717.79	922,068,983.55
stock, surplus		7,174,528,540.45	6,254,445,894.94
reserve, undistributed profit profit) total		22,811,469,084.27	18,119,635,973.10
liabilities and owners' equity (or shareholders' equity) Total		30,369,003,043.42	30,581,923,428.57

company person in charge: Xue Jiping

Person in charge of accounting work: Gao Hongshi

Person in charge of accounting organization: Xu Jiping

## Consolidated Income Statement

January-December 2021

Unit: Currency: RMB

Item 1.	Notes	2021	
Total operating income Including:		46,163,306,590.50	42,081,553,999.57 in 2020
operating income and interest		46,163,306,590.50	42,081,553,999.57
income			
Premium earned			
Fee and commission income			
2. Total operating costs		42,258,854,585.82	39,296,979,006.66
Including: operating costs		38,771,817,890.58	36,232,077,704.56
and interest expenses			
Fees and Commissions Expenses			
Surrender			
Net payout			
Net withdrawal of insurance liability reserves			
dividend payment policy			
Reinsurance costs			
Taxes and Additional		132,757,917.79	128,949,110.19
Sales Expenses		758,648,666.42	689,733,343.75
Administrative		692,292,363.07	619,653,997.19
Expenses R&D		1,468,163,109.30	1,216,560,275.47
Expenses Financial		435,174,638.66	410,004,575.50
Expenses Including: Interest		303,447,681.69	270,253,469.54
Expenses Interest Income		44,150,707.34	73,576,023.15



Plus: other income		169,282,744.06	174,497,159.14
investment income (losses are marked with "-") Fill in)		190,893,976.72	67,630,842.64
Of which: For associates and joint ventures The investment income of		41,744,901.88	37,224,640.23
the business is measured at amortized cost Financial assets derecognition		9,647,089.97	
gains Exchange gains (losses are marked with "-") fill in)			
Net exposure hedging gains (losses in Fill in with "-")			
Gains from changes in fair value (losses are Fill in with "-") Credit		-147,007,208.85	16,294,383.14
impairment losses (losses are Fill in with "-") Asset		-2,123,584,086.93	-148,931,657.33
impairment losses (losses are denominated in Fill in with "-")		-1,728,877,771.06	-146,048,661.18
Income from disposal of assets (losses are Fill in with "-") 3.		1,647,858.11	-5,874,305.70
Operating profit (for losses, fill in with "-")		266,807,516.73	2,742,142,753.62
column) plus: non-operating		16,060,290.62	33,440,720.44
income minus: non-		25,002,371.55	19,517,037.01
operating expenses number)		257,865,435.80	2,756,066,437.05
Less: Income tax		-24,053,652.65	385,854,650.13
expense V. Net profit (net loss is filled with "-") number (1)		281,919,088.45	2,370,211,786.92
Classification by business continuity			
1. Net profit from continuing operations (net loss equal to Fill in with "-") 2. Net		281,919,088.45	2,368,930,624.07
profit from discontinued operations (net loss equal to Fill in with "-") (2)			1,281,162.85
Classification by ownership			
1. Net profit attributable to shareholders of the parent company (The net loss is listed with "-") 2. Minority		172,092,691.39	2,274,661,507.02
shareholders' profit and loss (net loss is listed with "-") Fill in with "-") 6.		109,826,397.06	95,550,279.90
Net after-tax other comprehensive income		-225,934,437.27	153,199,836.67
(1) Others belonging to the owners of the parent company Comprehensive income, net after tax		-234,858,969.65	151,877,694.77
1. Others that cannot be reclassified into profit or loss Comprehensive		-13,957,878.15	67,955,289.21
income (1) Remeasurement of changes in defined benefit plans Momentum			-111,080.71
(2) Others that cannot be transferred to profit or loss under the equity method Other comprehensive			
income (3) Fair value of other equity instrument investments value change		-13,957,878.15	68,066,369.92

(4) Fair value of the company's own credit risk			
Value change			
2. Other comprehensive items to be reclassified to profit or loss		-220,901,091.50	83,922,405.56
Combined			
income (1) Others that can be transferred to profit or loss under the equity method		446,372.38	4,254,081.00
Comprehensive			
income (2) Changes in fair value of other debt investments			
with income			
(3) Financial assets are reclassified and included in other			
Amount of comprehensive			
income (4) Credit impairment criteria for other debt investments			
prepare			
(5) Cash flow hedging reserve (6) Translation		34,030,453.51	89,831,665.18
differences of foreign currency financial statements		-255,377,917.39	-10,163,340.62
(7) Others (2) Other comprehensive assets attributable			
to minority shareholders		8,924,532.38	1,322,141.90
7. Total comprehensive			
income (1) Comprehensive		55,984,651.18	2,523,411,623.59
income attributable to owners of the parent company		-62,766,278.26	2,426,539,201.79
Total combined income			
(2) Comprehensive income attributable to minority shareholders		118,750,929.44	96,872,421.80
8. Earnings			
per share:			
(1) Basic earnings per share (yuan/share)		0.057	0.754
(2) Diluted earnings per share (yuan/share)		0.057	0.701

In the case of business combination under the same control in the current period, the net profit realized by the merged party before the merger is: 0 yuan, and the merged party in the previous period

The realized net profit is: -3,867,724.17 yuan. Person in

in charge of the company: Xue Jiping

charge of accounting work: Gao Hongshi Person

Person in charge of accounting organization: Xu Jiping

Parent company income statement

January-December 2021

Unit: Yuan Currency: RMB 2020

project	Note 2021	7,877,734,539.25
1. Operating income	9,030,236,896.45	
minus: operating costs,	7,008,289,347.81 7,825,653,168.90	
taxes and additional	16,176,874.25	22,406,652.59
sales expenses,	103,764,105.46	195,278,142.30
management	87,923,545.15	95,562,045.63
expenses, R&D	283,570,526.55	334,153,875.08
expenses, and	268,451,991.35	204,305,426.63
financial expenses	240,945,272.33	224,267,680.50
Including:	35,896,274.93	93,838,499.96
interest expenses Interest income	30,355,266.45	15,326,805.93
plus: other income investment income (losses are listed	1,251,301,345.89 1,192,791,576.48	
with "-") In which: for associates and joint ventures invest	42,832,013.49	37,089,711.68
income		
Financial assets measured at amortized cost end		
Stop recognizing income		

Net exposure hedging gains (losses are filled with "-")			
List)			
Gains from changes in fair value (losses are marked with "-")		-5,892,703.24	-21,714,786.15
fill in)			
Credit impairment losses (losses are filled with "-")		11,006,161.01	-22,362,580.06
List)			
Asset impairment losses (losses are filled with "-")		-13,149,033.23	-23,284,869.84
List)			
Assets disposal gains (losses are filled with "-")		1,976,460.46	1,891,960.03
2.			
Operating profit (losses are listed with "-") Plus:		1,385,155,646.02	1,495,525,691.71
non-operating income minus: non-operating		3,399,310.55	7,940,940.44
expenses 3. Total profit (total losses are listed		5,675,702.85	8,349,577.29
with "-") Less: income tax expenses Net loss is listed with		1,382,879,253.72	1,495,117,054.86
"-")		25,381,911.37	36,784,123.28
		1,357,497,342.35	1,458,332,931.58
(1) Net profit from continuing operations (net losses are marked with "-")		1,357,497,342.35	1,458,332,931.58
(2) Net profit			
from discontinued operations (net losses are marked with "-")			
V. Net amount			
of other comprehensive income after tax (1) Other		-24,539,401.35	46,907,692.77
comprehensive income that cannot be reclassified into profit or loss 1.		6,066,787.52	6,735,034.27
Remeasurement of changes in defined benefit plans 2. Other comprehensive			
income that cannot be transferred to profit or loss under the equity method			
3. Changes in the fair value of other equity instrument investments 4.		6,066,787.52	6,735,034.27
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		-30,606,188.87	40,172,658.50
comprehensive income that can be converted into profit or loss under the		446,372.38	4,254,081.00
equity method 2. Changes in the fair value of other debt investments 3.			
Financial assets reclassified into other comprehensive income			
Amount			
4. Credit impairment reserves for other debt investments			
5. Cash flow hedge reserves 6. Differences in translation		-31,052,561.25	35,918,577.50
of foreign currency financial statements 7. Others 6.			
Total comprehensive income 7. Earnings per share:			
		1,332,957,941.00	1,505,240,624.35
(1) Basic earnings per share (yuan/share)			
(2) Diluted earnings per share (RMB/share)			

Person in charge of the company: Xue Jiping

Person in charge of accounting work: Gao Hongshi

Person in charge of accounting organization: Xu Jiping

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		44,783,100,928.39	45,276,671,449.40
deposits received from sales of goods and provision 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		329,943,479.39	209,532,365.31
fees received Subtotal of cash inflows from		519,835,811.40	631,224,826.17
other operating activities cash inflows from		45,632,880,219.18	46,117,428,640.88
operating activities		41,392,214,904.92	39,710,433,815.70
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			
Subtotal of various taxes and fees paid to		1,924,052,237.36	1,746,779,550.41
employees and cash paid for employees and		1,312,053,689.62	1,116,862,160.39
other cash outflows from operating activities		1,551,625,405.47	955,802,558.26
related to operating activities Net cash flows		46,179,946,237.37	43,529,878,084.76
from operating activities II. Cash flows from		-547,066,018.19	2,587,550,556.12
investing activities:			
Cash back on investment to obtain		99,294,166.59	724,873,100.04
investment income Cash received from		30,828,620.92	25,485,371.22
disposal of fixed assets, intangible assets and other long-term assets		33,795,920.53	126,771,064.08
Net cash received from asset			
recovery from disposal of subsidiaries and other business units			
net amount			
Cash received from other investing activities Subtotal of cash		480,756,536.86	66,618,170.32
inflows from investing activities Purchase and construction		644,675,244.90	943,747,705.66
of fixed assets, intangible assets and other long-term		1,295,898,118.58	1,247,758,133.86
Cash paid for assets			
Net increase in cash		194,292,721.21	898,066,092.29
pledged loans paid for by investments			
Obtain cash paid by subsidiaries and other business units			
net amount			
Payment of other cash related to investing		4,384,291.35	10,869,001.29
activities Subtotal of cash outflows from		1,494,575,131.14	2,156,693,227.44
investing activities Net cash flows from		-849,899,886.24	-1,212,945,521.78
investing activities 3. Cash flows from financing activities:			
Cash received from absorbing investments			364,030,000.00
Including: Received by subsidiaries from minority shareholders' investments			364,030,000.00
cash			
received from borrowing		7,353,125,846.18	3,516,763,805.35

Cash received from other financing activities			6,000,000.00
cash inflows related to financing activities		7,353,125,846.18	3,886,793,805.35
		4,757,860,953.71	3,792,486,391.10
Money		467,396,554.86	402,598,618.08
Of which: shares paid by subsidiaries to minority shareholders		8,687,127.25	4,445,812.15
Profits and			
profit payments Other cash outflows from financing		18,468,397.19	214,726,400.00
activities related to financing activities Subtotal		5,243,725,905.76	4,409,811,409.18
Net cash flow from financing activities IV. Effect		2,109,399,940.42	-523,017,603.83
of exchange rate changes on cash and cash equivalents		-38,871,398.10	-104,390,060.04
ring			
V. Net increase in cash and cash equivalents		673,562,637.89	747,197,370.47
Add: Beginning balance of cash and cash equivalents		9,810,364,361.61	9,063,166,991.14
VI. Balance of cash and cash equivalents at the end of the period		10,483,926,999.50	9,810,364,361.61

Person in charge of the company: Xue Jiping

Person in charge of accounting work: Gao Hongshi

Person in charge of accounting organization: Xu Jiping

Parent company cash flow statement

from January to December 2021

Unit: Currency: RMB

Item	Notes	2021	2020
1. Cash flow from operating activities:			
Received from the sale of goods and the provision of labor services		7,764,773,746.36	10,272,017,425.07
Cash			
receipts for tax refunds		66,135,017.49	4,697,383.58
and other receipts related to operating activities		213,707,140.30	287,561,675.55
Subtotal			
of cash inflows from operating activities for		8,044,615,904.15	10,564,276,484.20
purchasing goods and accepting payment for labor services		7,148,798,131.49	8,688,523,440.19
Cash			
paid to and for employees		364,940,595.62	375,683,083.10
Various			
taxes and fees paid in		145,762,284.90	223,777,029.28
cash to pay other related business activities		249,449,291.49	276,031,625.60
Subtotal			
of cash outflows from operating		7,908,950,303.50	9,564,015,178.17
activities Net cash flows from operating activities		135,665,600.65	1,000,261,306.03
Forecast			
2. Cash flow from investing activities:			
Cash back on investment to		31,982,227.73	406,960,461.70
obtain investment income Cash received		493,285,749.46	1,153,699,989.23
from disposal of fixed assets, intangible assets and		12,495,010.78	41,722,166.72
Net cash recovered from other long-term assets			

Disposal of subsidiaries and other business units		426,047,280.00	162,276,000.00
Net cash received			
received from other related investing activities		971,732,881.05	1,744,119,268.24
Subtotal			
of cash inflows from cash investing activities		1,935,543,149.02	3,508,777,885.89
Purchase and construction of fixed assets, intangible assets and		108,875,080.94	45,407,532.09
Cash paid for investment in other long-			
term assets Cash paid for acquisition		788,689,855.80	985,883,379.50
of subsidiaries and other business units			140,598,318.51
Net cash paid to pay			
other investment activities related		2,724,156,998.03	1,220,592,452.13
Subtotal			
of cash outflows from cash investing activities		3,621,721,934.77	2,392,481,682.23
cash flow from investing activities		-1,686,178,785.75	1,116,296,203.66
3. Cash			
flow from financing activities:			
Absorbed cash received from investments			
Cash received from borrowings		2,899,478,420.61	569,694,229.56
received from other financing activities		1,541,510,289.92	610,000,000.00
Subtotal			
of cash inflows from cash financing		4,440,988,710.53	1,179,694,229.56
activities Cash paid to repay debts to		1,577,316,554.03	878,738,257.80
distribute dividends, profits or repay interest		402,853,799.61	368,490,641.64
Cash paid for			
other fundraising activities		395,228,000.00	452,600,000.00
Subtotal			
of cash outflows from cash financing activities		2,375,398,353.64	1,699,828,899.44
cash flow from financing activities		2,065,590,356.89	-520,134,669.88
4.			
Changes in exchange rates to cash and cash, etc.		-9,108,860.45	-49,777,109.00
5. Net increase			
in cash and cash equivalents		505,968,311.34	1,546,645,730.81
Forehead			
Add: Beginning cash and cash equivalents		5,234,349,782.17	3,687,704,051.36
Balance			
VI. Balance of cash and cash equivalents at the end of the period		5,740,318,093.51	5,234,349,782.17
Forehead			

Person in charge of the company: Xue Jiping

Person in charge of accounting work: Gao Hongshi

Person in charge of accounting organization: Xu Jiping

Consolidated Statement of Changes in Owner's

Equity January-December 2021

Unit: Currency: RMB

project	2021														
	Equity attributable to equity holders												Minority interests	Total owner's equity	
	Paid-up capital (or share capital)	Other equity instruments			Less capital reserve: treasury shares	Other comprehensive income	Special reserve surplus reserve		general risk preparation	undistributed profit	other	Subtotal			
		preferred stock	perpetual bond	other											
I. Addition of the balance at the end of the	3,066,152,870.00			632,211,333.55	7,606,252,345.00	412,305,809.74	176,533,219.42	22,521,437.50	922,068,983.55		11,452,852,041.09		23,466,286,420.37	789,493,832.44	24,255,780,252.81
previous year: correction of errors in the															
previous period of accounting policy changes															
Business combination under the same control															
2.															
The balance at the beginning of	3,066,152,870.00			632,211,333.55	7,606,252,345.00	412,305,809.74	176,533,219.42	22,521,437.50	922,068,983.55		11,452,852,041.09		23,466,286,420.37	789,493,832.44	24,255,780,252.81
the current year 3. The increase or decrease in the current period	346,796,782.00			632,211,333.55	3,606,259,327.04	412,305,809.74	234,858,969.65	57,061,800.87	135,749,734.24		222,981,757.29		3,468,121,393.40	15,064,927.10	3,483,186,320.50

number)															
(1) Total comprehensive income							234,858,969.65				172,092,691.39		62,766,278.26	118,750,929.44	55,984,651.18
(2) Owner's investment and reduction	346,796,782.00			632,211,333.55	3,606,259,327.04	412,305,809.74							3,733,150,585.23	6,498,875.09	3,726,651,710.14
of capital 1. Common stock invested by	346,796,782.00				2,894,390,876.62	412,305,809.74							3,653,493,468.36	9,941,278.15	3,643,552,190.21
the owner 2. Other equity instrument holders invest capital				632,211,333.55	632,211,333.55										
3. Share-based payment included in the owner's					75,197,420.56								75,197,420.56	1,587,329.43	76,784,749.99
equity 4. other					4,459,696.31								4,459,696.31	1,855,073.63	6,314,769.94
(3) Profit distribution									135,749,734.24		437,414,696.84		301,664,962.60	97,187,127.25	398,852,089.85
1. Withdrawal of surplus reserve									135,749,734.24		135,749,734.24				



<del>2. Extract</del>															
general risk provision 3 .															
<del>Distribution</del>															
to owners (or shareholders)															
4. Others											301,664,96 2.60		301,664,96 2.60	97,187, 127.25	398,852,089 .85
<del>(IV) Internal</del>															
<del>transfer of</del>															
owner's equity 1. Capital											42,340,248 .16		42,340,248 .16		42,340,248. 16
<del>reserves are</del>															
converted into capital (or shares															
<del>this) 2. surplus</del>															
Converting public reserves to increase capital (or shares															
<del>this) 3. surplus</del>															
Reserves make up for															
<del>losses 4.</del>															
Changes in defined benefit plans carried forward to retained earnings															
<del>5. other</del>															
Comprehensive Income carried forward to retained earnings											42,340,248 .16		42,340,248 .16		42,340,248. 16

6. Others (V)															
Special Reserve 1. Extract in this issue 2. Use in this issue								57,061,800.87					57,061,800.87		57,061,800.87
								71,500,936.16					71,500,936.16		71,500,936.16
								14,439,135.29					14,439,135.29		14,439,135.29
(VI) Others IV.															
Closing balance of the current period	3,412,949,652.00				11,212,511,672.04		58,325,750.23	79,583,238.37	1,057,818,717.79		11,229,870,283.80		26,934,407,813.77	804,558,759.54	27,738,966,573.31

project	2020														
	Equity attributable to equity holders												Minority interests	Total owner's equity	
	Paid-up capital (or share capital)	Other equity instruments			capital reserve	Less: treasury stocks	Other comprehensive income	Special reserve	surplus reserve	general risk preparation	undistributed profit	other			Subtotal
		preferred stock	perpetual bond	other											
I. Addition of the balance at the end of the	3,066,082,230.00			632,325,996.85	7,615,878,754.75	412,305,809.74	24,655,524.65	8,404,654.97	776,235,690.39		9,534,451,546.73		21,245,728,588.60	243,910,945.69	21,489,639,534.29
previous year: correction of errors in the											83,906,802.45		83,906,802.45	408,321.73	84,315,124.18
previous period of accounting policy changes															
same control					100,000,000.00						7,329,152.85		107,329,152.85		107,329,152.85

Under the merger of															
its															
2.															
The balance at the beginning of	3,066,082,230.00			632,325,996.85	7,715,878,754.75	412,305,809.74	24,655,524.65	8,404,654.97	776,235,690.39		9,625,687,502.03		21,436,964,543.90	244,319,267.42	21,681,283,811.32
the current year 3. The increase or decrease in the current period "y"	70,640.00			114,663.30	109,626,409.75		151,877,694.77	14,116,782.53	145,833,293.16		1,827,164,539.06		2,029,321,876.47	545,174,565.02	2,574,496,441.49
(1) Total															
							151,877,694.77				2,274,661,507.02		2,426,539,201.79	96,872,421.80	2,523,411,623.59
	70,640.00			114,663.30	6,164,981.07								6,209,004.37	452,747,955.37	446,538,951.00
comprehensive income (2)														395,030,000.00	395,030,000.00
Owner's investment															
and capital reduction 1. Common stock invested by	70,640.00			114,663.30	667,277.04								623,253.74		623,253.74
the owner 2. Other equity instrument holders					69,939,326.57								69,939,326.57		69,939,326.57
invest capital 3. Amount of share-based payment included in owner's equity															

4. other					76,771,584.68							76,771,584.68	57,717,955.37	19,053,629.31
(3) Profit distribution									145,833,293.16		447,496,967.96	301,663,674.80	4,445,812.15	306,109,486.95
1. Withdrawal of surplus reserve									145,833,293.16		145,833,293.16			
2. Extract general risk provision 3 .														
Distribution to owners (or shareholders)											301,663,674.80	301,663,674.80	4,445,812.15	306,109,486.95
4. Others														
(IV) Internal transfer of owner's equity 1. Capital														
reserves are converted into capital (or shares)														
this) 2. surplus Converting public reserves to increase capital (or shares														
this) 3. surplus Reserve to make up for losses														

4. Changes in the defined benefit plan are carried forward to retained earnings 5.														
Other comprehensive income carried forward to retained earnings 6.														
Others (V) Special Reserve 1. Extraction in this issue								14,116,782.53				14,116,782.53		14,116,782.53
2. Use in this issue								32,639,315.42				32,639,315.42		32,639,315.42
(6) Others					103,461,428.68							103,461,428.68		103,461,428.68
4. The ending balance of the current period	3,066,152,870.00			632,211,333.55	7,606,252,345.00	412,305,809.74	176,533,219.42	22,521,437.50	922,068,983.55		11,452,852,041.09	23,466,286,420.37	789,493,832.44	24,255,780,252.81

Person in charge of the company: Xue Jiping

Person in charge of accounting work: Gao Hongshi

Person in charge of accounting organization: Xu Jiping

Statement of Changes in Owner's Equity of Parent

Company from January to December 2021

Unit: Currency: RMB

project	2021										
	Paid-up capital (or share capital)	Other equity instruments			capital reserve	Less: treasury stocks	Other comprehensive income	Special reserve	surplus reserve	undistributed profit	Total owner's equity
		Preference Shares	Perpetual Bonds	Others							
1. Balance at the end of the previous year	3,066,15 2,870.00			632,211, 333.55	7,603,9 10,889. 86	412,305, 809.74	53,151, 810.94		922,068 ,983.55	6,254,4 45,894. 94	18,119, 635,973 .10
Plus: Correction of errors in the previous											
period of accounting policy											
change Others II. Opening											
balance of the current year	3,066,15 2,870.00			632,211, 333.55	7,603,9 10,889. 86	412,305, 809.74	53,151, 810.94		922,068 ,983.55	6,254,4 45,894. 94	18,119, 635,973 .10
3. The amount of increase or decrease in the current period (the decrease is listed with "-")	346,796, 782.00			632,211, 333.55	3,533,6 48,874. 58	412,305, 809.74	24,539, 401.35		135,749 ,734.24	920,082 ,645.51	4,691,8 33,111. 17
(1) Total comprehensive income							24,539, 401.35			1,357,4 97,342. 35	1,332,9 57,941. 00
(2) Owners invest and reduce capital	346,796, 782.00			632,211, 333.55	3,533,6 48,874. 58	412,305, 809.74					3,660,5 40,132. 77
1. Common stock invested by owners	346,796, 782.00				2,894,3 90,876. 62	412,305, 809.74					3,653,4 93,468. 36
2. Capital invested by holders of other equity instruments				632,211, 333.55	632,211 ,333.55						

3. Share-based payment included in ownership amount of benefit					3,420,423.61						3,420,423.61
4. other					3,626,240.80						3,626,240.80
(3) Profit distribution									135,749,734.24	437,414,696.84	301,664,962.60
1. Withdrawal of surplus reserve									135,749,734.24	135,749,734.24	
2. to owners (or shareholders) distribute										301,664,962.60	301,664,962.60
3. Others (IV)											
Internal transfer of owner's equity											
1. Capital reserve is converted into capital (or share											
capital) 2. Turn surplus reserves into capital (or share											
capital) 3. Surplus reserves make up											
for losses 4. Changes in the defined benefit plan											
Transfer retained earnings											
5. Other comprehensive income carried forward and retained Profit											
6. Others (V)											
Special Reserve 1. Extract											
in this issue 2. Use in the											
current period (VI) Others											
IV. Closing balance of the											
current period	3,412,949,652.00				11,137,559,764.44		28,612,409.59		1,057,818,717.79	7,174,528,540.45	22,811,469,084.27

project	2020										
	Paid-up capital (or share capital)	Other equity instruments			capital reserve	Less: treasury stocks	Other comprehensive income	Special reserve surplus reserve	undistributed profit	Total owner's equity	
		Preference Shares	Perpetual Bonds	Others							
1. Balance at the end of the previous year	3,066,08 2,230.00			632,325, 996.85	7,597,9 32,411. 43	412,305, 809.74	6,244,1 18.17		776,235 ,690.39	5,200,1 17,612. 17	16,866, 632,249 .27
Plus: Changes in accounting policies										43,492, 319.15	43,492, 319.15
Correction of errors in											
previous period Others II.											
Opening balance of this year	3,066,08 2,230.00			632,325, 996.85	7,597,9 32,411. 43	412,305, 809.74	6,244,1 18.17		776,235 ,690.39	5,243,6 09,931. 32	16,910, 124,568 .42
3. The amount of increase or decrease in the current period (the decrease is listed with "-")	70,640.0 0			114,663. 30	5,978,4 78.43		46,907, 692.77		145,833 ,293.16	1,010,8 35,963. 62	1,209,5 11,404. 68
(1) Total comprehensive income							46,907, 692.77			1,458,3 32,931. 58	1,505,2 40,624. 35
(2) Owners invest and reduce capital	70,640.0 0			114,663. 30	5,978,4 78.43						5,934,4 55.13
1. Common stock invested by the owner											
2. Capital invested by holders of other equity instruments	70,640.0 0			114,663. 30	667,277 .04						623,253 .74
3. Amount of share-based payment included in owner's equity					5,311,2 01.39						5,311,2 01.39
4. other											



(3) Profit distribution									145,833 ,293.16	447,496 ,967.96	301,663 ,674.80
1. Withdrawal of surplus reserve									145,833 ,293.16	145,833 ,293.16	
2. to owners (or shareholders) distribute										301,663 ,674.80	301,663 ,674.80
3. Others (IV)											
Internal transfer of owner's equity											
1. Capital reserve is converted into capital (or share											
capital) 2. Turn surplus reserves into capital (or share											
capital) 3. Surplus reserves make up											
for losses 4. Changes in the defined benefit plan Transfer retained earnings											
5. Other comprehensive income carried forward and retained Profit 6.											
other											
(5) Special Reserve 1.											
Extract in this issue 2. Use											
in the current period (VI)											
Others IV. Closing balance											
of the current period	3,066,15 2,870.00			632,211, 333.55	7,603,9 10,889. 86	412,305, 809.74	53,151, 810.94		922,068 ,983.55	6,254,4 45,894. 94	18,119, 635,973 .10

Person in charge of the company: Xue Jiping

Person in charge of accounting work: Gao Hongshi

Person in charge of accounting organization: Xu Jiping

## 3. Basic information of the company

## 1. Company profile ̈Applicable ̈Not

applicable

(1) The company's registered place, organizational form and headquarters address

Jiangsu Zhongtian Technology Co., Ltd. (hereinafter referred to as the "Company") publicly issued A shares in China and listed on the Shanghai Stock Exchange.

Stock Exchange listed company.

The company's predecessor was Rudong County Hekou Brick and Tile Factory established in October 1976, and later changed its name to Nantong Huanghai Building Materials Factory; 1996

On February 9, 2009, with the approval of the East Reform Committee [1995] No. 22 of the Economic System Reform Committee of Rudong County, Nantong Huanghai Building Materials Factory was approved as a whole.

Restructured into Jiangsu Zhongtian Optical Cable Group Co., Ltd.; Approved in November 1999, it was changed from a limited liability company to a joint stock limited company as a whole company.

Approved by the China Securities Regulatory Commission Zhengjian Faxing Zi [2002] No. 89 "On Approval of Jiangsu Zhongtian Technology Co., Ltd.

On October 15, 2002, the company adopted all pricing allocations to secondary market investors.

70 million public shares with a par value of RMB 1.00 per share were issued at an issue price of RMB 5.40 per share.

It was listed on the Shanghai Stock Exchange on October 24, 2002.

In December 2004, Rudong Zhongtian Investment Co., Ltd. transferred 58,326,800 shares of the company's 28% equity to Zhongtian Investment Co., Ltd.

Tian Technology Group Co., Ltd. (formerly known as Jiangsu Zhongtian Silk Co., Ltd.).

On April 28, 2006, the company held a shareholders' meeting related to the share structure reform, and reviewed and approved the company's share structure reform plan.

case. The consideration execution plan is: Rudong Zhongtian Investment Co., Ltd., the largest shareholder of the company, directly executes the plan at the level of 10 to 3.2 shares.

The other six shareholders of non-tradable shares except Rudong Zhongtian Investment Co., Ltd. are still at the consideration level of 3 shares for 10

The consideration for the remaining 10 shares and 0.2 shares will be executed by the largest shareholder Rudong Zhongtian Investment Co., Ltd.; Nantong Post and Telecommunications Equipment

After the company executed the consideration of 10 for 3 shares, the remaining 1,840,523 shares were all used to replace Zhongtian Technology Group Co., Ltd.

The company executes the consideration. The share registration date is May 22, 2006. All shareholders of non-tradable shares undertake: the non-tradable shares held by them

From the date of implementation of the reform plan, it will not be listed, traded or transferred within 12 months. After the implementation of the share reform plan, the total number of ordinary shares will be

208.31 million shares, of which: 115.91 million non-tradable shares, accounting for 55.64% of the total share capital after issuance; 9,240 public shares

10,000 shares, accounting for 44.36% of the total share capital after the issuance.

On June 6, 2006, the company held the 2005 annual general meeting of shareholders, which reviewed and approved the company's 2005 profit distribution plan: every

0.9 shares for 10 bonus shares, 2.1 shares are converted from capital reserve for every 10 shares, and the shareholding record date is June 16, 2006

On the date of the change, the registered capital after the change was RMB 270,803,000.

On July 5, 2007, Rudong County Zhongtian Investment Co., Ltd. transferred 13,540,200 shares of 5% of the company's equity held to it.

Zhongtian Technology Group Co., Ltd.

From November 5 to 7, 2008, the company's shareholder Zhongtian Technology Group Co., Ltd. increased its holdings through the Shanghai Stock Exchange trading system.

The Company has 2,707,962 shares.

Approved by the China Securities Regulatory Commission on January 23, 2009 Zheng Jian Xu Ke [2009] No. 83 "On Approval of Jiangsu Zhong

Approval of the Non-public Issuance of Shares by Sky Technology Co., Ltd.", the company issued a non-public offering to specific investors on February 26, 2009.

Public issuance of 50 million new shares of domestically listed RMB ordinary shares (A shares), with a par value of RMB 1.00 per share, and the issue price is 8.60 yuan/share.

From April 20, 2009 to December 25, 2009, the company's second largest shareholder Rudong Zhongtian Investment Co., Ltd.

The secondary market transferred 16,040,200 shares of its 5% equity in the company; from March 1, 2010 to April 15, 2010,

Rudong Zhongtian Investment Co., Ltd. transferred its 5% equity in the company through the Shanghai Stock Exchange system through block transactions 16,040,200 shares.

From April 27, 2011 to June 17, 2011, the company's controlling shareholder Zhongtian Technology Group Co., Ltd. passed the Shanghai Stock Exchange

The stock exchange trading system increased its holdings of 13,287,275 RMB ordinary shares (A) of the Company.

Approved by the China Securities Regulatory Commission Zheng Jian Xu Ke [2011] No. 643 "On Approval of Jiangsu Zhongtian Technology Co., Ltd.

On July 22, 2011, the company publicly issued 70,588,235 new shares with a par value of

RMB 1.00, and the issue price is RMB 23.80 per share.

On March 16, 2012, the 2011 annual general meeting of the Company reviewed and approved the 2011 profit distribution plan: every 10

8 shares were converted from the capital reserve to the share capital, and a cash dividend of 2 yuan (tax included) was distributed. The equity registration date was May 9, 2012. Day.

Approved by the China Securities Regulatory Commission Zheng Jian Xu [2014] No. 768 "On Approval of Jiangsu Zhongtian Technology Co., Ltd.

On September 25, 2014, the company issued 158,263,300 new shares privately.

The face value of each share is RMB 1.00, and the issue price is RMB 14.28 per share.

Approved by the China Securities Regulatory Commission Zheng Jian Xu Ke [2015] No. 2400 "On Approval of Jiangsu Zhongtian Technology Co., Ltd.

The company issued shares to Zhongtian Technology Group Co., Ltd. and other companies to purchase assets and raise supporting funds.

On November 11, 2018, a total of 154,268,176 new shares were issued to Zhongtian Technology Group Co., Ltd. and Nantong Zhongyu Investment Co., Ltd.

shares, and purchased its holdings in Zhongtian Broadband Technology Co., Ltd., Zhongtian Alloy Technology Co., Ltd., and Jiangdong Hardware Equipment Co., Ltd.

100% equity, the face value of each share is RMB 1.00, and the issue price is RMB 14.58 per share;

Development and issue of 27,272,727 new shares to raise supporting funds for the purchase of assets through the issuance of shares, with a par value of RMB 1.00 per share,

The issue price is RMB 22.00 per share.

On May 18, 2016, the 2015 general meeting of shareholders of the Company reviewed and approved the 2015 profit distribution plan:

On December 31, 2018, the total share capital of the company was 1,044,308,426 shares, and for every 10 shares, 3 shares were distributed as undistributed profits, and the capital reserve was

12 shares were converted from gold, and a cash dividend of 1.00 yuan (tax included) was distributed. The equity registration date was June 29, 2016.

Approved by the China Securities Regulatory Commission Zheng Jian Xu Ke [2016] No. 3222 "On Approval of Jiangsu Zhongtian Technology Co., Ltd.

On January 25, 2017, the company issued 455,301,455 new shares privately.

The face value of each share is RMB 1.00, and the issue price is RMB 9.62 per share.

Approved by the China Securities Regulatory Commission Zheng Jian Xu Ke [2018] No. 1626 "On Approval of Jiangsu Zhongtian Technology Co., Ltd.

Approval of the Company's Public Issuance of Convertible Corporate Bonds", the Company publicly issued the total face value to the public

Convertible corporate bonds of RMB 3,965,120,000.00. As of December 31, 2021, a total of 396,382,256 shares have been converted, and the

Medium: Transfer of 49,505,125 treasury shares, increasing share capital by 346,877,131 shares (of which: converting shares to increase share capital before 2020)

80,349 shares and 346,796,782 new shares in 2021).

From July 26, 2021 to October 25, 2021, Zhongtian Technology Group will use its own funds to pass the Shanghai Stock Exchange.

China Auction System increased its holdings by 6,110,000 shares.

As of December 31, 2021, the company's share capital structure is as follows:

Shareholder name	Amount of share capital (10,000 yuan)	Number of shares held (10,000 shares)	Shareholding ratio
Zhongtian Technology Group Co., Ltd.	77,411.79	77,411.79	22.68%
public shareholders	263,883.18	263,883.18	77.32%
total	341,294.97	341,294.97	100.00%

The company's unified social credit code: 91320600138670947L, and its legal domicile is located in Zhongtian, Hekou Town, Rudong County, Jiangsu Province.

Village, legal representative: Xue Jiping.

(2) The business nature and main business activities of the company

The company and its subsidiaries are mainly engaged in the production and sales of products in the fields of communications, electric power, marine, new energy, and new materials.

And non-ferrous metal trading and other business activities.

The company belongs to the electrical machinery and equipment manufacturing industry, and its business scope includes: optical fiber preforms, optical fibers, optical cables, wires, electrical Cables, conductors, aluminum-clad steel strands, twisted-pair metal mesh, synthetic mesh, metal braided mesh, through-ground wire for railways, Ship cables, ship optical cables, watertight cables, cancellation, magnetic measurement cables, stainless steel pipes, fittings, insulators, arresters, active devices components, passive components and other optoelectronic devices, high and low voltage switchgear equipment, transformers, antennas, communication equipment, power transmission and distribution and control equipment, optical fiber composite overhead ground wire, optical fiber composite phase line, optical fiber composite insulated cable, land optical cable, submarine photoelectric cables, marine pipelines, radio frequency cables, leaky cables, railway signal cables, high temperature coaxial cables, high temperature cables, solar cell modules, Solar photovoltaic backsheets, photovoltaic junction boxes, connectors, brackets, connecting devices for charging equipment, energy storage systems, hybrid and electric Electric vehicle battery system, lithium battery, sodium-sulfur battery, vanadium battery, AC uninterruptible power supply, integrated power supply, emergency power supply, charging and discharging Electrical equipment, inverter equipment, DC remote power supply equipment for communication equipment, cable accessories, fan power generation equipment and related materials and accessories parts, plastic products, high-purity quartz glass, high-purity nanoparticles, underwater basic information network equipment, seabed observation connection equipment, marine Engineering equipment, submarine cable joint boxes and accessories, environmental monitoring equipment, water conservancy and water equipment, watertight connectors and components, shipboard connectors and R&D, production, sales and related design, installation and technical services of components and related products; copper alloys, aluminum alloys, magnesium alloys Development of casting, plate, tube, profile processing technology; research and development, production, sales and related products of foamed aluminum and its alloy materials Design, installation, technical services; optical cable, wire, cable monitoring and management system, transmission line monitoring and management system, substation monitoring Design, installation, construction, and technical services of systems, temperature measurement equipment, and network engineering; photovoltaic power generation systems, distributed power sources, Microgrid design, operation and maintenance management services; power transmission and transformation engineering design; power communication engineering design and related technology development, consulting Consulting services; general contracting of power transmission and transformation, power distribution, communication, photovoltaic power generation, distributed power generation, ocean observation and environmental monitoring projects; self-operated and agency of import and export business of various commodities and technologies; industrial investment; development of communication and network information products; Technology development, technology transfer, technical consultation, technical services; development and sales of software and hardware; contracting and enterprise strength, scale, industry Foreign engineering projects with suitable performance and dispatch the labor service personnel required for the implementation of the above-mentioned overseas projects. General Items: Refrigeration, Air Conditioning

Equipment manufacturing; sales of refrigeration and air-conditioning equipment; sales of superconducting materials; manufacturing of capacitors and their supporting equipment; capacitors and their supporting equipment  
equipment sales; graphite and carbon products manufacturing; graphite and carbon products sales; water environment pollution prevention and control services; air pollution prevention and control  
services; manufacturing of special equipment for environmental protection; sales of special equipment for environmental protection; (projects subject to approval according to law, approved by relevant departments  
Business activities can only be carried out after approval)

(3) Approval and issuance of financial reports

This financial report has been approved by the board of directors of the company on April 28, 2022.

2. Scope of Consolidated Financial Statements

Applicable Not applicable

There are a total of 78 subsidiaries included in the scope of consolidation of the Company in 2021. For details, please refer to this note "Equity in other entities". Ben Gong

The consolidation scope of the company in the current period increased by 4 over the previous period.

4. Basis for preparation of financial statements 1. Basis for

preparation

The financial statements of the company are based on the assumption of going concern, according to the actual transactions and events, in accordance with the enterprise issued by the Ministry of Finance

Accounting Standards for Business Enterprises and their application guidelines, interpretations and other relevant regulations (collectively referred to as "Accounting Standards for Business Enterprises"). In addition, the company also

In accordance with the China Securities Regulatory Commission's "Compilation Rules for Information Disclosure by Companies Offering Securities to the Public No. 15 - General Provisions on Financial Reports"

(Revised in 2014) Disclosure of relevant financial information.

According to the relevant provisions of the Accounting Standards for Business Enterprises, the Company's accounting is based on the accrual basis. Except for certain financial instruments,

The financial statements are based on historical cost. If an asset is impaired, the corresponding impairment standard shall be accrued in accordance with relevant regulations.

ready.

2. Going concern Applicable

Not applicable The financial statements

are presented on the basis of going concern, and the company has the ability to continue as a going concern for at least 12 months from the end of the reporting period.

V. Important accounting policies and accounting estimates Specific

accounting policies and accounting estimates reminders: Applicable Not

applicable

According to the actual production and operation characteristics, the company and its subsidiaries have formulated a number of

accounting policies and accounting estimates.

1. Statement of Compliance with Accounting Standards for Business Enterprises

The financial statements prepared by the company meet the requirements of the Accounting Standards for Business Enterprises, and truly and completely reflect the company's December 2021

31st merger and parent company financial status and 2021 merger and parent company operating results, merger and parent company cash flow, etc.

information.

## 2. Accounting period

The accounting period of the Company is divided into annual and interim period, and interim accounting period refers to the reporting period shorter than a complete accounting year. Ben Gong  
The company's fiscal year adopts the Gregorian calendar year, that is, from January 1 to December 31 each year.

