

Kevin Education: Semi-annual Report of 2018

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Beijing Kaiwen Dexin Education Technology Co., Ltd.

Semi-annual report for 2018

August 2018

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Section Important, catalogs and Interpretation

The board of directors, the board of supervisors, directors, supervisors and senior management personnel guarantee the contents of the semi-annual report

True, accurate, complete, and there are no false records, misleading statements or major omissions, and bear individual and

Joint legal responsibility.

Xu Guangyu, person in charge of the company, Dong Qi, person in charge of accounting work, and person in charge of accounting department (accounting officer)

Personnel) Dong Qi's statement: To ensure the truthfulness, accuracy and completeness of the financial report in this semi-annual report.

All directors have attended the board meeting to review this report.

The company has detailed the main risks that will be faced in the future in this report. For details, please refer to this newspaper.

The “Ten, Risks and Countermeasures for the Company” section of the “Section IV Management Discussion and Analysis”

Investors pay attention to investment risks.

The company plans not to distribute gold dividends, not to send bonus shares, and not to convert public reserves into share capital.

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Interpretation

Interpretative term

Company, the company, Kevin Education refers to Beijing Kaiwen Dexin Education Technology Co., Ltd.

That is the original name of the company, Jiangsu Zhongtai Bridge Steel Structure Co., Ltd., January 2018

Zhongtai Bridge

The company changed its name to Beijing Kaiwen Dexin Education Technology Co., Ltd.

Controlling shareholder, Badachu Holdings refers to Badachu Holding Group Co., Ltd., the controlling shareholder of the company

Haidian District State-owned Assets Supervision and Administration Commission refers to the State-owned Assets Supervision and Administration Commission of the Haidian District People's Government of Beijing, the actual controller of the company

Wenhua Xuexin refers to Beijing Wenhua Xuexin Education Investment Co., Ltd., a wholly-owned subsidiary of the company.

Wen Kaixing refers to Beijing Wenkaixing Education Investment Co., Ltd., a wholly-owned subsidiary of the company.

Kevin Zhixin refers to Beijing Kaiwen Zhixin Education Investment Co., Ltd., a wholly-owned subsidiary of the company.

Kai Literature and Kevin Sports refers to Beijing Kaiwenwen Sports Investment Management Co., Ltd., a wholly-owned subsidiary of the company.

Kevin Ruixin refers to Beijing Kaiwen Ruixin International Education Technology Co., Ltd., the company's holding subsidiary

Kevin Hengxin refers to Beijing Kaiwen Hengxin Education Technology Co., Ltd., a wholly-owned subsidiary of the company.

Kevin Renxin refers to Beijing Kaiwen Renxin Education Technology Co., Ltd., a wholly-owned subsidiary of the company.

Kevin International Education refers to Kevin International Education Co., Ltd., a wholly-owned subsidiary of the company.

Kai Yu Xin De refers to Beijing Kai Yu Xin De Restaurant Management Co., Ltd., the company's holding subsidiary

Chaoyang Kewen School refers to Beijing Chaoyang Kewen School, located in Jinbu Township, Chaoyang District, Beijing.

Kaidian School of Haidian refers to Beijing Haidian Kewen School, located at No. 65 Xingshikou Road, Haidian District, Beijing.

Westminster Choir College, Westminster
Westminster Conservatory of Music and Westminster Continuing Education
Westminster Continuing Education

China Securities Regulatory Commission

Shenzhen Stock Exchange refers to Shenzhen Stock Exchange

Yuan, 10,000 yuan refers to RMB yuan, RMB 10,000 yuan

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Section II Company Profile and Key Financial Indicators

First, the company profile

Kevin Education (former stock short name: Zhongtai Bridge;
Stock abbreviation stock code 002659
Change date: January 24, 2018)

Changed stock short name (if any) Kevin Education

Stock-listed stock exchange Shenzhen Stock Exchange

Company's Chinese name Beijing Kaiwen Dexin Education Technology Co., Ltd.

Chinese abbreviation of the company (if any) Kevin Education

Foreign name of the company (if any) Beijing Kaiwen Education Technology Co.,
Ltd

Company's foreign name abbreviation (if any) Kaiwen Education

Legal representative of the company Xu Guangyu

Second, contacts and contact information

Secretary of the board of directors

Name Shi Yu Yang Wei

No. 5, Yangshan Park, No. 30 Anli Road, Chaoyang District, Beijing, No. 5, Anli Road, Chaoyang District, Beijing
contact address
First floor, first floor

Telephone 010-59217890 010-59217730

Fax 010-59217828 010-59217828

E-mail Kaiwen002659@kaiwenedu.com Kaiwen002659@kaiwenedu.com

Third, other circumstances

1. Company contact information

Company registered address, company office address and its zip code, company website address, e-mail address changed during the reporting period
 Applicable Not applicable

Registered Address: 1st Floor, West Section, Building 2, 4th District, Xishan Creative Park, Haidian District, Beijing

Postal code of company registered address 100093

Company Address: 1st Floor, Building 5, Yangshan Park, 30 Anli Road, Chaoyang District, Beijing

Postal code of company office address 100101

Company website <http://www.kaiwenedu.com/>

Company E-mail Kaiwen002659@kaiwenedu.com

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Date of the designated website disclosed in the provisional announcement (if any)
January 24, 2018

The designated website query index disclosed in the temporary announcement (if any)

2. Information disclosure and location

Whether the information disclosure and location of the information changed during the reporting period

Applicable Not applicable

The name of the newspaper selected by the company for information disclosure, the website of the designated website of the China Securities Regulatory Commission that publishes the semi-annual report, and the semi-annual report of the company has no change during the reporting period.
See the 2017 Annual Report for details.

Fourth, the main accounting data and financial indicators

Does the company need to retroactively adjust or restate previous year's accounting data?

Yes No

During the reporting period, the same period of the previous year, the reporting period increased or decreased compared with the same period of the previous year.

Operating income (yuan) 89,382,042.19 231,266,909.27 -61.35%

Net profit attributable to shareholders of listed companies (yuan) -51,679,144.94 -

25,314,001.34 -104.15%

Deduction of non-recurring damages attributable to shareholders of listed companies

-52,041,698.87 -29,322,367.22 -77.48%

Net profit of benefits (yuan)

Net cash flow from operating activities (yuan) 49,228,891.98 17,729,918.34
177.66%

Basic earnings per share (yuan / share) -0.10 -0.05 -100.00%

Diluted earnings per share (yuan/share) -0.10 -0.05 -100.00%

Weighted average return on equity -2.37% -1.14% -1.23%

At the end of the reporting period, it increased from the end of the previous year.

At the end of the reporting period

Less

Total assets (yuan) 3,184,470,613.66 3,145,033,562.10 1.25%

Net assets attributable to shareholders of listed companies (yuan) 2,152,583,456.07
2,203,626,501.33 -2.32%

V. Differences in accounting data under domestic and overseas accounting standards

1. Differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and in accordance with Chinese accounting standards

Applicable Not applicable

During the reporting period, there was no difference in net profit and net assets in the financial statements disclosed in accordance with international accounting standards and in accordance with PRC accounting standards.

2. Differences in net profit and net assets in the financial reports disclosed in

accordance with overseas accounting standards and in accordance with Chinese accounting standards

Applicable Not applicable

During the reporting period, there was no difference in net profit and net assets in the financial statements disclosed in accordance with overseas accounting standards and in accordance with PRC accounting standards.

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6. Non-recurring profit and loss items and amounts

Applicable Not applicable

unit: yuan

Item Amount Description

Government subsidies included in the current profit and loss (closely related to the business of the enterprise, in accordance with the national system

595,900.00

Except for government subsidies for a standard quota or quantitative basis)

Entrust others to invest or manage the profit and loss of assets 153,195.12

Other non-operating income and expenses other than the above -199,999.81

Less: Income tax impact 137,273.83

Minority shareholders' equity impact (after tax) 49,267.55

Total 362,553.93 --

Non-recurring gains and losses items defined by the company in accordance with the definition of "Interpretive Announcement of Information Disclosure of Companies That Offer Securities to the Public No. 1 – Non-recurring Gains and

Losses”

Non-recurring gains and losses items listed in Interpretive Announcement No. 1 of the Company's Information Disclosure of Development Bank Securities – Non-recurring gains and losses are defined as items of recurring profit and loss.

Explain the reason

Applicable Not applicable

During the reporting period, the company did not have non-recurring gains and losses as defined and listed in the Interpretive Announcement No. 1 of the Company Information Disclosure of Public Offering Securities – Non-recurring Gains and Losses.

The project is defined as the case of a project with recurring gains and losses.

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Section III Business Overview

I. Main business engaged by the company during the reporting period

Does the company need to comply with disclosure requirements for specific industries?

no

(1) The main business, products, business models, etc. the company engaged in during the reporting period

Kevin Education aims to "train leaders with family feelings and international vision" to "guide students to find a way to suit themselves; help teachers climb educational dreams"

Think of it; promote the school to rank among the world's top schools" as a vision, committed to building on the basis of physical schools, the extension of the above and downstream industries, business covers K12 education,

The international education eco-industrial chain of sports art training, camp education, brand output, and upstream and downstream training is emphasized

through internal resource integration, strong alliance and external extension. The model has achieved industry leadership.

In the business model, the company adopts the business model of “K12 Entity School + Sports, Art Training + Camp Education + Brand Output”. Access to resources based on physical schools

Background, brand effect and audience, with sports training, art training, camp education, brand output and upstream and downstream training as profit points, education and related businesses.

In its main business, Kevin Education has quality education and education related industry services. International Schools: Currently the company has two K12 countries in Beijing

International Education School, namely Beijing Haidian Kewen School and Beijing Chaoyang Kewen School. The two schools are in terms of hardware facilities, teacher strength, teaching system, and teaching features.

Leading the industry. Sports training and camp education: Kevin Sports, a wholly-owned subsidiary of the company, is a development platform, based on physical schools.

Integrate high-quality educational resources in the campus, establish cooperative relationships with internationally renowned sports companies, and provide professional sports courses for physical schools while facing the society.

Carry out customized and professional sports training, camp education, and youth sports events. All sectors will achieve good mutual assistance and coordinated development to build a domestic youth body.

The leading brand of education training. In the field of brand output and progression training, the company's education research institute integrates top-notch and mature international education concepts and systems at home and abroad.

Established a talent system for outstanding teachers to explore and reserve, and an international teacher training, education system and teaching material research and development system, and established the management service output of the Kevin brand.

platform.