## 3. Operating cycle yApplicable

yNot applicable

The normal operating cycle refers to the period from the purchase of assets for processing to the realization of cash or cash equivalents. Our company  
Take 12 months as an operating cycle and use it as the standard for dividing the liquidity of assets and liabilities.

## 4. Bookkeeping currency

The Company and its domestic subsidiaries use RMB as the standard currency for bookkeeping, and overseas subsidiaries are based on the main economic environment in which they operate.  
The currency is determined as its functional currency. The currencies used in the preparation of these financial statements are all RMB.

## 5. Accounting treatment for business combination under common control and not under common control

yApplicable yNot applicable

A business combination refers to a transaction or event that combines two or more separate businesses to form a reporting entity. Enterprise cooperation  
It is divided into business combination under the same control and business combination not under the same control.

## 1. Business combination under the same control

The enterprises participating in the merger are ultimately controlled by the same party or the same multiple parties before and after the merger, and the control is not temporary.  
Business combination under the same control. For a business combination under the same control, a company that obtains control over other enterprises participating in the combination on the combination date  
The merging party is the merging party, and the other enterprises participating in the merging are the merged parties. The date of merger refers to the fact that the merging party actually obtains control over the merged party.  
date.

The assets and liabilities acquired by the company in the business combination shall be determined according to the assets and liabilities of the combined party on the combination date (including the ultimate controlling party  
The goodwill formed by the acquisition of the merged party) is measured at the book value in the consolidated financial statements of the ultimate controlling party; the book value of the net assets obtained  
The difference between the value and the book value of the combined consideration paid (or the total face value of the issued shares), adjust the share premium in the capital reserve,  
If the share capital premium in this reserve is insufficient to offset, the retained earnings shall be adjusted.

## 2. Business combination not under the same control

If the enterprises participating in the merger are not ultimately controlled by the same party or the same multiple parties before and after the merger, it is an enterprise merger not under the same control.  
and. For a business combination not under the same control, the party that obtains control over other companies participating in the merger on the purchase date is the purchaser and participates in the merger.  
The other enterprises that are merged are the acquiree. The purchase date refers to the date on which the purchaser actually obtains control over the purchased party.

(1) Combination costs include the assets paid by the purchaser and the liabilities incurred or assumed on the purchase date in order to obtain the control over the purchased party  
and the fair value of equity securities issued. The difference between the fair value and its book value is included in the current profit and loss.

The company allocates the merger cost on the merger date, and confirms the acquired identifiable assets of the acquiree in accordance with the following provisions  
assets, liabilities and contingent liabilities.

All other assets of the acquiree except intangible assets acquired in the business combination (not limited to the assets originally recognized by the acquiree).  
assets), the economic benefits brought by it are likely to flow into the company and the fair value can be reliably measured, it is separately recognized and measured at the fair value  
Value measurement; intangible assets whose fair value can be reliably measured are separately recognized as intangible assets and measured at fair value.

Except for contingent liabilities, other liabilities of the acquiree acquired in the business combination, the performance of the relevant obligations is likely to lead to economic losses.

If the benefits flow out of the company and the fair value can be reliably measured, it shall be recognized separately and measured at the fair value;

If there are liabilities whose fair value can be measured reliably, they are separately recognized as liabilities and measured at fair value.

(2) The merger of enterprises not under the same control realized step by step through multiple transactions, in accordance with the Ministry of Finance

Circular on Interpretation No. 5 (Cai Kuai [2012] No. 19) and Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements No. 51

Article on the judgment standard of "package deal" (see this note), to judge whether the multiple transactions belong to "package deal". belong

For "package deal", accounting treatment shall be carried out with reference to the descriptions in the preceding paragraphs of this part and this note "long-term equity investment"; it does not belong to "package deal"

Sub-transactions", separate individual financial statements and consolidated financial statements for relevant accounting treatment:

In individual financial statements, the book value of the equity investment in the acquiree held before the acquisition date is calculated as the ratio of the newly added investment on the acquisition date.

The sum of this investment shall be regarded as the initial investment cost of the investment; in the consolidated financial statements, for the acquired party's holdings before the acquisition date

Equity shall be re-measured according to the fair value of the equity on the purchase date, and the difference between the fair value and its book value shall be included in the current investment.

capital income.

If the equity of the acquiree held before the purchase date involves other comprehensive income, the other

Other comprehensive income is accounted for on the same basis as the acquiree's direct disposal of the underlying asset or liability (that is, except

Except for the corresponding share of the changes caused by the re-measurement of the net liabilities or net assets of the defined benefit plan by the acquiree, the

The remaining balance is transferred to the current investment income).

(3) The difference between the merger cost and the fair value share of the identifiable net assets of the acquiree obtained in the merger is recognized by the company as

Goodwill; the difference between the cost of the combination being less than the fair value share of the identifiable net assets of the acquiree acquired in the combination is not significant to the acquisition of the acquiree.

The fair value of each identifiable asset, liability and contingent liability and the measurement of the combination cost are reviewed, and after the review, the

If the capital is still less than the fair value share of the identifiable net assets of the acquiree obtained in the merger, the difference is included in the current profit and loss.

The contingent consideration involved in the business combination shall be included in the combination cost at its fair value on the acquisition date, and shall be paid out within 12 months after the acquisition date.

If there is new or further evidence of the existing situation on the purchase date and the contingent consideration needs to be adjusted, the consolidated goodwill shall be adjusted accordingly.

The purchaser obtains the deductible temporary difference from the purchaseee, which is not met on the purchase date because it does not meet the conditions for the recognition of deferred tax assets.

If confirmed, within 12 months after the date of purchase, if new or further information is obtained indicating that the relevant circumstances of the date of purchase have been

If it is expected that the economic benefits brought by the deductible temporary difference of the acquiree on the purchase date can be realized, the relevant deferred expenses shall be recognized.

If the goodwill is not enough to offset, the difference will be recognized as the current profit and loss;

Deferred income tax assets related to business combination shall be included in current profit and loss.

3. Various directly related expenses incurred by the company for the business combination, including the audit fee paid for the business combination

Use, evaluation fees, legal service fees, etc., are included in the current profit and loss when they occur; bonds issued for business mergers or other debt obligations

The handling fee, commission, etc. paid for the service shall be included in the initial measurement amount of the bonds or other debts issued;

Fees such as handling fees, commissions and other expenses incurred in securities are offset against premium income from equity securities.

beneficial.

## 6. Preparation of Consolidated Financial Statements

ÿApplicable ÿNot applicable

## 1. Principles for Determining the Scope of Consolidated Financial Statements

The scope of consolidation in the consolidated financial statements is determined on the basis of control. Control means that the company has power over the investee,

Exposure to variable returns from participation in the relevant activities of the investee and the ability to use power over the investee to affect those returns

Forehead. The scope of consolidation includes the Company and all its subsidiaries. Subsidiaries are entities controlled by the company.

## 2. Methods of preparing consolidated financial statements

From the date of obtaining the net assets of the subsidiary and the actual control right of production and operation decisions, the company begins to incorporate it into the scope of consolidation.

It will cease to be included in the scope of consolidation from the date of loss of actual control. For a disposed subsidiary, the operating results and current

Cash flows have been properly included in the consolidated income statement and consolidated cash flow statement; for subsidiaries disposed of in the current period, consolidated assets are not adjusted

The opening balance of the liability sheet. Subsidiaries added through business combination not under the same control, their operating results and cash flows after the acquisition date have been

Included in the Consolidated Income Statement and Consolidated Statement of Cash Flows, as appropriate, without adjusting the opening balances and comparative figures of the Consolidated Financial Statements.

For subsidiaries added through business combination under the same control, the operating results and cash flow from the beginning of the current period of the combination to the combination date have been appropriate.

are included in the consolidated income statement and consolidated cash flow statement, and the comparative figures in the consolidated financial statements are adjusted at the same time.

When preparing the consolidated financial statements, if the accounting policies or accounting periods adopted by the subsidiary and the company are inconsistent, the company shall

Make necessary adjustments to the subsidiary's financial statements for the accounting policies and accounting periods. Subsidiaries acquired through business combination not under common control

For companies, adjustments are made to their financial statements based on the fair value of identifiable net assets on the acquisition date. All major transactions within the company

Amounts, transactions and unrealized profits are eliminated when the consolidated financial statements are prepared. Shareholders' equity of subsidiaries and current net profit or loss are not included in the

The part owned by the company is regarded as minority shareholders' equity and minority shareholders' profit and loss respectively in the consolidated financial statements shareholders' equity and net profit

are listed separately under the item of profit. The loss of the subsidiary shared by the minority shareholders exceeds the minority shareholders' share in the subsidiary's initial shareholders' equity

Some shares are offset against a number of shareholders' equity.

The long-term equity investment newly acquired by the company due to the purchase of minority equity shall be calculated according to the proportion of newly increased shareholding

The difference between the shares of net assets calculated continuously from the date of consolidation (or the date of consolidation), adjust the shares in the capital reserve in the consolidated balance sheet

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

## 7. Classification of joint arrangements and accounting for joint operations

̈Applicable ̈Not applicable

A joint arrangement is an arrangement under the joint control of two or more parties. The Company is based in the joint venture arrangement

The rights enjoyed and the obligations assumed, the joint arrangement is divided into joint operation and joint venture. Joint operation means that the company enjoys the

A joint arrangement that arranges the relevant assets and assumes the relevant liabilities of the arrangement. A joint venture means that the company only enjoys the net assets of the arrangement

Entitled joint arrangement.

The Company's investment in joint ventures is accounted for by the equity method, as described in this note "Long-term equity investments accounted for by the equity method"

accounting policies.

As a joint venture party, the company recognizes the assets held by the company alone, the liabilities assumed by the company alone, and the

The company's share recognizes the jointly held assets and jointly borne liabilities; recognizes the sales of the company's share of the joint operation output.

The income generated by the joint operation is recognized according to the company's share; the expenses incurred by the company alone are recognized.

use, and recognize the expenses incurred by joint operation according to the company's share.



When the company invests or sells assets in the joint operation as a joint venture (the assets do not constitute business, the same below), or from the joint venture

When operating the purchase of assets, before the assets are sold to a third party, the company only confirms that the profit or loss arising from the transaction is attributable to the total.

Part of the same operation as other participating parties. The occurrence of such assets meets the requirements of "Accounting Standards for Business Enterprises No. 8 - Asset Impairment", etc.

If there is a loss from production impairment, the company will fully recognize the loss in the case of investment or sale of assets by the company to the joint operation;

When the company purchases assets from joint operation, the company recognizes the loss according to its share.

#### 8. Determination of cash and cash equivalents

When the company prepares the cash flow statement, it will have short term (expiration within three months from the date of purchase), strong liquidity,

Investments that are easy to convert into known cash and the risk of value change are small, are determined as cash equivalents. Equity investment is not made

for cash equivalents.

#### 9. Foreign currency business and foreign currency statement

translation √Applicable √Not applicable

1. The company's foreign currency business uses the spot exchange rate on the transaction date as the conversion rate, and converts it into RMB.

The foreign currency exchange business or transactions involving foreign currency exchange shall be converted into RMB according to the actual exchange rate. assets and liabilities

On the balance sheet date, the balance of foreign currency monetary items shall be translated at the spot exchange rate on the balance sheet date. Exchange differences arising from exchange rate translation, except

Exchange differences arising from special borrowings in foreign currencies related to the acquisition and construction of assets eligible for capitalization shall be treated in accordance with the principle of capitalization of borrowing costs.

All other items are included in the current profit and loss.

Foreign currency non-monetary items measured at historical cost are still calculated using the RMB amount translated at the spot exchange rate on the transaction date.

quantity. Foreign currency non-monetary items measured at fair value shall be converted at the spot exchange rate on the date when the fair value is determined.

The amount is treated as changes in fair value (including changes in exchange rates) and included in current profit and loss or recognized as other comprehensive income.

2. For overseas operations, the company converts its functional currency into RMB when preparing financial statements:

The assets and liabilities items in the table are converted at the spot exchange rate on the balance sheet date, and the owner's equity item is divided by the "undistributed profit" item.

Except for this item, other items are translated at the spot exchange rate at the time of occurrence; the income and expense items in the income statement are translated at the current exchange rate when the transaction occurs.

average exchange rate. The translation differences of foreign currency statements generated by translation according to this method are recognized as other comprehensive income and recorded in the balance sheet

Listed separately under the owner's equity item, when disposing of an overseas operation, transfer other comprehensive income related to the overseas operation to the current period of disposal

Profits and losses, for partial disposals, are calculated in proportion to the disposal. Foreign currency cash flow and cash flow of overseas subsidiaries are generated using cash flow

Converted to the average exchange rate for the current period. The impact of exchange rate changes on cash is used as a reconciling item and presented separately in the cash flow statement.

#### 10. Financial instruments

√Applicable √Not applicable

Financial instruments refer to contracts that form financial assets of one party and financial liabilities or equity instruments of other parties. when the public

When the company becomes a party to a financial instrument contract, the relevant financial assets or financial liabilities are recognized.

1. Classification, recognition and measurement of financial assets

The Company classifies financial assets into:

Financial assets measured at amortized cost; financial assets measured at fair value through other comprehensive income;

Financial assets whose value is measured and whose changes are included in the current profit and loss.

Financial assets are measured at fair value on initial recognition. For financial instruments measured at fair value through profit or loss

Assets, the relevant transaction costs are directly included in the current profit and loss; for other types of financial assets, the relevant transaction costs are included in the initial recognition amount. Accounts receivable or notes receivable arising from the sale of products or rendering of services that do not contain or consider significant financing components,

The amount of consideration that the Company is expected to be entitled to receive is taken as the initial recognition amount.

#### (1) Financial assets measured at amortized cost

The company's business model for managing financial assets measured at amortized cost is to collect contractual cash flows, and such funds

The contractual cash flow characteristics of the financing asset are consistent with the basic lending arrangement, that is, the cash flow generated on a specific date is only for the principal.

and payment of interest based on the outstanding principal amount. For such financial assets, the company recognizes the interest according to the effective interest method.

interest income. The gains or losses arising from the derecognition of such financial assets and the losses due to impairment are directly included in the current profit and loss.

Such financial assets mainly include monetary funds, notes receivable, accounts receivable, other receivables, debt investments and long-term receivables

Wait. The company lists the debt investments and long-term receivables due within one year (including one year) from the balance sheet date as within one year

Mature non-current assets; debt investments with a maturity within one year (including one year) at the time of acquisition are listed as other current assets.

#### (2) Financial assets at fair value through other comprehensive income

The Company's business model for managing such financial assets is to target both the collection of contractual cash flows and the sale, and this

The contractual cash flow characteristics of quasi-financial assets are consistent with the basic lending arrangements. The Company measures such financial assets at fair value

other comprehensive income, except for impairment losses or gains, foreign exchange gains and losses, and interest income calculated using the effective interest method

Included in current profit and loss. When a financial asset is derecognized, the accumulated gain or loss previously included in other comprehensive income will be removed from other comprehensive income.

The income is transferred out and included in the current profit and loss. Such financial assets mainly include receivables financing and other debt investments. The company will

Other debt investments due within one year (including one year) from the balance sheet date are listed as non-current assets due within one year;

Other debt investments with maturity within one year (including one year) are listed as other current assets.

In addition, the Company designated some non-trading equity instrument investments to be measured at fair value through other comprehensive income.

The financial assets with profit and loss are listed as investment in other equity instruments, and the related dividend income is included in the current profit and loss, and the change in fair value is included in the other equity instrument investment.

his comprehensive income. When the financial asset is derecognized, the accumulated gain or loss previously included in other comprehensive income will be removed from other comprehensive income.

Earnings are transferred to retained earnings and are not included in current profits and losses.

#### (3) Financial assets at fair value through profit or loss

The company considers the above-mentioned financial assets measured at amortized cost and financial assets measured at fair value through other comprehensive income.

Financial assets other than financial assets are classified as financial assets at fair value through profit or loss. for such gold

Financial assets, the company uses fair value for subsequent measurement, and changes in fair value are included in the current profit and loss.

The company will measure the equity instrument investment over which it has no control, joint control and significant influence at fair value and its changes are measured

Included in current profits and losses, listed as trading financial assets; those expected to be held for more than one year from the balance sheet date, listed as other non-current

move financial assets.

In addition, at initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Company designated some financial assets as fair value

Financial assets whose value is measured and whose changes are included in the current profit and loss.

## 2. Impairment of financial instruments

The company's financial assets measured at amortized cost, liabilities at fair value through other comprehensive income

For instrument investment, contract assets and financial guarantee contracts, etc., the loss provision is recognized on the basis of expected credit losses.

Credit loss refers to the company's consideration of past events, current conditions and forecasts of future economic conditions, etc.

The risk of default is weighted, the difference between all contractual cash flows expected to be receivable by the contract and all cash flows expected to be received

present value of the amount. Among them, for the credit-impaired financial assets purchased or originated by the company, the

Discounted at the adjusted effective interest rate.

For the notes receivable, accounts receivable and accounts receivable financing formed due to daily business activities such as the sale of goods and the provision of labor services, there is no

Regardless of whether there is a significant financing component, the company uses a simplified measurement method, based on the expected credit loss equivalent to the entire duration.

Lost amount is measured as loss provision.

Except for the above-mentioned financial assets that adopt the simplified measurement method, the company assesses its credit risk on each balance sheet date from the beginning

Whether the credit risk has increased significantly since the initial confirmation, if the credit risk has not increased significantly since the initial confirmation, it is in the first stage, the company will press

The loss provision is measured at the amount equivalent to the expected credit loss in the next 12 months, and the profit is calculated according to the book balance and the actual interest rate.

Interest income; if the credit risk has increased significantly since the initial recognition but no credit impairment has occurred, it is in the second stage, the company

The loss provision is measured at an amount equivalent to the expected credit loss for the entire duration, and the interest is calculated according to the book balance and the effective interest rate.

Interest income; if the credit impairment occurs after the initial recognition, it is in the third stage, and the company is expected to

The amount of credit loss is measured as loss provision, and interest income is calculated based on amortized cost and effective interest rate. For the balance sheet date only

For financial instruments with relatively low credit risk, the Company assumes that its credit risk has not increased significantly since its initial recognition.

The Company assesses the expected credit losses of financial instruments based on individual items and combinations. The company considers the credit risk characteristics of different customers

Evaluate the expected credit loss of receivables based on the combination of customer credit rating and overdue aging.

The Company will include the accrued or reversed loss provision into the current profit and loss. For holdings measured at fair value through

Other comprehensive income of debt instruments, the company will adjust other comprehensive income while recording the impairment loss or gain into the current profit and loss.

## 3. Classification, recognition and measurement of financial liabilities

Financial liabilities are classified at initial recognition as financial liabilities at amortised cost and at fair value through current accounting.

Profit and loss financial liabilities. For financial liabilities measured at amortized cost, the relevant transaction costs are included in the initial recognition amount and are

For financial liabilities measured at fair value and whose changes are included in the current profit and loss, the relevant transaction costs are directly included in the current profit and loss.

### ÿ Financial liabilities measured at amortized cost

Unless the transfer of financial assets does not meet the conditions for derecognition, or the financial liabilities and financial liabilities formed by continuing to be involved in the transferred financial assets

Other financial liabilities outside the guarantee contract are classified as financial liabilities measured at amortized cost, and are subsequently measured at amortized cost.

Gains or losses arising from recognition or amortization are included in the current profit and loss.

Such financial liabilities mainly include notes payable, accounts payable, other payables, borrowings and bonds payable. period of one year

If it is within one year (including one year), it is listed as a current liability; the term is more than one year but within one year (including one year) from the balance sheet date to

If it is due within one year, it is listed as non-current liabilities due within one year; the rest are listed as non-current liabilities.

(2) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss, including financial liabilities held for trading (including financial liabilities

Derivatives) and financial liabilities designated at initial recognition at fair value through profit or loss.

Held-for-trading financial liabilities (including derivatives that are financial liabilities) are subsequently measured at their fair value, except for those related to the hedging meeting.

In addition to accounting, changes in fair value are included in the current profit and loss.

Designated as a financial liability at fair value through profit or loss, the liability is determined by the company's own credit risk

Changes in fair value caused by changes are included in other comprehensive income, and when the liability is derecognized, it is included in its own credit in other comprehensive income.

Accumulated changes in fair value caused by changes in risk are transferred to retained earnings.

The remaining fair value changes are included in the current profit and loss. If the impact of the above-mentioned changes on the changes in the own credit risk of these financial liabilities

If the processing will cause or expand the accounting mismatch in the profit and loss, the company shall

The amount affected by changes in its own credit risk) is included in the current profit and loss.

4. Recognition basis and measurement method of financial asset transfer

A financial asset that meets one of the following conditions shall be derecognized: ỹ The contractual right to receive the cash flow of the financial asset expires

ỹThe financial asset has been transferred, and almost all the risks and rewards of ownership of the financial asset have been transferred to the transferee; ỹThe financial asset has been transferred

The financial asset has been transferred, although the enterprise neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but

relinquish control of the financial asset.

If the enterprise neither transfers nor retains substantially all the risks and rewards of ownership of financial assets, and does not give up the financial

If the assets are controlled, the relevant financial assets shall be confirmed according to the degree of continued involvement in the transferred financial assets, and the relevant liabilities shall be confirmed accordingly.

debt. The degree of continued involvement in the transferred financial assets refers to the level of risk faced by the enterprise due to changes in the value of the financial assets.

When other equity instrument investments are derecognized, the book value of the transferred financial assets and the consideration received due to the transfer are compared with the original calculation.

The difference between the sum of the accumulated changes in fair value included in other comprehensive income is included in retained earnings; when the remaining financial assets are derecognized, their

The difference between the book value and the sum of the consideration received and the cumulative amount of changes in fair value originally included in other comprehensive income is included in the current

period profit and loss.

If the partial transfer of financial assets satisfies the conditions for derecognition, the book value of the transferred financial assets shall be derecognized and not terminated.

The confirmed parts are apportioned according to their relative fair value, and the consideration received due to the transfer and should be apportioned to the derecognized part

The difference between the accumulated amount of changes in fair value originally included in other comprehensive income and the aforementioned carrying amount allocated is included in the current profit and loss.

When the company sells financial assets with recourse, or endorses and transfers the financial assets held, it needs to determine the financial assets.

Whether substantially all the risks and rewards of ownership of the asset have been transferred. Substantially all risks and

If the remuneration is transferred to the transferee, the recognition of the financial asset shall be terminated; almost all risks and rewards of ownership of the financial asset are retained

, without derecognizing the financial asset; neither transferring nor retaining almost all the risks and rewards of ownership of the financial asset

, then continue to judge whether the enterprise retains control of the asset, and conduct accounting treatment according to the principles described in the preceding paragraphs.

## 5. Termination of recognition of financial liabilities

If the current obligation of a financial liability (or part of it) has been discharged, the Company derecognizes the financial liability (or part of the financial liability).

financial liabilities). The company (the borrower) signs an agreement with the lender to replace the original financial liabilities by assuming new financial liabilities, and

If the contract terms of the new financial liabilities are substantially different from those of the original financial liabilities, the original financial liabilities shall be derecognized, and a new financial liability shall be recognized at the same time.

debt. If the company substantially modifies the contract terms of the original financial liability (or part of it), the recognition of the original financial liability shall be terminated.

Debt, and at the same time recognize a new financial liability in accordance with the revised terms.

When a financial liability (or part of it) is derecognized, the book value and the consideration paid (including the transferred non-cash assets or commitments)

The difference between the liabilities) shall be included in the current profit and loss.

## 6. Offsetting of financial assets and financial liabilities

When the company has the legal right to offset the recognized amount of financial assets and financial liabilities, and the legal right is currently available

When the company plans to settle on a net basis or realize the financial asset and pay off the financial liability at the same time, the financial asset and the financial

Financial liabilities are presented in the balance sheet on a net basis after offsetting each other. In addition, financial assets and financial liabilities are included in the balance sheet

They are listed separately and are not mutually offset.

## 7. Determination of fair value of financial assets and financial liabilities

Fair value refers to the amount of money that can be received or transferred from the sale of an asset in an orderly transaction between market participants on the measurement date.

The price to be paid for the liability. If there is an active market for the financial instrument, the company uses the quotation in the active market to determine its fair value

value. Quotes in an active market are those that are readily available on a regular basis from exchanges, brokers, industry associations, pricing services, etc.

, and represents the price of a market transaction that actually occurs in an arm's length transaction. If there is no active market for financial instruments, the Company shall adopt the

Use valuation techniques to determine its fair value. Valuation techniques include reference to recent market transactions between knowledgeable and willing parties

The price used in the reference to the current fair value of other financial instruments that are substantially the same, the discounted cash flow method and the option pricing model

type, etc. In valuing the company, the company uses valuation techniques that are appropriate in the current circumstances and supported by sufficient data and other information available.

techniques, selecting inputs that are consistent with the characteristics of the asset or liability considered by market participants in the transaction of the relevant asset or liability, and

Prefer relevant observable input values whenever possible. where the relevant observable input value is unavailable or impractical to obtain,

Use non-enterable values and classify them as level 3 in the fair value hierarchy.

## 8. Equity instruments

Equity instruments are contracts that demonstrate ownership of the company's remaining equity in its assets after deducting all liabilities. Issued by the company

(including refinancing), repurchase, sale or cancellation of equity instruments are treated as changes in equity, transaction costs related to equity transactions

Deducted from equity. The company does not recognize changes in fair value of equity instruments.

If the company's equity instruments distribute dividends (including "interest" generated by the instruments classified as equity instruments) during the existence of

Profit distribution processing.

## 11. Notes receivable

Determination method and accounting treatment method of expected credit loss of notes receivable Applicable

γ Not applicable

## 12. Accounts receivable

Determination method and accounting treatment method of expected credit loss of accounts receivable √Applicable √Not

applicable

## 13. Receivables financing √Applicable

√Not applicable

## 14. Other receivables Determination

method and accounting treatment method of expected credit loss of other receivables √Applicable √Not applicable

## 15. Inventory

√Applicable √Not applicable

## 1. Inventory classification

The company's inventories mainly include: raw materials, work-in-progress, commodities in stock, consigned processing materials, low-value consumables, etc.

## 2. Valuation method of inventory acquisition and delivery

The company's inventories are priced at actual cost when they are obtained; they are priced according to the weighted average method when they are issued.

Construction contracts are measured at actual costs, including those incurred from the signing of the contract to the completion of the contract and related to the execution of the contract.

Direct and indirect costs. Travel expenses, bid fees, etc. incurred for the conclusion of the contract can be separately distinguished and reliably measured and the contract

If it is likely to be concluded, it will be included in the contract cost when the contract is obtained; if the above conditions are not met, it will be included in the current profit and loss.

The accumulated costs incurred and the accumulated recognized gross profit (loss) and settled prices of contracts under construction are listed in the balance sheet as

The net amount after offsetting is presented. The sum of the accumulated costs incurred and the accumulated recognized gross profit (loss) of the contract under construction exceeds the settled price

The part of the payment is listed as inventory; the settled price of the contract under construction exceeds the accumulated cost incurred and the accumulated recognized gross profit (loss)

The part of the sum of losses) is listed as advance receipts.

The company obtains inventories used by the debtor to repay debts due to debt restructuring, and determines its entry price based on the fair value of the inventories

value.

The exchange of non-monetary assets by the company has commercial substance and the fair value of the exchanged assets or exchanged assets can be reliably measured.

Under the premise, the inventory exchanged for non-monetary assets is usually determined on the basis of the fair value of the exchanged assets, unless

There is conclusive evidence that the fair value of the exchanged assets is more reliable; non-monetary assets that do not meet the above premise are exchanged in exchange for capital contributions

The book value of the product and the relevant taxes payable are the cost of replacing the inventory.

Inventories acquired by the Company through absorption and merger of enterprises under the same control shall be recorded at the book value of the merged party.

Inventories obtained by way of merger and absorption of enterprises not under the same control are recognized at their fair value.

## 3. Recognition of the net realizable value of inventories and the method of accruing the provision for depreciation

Net realisable value refers to the estimated selling price of inventories in daily activities less the estimated costs and estimated costs to be incurred upon completion.

The amount after selling expenses and related taxes. When determining the net realisable value of inventories, based on the solid evidence obtained, and at the same time

Consider the purpose of holding the inventory and the impact of events after the balance sheet date.

After the company conducts a comprehensive inventory of the inventory at the end of the period, the inventory depreciation rate shall be withdrawn or adjusted according to the lower of the cost of the inventory and the net realizable value.

ready.

Inventories of finished goods, commodities, and materials for sale that are directly used for sale, in the normal course of production and operation, are

The estimated selling price of the inventory minus the estimated selling expenses and related taxes is the amount to determine its net realizable value;

Inventories of materials that need to be processed are deducted from the estimated selling price of finished products produced in the normal production and operation process to the end of the

The estimated cost of working hours, the estimated sales expenses and the amount after related taxes, determine its net realizable value;

The net realizable value of inventories held for the execution of sales contracts or labor contracts is calculated based on the contract price.

If the quantity of inventory exceeds the quantity ordered in the sales contract, the net realizable value of the excess inventory shall be calculated on the basis of the general sales price.

Calculate.

At the end of the period, the inventory depreciation reserve is usually accrued according to a single inventory item;

Inventory depreciation provision for categories; related to product series produced and sold in the same region, with the same or similar end use or

For inventories that are difficult to measure separately from other items, the provision for impairment of inventories shall be accrued on a consolidated basis.

If the influencing factors of the previous write-down of inventory value have disappeared, the written-down amount will be restored, and the original accrued inventory will fall in value.

If the reserve amount is reversed, the reversed amount is included in the current profit and loss.

4. The inventory system of inventory is

The company's inventory adopts the perpetual inventory system.

5. Amortization method of low-value consumables and packaging

The low-value consumables of the Company are amortized using the one-off amortization method.

16. Contract assets (1).

Recognition method and standard of contract assets ☐Applicable ☐Not

applicable

The company considers that the customer has not paid the consideration for the contract, but the company has fulfilled its performance obligations in accordance with the contract, and it is not an unconditional

(i.e. depending only on the passage of time) the right to collect money from the customer, listed as a contract asset on the balance sheet. under the same contract

Identical assets and contract liabilities are presented on a net basis, and contract assets and contract liabilities under different contracts are not offset.

For the determination method and accounting treatment method of expected credit loss of contract assets, please refer to the note "Impairment of financial instruments".

(2) Determination method and accounting treatment method of expected credit loss of contract assets ☐Applicable ☐Not

applicable

17. Assets held for sale ☐Applicable ☐Not

applicable

If the company mainly sells (including the exchange of non-monetary assets with commercial substance, the same below) rather than continuing to use a

If a non-current asset or disposal group recovers its book value, it is classified as held for sale. The specific standard is to meet the following at the same time

Condition: A non-current asset or disposal group is in accordance with the practice of selling such assets or disposal groups in similar

Available for immediate sale; the company has made a resolution on the sale plan and obtained a firm purchase commitment; the sale is expected to be completed within one year

to make. Among them, the disposal group refers to a group of assets that are disposed of together as a whole through sale or other means in a transaction, and

Liabilities directly related to those assets transferred in the transaction. The asset group or combination of asset groups to which the disposal group belongs is in accordance with the "Enterprise Accounting

Standard No. 8 - Asset Impairment Allocates the goodwill obtained in the business combination, the disposal group shall include the assets allocated to the disposal group.

goodwill.

When the company initially measures or re-measures on the balance sheet date and divides it into non-current assets held for sale and disposal groups, its account

If the face value is higher than the net amount after the fair value minus the selling expenses, the book value shall be written down to the net amount after the fair value minus the selling expenses.

The written-down amount is recognized as asset impairment loss and included in current profit and loss, and at the same time, provision for impairment of assets held for sale is made. for the place

In the disposal group, the recognized asset impairment loss is first deducted from the book value of the goodwill in the disposal group, and then deducted proportionally to the applicable assets in the disposal group.

"Accounting Standards for Business Enterprises No. 42 - Non-current Assets Held for Sale, Disposal Groups and Discontinued Operations" (hereinafter referred to as "Hold for Sale"

The book value of each non-current asset specified in the measurement provisions of the "Standard"). The fair value of the disposal group held for sale on the subsequent balance sheet date

If the net amount after deducting the selling expenses increases, the previously written-down amount shall be restored and shall be appropriately classified after being classified as held for sale.

The amount of asset impairment loss recognized for non-current assets measured by the held-for-sale standard is reversed, and the reversed amount is included in the current loss.

and according to the proportion of the book value of various non-current assets in the disposal group that are subject to the measurement requirements of the held-for-sale standard except goodwill

Proportionally increase its book value; the book value of goodwill that has been deducted, and the non-current assets measured by the held-for-sale standard are

Asset impairment losses recognized before being classified as held for sale shall not be reversed.

Non-current assets held for sale or non-current assets in disposal groups are not depreciated or amortized, and non-current assets held for sale in disposal groups are negative.

Interest and other expenses on the debt continue to be recognized.

When a non-current asset or disposal group no longer meets the classification conditions for the held-for-sale category, the company will no longer classify it as a held-for-sale asset.

Available-for-sale category or non-current assets are removed from the disposal group held for sale, and are measured according to the lower of the following two: (1) Classified as held-for-sale

The book value before the available-for-sale category is based on the depreciation, amortization or impairment that should have been recognized under the assumption that it is not classified as held-for-sale category.

The adjusted amount; (2) the recoverable amount.

#### 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



The long-term equity investment referred to in this section refers to the control the company has over the investee (see "Consolidated Financial Statements" in this note for details).

long-term equity investment with joint control or significant influence. Joint control refers to the Company's compliance with relevant agreements

control over an arrangement, and the relevant activities of the arrangement must be agreed upon by the parties sharing the control.

can make decisions. Significant influence means that the company has the right to participate in the decision-making of the financial and operating policies of the investee, but cannot

Control or jointly control the formulation of these policies with other parties.

#### 1. Determination of investment cost

##### (1) Long-term equity investment formed by business combination

For the long-term equity investment obtained by the company through the merger of enterprises under the same control, on the merger date, the ownership of the merged party shall be obtained in accordance with the

The share of the book value of the benefit in the consolidated financial statements of the ultimate controlling party is taken as the initial investment cost. Initial investment cost of long-term equity investment

The difference between the cash paid, the non-cash assets transferred and the book value of the liabilities assumed shall be adjusted to the capital reserve;

If the accumulation is insufficient to offset, the retained earnings shall be adjusted. If the issue of equity securities is used as the consideration for the merger, on the merger date, the shares owned by the merged party shall

The share of the book value of the owner's equity in the ultimate controlling party's consolidated financial statements is taken as the initial investment cost of long-term equity investment, according to

The total face value of the issued shares is taken as share capital, the difference between the initial investment cost of long-term equity investment and the total face value of the issued shares,

Adjust the capital reserve; if the capital reserve is insufficient to offset, adjust the retained earnings. Acquired in steps through multiple transactions to be consolidated under the same control

If a business combination under the same control is finally formed, it should be dealt with whether it belongs to a "package deal":

In the case of a "package deal", each transaction shall be accounted for as a transaction for obtaining control. does not belong to the "package deal"

In the case of "easy", on the merger date, according to the share of the book value of the owner's equity of the merged party in the consolidated financial statements of the ultimate controlling party

As the initial investment cost of long-term equity investment, the initial investment cost of long-term equity investment and the long-term equity investment before the merger

The difference between the book value and the sum of the book value of the newly paid consideration for further acquisition of shares on the merger date shall be adjusted to the capital reserve;

If the accumulation is insufficient to offset, the retained earnings shall be adjusted. Equity investments held before the combination date are accounted for by the equity method or are other equity instruments.

Other comprehensive income recognized from investment is not subject to accounting treatment for the time being.

For the long-term equity investment acquired by the Company through a business combination not under the same control, the acquisition of the control over the acquiree on the acquisition date

The fair value of the assets paid, the liabilities incurred or assumed and the equity securities issued for the control of the rights are taken as the combined cost. through many

If the acquiree's equity is acquired in steps in the second transaction, and eventually a business combination not under the same control is formed, whether it belongs to the "one package" or not.

"Sub-transactions": if it belongs to a "package deal", each transaction shall be accounted for as a transaction to obtain control.

reason. If it does not belong to a "package deal", it shall be calculated based on the book value of the equity investment originally held by the acquiree plus the additional investment cost.

And, as the initial investment cost of long-term equity investment calculated by the cost method. If the originally held equity is accounted for by the equity method, the relevant

Other comprehensive income is not subject to accounting treatment for the time being. If the originally held equity investment is an investment in other equity instruments, its fair value and book value

The difference between the values is included in the current profit and loss, and the accumulated fair value changes originally included in other comprehensive income are transferred to retained earnings.

Intermediary fees such as auditing, legal services, evaluation and consulting and other related management incurred by the merging party or the purchaser for the business combination

Expenses are included in the current profit and loss when incurred.

##### (2) Long-term equity investment obtained by other means

Other equity investments other than long-term equity investments formed by business combination shall be initially measured at cost, which shall be treated as long-term equity investments.

According to the different ways of obtaining the equity investment, according to the actual cash purchase price paid by the company and the equity securities issued by the company.

The fair value, the value agreed in the investment contract or agreement, etc.; if obtained through the exchange of non-monetary assets, according to the "Enterprise

Accounting Standard No. 7 - Exchange of Non-monetary Assets to determine the initial investment cost; acquired through debt restructuring, in accordance with the "Enterprise Council".

Accounting Standard No. 12 - Debt Restructuring determines the initial investment cost. Expenses, taxes and

Other necessary expenses are also included in the investment cost. For additional investment that can exert significant influence or joint control over the investee

However, if it does not constitute control, the cost of long-term equity investment is determined in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments.

The fair value of the originally held equity investment plus the cost of the new investment.

## 2. Subsequent measurement and profit and loss recognition method

For long-term equity investments that have joint control (except for constituting joint operators) or significant influence over the investee, use equity

The long-term equity investment controlled by the investee is accounted for by the cost method, and the consolidated financial statements are prepared according to the equity method.

method to adjust.

### (1) Long-term equity investment accounted for by the cost method

When the cost method is adopted, the long-term equity investment is priced at the initial investment cost, and the long-term equity investment is adjusted by adding or recovering the investment.

the cost of. Except for the price actually paid at the time of obtaining the investment or the cash dividends or profits that have been declared but not yet distributed included in the consideration

In addition, the current investment income is recognized according to the cash dividends or profits declared and distributed by the investee.

### (2) Long-term equity investments accounted for by the equity method

When the equity method is adopted, the initial investment cost of long-term equity investment is greater than the identifiable net capital of the investee at the time of investment.

If the fair value share of the equity investment is not adjusted, the initial investment cost of the long-term equity investment shall not be adjusted; if the initial investment cost is less than

If the share of the fair value of the identifiable net assets of the capital unit, the difference is included in the current profit and loss, and the cost of long-term equity investment is adjusted at the same time.

When accounting by the equity method, it shall be based on the share of the net profit or loss and other comprehensive income realized by the investee that should be enjoyed or shared.

investment income and other comprehensive income, and adjust the book value of long-term equity investment;

If the profit or cash dividends distributed by the report shall be calculated, the book value of the long-term equity investment shall be reduced accordingly;

Adjust the book value of long-term equity investments for other changes in owner's equity other than net profit or loss, other comprehensive income and profit distribution

value and included in the capital reserve. When recognizing the attributable share of the net profit and loss of the investee, the investee's various available

Based on the fair value of the identified assets, etc., the net profit of the investee is adjusted and confirmed. Accounting adopted by the investee

If the policies and accounting periods are inconsistent with the Company's, the Company's accounting policies and accounting periods shall be in accordance with the financial statements of the investee.

Adjustments are made and investment income and other comprehensive income are recognized accordingly. For transactions between the Company and its associates and joint ventures

If the assets traded, invested or sold do not constitute business, the unrealized profit and loss of internal transactions shall be calculated and attributed to the company according to the proportion enjoyed.

The part of the investment will be offset, and the investment profit and loss will be recognized on this basis. However, the unrealized internal transaction losses between the company and the investee

If it belongs to the impairment loss of the transferred assets, it will not be offset. Assets invested by the company to joint ventures or associates constitute business

If the investor obtains long-term equity investment but does not obtain control, the fair value of the invested business shall be used as the new long-term equity investment.

The initial investment cost of the equity investment, the difference between the initial investment cost and the book value of the invested business, shall be fully included in the current profit and loss. Our company

If the assets sold to a joint venture or an associate constitute a business, the difference between the consideration obtained and the book value of the business shall be fully included in the current business.

period profit and loss. If the assets purchased by the company from associates and joint ventures constitute business, it shall be subject to "Accounting Standards for Business Enterprises No. 20 - Enterprise Accounting Standards No. 20".

According to the provisions of "Business Combination", accounting treatment shall be carried out, and the gain or loss related to the transaction shall be recognized in full.

When recognizing the net loss of the investee that should be shared, the book value of the long-term equity investment and other substantial

The long-term equity write-down of the net investment in the investee is limited to zero. In addition, if the company is liable for additional losses to the investee

Obligations, then the estimated liabilities are recognized according to the expected obligations and included in the current investment losses. Net profit realized by the investee in subsequent periods

If the profit sharing amount makes up for the unrecognized loss sharing amount, the company will resume the recognition of the profit sharing amount.

### (3) Acquisition of minority stakes

When preparing the consolidated financial statements, the new long-term equity investment due to the purchase of minority equity is calculated according to the proportion of the newly increased shareholding.

The difference between the shares of net assets calculated continuously from the acquisition date (or merger date) of subsidiaries, adjust the capital reserve, and adjust the capital reserve.

If the accumulation is insufficient to offset, the retained earnings shall be adjusted.

### γ Disposal of long-term equity investment

For long-term equity investments accounted for by the equity method, if the remaining equity after disposal is still accounted for by the equity method, the original equity investment shall be

The part of other comprehensive income included in shareholders' equity shall adopt the same proportion as the investee's direct disposal of the relevant assets or liabilities according to the corresponding proportion.

basis for accounting. Changes in other owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution

The recognized owner's equity shall be carried forward to the current profit and loss proportionally.

For long-term equity investments accounted for using the cost method, if the remaining equity after disposal is still accounted for using the cost method, it will be

Other comprehensive income recognized by equity method accounting or financial instrument recognition and measurement standards accounting before the control of the unit, using

Accounting treatment is carried out on the same basis as the investee's direct disposal of relevant assets or liabilities, and the current profits and losses are carried forward in proportion;

All other items other than net profit and loss, other comprehensive income and profit distribution in the net assets of the investee recognized by the equity method

Changes in equity are carried forward proportionally to the current profit and loss.

If the company loses control over the investee due to the disposal of part of the equity investment, when preparing individual financial statements, after the disposal

If the remaining equity of the company can exercise joint control or exert significant influence on the investee, it shall be accounted for by the equity method, and the remaining equity shall be accounted for by the equity method.

The right is deemed to be adjusted using the equity method when it is acquired; the remaining equity after disposal cannot exercise joint control over the investee

or exert a significant influence, the accounting treatment shall be carried out in accordance with the relevant provisions of the financial instrument recognition and measurement standards.

The difference between the fair value and the book value is included in the current profit and loss. Before the Company obtains control over the investee, due to

Other comprehensive income recognized using the equity method accounting or financial instrument recognition and measurement standards accounting, when the loss of control over the investee

The accounting treatment is carried out on the same basis as the investee directly disposes of the relevant assets or liabilities in the system.

Changes in other owners' equity other than net profit and loss, other comprehensive income and profit distribution in the net assets of the investee recognized

When the control over the investee is lost, it is carried forward to the current profit and loss.

The company disposes the equity investment in the subsidiary step by step through multiple transactions until it loses control. If the above transactions belong to a package

In the case of transactions, each transaction shall be accounted for as a transaction in which the equity investment of the subsidiary is disposed of and the control right is lost.

The difference between each disposal price before the control of the right and the book value of the long-term equity investment corresponding to the disposed equity is first recognized as a share

When the control right is lost, it will be transferred to the current profit and loss of the loss of control right.

## 22. Investment real estate (1). If the cost

measurement model is adopted: depreciation or amortization method

Investment properties are initially measured at cost. Subsequent expenses related to investment real estate, if related to the asset

It is probable that the economic benefits will flow in and the cost can be measured reliably, and it is included in the cost of investment property. other subsequent expenditures, in included in the current profit and loss.

The company adopts the cost model to carry out subsequent measurement of investment real estate, which is consistent with the building or land use rights. policy for depreciation or amortization.

For the method of impairment test and provision for impairment of investment real estate, please refer to the Note for Impairment of Long-Term Assets.

When the investment real estate is disposed of, or permanently withdrawn from use, and no economic benefits are expected to be derived from its disposal, the termination confirmation recognize the investment real estate. Income from disposal of investment property sold, transferred, scrapped or destroyed, net of its book value and related After tax, it is included in the current profit and loss.

## 23. Fixed assets (1).

Recognition conditions

☐Applicable ☐Not applicable

### 1. Confirmation conditions for fixed assets

Fixed assets refer to those held for the production of commodities, provision of labor services, lease or operation and management, with a service life exceeding one accounting year tangible assets. Fixed assets are only if the economic benefits related to them are likely to flow into the company and their costs can be measured reliably be confirmed. Fixed assets are initially measured at cost and considering the impact of expected disposal costs.

### 2. Classification of fixed assets

The company's fixed assets are classified as: houses and buildings, engineering ships, photovoltaic power stations, machinery and equipment, transportation equipment, office and other equipment.

### 3. Initial measurement of fixed assets

The Company's fixed assets are usually measured initially at actual cost.

If the price for the purchase of fixed assets by the company exceeds the normal credit conditions and the payment is delayed, and it is of a financing nature in nature, the fixed assets The cost is determined on the basis of the present value of the purchase price.

The fixed assets obtained by the debtor for debt repayment obtained by the company's debt restructuring are determined on the basis of the fair value of the fixed assets. book value, and the difference between the book value of the restructured debt and the fair value of the fixed assets used to offset the debt is included in the current loss

The premise that the exchange of non-monetary assets has commercial substance and the fair value of the assets in or out can be measured reliably

Fixed assets exchanged in exchange for non-monetary assets are generally determined based on the fair value of the assets exchanged, unless

There is conclusive evidence that the fair value of the exchanged assets is more reliable; non-monetary assets that do not meet the above premise are exchanged in exchange for capital contributions

The book value of the property and the relevant taxes payable are regarded as the cost of the exchange of fixed assets, and no profit or loss is recognized.

The fixed assets acquired by the Company through absorption and merger of enterprises under the same control are determined and recorded according to the book value of the merged party.

Value; fixed assets acquired by way of merger and absorption of enterprises not under the same control determine their book value at fair value.

## (2). Depreciation method

☐Applicable ☐Not applicable

Category	Depreciation method	Depreciation period (years)	Residual rate	annual depreciation rate
Houses and buildings	Average age method	20 years	Engineering ships	Average age method
10 years	Average age method for photovoltaic power plants and equipment	10 years	Average age method for office and other	
age method for transportation equipment				
			5%	4.75%
			5%	9.50%
			5%	9.50%
			5%	9.5-15.83%
			5%	9.50%
			5%	19%

For fixed assets that have been accrued for asset impairment, after the asset impairment loss is confirmed, the depreciation expense of the impaired asset will be calculated accordingly in future periods.

Adjustments are made so that the adjusted book value of the asset (net of estimated net residual value) is systematically apportioned over the asset's remaining useful life.

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

☐Not applicable

#### 24. Construction in progress

☐Applicable ☐Not applicable

##### 1. Initial measurement and subsequent measurement of construction in progress

The construction in progress of the Company determines the cost of the project according to the actual expenditure, and calculates it separately. The project is ready for use

The net expenses incurred for the trial operation before the state are included in the project cost. The construction in progress project is taken before reaching the intended state of use

For the products that are formed during the trial operation and can be sold externally, the cost incurred shall be included in the cost of construction in progress, and the sales or transfer

When it is an inventory commodity, the engineering cost shall be deducted according to the actual sales revenue or the estimated selling price. Borrowing costs incurred for construction in progress

If the conditions for capitalization of expenses are not met, the purchased and constructed fixed assets shall be included in the construction-in-progress cost before the fixed assets are expected to be usable.

##### 2. The time point when construction in progress is transferred to fixed assets

The company's construction projects in progress shall be regarded as fixed assets based on all the expenditures incurred before the construction of the asset reaches its intended usable state.

The entry value of the product. If the construction in progress of the fixed assets constructed has reached the expected usable state, but the final accounts have not been completed, the

From the date of reaching the intended usable state, the estimated value will be transferred to fixed according to the project budget, cost or actual cost of the project, etc.

assets, and the depreciation of fixed assets shall be accrued according to the company's fixed asset depreciation policy.

Adjust the original provisional value, but do not adjust the depreciation that has been accrued.

The above-mentioned "reaching the predetermined usable state" means that the fixed assets have reached the predetermined usable state of the company. when the following

If one of the conditions is not met, the purchased and constructed fixed assets are considered to have reached the intended usable state:

(1) The physical construction (including installation) of the fixed assets has been completed or substantially completed;

(2) Trial production or trial operation has been carried out, and the results show that the asset can operate normally or can stably produce qualified products.

product, or when the test run results show that it can operate or operate normally;

(3) The amount of expenditure on the fixed assets of the construction is very small or almost no longer occurs;

(4) The purchased and constructed fixed assets have met the design or contract requirements, or are in conformity with the design or contract requirements or are basically in conformity, even if

There are very few places that do not conform to the design or contract requirements, and it is not enough to affect its normal use.

3. For the impairment test method and impairment provision method of construction in progress, please refer to the note for impairment of long-term assets.

#### 25. Borrowing costs

☐Applicable ☐Not applicable

Borrowing costs include borrowing interest, amortization of discounts or premiums, ancillary expenses, and exchange differences arising from foreign currency borrowings

Wait. Borrowing costs that can be directly attributable to the acquisition, construction or production of assets eligible for capitalization are

When the payment expenses have been incurred and the acquisition, construction or production activities necessary to make the asset ready for its intended use or sale have begun,

Begin capitalization; stop when the constructed or produced assets eligible for capitalization reach the intended use or sale state.

stop capitalization. The remaining borrowing costs are recognized as expenses in the period in which they are incurred.

The interest expense actually incurred in the current period of the special loan, minus the interest income or income from the unused loan funds deposited in the bank.

The amount after the investment income obtained from the temporary investment shall be capitalized;

The capitalized amount is determined by multiplying the weighted average number of asset expenditures by the capitalization rate of the occupied general borrowings. The capitalization rate is based on the general

The weighted average interest rate of the loan is calculated and determined.

During the capitalization period, the exchange differences of foreign currency special borrowings are fully capitalized; the exchange differences of foreign currency general borrowings are included in the current period profit and loss.

Assets eligible for capitalization refer to the acquisition, construction or production activities that require a considerable period of time before they can reach their intended use or availability.

Assets such as fixed assets, investment properties, and inventories in the sale state.

If the assets eligible for capitalization are abnormally interrupted during the acquisition, construction or production process, and the interruption time exceeds 3 consecutive

Monthly, the capitalization of borrowing costs is suspended until the acquisition, construction or production of the asset resumes.

#### 26. Biological assets

ŸApplicable ŸNot applicable

#### 27. Oil and gas properties

ŸApplicable ŸNot applicable

#### 28. Right-of-use assets

ŸApplicable ŸNot applicable

The right-of-use asset refers to the right of the Company, as the lessee, to use the leased asset during the lease term.

##### 1. Initial measurement

On the commencement date of the lease term, the Company initially measures the right-of-use asset at cost. This cost includes the following four items:

(1) the initial measurement amount of the lease liability;

(2) The lease payments made on or before the start date of the lease period, if there is a lease incentive, deduct the related lease incentives already enjoyed.

amount;

(3) The initial direct costs incurred are the incremental costs incurred to achieve the lease;

(4) To dismantle and remove the leased asset, restore the site where the leased asset is located, or restore the leased asset to the state agreed upon in the lease terms.

costs to be incurred, except those incurred for the production of inventories.

##### 2. Follow-up measurement

After the commencement date of the lease term, the Company adopts the cost model for subsequent measurement of the right-of-use asset, that is, the cost minus the accumulated depreciation

and accumulated impairment losses to measure the right-of-use asset, if the company re-measures the lease liability in accordance with the relevant provisions of the leasing standards, adjust accordingly

The book value of the right-of-use asset.

Depreciation of right-of-use assets From the start date of the lease term, the Company accrues depreciation for right-of-use assets. Right-of-use assets are usually self-leased

Depreciation is accrued in the month the lease term begins. The accrued depreciation amount is included in the cost of the relevant asset or when the right-of-use asset is used.

period profit and loss.

When determining the depreciation method of the right-of-use asset, the company is based on the expected consumption method of the economic benefits related to the right-of-use asset.

A decision is made to depreciate the right-of-use asset on a straight-line basis.

When determining the depreciation period of the right-of-use asset, the company follows the following principles: it can be reasonably determined that the lease will be obtained when the lease term expires.

If the leased asset is owned, depreciation shall be accrued within the remaining useful life of the leased asset;

If the leased asset is owned, depreciation is accrued within the shorter of the lease term and the remaining useful life of the leased asset.

Impairment of the right-of-use asset If the right-of-use asset is impaired, the Company shall calculate the right-of-use asset according to the amount of the right-of-use asset after deducting the impairment loss.

Book value, subject to subsequent depreciation.

## 29. Intangible assets (1).

Valuation method, service life, impairment test √Applicable √Not applicable

### 1. Recognition conditions of intangible assets

The Company's intangible assets refer to identifiable non-monetary assets that have no physical form and are owned or controlled. Intangible assets are full at the same time

It can be confirmed only if the following conditions are met: (1) The economic benefits related to the intangible asset are likely to flow into the enterprise; (2) The intangible asset is likely to flow into the enterprise;

costs can be measured reliably.

### 2. Valuation method of intangible assets

The Company's intangible assets are initially measured at actual cost.

If the purchase price of the intangible assets by the company exceeds the normal credit conditions and the payment is delayed, and it has the nature of financing in nature, the intangible assets

The cost is determined on the basis of the present value of the purchase price.

The intangible assets obtained by the debtor for debt repayment obtained by the company's debt restructuring are determined based on the fair value of the intangible assets.

book value, and the difference between the book value of the restructured debt and the fair value of the intangible assets used to offset the debt is included in the current loss

The premise that the exchange of non-monetary assets has commercial substance and the fair value of the assets in or out can be measured reliably

Intangible assets exchanged in exchange for non-monetary assets are generally determined on the basis of the fair value of the assets exchanged, unless

There is conclusive evidence that the fair value of the exchanged assets is more reliable; non-monetary assets that do not meet the above premise are exchanged in exchange for capital contributions

The book value of the assets and the relevant taxes payable are regarded as the cost of the intangible assets, and no profit or loss is recognized.

The intangible assets acquired by the Company through the absorption and merger of enterprises under the same control are determined and recorded according to the book value of the merged party.

Value; the intangible assets acquired by way of merger and absorption of enterprises not under the same control shall be recorded at their fair value.

The acquired land use rights are usually accounted for as intangible assets. Self-development and construction of workshops and other buildings, related land use rights

Expenditure and building construction costs are accounted for as intangible assets and fixed assets, respectively. In the case of purchased houses and buildings, there will be

The relevant price is allocated between the land use right and the building. If it is difficult to allocate it reasonably, it shall be treated as a fixed asset.

### 3. Service life and amortization of intangible assets

The Company analyzes and judges the useful life of intangible assets when acquiring them. The useful life of intangible assets is limited, it is estimated that the use of

The number of units of measurement such as the number of years of life or the output that constitutes the useful life; it is not foreseeable that the intangible assets will bring economic benefits to the enterprise

If it has a beneficial period, it is regarded as an intangible asset with an indefinite useful life. Intangible assets with limited useful lives are subject to the straight-line method over their useful lives

Amortization, intangible assets with indefinite useful life shall not be amortized.

At the end of the period, the company will review the service life and amortization method of intangible assets with limited service life.

Processing for changes in accounting estimates. In addition, the service life of intangible assets with uncertain service life is also reviewed, if there is evidence

If it shows that the period of time that the intangible asset will bring economic benefits to the enterprise is foreseeable, then its useful life is estimated and based on the limited useful life

The amortization policy of intangible assets is amortized.

### 4. Impairment test method for intangible assets and provision for impairment

For the method of impairment test and provision for impairment of intangible assets, please refer to the Note for Impairment of Long-Term Assets.

## (2) Accounting policy for internal research and development expenditure

Applicable Not applicable

The Company's internal research and development project expenditures are divided into research phase expenditures and development phase expenditures.

The company's specific criteria for dividing the research stage expenditure and development stage expenditure of internal research and development projects are as follows: the research stage expenditure is

Refers to the support that occurs in the Company's original, exploratory planned investigations to acquire and understand new scientific or technical knowledge

It is the preparation of data and related aspects for further development activities, and whether the research activities that have been carried out will be transferred to the development,

There is great uncertainty as to whether intangible assets will be formed after development; the expenditure in the development stage refers to the

Before use, apply research results or other knowledge to a plan or design to produce new or substantially improved materials,

Expenses incurred on installations, products, etc. Compared with the research stage, the development stage is the work that has been completed in the research stage.

To a certain extent, the basic conditions for the formation of a new product or new technology have been met.

Expenditures in the research stage shall be included in the current profit and loss when incurred; expenditures in the development stage shall be recognized as intangible assets when the following conditions are met at the same time

Produce:

(1) It is technically feasible to complete the intangible asset so that it can be used or sold;

(2) Have the intention to complete the intangible asset and use or sell it;

(3) The way in which the intangible assets generate economic benefits, including the existence of a market or intangible product that can be proved using the intangible assets

The asset itself exists in the market, and the intangible assets will be used internally, which can prove its usefulness;

(4) There are sufficient technical, financial and other resource support to complete the development of the intangible asset and have the ability to use or export

sell the intangible asset;

Expenses attributable to the development stage of the intangible assets can be measured reliably.

Expenses in the development stage that cannot meet the above conditions are included in the current profit and loss.



## 30. Impairment of long-term assets

✓Applicable ✓Not applicable

For fixed assets, construction in progress, intangible assets with limited service life, investment real estate measured by the cost model, and

For non-current non-financial assets such as long-term equity investments in subsidiaries, joint ventures and associates, the Company shall judge on the balance sheet date.

Whether there are signs of impairment. If there is any indication of impairment, estimate its recoverable amount and conduct an impairment test. Goodwill, service life

Uncertain intangible assets and intangible assets that have not yet reached a usable state, regardless of whether there is any sign of impairment, are impaired every year

test.

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 net amount of the asset's fair value less disposal costs and the present value of the asset's estimated future cash flow

the higher of the between. The fair value of the asset is determined based on the sale agreement price in an arm's length transaction; there is no sale agreement but the asset exists

If there is an active market, the fair value is determined according to the buyer's bid for the asset; if there is no sales agreement and an active market for the asset, the fair value can be

The best information available is the basis for estimating the fair value of the asset. Disposal fees include legal fees, related taxes related to asset disposal

costs, handling costs, and direct costs incurred to bring the asset to marketable condition. The present value of the expected future cash flows of the asset, according to

According to the expected future cash flow generated during the continuous use and final disposal of the asset, select the appropriate discount rate to carry out the calculation.

The discounted amount is determined. Provision for asset impairment is calculated and confirmed on an individual asset basis.

If the recoverable amount is estimated, the recoverable amount of the asset group is determined by the asset group to which the asset belongs. Asset groups are able to be generated independently

Minimum portfolio of assets for cash inflows.

For the goodwill listed separately in the financial statements, when the impairment test is performed, the book value of the goodwill is allocated to the expected transfer from the enterprise contract.

The asset group or combination of asset groups that benefit from the synergies of the merger. The test results show that the asset group or group of asset groups contains apportioned goodwill

If the total recoverable amount is lower than its book value, the corresponding impairment loss shall be recognized. The amount of impairment loss is first offset and allocated to the asset group

or the book value of the goodwill of the asset group combination, and then based on the book value of other assets other than goodwill in the asset group or asset group combination

The proportion of the face value is deducted from the book value of other assets in proportion.

Once the above-mentioned asset impairment loss is confirmed, the part whose value is recovered will not be reversed in subsequent periods.

## 31. Long-term deferred expenses

✓Applicable ✓Not applicable

Long-term deferred expenses are expenses that have occurred but should be borne by the reporting period and subsequent periods with an amortization period of more than one year.

The company's long-term deferred expenses mainly include the improvement expenses of operating leased fixed assets and the one-time payment of the land occupied by photovoltaic power plants.

Long term in rental fee. Long-term deferred expenses are amortized on a straight-line basis over the expected benefit period.

## 32. Contract liabilities (1).

Recognition method of contract liabilities ✓Applicable

✓Not applicable

Contract liabilities refer to the company's obligation to transfer goods to customers after receiving or receivable consideration from customers. If in the company to customers

Before the customer transfers the goods, the customer has paid the contract consideration or the company has obtained the unconditional right to receive payment.

The receivable or receivable shall be listed as a contract liability at the earlier of the actual payment and the due payable. under the same contract

Identical assets and contract liabilities are presented on a net basis, and contract assets and contract liabilities under different contracts are not offset.

### 33. Employee compensation

#### (1). Accounting treatment method of short-term compensation

✓Applicable ✗Not applicable

Short-term compensation mainly includes wages, bonuses, allowances and subsidies, employee benefits, medical insurance, maternity insurance, work-related injuries

Insurance premiums, housing provident fund, trade union funds and employee education funds, non-monetary benefits, etc. The company's employees provide the company with

During the accounting period of the service, the actual short-term employee compensation will be recognized as a liability and included in the current profit and loss or related asset costs. in

Non-monetary benefits are measured at fair value.

#### (2). Accounting treatment of post-employment benefits ✓Applicable

✗Not applicable

Post-employment benefits mainly include basic pension insurance, unemployment insurance, etc. Post-employment benefit plans include defined contribution plans. use

If a withdrawal plan is set, the corresponding deposit amount shall be included in the relevant asset cost or current profit and loss when it occurs.

#### (3). Accounting treatment of dismissal benefits ✓Applicable ✗Not

applicable

Terminate the labor relationship with the employee before the employee's labor contract expires, or offer compensation to encourage the employee to accept the layoff voluntarily

Compensation proposal, when the company cannot unilaterally withdraw the dismissal benefits provided by the labor relationship termination plan or layoff proposal, and the company

The company confirms the cost related to the reorganization involving the payment of dismissal benefits, whichever is earlier, and recognizes the employee compensation burden arising from dismissal benefits.

Debt and included in the current profit and loss.

The internal retirement plan of employees is treated in the same principle as the above-mentioned dismissal benefits. The company will start from the day when the employees stop providing services to

The salaries and social insurance premiums to be paid for early retirees during the normal retirement date, when the conditions for the recognition of estimated liabilities are met,

Included in the current profit and loss (dismissal welfare).

#### (4) Accounting treatment of other long-term employee benefits ✓Applicable ✗Not

applicable

### 34. Lease liabilities

✓Applicable ✗Not applicable

#### 1. Initial measurement

The Company initially measures the lease liability based on the present value of the unpaid lease payments on the commencement date of the lease term.

Lease payments refer to the amount paid by the Company to the lessor in relation to the right to use the leased asset during the lease term, including

include:

(1) The fixed payment amount and the actual fixed payment amount, if there is a lease incentive, the relevant amount of the lease incentive shall be deducted;

(2) Variable lease payments that depend on an index or ratio that are initially measured according to the index or ratio on the commencement date of the lease term.

rate is determined;

(3) When the company reasonably determines that the purchase option will be exercised, the exercise price of the purchase option;

(4) The lease period reflects the amount to be paid for exercising the option to terminate the lease when the company will exercise the option to terminate the lease;

γ The expected payment according to the residual value of the guarantee provided by the company.

When calculating the present value of lease payments, the Company uses the interest rate implicit in the lease as the discount rate, which refers to the lessor's

The sum of the present value of the lease receipts and the present value of the unguaranteed residual value equals the sum of the fair value of the leased asset and the lessor's initial direct costs

interest rate. The incremental borrowing rate refers to the Company's acquisition of assets close to the value of the right-of-use asset under similar economic conditions.

The interest rate payable on borrowing funds with similar collateral terms for similar periods.

## 2. Follow-up measurement

After the commencement date of the lease term, the Company will subsequently measure the lease liabilities according to the following principles:

(1) When recognizing the interest of the lease liability, increase the book amount of the lease liability;

(2) When the lease payments are made, the carrying amount of the lease liability is reduced;

(3) When the lease payment changes due to revaluation or lease modification, etc., the book value of the lease liability is re-measured.

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 loss

benefits, unless they should be capitalized. Periodic interest rate refers to the discount rate adopted by the Company for the initial measurement of lease liabilities.

or when the lease liability is remeasured at the revised discount rate due to a change in lease payments or a modification of the lease,

The revised discount rate used by the Company.

## 3. Re-measure

After the commencement date of the lease term, the Company re-measures the lease liability according to the present value of the changed lease payments when the following circumstances occur.

debt, and adjust the book value of the right-of-use asset accordingly. The book value of the right-of-use asset has been reduced to zero, but the lease liability

If it is reduced in one step, the company will include the remaining amount in the current profit and loss.

## 35. Estimated liabilities

γApplicable γNot applicable

When the obligations related to contingencies meet the following conditions at the same time, they are recognized as estimated liabilities: (1) The obligation is a current obligation undertaken by the company.

(2) the performance of the obligation is likely to result in the outflow of economic benefits; (3) the amount of the obligation can be measured reliably.

On the balance sheet date, considering factors such as risks, uncertainties and time value of money related to contingencies,

The estimated liabilities are measured by the best estimate of the expenditure required by the relevant present obligation.

If all or part of the expenses required to settle the estimated liabilities are expected to be compensated by a third party, the compensation amount can be received after it is basically determined.

When it is confirmed as an asset separately, and the confirmed compensation amount does not exceed the book value of the estimated liability.

## 36. Share-based payment

γApplicable γNot applicable

### 1. Accounting treatment of share-based payment

Share-based payment is to grant equity instruments or undertake commitments based on equity instruments in order to obtain services provided by employees or other parties.

debt transactions. Share-based payment is divided into equity-settled share-based payment and cash-settled share-based payment.

(1) Equity-settled share-based payment

Equity-settled share-based payments in exchange for services provided by employees to grant employees the fair value of equity instruments on the grant date

metering. The amount of the fair value can only be exercised when the service within the waiting period is completed or the specified performance conditions are met.

During the period, based on the best estimate of the number of exercisable equity instruments, the relevant costs or expenses are calculated on a straight-line basis;

When the option is immediately exercised, the relevant costs or expenses shall be included in the grant date, and the capital reserve shall be increased accordingly.

(2) Cash-settled share-based payment

The cash-settled share-based payment shall be based on the fairness of the liabilities determined on the basis of shares or other equity instruments undertaken by the company.

Value measurement. If the right can be exercised immediately after the grant, the relevant costs or expenses will be included on the grant date, and the liabilities will be increased accordingly;

During the period of service or after meeting the specified performance conditions, the right can be exercised, and on each balance sheet date of the waiting period, the vesting situation will be reviewed.

Based on the best estimate of the company, the services obtained in the current period are included in the cost or expense according to the fair value amount of the liabilities assumed by the company,

A corresponding increase in debt.

The fair value of the liability is remeasured on each balance sheet date before the settlement of the relevant liability and on the settlement date, and the change in the liability is calculated

into the current profit and loss.

2. Relevant accounting treatment for modification and termination of share-based payment plan

When the company modifies the share-based payment plan, if the modification increases the fair value of the equity instruments granted, it will be

An increase in fair value is correspondingly recognized as an increase in services obtained. The increase in the fair value of equity instruments refers to the equity instruments before and after modification

The difference between the fair value at the modification date. If the modification reduces the total fair value of share-based payment or adopts other unfavorable

method, the accounting treatment of the obtained services will continue to be carried out, as if the change has never occurred, unless the company cancels part or

All granted equity instruments.

During the waiting period, if the granted equity instrument is cancelled, the company will cancel the granted equity instrument as an accelerated exercise.

Processing, the amount that should be recognized during the remaining waiting period is immediately included in the current profit and loss, and the capital reserve is recognized at the same time. employees or other parties can

If you choose to meet the non-vesting conditions but not within the waiting period, the company will treat it as the cancellation of the grant of equity instruments.

37. Other financial instruments such as preference shares and perpetual bonds

Applicable Not Applicable

38. Revenue (1).

Accounting policies adopted for revenue recognition and measurement Applicable Not

applicable

1. Principles of revenue recognition

(1) When the contract between the company and the customer meets the following conditions at the same time, the revenue is recognized when the customer obtains control over the relevant commodities:

The parties to the contract have approved the contract and promised to perform their respective obligations; the contract clarifies that the parties to the contract have the

the rights and obligations related to the contract; the contract has clear payment terms related to the goods transferred; the contract has commercial substance, that is, the performance of the contract

At the same time, it will change the risk, time distribution or amount of the company's future cash flow; the company is entitled to obtain the

The consideration is likely to be recovered.

(2) On the contract start date, the company identifies each individual performance obligation in the contract, and sets the transaction price according to each individual performance obligation.

The relative proportion of the stand-alone selling price of the commodity promised by the obligation is allocated to each individual performance obligation. Variable pairs are taken into account when determining the trade price

The impact of factors such as price, significant financing components in the contract, non-cash consideration, and consideration payable to customers.

(3) For each single performance obligation in the contract, if one of the following conditions is met, the company will

The transaction price apportioned to the single performance obligation will be recognized as revenue according to the performance progress: the customer will receive and

Consume the economic benefits brought by the company's performance; the customer can control the products under construction during the company's performance; the company has performed the contract

The goods produced in the process have irreplaceable uses, and the company has the right to accumulatively complete the performance of the contract throughout the contract period.

Partially charged. The performance progress is determined by the input method or the output method according to the nature of the transferred goods. When the performance progress cannot be reasonably

When it is determined, if the costs incurred by the company are expected to be compensated, the revenue shall be recognized according to the amount of costs incurred until

The progress of the performance of the contract can be reasonably determined.

• If one of the above conditions is not met, the company will allocate it to the single performance when the customer obtains control of the relevant commodity.

Revenue is recognized at the transaction price of the contractual obligation. When judging whether the customer has obtained control of the goods, the company considers the following indicators: the company

Has a current right to receive payment for the product, i.e. the customer has a current payment obligation for the product; the company has legal title to the product

Transfer to the customer, that is, the customer has legal ownership of the goods; the company has physically transferred the goods to the customer, that is, the customer has

The company has transferred the main risks and rewards of ownership of the commodity to the customer, that is, the customer has obtained the ownership of the commodity.

The main risks and rewards of the right; the customer has accepted the commodity; other indications that the customer has obtained control of the commodity. 2. The specific method of revenue recognition

The company's revenue mainly comes from the sales of electric power and communication products, photovoltaic power generation, engineering labor and other income.

The method of body confirmation is as follows:

• product sales revenue

Domestic sales: according to the delivery date required by the customer's order, and issue an escort note, which is designated by the buyer or the buyer

The consignee signs for receipt on the escort note; the revenue is confirmed in the month when the customer signs for receipt. If the product is sold and installed at the same time, the product installation is complete

Revenue is recognized later.

Overseas sales: After the goods are declared at customs, the income is confirmed in the month when the customs clearance information is inquired in the electronic port.

(2) Photovoltaic power generation revenue

The revenue is recognized according to the meter reading power and the agreed price (including policy subsidies). Of which: part of the electricity generated and consumed by the company is provided by the company

Joint meter reading and confirmation with the user; the electricity of the remaining power grid is confirmed by the power supply bureau after the meter reading is checked by the company.

(3) Income from offshore wind power installation services provided to customers

The products produced by the company during the performance of the contract have irreplaceable uses, and the company has the right to accumulative

The part of the performance that has been completed so far is charged, and the revenue is recognized within a period of time according to the progress of the performance. The method of determining the progress of the performance is as follows:

output method.

(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.

## 1. contract performance costs

The cost incurred by the company for performing the contract does not fall within the scope of other business accounting standards except the income standard and at the same time meets the

If the following conditions are met, it is recognized as an asset as a contract performance cost:

(1) The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing overhead

(or similar), costs expressly borne by the customer and other costs incurred solely as a result of the contract;

(2) The cost increases the resources of the enterprise for fulfilling performance obligations in the future.

(3) The cost is expected to be recovered.

The asset is listed in inventory or other non-current assets based on whether the amortization period at initial recognition exceeds one normal operating cycle

newspaper:

## 2. contract acquisition cost

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.

Incremental cost refers to the cost that the company will not incur without obtaining the contract, such as sales commission. For amortization period not exceeding one

Years are included in the current profit and loss at the time of occurrence.

## 3. Amortization of contract costs

The above assets related to contract costs are recognized on the same basis as the revenue from goods or services related to the asset.

The amortization is carried out at the time when the obligation is performed or according to the progress of the performance of the performance obligation, and is included in the current profit and loss.

## 4. Impairment of contract costs

The book value of the above-mentioned assets related to the contract cost is higher than that the company expects to obtain due to the transfer of the commodities related to the asset.

If there is a difference between the remaining consideration and the estimated cost to be incurred for the transfer of the relevant commodity, the excess shall be accrued for impairment and confirmed.

Consider asset impairment losses.

After the provision for impairment is made, if the factors of impairment in the previous period change, so that the difference between the above two items is higher than the book value of the asset.

If it is worth, the asset impairment provision that has been accrued shall be reversed and included in the current profit and loss, but the book value of the asset after the reversal shall not exceed the assumed

The book value of the asset on the reversal date when the provision for impairment is withdrawn.

## 40. Government subsidies

☐Applicable ☐Not applicable

Government grants refer to the monetary and non-monetary assets obtained by the company from the government for free, excluding the government as an investor

And enjoy the corresponding owner's equity and invested capital. Government grants are divided into asset-related government grants and income-related government grants

grant.

The company defines the government grants obtained for the acquisition and construction or forming long-term assets in other ways as the government grants related to the assets.

Grants; other government grants are defined as government grants related to income. If the government document does not clearly specify the subsidy object, the

The grants are divided into government grants related to income and government grants related to assets in the following ways: (1) The government documents specify the grants

For a specific project, according to the budget of the specific project, the amount of expenditure that will form the asset and the amount of expenditure included in the expense

The relative ratio is divided, and the division ratio needs to be reviewed on each balance sheet date and changed if necessary; (2) The government documents

The purpose in the document is only a general statement, and if no specific item is specified, it will be regarded as a government grant related to income.

If the government grant is a monetary asset, it shall be measured according to the amount received or receivable. If government subsidies are non-monetary assets, the

Fair value measurement; if the fair value cannot be obtained reliably, it is measured at the nominal amount. Government subsidies measured in nominal amounts

It is directly included in the current profit and loss.

The company usually recognizes and measures government subsidies according to the actual amount received when they are actually received. But for the end of the period there are conclusive

Evidence shows that it can meet the relevant conditions stipulated in the financial support policy. It is expected to receive financial support funds, and it will be calculated according to the amount receivable.

quantity. Government subsidies measured according to the amount receivable should meet the following conditions at the same time: (1) The amount of the subsidy receivable has been approved by the competent government department

The government issued a document to confirm, or it can be reasonably calculated according to the relevant provisions of the officially released financial fund management measures, and the estimated amount

There is no major uncertainty; (2) It is based on the official release of the local financial department and in accordance with the regulations of the "Government Information Disclosure Regulations"

Fiscal support projects and their financial fund management methods that are actively disclosed, and the management methods should be inclusive (any

Enterprises with specified conditions can apply), rather than specially formulated for specific enterprises; (3) The relevant subsidy approval documents have clearly accepted

The disbursement period has been promised, and the disbursement of the funds is guaranteed by the corresponding financial budget, so it can be reasonably guaranteed that it can be paid within the specified period.

received within the time limit.

Government grants related to assets are recognized as deferred income and paid in a reasonable and systematic manner within the useful life of the relevant assets.

The method is included in the current profit and loss in installments. If government subsidies related to income are used to compensate for related costs or losses in subsequent periods,

It is considered as deferred income, and is included in the current profit and loss during the period in which the related costs or losses are recognized; it is used to compensate for the related costs that have already occurred.

The cost or loss is directly included in the current profit and loss.

At the same time, it includes government subsidies related to assets and income, and separate accounting treatment for different parts;

If it is difficult to distinguish, it is classified as a government grant related to income as a whole.

Government subsidies related to the company's daily activities are included in other income according to the essence of economic business; not related to daily activities

The government subsidy is included in the non-operating income.

When the confirmed government grant needs to be returned, if there is a relevant deferred income balance, the book balance of the relevant deferred income shall be written down, and the excess

The outgoing part is included in the current profit and loss; in other cases, it is directly included in the current profit and loss.

#### 41. Deferred income tax assets/deferred income tax liabilities ☐Applicable ☐Not

applicable

##### 1. Current income tax

On the balance sheet date, the current income tax liabilities (or assets) formed in the current period and previous periods shall be calculated in accordance with the provisions of the tax law.

Calculate the amount of income tax that is expected to be paid (or returned). The taxable income on which the current income tax expense is calculated is the root

Calculated after making corresponding adjustments to the accounting profit before tax in the reporting period in accordance with relevant tax laws.

##### 2. Deferred tax assets and deferred tax liabilities

Differences between the book value of assets and liabilities and their tax bases, and those not recognized as assets and liabilities but

Temporary differences arising from the difference between the book value of an item whose tax base can be determined by law and the tax base

The balance sheet liability method recognizes deferred tax assets and deferred tax liabilities.

Relevant to the initial recognition of goodwill and to neither a business combination nor affecting accounting profit and taxable income when it occurs

Taxable temporary differences related to the initial recognition of assets or liabilities arising from transactions (or deductible losses) shall not be recognized.

related deferred tax liabilities. In addition, for taxable temporary differences related to investments in subsidiaries, associates and joint ventures,

If the company can control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future

The related deferred tax liabilities will not be recognized. Except for the above exceptions, the company confirms that all other taxable temporary differences

Deferred income tax liabilities arising from differences.

Intermediate property in a transaction that is neither a business combination nor affects accounting profits and taxable income (or deductible losses) when it occurs

The deductible temporary differences related to the initial recognition of the assets or liabilities incurred shall not be recognized as related deferred tax assets. also,

For deductible temporary differences related to investments in subsidiaries, associates and joint ventures, if the temporary difference is not in the foreseeable future.

It is not probable that it will be reversed in the future, or it is not probable that the taxable income against which the deductible temporary difference can be offset will be obtained in the future.

Recognize related deferred tax assets. Except for the above-mentioned exceptions, the company may obtain deductible temporary differences

Deferred income tax assets arising from other deductible temporary differences are recognized within the limit of the taxable income.

For deductible losses and tax credits that can be carried forward to future years, with a high probability of being available against deductible losses and taxes

To the extent that the deductible future taxable income is limited, the corresponding deferred income tax assets are recognized.

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, review the book value of deferred tax assets, if it is probable that sufficient

When the taxable income is used to offset the benefits of deferred tax assets, the book value of deferred tax assets is written down. in the likely

When sufficient taxable income is obtained, the written-down amount shall be reversed.

### 3. Income tax expense

Income tax expense includes current income tax and deferred income tax.

Current income tax and deferred income tax accounting for transactions and events other than those recognised in other comprehensive income or directly included in shareholders' equity

In addition to adjusting the book value of goodwill in other comprehensive income or shareholders' equity, and deferred income tax arising from business combination, the remaining current period

Income tax and deferred income tax expenses or gains are included in the current profit and loss.

### 4. Income tax offset

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 pay off liabilities at the same time, the Company shall

The company's current income tax assets and current income tax liabilities are presented on a net basis after offsetting.

When there is a legal right to settle current income tax assets and current income tax liabilities on a net basis, and deferred income tax assets and deferred income tax

Income tax liabilities are related to income tax levied by the same tax collection authority on the same taxpayer or related to different taxpayers.

However, in each future period in which significant deferred tax assets and liabilities are reversed, the taxable entity involved intends to



When the current income tax assets and liabilities are settled in full, or the assets are acquired and liabilities are paid off at the same time, the company's deferred income tax assets and deferred income

Income tax liabilities are presented on a net basis after offsetting.

#### 42. Leasing

##### (1). Accounting treatment method of operating lease

Not applicable

During each period of the lease term, the Company adopts the straight-line method to recognize lease receipts from operating leases as rental income.

In the case of the lease term, the company will allocate the total rent on a straight-line basis over the entire lease term without deducting the rent-free period.

Confirm rental income. If the company bears certain expenses of the lessee, the expenses shall be deducted from the total rental income, and the deducted

The rental income balance is distributed over the lease term.

The initial direct expenses incurred by the Company in relation to operating leases shall be capitalized to the cost of the underlying assets of the lease.

It is included in the current profit and loss in stages according to the same recognition basis as rental income.

For fixed assets in operating lease assets, the company adopts the depreciation policy for similar assets to accrue depreciation;

The leased assets shall be amortized in a systematic and reasonable manner.

The variable lease payments obtained by the Company in relation to operating leases that are not included in the lease receipts are included in the current period when they actually occur.

period profit and loss.

If the operating lease is changed, the company will account for it as a new lease from the effective date of the change.

The pre-received or receivable lease receipts related to the lease before the change are regarded as the receipts of the new lease.

##### (2). Accounting treatment method of financial lease

Not applicable

##### 1. Initial measurement

On the commencement date of the lease period, the Company recognizes the finance lease receivables for the finance lease and derecognizes the finance lease assets.