(II) Characteristics of industry development during the reporting period

1. National policies further promote the development of private education

If education is prosperous, then the nation is prosperous; if education is strong,

then the country is strong. In today's world, talent has become the core of national competitiveness, and education has become the foundation of national competitiveness. In person

In the profound transformation of the society, education has become more and more dominant and plays a pivotal role. In recent years, the state has continuously introduced reform policies against the current education system.

Policy, the State Council and various ministries and commissions have successively issued a number of policies to vigorously support the healthy development of the private education industry.

In March 2017, Premier Li Keqiang proposed in the "2017 State Council Government Work Report" to ensure fair and quality education, which clearly stated that "support and standardize the people." Education development."

In January 2017, the relevant person in charge of the Ministry of Education answered questions on the "Several Opinions of the State Council on Encouraging Social Forces to Establish Education to Promote the Healthy Development of Private Education"

Mentioning "encouraging social forces to set up education and promote the healthy development of private education is a major decision-making arrangement of the Party Central Committee and the State Council. It is a current and future period. An important task assigned by the relevant departments and local governments at all levels. ”

In January 2017, the “13th Five-Year Plan for National Education Development” proposed that the theme of comprehensively improving the quality of education should be based on Lide’s people.

Implementing quality education, with the theme of “Shaping students to be strong and physically fit” and “Improving students’ cultural cultivation” as two important development guidelines, encourage the inclusion of artistic practice activities in classroom management.

Promote each student to have one or two artistic specialties and hobbies; start reforming physical education, training and competitive systems, and strengthen physical education and extracurricular exercise according to local conditions. Support the development of various sports clubs such as campus football and snow sports. Encourage schools to vigorously develop students' sports interests, motor skills, exercise habits, and basically realize students Familiar with the goal of more than one motor skill.

In November 2016, the 24th meeting of the Standing Committee of the 12th National People's Congress adopted the amendment<中华人民共和国民办教育促进法>

The decision, the revised decision will take effect on September 1, 2017. The newly revised "Private Education Promotion Law" states: "The organizers of private schools can choose to set up independently.

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Non-profit or for-profit private schools. However, no for-profit private schools that implement compulsory education may be established. "" Private schools enjoy preferential tax policies stipulated by the state; Among them, non-profit private schools enjoy the same tax incentives as public schools. ”

In November 2015, the "Proposal of the Central Committee of the Communist Party of China on Formulating the Thirteenth Five-Year Plan for National Economic and Social Development" to support and standardize the development of private education and encourage the society

The power and private capital provide a diverse range of educational services.

In 2013, the Ministry of Education issued the “Interim Administrative Measures for International Projects in High Schools”, and the policy on the international classes for public schools began to tighten, requiring no new approvals.

The number of enrollments in international classes and existing public international classes no longer increases.

These information show that the state attaches great importance to the development of private education, and at the same time clarifies the design and management mechanism of the top-level system of private education.

2. The society's recognition of private education is getting higher and higher.

With the rapid development of China's economy, the continuous improvement of the national economy and the expanding international vision of Chinese people, the needs of Chinese parents and students for studying abroad are coming.

The bigger. According to the Ministry of Education, in 2017, the number of students studying abroad exceeded 600,000 for the first time, reaching 608,400, an increase of 11.74% over the same period of last year.

International student status. In 2017, the number of Chinese students studying

abroad and returning to China has doubled, and their compliance with national strategies and industry needs has been continuously improved.

The exhibition situation continues to improve. However, due to various differences in language, culture and education, it is difficult for students to directly transition from domestic to foreign study and life.

Studying at an international school in China, adapting to the foreign teaching environment and teaching methods in advance, has become the choice of many Chinese families.

As of October 2017, according to the new academic statistics, there are 734 international schools that have obtained the certification standards for each course nationwide, including 126 schools for children of foreign nationals.

There are 367 private international schools and 241 international public schools. International schools emphasize that through academic training, students can develop in the collision of different viewpoints and different theories.

Independent, critical thinking skills, fostering an international perspective on interculturalism, aligning with foreign university programs, and providing strong support for students applying for prestigious universities worldwide hold.

The company's two K12 international schools mainly focus on Chinese students, focusing on the cultivation of students' comprehensive quality, and the internationally integrated curriculum system.

Cultivate young people with family feelings, international vision and high quality. A professional progression guidance team that provides tailor-made orientation for students wishing to study abroad.

Guide, to provide a strong guarantee for entering the ideal overseas universities.

3. The government vigorously advocates the development of physical education industry

In October 2014, the State Council issued the “Several Opinions on Accelerating the Development of Sports Industry to Promote Sports Consumption” (Guo Fa [2014] No. 46), and proposed to actively promote

Innovate the venue management system and innovate the operation mechanism, introduce and apply the modern enterprise system to stimulate the vitality of the venue. Promote the integration of stadium design, construction and operation management

The combination of the function of the event and the comprehensive use after the game. Encourage venue operation management entities to implement regulations

through brand output, management output, and capital output.

Modeling and professional operation; speed up the promotion of sports facilities such as enterprises and institutions to the society, and open the school sports halls to students in the spare time and take effective measures.

Strengthen safety and security, and accelerate the opening of school sports venues to the society; it is required that by 2025, the total size of the sports industry will exceed 5 trillion yuan, and it is proposed to use ice and snow sports as Breakthroughs form a new hot spot for sports consumption.

In July 2015, the Beijing Municipal People's Government issued the "Implementation Opinions on Accelerating the Development of Sports Industry to Promote Sports Consumption" and proposed "exploring state-owned enterprises and schools.

The operation rights of sports venues of state-owned units shall be managed and managed by third-party operating agencies to stimulate the vitality of the stadiums.

Encourage the city's sports venues with brand influence

The battalion management enterprise realizes scale, specialization and chain operation through the forms of brand output, management output, professional technology and talent output. Create 2 to 3 domestic ones

Flow, internationally renowned sports venue management company."

The company's Kevin Sports focuses on the field of youth sports training, and cooperates with international first-class professional sports operation platforms and clubs to introduce international

Brand and various overseas sports quality teachers. Conducting professional sports training for young people in baseball, football, ice hockey, golf, tennis, synchronized swimming, etc.

Professional events provide high-quality physical education courses for international schools and create sports programs that are in line with international standards. On the basis of meeting the international school sports characteristics curriculum,

Cultivate sports talents for the society, and establish a banner in the field of youth sports training to create profit growth points for the company.

Second, major changes in major assets

1. Significant changes in major assets

Major assets

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Equity assets have no major changes

Fixed assets No major changes

Intangible assets No major changes

Construction in progress No major changes

The ending balance of accounts receivable during the reporting period was RMB 384,492.39, which was an increase from the opening balance of RMB 129,115.44. Accounts receivable 197.79%, mainly due to the increase in service income of academic education around the reporting period, resulting in an increase in the income settlement of each period.

Plus, the ending balance of accounts receivable increased.

The ending balance of prepayments during the reporting period was RMB 6,765,449.20, which was an increase from the opening balance of RMB 50,347.16.

Prepayments

13,337.60%, mainly due to the purchase of US\$1 million in earnest money from three colleges in Westminster, USA.

The ending balance of other receivables during the reporting period was RMB 2,841,220.34, which was an increase from the opening balance of RMB 1,531,272.72.

Other receivables

85.55%, mainly due to the increase in the daily operating rent deposits and the rental of teachers' apartments.

The ending balance of other non-current assets during the reporting period was RMB 2,039,789.09, which was higher than the opening balance of RMB 219,354.18.

Other non-current assets

The long term was 829.91%, which was mainly due to the payment of prepaid accounts for fixed assets for procurement.

The ending balance of deferred income tax assets during the reporting period was RMB 48,792,312.42, which was 34,318,813.99 compared with the opening balance.

Deferred tax assets

The Yuan growth was 42.17%, which was mainly due to the increase in the amount of deductible losses caused by the current loss.

2. Main overseas assets

Applicable Not applicable

Third, the analysis of core competitiveness

Does the company need to comply with disclosure requirements for specific industries?

no

(I) Geographical advantage

Nationally, provinces, cities and regions have different ideas and inputs for education. Beijing is China's political, cultural, international, and technological innovation center.

The level of economic development and per capita disposable income are high, and the people have obvious preferences for international education and studying abroad.

As the center of national education, Beijing has gathered the best institutions of higher learning in China, such as Tsinghua University, Peking University, Renmin University of China, and Beijing Normal University.

And many high-quality primary and secondary education resources such as Tsinghua High School, the National People's University High School, Haidian Foreign Language School, and Peking University. A large number of high-quality faculty reserves for the company to develop internationally

The education industry, the expansion of teachers and the development of teaching cooperation provide unique advantages.

(II) Advantages of state assets

The development of international educational institutions requires the support of

local governments, especially physical international schools, which must be rooted in the local area. When international educational institutions enter new markets, Faced with certain regional barriers.

The controlling shareholder of the company is controlled by Badachu. The actual controller is the Haidian District State-owned Assets Supervision and Administration Commission, the background of state-owned assets and the rich educational resources from Haidian District of Beijing.

The development of international education business provides strong support.

(3) Capital advantage

The core of the international education industry - the establishment of physical international schools requires a fixed environment with good environment, while international schools require a high level of teaching environment and hardware design.

Preparation and international level teachers. Therefore, there are certain financial barriers in the international education industry. On the other hand, in China's education market, using mergers and acquisitions to do it quickly

Strengthening and expanding, completing the industrial chain layout is one of the important ways to achieve rapid development.

The company will support the cooperation with the well-known educational institutions at home and abroad through the support of its own listed company platform and the controlling shareholder's eight major divisions.

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And mergers and acquisitions of quality education resources, rapid expansion of regional and industrial chains, increase market share and brand influence, and enhance in the field of international education

Comprehensive strength.

(4) Teacher advantage

Taking advantage of the company's background, we will cooperate with top schools at home and abroad to introduce high-end international education talents. At the same time, the company's internal education research institute is responsible for its schools.

Excellent teacher selection, teacher resource reserve and teacher training. Chinese and foreign teachers in various international schools have a good educational background and work experience, and the company also teaches

The teacher's form of external communication and professional training has

established an effective channel for teachers' career development and growth.

(5) Advantages of first-class hardware facilities

Good hardware facilities are an important guarantee for the implementation of quality education services. The international education industry, especially the physical international schools, whose teaching services are aimed at the middle class.