When the company initially measures the finance lease receivables, the net investment in the lease is taken as the entry price of the finance lease receivables.

value. The net investment in the lease is the unguaranteed residual value and the lease receipts not yet received on the lease commencement date discounted at the interest rate implicit in the lease.

sum of present values.

##### 2. Follow-up measurement

The company calculates and recognizes the interest income in each period of the lease period according to the fixed periodic interest rate. The cyclical rate, is

Refers to the use of the discount rate implicit in the determination of the net investment in the lease (in the case of sublease, if the sublease implicit interest rate cannot be determined, the original lease

discount rate of the lease), or the change in the finance lease is not accounted for as a separate lease and is

Effective on the Commencement Date, the lease will be classified as a finance lease at the revised discount rate determined in accordance with relevant regulations.

##### 3. Accounting treatment of lease changes

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.

Reason: The change expands the scope of the lease by adding the right to use one or more leased assets; the increased consideration is related to the expansion of the scope of the lease.

Most stand-alone prices are equivalent in amounts adjusted for the circumstances of the contract.

If a change in a finance lease is not accounted for as a separate lease, and if the change occurs on the lease inception date

If the lease will be classified as an operating lease condition, the company will treat it as a new lease from the effective date of the lease change.

Accounting treatment, and the net investment in the lease before the effective date of the lease change is taken as the book value of the leased asset.

(3) Determination method and accounting treatment method of lease under the new lease standard yApplicable

yNot applicable

43. Other important accounting policies and accounting estimates yApplicable

yNot applicable

1. Termination of operation

Termination of operation refers to the assets that meet one of the following conditions and have been disposed of or classified as held for sale by the company, and are currently in operation and preparation of financial assets.

The components that can be separately distinguished in the financial statements: y This component represents an independent main business or a main place of business

(2) the component is part of a proposed disposal plan for an independent main business or a main business area; (3) the

Components are subsidiaries acquired solely for resale.

2. Hedge accounting

According to the hedging relationship, the Company divides hedging into fair value hedging, cash flow hedging and overseas net investment hedging.

(1) For the hedging instruments that meet the following conditions at the same time, use the hedge accounting method for processing y The

hedging relationship is only composed of the hedging instruments and the hedged items that meet the conditions.

y At the beginning of the hedging, the company formally designates the hedging instrument and the hedged item, and prepares information on the hedging relationship and engagement.

Written documentation of the hedge's risk management strategy and risk management objectives.

y The hedging relationship complies with the requirements of hedging effectiveness.

If the hedging meets the following conditions at the same time, it is determined that the hedging relationship meets the requirements for hedging effectiveness:

a There is an economic relationship between the hedged item and the hedging instrument. This economic relationship makes the value of the hedging instrument and the hedged item

Movements in opposite directions due to exposure to the same hedged risk.

b In the value changes arising from the economic relationship between the hedged item and the hedging instrument, the impact of credit risk does not dominate.

c The hedge ratio of the hedging relationship is equal to the number of hedged items that the company actually hedges and the actual amount of the hedging instrument that hedges it.

It does not reflect the imbalance in the relative weights of the hedged item and the hedging instrument, which can lead to ineffective hedges and may

Can produce accounting results that are inconsistent with hedge accounting objectives.

(2) Fair value hedge accounting

yThe gain or loss arising from the hedging instrument is included in the current profit and loss. If the hedging instrument is selected to be measured at fair value and its changes

If a non-trading equity instrument investment (or its components) that is actively included in other comprehensive income is hedged, the interest generated by the hedging instrument

Gains or losses are included in other comprehensive income.

yThe gain or loss of the hedged item due to the hedged risk exposure is included in the current profit and loss, and the adjustment is not calculated at fair value.

the carrying amount of the recognized hedged item. The hedged item is measured at fair value through other comprehensive income

For financial assets (or their components), the gains or losses arising from the hedged risk exposure are included in the current profit and loss, and their book value

The value has been measured at fair value and does not need to be adjusted; the hedged item is selected by the company to be measured at fair value and its changes are included in other

For non-trading equity instrument investments (or components thereof) of comprehensive income, gains or losses arising from hedged risk exposures

Included in other comprehensive income, its book value has been measured at fair value and does not need to be adjusted.

If the hedged item is an unrecognized definite commitment (or its components), it is

The resulting cumulative change in fair value is recognized as an asset or liability, and the relevant gain or loss is included in the profit or loss of each relevant period. when

When an asset is obtained or a liability is assumed by fulfilling a definite commitment, the initial recognition amount of the asset or liability is adjusted to include the recognized amount.

The cumulative change in the fair value of the hedged item.

γ If the hedged item is a financial instrument (or its components) measured at amortized cost, the

The adjustment made is amortized according to the recalculated effective interest rate on the amortization start date and included in the current profit and loss. This amortization can be adjusted from the date of

Begins, but not later than the point in time when the hedged item is terminated for the adjustment for hedging gains and losses. The hedged item is at fair value

For financial assets (or their components) whose changes are included in other comprehensive income, the accumulated

The hedging gains or losses on the

value.

### (3) Accounting treatment of cash flow hedges

γThe part of the gain or loss generated by the hedging instrument that belongs to the effective hedging is regarded as the cash flow hedging reserve and included in other comprehensive

combined income. The amount of the cash flow hedge reserve shall be determined according to the lower of the absolute amount of the following two items:

a cumulative gain or loss on the hedging instrument since the inception of the hedging;

b The cumulative change in the present value of the estimated future cash flows of the hedged item since the inception of the hedge. Included in other comprehensive income for each period

The amount of the cash flow hedge reserve is the change in the current cash flow hedge reserve.

γThe part of the gain or loss generated by the hedging instrument that is ineffective in the hedging (that is, after deducting the other benefits

gain or loss), included in the current profit and loss.

The amount of cash flow hedge reserves shall be dealt with in accordance with the following provisions:

a If the hedged item is an expected transaction and the expected transaction causes the company to subsequently recognize a non-financial asset or non-financial liability,

or when a prospective transaction in a non-financial asset or non-financial liability creates a firm commitment for fair value hedge accounting, the

The amount of cash flow hedging reserve originally recognized in other comprehensive income is transferred out and included in the initial recognition amount of the asset or liability.

b For a cash flow hedge not covered by the previous article, in the same period in which the hedged expected cash flow affects profit or loss,

The cash flow hedging reserve amount originally recognized in other comprehensive income is transferred out and included in the current profit and loss.

c If the amount of the cash flow hedge reserve recognised in other comprehensive income is a loss and the loss is

If it is not expected to be recovered in the future accounting period, when it is not expected to be recovered, the part that is expected to be irrecoverable will be deducted from other comprehensive income.

Transfer out and included in the current profit and loss.

γ Hedging of net investment in overseas operations

Hedging of net investment in foreign operations, including hedging of monetary items accounted for as part of the net investment,

The Company follows similar rules to cash flow hedge accounting:

• The part of the gain or loss formed by the hedging instrument that belongs to the effective hedging shall be included in other comprehensive income, in whole or in part.

When disposing of overseas operations, the above-mentioned gains or losses on hedging instruments included in other comprehensive income shall be transferred out accordingly and included in the current profit and loss.

• The part of the gain or loss formed by the hedging instrument that is ineffective in the hedging shall be included in the current profit and loss.

• Termination of the use of hedge accounting

In any of the following situations, the application of hedge accounting shall be terminated:

• Due to changes in risk management objectives, the hedging relationship no longer meets the risk management objectives.

• The hedging instrument has expired, been sold, terminated or exercised.

• There is no longer an economic relationship between the hedged item and the hedging instrument, or there is an economic relationship between the hedged item and the hedging instrument.

The impact of credit risk begins to dominate in the value changes of .

• The hedging relationship no longer meets the other conditions for applying the hedge accounting method stipulated in this standard. Rebalancing in applicable hedging relationship

In this case, an enterprise should first consider rebalancing the hedging relationship, and then assess whether the hedging relationship satisfies the application specified in this standard.

Conditions for hedge accounting.

Termination of hedge accounting may affect the entire or part of the hedging relationship, and when only part of it is affected, the remainder is not affected.

The affected part still applies hedge accounting.

### 3. Share repurchase

The consideration and transaction costs paid in share repurchase reduce shareholders' equity, and the company's shares are not repurchased, transferred or cancelled.

gain or loss.

For the transfer of treasury shares, the difference between the amount actually received and the book value of the treasury shares shall be included in the capital reserve.

If it is reduced, the surplus reserve and undistributed profits will be offset. For cancellation of treasury shares, the share capital shall be reduced according to the face value of the stock and the number of cancelled shares, and the amount shall be calculated according to the cancellation of treasury stock.

The difference between the book balance and the face value of the shares will be used to offset the capital reserve. If the capital reserve is insufficient to offset the offset, the surplus reserve and undistributed profits will be offset.

Run.

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

Changes in important accounting policies • Applicable • Not applicable

The content and reasons for changes in accounting policies	approval procedure	Remarks (name and amount of statement items that are significantly affected) The implementation
The company implements the Accounting Standards for Business Enterprises No. 21 - Leases (Cai Kuai [2018] No. 35) revised and issued by the Ministry of Finance in 2018	Approved by the 16th meeting of the 7th board of directors of the company	of the new lease standard will not have a significant impact on the company's financial statements

No other instructions

## (2). Changes in significant accounting estimates

• Applicable • Not 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	11,097,562,008.91	11,097,562,008.91	
settlement reserve			
Loan funds			
Trading Financial Assets	101,619,114.08	101,619,114.08	
Derivatives Financial Assets	106,178,475.78	106,178,475.78	
Notes Receivables Accounts	618,855,646.40	618,855,646.40	
Receivables Financing	9,405,137,661.42	9,405,137,661.42	
Prepayments Insurance	935,238,094.45	935,238,094.45	
Premiums Receivable	3,739,575,347.43	3,739,575,347.43	
Reinsurance accounts receivable			
Reinsurance contract reserves receivable			
Other receivables	199,214,477.66	199,214,477.66	
Including: Interest receivable			
Dividends receivable			
Repurchase of resale financial assets			
	6,429,904,056.25	6,429,904,056.25	
Inventory	147,202,844.23	147,202,844.23	
Contract Assets Held for Sale Assets			
Non-current assets due within one year			
Other current	964,695,888.75	964,695,888.75	
assets Total non-	33,745,183,615.36	33,745,183,615.36	
current assets:			
Disbursement of loans and advances			
Debt investment			
Other debt investments			
Long-term receivables	306,972,326.29	306,972,326.29	
Long-term equity	448,570,843.56	448,570,843.56	
investment Other equity instrument	459,185,932.55	459,185,932.55	
investment Other non-current financial	892,134,647.52	892,134,647.52	
assets Investment real estate Fixed	70,435,910.32	70,435,910.32	
assets Construction in progress	8,978,468,675.46	8,978,468,675.46	
Productive biological assets	504,284,391.74	504,284,391.74	
Oil and gas assets			
Right-of-use assets		97,195,812.69	97,195,812.69
Intangible assets	1,088,080,163.40	1,088,080,163.40	
development expenditure			
Goodwill	22,371,165.78	22,371,165.78	
Long-term Deferred	23,671,105.74	10,549,636.22	-13,121,469.52
Expenses Deferred Income	315,362,505.82	315,362,505.82	
Tax Assets Other Non-Current Assets	290,586,129.14	290,586,129.14	

Total non-current assets	13,400,123,797.32	13,484,198,140.49	84,074,343.17
Total assets Current	47,145,307,412.68	47,229,381,755.85	84,074,343.17
liabilities:			
short-term	1,190,640,130.63	1,190,640,130.63	
borrowing from the central bank			
borrowed funds			
Held-for-trading financial liabilities			
Derivative financial liabilities	2,474,013.84	2,474,013.84	
Bills payable Accounts	5,845,623,929.92	5,845,623,929.92	
payable Accounts payable	4,343,085,585.60	4,343,085,585.60	
in advance Contract liabilities	249,768,800.01	249,768,800.01	
Financial assets sold under	3,833,086,822.99	3,833,086,822.99	
repurchase			
Deposits and deposits			
Agent for buying and selling securities			
Agent underwriting securities			
Payable Employee	330,908,532.14	330,908,532.14	
Salary Payable Taxes	330,951,394.12	330,951,394.12	
Other Payables	244,271,669.41	244,271,669.41	
Including: Interest Payable			
dividends payable			
Fees and commissions			
Reinsurance Accounts Payable			
held-for-sale liabilities			
Non-current liabilities due within one year	1,046,375,521.32	1,052,363,168.48	5,987,647.16
current liabilities	600,065,161.16	600,065,161.16	
Total current liabilities	18,017,251,561.14	18,023,239,208.30	5,987,647.16
Non-current liabilities:			
Insurance contract reserve			
Long-term	498,913,700.00	498,913,700.00	
borrowings and	3,444,316,513.74	3,444,316,513.74	
bonds payable Including: preferred shares			
perpetual bond			
Lease liabilities		78,086,696.01	78,086,696.01
Long-term payables	191,451,700.00	191,451,700.00	
Long-term payables Estimated	5,853,190.88	5,853,190.88	
liabilities for employee benefits			
Deferred	215,963,623.14	215,963,623.14	
income Deferred tax	475,776,870.97	475,776,870.97	
liabilities Other non-current liabilities	40,000,000.00	40,000,000.00	
Total non-current	4,872,275,598.73	4,950,362,294.74	78,086,696.01
liabilities Total	22,889,527,159.87	22,973,601,503.04	84,074,343.17
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)	3,066,152,870.00	3,066,152,870.00	
Other equity instruments Including:	632,211,333.55	632,211,333.55	
preference shares			
perpetual bond			
Less capital	7,606,252,345.00	7,606,252,345.00	
reserve: treasury shares	412,305,809.74	412,305,809.74	

Other comprehensive	176,533,219.42	176,533,219.42	
income special reserve	22,521,437.50	22,521,437.50	
surplus reserve general	922,068,983.55	922,068,983.55	
risk reserve			
Undistributed profits	11,452,852,041.09	11,452,852,041.09	
are attributable to owners' equity of the parent company (or shareholders' equity) total	23,466,286,420.37	23,466,286,420.37	
minority shareholders' equity	789,493,832.44	789,493,832.44	
owners' equity (or shareholders' equity) profit) total	24,255,780,252.81	24,255,780,252.81	
liabilities and owners' equity (or shareholders' equity) total	47,145,307,412.68	47,229,381,755.85	84,074,343.17

Description of the adjustment of each item:

yApplicable yNot applicable

## Parent Company Balance Sheet

Unit: Currency: RMB

project	December 31, 2020	January 1, 2021 Adjustments	
Current Assets:			
Monetary funds	5,659,877,515.29	5,659,877,515.29	
Trading financial assets			
Derivatives Financial assets	54,967,336.05	54,967,336.05	
Notes receivable Accounts	69,411,152.80	69,411,152.80	
receivable Accounts receivable	3,111,690,847.91	3,111,690,847.91	
Financing prepayments Other	546,962,634.96	546,962,634.96	
receivables Including: Interest	59,350,747.45	59,350,747.45	
receivable	3,755,553,503.23	3,755,553,503.23	
Dividends receivable			
	622,003,178.46	622,003,178.46	
Inventory			
contract assets Assets			
held for sale Non-current assets due			
within one year Other current assets	101,062,003.81	101,062,003.81	
Current assets Total non-current	13,980,878,919.96	13,980,878,919.96	
assets:			
Debt investment,			
other debt investment,			
long-term receivables,	306,929,601.24	306,929,601.24	
long-term equity	14,996,287,352.93	14,996,287,352.93	
investment, other equity	95,829,547.25	95,829,547.25	
instrument investment, other non-	137,484,044.88	137,484,044.88	
current financial assets, investment	6,329,539.17	6,329,539.17	
real estate, fixed assets, construction	719,886,708.45	719,886,708.45	
in progress, productive biological	15,913,341.14	15,913,341.14	
assets, oil and gas assets			

Intangible assets	90,119,423.61	90,119,423.61	
development			
expenses Goodwill			
long-term deferred	206,761.52	206,761.52	
expenses Deferred income tax	50,918,447.50	50,918,447.50	
assets Other non-current assets	181,139,740.92	181,139,740.92	
Total non-current assets	16,601,044,508.61	16,601,044,508.61	
Total assets Current	30,581,923,428.57	30,581,923,428.57	
liabilities:			
Short-term	131,652,317.34	131,652,317.34	
borrowings Trading financial			
liabilities Derivative financial	1,616,825.66	1,616,825.66	
liabilities Notes payable	3,240,709,720.80	3,240,709,720.80	
Accounts payable Accounts	2,776,972,433.13	2,776,972,433.13	
payable in advance Contract			
liabilities Employee benefits	463,640,160.54	463,640,160.54	
payable Other payables	65,762,539.58	65,762,539.58	
Including: Interest payable	63,020,738.73	63,020,738.73	
	542,770,172.45	542,770,172.45	
dividends payable			
Non-current			
liabilities due within one year held for sale	1,046,375,521.32	1,046,375,521.32	
Other current liabilities	67,785,299.76	67,785,299.76	
Total current liabilities	8,400,305,729.31	8,400,305,729.31	
Non-current liabilities:			
Long-term	466,613,500.00	466,613,500.00	
borrowings and	3,444,316,513.74	3,444,316,513.74	
bonds payable Including: preferred shares			
perpetual bond			
lease liability			
Long-term payables	38,030,700.00	38,030,700.00	
Long-term payable employee			
benefits Estimated liabilities			
Deferred income Deferred income			
tax liabilities Other non-current	113,021,012.42	113,021,012.42	
liabilities			
Total non-current	4,061,981,726.16	4,061,981,726.16	
liabilities Total	12,462,287,455.47	12,462,287,455.47	
liabilities Owner's equity (or shareholders' equity):			
Paid-in capital (or share capital)	3,066,152,870.00	3,066,152,870.00	
Other equity instruments Including:	632,211,333.55	632,211,333.55	
preference shares			
perpetual bond			
Capital reserve	7,603,910,889.86	7,603,910,889.86	
minus: surplus reserve	412,305,809.74	412,305,809.74	
of special reserve for other	53,151,810.94	53,151,810.94	
comprehensive income of			
treasury shares	922,068,983.55	922,068,983.55	



Owner's Equity (or	6,254,445,894.94	6,254,445,894.94	
Shareholders' Equity) of Undistributed Profits profit) total	18,119,635,973.10	18,119,635,973.10	
liabilities and owners' equity (or Shareholders' equity)	30,581,923,428.57	30,581,923,428.57	

Explanation of the adjustment of each item in total:

✓Applicable ✓Not applicable

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

**standards from 2021** ✓Applicable ✓Not applicable

Project	December 31, 2020	Reclassification of right-of-use assets Long-term deferred expenses	Remeasure January 1, 2021	
		13,121,469.52	84,074,343.17	97,195,812.69
use	23,671,105.74	-13,121,469.52		10,549,636.22
Expires within one year illiquid negative debt	1,046,375,521.32		5,987,647.16	1,052,363,168.48
lease liability			78,086,696.01	78,086,696.01

**45. Others**

✓Applicable ✓Not applicable

**6. Taxes 1.**

Main taxes and tax rates

Main taxes and tax rates

✓Applicable ✓Not applicable

tax type	The tax basis is	tax rate
value added tax	based on the taxable income, and the output tax is calculated at the corresponding tax rate and deducted at the current rate. Calculate and pay the difference after the input tax allowed to be deducted during the period	6%,9%,13%
Urban maintenance and construction	tax is calculated and paid according to the actual value-added tax and	5%,7%
consumption tax. Education surcharge	is calculated and paid according to the actual value-added tax and	3%
consumption tax. Local education surcharge	is calculated and paid according to the actual value-added tax and	2%
consumption tax. Enterprise income	tax is calculated and paid according to the taxable income. .	25%

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

✓Applicable ✓Not applicable

Name of taxpayer	Income tax rate (%)
Zhongtian Technology India Co., Ltd. Zhongtian	29.12
Technology Brazil Co., Ltd. Zhongtian Technology	29
Group Hong Kong Co., Ltd. Columbia Zhongtian	16.50
Technology Co., Ltd. Zhongtian (Thailand) Co.,	32
Ltd. Zhongtian Technology Russia Co., Ltd.	20
Zhongtian Technology Indonesia Co., Ltd.	13
Zhongtian Technology europe ltd.	25
	15

Zhongtian Technology Middle East Co.,	0
Ltd. Zhongtian Technology Morocco Co., Ltd.	0
Demei Cable Co., Ltd. Zhongtian Technology	22
France Co., Ltd.	33.3

## 2. Tax benefits

☐Applicable ☐Not applicable

The company and its subsidiaries Zhongtian Technology Optical Co., Ltd., Zhongtian Technology Equipment Cable Co., Ltd., Zhongtian Alloy Technology Co., Ltd.

Co., Ltd., Jiangdong Technology Co., Ltd., and Zhongtian Energy Storage Technology Co., Ltd. passed the review and certification of high-tech enterprises in Jiangsu Province in 2020

It is decided that from 2020, it will continue to enjoy the preferential income tax rate of 15% for high-tech enterprises.

The company's subsidiaries Zhongtian Power Optical Cable Co., Ltd., Zhongtian Technology Submarine Cable Co., Ltd., Zhongtian Broadband Technology Co., Ltd.

Company, Jiangdong Hardware Equipment Co., Ltd., Zhongtian Marine System Co., Ltd., Jiangsu Subsidiary of Zhongtian Technology Submarine Cable Co., Ltd.

Zhongtian Technology Cable Accessories Co., Ltd., a subsidiary of Zhongtian Broadband Technology Co., Ltd. Wuhan Xingsiwei Optoelectronics Technology Co., Ltd.

The company and Zhongtian Guangdong Optical Cable Co., Ltd. will pass the review of high-tech enterprises in 2021 and continue to enjoy 15% of the income of high-tech enterprises.

preferential tax rate.

The company's subsidiaries Shanghai Zhongtian Aluminum Wire Co., Ltd., Zhongtian RF Cable Co., Ltd., Zhongtian Technology Precision Materials Co., Ltd.

The company passed the high-tech enterprise review in 2019 and continues to enjoy the 15% preferential income tax rate for high-tech enterprises.

The company's subsidiaries Zhongtian Photovoltaic Materials Co., Ltd. and Zhongtian Technology Group Ocean Engineering Co., Ltd. obtained Jiangsu

Provincial high-tech enterprises have been identified, and will enjoy a 15% preferential income tax rate for high-tech enterprises from 2020.

Subsidiaries of the company, Zhongtian Group Shanghai Superconducting Technology Co., Ltd., Zhongtian Electronic Materials Co., Ltd., and Subei Optical Cable Co., Ltd.

The company, Zhongtian Communication Technology Co., Ltd., a subsidiary of Zhongtian Broadband Technology Co., Ltd., will be recognized as a high-tech enterprise in 2021.

From 2021, it will enjoy a 15% preferential income tax rate for high-tech enterprises.

According to Article 27(2) and Article 87 of the "Enterprise Income Tax Law" and the Ministry of Finance, the State Administration of Taxation, the National Development

and the "Catalogue of Corporate Income Tax Preferential for Public Infrastructure Projects (2008) issued by the Reform Commission in Caishui [2008] No. 116.

The company's subsidiary, Zhongtian Photovoltaic Technology Co., Ltd., enjoys three exemptions and three half reductions for eligible photovoltaic power generation income.

preferential corporate income tax policies.

The export sales business of the Company and its subsidiaries enjoys the preferential policies of VAT exemption, credit and refund.

## 3. Other

☐Applicable ☐Not Applicable

## 7. Notes to Consolidated Financial Statements

## 1. Monetary funds

☐Applicable ☐Not applicable

Unit: Currency: RMB

Project	Ending balance	Opening Balance
Inventory Cash Bank	315,744.47	770,076.29
Deposit Other Currency	9,891,293,066.80 2,476,820,551.08	9,603,236,493.28
Funds		1,493,555,439.34

Total	12,368,429,362.35	11,097,562,008.91
of which: stored abroad	424,614,212.45	504,210,965.27
Additional description		

of the total amount

#### Other monetary fund

Project	Ending balance	Balance at the end of last year
Acceptance Bill Margin Letter	935,273,442.49	1,012,958,866.44
of Credit Guarantee	20,411,879.52	45,730,242.12
Guarantee Guarantee Foreign	426,486,321.84	228,508,538.74
Deposit Repurchase Stock	192,023,597.01	64,886,572.92
Reserve Deposit Hedging		3,139,170.32
Reserve Frozen Funds	400,294,591.22	138,332,048.80
	502,330,719.00	
total	2,476,820,551.08	1,493,555,439.34

## 2. Trading financial assets

✓Applicable ✓Not applicable

Unit: Currency: RMB

Items	Ending balance	Opening Balance
are measured at fair value with changes included in the current period		
Profit or loss on financial assets	30,245,276.64	101,619,114.08
of which:		
Equity instrument investment	4,920.24	
asset management plan is	30,240,356.40	101,619,114.08
designated to be measured at fair value and its changes are included in		
Financial assets in current profit and loss		
in:		
total	30,245,276.64	101,619,114.08

other instructions:

✓Applicable ✓Not applicable

## 3. Derivative financial assets

✓Applicable ✓Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Hedging Contract Floating Profit	balance	88,504,100.00
Foreign Exchange Forward Contract	35,866,790.07	17,674,375.78
total	37,702,169.68	106,178,475.78

other instructions:

none

## 4. Notes receivable (1).

Notes receivable are listed by category

✓Applicable ✓Not applicable

Unit: Currency: RMB

Project	Closing	Opening Balance
Bank Acceptance Notes	balance	164,832,090.19
Commercial Acceptance Notes	358,862,156.58	454,023,556.21
Total	359,143,418.07	718,005,574.65
		618,855,646.40

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

period ☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Amount pledged at the end of the period
bank acceptance bill	192,817,487.76
commercial acceptance bill	38,268,768.71
total	231,086,256.47

(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 ☐Applicable ☐Not applicable

Unit: Currency: RMB

Project	End-of-period derecognition amount	Amount not terminated at the end of the period
Bank Acceptance Notes	799,506,321.65	45,026,301.29
Commercial Acceptance Notes	6,610,401.85	151,130,976.81
Total	806,116,723.50	196,157,278.10

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

period ☐Applicable ☐Not applicable

(5). Disclosure by 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 (%)	
By item										
bad provision										
Account preparation										
in:										
By combination										
bad provision	730,414,603.07	100.00	12,409,028.42	1.70	718,005,574.65	634,630,586.13	100.00	5,774,939.73	2.49	618,855,646.40
Account preparation										
in:										
By Bank										
Acceptance	358,862,156.58	49.13			358,862,156.58	164,832,090.19	25.97			164,832,090.19
Ticket combination										
By business										
Acceptance	371,552,446.49	50.87	12,409,028.42	3.34	359,143,418.07	469,798,495.94	74.03	15,774,939.73	3.36	454,023,556.21
Ticket combination										
Total	730,414,603.07	100.00	12,409,028.42	1.70	718,005,574.65	634,630,586.13	100.00	15,774,939.73	2.49	618,855,646.40

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

☐Applicable ☐Not applicable

Provision for bad debts by combination:

ÿApplicable ÿNot applicable

Combination items: Combination by commercial acceptance bills

Unit: Currency: RMB

name	Ending balance		
	Notes	Provision for	Provision ratio (%)
receivable within 1 year 357,454,994.90 1 to 2 years 20,925,354.87 2 to 3 years 252,418.28 3 to 4 years 1,353,590.66 4 to 5 years 1,566,087.78		bad debts 10,723,649.84	3.00
		546,267.74	5.00
		17,669.28	7.00
		338,397.67	25.00
		783,043.89	50.00
		12,409,028.42	3.34

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). Provisions for bad debts

ÿApplicable ÿNot applicable

Unit: Currency: RMB

category	Opening Balance	Amount of change in the current period			Ending balance
		Withdrawal or reversal		resell or nuclear pin	
bad bills receivable	15,774,939.73 -3,365,911.31				12,409,028.42
Total					
account reserves	15,774,939.73 -3,365,911.31				12,409,028.42

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

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

aging	Closing book balance
Within 1 year	
Of which: sub-items within 1 year	
Within 1 year	9,731,788,562.43
Subtotal 1 to 2 years	1,206,329,520.62
2 to 3 years Over 3 years	629,848,634.54
3 to 4 years	111,580,774.86
4 to 5 years	22,829,651.48
5+ years	27,918,910.42
total	11,730,296,054.35

(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 ratio example(%)		amount	Proportion (%)	amount	accrual ratio example(%)	
Withdrawal by single item Provision for bad	198,803,605.14	1.69	198,803,605.14	100.00		92,850,828.83	0.94	92,850,828.83	100.00	
debts includes:										
Withdrawal by combination Provision for bad	11,531,492,449.21	98.31	425,628,189.50	3.69	11,105,869,259.71	9,778,642,338.42	99.06	373,504,677.00	3.82	9,405,137,661.42
debts includes:										
Aging portfolio	11,531,492,449.21	98.31	425,628,189.50	3.69	11,105,869,259.71	9,778,642,338.42	99.06	373,504,677.00	3.82	9,405,137,661.42
Related party portfolio										
Total	11,730,296,054.35	100.00	624,426,794.64	5.32	11,105,869,259.71	9,871,493,167.25	100.00	466,355,505.83	4.72	9,405,137,661.42

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

ÿApplicable ÿNot applicable

Unit: Currency: RMB

name	Ending balance			
	Proportion of provision	for bad debts in book balance (%)	Reasons for provision	
Unit 1	32,483,936.11	32,483,936.11	100.00 Shortage of	100.00 Client Fund Shortage
Unit 2	8,200,468.42	8,200,468.42	100.00 Quality liability	client funds
Unit 3	16,097,000.00	16,097,000.00	100.00 Quality liability	disputes
Unit 4	7,126,239.22	7,126,239.22	100.00 Shortage of	disputes
Unit 5	3,432,218.15	3,432,218.15	100.00 Shortage of client	funds
Unit 6	5,600,000.00	5,600,000.00	100.00 Shortage of client	funds
Unit 7	3,811,695.70	3,811,695.70	100.00 Shortage of client	funds
Unit 8	10,685,700.00	10,685,700.00	100.00 Customer	client funds
Unit 9	4,951,464.32	4,951,464.32	100.00 Shortage of	bankruptcy
Unit 10 Unit	15,929,484.34	15,929,484.34	100.00 Shortage of client	funds
11 Unit 12	3,456,248.77	3,456,248.77	100.00 The customer	client funds
Unit 13	83,658,960.00	83,658,960.00	100.00 Shortage of	is suspected of fraud
	1,649,000.00	1,649,000.00	100.00 Shortage of client	funds
	1,721,190.11	1,721,190.11	198,803,605.14	client funds
	198,803,605.14		100.00	

Instructions for making provision for bad debts by individual item:

ÿApplicable ÿNot applicable

Due to the breach of contract by the customer in the high-end communication business, it is expected to be receivable from Aerospace Shenhe Technology (Beijing) Co., Ltd.

The possibility of recovering RMB 83,658,960.00 is small, and the provision for bad debts in the current period is RMB 83,658,960.00.

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 (%)
Within 1 year	receivable 9,648,129,602.43	provision 289,440,879.17	3.00
1 to 2 years	1,175,934,912.90	58,797,741.14	5.00
2 to 3 years	598,056,936.26	41,863,985.52	7.00
3 to 4 years	90,526,474.61	22,631,618.68	25.00
4 to 5 years	11,911,116.04	5,955,558.04	50.00
More than 5	6,933,406.97	6,933,406.97	100.00
years total	11,531,492,449.21	425,623,189.52	3.69

Recognition standards and explanations for bad debt provision 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

(3) Bad debt provision

ÿApplicable ÿNot applicable



Unit: Currency: RMB

Category	Beginning Balance	Amount of change in the current period				Ending balance
		accrual	take back or turn times	Write-off or write-off of	other changes	
bad debt prepare	466,355,505.83 167,855,013.50			1,859,481.11 -7,924,243.58	624,426,794.64	
Total	466,355,505.83 167,855,013.50			1,859,481.11 -7,924,243.58	624,426,794.64	

Note: "Other changes" are the differences in the translation of foreign currency statements of subsidiaries.

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

ÿApplicable ÿNot applicable

(4) Accounts receivable actually written off in the current

period ÿApplicable ÿNot applicable

Unit: Currency: RMB

Accounts	Write-off amount
receivable actually written off by project	1,859,481.11

Among them, the important accounts receivable write-off situation

ÿApplicable ÿNot applicable

Accounts receivable write-off instructions:

ÿApplicable ÿNot applicable

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

ÿApplicable ÿNot applicable

Unit: Currency: RMB

company name	Ending balance	Accounts receivable ending balance Proportion of total number	Ending balance of bad debt provision
Unit I Unit	1,754,535,325.93	(%)	71,234,161.21
II Unit III	890,179,230.39	14.96 7.59	27,774,389.79
Unit IV Unit	795,762,515.21	6.78	23,872,875.46
V	566,100,982.94	4.83	24,241,142.76
	456,996,050.52	3.90	14,364,894.95
total	4,463,574,104.99	38.06	161,487,464.17

other instructions

none

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

ÿApplicable ÿNot applicable

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

involvement ÿApplicable ÿNot applicable

other instructions:

✓Applicable ✓Not applicable

#### 6. Receivables financing

✓Applicable ✓Not applicable

Unit: Currency: RMB

Project	Closing balance	Opening Balance
Bank Acceptance Bills	240,933,182.65	935,238,094.45
Receivable		
total	240,933,182.65	935,238,094.45

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

In the daily fund management, the company lists some bank acceptance bills as receivables according to the business model of bills receivable management.

money financing.

The company believes that the receivables financing measured at fair value through other comprehensive income is due to the difference between the actual interest rate and the market.

There is little difference in market interest rates, and the fair value is consistent with the book value.

#### 7. Advance payment

(1). Prepayments are listed by aging

✓Applicable ✓Not applicable

Unit: Yuan Currency: RMB Beginning

aging	Ending balance		Balance	
	Amount	Proportion (%)	Amount	Proportion(%)
within 1 year 439,538,160.64	1 to 2 years 9,423,419.71	6,902,878.30	96.78 3,731,235,834.37	
2 to 3 years 5,205,173.35	More than 3 years 1,499,000.00	2.07	100.00 3,739,575,347.43	99.78
		1.15	Explanation of the	0.03
			reasons for not	0.01
		timely settlement of prepayments with an aging		100.00

over 1 year and an important amount:

At the end of the period, there was no prepayment with an aging over 1 year and a significant amount.

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

✓Applicable ✓Not applicable

company name	Ending balance	Total amount of closing balance of prepayments proportion(%)
Unit I Unit	153,638,090.97	33.83
II Unit III	46,115,872.06	10.15
Unit IV	25,963,302.77	5.72
	25,233,133.01	5.56

Unit V	14,802,461.40	3.26
total	265,752,860.21	58.52

other instructions

none

other instructions

ÿApplicable ÿNot applicable

8. Other receivables

List of items

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Interest receivable		
Dividends receivable		
Total other	141,619,350.20	199,214,477.66
receivables	141,619,350.20	199,214,477.66

other instructions:

ÿApplicable ÿNot applicable

Interest receivable

(1). Classification of interest

receivable ÿApplicable ÿNot applicable

(2). Important overdue interest

ÿApplicable ÿNot applicable

(3). Provision for bad debts ÿApplicable

ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Dividends

receivable (4). Dividends

receivable ÿApplicable ÿNot applicable

(5). Important dividends receivable aged over 1 year

ÿApplicable ÿNot applicable

(6) Provision for bad debts ÿApplicable

ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

## Other receivables

## (7). 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	1,796,617,409.33
Subtotal 1 to 2 years	289,365,602.62
2 to 3 years Over 3	17,572,027.29
years	
3 to 4 years	5,869,323.96
4 to 5 years	5,106,749.06
5+ years	3,733,889.53
total	2,118,265,001.79

## (8) Classification by nature of payment

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

nature of payment	Ending book balance	Opening book balance
Deposit	102,435,492.87	138,269,030.63
reserve	20,178,407.75	14,600,550.52
deposit	3,539,150.60	1,190,918.71
export tax	8,645,475.47	564,006.44
rebate current	1,967,536,769.40	19,936,831.88
money other	15,929,705.70	42,257,058.12
total	2,118,265,001.79	216,818,396.30

## (9) Provision for bad debts

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

bad debt provision	The first stage	The entire lifetime	The third phase	total
	Expected credit losses over the next 12 months	of the second stage is expected credit losses (not yet credit impairment)	Lifetime Expectation Letter With loss (occurred letter use impairment)	
January 1, 2021 Balance	17,603,918.64			17,603,918.64
January 1, 2021 balance in the current period				
-- transfer to the second level part				
-- transfer to the third level part				
-- go back to the second level part				

-- go back to the first level part				
This period's accrual is	-3,985,154.77		1,963,080,139.51	1,959,094,984.74
reversed in this period				
Resale in this period				
Write-off of other	53,000.00			53,000.00
changes in the	-251.79			-251.79
current periodDecember 31, 2021 daily balance	13,565,512.08		1,963,080,139.51	1,976,645,651.59

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

ŸApplicable ŸNot applicable

Zhejiang Xinwang Energy Engineering Co., Ltd. was paid in advance due to the supplier's contract breach in the procurement of high-end communication business

The purchase business of RMB 1,963,080,139.51 could not be performed, and was transferred from the account of prepayments to other receivables.

The full amount of bad debt provision for the risk level of RMB 1,963,080,139.51.

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

(10). Provision for bad debts ŸApplicable

ŸNot applicable

Unit: Currency: RMB

Category	Beginning Balance	Amount of change in the current period				Ending balance
		accrual	take back or turn times	Write-off or write-off of	other changes	
other receivable payment	17,603,918.64	1,959,094,984.74		53,000.00	-251.79	1,976,645,651.59
Total	17,603,918.64	1,959,094,984.74		53,000.00	-251.79	1,976,645,651.59

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

ŸApplicable ŸNot applicable

(11). Other receivables actually written off in the current period

ŸApplicable ŸNot applicable

Unit: Currency: RMB

Other	Write-off amount
receivables actually written off by the project	53,000.00

Among them, the write-off of other important receivables:

ŸApplicable ŸNot applicable

Notes on write-off of other receivables:

ŸApplicable ŸNot applicable

(12) Other receivables with the top five ending balances collected by debtors ŸApplicable ŸNot

applicable

Unit: Currency: RMB

unit name	money nature	Ending balance	aging	account for other Receivables Closing balance Total amount ratio of numbers example(%)	bad debt provision Ending balance
unit ¥	Current accounts	1,963,080,139.51 Within 1 year	268,934,800 Yuan, more than 1 year 1,694,145,339.51 yuan	92.67 1,963,080,139.51	
unit ¥	Deposit	9,694,861.53 Within 1 year	648,446.73 Yuan, 1-2 years 9,046,414.80 yuan	0.46	2,310,869.37
unit ¥	Deposit	8,645,475.47 Within 1 year	8,498,756.80 yuan, 1 RMB 146,718.68 over a year	0.41	262,298.64
unit ¥	Deposit	5,199,784.04 Within 1 year	2,747,714.60 yuan, 1 More than 2,452,069.44 years Yuan	0.25	247,851.72
unit ¥	Deposit	4,262,419.27 Within 1 year	1,281,961.80 yuan, 1 More than 2,980,457.47 years Yuan	0.20	393,739.32
total/		1,990,882,679.82	/	93.99 1,966,294,898.56	

(13). Accounts receivable involving government subsidies

¥Applicable ¥Not applicable

(14). Other receivables derecognized due to transfer of financial assets

¥Applicable ¥Not applicable

(15) Amount of assets and liabilities formed by transferring other receivables and continuing to be

involved ¥Applicable ¥Not applicable

other instructions:

Applicable Not applicable

The amount of "other changes" in the current period is the translation difference of the subsidiary's foreign currency statement.

9. Inventory

(1). Inventory

classification Applicable Not applicable

Unit: Currency: RMB

project	Closing balance of			Opening Balance		
	Book balance	inventory depreciation reserve/combination Same as fulfillment cost impairment prepare	Book value	Book balance	Inventory depreciation reserve/combination Impairment with fulfillment costs Prepare	Book value
Raw materials	1,735,417,270.64	Inventory goods	666,825,541.34	1,068,591,729.30	1,569,162,550.59	38,012,752.12
2,554,451,330.82	Consigned processing products	117,538,065.94				
	51,613,729.17	capital	51,613,729.17	16,573,455.78		16,573,455.78
Commodity	1,770,266,774.66		931,227,369.40	839,039,405.26	1,955,459,482.82	462,588,728.44
expendable	468,574,465.32		5,985,736.88	548,861,138.88	918,425.04	
organisms issued in products	918,425.04			918,425.04		918,425.04
assets						
contract fulfillment	728,988,381.11		728,988,381.11	32,566.37		32,566.37
Book						
Total	7,310,230,376.76	1,725,957,766.40	5,584,272,610.36	6,613,391,648.25	183,487,592.00	6,429,904,056.25

(2) Provision for depreciation of inventories and provision for impairment of contract performance costs

Applicable Not applicable

Unit: Currency: RMB

project	Opening Balance	The increase in the current period and the decrease in the current period are				Ending balance	
		accrued to other reversal	or write-off	of other			
Raw materials	38,012,752.12	666,055,678.45	Goods in stock		36,609,681.32	633,207.91	666,825,541.34
117,538,065.94	92,814,848.48	Work in progress	3,087,818.29		80,498,538.01	7,935,257.63	121,919,118.78
930,537,972.04	Goods shipped	24,848,955.65	1,584,800.299.46	Total	2,398,420.93		931,227,369.40
1,690.99					20,448,019.23		5,985,736.88
	183,487,592.00		43		139,954,659.49	8,568,465.54	1,725,957,766.40

(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

The ending inventory balance of high-end communication business is RMB 1,572,210,856.35 (including: raw materials RMB 645,315,495.54, work in process

926,895,360.81 yuan), due to the breach of contract by the customer, it is expected that the inventory will be less likely to be realized in the future, and the full amount of this inventory will be accrued in the current period.

The provision for inventory depreciation is RMB 1,572,210,856.35.

In the current period, the amount of inventory depreciation reserves written off due to production and processing or commodity sales amounted to RMB 139,954,659.49; other decreased amounts

Translation differences for foreign currency statements of subsidiaries.

10. Contract assets

(1).Condition of contract assets

Applicable Not applicable

Unit: Currency: RMB

project	Closing			Opening Balance		
	balance	Book value of	impairment provision for	book balance	Book value of provision	for impairment of book balance
By age group						
Combined classification						
Total	251,386,386.87	8,755,596.66	242,630,790.21	151,755,509.52	4,552,665.29	147,202,844.23

(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

Unit: Currency: RMB

	Reason for write-off/write-off of current period accrual and current period reversal		
Provision for impairment of project contract assets	4,202,931.37		
Total	4,202,931.37		/



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

Unit: Currency: RMB

Debt	Ending balance	Opening Balance
investment due within one year of the project		
Other debt investments due within one year		
Total financial lease payments due within	7,635,335.39	
one year	7,635,335.39	

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		
To be deducted tax	713,244,548.25	788,429,132.19
futures margin other	309,761,190.28	165,577,988.39
	10,827,047.79	10,688,768.17
total	1,033,832,786.32	964,695,888.75

#### 14. Debt investment

(1) Debt investment ✓Applicable

✓Not applicable

(2). Important debt investments at the end of the

period ✓Applicable ✓Not applicable

(3). Withdrawal of provision for

impairment ✓Applicable ✓Not 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

✓Applicable ✓Not applicable

other instructions

✓Applicable ✓Not applicable

## 15. Other debt investments

(1) Other debt investment ✓Applicable ✓Not

applicable

(2). Other important debt investments at the end of the

period ✓Applicable ✓Not applicable

(3). Withdrawal of provision for impairment

✓Applicable ✓Not 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

✓Applicable ✓Not applicable

other instructions:

✓Applicable ✓Not applicable

## 16. Long-term receivables (1).

Long-term receivables ✓Applicable ✓Not

applicable

Unit: Currency: RMB

project	bad closing			Opening balance discount			now Rate Area between
	Book balance	balance account allow prepare	book value book balance		Bad account allow prepare	Book value	
Financial lease payments	51,759,223.20 Including: not		51,759,223.20				
Realize financing income							
installment sales				306,972,326.29		306,972,326.29	
Product							
Installment payment offer							
service							
Total	51,759,223.20		51,759,223.20	306,972,326.29		306,972,326.29 /	

(2) Provision for bad debts ✓Applicable ✓Not

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

✓Applicable ✓Not applicable

(3). Long-term receivables derecognized due to transfer of financial assets ✓Applicable

✓Not applicable

(4) Amount of assets and liabilities formed by transferring long-term receivables and continuing involvement

✓Applicable ✓Not applicable

other instructions

✓Applicable ✓Not applicable

## 17. Long-term equity investment

✓Applicable ✓Not applicable

Unit: Currency: RMB											
investee	beginning of the period balance	Changes in this period								end of period balance	impairment Prepare end of period balance
		additional investment	reduce invest	Equity method recognized investment loss beneficial	Other comprehensive earnings adjustment	Other changes in equity	declare cash dividend or profit	Accrual and deduction value preparation	other		
1. Joint ventures											
ZTT TELEKOM JV LLC	1,721,597.83			-27,814.69						1,693,783.14	
Subtotal	1,721,597.83			-27,814.69						1,693,783.14	
2. Associates											
Sichuan Jiangdong Tianfu Branch Technology Co., Ltd.	190,147,383.08			9,025,462. 65	326,800.5 0		1,192,761.11		-618,835.79	197,034,448.33	
Zhengzhou Tianhe Communication Section Technology Co., Ltd.	96,137,179.55			4,376,800. 99					-181,123.92	100,332,856.62	
China Energy Construction Collection Hunan Province Electric Power Plant Planning Institute Co., Ltd.	160,564,683.10			24,126,799 .04	773,172.8 8	3,626,240.80 17,793,734.0		8		171,297,161.74	
China Communications Network Section Technology Co., Ltd.		254,061,000.00		6,276,484. 57						260,337,484.57	
Jiangsu Yangkou Port Energy Technology Co., Ltd		3,000,000.00		945,719.07						2,054,280.93	
Subtotal	446,849,245.73 257,061,000.00			42,859,828 .18	446,372.3 8	3,626,240.80	18,986,495.1 9		-799,959.71 731,056,232.19		
Total 448,570,843.56 257,061,000.00				42,832,013 .49	446,372.3 8	3,626,240.80	18,986,495.1 9		-799,959.71 732,750,015.33		

other instructions

The amount of "other" in the increase or decrease in the current period is the consolidation and offset of the countercurrent transactions of the associates in the consolidated financial statements.

18. Investment in other equity instruments

(1) Investment in other equity instruments

√Applicable √Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Equity investment	492,689,295.76	459,185,932.55
total	492,689,295.76	459,185,932.55

(2) Investment in non-trading equity instruments √Applicable

√Not applicable

Unit: Currency: RMB

project	Dividend income recognized in the current period enter	Accumulated gains Accumulated losses	Transfer of other comprehensive income Amount of retained earnings	designated at fair value value measurement and its changes Included in other comprehensive income the reason for the benefit	Other comprehensive income carried forward Reason for saving
Shanghai Zhengfan Technology Co., Ltd.	468,933.20 34,390,280.00	14,457,113.85	42,340,248.16	Long-term holding and disposal of part of the investment	
Nantong Zhongtian Jiangdong Real Estate Co.,				long-term holding	
Ltd. Rudong Rongchuang Yida Venture Capital Fund (Limited Partnership)		13,146,902.68		long-term holding	
CGN New Energy Nantong Co., Ltd. Cinda				long-term holding	
Securities Co., Ltd. Harbin Keneng Cladding				long-term holding	
Technology Co., Ltd. limited company				long-term holding	
total	468,933.20 61,994,296.53		42,340,248.16		

other instructions:

√Applicable √Not applicable

The Company's long-term holding of the above investments is for investment purposes, so they are classified as equity instruments measured at fair value through other comprehensive income.

19. Other non-current financial assets

✓Applicable ✓Not applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Equity investment	718,147,971.63	892,134,647.52
total	718,147,971.63	892,134,647.52

other instructions:

✓Applicable ✓Not applicable

20. Investment real estate

investment real estate measurement model

(1) Investment real estate using cost measurement model

Unit: Currency: RMB

project	building	Land use rights	Construction in progress	total
1. Original book value				
1. Beginning balance	120,514,751.08			120,514,751.08
2. Increase in current period	458,027.53			458,027.53
(1) Outsourcing				
(2) Inventory/fixed assets/construction-in-progress transferred to	458,027.53			458,027.53
(3) Increase in business combination				
3. Decreased amount in the	107,598,418.78			107,598,418.78
current period (1) Disposal	107,598,418.78			107,598,418.78
(2) Other transfer out				

4. Closing balance II.	13,374,359.83			13,374,359.83
Accumulated depreciation and accumulated amortization				
1. Beginning balance	50,078,840.76			50,078,840.76
2. Increase in current period	1,977,369.41			1,977,369.41
(1) Accrual or amortization	1,850,479.85			1,850,479.85
(2) Inventory/fixed assets/construction-in-progress transferred in	126,889.56			126,889.56
3. Decreased amount in the	44,718,493.63			44,718,493.63
current period (1) Disposal (2)	44,718,493.63			44,718,493.63
Other transfer out				
4. Closing balance	7,337,716.54			7,337,716.54
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.	6,036,643.29			6,036,643.29
Book value at the beginning of the period	70,435,910.32			70,435,910.32

(2).Investment real estate for which the title certificate has not been

obtained ÿApplicable ÿNot applicable

other instructions

ÿApplicable ÿNot applicable

21. List of fixed assets

items ÿApplicable

ÿNot applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Fixed Assets	balance 8,423,644,929.04	8,978,468,675.46
Fixed Assets Liquidation		
total	8,423,644,929.04	8,978,468,675.46

other instructions:

ÿApplicable ÿNot applicable

Fixed assets

(1). Fixed assets ÿApplicable

ÿNot applicable

Unit: Currency: RMB

Item	houses and buildings	Photovoltaic power station	engineering ship	mechanical equipment	Transportation Equipment	Office and Other Equipment	total
1. Original book value:							
1. Opening balance 3,753,865,091.46 2,044,960,595.19 610,662,828.18 7,737,330,555.02 47,669,403.88 246,246,956.71 14,440,735,430.44							
2. This period increases the amount of money Forward	166,391,323.12	29,599,647.78		417,943,985.21 2,368,662.72		15,635,690.17	631,939,309.00
(1) Purchase (2)				104,728,044.45 2,960,695.38		15,873,335.46	123,562,075.29
Under construction Project transfer	257,071,738.88	29,599,647.78		366,113,572.89	65,678.18	2,137,851.55	654,988,489.28

(3) Enterprise							
Merge increase							
(4) Exchange rate Converted	-90,680,415.76			-52,897,632.13	-657,710.84 -2,375,496.84		-146,611,255.57
3. Reduction in the current period Forecast	53,983,868.05	6,664,634.94		115,688,688.64 1,629,720.72		7,361,601.69	185,328,514.04
(1) Disposal or scrap		6,664,634.94		38,200,453.66 1,629,720.72		7,361,601.69	53,856,411.01
(2) other	53,983,868.05			77,488,234.98			131,472,103.03
4. Closing balance	3,866,272,546.53 2,067,895,608.03	610,662,828.18 8,039,585,851.59	48,408,345.88	254,521,045.19 14,887,346,225.40			
2. Accumulated depreciation							
1. Beginning balance	939,955,114.08	680,664,477.97 86,596,275.89	3,557,676,546.24	23,253,664.37 173,153,140.96	5,461,299,219.51		
2. Increase in current period Forecast	165,316,220.86	203,391,375.57 60,844,659.04		603,610,622.13 4,459,767.46	23,388,330.70 1,061,010,975.76		
(1) Provision	165,316,220.86	203,391,375.57 60,844,659.04		603,610,622.13 4,459,767.46	23,388,330.70 1,061,010,975.76		
3. Reduction in the current period Forecast	17,856,257.39	3,810,046.98		35,140,430.26 1,055,439.55		6,299,383.74	64,161,557.92
(1) Disposal or scrap		3,810,046.98		24,150,246.39 1,055,439.55		6,299,383.74	35,315,116.66
(2) other	17,856,257.39			10,990,183.87			28,846,441.26
4. Closing balance of	1,087,415,077.55 3.	880,245,806.56 147,440,934.93	4,126,146,738.11	26,657,992.28 190,242,087.92	6,458,148,637.35		
Impairment provision							
1. Beginning balance				967,535.47			967,535.47
2. Increase in current period Forecast				5,552,659.01			5,552,659.01
(1) Provision				5,552,659.01			5,552,659.01



3. Reduction in the current period <small>Forecast</small>				967,535.47			967,535.47
(1) Disposal or scrap				967,535.47			967,535.47
4. Closing				5,552,659.01			5,552,659.01
balance IV. Book value							
1. Book price at the end of the period value	2,778,857,468.98	1,187,649,801.47	463,221,893.25	3,907,886,454.47	21,750,353.60	64,278,957.27	8,423,644,929.04
2. Book price at the beginning of the period value	2,813,909,977.38	1,364,296,117.22	524,066,552.29	4,178,686,473.31	24,415,739.51	73,093,815.75	8,978,468,675.46

## (2) Temporarily idle fixed assets

Applicable Not applicable

## (3) Fixed assets leased through finance lease

Applicable Not applicable

## (4) Fixed assets leased out through operating lease

Applicable Not applicable

Unit: Currency: RMB

project	Book value at the end of the period
Total	194,712,043.75
dormitory office	2,408,730.77
building industrial	16,616,920.62
plant machinery	61,716,800.20
and equipment	275,454,495.34

## (5) Fixed assets for which the certificate of title has not been

obtained Applicable Not applicable

Unit: Currency: RMB

project	Reasons why the book value has not been completed with the certificate of title
Copper Foil	63,571,545.79 in process
Workshop Preform Expansion	143,405,759.70 still in process
Workshop Ocean Transmission	48,222,210.11 still in process
Laboratory Building Substation	15,483,669.04 in process
House Flexible Cable Workshop	51,733,188.60 still in process
Nanghai Workshop	121,037,999.37 in process
OPGW new	18,548,353.86 still in process
plant total	462,002,726.47

other instructions:

Applicable Not applicable

Other reductions of houses and buildings in the current period are the original value of the houses transferred to the construction in progress of RMB 53,983,868.05, and the accumulated depreciation

17,856,257.39 yuan; the original value of other energy storage equipment reduced to financial lease in the current period is 77,488,234.98 yuan, and the accumulated depreciation

10,990,183.87 yuan.

Liquidation of Fixed

Assets Applicable Not Applicable

## 22. List of projects

under construction

Applicable Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Construction	balance 974,060,424.27	495,325,460.36
materials in progress	19,030,146.02	8,958,931.38
total	993,090,570.29	504,284,391.74

other instructions:  
☐Applicable ☐Not applicable

Construction in  
progress (1). Status of construction  
in progress ☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Ending balance			Opening Balance		
	Book balance	Impairment provision	Book value	Book balance	impairment Prepare	Book value
architecture project	275,746,941.60	6,477,934.04 269,269,007.56	222,523,044.10			222,523,044.10
Install project	711,207,486.79	6,416,070.08 704,791,416.71	272,802,416.26			272,802,416.26
Total	986,954,428.39	12,894,004.12 974,060,424.27	495,325,460.36			495,325,460.36

(2). Changes of important projects under construction in the current

period √Applicable √Not applicable

Unit: Currency: RMB

Project Name	Budget Number	<div>Beginning of the period</div> balance	Increase in this period	<div>Transferred to fixed capital in the current period</div> <div>Production amount</div>	<div>Other reductions in the current period</div> amount	<div>end of period</div> balance	<div>Engineering tired</div> <div>count investment</div> <div>account for the budget</div> Proportion(%)	<div>Engineering progress</div> <div>Every time</div>	<div>Interest</div> <div>capital</div> <div>tired</div> <div>gold</div> <div>Forecast</div>	<div>That</div> <div>middle:</div> <div>This period</div> <div>Interest</div> <div>capital</div> <div>Money</div> <div>Forecast</div>	<div>This period</div> <div>Interest</div> <div>capital</div> <div>conversion rate</div> <div>(%)</div>	<div>funds come</div> <div>source</div>
preform expansion Construction project	955,000,000	36,340,059.38	42,075,714.91	46,878,461.44		31,537,312.85 96.11% 97.00%						Self-raised+ Recruitment
photovoltaic power station project	1,000,000,000	18,956,732.07	47,819,420.45	30,817,856.08		35,958,296.44 98.15% 99.00%						Self-raised+ Recruitment
Add PV Power	65,000,000		19,178,292.37			19,178,292.37 29.51% 30.00%						self-funded
station lithium battery item eye	200,000,000	53,352,840.28	6,854,909.76	60,207,750.04			98.49%	100.00%				Self-raised+ Recruitment
New type of electricity Energy Storage	877,500,000		202,319,784.36			202,319,784.36 23.06% 25.00%						Recruitment
Project Indonesia Factory	200,000,000 Alloy	63,712,641.04	1,388,718.23	48,467,646.49 5,244,436.78	11,389,276.00 76.22% 76.00%							self-funded
Project	280,000,000	380,177.02	48,495.58	428,672.60			88.85%	100.00%				Self-raised+ Recruitment
Insulator item eye	70,000,000	10,253,578.66	241,450.26	10,495,028.92			87.81%	100.00%				Recruitment
Metal fitting technique Renovation	32,520,000		25,069,153.05	7,197,492.87		17,871,660.18 77.09% 80.00%						self-funded
of Broadband Workshop	145,000,000	15,927,743.48	3,701,534.92	19,629,278.40			101.29%	100.00%				Recruitment

5G automation	40,000,000		20,261,677.84	6,241,248.50		14,020,429.34 50.65% 50.00%						self-funded
Cables and guides												
for wiring equipment	100,000,000	15,913,341.14	3,083,715.58	18,997,056.72			92.23%	100.00				self-funded
Line reconstruction and								%				
expansion of industrial interconnection	56,000,000		41,713,870.72	15,242,463.28		26,471,407.44 74.49% 75.00%						self-funded
Retrofit												
energy storage systems	58,000,000		51,900,162.67			51,900,162.67 89.48% 90.00%						self-funded
DC side												
OPGW retrofit	42,000,000	5,262,251.01	1,619,911.54	6,882,162.55			98.24%	100.00				self-funded
Project								%				
EHV cable	430,000,000	47,715,816.23	20,703,436.93	68,419,253.16			101.42%	100.00				Self-raised+ Recruitment
								%				
Special submarine cable	750,000,000		100,106,451.16	29,738,396.39		70,368,054.77 13.35% 15.00%						self-funded
Industrial												
solar back	35,000,000	1,654,074.02	24,628,993.64	136,967.67	622,305.30 25,523,794.69 77.48% 78.00%							self-funded
Special Optical												
Fiber for Board Project	11,000,000	924,194.52	176,237.67	1,100,432.19			93.08%	100.00				self-funded
Project								%				
India Factory 20,000 Light Alloy Project	10,120,030.51		95,299.15	3,365,754.24 2,784,781.54		4,064,793.88 94.90% 97.00%						self-funded
	132,000,000	1,840,438.58		1,840,438.58			94.34%	100.00				self-funded
								%				
Zhongtian Electronics	10,000,000	2,528,614.26	914,861.23	2,808,338.82		635,136.67 95.77% 96.00%						Recruitment
Project												
Electronic Copper Foil	520,000,000	75,748.50		75,748.50			99.64%	100.00				self-funded
Project								%				
15,000 tons	246,000,000		119,760,419.62	172,039.10	12,893,982.72 106,694,397.80 48.68% 50.00%							Self-raised+ Recruitment
Copper Foil Expansion												
project												
Fiber Retrofit	18,000,000	47,602.72	255,494.63	303,097.35			101.25%	100.00				self-funded
project								%				

RF Retrofit Project	10,000,000	2,726,924.79	84,579.53	2,811,504.32			98.16%	100.00%				self-funded
RF High Temperature Plant project	25,000,000		17,844,123.56	6,007,699.22		11,836,424.34 71.38%	75.00%					self-funded
carbon-based materials Project	5,000,000	880,848.07	3,219,876.65	1,109,298.22		2,991,426.50 82.02%	85.00%					self-funded
Gale Submarine Cable Project	500,000,000	27,184.47	5,876,582.46			5,903,766.93	1.19% 2.00%					self-funded
Turkey eye	12,500,000	12,002,638.63		11,917,379.99		85,258.64 96.02%	98.00%					self-funded
European factory 16,000,000 South China Sea		12,466,748.66		8,310,812.90 1,188,566.94		2,967,368.82 77.92%	80.00%					self-funded
submarine cable project	1,353,400,000	141,833,707.88 319,446,947.31		194,871,156.08		266,409,499.11 33.90%	35.00%					self-funded
Superconducting cable Production line	20,000,000	4,283,628.32	826,991.15	5,110,619.47			53.68% 55.00%					self-funded
Zhongtian super capacity Project	50,000,000	34,109,878.67	28,844,714.09	22,656,527.10	293,193.46 40,004,872.20	97.50% 98.00%						self-funded
Rail Transit Cable project	110,000,000		40,699,825.73	11,733,188.60		28,966,637.13 37.00%	40.00%					self-funded
sporadic works		1,988,017.45	20,882,239.83	12,855,158.07	158,723.95	9,856,375.26						self-funded
total	8,394,920,000	495,325,460.36	1,171,643,886.58	654,988,489.28	25,026,429.27	986,954,428.39	/	/			/	/

(3) Provision for impairment of construction in progress in the current

period ☐Applicable ☐Not applicable

Unit: Currency: RMB

Project	Amount accrued in the current period	Reason for accrual
Solar Backplane Project	12,724,683.37	It is proposed to change the purpose of the project
Sporadic Project Total	169,320.75	Long-term suspension of construction
	12,894,004.12	/

other instructions

☐Applicable ☐Not applicable

Engineering

materials (4). Status of engineering

materials ☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing balance			Opening Balance		
	Book balance	impairment standard prepare	book value book balance		Impairment criteria prepare	Book value
Special materials	18,837,307.56	192,838.46	18,837,307.56	8,766,092.92	192,838.46	8,766,092.92
and other total	19,030,146.02		19,030,146.02	8,958,931.38		192,838.46
						8,958,931.38

other instructions:

none

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 1.	Photovoltaic power station land and roof	total
Original book value		
1. Beginning	100,915,996.74	100,915,996.74
balance 2. Increase in	555,220.54	555,220.54
current period (1) Lease-in	555,220.54	555,220.54
3. The amount reduced in the current period		

4. Closing balance 2.	101,471,217.28	101,471,217.28
Accumulated depreciation		
1. Beginning balance	3,720,184.05	3,720,184.05
2. Increase in current period	5,601,357.78	5,601,357.78
(1) Withdrawal	5,601,357.78	5,601,357.78
3. The amount reduced in the current period		
(1) Disposal		
4. Closing balance	9,321,541.83	9,321,541.83
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	92,149,675.45	92,149,675.45
2. Book value at the beginning of the	97,195,812.69	97,195,812.69

period Other explanations:

none



## 26. Intangible assets

## (1). Intangible assets

√Applicable √Not applicable

Unit: Currency: RMB

project	Land use rights	patent	Non-patent technology	application software	software copyright	total
1. Original book value						
1. Opening balance	997,533,416.49	76,905,305.83	245,332,250.00	71,836,108.75	12,022,425.00	1,403,629,506.07
2. The increase in the current period	-4,215,356.32	2,145,708.27	-16,382,822.76	24,745,726.54		6,293,255.73
(1) Purchase	9,732,091.11	2,148,351.21		25,886,587.15		37,767,029.47
(2) Internal R&D						
(3) Increase in business combination						
(4) Exchange rate conversion	-13,947,447.43	-2,642.94	-16,382,822.76	-1,140,860.61		-31,473,773.74
3. The amount reduced in the current period	3,791,814.70			2,360,835.89		6,152,650.59
(1) Disposal	3,791,814.70			2,360,835.89		6,152,650.59
4. Closing balance	989,526,245.47	79,051,014.10	228,949,427.24	94,220,999.40	12,022,425.00	1,403,770,111.21
2. Cumulative amortization						
1. Opening balance	95,205,262.63	20,771,958.80	142,775,417.69	46,120,109.83	10,676,593.72	315,549,342.67
2. The increase in the current	16,536,342.61	6,671,696.27	12,148,840.34	14,141,029.73	165,431.25	49,663,340.20
period (1) Accrual	16,536,342.61	6,671,696.27	12,148,840.34	14,141,029.73	165,431.25	49,663,340.20
3. The amount reduced in the current period	202,230.12			2,208,774.55		2,411,004.67

(1) Disposal	202,230.12			2,208,774.55		2,411,004.67
4. Closing balance	111,539,375.12	27,443,655.07	154,924,258.03	58,052,365.01	10,842,024.97	362,801,678.20
III. Provision for impairment						
1. Opening balance						
2. The increase in the current period			1,249,999.98			1,249,999.98
(1) Provision						
3. The amount reduced in the current period						
(1) Disposal						
4. Closing balance			1,249,999.98			1,249,999.98
4. Book value						
1. Book value at the end of the period 2.	877,986,870.35	51,607,359.03	72,775,169.23	36,168,634.39	1,180,400.03	1,039,718,433.03
Book value at the beginning of the period	902,328,153.86	56,133,347.03	102,556,832.31	25,715,998.92	1,345,831.28	1,088,080,163.40

The ratio of intangible assets formed through the company's internal research and development to the balance of intangible assets at the end of the period 0

(2) Situation of land use right for which the property right certificate has not been

obtained ☐Applicable ☐Not applicable

other instructions:

☐Applicable ☐Not applicable

In the land use rights at the end of the period, according to local laws, the Company's subsidiaries Demei Cable Co., Ltd. and Zhongtian Technology Indonesia Co., Ltd.

The company, Zhongtian Technology Morocco Co., Ltd., and Zhongtian Technology Brazil Co., Ltd. respectively own the land ownership in the country where they are located.

102,670,756.53 yuan, 47,755,308.79 yuan, 19,744,779.78 yuan, 4,379,256.00 yuan, due to the flow of economic benefits of the assets

The said intangible assets are not amortized; according to Indian law, the company's subsidiary, Zhongtian Technology India Limited

The company owns land use rights of RMB 24,873,892.05 in the country where it is located, with a useful life of 99 years, and is amortized on a straight-line basis within the useful life.

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27. Development

expenditure ☐Applicable ☐Not applicable

28. Goodwill (1).

Original book value of goodwill

☐Applicable ☐Not applicable

Unit: Currency: RMB

The name of the investee or the matter forming goodwill item	Opening Balance	Increase in current period		Decrease in current period		Ending balance
		business combination		dispose of		
Jiangsu Zhongtian Technology Cable Accessories Co., Ltd. 5,182,201.93 Chengdu Xinliantong	5,182,201.93					5,182,201.93
Cryogenic Equipment Co., Ltd. 2,827,754.11 Wuhan Xingsiwei Optoelectronics Technology Co., Ltd. 3,306,819.64	2,827,754.11					2,827,754.11
Cable Co., Ltd. 376,332.59 Shenzhen Shenda Weitong Technology Co., Ltd. 33,667,863.41	376,332.59					376,332.59
						18,667,863.41
						33,363,190.55

(2). Provision for impairment of

goodwill ☐Applicable ☐Not applicable

Unit: Currency: RMB

name of the investee or the formation of goodwill in the current period item	Opening Balance	The addition of the		Reduce disposal in		Ending balance
		Accrual		this period		
Wuhan Xingsiwei Optoelectronics Technology Co., Ltd. 6,309,038.51 Shenzhen Shenda Weitong Technology Co., Ltd. 9,992,024.77	6,309,038.51					6,309,038.51
7,675,838.64 Total 10,992,024.77 13,984,877.15						18,667,863.41
						24,976,901.92

(3) Relevant information about the asset group or combination of asset groups where the goodwill is

located ☐Applicable ☐Not applicable

The part of the consideration paid by the Company for the merger of enterprises not under the same control that is greater than the book value of the merged enterprise shall be calculated according to the relevant

The fair value of the assets is amortized, and the balance after the amortization is included in the goodwill. The asset portfolio in which the goodwill is located includes related operating assets.

assets, liabilities and all goodwill.

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(2) Deferred income tax liabilities that have not been  
offset ỹApplicable ỹNot applicable

Unit: Currency: RMB

project	Closing		Opening Balance	
	Taxable temporary differences	balance deferred tax debt	Taxable temporary differences	Deferred income tax debt
Enterprises not under common control And asset evaluation and	170,772,019.66	37,196,253.58	202,006,688.18	45,763,890.19
appreciation, other debt investments are fair change in value				
Investment in other equity instruments Changes in fair value				
Depreciation of fixed	630,411,827.62	108,691,564.91	637,747,170.82	102,037,806.19
assets Held-for-trading financial assets 2,798.76 Derivative		699.69	61,325,328.85	11,130,639.51
financial assets 219,545,155.91 Other investments 76,829,020.20		35,406,197.97	131,815,769.17	19,983,355.38
Other non-current financial facilities		16,334,723.71	98,085,932.57	22,133,757.87
	676,580,526.20	160,421,779.93	842,860,180.04	200,306,017.82
Produce				
Total bonds			496,142,693.41	74,421,404.01
payable	1,775,641,348.35	358,051,219.79	2,469,983,763.04	475,776,870.97

(3) Deferred income tax assets or liabilities listed in net amount after offset  
ỹApplicable ỹNot applicable

(4). Details of unrecognized deferred tax assets  
ỹApplicable ỹNot applicable

Unit: Currency: RMB

Total	Closing	Opening Balance
deductible losses for item	balance 88,948,496.36	73,039,450.11
deductible temporary differences	312,192,427.16	162,181,190.05
	401,140,923.52	235,220,640.16

(5). Deductible losses of unrecognized deferred income tax assets will expire in the following years  
ỹApplicable ỹNot applicable

Unit: Currency: RMB

Year	Closing	Beginning	Remark
2023 2024 2025	amount 12,016,477.75	amount 12,016,477.75	
2026 2029 2031	41,010,482.12	41,010,482.12	
Total	74,335,901.76	81,452,574.85	
	103,145,024.44		
	18,066,438.62	27,701,655.33	
	63,618,102.47		
	312,192,427.16	162,181,190.05	/

other instructions:  
ỹApplicable ỹNot applicable

31. Other non-current assets

Applicable Not applicable

Unit: Currency: RMB

project	Closing			Opening Balance		
	balance	Book balance impairment	Book value	Impairment of book balance	Prepare	Book value
contract acquisition cost						
contract performance costs						
Receivable return cost						
contract assets						
Unrecognized Equity	3,269,531.57		3,269,531.57	3,367,141.14		3,367,141.14
Investment debit balance Advance						
payment of land payment Advance	8,240,000.00		8,240,000.00	10,626,406.86		10,626,406.86
payment of engineering and equipment	118,417,466.24		118,417,466.24	84,959,757.04		84,959,757.04
payment						
Long-term margin deposits	60,746,704.77	Prepaid	60,746,704.77	37,377,324.10	27,225,000.00	37,377,324.10
investment	27,225,000.00	Total	217,898,702.58	154,255,500.00	217,898,702.58	154,255,500.00
						290,586,129.14

other instructions:

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 105,413,746.71	177,319,036.22
mortgage loan		10,010,847.22
guarantee loan	3,345,552,758.93	1,003,310,247.19
credit loan		
Explanation	3,450,966,505.64	1,190,640,130.63

of the classification of total short-term borrowings:

Not applicable

(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

The ending balance of the pledged loan is the amount of the company's commercial acceptance bill that has been discounted but has not expired and has not been derecognized 35,413,746.71

RMB 70,000,000 for factoring of accounts receivable; among the ending balance of guaranteed loans, Zhongtian Technology Group Co., Ltd.

The loan for guarantee is RMB 1,377,134,487.60, and the loan for guarantee provided by the company for the subsidiary is RMB 1,968,418,271.33.

## 33. Trading financial liabilities

☐Applicable ☐Not applicable

## 34. Derivative financial liabilities

☐Applicable ☐Not applicable

Unit: Currency: RMB

Total	Closing	Opening Balance
floating losses of project hedging	balance 4,941,085.00	857,188.18
contracts, foreign exchange forward	316,990.00	856,332.00
contracts, interest rate swap instruments		760,493.66
	5,258,075.00	2,474,013.84

other instructions:

Not applicable

## 35. Notes payable

(1). List of bills payable

☐Applicable ☐Not applicable

Unit: Currency: RMB

Types of	Ending balance	Opening Balance
Commercial Acceptance Bills		
The total amount of	3,022,409,642.66	5,845,623,929.92
bank	3,022,409,642.66	5,845,623,929.92

acceptance bills 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	Closing	Opening Balance
Less than 1	balance 4,946,249,714.19	4,050,831,271.32
year 1 to 2	132,821,838.92	210,747,860.31
years 2 to 3	40,525,991.90	60,264,673.20
years More than 3 years	37,629,102.73	21,241,780.77
total	5,157,226,647.74	4,343,085,585.60

(2). Important accounts payable aged over 1 year

☐Applicable ☐Not applicable

other instructions

☐Applicable ☐Not applicable

There are no significant accounts payable aged over 1 year in the closing balance.

## 37. Advance receipts

(1). List of advance receipts

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Less than 1	balance 2,325,191.59	235,771,081.43
year 1 to 2	395,397.38	9,147,017.57
years 2 to 3	3,222,999.59	1,290,703.72
years More than 3 years	728,135.71	3,559,997.29
total	6,671,724.27	249,768,800.01

(2). Important advance receipts aged over 1 year

ÿApplicable ÿNot applicable

other instructions

ÿApplicable ÿNot applicable

There are no important advance receipts aged over 1 year in the closing balance.

## 38. Contract liabilities

(1) Contract liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Closing	Opening Balance
Less than 1 year	balance 1,933,382,364.42	3,833,086,822.99
More than 1 year	114,149,470.54	
total	2,047,531,834.96	3,833,086,822.99

(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

Item 1,	Opening Balance	Increase in this period	Decrease the closing balance of the current period	
short-term compensation	328,602,494.85	1,846,279,206.15	1,849,485,248.86	325,396,452.14
2, post-employment benefits - setting	671,269.77	109,916,496.95	109,621,064.54	966,702.18
Withdrawal				
plan III, dismissal		73,738.00	73,738.00	
benefit IV, other due within one year	1,634,767.52		1,634,767.52	
Welfare				
total	330,908,532.14	1,956,269,441.10	1,960,814,818.92	326,363,154.32

(2). List of short-term remuneration

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Opening Balance	Increase in current period	Decrease in current period	ending balance
1. Wages, bonuses, allowances and subsidies	298,899,946.42	1,631,894,581.28	1,634,244,038.44	296,550,489.26
2. Employee benefits	90,512,661.21	92,026,937.79	220,734,990.87	



3. Social insurance premiums	93,038.17	57,495,786.86	57,387,457.44	201,367.59
Including: medical insurance	92,968.77	52,243,724.60	52,135,334.25	201,359.12
premiums, work-	69.40	4,962,944.31	4,963,005.24	8.47
related injury		289,117.95	289,117.95	
insurance premiums, maternity insurance premiums IV. Housing provident fund 97,143.91		43,908,781.07	43,839,015.78	166,909.20
V. Trade union funds and employee education funds 27,777,375.48 VI. Short-term paid		22,457,035.73	21,977,439.41	28,256,971.80
absences				
7. Short-term profit sharing plan				
8. Total non-monetary		10,360.00	10,360.00	
benefits	328,602,494.85 1,846,279,206.15 1,849,485,248.86		325,396,452.14	

(3). List of defined withdrawal plans

ApplicableNot applicable

Unit: Currency: RMB

Item 1.	Opening	Increase in this period	Decrease the closing balance of the current period
Basic endowment insurance 2.	balance	106,172,840.31 105,877,274.38	966,681.00
Unemployment insurance	671,115.07	154,708,743,656.64 3,743,790.16	21.18
premiums 3. Enterprise annuity payment			
total	671,269.77	109,916,496.95 109,621,064.54	966,702.18

other instructions:

ApplicableNot applicable

40. Taxes payable

ApplicableNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
VAT	42,802,490.19	86,605,594.65
consumption tax		
business tax		
Corporate income	294,670,461.59	203,552,482.04
taxIndividual income	5,155,682.43	7,432,312.23
taxUrban maintenance and	12,790,212.83	10,560,908.66
construction taxLand value	111,469.50	
added taxLand use taxReal	2,301,356.91	2,394,593.34
estate taxStamp taxEducation	7,254,075.40	7,156,447.07
feeAdditional environmental	2,680,461.82	1,702,425.49
protection taxComprehensive	9,838,237.45	9,278,132.86
fundOthers	31,345.38	
	1,158.29	1,032.00
	5,084,301.45	2,267,465.78
total	382,721,253.24	330,951,394.12

other instructions:

Not applicable

## 41. Other payables

List of items

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Interest payable		
Total dividends	88,500,000.00	
payable and other	162,683,887.23	244,271,669.41
payables	251,183,887.23	244,271,669.41

other instructions:

ÿApplicable ÿNot applicable

Interest payable

(1). Listed by category

ÿApplicable ÿNot applicable

dividends payable

(2). Listed by category

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project	Ending balance	Opening Balance
common stock dividend		
Preference shares classified as equity instruments/permanent Debt Renewal Dividend		
Preferred Stock\Perpetual Bond Dividend-XXX		
Preferred Stock\Perpetual Bond Dividend-XXX		
Dividends Payable - Minority Shares Payable by Subsidiaries East Bonus	88,500,000.00	
Total 88,500,000.00		

Other descriptions, including significant dividends payable not paid for more than 1 year, should disclose the reasons for non-payment:

Not applicable

Other payables (1).

Other payables are listed according to the nature of the

payment ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Margin	119,938,469.51	193,023,346.39
current	1,684,846.77	33,910,037.37
account	14,126,028.24	2,675,046.98
Withholding fee	25,178,500.55	10,776,647.40
Withholding and payment Others	1,756,042.16	3,886,591.27
total	162,683,887.23	244,271,669.41

(2). Important other payables aged over 1 year ÿApplicable ÿNot

applicable

other instructions:

ÿApplicable ÿNot applicable

There are no significant other payables aged over 1 year in the closing balance.

#### 42. Liabilities held for sale

ÿApplicable ÿNot applicable

#### 43. Non-current liabilities due within one year

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Long-	Closing	Opening Balance
term borrowings due within 1 year	balance 2,000,000.00	1,025,476,575.70
Bonds payable due within 1 year		
Long-term payables due within 1 year		19,821,520.00
Lease liabilities due within 1 year Total	6,397,910.04	5,987,647.16
long-term borrowing interest due within 1	1,752,886.31	1,077,425.62
year	10,150,796.35	1,052,363,168.48

other instructions:

Not applicable

#### 44. Other current liabilities

Other current liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
short-term bonds payable		
Payable for return		
Total liabilities for unrecognized	208,607,175.47	438,350,548.43
but not derecognized bills receivable for output tax to be	157,888,509.39	161,714,612.73
recognized	366,495,684.86	600,065,161.16

Changes in short-term bonds payable:

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

#### 45. Long-term loans (1).

Classification of long-term loans

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
pledge loan		
mortgage loan		
Guaranteed	1,909,762,964.10	1,492,090,075.70
borrowings		33,377,625.62
Credit borrowings less: total long-term liabilities	-3,752,886.31	-1,026,554,001.32
due within one year	1,906,010,077.79	498,913,700.00

Explanation of the classification of long-term borrowings:

Among the ending balance of guaranteed loans, the long-term loans guaranteed by Zhongtian Technology Group Co., Ltd. for the company were 1,580,029,539.11

RMB 329,733,424.99 is the loan guaranteed by the Company for the subsidiary.

Additional notes, including interest rate ranges:

ÿApplicable ÿNot applicable

46. Bonds payable (1).

Bonds payable

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
convertible bonds		3,444,316,513.74
total		3,444,316,513.74

(2) Increase or decrease in bonds payable: (excluding preferred shares, perpetual bonds and other financial instruments classified as financial liabilities)

✓Applicable ✗Not applicable

Unit: Currency: RMB

bond Name	face value	issued date	bond the term	issued amount	beginning of the period balance	This period issued	Amortization of interest premium and discount at face value	This period repay	end of period balance
Zhongtian Total	100 March 6, 2019		6 years 3,965,120,000.00 3,444,316,513.74				30,392,171.83 132,823,501.06 3,964,302,000.00		
convertible bonds/	/	/	/	3,965,120,000.00 3,444,316,513.74			30,392,171.83 132,823,501.06 3,964,302,000.00		

(3) Explanation on the conversion conditions and conversion time of convertible corporate

bonds ✓Applicable ✗Not applicable

According to the approval of China Securities Regulatory Commission Zheng Jian Xu Ke [2018] No. 1626, the Company publicly issued convertible corporate bonds of RMB 3,965.12 million on March 6, 2019, referred to as "Zhongtian Convertible Bonds".

Coupon code: 110051. The term of the convertible corporate bonds issued this time is six years from the date of issuance, with a coupon rate of 0.4% for the first year, 0.6% for the second year, 1.0% for the third year, 1.5% for the fourth year, and

It is 1.8% for five years and 2.0% for the sixth year. The interest payment method is adopted once a year, and the principal and the interest in the last year are returned when they are due. The conversion period of the convertible corporate bonds issued this time starts from the end date of the issuance

From the first trading day after six months to the maturity date of the convertible corporate bonds (September 6, 2019 to February 27, 2025).