Above high net worth families, international schools are required to have a high level of teaching environment and hardware facilities.

The company has a campus design that is in line with international standards, a teaching building and teaching area plan that is consistent with European and American schools, an environmentally friendly building and ventilation system, and advanced teaching.

Learning equipment, rich Chinese and foreign materials and original books. The first-class campus environment and equipment facilities have become an important guarantee for providing high-quality and high-level international education services.

The company is based on one of the core competitiveness of the international education industry.

(6) Advantages of the brand characteristics of the sports center

Although the market demand in the international education industry is gradually increasing, the number of competitors is also increasing. Only by forming differentiated competitive advantages can we have core competition.

force. As our family's emphasis on quality education continues to increase, more parents hope that their children will be exposed to professional physical education and physical training from childhood, through participating schools.

The park sports activities, fully explore the students' sports expertise, and cultivate outstanding qualities such as strong, courageous, tolerant and teamwork.

The company's international schools have international-level sports centers, including baseball, football, tennis, fencing, ice hockey, golf and other professional venues. In the physical education side

In addition, the company cooperates exclusively with world-renowned professional sports organizations to make professional physical education a unique competitive advantage. At the same time, international professional water is launched for the society.

Quasi-adolescent sports training will form a new profit growth point for the company.

Section IV Discussion and Analysis of Business Situation

I. Overview

The company vigorously promotes the business development of all sectors of the education industry, with the business model of “K12 Entity School + Sports, Art Training + Camp Education + Brand Export”. Reporting period

The main business operations are as follows:

(1) Focus on K12 business and condense core competitiveness

During the reporting period, the company's Beijing Haidian Kewen School and Beijing Chaoyang Kewen School relied on a first-class campus environment, teaching facilities and quality teachers and teaching quality.

Established a good reputation and reputation in the Beijing education market.

1. Beijing Haidian Kewen School

The teaching team of Beijing Haidian Kewen School has the top teachers and teachers at home and abroad. The school employs world-class teachers and adopts the American teaching structure.

In terms of teaching methods, teachers can effectively combine Chinese and American courses to comprehensively enhance students' artistic quality and international perspective.

(1) Curriculum and teaching system

The curriculum system of the primary and secondary schools of Kaiwen School in Haidian, Beijing is based on the years of practice and research of American and international courses in Tsinghua High School and its International Department.

The nature and content of the Chinese curriculum, taking into account the advantages of Chinese and Western teaching and the bilingual curriculum system developed by Kevin's educational philosophy. The course system can not only meet the nine-year compulsory teaching

The requirements of China's national curriculum standards can also meet the requirements of the US core curriculum system standards.

In the high school stage, Beijing Haidian Kewen School provides AP courses for students. The AP course of Haidian School has been certified by the American University Council as an international standard.

AP course.

As a perfection and supplement to the “core curriculum”, Beijing Haidian Kewen School has opened an internationally integrated curriculum to improve the knowledge structure, open up students’ horizons and enhance their movements. Hands and innovation, do our utmost to meet the growth needs of students. In terms of teaching, bilingual teaching throughout the school is implemented, and a double-class teacher and tutor system is implemented throughout the school. In the primary school stage, there are two class teachers in the class. At the beginning In the middle and high school stage, there are two tutors in the class. Chinese and foreign teachers cooperate with each other to integrate the advantages of Chinese and Western education and jointly manage class and teaching affairs.

(2) Teacher configuration

Beijing Haidian Kewen School recruits and trains according to the teacher standards of Tsinghua High School Integrated International School. The teacher team has excellent academic level and rich teaching.

Some of the teachers have also participated in the development and research of large-scale international curriculum projects, of which 70% of master's degree or above, more than 50% of teachers have more than 2

The degree of education has an average age of more than 11 years.

(3) Features sports and art education

Beijing Haidian Kewen School has the world's top competition specifications sports venues and teaching hardware facilities, such as the IAAF Gold League specifications of the blue runway, according to the middle

Tennis courts, golf courses, indoor/outdoor bars (baseball) courses, etc., are standard in the Diamond Stadium. In addition to traditional weekly physical education classes, baseball, tennis, and fencing are also available.

Golf and other courses, and the formation of school teams, associations, won numerous awards in various competitions.

2. Beijing Chaoyang Kewen School

Beijing Chaoyang Kewen School implements the full-study IB curriculum system in line with the national syllabus, including PYP, MYP and DP. Beijing Chaoyang Kewen School to the country

The curriculum standards and the IB teaching system assign teaching time and subject knowledge in all subjects of all grades, taking into account learning ability and innovative thinking. Beijing Chaoyang Kewen School is open for one year.

For the IBDP Candidate School, after two years of study, it will become a formal IB accredited school.

PYP MYP DP

On the basis of satisfying the national education syllabus, bilingual teaching is based on the student's thinking development law and language cognition model, supplemented by subject practice activities. Elementary school

Different language teaching strategies are adopted in the middle and high school stages to help students establish a second language thinking system.

In terms of teacher allocation, the teachers selected by Beijing Chaoyang Kevin School have many years of IB or international teaching experience. The foreign teachers are from English-speaking countries.

The division has bilingual teaching and international teaching experience, and some teachers have a background in studying abroad. More than 50% of teachers have master's and doctoral degrees, and more than 60% of teachers have More than 10 years of coaching experience.

In terms of sports and art education, the school uses sports and art education to lead students' comprehensive quality training, and incorporates the arts curriculum into compulsory. 8 lessons per person per week

The upper art curriculum will cultivate students' character in all aspects. A unique standard ice hockey competition venue, football field, basketball court, tennis court, track and field, standard tour will be built on campus.

Various sports venues such as swimming pools, as well as theaters, small theaters, piano rooms, rehearsal rooms, dance studios, etc. Help students to be strong through the compulsory courses of arts and special training

Elegant physique and temperament, building awareness of rules, fair competition and teamwork, with a down-to-earth, courageous and indomitable spirit.

"Life is education", in order to cultivate students' self-management ability and independent consciousness, while ensuring sufficient study and activity time, the school encourages and promotes mixed age "family"

"Homestay". First-line teachers at home and abroad live with students of different grades and classes, encourage students to communicate with each other across grades, and break the character of the one-child family.

Limitations, let the children experience the preciousness of friendship.

(2) Acquiring overseas famous schools to build a high-end art education platform

On June 21, 2018, Wenhua Xuexin, a wholly-owned subsidiary of the company, signed an Acquisition and Sale Agreement with Rider University.

Huaxue intends to set up a subsidiary, Princeton Westminster International Co., Ltd., in New Jersey, USA, and acquire the company's subsidiary of Reed University.

Westminster Choir College, Westminster Conservatory of Music and Westminster Renew the relevant assets of Westminster Continuing Education and take over its operations.

The three colleges of Westminster are located in New Jersey, USA, and are part of the University of Reed, specializing in higher education in music and art. This acquisition is a company education

The beginning and key of the global layout of the business plays an important role in enhancing the company's ability to enhance cross-cultural operations, enhance brand value and competitiveness. After the completion of the acquisition, the company operates

The chain will extend to the higher education stage, and the advantages of the company's international school art quality training will be further consolidated, and the management level and sustainability will be further enhanced.

The image of a quality education brand will also be further highlighted.

(3) Proposed non-public offering of shares to extend the layout of the education industry

After the 12th meeting of the 4th Board of Directors and the 5th Extraordinary General Meeting of Shareholders in 2018, the company plans to plan non-public offering of shares, this non-public issuance

The number of shares in the bank shall not exceed 20% of the total share capital before the issuance, and the total amount of funds raised shall not exceed RMB 1 billion (including the number). After deducting the issuance expenses, the funds will be raised.

The net amount is intended to be invested in the “Adolescent High Quality Quality Education Platform Project”.

The implementation of the fund raising investment project “Adolescent High Quality Quality Education Platform Project” is conducive to the company to seize the strategic development period of the quality education market and utilize the existing

The advantages of educational resources, extending the existing education industry layout, on the basis of international school business, vigorously develop high-quality quality education business, promote brand output, management and loss Outcome, curriculum system output and collaborative development of educational

activities inside and outside the school, improve the marginal benefits of existing high-quality resources, enhance the company's profitability, and realize the company's creation of "international education"

Strategic layout of the first-class education platform of education + quality education.

(4) Implementing the strategy of talent introduction and reserve, making talents an internal driving force for enterprise development

Excellent teachers are the core soft power of the development of the education industry. The company has introduced excellent international education administrators through strong alliances with top educational institutions at home and abroad.

Only with the teacher team; at the same time, the company's education research institute focuses on the selection, training and talent reserve of the faculty team to ensure the outstanding people in the education industry schools and related businesses.

Only available.

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Second, the main business analysis

Overview

See "I. Overview" in "Discussion and Analysis of Business Situations".

Year-on-year changes in major financial data

unit: yuan

The same period of the previous year, the year-on-year increase and decrease

Income for the reporting period is education

Operating income 89,382,042.19 231,266,909.27 -61.35% Revenue, including bridge in the same period last year

Beam business data

Income for the reporting period is education

Operating costs 109,846,141.26 214,141,712.02 -48.70% revenue, including bridge in the same period last year

Beam business data

Mainly for the purpose of enrollment in this report period
Seasonal publicity expenditure is high, and this
Sales expenses 6,275,047.55 2,858,867.45 119.49%
Market personnel in the reporting period compared with the previous year
Increased over the same period

Administrative expenses 29,351,786.55 36,856,251.87 -20.36%

Mainly due to the scale of borrowings in the current period
Financial expenses 9,154,024.61 16,663,090.12 -45.06% decreased in the same
period of last year, resulting in borrowing
Interest rate decline

Mainly due to current losses compared to the previous year
Income tax expense -13,795,100.37 -2,000,869.41 -589.46%
Increase over the same period

Cash flow from operating activities is mainly due to tuition fees during the
reporting period.

49,228,891.98 17,729,918.34 177.66%
Net amount

Mainly due to Chaoyang in the same period last year
Cash flow from investment activities Kevin School construction period, payment
-180,099,309.06 -403,155,182.81 56.97%
Net amount of construction
To

Cash flow from financing activities is mainly due to the acquisition of borrowings
in the current period.

166,673,259.13 420,561,448.23 -60.37%
Net amount decreased compared with the previous year

Net increase in cash and cash equivalents
35,837,341.47 34,427,676.28 4.09%
Reload

Significant changes in the profit composition or source of profit of the company
during the reporting period

√ Applicable □ Not applicable

Due to the divestiture of the original bridge business, the profit composition and profit source of this report period were all education business, which reduced the bridge business compared with the previous reporting period.