(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

✓Applicable ✗Not applicable

Statement of changes in financial instruments such as preferred shares and perpetual bonds issued at the end of the period

✓Applicable ✗Not applicable

Explanation of the basis for classifying other financial instruments as financial liabilities:

✓Applicable ✗Not applicable

other instructions:

✓Applicable ✗Not applicable

47. Lease liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Total non-current	129,082,342.06	135,069,989.25
liabilities due in one year	-46,909,278.99	-50,995,646.08
with unrecognized financing charges for	-6,397,910.04	-5,987,647.16
lease payments	75,775,153.03	78,086,696.01

48. List of long-term

payables ÿApplicable

ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Long-term payables		
Total special	240,663,400.00	191,451,700.00
payables	240,663,400.00	191,451,700.00

other instructions:

ÿApplicable ÿNot applicable

Among them, the special payables are as follows:

project	initial balance	Increase in this period	Decrease in this period	Ending balance
5G mobile communication base station Antenna R&D and Industry change	17,000,000.00			17,000,000.00
OPLC Intermediate Continuation Termination Development of Superconducting DC Current	3,813,000.00		3,561,300.00	251,700.00
Limiter Based on Terminal Access Technology Resistor current limiting unit metering and manufacturing	2,170,000.00			2,170,000.00
industrial transformation and upgrading The gold project subsidizes	18,568,000.00	8,000,000.00	8,838,000.00	17,730,000.00
the island-type smart microelectronics Net 863 Project	702,700.00			702,700.00
Fiber No. 01 Project 10,910,000.00 Photomask High	10,910,000.00	3,240,000.00		14,150,000.00
Purity Quartz Substrate	20,470,000.00	3,530,000.00		24,000,000.00
National Heavy Project Course Country Allocate	1,250,000.00	150,000.00		1,400,000.00
funds to all-sea deep ROV non-gold Full sea deep water tight	11,800,000.00			11,800,000.00
connection of armored umbilical cable product technology research Research and Demonstration Applications	1,720,000.00		120,000.00	1,600,000.00
Stereoscopic observation of deep sea	46,580,000.00		6,180,000.00	40,400,000.00

/monitoring/detection systems				
Key equipment industry chain				
Collaborative Innovation				
Provincial Industry and Information				
Industrial transformation and upgrading	6,293,000.00	992,500.00	4,278,000.00	3,007,500.00
item				
Provincial strategic emerging industries	22,975,000.00	600,000.00		23,575,000.00
Industry Development				
Funding Applies to Sensing Ultra				
Strong anti-bending light system	13,500,000.00	2,000,000.00		15,500,000.00
Product development and production				
Industrialization				
Recycling Demonstration Transformation	5,900,000.00	5,900,000.00	11,800,000.00	
Project				
Intelligent Equipment 01 items	7,800,000.00	500,000.00		8,300,000.00
eye				
Vacuum bag film engineering		976,500.00		976,500.00
Develop the				
"5215" technology transformation fund for		4,470,000.00	1,670,000.00	2,800,000.00
the optical fiber technology transformation project				
Golden		17,860,000.00		17,860,000.00
Project Internet Benchmark		5,000,000.00		5,000,000.00
Factory Camellia Project		21,000,000.00		21,000,000.00
Submarine Cable System Service Finance		3,440,000.00		3,440,000.00
Joint Development Project				
Shanwei Provincial Science and Technology College		8,000,000.00		8,000,000.00
total funds				
	191,451,700.00	85,659,000.00	36,447,300.00	240,663,400.00

Long-term payables

(1). Long-term payables are listed according to the nature of the  
payment   Applicable   Not applicable

Special payables (2).

List special payables according to the nature of the  
payment   Applicable   Not applicable

49. Long-term employee benefits payable

Applicable   Not applicable

(1). Long-term employee compensation

table   Applicable   Not applicable

Unit: Currency: RMB

Item 1.	Ending balance	Opening Balance
Post-employment benefits - net negative of the defined benefit plan debt	5,104,642.67	5,853,190.88
2. Dismissal benefits		
3. Other long-term benefits		

total	5,104,642.67	5,853,190.88
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(2) Changes in the defined benefit plan The present

value of the defined benefit plan obligation:

✓Applicable ✓Not applicable

Unit: Currency: RMB

project	Amount incurred	Amount in the previous period
1. Opening balance 2.	in the current period	5,894,492.16
Defined benefit cost included in current profit and loss 1.	5,853,190.88	-152,381.99
Current service cost 2. Past service cost	-748,548.21 -748,548.21	-152,381.99
3. Settlement gains (losses are represented by "-")		
4. Net interest		
3. Defined income included in other comprehensive income Cost 1.		111,080.71
Actuarial gains (losses are represented by "-")		
4. Other changes		
1. Consideration paid at settlement		
2. Benefits Paid		
V. Closing balance	5,104,642.67	5,853,190.88

Program Assets:

✓Applicable ✓Not applicable

Defined benefit plan net liabilities (net assets)

✓Applicable ✓Not applicable

Description of the content of the defined benefit plan and its associated risks, its impact on the company's future cash flow, timing and uncertainty:

✓Applicable ✓Not applicable

Description of significant actuarial assumptions and sensitivity analysis results of defined benefit plans

✓Applicable ✓Not applicable

other instructions:

✓Applicable ✓Not applicable

50. Estimated liabilities

✓Applicable ✓Not applicable

51. Deferred income

Deferred income

✓Applicable ✓Not applicable

Unit: Currency: RMB

project	The opening balance	increased in the current period	and decreased in	Reasons for the formation of the closing balance
the current period	Government subsidies 215,963,623.14	67,007,600.00	42,806,524.51	240,164,698.63 Asset-related government subsidies
Total	215,963,623.14	67,007,600.00	42,806,524.51	240,164,698.63 /



Projects involving government subsidies:

√Applicable √Not applicable

Unit: Currency: RMB

Liability items	Opening Balance	New subsidy for this period <small>Forehead</small>	Included in the current period <small>Amount of external income</small>	Included in other income in the current period <small>Amount</small>	other changes	Ending balance	related to/with the asset income related
"863" project subsidy confirmation	6,375,069.13			805,271.89		5,569,797.24	
110V Power	18,826,620.83			2,566,550.00		16,260,070.83	
Station Oversized Preform Technical	1,612,999.70			1,612,999.70			
Transformation Ultra-high Voltage 500KV Cable	9,153,000.00	4,590,000.00		1,055,250.00		12,687,750.00	
Technical Transformation Ultra-high Voltage AC/DC	20,411,485.84			1,088,514.16		19,322,971.68	
Submarine Optical Cable Industrial Equipment	9,283,319.27			1,565,671.79	326,934.87	7,390,712.61	
Discounts Key Technology Transformation and	1,253,887.50			172,950.00		1,080,937.50	
Industrialization Submarine Cable Key Technology	5,485,242.95			626,263.43		4,858,979.52	
Transformation and Industrial Photovoltaic Materials	11,728,750.00			3,434,000.00		8,294,750.00	
Construction Project Battery construction project	8,151,216.58			1,819,737.52		6,331,479.06	
transformation and upgrading of provincial industry	230,416.64			35,000.00		195,416.64	
and information industry	9,870,000.00			2,040,000.00		7,830,000.00	
and strategic emerging development projects	6,454,673.13			868,493.61		5,586,179.52	
Provincial Science and Technology Achievements	3,281,818.40			1,082,727.48		2,199,090.92	
Transformation Fund Special Cable Project	20,500,000.00			4,100,000.00		16,400,000.00	
Special Optical Fiber Intelligent Manufacturing	80,718,659.17	3,750,000.00		12,844,930.29		71,623,728.88	
Copper Alloy Conductor Deep Processing Project	2,266,464.00			283,308.00		1,983,156.00	
Long-Life Lithium Battery Development Zhongtian	360,000.00			120,000.00		240,000.00	
Technology "5G + Industrial Internet" Integration Combined application project		5,100,000.00		42,500.00		5,057,500.00	
New Optical Cable Intelligence Based on Industrial Internet energy factory		6,000,000.00		625,000.00		5,375,000.00	

Transparent Fluorine Film Inorganic Nano UV Absorber system		480,000.00				480,000.00	
Copper foil manufacturing upgrade capital		17,500,000.00		2,187,500.00		15,312,500.00	
recycling demonstration transformation project		11,800,000.00		2,295,203.22		9,504,796.78	
smart factory upgrade high specific energy		7,267,600.00		767,301.90		6,500,298.10	
and high power electric double layer supercapacity key R&D and industrialization of materials and devices		4,000,000.00		199,999.98		3,800,000.02	
±400KV and above XLPE insulation Development of Optical Fiber Composite DC Submarine Cable and demonstration applications		4,850,000.00		40,416.67		4,809,583.33	
Temperature-resistant series of optical fiber intelligent energy-saving technology Reconstruction project		1,670,000.00		200,000.00		1,470,000.00	
total	215,963,623.14	67,007,600.00		42,479,589.64	326,934.87	240,164,698.63	

other instructions:

ÿApplicable ÿNot applicable

52. Other non-current liabilities

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
contract liabilities		
Total Jiangsu Jiating Industrial Investment Co.,	40,000,000.00	40,000,000.00
Ltd.	40,000,000.00	40,000,000.00

other instructions:

Not applicable

53. Share capital

ÿApplicable ÿNot applicable

Unit: Currency: RMB

	Opening Balance	Increase or decrease in this change (+, 1)					Ending balance
		issue new shares	deliver share	Provident fund Convert stock	other	Subtotal	
shares Total	3,066,152,870.00				346,796,782.00 346,796,782.00	3,412,949,652.00	

other notes:

346,796,782 new shares were converted from convertible bonds in the current period, and the conversion price is RMB 9.99 per share.

54. Other equity instruments (1).

Basic information on other financial instruments such as preferred shares and perpetual bonds issued at the end of  
the period ÿApplicable ÿNot applicable

(2). Statement of changes in financial instruments such as preferred shares and perpetual bonds issued at the end of the  
period ÿApplicable ÿNot applicable

Unit: Currency: RMB

published Financial tool	Beginning of the period		Increase in this		Decrease in this period			end of period	
	Quantity	book value	period quantity	book value	Quantity	Book Value	Quantity		book value
Convertible Bond Equity component		632,211,333.55				632,211,333.55			
total		632,211,333.55				632,211,333.55			

Changes in the increase or decrease of other equity instruments in the current period, explanations for the reasons for the changes, and the basis for relevant accounting treatment:

ÿApplicable ÿNot applicable

The amount reduced in this period is that after the convertible bonds are converted into shares, the equity components separated from the original convertible corporate bonds are transferred to the capital reserve.

other instructions:

ÿApplicable ÿNot applicable

55. Capital reserve

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project	Opening Balance	Increase in this period	Decrease in this period	Ending balance
capital premium (shares This premium)	7,524,016,954.16	3,526,602,210.17		11,050,619,164.33
Other capital reserves	82,235,390.84	88,574,088.95	8,916,972.08	161,892,507.71
Total	7,606,252,345.00	3,615,176,299.12	8,916,972.08	11,212,511,672.04

Other explanations, including the increase or decrease in the current period, and explanation of the reasons for the changes:

The increase in capital premium in the current period is the increase in capital reserve formed by the conversion of convertible bonds into shares and the transfer of treasury shares.

Among the increased amounts of other capital reserves in the current period, the increased amount of share-based payment of RMB 75,197,915.77 was purchased from minority shareholders of subsidiaries.

The increase in equity and shareholding in the equity of an associate is RMB 13,376,668.39; the decrease this time is the purchase of minority shareholders of the subsidiary

The difference between the consideration paid for equity and the equity is offset against the capital reserve.

## 56. Treasury stock

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Total	Opening	Increase in this period	Decrease the closing balance of the current period	
project share	balance 412,305,809.74		412,305,809.74	
repurchase	412,305,809.74		412,305,809.74	

Other explanations, including the increase or decrease in the current period, and explanation of the reasons for the changes:

The total number of treasury shares used for conversion of convertible bonds in this period is 49,505,125 shares, with an amount of RMB 412,305,809.74.

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
		Income tax issued before the current period Surplus	Less: included in the previous period Current comprehensive income Transfer to profit and loss	Less: Included in the previous period Other comprehensive income Transfer to retained for the current period income	Deduct: income tax expense	Attributable to parent after tax manage	after tax attributable to less several shareholders	
One, cannot be re-divided other types of profit and loss his comprehensive income	75,841,093.97 -19,756,912.32				-5,799,034.17	-13,957,878.15		61,883,215.82
Of which: recalculation defined benefit plan Transfer amount	-111,080.71							-111,080.71
Not under the equity method which can turn profit and loss his comprehensive income								
Other equity workers investment fair value value change	75,952,174.68 -19,756,912.32				-5,799,034.17	-13,957,878.15		61,994,296.53
company's own letter fair value at risk value change								
2. Reclassify Other into profit and loss Comprehensive income	100,692,125.45	103,187,627.61	85,535,806.40		23,253,125.11 -220,901,091.50	8,924,532.38 -120,208,966.05		

Of which: Equity method								
Turnover profit and loss	4,254,081.00	446,372.38				446,372.38		4,700,453.38
Other comprehensive income								
other debt investment								
change in fair value								
heavy financial assets								
classified as other								
comprehensive income								
other debt investment								
credit impairment standard								
cash flow set	107,743,604.61	151,743,917.40	85,535,806.40		23,253,125.11	34,030,453.51	8,924,532.38	141,774,058.12
in Foreign Currency of Reserves	-9,172,880.95							-264,550,798.34
table translation difference		255,377,917.39				-255,377,917.39		
other	-2,132,679.21							-2,132,679.21
Other comprehensive income	176,533,219.42	122,944,539.93	85,535,806.40		17,454,090.94	-234,858,969.65	8,924,532.38	-58,325,750.23
total								

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:

Not applicable

## 58. Special Reserve

Applicable Not applicable

Unit: Currency: RMB

Total	The opening balance increased in the current	Decrease the closing balance of the current period
project safety	period 22,521,437.50 71,500,936.16 500,926,487.00	14,439,135.29 79,583,238.37
production costs	explanations, including the changes in the current period	14,439,135.29 79,583,238.37

changes:

Not applicable

## 59. Surplus reserve

Applicable Not applicable

Unit: Currency: RMB

project	Opening	Increase in this period	Decrease the closing balance of the current period
balance statutory surplus reserve	922,068,983.55 135,749,734.24	Discretionary surplus	1,057,818,717.79
reserve			
Reserve Fund			
business development fund			
other			
Total	922,068,983.55 135,749,734.24	Explanation of the surplus reserve,	1,057,818,717.79

including the increase or decrease in the current period and the reasons for the change:

Not applicable

## 60. Undistributed profits

Applicable Not applicable

Unit: Currency: RMB

Total	This	Previous period
undistributed profits at the end of the	issue 11,452,852,041.09	9,534,451,546.73
previous period before adjustment		91,235,955.30
+, decrease -)		
Undistributed profit at the beginning of the	11,452,852,041.09	9,625,687,502.03
adjustment period plus: net attributable to owners of the parent company in the current period	172,092,691.39	2,274,661,507.02
Profit		
minus: withdraw statutory surplus reserve	135,749,734.24	145,833,293.16
and withdraw discretionary surplus reserve		
Extract general risk provision		
Ordinary stock dividends payable	301,664,962.60	301,663,674.80
ordinary stock dividends converted into share capital		
Other comprehensive income carried forward to retained earnings	-42,340,248.16	
Undistributed profit at the end of the period	11,229,870,283.80	11,452,852,041.09

Adjustment of undistributed profits at the beginning of the period:

- 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.
- Due to the change of accounting policy, the undistributed profit at the beginning of the period is affected by 0 yuan.
- Due to the correction of major accounting errors, the undistributed profit at the beginning of the period is affected by 0 yuan.
- 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	income	cost
Revenue Main business	45,681,551,869.19	38,416,790,881.61	41,818,707,044.99	36,042,379,955.22
Other business	481,754,721.31	355,027,008.97	189,697,749.34	262,846,954.58
Total	46,163,306,590.50	38,771,817,890.58	42,081,553,999.57	36,232,077,704.56

#### 2. Main business (by product)

product name	Current Amount		Amount of the previous period	
	Revenue and cost of optical		income	cost
communication and network	7,476,171,504.58	5,796,079,667.19	6,075,912,538.83	4,140,203,384.39
Power grid construction	11,159,772,382.54	9,621,203,052.83	10,002,330,797.11	8,610,452,480.00
Ocean Series	9,419,082,893.28	6,070,395,246.00	4,667,073,294.40	2,669,594,411.13
New energy	2,087,915,519.89	1,772,020,172.23	1,505,641,141.29	1,393,235,193.96
Copper products	4,852,442,615.12	4,644,981,089.05	2,780,450,244.74	2,686,787,365.98
Commodity trade	10,141,969,397.73	10,029,929,322.47	16,021,430,500.34	15,887,348,916.40
Others	544,197,556.05	482,182,331.84	654,758,203.36	765,868,528.28
Total	45,681,551,869.19	38,416,790,881.61	41,818,707,044.99	36,042,379,955.22

#### 3. Main business (by region)

area name	Current Amount		Amount of the previous period	
	income	cost	income	cost
Domestic	35,505,663,150.74	28,656,152,135.12	30,063,315,561.57	24,865,669,634.35
Overseas	10,175,888,718.45	9,760,638,746.49	11,755,391,483.42	11,176,710,320.87
Total	45,681,551,869.19	38,416,790,881.61	41,818,707,044.99	36,042,379,955.22



(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:

Not applicable

## 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	42,302,770.56	41,655,864.97
Tax Education Fee Additional Resource	34,126,166.65	35,484,113.48
Tax		
Real estate	30,382,479.35	28,282,099.99
taxLand use	10,203,988.71	9,910,367.50
taxVehicle use	84,167.32	133,248.63
taxStamp taxLand	14,940,832.56	11,209,251.23
value added		584,484.69
taxEnvironmental	226,816.80	526,404.62
protection taxOverseas taxes	490,695.84	1,163,275.08
total	132,757,917.79	128,949,110.19

other instructions:

Not applicable

## 63. Sales expenses

☐Applicable ☐Not applicable

Unit: Currency: RMB

project	Amount incurred	Amount in the previous period
Employee compensation,	in the current period	298,226,379.15
insurance, travel	319,206,312.61	9,515,885.62
expenses, entertainment	14,778,722.47	59,680,412.17
expenses, office	68,802,199.52	25,563,971.78
expenses, product	34,429,051.35	13,053,140.22
promotion expenses	10,714,877.95 7,560,607.36	28,564,273.28

Consultant fee	26,572,740.64	31,566,848.10
Winning bid service	104,360,732.59	71,866,186.42
fee Sales service	91,719,609.88	98,689,616.41
fee Lease fee Repair	16,090,349.91	15,750,836.11
fee Material	10,148,386.81	8,987,731.28
consumption	21,512,152.60	8,828,608.71
Depreciation of fixed	1,235,200.01	1,089,060.87
assets Others	31,517,722.72	18,350,393.63
<b>total</b>	<b>758,648,666.42</b>	<b>689,733,343.75</b>

other instructions:

Not applicable

## 64. Administrative expenses

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

project	¥¥¥¥¥¥	Amount in the previous period
Employee salaries,	344,962,287.02	300,735,609.45
travel expenses,	12,624,673.60	11,949,375.87
office expenses,	27,689,277.64	29,154,263.52
consulting expenses,	25,598,928.01	24,201,882.05
hospitality expenses,	20,506,246.17	20,078,279.92
amortization of low-value consumables,	9,512,367.79	4,742,143.38
amortization of fixed assets,	50,860,193.06	51,666,273.93
amortization of intangible assets,	37,542,565.12	45,573,913.69
insurance expenses, repair expenses,	16,050,725.99	14,037,352.35
hire of intermediary agency fees,	15,908,751.42	7,039,500.16
board fees, lease fees, share-based	15,089,746.50	12,186,632.97
payments, etc.	273,462.00	274,085.00
	11,734,534.92	3,554,608.49
	76,784,749.99	69,939,326.57
	27,153,853.84	24,520,749.84
<b>total</b>	<b>692,292,363.07</b>	<b>619,653,997.19</b>

other instructions:

Not applicable

## 65. Research and development expenses

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

project	The current period	Amount in the previous period
Personnel		204,228,191.82
cost, material	285,423,735.87	796,434,274.97
cost, fuel and power,	899,548,416.14	27,241,967.02
intermediate test	56,268,130.05	61,669,516.89
cost, travel cost,	102,509,940.98	2,223,692.04
consulting cost, fixed	2,768,999.00	12,382,355.16
asset depreciation	17,518,140.43	56,192,365.05
		58,183,228.85

other	47,933,381.82	54,197,048.72
total	1,468,163,109.30	1,216,560,275.47

other instructions:

Not applicable

## 66. Financial expenses

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

project	The current period	Amount in the previous period
Interest Expenses	303,447,681.69	270,253,469.54
Interest Income	-44,150,707.34	-73,576,023.15
Foreign Exchange	124,922,749.16	172,068,091.18
Gains and Losses Fee Expenses	50,954,915.15	41,259,037.93
total	435,174,638.66	410,004,575.50

other instructions:

Not applicable

## 67. Other income

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

Total	Amount incurred	Amount in the previous period
government subsidy withholding individual income tax fees and	in the current period	173,591,703.43
refunds related to the project and the daily activities of the	167,947,491.05	905,455.71
enterprise	1,335,253.01 169,282,744.06	174,497,159.14

other instructions:

Among them, the details of government subsidies are as follows:

Subsidy Program	Current Amount	Amount of the previous period	related to/with the asset income related
"863" project subsidy confirmation	805,271.89		related to assets
Provincial scientific and technological achievements transformation funds	1,082,727.48	549,999.96 related to	assets
Technological Transformation of Oversized Preforms	1,612,999.70	1,613,000.04 related to	assets
Photovoltaic material construction project		954,400.00 related to	assets
Lithium battery construction project	2,040,000.00	2,040,000.00 related to	assets
Long-life lithium battery development	120,000.00	120,000.00 related to	assets
Solar cell back sheet project	3,434,000.00	3,434,000.00 related to	assets
Import major equipment	1,565,671.79	111,970.00 related to	assets
Photovoltaic power station project	1,819,737.52	1,819,737.52 related to	assets
Special cable project	6,243,764.16	7,263,200.59 related to	assets
110V power station	2,566,550.00	1,500,000.00 related to	assets

Specialty Fiber Manufacturing	12,879,930.29	6,909,931.00 related to	assets
Key technology transformation and industrialization	799,213.43		related to assets
Stereoscopic observation/monitoring of deep sea		500,000.00 related to	assets
investment package	868,493.61	7,041,265.56 related to	assets
"Internet +" Smart Subsidy		2,505,763.83 related to	assets
Zhongtian Technology "5G + Industrial Internet" Integration application	42,500.00		related to assets
A new type of optical cable intelligent industry based on the industrial Internet factory	625,000.00		related to assets
Copper Foil Manufacturing Upgrade Funds	2,187,500.00		related to assets
Recycling Demonstration Project	2,295,203.22		related to assets
Smart Factory Upgrade	767,301.90		related to assets
High specific energy and high power electric double layer supercapacity key material and device R&D and industrialization	199,999.98		related to assets
±400KV and above XLPE insulating light Development and Demonstration of Fiber Composite DC Submarine Cable application	40,416.67		related to assets
Intelligent energy-saving technology transformation of temperature-resistant series optical fibers	200,000.00		related to assets
Copper alloy conductor deep processing project	283,308.00		related to assets
Transformation and upgrading of provincial industry and information industry Strategic Emerging Development Project	6,273,800.00 29,022,321.89	Related to income	
High-performance optical fiber preform research and development project		10,500,000.00 related to	income
Science and Technology Funding Subsidy	1,542,243.00	1,800,000.00 related to	income
Various awards	22,628,930.22	5,577,062.33 related to	income
return VAT	581,369.57	1,280,177.40 related to	income
special support fund	13,982,617.00 19,166,363.30	Related to income	
Patent and Intellectual Property Grants		614,018.00 related to	income
R&D spending	5,689,800.00	4,682,727.27 related to	income
Talent plan	1,171,711.00	2,253,600.00 related to	income
Technological transformation	7,920,400.00	2,059,400.00 related to	income
New energy promotion and application		30,225,731.34 related to	income
Photovoltaic industry support funds	1,391,172.00	890,295.00 related to	income
discount	439,625.03	2,504,800.00 related to	income

Special funds for business development	2,986,283.00	9,710,900.00 related to income	
Special investment and construction		400,000.00 related to income	
Innovation funding	2,476,300.00	1,050,000.00 related to income	
special subsidy	40,652,600.00		related to earnings
other	17,731,050.59 15,491,038.40	Related to income	
total	167,947,491.05 173,591,703.43		

## 68. Investment income

Applicable Not applicable

Unit: Yuan Currency: RMB Amount incurred

Long-	The current period	in the previous period
term equity investment income accounted for by project equity	amounted to 41,744,901.88	37,224,640.23
method Investment income from disposal of long-term equity investment		
Investment in held-for-trading financial assets income		
Other equity instrument investments are acquired during the holding period dividend income		
Interest income from debt investments during the holding period enter		
Profits obtained from other debt investments during the holding period interest income	468,933.20	
Investment income from disposal of financial assets held for trading beneficial	649,204.66	2,567,976.60
Investments obtained from disposal of investments in other equity instruments income		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investments		
Debt Restructuring Proceeds		
Investment income from disposal of subsidiaries		611,574.38
and other non-current financial assets during the holding period investment income	10,538,270.12	9,763,810.87
Investments obtained from disposal of other non-current financial assets capital gains	22,899,070.69	
Gains and losses on ineffective hedging	37,712,501.47	13,539,077.38
and liquidation of foreign exchange forward	67,331,614.30	2,671,947.85
contracts Structured deposit gains on		1,349,424.90
financial assets measured at amortized cost are terminated and confirmed recognized income	9,647,089.97	
other	-97,609.57	-97,609.57
total	190,893,976.72	67,630,842.64

other instructions:

Not applicable

## 69. Net exposure hedging gains

Applicable Not applicable

## 70. Income from changes in fair value

Applicable Not applicable

Unit: Currency: RMB

Sources of trading financial assets that generate gains	Amount for the	Amount in the previous period
from changes in fair value Including: fair value generated	current period -3,319,349.67	58,513,969.06
from derivative financial instruments		
Value change income		
Held-for-trading financial		-360,323.67
liabilities for investment real estate at fair value		
Derivative financial	20,638,295.24	6,792,944.63
assets Other non-current financial	-166,279,653.84 1,953,499.42	-48,652,206.88
assets Total derivative financial		
liabilities	-147,007,208.85	16,294,383.14

other instructions:

Not applicable

## 71. Credit impairment losses

Applicable Not applicable

Unit: Currency: RMB

Project	Amount incurred	Amount in the previous period
bills receivable bad debt loss	in the current period	-4,377,511.89
accounts receivable bad debt loss	3,365,911.31 -167,855,013.50	-140,603,879.17
other receivables bad debt loss	-1,959,094,984.74	-3,950,266.27
debt investment impairment loss		
Impairment losses on other debt investments		
Long-term receivables bad debt losses		
Impairment loss on contract assets		
total	-2,123,584,086.93	-148,931,657.33

other instructions:

Not applicable

## 72. Asset impairment loss

Applicable Not applicable

Unit: Currency: RMB

Item	Amount for this period	Amount in the previous period
1. Bad debt losses		
2. Inventory depreciation losses and contract performance costs	-1,690,993,299.43	-130,503,971.12
This impairment loss		
III. Impairment loss of long-term equity investment		
4. Impairment loss of investment real estate		
V. Impairment loss of fixed assets	-5,552,659.01	

6. Impairment loss of engineering materials		
7. Impairment losses of construction in progress	-12,894,004.12	
8. Impairment losses of productive biological assets		
9. Impairment losses of oil and gas properties		
X. Impairment loss of intangible assets	-1,249,999.98	
XI. Impairment loss of goodwill	-13,984,877.15	-10,992,024.77
XII. Others		
13. Provision for impairment of contract assets	-4,202,931.37	-4,552,665.29
total	-1,728,877,771.06	-146,048,661.18

other instructions:

Not applicable

## 73. Income from asset disposal

√Applicable √Not applicable

Unit: Currency: RMB

Gains or losses from disposal of fixed assets of the project	Amount for the current period	Amount in the previous period
Gains or losses from disposal of construction in progress	-124,851.33	1,388,860.21
Gains or losses from disposal of intangible assets	-228,324.07	-3,799,703.77
	612,173.30	-6,062,317.73
	1,647,858.11	-5,874,305.70

other instructions:

Not applicable

## 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
Profit on disposal of non-current assets Including:	51,979.74	3,490.68	51,979.74
Fixed assets buy profit			
Intangible Assets Division buy profit			
non-monetary asset exchange gain			
Accept donations		157,410.74	
Government grants cannot be paid for other transactions	2,639,909.45	7,802,693.91	2,639,909.45
	13,368,401.43	12,425,125.11	13,368,401.43
total	16,060,290.62	33,440,720.44	16,060,290.62

Government subsidies included in current profit and loss

¥Applicable ¥Not applicable

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	Include current non-recurring losses amount of benefit
Loss on disposal of non-current assets Including:	10,264,281.77	9,473,771.35	10,264,281.77
Fixed assets set loss			
Intangible Assets Division set loss			
non-monetary asset exchange loss			
External	2,381,078.03	2,565,644.01	2,381,078.03
donations are	58,310.78	47,400.00	58,310.78
very costly	12,298,700.97	7,430,221.65	12,298,700.97
total	25,002,371.55	19,517,037.01	25,002,371.55

other instructions:

Not applicable

## 76. Income tax expense

(1). Income tax expense table

¥Applicable ¥Not applicable

Unit: Currency: RMB

Total	The current period	Amount in the previous period
deferred income tax expenses of	576,797,321.94	481,826,432.04
current income tax expenses of the	-600,850,974.59	-95,971,781.91
project	-24,053,652.65	385,854,650.13

(2) Adjustment process of accounting profits and income tax

expenses ¥Applicable ¥Not applicable

Unit: Currency: RMB

project	Amount for this period
Income tax	257,865,435.80
expense on total profit at statutory/applicable tax rates	38,679,815.37
Effect of different tax rates applied to subsidiaries Effect	12,226,918.63
of adjustment of prior period income tax Effect of non-	1,613,997.00
taxable income	-34,665,138.01
	21,537,029.60



Use of deductible losses on deferred tax assets not recognised in prior periods	-11,735,503.81
The impact of the	
deductible temporary loss of deferred tax assets that have not been recognized in the current period	38,359,060.38
Impact of differences or deductible losses	
Tax rate adjustments resulting in a balance of deferred tax assets/liabilities	9,678,720.68
amount of change	
The impact of the reversal of deferred tax assets recognized in the previous	3,664,289.53
period R&D expenses plus deduction of income tax expenses	-103,412,842.02
	-24,053,652.65

other instructions:

ŸApplicable ŸNot applicable

#### 77. Other comprehensive income

ŸApplicable ŸNot applicable

See notes for details

#### 78. Items of cash flow statement

##### (1). Other cash received related to operating activities

ŸApplicable ŸNot applicable

Unit: Currency: RMB

project	Amount incurred	Amount in the previous period
Interest income	in the current period	73,576,023.15
subsidy income	44,150,707.34	348,565,024.91
deposit and other	241,782,201.43	185,974,305.27
transactions	149,857,351.76	23,109,472.84
total	84,045,550.87 519,835,811.40	631,224,826.17

Description of other cash received related to operating activities:

Not applicable

##### (2) Other cash paid related to operating activities ŸApplicable

ŸNot applicable

Unit: Currency: RMB

project	Amount incurred	Amount in the previous period
Expenses,	in the current period	808,087,190.65
deposits and other	830,961,268.31	141,464,103.09
transactions	180,265,606.47	6,251,264.52
total	540,398,530.69 1,551,625,405.47	955,802,558.26

Description of other cash paid related to operating activities:

Not applicable

##### (3). Other cash received related to investment activities

ŸApplicable ŸNot applicable

Unit: Currency: RMB

Invalid	The current period	Amount in the previous period
project hedging and liquidation income recovery	amounted to 37,754,214.15	5,052,450.00
of wealth management and asset management		7,261,808.22
plan funds recovery of foreign exchange	61,846,289.97	
forward contract income Acceptance of	68,869,341.53	15,966,389.62
donations Others		157,410.74
	312,286,691.21	38,180,111.74
total	480,756,536.86	66,618,170.32

Description of other cash received related to investing activities:

Not applicable

(4) Other cash paid related to investment activities

Applicable Not applicable

Unit: Currency: RMB

project	Amount incurred in	Amount in the previous period
Invalid donation	the current period	2,565,644.01
expense Hedging loss Loss of	2,381,078.03 41,712.68	
foreign exchange forward	1,552,727.23	
contract Others	408,773.41	8,303,357.28
total	4,384,291.35	10,869,001.29

Description of other cash paid related to investing activities:

Not applicable

(5) Other cash received related to financing activities

Applicable Not applicable

Unit: Currency: RMB

The	Amount for this period	Amount in the previous period
project recovers the loan deposit		6,000,000.00
total		6,000,000.00

Other cash receipts related to fundraising activities:

Not applicable

(6) Other cash paid related to financing activities

Applicable Not applicable

Unit: Currency: RMB

Project	Amount incurred in	Amount in the previous period
purchase of subsidiary minority shareholders'	the current period	100,000,000.00
equity redemption of convertible bonds Payment	7,252,750.03 5,228,000.00	
of rent Total business combination under common	5,987,647.16	
control		114,726,400.00
	18,468,397.19	214,726,400.00

Other cash descriptions related to fundraising activities paid:

Not applicable

## 79. Supplementary information on cash flow statement

## (1). Supplementary information on cash flow

statement yApplicable yNot 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: asset impairment provision, credit impairment loss,	281,919,088.45	2,370,211,786.92
depreciation of fixed assets, depletion of oil and gas properties, production	1,588,923,111.57	127,127,204.80
	2,123,584,086.93	148,931,657.33
Depreciation of productive biological assets	1,062,861,455.61	1,045,389,264.48
Amortization of right-of-use assets	5,601,357.78	
Amortization of intangible assets	49,663,340.20	58,200,373.94
Amortization of long-term deferred expenses	7,403,917.07	2,886,850.01
Amortization of disposal of fixed assets, intangible assets and other long-term assets		
Losses of assets in the period (incomes are filled in with "-" List)	-1,647,858.11	5,874,305.70
Loss on retirement of fixed assets (income with "-" number)	10,212,302.03	9,470,280.67
Losses from changes in fair value (incomes are marked with "-" Financial	147,007,208.85	-16,294,383.14
expenses (returns are represented by "-")	423,455,543.18	374,643,529.58
Investment losses (incomes are represented by	-190,893,976.72	-67,630,842.64
"-") Deferred income tax assets decrease (increase by Fill in with "-")	-535,353,696.15	-72,729,548.71
Increase in deferred tax liabilities (decrease by Fill in with "-")	-65,497,278.44	-23,242,233.20
Decrease in inventory (increase with "-")	-696,013,410.07	-130,091,508.84
column) decrease in operating receivables (increase by Fill in with "-")	-775,493,868.11	-5,588,397,654.95
Increase in operating payable items (decrease by Fill in with "-") Net cash	-4,228,819,079.55	4,232,367,458.60
flow from other operating	246,021,737.29	110,834,015.57
activities 2. Significant investing and financing	-547,066,018.19	2,587,550,556.12
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	10,483,926,999.50	9,810,364,361.61
minus: Opening balance of cash	9,810,364,361.61	9,063,166,991.14
plus: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	673,562,637.89	747,197,370.47

(2) Net cash paid for acquisition of subsidiaries in the current period

¥Applicable ¥Not applicable

(3) Net cash received from disposal of subsidiaries in the current

period ¥Applicable ¥Not applicable

(4) Composition of cash and cash equivalents

¥Applicable ¥Not applicable

Unit: Yuan Currency: RMB Beginning

project	Closing balance	Balance
1. Cash Among	10,483,926,999.50 315,744.47	9,810,364,361.61
them: cash on hand, bank		770,076.29
deposits that can be used for payment at any time,	9,891,293,066.80	9,603,236,493.28
and other currencies that can be used for payment at any time Deposit	592,318,188.24	206,357,792.04
of funds available for payment at the central bank payment		
Deposits with other banks		
Loans from other banks		
2. Cash Equivalents		
Of which: Bond investments due within three months		
3. The balance of cash and cash equivalents at the end of the	10,483,926,999.50	9,810,364,361.61
period Including: the parent company or the subsidiaries within the group With restricted cash and cash equivalents		

other instructions:

¥Applicable ¥Not 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:

¥Applicable ¥Not applicable

81. Assets with restricted ownership or right to use ¥Applicable

¥Not applicable

Unit: Currency: RMB

project	Reasons for restricted book value at the end of the period	
Inventory of bills	1,884,502,362.85 Margin and fund freezing	
receivable in	231,086,256.47 Bill pool and loan pledge	
monetary funds		
fixed assets		
intangible assets		
Total accounts	70,000,000.00 Factoring loan	
receivable and other non-	60,746,704.77 Long-term margin	
current assets	2,246,335,324.09	/

other instructions:

Not applicable

## 82. Foreign currency monetary items

(1). Foreign currency monetary items

√Applicable √Not applicable

unit: yuan

project	Closing foreign currency balance	Converted exchange rate	Converted to RMB at the end of the period balance
Monetary			2,233,114,977.51
Funds Of which:	259,570,811.97	6.3757 1	654,945,625.84
USD	45,214,128.99	7.2197	326,432,447.08
EUR	5.00	0.0554	0.28
JPY CAD	3,641.19	5.0046	18,222.69
Singapore	6,353,789.64	4.7179	29,976,544.15
Dollar GBP	1,669,946.30	8.6064	14,372,225.84
AUD	8,069,570.16	4.6220	37,297,553.27
Colombian Peso	12,852,901.79	0.0016	20,153.35
Mexican Peso Thai	336,476.00	0.3116	104,852.65
Baht Ruble UAE	27,848,054.76	0.1912	5,324,548.07
Dirham Vietnamese	25,482,722.69	0.0855	2,178,772.79
Dong Bangladesh	7,092,169.53	1.7367	12,316,970.82
Taka Indonesian	707,275,354.61	0.0003	199,451.65
Rupiah Swiss Franc	34,029,492.73	0.0746	2,537,317.89
HKD Philippine	68,006,281,722.70	0.0004	30,398,807.93
Peso Indian Rupee	351.79	6.9776	2,454.66
Turkish Lira Brazilian	83,128.18	0.8176	67,965.60
Real Moroccan	69,726,321.76	0.1250	8,715,790.22
Dirham Polanz Roti	397,135,613.06	0.0860	34,164,782.52
Zambian Kwaza	19,952,508.99	0.4822	9,621,099.83
Accounts Receivable	37,314,820.58	1.1443	42,699,349.19
Of Which: USD	2,478,789.52	0.6927	1,717,119.47
EUR Singapore	12,725,713.91	1.5717	20,001,004.55
Dollar GBP AUD	4,986.32	0.3845	1,917.17
Colombian Peso Mexican			1,337,097,031.45
Peso Thai Baht Ruble UAE	92,739,924.34	6.3757	591,281,935.63
Dirham Vietnamese	24,166,655.18	7.2197	174,476,002.19
Dong Bangladeshi	1,385,228.80	4.7179	6,535,370.96
Taka	41,241.63	8.6064	354,941.96
	6,454,148.92	4.6220	29,831,076.31
	730,815,172.19	0.0016	1,145,918.19
	39,079,168.99	0.3116	12,177,850.64
	52,484,845.66	0.1912	10,035,102.49
	6,870,650.06	0.0855	587,440.58
	2,772,885.71	1.7367	4,815,670.61
	322,388,439.72	0.0003	90,913.54
	669,674.13	0.0746	49,932.46

Indonesian Rupiah,	185,809,562,035.79	0.0004	83,056,874.23
Indian Rupee,	2,491,335,600.62	0.0860	214,324,619.05
Turkish Lira,	10,851,685.11	0.4822	5,232,682.56
Brazilian Real, Long-	177,489,032.64	1.1443	203,100,700.05
term Loans Of Which: USD,			114,991,800.00
Indian Rupee, Other	15,000,000.00	6.3757	95,635,500.00
Receivables, Of	225,000,000.00	0.0860	19,356,300.00
Which: USD, Euro, Thai Baht,			60,055,911.28
Ruble, UAE Dirham, Indonesian	4,992,805.64	6.3757	31,832,630.92
Rupiah, Philippine	55,000.02	7.2197	397,083.64
Peso, Indian Rupee,	4,229,375.37	0.1912	808,656.57
Turkish Lira,	698,022.57	0.0855	59,680.93
Moroccan Dirham,	31,730.11	1.7367	55,105.68
Short-Term Loan,	1,276,825,816.25	0.0004	570,741.14
Of Which: USD,	6,309,236.00	0.1250	788,654.50
Euro, Indonesia	29,689,248.00	0.0860	2,554,106.63
Rupiah, Indian	47,573,043.20	0.4822	22,939,721.43
Rupiah, Brazilian	71,500.00	0.6927	49,529.84
Real, Accounts Payable			652,533,107.21
Including: USD, EUR, JPY,	70,681,992.78	6.3757	450,647,181.37
SGD, GBP, AUD,	1,200,000.00	7.2197	8,663,640.00
Colombian Peso,	84,000,000,000.00	0.0004	37,548,000.00
Mexican Peso, Thai	400,000,000.00	0.0860	34,411,200.00
Baht, Ruble, UAE	105,971,411.20	1.1443	121,263,085.84
Dirham, Vietnamese Dong,			185,733,871.73
Bangladeshi Taka, Indonesian	6,223,803.71	6.3757	39,681,105.32
Rupiah, Swiss	3,217,057.32	7.2197	23,226,195.00
Franc, Indian	4,760,000.00	0.0554	263,775.40
Rupee, Turkish Lira,	1,226.22	4.7179	5,785.18
Brazilian Real,	9,376.71	8.6064	80,699.72
Moroccan Dirra	4,243,971.60	4.6220	19,615,636.73
MZambian Kwacha	377,457,479.47	0.0016	591,853.33
Other Payables Of	1,767,159.42	0.3116	550,682.22
which: Euro,	431,132.27	0.1912	82,432.49
Indonesian Rupiah,	1,289,120.47	0.0855	110,219.80
Indian Rupee	7,989,606.88	1.7367	13,875,550.27
	8,771,205.67	0.0003	2,473.48
	91,333,498.39	0.0746	6,810,037.46
	70,927,878,135.71	0.0004	31,704,761.53
	16,633.00	6.9776	116,058.42
	442,791,468.92	0.0860	38,092,464.49
	12,771,345.99	0.4822	6,158,343.04
	1,582,115.27	1.1443	1,810,414.50
	4,245,720.39	0.6927	2,941,116.66
	37,105.80	0.3845	14,266.69
			13,931,268.28
	167,533.50	7.2197	1,209,541.61
	5,251,420,814.06	0.0004	2,347,385.10
	120,592,615.99 <b>242 /</b>	0.0860	10,374,341.57

other instructions:

Not applicable

(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 √Applicable √Not Applicable

83. Hedging

√Applicable √Not applicable

84. Government subsidies

(1) Basic information on government subsidies

√Applicable √Not applicable

(2) Refund of government subsidy √Applicable

√Not applicable

other instructions:

Not applicable

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

There was no economic act of disposing of subsidiaries in the current period.

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

During the reporting period, the company's consolidation scope increased by 6: Zhongtian Marine System Co., Ltd. newly established a subsidiary Xiamen Zhongmin Zhihai Technology

Co., Ltd., Guangzhou Zhongguang Zhihai Technology Co., Ltd., Nantong Zhongzhe Enterprise Management Center (Limited Partnership), Zhongtian World Trade Co., Ltd.

The company established a new subsidiary, Zhongtian Bangladesh Co., Ltd., and Zhongtian Photovoltaic Technology Co., Ltd. established a new subsidiary, Rudong Zhongtian Energy Management Co., Ltd.

Company, Zhongtian Technology Submarine Cable Co., Ltd. established a new subsidiary, Nantong Zhongtian Optoelectronics Cable Co., Ltd.; the scope of consolidation was reduced by 2: China

Tianchaorong Technology Co., Ltd. absorbed and merged its subsidiary Zhongtian Yupin Technology Co., Ltd.; in September 2020, the subsidiary Jiangsu Zhongshan was disposed of

Tian Internet Technology Co., Ltd. is no longer included in the scope of consolidation in this period.

6. Other

ÿApplicable ÿNot applicable

IX. Interests in other entities 1. Interests in

subsidiaries

(1) Composition of enterprise group

ÿApplicable ÿNot applicable

Subsidiary name	Main business Camp direct and indirect	The business nature of the place of registration	Shareholding ratio (%) Acquired		
Zhongtian Science and Technology Optical Fiber Co., Ltd.	Nantong City Nantong City Manufacturing	Optical Fiber 100	Established		
Zhongtian Gold Investment Co., Ltd.	Nantong City Nantong Investment Management	10 was established		90	
Zhongtian Technology Precision Materials Co., Ltd.	Nantong City Nantong City Preform Enterprise	Merger		100	
Jiangdong Xiangjun Materials Co., Ltd.	Nantong Nantong New Materials Zhongtian Alloy Technology Co., Ltd.			65	Established
Nantong Nantong Copper Products Zhongtian World Trade Co., Ltd.	Nantong Nantong Trading Zhongtian			100	business combination
Technology Columbia Co., Ltd.				100	set up
	Columbia Asia	Columbia Asia	trade		100 established
Zhongtian (Thailand) Co., Ltd.	Thailand Thailand Trading Zhongtian Technology	Russia Co., Ltd.	Russia Russia		100 established
Trading Zhongtian Technology Middle East Co., Ltd.	UAE UAE Trading Zhongtian	Europe Co., Ltd.	Germany		100 established
German Trading Zhongtian Technology France Co., Ltd.	France French Trade Zhongtian Technology	Australia			100 established
Co., Ltd. responsibility				100	set up
					100 established
	Australia Asia	Australia Asia	trading		100 established
Zhongtian Vietnam Co., Ltd.	Vietnam Vietnam Trading Zhongtian Philippines	Co., Ltd. Philippines	Philippine		100 established
Trading Zhongtian Zhongtian Co., Ltd.	Mexico Mexico Trading Zhongtian Zhongtian Optoelectronics Cable Technology				99.95 Established
Co., Ltd. Nantong Nantong Photovoltaic Power Generation	100 Zhongtian Photovoltaic power development is				100 established
like the east					100 established
					set up
Generation Co., Ltd.	Rudong County Rudong County Photovoltaic Power				100 established
Zhongtian Photovoltaic Power Development Haianyou	Photovoltaic power generation in Haian City, Haian City				100 established
Zhongtian Photovoltaic Power Development Feixiyou	Photovoltaic power generation in Feixi County				100 established
Zhongtian Technology Group Rudong Electric Co., Ltd.	Photovoltaic power generation in Rudong County, Rudong County				100 established
Yancheng Zhongtian Boleda New Energy Power force co., ltd.	Photovoltaic power generation in Yancheng City				80 established
Zhongtian Xintong Photovoltaic Power Development South tong co., ltd.	Nantong City Nantong City Photovoltaic Power Generation				100 established



Zhongtian Laohekou New Energy Technology Co., Ltd. limited company	Laohekou city	Laohekou city	PV		100 established	
Zhongtian Power Development Nantong Co., Ltd. manage	Nantong City	Nantong City Photovoltaic	Power Generation		100 established	
Zhongtian Photovoltaic (Jining) Co., Ltd. manage	Jining	Jining Photovoltaic Power Generation			100 established	
Nantong Zhongtian Kaisha Photovoltaic Technology Co., Ltd. limited company	Nantong City	Nantong City Photovoltaic	Power Generation		100 established	
Rudong Zhongtian Energy Management Co., Ltd. manage	Rudong County	Rudong County Energy Services			100 established	
Zhongtian Technology Equipment Cable Co., Ltd. manage	Nantong City	Nantong City Equipment Cable 100				set up
Zhongtian Technology Submarine Cable Co., Ltd. manage	Nantong	Nantong Submarine Cable 85.67			3.38 Establishment	
Jiangsu Zhongtian Technology Cable Accessories are limited company	Nantong	Nantong Cable Accessories			60 Business mergers	
Nanhai Submarine Cable Co., Ltd. Lufeng Lufeng Submarine Cable Zhongtian	Dafeng	Dafeng Submarine Cable Co., Ltd.			100 established	
Yancheng Yancheng Submarine Cable Nantong Zhongtian Optical Cable Co., Ltd.					100 established	
	Nantong City	Nantong City Manufacturing Cable Division			100 established	
Shanghai Zhongtian Aluminum Wire Co., Ltd. Shanghai	Shanghai	Shanghai Manufacturing Wire 99 Jiangdong	Hardware Equipment Co., Ltd. Rudong		1 Business combination	
County Rudong County Manufacturing Hardware 100 Jiangsu Zhongtian Technology Software Technology Co., Ltd.						business combination
	Nantong	Nantong Software Development 100 Co., Ltd.				set up
Zhongtian Technology Group Shanghai International Trade easy co., ltd.	Shanghai	Shanghai Trade		100		business combination
Zhongtian Technology Group Hong Kong Co., Ltd. manage	Hong Kong	Hong Kong trade		100		set up
STARFLYENERGYPT.LTD. Singapore Singapore Energy Investment Guangdong Zhongtian Technology Optical Cable					100 established	
Co., Ltd.	Foshan City	Foshan City Manufacturing Optical Cable Division		70		set up
Zhongtian Photovoltaic Materials Co., Ltd. Nantong	Nantong	Nantong Photovoltaic Materials 60 Zhongtian Energy Storage Technology Co., Ltd. Nantong			40 Establishment	
Nantong Energy Storage Battery 100 Zhongtian Power Optical Cable Co., Ltd.	Rudong County	Rudong County Manufacturing Optical Cable 100				set up
Zhongtian RF Cable Co., Ltd. Nantong City Nantong RF Cable 100 Zhongtian Broadband Technology Co., Ltd. Rudong County	Rudong County					set up
Broadband Products Nantong Zhongtian Communication Devices Co., Ltd.						set up
				100		business combination
Division	Rudong County	Rudong County Communication Devices			100 Business Combinations	
Zhongtian Communication Technology Co., Ltd. Nantong City	Nantong City	Nantong City Manufacturing Antenna	Wuhan Xingsiwei		100 established	
Optoelectronics Technology Co., Ltd.	Wuhan	Wuhan Manufacturing Antenna Company			70 Business mergers	
Shenzhen Shenda Weitong Technology Co., Ltd. company	Shenzhen	Shenzhen antenna research and development			52.08 Business combinations	
Jiangdong Technology Co., Ltd. Nantong	Rudong County	Rudong County Manufacturing Optical Fiber 100	Rudong County			set up
Jiangdong Electric Technology Communication Co., Ltd. manage	Rudong County	Communication Equipment			51 Establishment	
Jiangsu Zhongtian Boleda	Yancheng City	Yancheng City Manufacturing Optical Cable 100	Yancheng City			set up
Transformer Co., Ltd. has limited company	Yancheng City	Transformer		70		business combination

Zhongtian Marine System Co., Ltd. Nantong Rudong	Marine Equipment	Hangzhou Zhongzhe	Zhihai Technology	40	30 set up
Co., Ltd.	Hangzhou City Service Department				100 established
Xiamen Zhongmin Zhihai Technology Co., Ltd.	Made in Xiamen,	Xiamen			100 established
Guangzhou Zhongguang Zhihai Technology Co., Ltd.	Made in Guangzhou,	Guangzhou			100 established
Nantong Jiangdong Materials Co., Ltd. Rudong County	Rudong County Auxiliary Materials	Zhongtian Technology		51	set up
Group Marine Engineering Co., Ltd.	Rudong County Rudong County Engineering Construction	100 Co., Ltd.			set up
Zhongtian Light Alloy Co., Ltd.	Rudong County Rudong County Aluminum Alloy Plus	work		100	set up
Jiangdong Alloy Technology Co., Ltd. Rudong County	Rudong County Copper Products	Zhongtian Electronic		100	set up
Materials Co., Ltd. Nantong Nantong Electronic Materials	Zhongtian Group	Shanghai Superconducting Technology		92	set up
Co., Ltd.	Shanghai Shanghai Manufacturing Superconductor			70	set up
limited company		Power products			
Chengdu New Connected Cryogenic Equipment Limited Company	Chengdu Chengdu Temperature Control Equipment				51 Business mergers
Nantong Zhongzhe Enterprise Management Center (Limited Partnership)	Nantong City Nantong City Enterprise Management				80 established
Baotou Zhongtian Electronic Materials Co., Ltd.	Baotou Electronic Materials			100	set up
Jiangdong Electronic Materials Co., Ltd. Rudong County	Rudong County Electronic Materials	Zhongtian Chaorong		100	business combination
Technology Co., Ltd. Nantong City Nantong City Capacitor	Zhongtian (Shanghai) Intelligent Technology Co., Ltd.			100	set up
	Shanghai Shanghai Technology Development	100 Co., Ltd.			set up
Jiangsu Zhongtian Carbon-based Materials Co., Ltd.	Manufacturing in Nantong City, Nantong City			75	set up
Zhongtian Technology Indonesia Co., Ltd. Indonesia	Indonesia Manufacturing Optical Cable	100 Zhongtian Technology Indonesia			set up
Trading Co., Ltd.	Indonesia Indonesian Trade Department				100 established
Zhongtian Technology Brazil Co., Ltd. Brazil Made in	Brazil Fiber Optic Cable	100 Zhongtian Technology India Co., Ltd. India India			set up
Manufacturing Fiber Optic Cable 100					set up
					set up
					100 Business Combinations

Explanation of the shareholding ratio in the subsidiary being different from the voting rights ratio:

Not applicable

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:

Not applicable

For important structured entities included in the scope of consolidation, the basis for control:

Not applicable

Basis for determining whether a company is an agent or a principal:

Not applicable

other instructions:

In January 2021, the company purchased a minority stake in its subsidiary, Zhongtian Technology Brazil Co., Ltd., at a consideration of RMB 4.7528 million 12.5% stake held by Dongfang; in September 2021, the company purchased its subsidiary Zhongtian Photovoltaic Materials at a consideration of RMB 2.5 million 10% equity held by minority shareholders of the company; in November 2021, Zhongtian Technology Photovoltaic Materials Co., Ltd. plans to increase the registered capital 200 million yuan, subscribed by the subsidiary Zhongtian Technology Precision Materials Co., Ltd. After the change, the company's direct shareholding ratio is 60%, and indirect shareholding ratio is 40%.

(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
Zhongtian Technology Submarine Cable Co., Ltd.	10.95%	204,023,122.96	88,500,000.00 542,263,530.28	
Zhongtian Electronic Materials limited company	8%	-1,464,088.24		30,987,340.07

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

(3). Main financial information of important non-wholly-owned subsidiaries  
yApplicable yNot applicable

Unit: Currency: RMB

Subsidiary Name	Closing balance Opening balance Current assets Non-current assets Total assets Current liabilities Non-current liabilities Total liabilities											
	liabilities Current	assets Non-current	assets Total	assets Current	liabilities Non-current	liabilities Total						
Zhongtian Technology Submarine Cable Co., Ltd.	7,917,682,870.51	2,015,175,962.02	9,932,858,832.53	4,760,188,468.06	317,065,635.68	5,077,254,103.74	6,416,271,685.23	1,701,397,502.21	8,117,669,187.44	3,656,350,071.47	174,378,830.47	3,830,728,901.94
Zhongtian Electronic Materials Co., Ltd.	113,836,635.28	315,314,250.24	429,150,885.52	41,714,134.67	95,000.02	41,809,134.69	85,680,058.16	345,875,244.42	431,555,302.58	45,632,143.22		45,632,143.22

Subsidiary name	Amount for this period				Amount in the previous period			
	Operating income	net profit	Total comprehensive income	cash flow from operating activities	Operating income	Net profit	Total comprehensive income	Cash flow from operating activities
Zhongtian Technology Submarine Cable Co., Ltd.	10,644,718,737.93	1,824,194,200.76	1,784,743,859.96	324,898,813.31	6,377,549,496.60	944,597,319.00	906,918,587.42	778,001,168.85
Zhongtian Electronic Materials Co., Ltd.	77,124,397.85	-18,301,102.97	-18,301,102.97	-8,322,438.16	30,635,687.20	-22,006,708.95	-22,006,708.95	-35,447,839.62

(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. Transactions in which the share of the owner's equity in the subsidiary has changed and the subsidiary is still controlled

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 ventures or associates  Business name	The nature of the business	in the place where the main business is registered	Shareholding ratio (%) In joint ventures or joint ventures		business investment meeting
			Direct and indirect calculation method		
Sichuan Tianfu Jiangdong Technology limited company	Renshou, Sichuan Province county	Manufacturing and sales in Renshou County Fiber Optic Cables and Wires	39		Equity method

Explanation of the shareholding ratio in the joint venture or associate company being different from the voting rights ratio:

Not applicable

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:

Not applicable

(2). Main financial information of important joint ventures

Applicable   Not 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	
	period Sichuan Tianfu Jiangdong Technology limited company		Sichuan Tianfu Jiangdong Technology Co., Ltd. limited company	
Current Assets	596,982,870.86	256,670,484.84	548,981,382.56	
Non-Current Assets	853,653,355.70		271,927,782.97	
Total Assets			820,909,165.53	
Current liabilities	334,196,293.29		315,057,863.77	

Total non-current	10,578,344.75		9,559,850.18	
liabilities liabilities	344,774,638.04		324,617,713.95	
Minority interests				
Equity attributable to parent company shareholders	508,878,717.66		496,291,451.58	
Net assets based on shareholding ratio	198,462,699.89		193,553,666.12	
Forward				
Adjustments--	-1,428,251.56		-4,025,118.83	
Goodwill				
--Unrealized profits from internal	-1,428,251.56		-3,569,848.31	
transactions--The book value of other			-455,270.52	
equity investments in associates	197,034,448.33		189,528,547.29	
Joint				
venture rights with publicly quoted prices				
fair value of investment				
Operating income	1,153,123,895.93		1,090,843,553.53	
Net profit Net	18,119,762.90		13,718,290.27	
profit from discontinued operations				
Other comprehensive income	-837,950.00			
Total comprehensive income	17,281,812.90		13,718,290.27	
Received during the year from associates	1,192,761.11		4,784,433.75	
dividend				

other instructions

Not applicable

## (4) Summary financial information of unimportant joint ventures and associates

☐Applicable
 ☒Not applicable

Unit: Currency: RMB

	Closing balance/ Amount incurred in the current period	Beginning Balance / Last Period Amount
Joint ventures:		
The total book value of the investment The	1,693,783.14	1,721,597.83
total amount of the following items calculated according to the shareholding ratio		
--Net profit --	-27,814.69	-24,550.56
Other comprehensive income		
--Total comprehensive income	-27,814.69	-24,550.56
Associates:		
The total book value of the investment The	534,021,783.86	256,520,738.73
total amount of the following items calculated according to the shareholding ratio		
--Net profit--	33,834,365.53	27,268,263.72
Other comprehensive income--	773,172.88	-756,501.51
Total comprehensive income	34,607,538.41	26,511,762.21

Other explanations

Not applicable

(5) Explanation on significant restrictions on the ability of joint ventures or associates to transfer funds to the Company

ÿApplicable ÿNot Applicable

(6) Excessive losses of joint ventures or associates ÿApplicable ÿNot

applicable

(7) Unrecognized commitments related to investment in joint ventures

ÿApplicable ÿNot applicable

(8) Contingent liabilities related to investment in joint ventures or associates ÿApplicable

ÿNot applicable

4. Important joint operation

ÿApplicable ÿNot applicable

5. Relevant explanations of the interests in structured entities not included in the scope of

consolidated financial statements:

ÿApplicable ÿNot applicable

6. Other

ÿApplicable ÿNot applicable

X. Risks related to financial instruments

ÿApplicable ÿNot applicable

The company's main financial instruments include equity investment, loans, accounts receivable, accounts payable, etc.

See notes for a description of the situation. The risks associated with these financial instruments and the risk management policies the Company has adopted to mitigate these risks

The policy is as follows. The management of the company manages and monitors these risk exposures to ensure that the above risks are controlled within a limited range within.

The company adopts sensitivity analysis technology to analyze the reasonable and possible changes of risk variables that may cause current profit and loss or shareholders' equity.

Impact. Since any risk variable seldom changes in isolation, the correlation between variables can affect the change of a risk variable.

The final impact amount of the transformation will have a significant effect, so the following is based on the assumption that changes in each variable are carried out independently.

OK.

The company's goal in risk management is to achieve an appropriate balance between risks and benefits, and to put risks on the company's operating performance.

The negative impact of the company is minimized and the interests of shareholders and other equity investors are maximized. Based on this risk management objective,

The basic strategy of the company's risk management is to identify and analyze the various risks faced by the company, establish an appropriate risk tolerance bottom line and

Carry out risk management, supervise various risks in a timely and reliable manner, and control risks within a limited range.

(1) Market risk

1. Foreign exchange risk

Foreign exchange risk refers to the risk of loss due to changes in exchange rates. The company's exposure to foreign exchange risks is mainly related to the US dollar, except for the company's

Except for several overseas subsidiaries and part of the company's import and export business, the company's other main business activities are denominated in RMB.

Calculate. The Company has formulated appropriate foreign exchange risk management policies, and paid close attention to the impact of exchange rate changes on the Company's foreign exchange risk. as of

On December 31, 2021, the foreign currency monetary assets of the Company were equivalent to RMB 3,630,267,900, and the foreign currency monetary liabilities were equivalent to RMB 3,630,267,900.

RMB 967,190,000 (for details, please refer to the foreign currency monetary items in this note). Foreign exchange arising from assets and liabilities of such foreign currency balances

Risks may have an impact on the Company's operating results.

## 2. Interest rate risk - cash flow change risk

The risk of changes in cash flow of financial instruments due to changes in interest rates is mainly related to floating rate bank borrowings. Management of the company

It is believed that the period of the company's borrowing from banks is short, and most of the borrowings use fixed interest rates, so the interest rate risk does not exist for the company.

in significant impact.

## 3. Other price risks

Wuhan Guangxun Technology Co., Ltd. (stock code: other non-current financial assets) held by the company is classified as other non-current financial assets

002281) stock and Bank of Jiangsu Co., Ltd. (stock code: 600919) stock investment at fair value on the balance sheet date

value measurement. Therefore, the company bears the risk of changes in the securities market. As at December 31, 2021, measured at fair value

The book value of other non-current financial assets is RMB 718,148,000. It is assumed that the price of the stock held increases or decreases by 10%, and other factors do not

Changes in the Company's shareholders' equity and current profit and loss will increase or decrease by approximately RMB 71,814,800. .

The hedging instruments held by the Company and its subsidiaries are mainly to avoid the risk of price changes of raw materials such as copper and aluminum.

Hedges the risk of changes in expected transaction cash flows that can occur. (2) Credit risk

The company's credit risk mainly comes from financial assets such as monetary

funds, accounts receivable and other receivables. Management has formulated appropriate

appropriate credit policies and continuously monitor these credit risk exposures.

The monetary funds held by the company are mainly deposited in financial institutions such as commercial banks. The management believes that these commercial banks have relatively

High reputation and asset status with low credit risk. The company adopts a limit policy to avoid credit risk to any financial institution

risk.

In terms of accounts receivable, in order to reduce credit risk, the Company has formulated special control procedures, including the approval of credit limit, etc.

Put it into practice to ensure its effective operation, and at the same time, implement other corresponding measures to ensure that necessary measures are taken to recover overdue debts

right. In addition, the company reviews and analyzes the recovery of each individual receivable on each balance sheet date to ensure that the

Sufficient bad debt provision shall be made for unrecoverable funds. Therefore, the management of the company believes that the credit risk assumed by the company has been greatly

to reduce. The company's top five customers by revenue have a long-term cooperative relationship with the company. Although the amount of receivables is relatively large, the company

The company's risk exposure is distributed among multiple contracting parties and multiple customers, so the company has no other significant credit concentration risk.

## (3) When managing

liquidity risk, the Company maintains cash and cash equivalents deemed sufficient by the management and monitors them to meet the

The company needs to operate and reduce the impact of cash flow fluctuations. It is the Company's policy to regularly review current and expected capital flows

to ensure that the company maintains sufficient cash reserves, and at the same time obtains major financial

Institutions commit to provide sufficient back-up funds to meet short- and long-term liquidity needs. The management of the company believes that the company has passed the



Different channels to maintain sufficient cash and funding capacity, including borrowing from banks and issuing securities, with prudent liquidity risk

Management to ensure that you have sufficient cash to meet your debts as they come due.

#### XI. Disclosure of fair value 1.

Closing fair value of assets and liabilities measured at fair value

•Applicable •Not applicable

Unit: Currency: RMB

project	End-of-period fair			
	Level 1 fair value measurement	value Level 2 fair value measurement	Level 3 fair value measurement	total
I. Continuous fair value measurement (1)				
Financial assets held for trading	66,112,066.71	37,702,169.68		103,814,236.39
	30,245,276.64			30,245,276.64
	35,866,790.07	37,702,169.68		73,568,959.75
2. Designated financial assets at fair value through profit or loss (1) Debt instrument investment (2)				
Equity instrument investment (2) Other debt				
investment (3) Other equity instrument investment				
(4) Investment real estate			240,933,182.65	240,933,182.65
1. Land use rights for lease				
2. Buildings leased 3.	773,061,953.83		437,775,313.56	1,210,837,267.39
Land use rights held and ready to be transferred after appreciation (V)				
Biological assets 1. Consumable biological				
assets 2. Productive				
biological assets				

Ongoing at fair value	839,174,020.54	37,702,169.68	678,708,496.21	1,555,584,586.43
Total Assets (VI)				
Transactional Finance	4,941,085.00	316,990.00		5,258,075.00
Liabilities 1. Measured at fair value				
And the change is included in the current loss	4,941,085.00	316,990.00		5,258,075.00
beneficial financial liabilities				
Of which: Transactions issued				
sex bond				
Derivative Finance Negative	4,941,085.00	316,990.00		5,258,075.00
debt				
other				
2. Designated as fair value				
value is measured and changes are accounted for				
Financial Negatives of Current Profit and Loss				
debt				
Ongoing at fair value	4,941,085.00	316,990.00		5,258,075.00
2. Non-continuous				
fairness				
Value				
measurement (1) Held-for-sale assets				
Produce				
Discontinued at fair value				
Total Assets Measured				
Discontinued at fair value				
Total liabilities measured				

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

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

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.

Policy Applicable ÿ Not applicable

7. Changes in valuation techniques and reasons for the changes during the current

period ÿApplicable ÿNot applicable

8. Fair value of financial assets and financial liabilities not measured at fair value ÿApplicable ÿNot applicable

9. Others

ÿApplicable ÿNot applicable XII.

Related parties and related transactions 1. The parent

company of the enterprise ÿApplicable ÿNot applicable

Unit: 10,000 Yuan Currency: RMB parent company's

Parent company name registered place business nature registered capital		voting rights ratio to the parent company (%)	percentage of shares held in the parent company (%)
Zhongtian Technology Group Co., Ltd.	Investment management of Hekou Town, Rudong County 900 million yuan	22.68	22.68

The description of the parent company of the company

is not applicable. The ultimate controlling party of the

company is Zhongtian Technology Group Co., Ltd. Other descriptions: Not applicable

2. The information of the subsidiaries of the company is detailed in the notes

ÿApplicable ÿNot applicable

For the details of the Company's subsidiaries, please refer to the Note on Equity in Subsidiaries.

3. Information on joint ventures and joint ventures of the company For

details of the important joint ventures or joint ventures of the company, please refer to

the Note ÿApplicable ÿNot applicable other joint ventures or other joint ventures or

other joint ventures that have related party transactions with the company in the current period, or related party transactions with the company in the previous period. The information of the joint venture is as follows

ÿApplicable ÿNot applicable to the joint venture or joint venture

	Relationship with this company
ZTT TELEKOM JV LLC Zhengzhou	joint ventures
Tianhe Communication Technology Co., Ltd. China	joint ventures
Energy Construction Group Hunan Electric Power Design Institute Co., Ltd. China Communications Network Technology Co., Ltd.	joint ventures
	Associates

other instructions

☐Applicable
 ☐Not applicable

## 4. Other related parties

☐Applicable
 ☐Not applicable

Names of other related parties	Relationship between other related parties and the company
such as Dong Zhongtian Huanghai Hotel Co., Ltd. Nantong	same parent company
Zhongtian Huanghai Hotel Co., Ltd. Shanghai Yupin	Subsidiary of Rudong Huanghai
Communication Technology Co., Ltd. Zhongtian Science and	same parent company
Technology Research Institute Co., Ltd. Jiangsu Zhongtian	same parent company
Science and Technology Engineering Co., Ltd. Nantong Jiangdong	same parent company
Logistics Co., Ltd. Zhongtian Electrical Technology Co., Ltd.	same parent company
Nantong Zhongtian Jiangdong Real Estate Co., Ltd. Zhongtian	same parent company
Technology Group Shanghai Yadong Supply Chain Management	same parent company
Co., Ltd.	same parent company
company	
Zhongtian Emerging Materials Co., Ltd.	same parent company
Jiangsu Zhongtian Huayu Intelligent Technology Co., Ltd. Nantong	same parent company
Zhongtian Construction Engineering Co., Ltd. Shanghai Yuanwei	same parent company
Construction Engineering Co., Ltd. Zhongtian Intelligent Equipment	same parent company
Co., Ltd. Zhongtian Shangmai Additive Manufacturing Co., Ltd.	same parent company
Jiangsu Yangkou Port International Logistics Co., Ltd. Sichuan	same parent company
Malian Technology Co., Ltd. Rudong Hefeng Offshore Wind	same parent company
Power Co., Ltd.	same parent company
	parent company shareholding company

other instructions

Not applicable

## 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

☐Applicable
 ☐Not applicable

Unit: Yuan Currency: RMB Amount incurred in the

Related Party	Contents of related-party	The current period	previous period
Zhongtian Science and Technology Research Institute Co., Ltd.	transactionsPurchasing services/commodities	amounted to 5,444,481.24	7,351,011.63
manage			
Shanghai Yupin Communication Technology Co., Ltd.	Purchasing Goods	41,634,381.85	26,170,220.74
limited company			
Jiangsu Zhongtian Science and Technology Engineering Co., Ltd.	Procurement of services/commodities	256,691,321.43	171,734,775.99
company			
Rudong Zhongtian Huanghai Hotel has	Procurement of labor	11,284,274.14	14,215,335.46
limited company			
Nantong Jiangdong Logistics Co., Ltd. Procurement	Labor Service	236,045,701.98 589,322,146.46	276,089,973.15
Sichuan Tianfu Jiangdong Technology Co., Ltd.	Purchasing Goods		641,801,243.79
Company			
Zhongtian Technology Group Shanghai Yadong	Procurement of labor	97,629,824.53	123,572,551.45
Supply Chain Management Co., Ltd.			
Zhongtian Electric Technology Co., Ltd. purchases	goods	43,749,431.87	39,965,357.46

Zhongtian Xinxing Materials Co., Ltd. purchases goods Jiangsu		68,675,272.09	43,760,457.92
Zhongtian Huayu Intelligent Technology Commodity Co., Ltd.	Purchasing Labor Service/	10,906,464.30	7,351,326.89
Zhongtian Intelligent Equipment Co., Ltd. purchases goods Nantong		97,207,778.12 584,644.73	74,692,680.50
Zhongtian Construction Engineering Co., Ltd. Service Company	Procurement Labor		1,369,334.53
Shanghai Yuanwei Construction Engineering Co., Ltd. company	Procurement of labor	423,760,711.46	57,977,582.88
Zhongtian Technology Group Co., Ltd. purchases goods Zhengzhou			25,587.00
Tianhe Communication Technology Co., Ltd. Company	Purchasing Labor/Commodities	85,952,147.50	68,416,371.20
Zhongtian Sensing Technology Co., Ltd. Procurement of goodsJiangsu Zhongtian Internet Technology Co., Ltd. purchases goods		13,351,306.43	1,991,153.93
Zhongtian Shangmai Additive Manufacturing Co., Ltd. company	Purchasing Goods	63,675.34	6,637.17
Zhongtian Yadong Supply Chain Management South tong co., ltd.	Procurement of labor		10,435,071.68
Nantong Zhongtian Huanghai Hotel has limited company	Procurement of labor	20,032,305.96	20,267,472.43
Jiangsu Yangkou Port International Logistics Co., Ltd. limited company	Procurement of labor	22,803,847.95	
Sichuan Malian Technology Co., Ltd. procurement labor		589,663.70	

Sales of goods / provision of labor services

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Related party	Contents of Affiliated Transactions	The current period	Amount in the previous period
Jiangsu Zhongtian Technology Engineering Co., Ltd. company	Sales of Goods/Provision of Labor Services	amounted to 40,249,123.23	24,892,434.44
Zhongtian Science and Technology Research Institute Co., Ltd. manage	Sales of goods	778,805.67	765,607.22
Shanghai Yupin Communication Technology Co., Ltd. limited company	Sales of goods	1,619.47	
Nantong Jiangdong Logistics Co., Ltd. sells goods / provides labor services		750,409.08	2,001,289.32
Sichuan Tianfu Jiangdong Technology Co., Ltd. company that sells goods		219,334,212.81	263,764,719.10
Zhongtian Technology Group Shanghai Yadong Supply Chain Management Co., Ltd.	Sales of goods	78,650.49	44,172.95
Rudong Zhongtian Huanghai Hotel has limited company	Selling Goods/Providing Services	30,724.78	139,278.65
Zhongtian Xinxing Materials Co., Ltd. sells goods/provides labor Zhongtian		13,315,888.68	11,343,754.52
Electric Technology Co., Ltd. sells goods/provides labor Jiangsu Zhongtian		44,903,287.10 658,644.43	41,035,382.29
Huayu Intelligent Technology services Co., Ltd.	Sales of goods / provision of labor		28,603.99
China Energy Construction Group Hunan Provincial Electric Power Design Institute Co., Ltd.	Sales of goods	32,988,152.94	

Nantong Zhongtian Jiangdong Real Estate Co., Ltd. company	Selling Goods/Providing Services		657,034.49
Zhongtian Intelligent Equipment Co., Ltd. sells	goods/provides labor Shanghai	8,615,410.74	4,939,116.45
Yuanwei Construction Engineering Co., Ltd. companies	Sales of goods/labor service	20,955,556.48	15,000,364.13
Zhongtian Shangmai Additive Manufacturing Co., Ltd. company	Selling Goods/Providing Services	2,870,701.07	1,091,664.11
Zhengzhou Tianhe Communication Technology Co., Ltd. company	Selling Goods/Providing Services	61,678,094.88	53,255,808.47
Nantong Zhongtian Huanghai Hotel has limited company	Selling Goods/Providing Services	406,112.67	254,904.83
Jiangsu Yangkou Port International Logistics Co., Ltd. limited company	Sales of goods		339,911.77
Jiangsu Zhongtian Internet Technology Co., Ltd. company	Sales of goods	1,112,856.60	244,003.75
Zhongtian Sensing Technology Co., Ltd. sells	goods Nantong		106,194.70
Zhongtian Construction Engineering Co., Ltd. sells goods	company that	109,021.03	450,295.12
China Communications Communications Network Technology Co., Ltd. company	Sales of goods	15,447,601.52	
Rudong Hefeng Offshore Wind Power Generation limited company	Sales of goods	122,947.50	

Description of related transactions for purchasing and selling commodities, providing and receiving labor services

ÿApplicable ÿNot applicable

(2) Affiliated entrusted management/contracting and entrusted management/outsourcing The

company's entrusted management/contracting situation table:

ÿApplicable ÿNot applicable

Description of related hosting/contracting

ÿApplicable ÿNot applicable

The company's entrusted management / outsourcing situation table

ÿApplicable ÿNot applicable

Description of Association Management/Outsourcing

ÿApplicable ÿNot applicable

(3) Related leases The company

as the lessor:

ÿApplicable ÿNot applicable

Unit: Currency: RMB

Name of the lessee	Types of leased assets Lease	income recognized in the current period Lease	income recognized in the previous period
Nantong Zhongtian Huanghai Hotel Co., Ltd. company	house and equipment	783,143.70	761,904.76
Zhongtian Technology Group Shanghai Yadong Supply Ying Chain Management Co., Ltd.	houses	69,220.18	43,651.37
Jiangsu Zhongtian Science and Technology Engineering Co., Ltd. manage	house and equipment	173,587.50	169,904.76
Zhongtian Intelligent Equipment Co., Ltd. equipment		3,682.74	13,502.75

Jiangsu Zhongtian Internet Technology Co., Ltd. <small>manage</small>	houses	292,076.54	147,238.58
Shanghai Yuanwei Construction Engineering Co., Ltd. <small>manage</small>	equipment	12,654,867.26	18,517,659.07
Jiangsu Zhongtian Huayu Intelligent Technology Co., Ltd. <small>limited company</small>	houses	2,455.17	
Shanghai Yupin Communication Technology Co., Ltd. <small>limited company</small>	houses	120,285.72	
Zhongtian Science and Technology Research Institute Co., Ltd.		81,900.00	
Housing Zhongtian Xinxing Materials Co., Ltd. Housing		15,280.44	
Zhongtian Shangmai Additive Manufacturing Co., Ltd. <small>Housing</small>	<small>Department of</small>	14,052.84	

The company as a lessee:

•Applicable •Not applicable

Unit: Currency: RMB

Name of the lessor	Types of leased assets	Lease fees confirmed in the current period	Lease fees confirmed in the previous period
Zhongtian Science and Technology Research Institute Co., Ltd.		2,623,567.50	555,730.00
Housing Zhongtian Technology Group Co., Ltd. Housing Nantong		514,285.72	514,285.72
Jiangdong Logistics Co., Ltd. Housing Sichuan Tianfu Jiangdong		773,530.26	
Technology Co., Ltd. Equipment Zhongtian Xinxing Materials Co.,		33,913.53	
Ltd. Housing		36,697.25	

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

Unit: Currency: RMB

guarantor	Guarantee Amount	Guarantee Start Date	Guarantee Expiry Date	Whether the guarantee has been fulfilled
Zhongtian Technology Group Co., Ltd.	78,500,000.00	February 2017	February 2021	Yes
Zhongtian Technology Group Co., Ltd.	100,000,000.00	January 2018	June 2023	No
Zhongtian Technology Group Co., Ltd.	92,993,000.00	August 2018	December 2025	No
Zhongtian Technology Group Co., Ltd.	29,000,000.00	September 2018	September 2022	No
Zhongtian Technology Group Co., Ltd.	48,621,999.93	October 2018	October 2021	Yes
Zhongtian Technology Group Co., Ltd.	48,621,999.93	November 2018	October 2021	Yes
Zhongtian Technology Group Co., Ltd.	36,276,240.00	December 2018	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	50,000,000.00	March 2019	March 2022	No
Zhongtian Technology Group Co., Ltd.	30,000,000.00	March 2019	March 2022	No
Zhongtian Technology Group Co., Ltd.	36,000,000.00	March 2019	March 2022	No
Zhongtian Technology Group Co., Ltd.	65,000,000.00	March 2019	March 2022	No
Zhongtian Technology Group Co., Ltd.	480,000,000.00	April 2019	April 2021	Yes
Zhongtian Technology Group Co., Ltd.	6,976,200.00	April 2019	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	500,000,000.00	June 2019	June 2021	Yes
Zhongtian Technology Group Co., Ltd.	41,207,748.28	January 2020	January 2021	Yes

Zhongtian Technology Group Co., Ltd.	2,105,635.09	February 2020	February 2022
No Zhongtian Technology Group Co., Ltd.	1,197,828.38	February 2020	February 2022
2022 No Zhongtian Technology Group Co., Ltd.	2,356,775.42	February 2020	
February 2022 No Zhongtian Technology Group Co., Ltd.	1,658,022.25	February 2020	
2020 November 2024 No Zhongtian Technology Group Co., Ltd.	2,776,000.00		
February 2020 August 2021 Yes Zhongtian Technology Group Co., Ltd.	3,310,123.21		
March 2020 April 2023 No Zhongtian Technology Group Co., Ltd.	1,288,575.45		
March 2020 March 2023 No Zhongtian Technology Group Co., Ltd.	5,035,583.91		
April 2020 April 2021 Yes Zhongtian Technology Group Co., Ltd.	10,000,000.00		
April 2020 April 2021 Yes Zhongtian Technology Group Co., Ltd.	4,172,984.93	April	
2020 March 2021 Yes Zhongtian Technology Group Co., Ltd.	1,174,652.45	April	
2020 March 2022 Yes Zhongtian Technology Group Co., Ltd.	1,143,522.98	April	
2020 May 2022 No Zhongtian Technology Group Co., Ltd.	290,424,000.00	May	
2021 Yes Zhongtian Technology Group Co., Ltd.	1,657,515.31	May 2020	May 2022
No Zhongtian Technology Group Co., Ltd.	1,013,080.65	May 2020	July 2023 No
Zhongtian Technology Group Co., Ltd.	1,176,596.22	June 2020	June 2023 No
Zhongtian Technology Group Co., Ltd.	88,195,067.11	June 2020	November 2021
Yes Zhongtian Technology Group Co., Ltd.	41,258,000.00	June 2020	April 2021
Yes Zhongtian Technology Group Co., Ltd.	1,410,800.86	July 2023	July 2020 No
Zhongtian Technology Group Co., Ltd.	1,750,000.00	July 2020	Exposure Yes
Zhongtian Technology Group Co., Ltd.	2,035,989.24	July 2020	July 2022 No
Zhongtian Technology Group Co., Ltd.	2,085,199.96	July 2020	July 2022 No
Zhongtian Technology Group Co., Ltd.	16,919,904.54	July 2020	January 2021 Yes
Zhongtian Technology Group Co., Ltd.	129,224,000.00	July 2020	July 2021 is
Zhongtian Technology Group Co., Ltd.	3,141,450.06	July 2020	October 2021 is
Zhongtian Technology Group Co., Ltd.	2,000,000.00	August 2020	February 2021 is
Zhongtian Technology Group Co., Ltd.	1,000,000.00	August 2022	February 2020
No Zhongtian Technology Group Co., Ltd.	3,507,901.38	August 2020	February 2021
Yes Zhongtian Technology Group Co., Ltd.	20,000,000.00	September 2020	
September 2021 Yes Zhongtian Technology Group Co., Ltd.	4,447,770.53		
September 2020 March 2021 Month Yes Zhongtian Technology Group Co., Ltd.			
4,081,421.16	September 2020	Sept. 2022 No	Zhongtian Technology Group Co., Ltd.
Ltd. 25,126,145.00	October 2020	January 2021	Yes Zhongtian Technology Group Co., Ltd.
Zhongtian Technology Group Co., Ltd.	2,768,937.81	October 2020	January
2021 Yes Zhongtian Technology Group Co., Ltd.	3,870,245.47	October 2020	
January 2021 Yes Zhongtian Technology Group Co., Ltd.	100,000,000.00	October	
2020 October 2021 Yes Zhongtian Technology Group Co., Ltd.	25,974,855.00		
November 2020 February 2021 Yes Zhongtian Technology Group Co., Ltd.			
52,540,800.00	November 2020	September 2021	Yes Zhongtian Technology Group Co., Ltd.
54,224,800.00	November 2020	September 2021	Yes Zhongtian Technology Group Co., Ltd.
55,066,800.00	November 2020	September 2021	Yes Zhongtian Technology Group Co., Ltd.
53,382,800.00	November 2020	September 2021	Yes Zhongtian Technology Group Co., Ltd.
Zhongtian Technology Group Co., Ltd.	2,533,191.46	November 2020	November
2021 Yes Zhongtian Technology Group Co., Ltd.	51,698,800.00	November 2020	
September 2021 is Zhongtian Technology Group Co., Ltd.	52,540,800.00	November	
2020 September 2021 is Zhongtian Technology Group Co., Ltd.	55,066,800.00		
November 2020 October 2021 is Zhongtian Technology Group Co., Ltd.	54,224,800.00		
November 2021 September 2021 is Zhongtian Technology Group Co., Ltd.			
104,239,600.00	November 2020	October 2021	Yes Zhongtian Technology Group Co., Ltd.
			2,050,000.00
			December 2020



Zhongtian Technology Group Co., Ltd.	1,810,468.15	December 2020	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	2,172,563.26	December 2020	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	1,926,478.08	December 2020	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	19,539,315.38	December 2020	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	1,086,147.96	December 2020	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	1,710,825.32	December 2020	December 2021	Yes
Zhongtian Technology Group Co., Ltd.	480,000,000.00	April 2021	April 2023	No
Zhongtian Technology Group Co., Ltd.	520,000,000.00	June 2021	April 2023	No
Zhongtian Technology Group Co., Ltd.	1,000,000.00	June 2021	June 2022	No
Zhongtian Technology Group Co., Ltd.	70,000,000.00	June 2021	May 2022	No
Zhongtian Technology Group Co., Ltd.	70,000,000.00	July 2021	July 2023	No
Zhongtian Technology Group Co., Ltd.	120,000,000.00	July 2021	May 2022	No
Zhongtian Technology Group Co., Ltd.	120,000,000.00	July 2021	July 2022	No
Zhongtian Technology Group Co., Ltd.	100,000,000.00	July 2021	July 2022	No
Zhongtian Technology Group Co., Ltd.	30,000,000.00	July 2021	July 2022	No
Zhongtian Technology Group Co., Ltd.	60,000,000.00	July 2021	July 2022	No
Zhongtian Technology Group Co., Ltd.	30,000,000.00	July 2021	July 2023	No
Zhongtian Technology Group Co., Ltd.	50,000,000.00	July 2021	July 2022	No
Zhongtian Technology Group Co., Ltd.	32,000,000.00	September 2021	September 2022	No
Zhongtian Technology Group Co., Ltd.	70,000,000.00	December 2021	December 2022	No
Zhongtian Technology Group Co., Ltd.	34,000,000.00	December 2021	December 2022	No
Zhongtian Technology Group Co., Ltd.	300,000,000.00	December 2021	June 2023	No
Zhongtian Technology Group Co., Ltd.	50,000,000.00	December 2021	December 2022	No
Zhongtian Technology Group Co., Ltd.	50,000,000.00	December 2021	December 2022	No
Zhongtian Technology Group Co., Ltd.	50,000,000.00	December 2021	December 2022	No

Description of related guarantees

☐Applicable
 ☐Not applicable

(5). Fund borrowing from related

parties ☐Applicable ☐Not applicable

(6) Asset transfer and debt restructuring of related parties

☐Applicable ☐Not applicable

Unit: Currency: RMB

Content of related party related transactions	Amount incurred in the current period	Amount incurred in the previous period	
Sichuan Tianfu Jiangdong Technology Co., Ltd. sold machinery and equipment 290,687.17	Zhongtian Xinxing Materials Co., Ltd.		4,645,547.24
sold machinery and equipment 8,849.55	Zhongtian Intelligent Equipment Co., Ltd. sold machinery and equipment 14,500.26		2,212.39
and equipment 12,971.68			3,201,650.80
Nantong Jiangdong Logistics Co., Ltd. sold machinery and equipment 3,539.83			
Shanghai Yupin Communication Technology Co., Ltd. sold machinery and equipment 438,817.70			
Zhongtian Electric Technology Co., Ltd. purchased machinery and equipment 645,251.14			
Zhongtian Shangmai Additive Manufacturing Co., Ltd. purchased machinery and equipment 10,000.01			

(7). Remuneration of key management

personnel ☐Applicable ☐Not applicable

## (8). Other related transactions

Applicable Not applicable

In February 2021, the company withdrew the merger of enterprises under the same control in September 2020, and the merged party Zhongtian Yupin Technology Co., Ltd.