Operating income
unit: yuan

This report period increased or decreased year-on-year

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Amount of operating income as a percentage of operating income

Total operating income 89,382,042.19 100% 231,266,909.27 100% -61.35%

sector

Education industry 81,882,042.19 91.61% 24,648,136.90 10.66% 232.20%

Bridge industry 203,981,471.48 88.20% -100.00%

Other industries 7,500,000.00 8.39% 2,637,300.89 1.14% 184.38%

Product

Tuition and fees income 76,346,291.26 85.42% 22,808,281.87 9.86% 234.73%

Training fee income 5,535,750.93 6.19% 1,839,855.03 0.80% 200.88%

Rental fee income 7,500,000.00 8.39% 100.00%

Bridge revenue 206,618,772.37 89.34% -100.00%

Sub-region

Within the territory 89,382,042.19 100.00% 227,492,516.52 98.37% -60.71%

Overseas 3,774,392.75 1.63% -100.00%

Industry, product or region that accounts for more than 10% of the company's operating income or operating profit

Applicable Not applicable

unit: yuan

The operating income is higher than the previous year. The operating cost is the same as the previous year.

Operating income, operating cost, gross profit margin

Increase or decrease during the same period

sector

Education industry 81,882,042.19 107,516,909.42 -31.31% 232.20% 365.32% -37.56%

Product

Tuition and Fees Income 76,346,291.26 100,923,785.42 -32.19% 234.73% 394.69% -42.74%

Sub-region

Within the territory 89,382,042.19 109,846,141.26 -22.90% -60.71% -48.06% -29.93%

In the case that the company's main business data statistics are adjusted during the reporting period, the company's main business data in the most recent period is adjusted according to the closing period of the reporting period.

Applicable Not applicable

Reasons for changes in related data over 30% year-on-year

Applicable Not applicable

During the reporting period, the education-related income and costs increased significantly year-on-year, mainly due to the significant increase in enrollment in the current period compared with the same period of the previous year.

Compared with the same period of last year, the revenue cost data of the bridge business was reduced, resulting in a year-on-year decline in domestic revenue costs.

Third, non-main business analysis

Applicable Not applicable

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Analysis of assets and liabilities

1. Significant changes in assets

unit: yuan

At the end of the reporting period

Expenditure of total assets to total assets ratio

Amount

Example

165,757,917.4

Monetary funds 5.21% 348,623,618.13 7.82% -2.61% No major changes

5

Accounts receivable 384,492.39 0.01% 262,242,962.05 5.88% -5.87% No major changes

Inventory 24,124.73 0.00% 569,623,319.07 12.78% -12.78% No major changes

Long-term equity investment 200,861.58 0.01% 0.01% No major changes

1,368,922,675.

Fixed assets 42.99% 306,730,615.26 6.88% 36.11% Mainly due to the transfer of construction projects in Jinyu.

41

1,407,195,267. Mainly related to the completion of the project
Construction in progress 31.57% -31.57%
41 points are reclassified to the cost of land.

249,500,000.0

Short-term loans 7.83% 288,500,000.00 6.47% 1.36% No major changes
0

2. Assets and liabilities measured at fair value

Applicable Not applicable

3. Restricted assets rights as of the end of the reporting period

Assets with restricted ownership or use rights

Project book value at the end of the period

Monetary funds - other monetary funds 52,645,923.58 margin

Fixed assets 1,345,429,564.60 Property certificates have not been completed

V. Analysis of investment status

1. Overall situation

Applicable Not applicable

Investment amount during the reporting period (yuan) The amount of investment
(yuan) in the same period of last year

22,000,000.00 630,642,600.00 -96.51%

2. Significant equity investment obtained during the reporting period

Applicable Not applicable

3. Significant non-equity investment in progress during the reporting period

Applicable Not applicable

4. Financial assets measured at fair value

Applicable Not applicable

5. Securities investment

Applicable Not applicable

There was no securities investment during the reporting period.

6. Derivative investment

Applicable Not applicable

There was no derivative investment during the reporting period.

7. Use of raised funds

Applicable Not applicable

(1) Overall use of raised funds

Applicable Not applicable

Unit: 10,000 yuan

Total funds raised 172,525.75

Total funds raised during the reporting period 0.41

Total accumulated funds raised 173,734.03

Total funds raised for change of use during the reporting period 0

Total raised funds for cumulative change of use 0

The total amount of funds raised for cumulative use is 0.00%

Description of the overall use of raised funds

The use of funds raised by the company is as follows: (1) Before the above raised funds are in place, as of June 30, 2016, the company uses self-raised funds to accumulate funds raised.

After investing RMB 486,690,700, the company has used the raised funds to replace the self-raised funds that have been invested in the raised funds investment projects by RMB 19,987,600.

(2) In 2016, the direct investment fundraising project was RMB 101,537,800; (3) In 2017, the direct investment project was RMB 52,208,200; (4) 2018

The annual direct investment of funds raised is 0.41 million yuan. As of June 30, 2018, the company has used a total of 173,734,300 yuan of raised funds to raise funds for special accounts.

The net interest income was RMB 12,082,800. After deducting the accumulated use of raised funds and the purchase of wealth management products, the balance of the raised funds account on June 30, 2018

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The total is 0 million yuan.

(2) Projects of fund-raising commitments

Applicable Not applicable

Unit: 10,000 yuan

Has it reached the end of the project?

Raised funds Adjusted and invested at the end of the period

Committed investment projects and over-raised changes During the reporting period, the investment schedule is scheduled to be

Committed investment total amount of accumulated investment

Capital investment target (including the amount of investment (3) = use status date expected benefit

Total (1) Amount (2) Benefit

Sub-change) (2)/(1) Periodization

Committed investment project

High-end education industry investment

2017

Project - Investment Subsidiary 120, 838.2

No 120,000 120,000 0.41 100.70% September 01 -3,104.18 No No

Kaixing Construction Chaoyang Kai Literature 9

Day

School project

Repay the principal and interest of the company bonds,

No 52,525.75 52,525.75 52,895.74 100.70% 0 Not applicable No

Supplementary liquidity

172,525.7 172,525.7 173,734.0

Subtotal of committed investment projects -- 0.41 -- -- -3,104.18 -- --

5 5 3

Super fundraising

no

172,525.7 172,525.7 173,734.0

Total -- 0.41 -- -- -3,104.18 -- --

5 5 3

Did not reach the schedule or pre-plan

High-end education industry investment project - the investment subsidiary

Wenkaixing Construction International School Project has been available for use in

September 2017 and

The situation and reasons for the income

Put into use, the amount of cost and expenditure for the construction period is large.

(divided into specific items)

Project feasibility is significant

No significant changes in project feasibility

Change description

The amount of over-raised funds, use is not applicable

Way and use progress

Not applicable

Raised funds investment project

Change of location

Not applicable

Raised funds investment project

Adjustment of the way of application

The fundraising investment project is applicable first

Investment and replacement situation On July 11, 2016, the 18th meeting of the third board of directors of the company was reviewed and approved, and the company has already invested in the initial replacement of the raised funds.

The self-raised funds of fund-raising investment projects amounted to RMB 19,987,900,000, of which the replacement of high-end education industry investment projects – investment subsidiary Wen Kaixing

The construction of an international school project amounted to RMB 4,064.23

million, repaying the principal and interest of the company's bonds and replenishing the working capital of RMB 15,923,460,000.
The gold replacement amount does not include supplementary liquidity.

Use idle funds to raise funds temporarily
Supplementary liquidity

Project implementation has raised funds. Not applicable.
The amount and reason of the gold balance

Unused raised funds
Not applicable
Use and whereabouts

Use and Disclosure of Raised Funds According to the relevant regulations of the “Regulations on the Supervision of Listed Companies No. 2 – Regulatory Requirements for the Management and Use of Raised Funds of Listed Companies”
There are no problems in the storage or use of funds raised or other funds that are not timely, true, accurate and complete, and there is no management of raised funds.
Situation Violation.

(3) Changes in the funds raised by the project

Applicable Not applicable
During the reporting period, the company did not have any changes in the funds raised.

(4) Situation of fundraising projects

Overview of fundraising projects Disclosure date Disclosure index

8. Major projects of non-raised funds investment

Applicable Not applicable
During the reporting period, the company had no major projects invested by non-

raised funds.

6. Sale of major assets and equity

1. Sale of major assets

Applicable Not applicable

The company did not sell significant assets during the reporting period.

2. Sale of major equity

Applicable Not applicable

VII. Analysis of major holding companies

Applicable Not applicable

Major subsidiaries and shareholding companies that have a net profit impact of more than 10%

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

unit: yuan

Company Name	Company Type	Main Business	Registered Capital	Total Assets	Net Assets	Operating Income	Operating Profit	Net Profit
--------------	--------------	---------------	--------------------	--------------	------------	------------------	------------------	------------

Education investment management

2,319,403,95 808,990,020. 22,755,648.2 -41,121,393. -31,041,762.

Wen Kaixing Subsidiary and Investment Advisory 49,461,952.0

5.16 64 2 04 72

Inquiry 0

Acquisition and disposal of subsidiaries during the reporting period

Applicable Not applicable

Company name The impact of the method of obtaining and disposing of subsidiaries during the reporting period on overall production operations and performance

Kevin Education US Co., Ltd. New establishment No actual operation.

Princeton Westminster International LLC has not been established.

Kevin School, Chaoyang District, Beijing, newly established is mainly engaged in academic education.

Hunan Kaiwen Xingyi Education Technology Co., Ltd. New establishment No actual operation.

Description of the main holding company

Eight, the structure of the company's controlled entities

Applicable Not applicable

IX. Estimation of business performance from January to September 2018

Expected operating results for January-September 2018: loss of performance
Performance loss

January-September 2018 net profit (ten thousand yuan) -7,500 to -6,500

Net profit attributable to shareholders of listed companies from January to September 2017 (10,000
-3,661.86
yuan)

The main reason for the loss during the reporting period was the completion of the self-built school project, and the depreciation and amortization amount increased, resulting in

Reasons for changes in performance

Loss.