The company's 10 million yuan of funds borrowed from the company before the merger (the borrower: Zhongtian Electric Technology Co., Ltd.), the funds received in this period accounted for 10 million

The cost is 64,400 yuan.

## 6. Accounts receivable and payable from related

parties (1). Receivable items Applicable Not

applicable

Unit: Currency: RMB

Project name	Affiliate	closing balance		opening balance	
		Book Balance	Bad Debt Reserve	Book Balance	Bad Debt Reserve
accounts receivable	Jiangsu Zhongtian Technology Engineering Co., Ltd	5,339,988.18	160,199.65	1,924,036.38	57,721.09
accounts receivable	Sichuan Tianfu Jiangdong Technology Co., Ltd	12,165,889.00	364,976.67	10,011,440.40	300,343.21
accounts receivable	Jiangsu Zhongtian Internet Technology Co., Ltd	14,800.00	444.00		
accounts receivable	Zhongtian Electric Technology limited company	290,550.84	8,716.53		
accounts receivable	Shanghai Yuanwei Construction Engineering Co., Ltd	1,095,155.00	32,854.65	11,615,523.46	348,465.70
accounts receivable	Zhengzhou Tianhe Communication Technology Co., Ltd	18,070,178.59	542,105.36	5,886,886.60	176,606.60
accounts receivable	ZTT TELEKOM JV LLC	148,907.02	72,064.91	152,391.65	4,571.75
accounts receivable	China's energy construction Group Hunan Province Power Force Design Institute Limited company	26,793,925.98	803,817.78		
accounts receivable	Zhongtian Shangmai Additives Manufacturing Co., Ltd	103,396.11	3,101.88		
accounts receivable	China Communications Network Technology Co., Ltd	13,244,794.82	397,343.84		
accounts receivable	Zhongtian Emerging Materials limited company	1,595,581.63	47,867.45		
receivables financing	China's energy construction Group Hunan Province Power Force Design Institute Limited company	2,747,256.20			
receivables financing	Sichuan Tianfu Jiangdong Technology Co., Ltd			40,000,000.00	
Prepayments	Jiangsu Zhongtian Internet Technology Co., Ltd	133,056.00		79,200.00	
Prepayments	Zhongtian Technology Group Shanghai Yadong Supply	4,270,136.79		3,068,493.66	

	Chain Management Co., Ltd. manage				
Prepayments	Zhongtian Yadong Supply Chain management Nantong has limited company			259,476.69	
Prepayments	Jiangsu Zhongtian Huayu Smart Technology Limited company			258,966.04	
Prepayments	Sichuan Tianfu Jiangdong Technology Co., Ltd	11,342,011.78			
Prepayments	Shanghai Yupin Communication Technology Co., Ltd. company	931,000.00			
other receivables payment	Zhongtian Electric Technology limited company	2,834.90	85.05 10,000,000.00 300,000.00		
other receivables payment	China's energy construction Group Hunan Province Power Force Design Institute Limited company	10,000.00	300.00		
other non-flow dynamic assets	Zhongtian Technology Group Shanghai Yadong Supply Chain Management Co., Ltd. manage			20,424,195.27	
other non-flow dynamic assets	Zhongtian Intelligent Equipment limited company	2,670,626.67			

## (2). Items payable

☐Applicable
 ☐Not applicable

Unit: Currency: RMB

Project Name Accounts	Payable from Related Parties Shanghai	Book balance at the end of the period	Book balance at the beginning of the period
Yupin Communication Technology Co., Ltd. Accounts Payable Jiangsu Zhongtian		19,713,907.38	24,009,446.20
Technology Engineering Co., Ltd. Accounts Payable Zhongtian Science and		109,157,985.45	46,853,303.31
Technology Research Institute Co., Ltd. Accounts Payable Nantong Jiangdong		3,582,083.98	2,198,638.65
Logistics Co., Ltd. Accounts Payable Sichuan Tianfu Jiangdong Technology		41,161,789.37	70,712,163.54
Co., Ltd. Accounts Payable Rudong Zhongtian Huanghai Hotel Co., Ltd.		52,931,576.68	80,632,654.63
Accounts Payable Nantong Zhongtian Huanghai Hotel Co., Ltd. Zhongtian		831,223.76	710,674.09
Technology Group Shanghai Yadong Supply Chain Management Co., Ltd.		276,349.02	278,060.84
accounts payable	manage	12,200,685.05	19,110,085.46
Accounts Payable Zhongtian Electric Technology Co., Ltd.		18,648,097.72	10,108,998.37
Accounts Payable Zhongtian Xinxing Materials Co., Ltd.		30,632,715.03	12,990,016.69
Accounts Payable Jiangsu Zhongtian Huayu Intelligent Technology Co., Ltd.		5,224,504.00	1,027,159.00
Accounts Payable Nantong Zhongtian Construction Engineering Co., Ltd.		456,178.34	1,313,094.51
Accounts Payable Zhongtian Intelligent Equipment Co., Ltd. Accounts Payable			49,074,420.57
Accounts Payable Zhengzhou Tianhe Communication Technology Co., Ltd.		11,022,304.55	2,778,561.91
Accounts Payable Jiangsu Zhongtian Internet Technology Co., Ltd. Accounts		5,927,487.40	1,207,000.00
Payable Shanghai Yadongsheng International Logistics Co., Ltd. Accounts			1,172,921.18
Payable Zhongtian Yadong Supply Chain Management Nantong Co., Ltd.			6,465,608.48

Accounts Payable	Shanghai Yuanwei Construction Engineering	198,972,293.67	
Co., Ltd. Notes Payable	Jiangsu Zhongtian Huayu Intelligent Technology	2,660,000.00	
Co., Ltd. Notes Payable	Nantong Jiangdong Logistics Co., Ltd. Notes	500,000.00	
Payable Jiangsu Zhongtian Technology Engineering Co., Ltd. Notes		34,964,940.00	
Payable Sichuan Tianfu Jiangdong Technology Co., Ltd. Notes Payable		97,515,670.96	
Zhongtian Intelligent Equipment Co., Ltd. Advance receipts from			3,449,309.46
Zhongtian Shanghai Additive Manufacturing Co., Ltd. Other payables		838,230.09	838,230.09
Zhongtian Intelligent Equipment Co., Ltd. Other payables Shanghai			6,500,000.00
Yupin Communication Technology Co., Ltd. Other payables Shanghai		110,000.00	100,000.00
Yuanwei Construction Engineering Co., Ltd. Other payables Technology			451,000.12
Co., Ltd.		50,000.00	72,045.64

## 7. Related party commitments

Applicable Not applicable

## 8. Others

Applicable Not applicable

## 13. Share-based payment

## 1. General situation of share-based payment

Applicable Not applicable

## 2. Equity-settled share-based payment

Applicable Not applicable

## 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

According to the "Plan on Implementing Diversified Employee Stock Ownership Plan" reviewed and approved by the company's first extraordinary general meeting in 2020 and the "Proposal on Zhongtian Technology Submarine Cable Co., Ltd. Implementing Capital Increase and Introducing Employee Stock Ownership Platform and Related Transactions", in order to improve the company's incentive mechanism and governance structure further enhance the enthusiasm and creativity of employees. The company's subsidiary, Zhongtian Technology Submarine Cable Co., Ltd. Co., Ltd. in December 2020 to the Group's employee stock ownership platform Tianjin Yujin Information Consulting Partnership (Limited Partnership), Tianjin Yuxiu Information Consulting Partnership (Limited Partnership), Tianjin Yuhong Information Consulting Partnership (Limited Partnership), Tianjin Yucheng Information Consulting Partnership (Limited Partnership) and Tianjin Yuyuan Information Consulting Partnership (Limited Partnership) issued a total of 59 million new shares

Shares with a face value of RMB 1.00 per share and an issue price of RMB 6.17 per share. Of which: the actual controller holds 20.285 million shares, the principal

Group employees hold 38.715 million shares.

Appraised by Beijing North Asia Business Assets Appraisal Office (Special General Partnership), and issued the North Asia Business Review Paper [2020] No. 01-

Asset Evaluation Report No. 898, the entire equity value of Zhongtian Technology Submarine Cable Co., Ltd. as of August 31, 2020 581,990

RMB 10,000, and the fair value per share is RMB 12.12 per share. According to the "Accounting Standards for Business Enterprises No. 11 - Share-based Payment", Zhongtian Technology Hai

The price of new shares issued by Cable Co., Ltd. to the employees of the Group is lower than the fair value, and this issuance constitutes share-based payment. According to employees

"Partnership Agreement" of the shareholding platform "From the first day when the partner obtains the share of the partnership enterprise (as the partner obtains the identity and completes the establishment/change)

shall continue to provide services to the employer within three years from the date of registration).

Confirmed by instalments, the actual controller's share-based payment is confirmed at one time, and the total amount of share-based payment will be confirmed accumulatively by the end of 2021

146,724,076.56 yuan. Among them, the total amount of share-based payment confirmed in 2021 is RMB 76,784,749.99.

#### XIV. Commitments and Contingencies

##### 1. Important commitments

✓Applicable ✓Not applicable

Important external commitments, nature and amount existing on the balance sheet date

1. As of December 31, 2021, for the investment progress of the Company's major projects, please refer to this note "Important construction projects in progress"

Changes in this period".

2. As of December 31, 2021, the Company's outstanding foreign investments

Investee name	Subscription ratio of registered capital		Cumulative contribution
Jiangdong Alloy Technology Co., Ltd.	100%	RMB 500 million	450 million yuan
Jiangsu Zhongtian Boleda	100%	RMB 200 million	140 million yuan
Transformer Co., Ltd. Baotou Zhongtian Electronic Materials	70%	RMB 200 million	80 million yuan
Co., Ltd. Zhongtian Technology Indonesia Co., Ltd.	100%	RMB 100 million	500,000 yuan
Zhongtian Technology India Co., Ltd.	100%	480,074,000 yuan	465,019,400 yuan
	100%	382,853,100 Yuan	298,282,900 Yuan
Zhengzhou Tianhe Communication Technology Co., Ltd.	49%	550 million yuan	50
Zhongtian (Shanghai) Intelligent Technology Co., Ltd.	100%	million yuan	10 million yuan
Shanghai Zhongtian Aluminum Wire Co., Ltd.	100%	1,000,000,000 yuan	160 million yuan

##### 2. Contingencies

(1) Important contingencies existing on the balance sheet date ✓Applicable

✓Not applicable

1. Risks suffered by high-end communication services

The company added high-end communication business in 2019, and its main products are equipment for multi-network integrated communication base stations.

Often, based on the principle of prudence, a comprehensive inventory of high-end communication business-related assets within the scope of the company's consolidated financial statements has been carried out.

The total balance of risk assets in the terminal communication business is RMB 3,618,950,000 (including: accounts receivable balance of RMB 83,659,000, prepayments

The balance transferred to other receivables was RMB 1,963,080,100, and the balance of inventory was RMB 1,572,210,900). In view of the possibility of recovering related assets

In this period, a total of RMB 3,618,950,000 has been accrued for impairment of relevant risk assets. For details of the accrual of impairment reserves, please refer to this report

Report related report item comments.

## 2. Pending litigation

In 2021, the plaintiff Jiangsu High Hope International Group Zhongjin Holdings Co., Ltd. (hereinafter referred to as the

"Huihong Zhongjin") sued the company for a dispute over a contract for processing high-end communication products [Case No.: (2021) Su 0104 Min.

Chu No. 11417, No. 11419, No. 11420] and sales contract disputes [Case No.: (2021) Su 0104 Min Chu No. 17765], frozen

Settlement of the company's monetary funds of 502,330,719.00 yuan. The plaintiff requested to cancel the equipment customization contract signed by Huihong Zhongjin Company and the company.

The reason is that the equipment customized by Zhongtian Technology does not meet the technical standards stipulated in the contract, and there are serious quality problems.

The purpose of the contract can be realized, and the total litigation object is RMB 498,497,760.00. The company believes that the plaintiff's claim has no factual and legal basis

According to the report, as the case is still in the process of trial, its possible impact on the financial statements cannot be determined.

## 3. As of December 31, 2021, the company provided guarantees for the bank loans of its subsidiaries: (RMB ten thousand)

Subsidiary Name	Short-term	Guaranteed amount
Zhongtian Technology Group Shanghai International Trade Co.,	borrowings	14,385.64
Ltd. Zhongtian Technology Group Hong Kong Co., Ltd. Zhongtian	Short-term	17,539.88
Technology Brazil Co., Ltd. Zhongtian Radio Frequency Cable Co.,	borrowings	21,173.86
Ltd. Jiangdong Electronic Materials Co., Ltd. Shanghai Zhongtian	Short-term	22,021.76
Aluminum Wire Co., Ltd. Zhongtian Power Optical Cable Co., Ltd.	borrowings	5,005.27
Sky Technology Optical Fiber Co., Ltd. Zhongtian Technology	Short-term	10,011.38
Equipment Cable Co., Ltd. Zhongtian Broadband Technology Co.,	borrowings	6,005.75
Ltd. Jiangdong Technology Co., Ltd.	Short-term	6,506.60
	borrowings	11,013.05
	Short-term	5,505.90
	borrowings	7,506.16
Zhongtian Technology Indonesia Co.,	Short-term	3,754.80
Ltd. Zhongtian Technology India Co., Ltd.	borrowings	3,441.12
Demei Cable Co., Ltd. Zhongtian	Short-term	3,665.52
Technology Precision Materials Co., Ltd.	borrowings	9,712.54
Zhongtian Technology Submarine Cable Co.,	Short-term	30,075.15
Ltd. Zhongtian Boleda Transformer Co., Ltd.	borrowings	1,501.63
Zhongtian Light Alloy Co., Ltd. Zhongtian Marine	Short-term	2,000.00
System Co., Ltd. Tianjin Technology Co., Ltd.	borrowings	2,503.44
Zhongtian Power Optical Cable Co., Ltd.	Short-term	6,004.00
	borrowings	4,505.20
		3,003.16
		2,002.53

Zhongtian Broadband Technology Co.,	long-term loan	2,002.78
Ltd. Jiangdong Technology Co., Ltd.	long-term loan	15,018.50
Zhongtian Technology India Co., Ltd.	long-term loan	1,935.63
Zhongtian Technology Submarine Cable Co., Ltd.	long-term loan	10,011.76
Total Jiangdong Fittings Equipment	long-term loan	2,002.14
Co., Ltd.		229,815.15

(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

## 15. Events after the balance sheet date

### 1. Important non-adjustment matters

☐Applicable ☐Not applicable

### 2. Profit distribution

☐Applicable ☐Not applicable

Unit: Currency: RMB

Profits or dividends to be distributed	341,294,965.20
are declared after deliberation and approval	

On April 28, 2022, the twenty-seventh meeting of the seventh session of the board of directors of the company approved the company's 2021 profit distribution party.

It is proposed to use the total share capital registered on the equity registration date when the company's 2021 profit distribution plan is implemented as the base, and distribute to all shareholders every 10

A cash dividend of RMB 1.00 (tax included) will be distributed.

### 3. Sales return

☐Applicable ☐Not applicable

## 4. Other events after the balance sheet date

☐Applicable ☐Not applicable

## 16. Other important matters

### 1. Correction of previous accounting errors

(1). Retrospective restatement

method ☐Applicable ☐Not applicable

Unit: Currency: RMB

Contents of Accounting Error Correction	handler	Affected ratios Period report items name	Cumulative Impact
for 2019, 2020 High-end communication business income is confirmed Changed by the "Total Method" for the "net method"	The seventh board of directors of the company Twenty-seventh meeting reviewed and approved However, it still needs to be reviewed by the general meeting of shareholders discussion	operating income, business cost	0

## 1. Impact on the 2019 financial statements

Consolidated Income Statement

Affected report items	Amount before restatement	Affect amount	Amount after restatement
operating	38,771,002,448.55	38,787,909.35	38,732,214,539.20
income operating cost	33,802,398,866.59	38,787,909.35	33,763,610,957.24

## 2. Impact on the 2020 financial statements

Consolidated Income Statement

Affected Statement Items	Amount before restatement	Affect amount	Amount after restatement
Operating Income Operating Costs	44,065,727,358.66 1,984,173,359.09		42,081,553,999.57
	38,216,251,063.65 1,984,173,359.09		36,232,077,704.56

## (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

## 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	
Within 1 year	2,045,558,756.95
Subtotal 1 to 2 years	497,239,247.84
2 to 3 years Over 3	169,436,847.86
years	
3 to 4	42,207,044.27
years 4 to	6,231,734.64
5 years 5+ years	15,575,148.51
total	2,776,248,780.07

(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 ratio example(%)		amount	Proportion (%)	amount	accrual Proportion (%)	
Withdrawal by single item	56,952,530.12	2.05	56,952,530.12	100.00		16,097,000.00	0.50	16,097,000.00	100	
Provision for bad										
debts includes:										
Withdrawal by combination	2,719,296,249.95	97.95	107,379,190.05	3.95	2,611,917,059.90	3,221,733,105.68	99.50	110,042,257.77	3.42	3,111,690,847.91
Provision for bad										
debts includes:										
Total	2,776,248,780.07	100	164,331,720.17	5.92	2,611,917,059.90	3,237,830,105.68	100	126,139,257.77	3.90	3,111,690,847.91

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

ApplicableNot applicable

Bit: Yuan Currency: RMB

name	Ending balance			
	Proportion of provision	for bad debts in book balance	(%) Reasons for provision	
Unit 1	32,483,936.11 32,483,936.11	100.00 Shortage of	100.00 Client Fund Shortage	
Unit 2	8,200,468.42 8,200,468.42	100.00 Quality liability	client funds	
Unit 3	16,097,000.00 16,097,000.00	100.00 Shortage of	disputes	
Unit 4	171,125.59	171,125.59 /	client funds	
The	56,952,530.12 56,952,530.12		100.00	

description of the total provision for bad debts by individual items:

ApplicableNot applicable

Provision for bad debts by combination:

ApplicableNot applicable

Portfolio accrual item: aging portfolio

Unit: Currency: RMB

name	Ending balance		
	Accounts	Provision for	Provision ratio (%)
Within 1 year	receivable 2,045,558,756.95	bad debts 61,366,762.71	3.00
1 to 2 years	487,737,437.75	24,386,871.89	5.00
2 to 3 years 3	150,773,435.60	10,554,140.49	7.00
to 4 years 4	29,638,876.50	7,409,719.13	25.00
to 5 years	3,852,094.64	1,926,047.32	50.00
More than 5	1,735,648.51	1,735,648.51	100.00
years total	2,719,296,249.95	107,379,190.05	3.95

Recognition standards and explanations for bad debt provision by combination:

ApplicableNot 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:

ApplicableNot applicable

(3) Bad debt provision Applicable

Not applicable

Unit: Currency: RMB

Category	Beginning Balance	Amount of change in the current period				Ending balance
		accrual	withdraw or turn back	resell or nuclear pin	other change	
Accounts receivable	126,139,257.77 38,253,813.88	Total 126,139,257.77		61,351.48		164,331,720.17
38,253,813.88				61,351.48		164,331,720.17

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

ApplicableNot applicable

(4) Accounts receivable actually written off in the current

period ApplicableNot applicable

Unit: Currency: RMB

Accounts	Write-off amount
receivable actually written off by project	61,351.48

Among them, the important accounts receivable write-off situation

ŸApplicable ŸNot applicable

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

ŸApplicable ŸNot applicable

Unit: Currency: RMB

company name	Ending balance	Accounts receivable ending balance Proportion of total number (%)	Ending balance of bad debt provision
Unit I	476,459,293.35	17.16	14,293,778.80
Unit II	225,124,972.31	8.11	7,745,702.97
Unit III	191,670,363.95	6.90	5,926,638.92
Unit IV	162,713,242.70	5.86	8,135,662.14
Unit V	97,823,097.29	3.52	2,943,177.80
total	1,153,790,969.60	41.55	39,044,960.63

other instructions

Not applicable

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

assets ŸApplicable ŸNot applicable

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

involvement ŸApplicable ŸNot applicable

other instructions:

ŸApplicable ŸNot applicable

2. List of other receivables

ŸApplicable ŸNot

applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
Interest receivable		
Dividends	692,658,228.00	
receivable and other receivables	2,614,110,039.16	3,755,553,503.23
total	3,306,768,267.16	3,755,553,503.23

other instructions:

ŸApplicable ŸNot applicable

Interest receivable

(1). Classification of interest

receivable ŸApplicable ŸNot applicable

(2). Important overdue interest

ÿApplicable ÿNot applicable

(3). Provision for bad debts

ÿApplicable ÿNot applicable

other instructions:

ÿApplicable ÿNot applicable

Dividends

receivable (4). Dividends

receivable ÿApplicable ÿNot applicable

Unit: Currency: RMB

Project (or investee) Total of	Closing	Opening Balance
Zhongtian Technology Submarine Cable	balance 692,658,228.00	
Co., Ltd.	692,658,228.00	

(5). Important dividends receivable aged over 1 year

ÿApplicable ÿNot applicable

(6) 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	
Within 1 year	2,681,301,791.64
Subtotal 1 to 2 years	6,178,840.87
2 to 3 years Over 3	6,915,540.26
years	
3 to 4 years	71,000.00
4 to 5 years	1,785,400.00
5+ years	509,100.00
total	2,696,761,672.77

(2). Classification by nature of payment

ÿApplicable ÿNot applicable

Unit: Currency: RMB

nature of payment	Ending book balance	Opening book balance
Guarantee	25,268,169.78	29,681,599.41
Reserve	2,303,457.00 13,900.00	1,261,769.38
Fund Deposit	2,669,002,215.99	17,300.00
Current	173,930.00 2,696,761,672.77	3,855,640,497.92
Account Others		715,031.35
total		3,887,316,198.06

(3). Provision for bad debts ỹApplicable

ỹNot applicable

Unit: Currency: RMB

bad debt provision	The first stage	second stage	The third phase	total
	Expected credit losses over the next 12 months	lifetime expectation credit loss (not incurred credit impairment)	lifetime expectation credit loss (incurred credit impairment)	
More than January 1, 2021 <small>Forwarded</small>	131,762,694.83			131,762,694.83
More than January 1, 2021 amount in this issue				
-- 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	-49,111,061.22			-49,111,061.22
reversed in this period				
Resale in this period				
Write-off in this period				
other changes				
December 31, 2021 balance	82,651,633.61			82,651,633.61

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

ỹApplicable ỹNot 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:

ỹApplicable ỹNot applicable

(4). Provision for bad debts

ỹApplicable ỹNot applicable

Unit: Currency: RMB

category	Opening Balance	Amount of change in the current period				Ending balance
		accrual	take back or turn times	resell or write off	other change	
Other receivables 131,762,694.83	-49,111,061.22					82,651,633.61

Total 131,762,694.83	-49,111,061.22					82,651,633.61
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Among them, the amount of bad debt provision reversed or recovered in the current period is important:

ÿApplicable ÿNot applicable

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

ÿApplicable ÿNot applicable

(6) Other receivables with top five closing balances collected by debtors ÿApplicable ÿNot

applicable

Unit: Currency: RMB

company name	money nature	Ending balance	aging	account for other receivables Total ending balance Proportion of numbers (%)	bad debt provision Ending balance
Zhongtian Photovoltaic Technology Co., Ltd.	Current account	1,200,000,000.00 Within 1 year		44.50 36,000,000.00	
Zhongtian Technology Limited dense material company	Current account	800,000,000.00 Within 1 year		29.67 24,000,000.00	
Zhongtian Technology Collection Mission Ocean Engineering limited company	Current account	500,000,000.00 Within 1 year		18.54 15,000,000.00	
Demei cable has limited company	Current account	69,063,405.98 Within 1 year		2.56 2,071,902.18	
ZTT INDIA PRIVATE LIMITED	Current account	54,193,450.00 Within 1 year		2.01 1,625,803.50	
total	/	2,623,256,855.98	/	97.28 78,697,705.68	

(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

3. Long-term equity investment

ÿApplicable ÿNot applicable

Unit: Currency: RMB

project	Ending balance	Opening Balance
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	Book balance	impairment Prepare	Book value	Book balance	impairment Prepare	Book value
pair of sons company	14,863,843,284.48		14,863,843,284.48 14,548,516,469.08			14,548,516,469.08
investment couplet camp, unite business invest	732,750,015.33		732,750,015.33	447,770,883.85		447,770,883.85
Total 15,596,593,299.81			15,596,593,299.81 14,996,287,352.93			14,996,287,352.93



(1). Investment in subsidiaries

ÿApplicable ÿNot applicable

Unit: Currency: RMB

investee	Opening Balance	Increase in this period	Decrease in this period	Ending balance	Impairment standard for the current period prepare	Closing balance of impairment provision Forward
Zhongtian Power Optical Cable Co., Ltd.	209,436,461.00			209,436,461.00		
Zhongtian Technology Optical Fiber Co., Ltd. Zhongtian Gold Investment Co., Ltd.	415,217,277.76 72,000,000.00 176,000,000.00 496,632,675.66			415,217,277.76 248,000,000.00		
Zhongtian RF Cable Co., Ltd. Guangdong	15,318,287.50			496,632,675.66		
Zhongtian Technology Optical Cable Co., Ltd. manage				15,318,287.50		
Zhongtian Technology Equipment Cable Co., Ltd. manage	438,000,000.00	85,000,000.00		523,000,000.00		
Zhongtian Technology Precision Materials Co., Ltd. manage	1,740,945,723.00			1,740,945,723.00		
Zhongtian World Trade Co., Ltd. 100,000,000.00 Zhongtian Photovoltaic				100,000,000.00		
Technology Co., Ltd. 1,792,039,718.85 Zhongtian Photovoltaic Materials				1,792,039,718.85		
Co., Ltd. 270,000,000.00 Zhongtian Technology Ind 298,282,898.98 Jiangsu		2,500,000.00		272,500,000.00		
Zhongtian Technology Software Technology Co., Ltd.				298,282,898.98		
	30,001,698.20 Limited			30,001,698.20		
Zhongtian Energy Storage Technology Co., Ltd. 1,276,000,000.00 200,000,000.00 Zhongtian Technology				1,476,000,000.00		
Submarine Cable Co., Ltd.	1,520,000,000.00 Division			1,520,000,000.00		
Shanghai Zhongtian Aluminum Wire Co., Ltd.	105,900,000.00			105,900,000.00		
Zhongtian Technology Brazil Co., Ltd.	27,592,290.75	95,303,350.01		122,895,640.76		
Zhongtian Technology Group Shanghai International Trade easy co., ltd.	299,979,300.00			299,979,300.00		
Zhongtian Alloy Technology Co., Ltd.	338,207,000.03			338,207,000.03		

Zhongtian Broadband Technology Co.,	485,293,142.10	40,039,995.92		525,333,138.02		
Ltd. Jiangdong Hardware Equipment Co.,	474,807,940.95			474,807,940.95		
Ltd. Jiangdong Technology Co., Ltd.	450,000,000.00			450,000,000.00		
Jiangsu Zhongtian Boleda Transformer has limited company	68,000,000.00			68,000,000.00		
Zhongtian Marine Systems Co., Ltd.	40,000,000.00			40,000,000.00		
Zhongtian Technology Group Hong Kong Co., Ltd. manage	1,695,820.00			1,695,820.00		
Nantong Jiangdong Materials Co., Ltd.	10,200,000.00			10,200,000.00		
Zhongtian Technology Indonesia Co.,	464,966,346.60			464,966,346.60		
Ltd. Jiangdong Alloy Technology Co., Ltd.	450,000,000.00			450,000,000.00		
Zhongtian Light Alloy Co., Ltd. Zhongtian	200,000,000.00			200,000,000.00		
Technology Group Ocean Engineering Co., Ltd. limited company	500,000,000.00			500,000,000.00		
Zhongtian Electronic Materials Co., Ltd. 396,300,000.00 Zhongtian Technology		17,700,000.00		414,000,000.00		
Morocco Co., Ltd. 106,866,858.60 Zhongtian Group Shanghai Superconducting		36,619,329.87		143,486,188.47		
Technology Co., Ltd.	39,000,000.00 Limited	10,000,000.00		49,000,000.00		
Baotou Zhongtian Electronic Materials Co., Ltd. manage	500,000.00			500,000.00		
Jiangdong Electronic Materials Co., Ltd. 695,723,450.19 Turkey Demei		25,000,000.00		720,723,450.19		
Cable Co., Ltd. 422,835,860.40 Zhongtian Chaorong Technology Co.,		11,047,280.00 433,883,140.40 50,000,000.00		0.00		
Ltd. 100,000,000.00 Zhongtian (Shanghai) Intelligent Technology Co.,				150,000,000.00		
	10,000,000.00 Limited			10,000,000.00		
Jiangsu Zhongtian Carbon-based Materials Co., Ltd. manage	30,000,000.00			30,000,000.00		
Subei Optical Cable Co.,	138,990,400.00			138,990,400.00		
Ltd. Zhongtian Europe Co.,	17,783,318.51			17,783,318.51		
Ltd. Total	14,548,516,469.08 749,209,955.80 433,883,140.40 14,863,843,284.48					

(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 criteria  end of preparation period  balance
		additional investment	reduce invest	recognized under the equity method  investment profit and loss	income during the current period  profit adjustment	Other changes in equity	Declared distribution of cash shares  profit or profit	Accrual and deduction value preparation	That he		
1. Joint ventures											
ZTT TELEKOM JV LLC	1,721,597.83			-27,814.69						1,693,783.14	
Subtotal	1,721,597.83			-27,814.69						1,693,783.14	
2. Associates											
Sichuan Jiangdong Tianfu Branch Technology Co., Ltd.	189,528,547.29			9,025,462.65	326,800.50		1,192,761.11			197,034,448.33	
Zhengzhou Tianhe Communication Section Technology Co., Ltd.	95,956,055.63			4,376,800.99						100,332,856.62	
China Energy Construction Collection Hunan Province Electric Power Plant Planning Institute Co., Ltd.	160,564,683.10			24,126,799.04 773,172.88		3,626,240.8 17,793,734.08				171,297,161.74	
China Communications Network Section Technology Co., Ltd.		254,061,000		6,276,484.57						260,337,484.57	
Jiangsu Yangkou Port Energy Technology Co., Ltd		3,000,000.00		-945,719.07						2,054,280.93	
Subtotal 446,049,286.02 257,061,000.00 Total 447,770,883.85 257,061,000.00				42,859,828.18 446,372.38	3,626,240.80 18,986,495.19	42,832,013.49 446,372.38	3,626,240.80 18,986,495.19			731,056,232.19	
										732,750,015.33	

other instructions:

Not applicable

## 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	
	Income	cost	income	cost
6,886,563,066.37	8,857,782,447.30	7,731,951,415.69		
Other business	166,068,071.11	121,726,281.44	93,701,753.21	172,454,449.15
Total	7,877,734,539.25	7,008,289,347.81	9,030,236,896.45	7,825,653,168.90

(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:

Not applicable

## 5. Investment income

¥Applicable ¥Not applicable

Unit: Currency: RMB

Long-term	Amount incurred in	Amount in the previous period
term equity investment income accounted for by the project cost	the current period	1,143,530,860.61
method Long-term equity investment income accounted for by the	1,160,836,932.62	42,832,013.49
equity method Investment income from the disposal of long-term equity investments		37,089,711.68
Investment in held-for-trading financial assets		
income		
Other equity instrument investments are acquired during the holding period		
dividend income		
Interest income from debt investments during the holding period		
enter		
Profits obtained from other debt investments during the holding period		
interest income		
Investment income from disposal of financial assets held for trading		2,518,273.97
beneficial		
Investments obtained from disposal of investments in other equity instruments		
income		
Investment income from disposal of debt investment		
Investment income from disposal of other debt investments		
Debt Restructuring Proceeds		
Other non-current financial assets during the holding period	6,120,549.65	5,384,694.87
investment income		

Investments obtained from disposal of other non-current financial assets capital gains	22,899,070.69	
Gains and losses on ineffective hedging and	4,120,940.00 12,680,609.87	5,825.00
liquidation of foreign exchange forward contracts	9,647,089.97	1,586,210.35
The financial assets measured at amortized cost are terminated and confirmed recognized income		
Total investment income from disposal of subsidiaries	-7,835,860.40	2,676,000.00
	1,251,301,345.89	1,192,791,576.48

other instructions:

Not applicable

#### 6. Other

Applicable Not applicable

#### XVIII. Supplementary information

##### 1. Details of non-recurring profit and loss for the current

period Applicable Not applicable

Unit: Currency: RMB

	Amount	illustrate
Unauthorized approval of project non-current	- 2,768,138.07	
asset disposal gains and losses or tax return without formal approval documents repayment		
Government subsidies included in the current profit and loss (related to corporate business closely related, according to the national unified standard quota or fixed excluding government subsidies)	167,947,491.05	
Capital collected from non-financial enterprises included in current profit and loss Occupation fee		
Enterprises acquire subsidiaries, associates and joint ventures The investment cost is less than the Income arising from the fair value of the identifiable net assets of the capital unit beneficial		
Gains and losses on exchange of non-monetary assets		
Gains and losses on entrusting others to invest or manage assets		
Due to force majeure factors, such as natural disasters Provision for impairment of various assets		
Debt Restructuring Gains and Losses		
Enterprise restructuring costs, such as combined costs, etc.		
Transactions with apparently unfair transaction prices generate more than fair Profit and loss on fair value component		
Subsidiaries arising from business combination under the same control at the beginning of the period Net profit or loss for the period up to the date of combination		
Contingent property unrelated to the company's normal business operations profit and loss		
Except for the effective hedges related to the normal operation of the company In addition to the hedging business, holding financial assets for trading, derivatives Raw financial assets, held-for-trading financial liabilities, and derivatives Gains and losses from changes in fair value arising from financial liabilities, and	-17,945,884.53	

Disposal of held-for-trading financial assets, derivative financial assets, Held-for-trading financial liabilities, derivative financial liabilities and others Investment income from debt investment		
Receivables and contract assets that are individually tested for impairment Production impairment provision is reversed		
Profits and losses from external entrusted loans		
Investments that are subsequently measured using the fair value model Gains and losses arising from changes in fair value of real estate		
According to the requirements of tax, accounting and other laws and regulations A one-time adjustment to the current profit and loss influences		
Custody fee income from entrusted operations		
Other non-operating income and expenses other than the above out	-8,942,080.93	
Other profit and loss items that meet the definition of non-recurring profit and loss	10,884,733.41	
Less: Total impact of income	17,983,800.25	
tax impact on minority shareholders'	4,781,436.25	
equity	126,410,884.43	

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

Profit during the reporting period	weighted average net worth rate of return(%)	EPS	
		Basic EPS Diluted EPS	
Net attributable to common stockholders of the company Profits	0.73	0.057	0.057
after deducting non-recurring gains and losses are attributable to Net profit for common stockholders of the company	0.19	0.015	0.015

## 3. Differences in accounting data under domestic and foreign accounting

standards ✓Applicable ✓Not applicable

## 4. Other

✓Applicable ✓Not applicable

Chairman: Xue Jiping

Board approval filing date: April 28, 2022

Revision

information ✓Applicable ✓Not applicable