X. Risks and countermeasures faced by the company

1. Risk of industry policy change

In September 2017, the implementation of the Law of the People's Republic of China on the Promotion of Private Education provided institutional guarantee for the legal operation of private educational institutions, but from the above regulations

Judging from the deliberation, it will take some time for the corresponding supporting laws, regulations and rules for private education to be fully implemented. There is still some uncertainty in the future. Company will be secret Pay attention to the changes in K12 education industry policies and regulations, vigorously improve the teaching level, and reduce the risks caused by changes in industry policies and regulations.

2. Market competition risk

While the market demand in the international education industry has increased substantially, the number of private education schools has also increased.

According to the "National Education Affairs 2016" announced by the Ministry of Education

According to the statistics in the Statistical Bulletin of Industry Development, there are a total of 171,000 private schools of various types at all levels, an increase of 8,253 over the previous year; the number of enrolled students is 16,402,800, an increase from the previous year.

There are 3.37 million people; the number of students in various types of education is 4,825,700, an increase of 2,539,500 over the previous year. Although the total number of private schools has increased, the overall level of the school is uneven.

Not uniform. The company's international schools are the first echelon in the industry, with a world-class teaching environment and hardware facilities. Through the integration of excellent educational institutions at home and abroad

Physical cooperation has formed a strong competitive advantage in the aspects of teaching system, teacher strength and brand effect.

The number of private schools is increasing, and the market demand for the international education industry is still growing substantially. The international education industry is a human resource intensive industry, an international curriculum

The operation requires a complete team, and it is difficult for new entrants in the industry to engage in the international education industry without a mature team. Operational experience, teaching reputation and market shadow

The ring power determines the market position of the education company. The company's Kevin International School cooperates with high-quality educational institutions at home and abroad to introduce a mature international education management team.

And the teaching system that is in line with international courses, has a strong competitive advantage in the international education market.

3. Excellent teacher talent market competition

Teachers are one of the core competencies of the development of the education industry. At present, the overall supply of teachers in the market is sufficient, but it has a profound background and rich international education.

Teachers with international teaching experience have certain scarcity, and talent competition leads to an increase in teacher salary.

From a practical point of view, Kevin School is in a favorable position in the market for teacher recruitment, which benefits from the good teaching facilities, teaching environment and educational philosophy of Kevin School.

And the teacher training system. At the same time, Kevin's schooling conditions and the teacher's salary level corresponding to the tuition fees are highly recognized by the market. The company's education research institute is for each school.

The school provides a stable high-level education faculty team.

4. Other risks

As the company's assets in education and related industries continue to expand, different business modules are covered within the system. The company will dynamically optimize the organization according to the scale of business Structure, strengthen resource allocation, start from project culture integration, management optimization, management system and superior resource sharing, strategic depth extension, etc.

Post-management effectively reduces the risks brought about by scale expansion

and accelerates synergies.

twenty one

Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Section 5 Important matters

I. Relevant information of the annual general meeting of shareholders and the extraordinary general meeting of shareholders held during the reporting period

1. The general meeting of shareholders during the reporting period

Session	Session Type of Meeting	Investor Participation	Proportion	Date of Disclosure	Index
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Juchao Information Network "2018

The first temporary shareholder of the first temporary year in 2018

EGM 46.31% January 12, 2018 January 18 18

General Meeting of Shareholders

Report number: 2018-002)

Juchao Information Network 2017

2017 Annual General Meeting of Shareholders

Annual General Meeting of Shareholders 39.98% May 08 2018 2018 May 09

Announcement of the Conference Announcement No.:

2018-020)

Juchao Information Network "2018

The second temporary provisional shareholder of the year 2018

EGM 46.02% May 24, 2018 2018 May 25

General Meeting of Shareholders

Report number: 2018-025)

Juchao Information Network "2018

Third temporary provisional shareholder of the third temporary year of 2018

EGM 44.04% June 27, 2018 June 1818

General Meeting of Shareholders

Report number: 2018-048)

2. The preferred stockholders whose voting rights are restored request the convening of an extraordinary general meeting

Applicable Not applicable

2. Profit distribution or capital reserve fund transfer to share capital plan in the reporting period

Applicable Not applicable

The company plans not to distribute cash dividends for half a year, not to send bonus shares, and not to convert public reserves into share capital.

3. The actual controllers, shareholders, related parties, purchasers and companies of the company have fulfilled their commitments during the reporting period and Commitments that have not been fulfilled due to the end of the reporting period

Applicable Not applicable

During the reporting period, the company's actual controllers, shareholders, related parties, purchasers and companies have fulfilled their commitments during the reporting period and exceeded the end of the reporting period.

Commitments that have not been fulfilled during the period.

twenty two

Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

IV. Appointment and dismissal of accounting firms

Is the semi-annual financial report audited?

Yes No

The company's semiannual report has not been audited.

V. Explanation of the Board of Directors and the Board of Supervisors on the “non-standard audit report” of the accounting firm during the reporting period

Applicable Not applicable

6. Explanation of the Board of Directors on the relevant situation of the “non-standard audit report” in the previous year

Applicable Not applicable

7. Bankruptcy and reorganization related matters

Applicable Not applicable

The company did not have any bankruptcy reorganization related matters during the reporting period.

Eight, litigation matters

Major lawsuit and arbitration

Applicable Not applicable

Litigation (arbitration) basic situation Amount involved (10,000 Whether to form an expected lawsuit (arbitration) Litigation (arbitration) trial Litigation (arbitration) judgment

Disclosure Date Disclosure Index

Condition) Debt Progress Results and Impacts Implementation

June 6, 2013, preparations before the trial

The company and the Yinzhou phase of Guangxi. according to

Xijiang Siqiao Project Company and Zhongjing

Investment Management Limited

Division ("Project Company")<产权交

签订《梧州市西江

易合同>It

Four Bridges Main Bridge and Approach Bridge Supplementary Agreement,
Juchao Information Network

Engineering steel structure manufacturing

Installation of part of the construction of steel structure business June 06 in
litigation matters

14,199.35 No No No

After the same (technical cooperation), the announcement with the bridge on the
20th

And "Contract Supplementary Steel Structure Assets"

After the discussion, the company is related to the business and related to the
business 2015-070)

Completion of the pending part of the performance

Contract and get the lawsuit, leading to the public

Company's approval; the project department suffers from any

The company is also committed to paying actual damage or

The corresponding amount. Deadline

Before, the project company did not show up, by Xinzhong

twenty three

Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Payment by contract. Therefore, the company has a commitment to the company.

Prosecuting Hongyu Construction

Group company, project company. Therefore, there is no

And its shareholder Xu Yizhen, the lawsuit will not

Xu Zhigang, Liu Feng request to the company

Lift the relevant contract and make a substantial impact

Advocate related project funds, ringing.

Liquidated damages and related fees

Use equal loss.

As of this report

Disclosure day, public

Secretary has been with China

Road and bridge construction

Limited company sign

Reconciliation Association
Discussion. Agreement
See the company in detail
Set parties and phases
Juchao Information Network
Third party
Separately
Not involved
July 2016
Steel structure
Disclosure on the 6th
Work and transportation association
Involving litigation
Negotiating to the other party
Announcement, 2016
Zhang Renquan
The company and Chongqing Donggang year on July 8th,
Lee. Both sides
Shipbuilding Industry Co., Ltd. July 2016
Fengdu Second Bridge Box
Division, Zhongjiao Road and Bridge Construction 22, 2016
Beam contract
Ltd., Huicheng Trade July, 2016 August 1
15,711.36 No related lawsuits None
Yi Taizhou Co., Ltd. 06
Behavior and lawsuit
And Shanghai Kanglong Construction Proceedings
Litigation related
Engineering Co., Ltd., etc., 2017
Congruent behavior
The lawsuit between the years August 29
Not to be held accountable
Disclosure
Responsible
"Progress in litigation
Reimbursement of fees. public
Announcement, 2018
Division and Chongqing East
July 26
Port ship industry

Disclosure
Limited
"Progress in litigation
Litigation: Chongqing
Announcement.
Nan'an District People
Court decision
Company to Chongqing
Donggang Shipbuilding
Industry Ltd.
Paying for rent
Lease fee

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Secretary mentioned
v. Chongqing
Fifth intermediate
Civil court
South Bank of Chongqing
District People's Court
First instance judgment
Correlation basis
This fact is not
Clear and violate
Legal procedure,
Ruling
Qinghai Nan'an District
People's court
Trial. According to the public
Si and Zhongjingjian
Signed
"<产权交

易合同>It

Supplementary Agreement,
Selling bridge

Steel structure business
After, with the bridge
Steel structure assets
And business related
Unresolved
Litigation
Secretary suffers from any
Actual damage or
Bear the cost
Out of
Thai company
Responsibility
Ren. Therefore, there is no
The lawsuit will not
Caused by the company
Substantial shadow
ring.

Other litigation matters

Applicable Not applicable

Nine, the media questioned the situation

Applicable Not applicable

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

During the reporting period, the company did not have any media questions.

X. Punishment and rectification

Applicable Not applicable

Name/Name Type Reason Investigation Type of Punishment Conclusion (if any)
Disclosure Date Disclosure Index

January 5, 2018,
Beijing Municipal Planning and Country
Soil Resources Committee
Subsidiary company
Kaixing in Chaoyang District Gold
Building in Beimafang Village, Qixiang Township
Beijing Wenkaixing Education
Kevin International School
Investment limited liability other Others Corrected
Project construction project
Secretary
(Tsinghua Middle School Kevin
International School Project)
Existence due to construction drawings
Unauthorized construction
Behavior, by 20
A fine of 10,000 yuan.

Rectification

Applicable Not applicable

The relevant construction drawings have been reviewed.

XI. The integrity of the company and its controlling shareholder and actual controller

Applicable Not applicable

12. Implementation of the company's equity incentive plan, employee stock ownership plan or other employee incentives

Applicable Not applicable

During the reporting period, the company did not have an equity incentive plan, employee stock ownership plan or other employee incentives and their implementation.

13. Significant related party transactions

1. Related party transactions related to daily operations

Applicable Not applicable

Appropriately approved

Associated association

Related party related party related party transaction related party transaction amount

Transaction Easy amount Approved Easy to settle

Easy-to-use type pricing principle easy price ratio (10,000 trading market index

Content (ten thousand yuan)

Example yuan) price

Beijing Wan Holdings Shares Reference Markets to Related Properties 806.10
806.1 100.00 806.1 No Banks Transfer to 8.061 million 2017

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Jiaxin East Director Purchase Fee Price Negotiation % Account or Ticket Yuan 02
Month 16 Information

Industry Management Zhang Jingming Service Confirmation

Limited liability

Company Corporate 2017

New year

Increase

Joint

Easy

Announcement

Public

Compilation

number:

2017-0

twenty three),

"turn off

Yu Guan

Joint

Easy
Announcement
Public
Compilation
number:
2017-1
28)

Giant tide
Information
Net
Pre-pre
New to the association
Beijing National Leasing
Holding public reference market bank transfer 2016
Ke Xinye Housing Construction Lease 100.00 281.25 Joint
Sizigong Price Negotiation 281.25 281.25 281.25 No Account or Ticket November
17
Investment has a construction and land fee of 10,000 yuan.
Division determined according to the settlement date
Limited company use announcement
Right
Compilation
number:
2016-0
81)

Total -- -- 1,087.35 -- 1,087.35 -- -- -- --

Details of the return of large sales of goods Not applicable

Daily associations that will occur in the current period by category
The total amount of the transaction is expected to be reported in the report.
Actual performance during the period (if any)

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Beijing Kaiwen Dexin Education Technology Co., Ltd. 2018 Semi-annual Report

Comparison between transaction price and market reference price

Not applicable

Big reason (if applicable)

2. Related transactions in the acquisition or sale of assets or equity

Applicable Not applicable

During the reporting period, the company did not have any related party transactions or equity acquisitions or sales.

3. Related party transactions for joint external investment

Applicable Not applicable

During the reporting period, the company did not have any related party transactions for joint external investment.

4. Related creditor's rights and debts

Applicable Not applicable

Is there a non-operating related credit and debt relationship?

Yes No

Receivables from related parties:

Whether there is a non

Opening balance, current period, new gold, current period, current interest, current period balance, ending balance

Related party, relationship, formation reason, operating capital, interest rate
(10,000 yuan) Amount (ten thousand yuan) Amount (ten thousand yuan) (ten thousand yuan) (ten thousand yuan)

Occupy

Payable to related party debts:

Opening balance (10,000 new bonuses, current period repayments, current interest)
(end of ten thousand balances)

Related party association relationship formation cause interest rate
Yuan) Amount (ten thousand yuan) Amount (ten thousand yuan) Yuan) Yuan)

Badachu Holdings

Group Limited Public Controlling Shareholders Borrowing 0 19,000 0 4.35%
309.97 19,000

Secretary

5. Other major related party transactions

Applicable Not applicable

After the 12th meeting of the 4th Board of Directors of the Company and the 11th meeting of the 4th Board of Supervisors, the company plans to issue non-public shares, and the number of shares will not be issued.

More than 20% of the total share capital before the issuance, that is, no more than 99,713,397 shares (including the number), and the total amount of funds raised does not exceed RMB 1 billion (including the number), after deducting

The line fee will be used for the “Adolescent High Quality Quality Education Platform Project”. As of the disclosure date of this report, the company has held the 5th Extraordinary General Meeting of Shareholders in 2018

Relevant motions such as the public offering of A shares stocks.

Major related party transactions, interim report disclosure website related inquiry

Temporary Announcement Name Temporary Announcement Disclosure Date
Temporary Announcement Disclosure Website Name

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XIV. Major contracts and their performance

1. Cases of custody, contracting and leasing

(1) Trusteeship

Applicable Not applicable

There was no custody during the reporting period.

(2) Contracting situation

Applicable Not applicable

There was no contracting situation during the reporting period.

(3) Lease situation

Applicable Not applicable

Lease description

Signed a lease agreement with Beijing Yaweizhiguang Investment Management Co., Ltd., and leased the subject matter as B1 and B2 located in the research and development building of Kaiwen School, Beimafang Village, Jinyu Township, Chaoyang District, Beijing.

Building.

Projects that bring profits and losses to the company that exceed 10% of the company's total profit during the reporting period

Applicable Not applicable

During the reporting period, the company did not have any leases that brought the company's profit and loss to more than 10% of the company's total profit during the reporting period.

2. Major guarantee

Applicable Not applicable

(1) Guarantee situation

Unit: 10,000 yuan

External guarantee of the company (excluding guarantees for subsidiaries)

Guarantee amount

Actual date of occurrence, whether it is performed or not

Name of the guarantee object. Announcement of the disclosure. Guarantee amount.

Actual guarantee amount. Type of guarantee.

(Agreement signing date) Completed Joint guarantee
Date

Jiangsu Xinzhongtai Bridge
2017 08 Joint liability maintenance project
Steel Structure Engineering Co., Ltd. 30,107.45 30,107.45 No Yes
Month 10th
Secretary

Jiangsu Xinzhongtai Bridge
2017 10 joint responsibility project
Steel Structure Engineering Co., Ltd. 61,414.8 61,414.8 No Yes
Month 18th
Secretary

The amount of external guarantees approved during the reporting period 0 The
actual external guarantee occurred during the reporting period 0

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Total (A1) Total amount (A2)

The amount of external guarantees approved at the end of the reporting period, the
actual external guarantee balance at the end of the reporting period

91,522.25 91,522.25

Total (A3) Total (A4)

Company's guarantee for subsidiaries

Guarantee amount

Actual date of occurrence, whether it is performed or not

Name of the guarantee object Related announcements Guarantee amount Actual
guarantee amount Guarantee type Warranty period

(Agreement signing date) Completed Joint guarantee

Date of disclosure

From the loan
Beijing Wenkaixing Education under the same
2018 06 2018 June 29 Joint liability insurance
Investment limited liability public 130,000 loan term period no
January 22nd
From the next day
Two years

During the reporting period, the amount of guarantees for subsidiaries was approved.

130,000 0

Total (B1) Total amount of occurrence (B2)

The subsidiaries that have been approved at the end of the reporting period are actually guaranteed to the subsidiaries at the end of the reporting period.

130,000 0

Total amount of coverage (B3) Total balance (B4)

Subsidiary guarantees for subsidiaries

Guarantee amount

Actual date of occurrence, whether it is performed or not

Name of the guarantee object Related announcements Guarantee amount Actual guarantee amount Guarantee type Warranty period

(Agreement signing date) Completed Joint guarantee

Date of disclosure

Total company guarantee (ie the total of the top three items)

The total amount of guarantee guarantees during the reporting period is the total amount of guarantees during the reporting period.

130,000 0

(A1+B1+C1) (A2+B2+C2)

The amount of guarantees approved at the end of the reporting period and the total amount of actual guarantees at the end of the reporting period

221,522.25 91,522.25

Meter (A3+B3+C3) (A4+B4+C4)

The actual total amount of guarantee (ie A4+B4+C4) accounts for 42.52% of the

company's net assets.

among them:

Detailed description of the use of composite guarantee

The company held the 13th meeting of the 4th Board of Directors and the 4th Extraordinary General Meeting of Shareholders in 2018 to review and approve the application for comprehensive banking credit for wholly-owned subsidiaries.

The bill for guarantee, the company is a wholly-owned subsidiary of Beijing Wenkaixing Education Investment Co., Ltd. to the Industrial and Commercial Bank of China Co., Ltd. Beijing Haidian Sub-branch 1.3 billion

Comprehensive credit provides joint liability guarantee. At the same time, Beijing Wenhua Xuexin Education Investment Co., Ltd., a wholly-owned subsidiary of the company, is responsible for the Beijing Wenkaixing Education Investment Co., Ltd.

A 100% equity interest in the company provides a pledge guarantee.

(2) Non-compliance with external guarantees

Applicable Not applicable

During the reporting period, the company did not violate the external guarantees.

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3. Other major contracts

Applicable Not applicable

There were no other major contracts during the reporting period.

XV. Social Responsibility

1. Major environmental problems

Whether the listed company and its subsidiaries belong to the key pollutant discharge units announced by the environmental protection department

no

Listed companies and subsidiaries are not key pollutant discharge units announced by the environmental protection department.

2. Fulfilling the social responsibility of precise poverty alleviation

The company reported that it has not carried out accurate poverty alleviation work for the first time in the first half of the year, and there is no follow-up precision poverty alleviation plan.

16. Description of other major events

Applicable Not applicable

There are no other major issues that need to be explained during the reporting period.

XVII. Major events of the company's subsidiaries

Applicable Not applicable

On June 21, 2018, Wenhua Xuexin, a wholly-owned subsidiary of the company, signed an Acquisition and Sale Agreement with Rider University.

Huaxue intends to set up a subsidiary, Princeton Westminster International Co., Ltd., in New Jersey, USA, and acquire the company's subsidiary of Reed University.

Westminster Choir College, Westminster Conservatory of Music and Westminster The relevant assets of Westminster Continuing Education (hereinafter collectively referred to as "three colleges") and take over their operations. The transaction price is 40 million US dollars

Yuan (US\$40,000,000). The company held the 13th meeting of the 4th Board of Directors on June 21, 2018 to deliberate and approve the establishment of subsidiaries to acquire assets overseas.

The Proposal, and on June 22, 2018, disclosed on the website of Juchao Information Network on the establishment of subsidiaries to acquire assets overseas (Announcement No.: 2018-045).

Section VI Changes in Shares and Shareholders

I. Changes in shares

1. Changes in shares

Unit: Stock

Before this change, this change is increased or decreased (+,-) after this change

Provident fund transfer

	Quantity	Proportion	New shares issued	Shares	Subtotals	Quantity	Proportion
Stock							

188,084,4 187,572,2

I. Shares subject to restrictions on sale	37.72%	-512,200	-512,200	37.62%
	37			37

150,053,5 150,053,5

2. State-owned legal person holding shares	30.10%			30.10%
	90			90

38,030,84 37,518,64

3. Other domestic capital holdings	7.62%	-512,200	-512,200	7.52%
	7			7

26,795,28 26,795,28

Of which: domestic legal person holdings	5.37%			5.37%
	4			4

11,235,56 10,723,36

Domestic natural persons hold 2.25% -512,200 -512,200 2.15%
3 3

310,482,5 310,994,7

Second, the conditions of unrestricted sales 62.28% 512,200 512,200 62.38%
50 50

310,482,5 310,994,7

1. RMB ordinary shares 62.28% 512,200 512,200 62.38%
50 50

498,566,9 498,566,9

Third, the total number of shares 100.00% 0 0 100.00%
87 87

Reasons for changes in shares

Applicable Not applicable

On November 27, 2017, Mr. Yu Zheng resigned as a director and senior manager of the company, Mr. Bao Zheng resigned as a supervisor of the company, and Mr. Chen Hongbo resigned from the company.

Senior management positions, 100% of the shares held by the company within half a year after leaving the company according to the regulations; the annual transfer of shares not more than the total number of shares held by the company after half a year

25% of the company; the former senior management of the company Zhu Xiao and the former director accounted for the release of the shares held by the company.

Approval of changes in shares

Applicable Not applicable

Transfer of share changes

Applicable Not applicable

The effect of share changes on financial indicators such as the basic earnings per share and diluted earnings per share for the most recent year and the latest period, and net assets per share attributable to the company's common shareholders

Applicable Not applicable

Other content that the company deems necessary or required by the securities regulator

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Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

Unit: Stock

Releasing the restricted shares in the current period and increasing the restricted shares in the current period

Name of Shareholders	Number of restricted shares at the beginning of the period	Number of restricted shares at the end of the period	Reason for the restriction of sale counting
----------------------	--	--	---

Mr. Yu Zheng in 2017

Year of November 27th

Go to company directors and high Level manager

Service, according to regulations

Hold in half a year after employment

Yu Zheng 2,000 500 1,500 -

Company shares

100% locked; half a year

Transferred annually

The shares do not exceed

Total number of company shares

25%.

Mr. Bao Yu

November 2017 27

Resigning to the company's supervisor

Position, in accordance with regulations

Within six months after leaving the company

炯杲 2,000 500 1,500 shares in the company -

100% locked; half a year

Transferred annually

The shares do not exceed

Total number of company shares

25%.

Mr. Chen Hongbo

November 2017 27

Resigned to the company senior

Managerial duties,

After leaving the company according to regulations

Holding the company within half a year

Chen Hongbo 3,000 750 2,250 -

Share 100% lock

Set; after half a year

Annual transferred shares

No more than holding company

Total number of shares

25%.

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Former senior manager

Zhu Xiao 505,000 505,000 0 -

member

James Shi, 5,450 5,450 0 Former Director -

Total 517,450 512,200 0 5,250 -- --

3. Securities issuance and listing

During the reporting period, the company did not have securities issuance and listing.

Second, the number of shareholders of the company and shareholdings

Unit: Stock

Preferred stocks with voting rights restored at the end of the reporting period
Total number of common shareholders at the end of the reporting period 12,336 0
Total number of shareholders (if any) (see Note 8)

Shareholdings of common shareholders or top 10 ordinary shareholders holding more than 5% of shares

Hold limited, hold unlimited pledge or freeze

Report period

Conditions of sale

Name of shareholder Nature of shareholder Shareholding ratio

Ordinary shares Common shares Number of shares Status Quantity

Number of shares

Quantity

Badachu Holdings Group 162,547,9 added 150,053,5
State-owned legal person 32.60% 12,494,364 pledge 53,000,000
Group Limited 54 2,541,861 90

Zhejiang Huike Assets 30,060,00
Domestic non-state legal person 6.03% 30,060,000 pledge 28,557,000
Management Limited 0

Huaxuan (Shanghai) shares
26,795,28 26,795,28
The right investment fund has a domestic non-state legal person 5.37% pledge
26,795,200
4 4
Limited company

Deqing Zhirong Investment
15,308,89 increase
Management partnerships Domestic non-state legal persons 3.07% 15,308,890
0 12,170,300
(Limited Partnership)

Jiangsu Hengyuan Real Estate
15,028,33
Development and Development Co., Ltd. Non-state-owned legal person within the
territory 3.01% 15,028,334

4

Secretary

10,718,11 10,718,11

Zheng Yaping, a natural person in the territory, 2.15%

3 3

Jiangsu Huanyu Investment 10,417,62 reduction

Non-state-owned legal person in China 2.09% 10,417,620

Development Limited 0 682,851

Beijing Jinglu Industrial Development Co., Ltd.

Non-state-owned legal person in China 1.83% 9,100,350 9,100,350

Investment Co., Ltd. 408,800

China Construction Bank

Non-state-owned legal person in China 1.14% 5,700,000 5,700,000

Company Limited 900,021

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-Hua Shang Sheng Shicheng

Long hybrid securities

Investment fund

Shi Xiaoyan Natural person in the territory 1.06% 5,280,000 5,280,000

The above-mentioned shareholder relationship or concerted action

Not applicable

Description

Top 10 unrestricted ordinary shareholders holding shares

Type of shares

Name of Shareholders Holding the number of unrestricted ordinary shares at the end of the reporting period

Type of shares

Zhejiang Huike Asset Management Co., Ltd. 30,060,000 RMB ordinary shares
30,060,000

Deqing Zhirong Investment Management Partnership (limited
15,308,890 RMB common stock 15,308,890
partnership)

Jiangsu Hengyuan Real Estate Development Co., Ltd. 15,028,334 RMB common
stock 15,028,334

Badachu Holdings Group Co., Ltd. 12,494,364 RMB ordinary shares 12,494,364

Jiangsu Huanyu Investment Development Co., Ltd. 10,417,620 RMB ordinary
shares 10,417,620

Beijing Jinglu Industrial Investment Co., Ltd. 9,100,350 RMB ordinary shares
9,100,350

China Construction Bank Corporation - China
5,700,000 RMB common stock 5,700,000
Shang Shengshi Growth Hybrid Securities Investment Fund

Shi Xiaoyan 5,280,000 RMB ordinary shares 5,280,000

China Resources SZITIC Trust Co., Ltd. - Xinghe 1
5,101,709 RMB ordinary shares 5,101,709
Collective fund trust plan

Industrial and Commercial Bank of China - BOC China Select
4,941,860 RMB common stock 4,941,860
Combined open-end securities investment fund

Top 10 unrestricted ordinary shareholders
Between, and the top 10 unrestricted conditions are common
Not applicable
Between stockholders and the top 10 common stockholders
Description of the relationship or concerted action

Whether the top 10 ordinary shareholders and the top 10 unrestricted ordinary

shareholders of the company made an agreed repurchase transaction during the reporting period

Yes No

The top 10 ordinary shareholders of the company and the top 10 unrestricted ordinary shareholders did not make the agreed purchase repurchase transactions during the reporting period.

Third, the change of controlling shareholders or actual controllers

Controlling shareholder changes during the reporting period

Applicable Not applicable

The company's controlling shareholder has not changed during the reporting period.

Actual controller changes during the reporting period

Applicable Not applicable

The actual controller of the company did not change during the reporting period.

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Section VII. Preference shares

Applicable Not applicable

There were no preferred shares in the company during the reporting period.

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Section VIII Directors, Supervisors and Senior Management

I. Changes in shareholdings of directors, supervisors and senior management personnel

Applicable Not applicable

The company's directors, supervisors and senior management personnel did not change their shareholdings during the reporting period. For details, please refer to the 2017 annual report.

2. Changes in the company's directors, supervisors and senior management personnel

Applicable Not applicable

Name	Position of job	Type	Date	Reason
------	-----------------	------	------	--------

June 2018				
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Dong Shunlai	Director	Resignation	Work Change	Day
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June 2018				
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Chen Nangang	Independent Director	Retired	Work Change	Day
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Section IX Corporate Bond Related Information

Whether the company has a public offering and is listed on the stock exchange, and the semi-annual report approves the corporate bonds that have not expired or expired and are not fully paid on the date of approval.

no

Section X Financial Report

I. Audit report

Is the semi-annual report audited?

Yes No

The semi-annual financial report of the company has not been audited.

Second, the financial statements

The unit of the statement in the financial notes is: RMB

1. Consolidated balance sheet

Prepared by: Beijing Kaiwen Dexin Education Technology Co., Ltd.
unit: yuan

Project ending balance

Current assets:

Monetary funds 165,757,917.45 165,066,272.56

Settlement provisions

Withdrawal of funds

Measured at fair value and included in
Financial assets of profit or loss

Derivative financial assets

bill receivable

Accounts receivable 384,492.39 129,115.44

Prepayments 6,765,449.20 50,347.16

Premium receivable

Receivables

Receivable contract reserve

Interest receivable 30,915.00 39,474.88

Dividend receivable

Other receivables 2,841,220.34 1,531,272.72

Buy back resale financial assets

Inventory 24,124.73 59,074.12

Assets held for sale

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Non-current assets due within one year

Other current assets 155,540,802.09 143,758,366.95

Total current assets 331,344,921.20 310,633,923.83

Non-current assets:

Loans and advances		
Available for sale financial assets		
Held to maturity investments		
Long-term receivables		
Long-term equity investment	200,861.58	200,861.58
Investment real estate		
Fixed assets	1,368,922,675.41	1,387,302,286.83
Construction in progress		
Engineer material		
Fixed assets cleanup		
Productive biological assets		
Oil and gas assets		
Intangible assets	946,415,701.75	956,246,003.32
Development expenditure		
Goodwill	214,678,524.17	214,678,524.17
Long-term deferred expenses	272,075,828.04	241,433,794.20
Deferred income tax assets	48,792,312.42	34,318,813.99
Other non-current assets	2,039,789.09	219,354.18
Total non-current assets	2,853,125,692.46	2,834,399,638.27
Total assets	3,184,470,613.66	3,145,033,562.10

Current liabilities:

Short-term loans 249,500,000.00 280,000,000.00

Borrowing from the central bank

Deposits and deposits

Unpacking funds

Measured at fair value and included in
Financial liabilities for profit or loss

Derivative financial liabilities

Bills payable 74,831,255.00

Accounts payable 302,690,107.62 409,007,621.48

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Advance receipts 220,484,127.66 95,340,297.29

Selling repurchased financial assets

Fees and commissions

Employee benefits payable 12,632,181.23 12,898,519.42

Taxes payable 2,592,198.56 31,020,435.84

Interest payable 340,695.62 417,956.46

Dividend payable 511,924.22 425,485.61

Other payables 234,858,563.69 29,301,990.88

Coping with reinsurance

Insurance contract reserve

Agent trading securities

Agency underwriting securities

Liabilities held for sale

Non-current liabilities due within one year

Other current liabilities 2,645,675.26 735,770.47

Total current liabilities 1,026,255,473.86 933,979,332.45

Non-current liabilities:

Long term loan

Bonds payable

Of which: preferred stock

Perpetual bond

Long-term payables

Long-term payroll pay

Special payable

Estimated liabilities

Deferred income

Deferred income tax liabilities

Other non-current liabilities

Total non-current liabilities

Total liabilities 1,026,255,473.86 933,979,332.45

Owners' equity:

Share capital 498,566,987.00 498,566,987.00

Other equity instruments

Of which: preferred stock

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Perpetual bond

Capital reserve 1,669,248,455.31 1,668,631,594.92

Less: treasury shares

Other comprehensive income -395,451.66 -414,690.95

Special reserves

Surplus reserve 27,579,031.87 27,579,031.87

general risk preparation

Undistributed profit -42,415,566.45 9,263,578.49

Total owner's equity attributable to the parent company 2,152,583,456.07
2,203,626,501.33

Minority shareholders' equity 5,631,683.73 7,427,728.32

Total owner's equity 2,158,215,139.80 2,211,054,229.65

Total liabilities and owner's equity 3,184,470,613.66 3,145,033,562.10

Legal representative: Xu Guangyu Person in charge of accounting work: Dong Qi
Person in charge of accounting department: Dong Qi

2. Parent company balance sheet

unit: yuan

Project ending balance

Current assets:

Monetary funds 78,241,761.27 111,827,438.31

Measured at fair value and included in
Financial assets of profit or loss

Derivative financial assets

bill receivable

accounts receivable

Prepayments

Interest receivable

Dividend receivable

Other receivables 2,459,807,696.88 2,566,097,696.88

Inventory

Assets held for sale

Non-current assets due within one year

Other current assets 15,914,565.91 22,785,178.34

Total current assets 2,553,964,024.06 2,700,710,313.53

Non-current assets:

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Available for sale financial assets

Held to maturity investments

Long-term receivables

Long-term equity investment 19,000,000.00 9,000,000.00

Investment real estate

Fixed assets

Construction in progress

Engineer material

Fixed assets cleanup

Productive biological assets

Oil and gas assets

Intangible assets

Development expenditure

Goodwill

Long-term prepaid expenses

Deferred income tax assets 7,836,851.83 5,814,120.49

Other non-current assets

Total non-current assets 26,836,851.83 14,814,120.49

Total assets 2,580,800,875.89 2,715,524,434.02

Current liabilities:

Short-term loans 249,000,000.00 279,500,000.00

Measured at fair value and included in
Financial liabilities for profit or loss

Derivative financial liabilities

Bills payable 74,831,255.00

Accounts payable 425,000.01

Advance payment

Payroll payable

Taxes payable 1,562,640.51 27,783,572.58

Interest payable 333,983.33 417,291.88

Dividend payable 425,485.61 425,485.61

Other payables 3,145,122.33 211,677.25

Liabilities held for sale

Non-current liabilities due within one year

Other current liabilities

Total current liabilities 254,892,231.79 383,169,282.32

Non-current liabilities:

Long term loan

Bonds payable

Of which: preferred stock

Perpetual bond

Long-term payables

Long-term payroll pay

Special payable

Estimated liabilities

Deferred income

Deferred income tax liabilities

Other non-current liabilities

Total non-current liabilities

Total liabilities 254,892,231.79 383,169,282.32

Owners' equity:

Share capital 498,566,987.00 498,566,987.00

Other equity instruments

Of which: preferred stock

Perpetual bond

Capital reserve 1,722,179,000.80 1,722,179,000.80

Less: treasury shares

Other comprehensive income

Special reserves

Surplus reserve 27,579,031.87 27,579,031.87

Undistributed profit 77,583,624.43 84,030,132.03

Total owner's equity 2,325,908,644.10 2,332,355,151.70

Total liabilities and owner's equity 2,580,800,875.89 2,715,524,434.02

3. Consolidated income statement

unit: yuan

The amount of the current period

I. Total operating income 89,382,042.19 231,266,909.27

Of which: operating income 89,382,042.19 231,266,909.27

Interest income

Earned premium

Fee and commission income

Second, the total operating cost 155,014,288.03 264,987,464.03

Of which: operating costs 109,846,141.26 214,141,712.02

Interest expense

Fee and commission expenses

Withdrawal

Net loss of expenditure

Withdrawal of insurance contract reserve net

dividend payment policy

Reinsurance costs

Taxes and surcharges 309,203.23 1,999,062.99

Sales expenses 6,275,047.55 2,858,867.45

Administrative expenses 29,351,786.55 36,856,251.87

Financial expenses 9,154,024.61 16,663,090.12

Asset impairment losses 78,084.83 -7,531,520.42

Plus: gains from changes in fair value

"-" is filled in)

Investment income (loss is filled in with "-"
153,195.12 5,386,023.47
Column)

Of which: for joint ventures and joint ventures
Investment income

Exchange gains (losses are marked with "-")

Asset disposal income (loss is filled in with "-"
Column)

Other income 595,900.00

Third, operating profit (loss is marked with "-") -64,883,150.72 -28,334,531.29

Plus: Non-operating income 0.20 204,208.73

Less: Non-operating expenses 200,000.01 185,442.01

4. Total profit (the total loss is marked with "-") -65,083,150.53 -28,315,764.57

Less: Income tax expense -13,795,100.37 -2,000,869.41

V. Net profit (net loss is marked with "-") -51,288,050.16 -26,314,895.16

(1) Net profit from continuing operations (net loss is -51,288,050.16 -
26,314,895.16

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"-" is filled in)

(2) Termination of operating net profit (net loss
"-" is filled in)

Net profit attributable to owners of the parent company -51,679,144.94 -
25,314,001.34

Minority shareholders' gains and losses 391,094.78 -1,000,893.82

6. Net after-tax net of other comprehensive income 19,239.29 -444,461.52

Other comprehensive income attributable to the parent company owner
19,239.29 -444,461.52

Net after tax

(1) It cannot be reclassified into profit or loss in the future
His comprehensive income

1. Re-measure the net benefit plan
Changes in liabilities or net assets

2. Under the equity method, the investee does not
Can be reclassified into other comprehensive income of profit and loss
Some shares

(2) Others that will be reclassified into profit or loss in the future
19,239.29 -444,461.52
Comprehensive income

1. Under the equity method, the investee
Will be reclassified into other comprehensive income of profit and loss
Share of share

2. Fair value of available-for-sale financial assets
Value change gains and losses

3. Held-to-maturity investments are reclassified as
Profits and losses on available-for-sale financial assets

4. Cash flow hedge profit and loss is valid
section

5. Translation difference of foreign currency financial statements 19,239.29 -
444,461.52

6. Other

Other comprehensive income attributable to minority shareholders
Net after tax

VII. Total comprehensive income -51,268,810.87 -26,759,356.68

Comprehensive income attributable to the parent company owner
-51,659,905.65 -25,758,462.86
lump sum

Total comprehensive income attributable to minority shareholders 391,094.78 -
1,000,893.82

Eight, earnings per share:

(1) Basic earnings per share -0.10 -0.05

(2) Diluted earnings per share -0.10 -0.05

In the current period when a business combination under the same control occurs, the net profit realized by the merged party before the merger is: yuan. The net profit realized by the merged party in the previous period is: yuan.

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Legal representative: Xu Guangyu Person in charge of accounting work: Dong Qi
Person in charge of accounting department: Dong Qi

4. Parent company income statement

unit: yuan

The amount of the current period

I. Operating income 0.00 277,487,196.10

Less: operating costs 0.00 262,471,249.15

Taxes and surcharges 41,433.33 1,582,003.71

Sales expenses 929,953.53

Administrative expenses 1,919,649.93 10,024,142.55

Financial expenses 6,130,371.91 5,028,964.74

Asset impairment loss - 7,624,452.39

Plus: gains from changes in fair value
"- " is filled in)

Investment income (loss is filled in with "-"
2,572,292.58
Column)

Of which: for joint ventures and joint ventures
Investment income

Asset disposal income (loss with "- " sign
Fill in)

Other income

2. Operating profit (loss is marked by "-") -8,091,455.17 7,647,627.39

Plus: Non-operating income 200,097.61

Less: Non-operating expenses 174,866.94

3. Total profit (the total amount of loss is filled in with the "- " sign
-8,091,455.17 7,672,858.06
Column)

Less: Income tax expense -1,644,947.57 8,396,548.51

4. Net profit (net loss is marked with "-") -6,446,507.60 -723,690.45

(1) Net profit from continuing operations (net loss)

-6,446,507.60 -723,690.45

Filled with "-")

(II) Termination of operating net profit (net loss)

Filled with "-")

V. Net after tax of other comprehensive income

(1) It cannot be reclassified into profit or loss in the future.

Other comprehensive income

1. Re-measure the defined benefit plan

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Changes in net liabilities or net assets

2. Under the equity method, the investee

Cannot be reclassified into other comprehensive income

Share of share

(2) It will be reclassified into profit or loss in the future

His comprehensive income

1. Under the equity method, the investee

Other comprehensive income that will be reclassified into profit or loss in the future

Share in

2. Available-for-sale financial assets are fair

Value change gains and losses

3. Held-to-maturity investment reclassification

Profit or loss for available-for-sale financial assets

4. Cash flow hedges have
Effect

5. Foreign currency financial statement translation difference

6. Other

6. Total comprehensive income -6,446,507.60 -723,690.45

7. Earnings per share:

(1) Basic earnings per share

(2) Diluted earnings per share

5. Consolidated cash flow statement

unit: yuan

The amount of the current period

I. Cash flow from operating activities:

Cash received from sales of goods and services 224,439,061.83 371,742,407.13

Net increase in customer deposits and interbank deposits
amount

Net increase in borrowing from central bank

Net increase in funds disbursed to other financial institutions
amount

Cash received from the original insurance contract premium

Net cash received from reinsurance business

Net increase in policyholders' deposits and investment funds

Disposal is measured at fair value and its changes

Net increase in financial assets at the current profit and loss

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Cash for interest, commission and commission

Net increase in funds disbursed

Net increase in repurchase business funds

Tax Refund

Received other cash related to operating activities 10,223,222.70 11,242,565.22

Subtotal of cash inflow from operating activities 234,662,284.53 382,984,972.35

Cash paid for the purchase of goods and services, 32,759,833.48 224,646,550.23

Net increase in customer loans and advances

Net increase in deposits with central banks and peers
amount

Pay the cash of the original insurance contract payment

Pay interest, commission and commission cash

Cash paid for policy dividends

Pay to employees and pay for employees

60,762,813.37 31,931,530.90

gold

Various taxes paid 30,674,302.07 4,495,582.90

Pay other cash related to operating activities	61,236,443.63	104,181,389.98
Subtotal of cash outflows from operating activities	185,433,392.55	365,255,054.01
Net cash flow from operating activities	49,228,891.98	17,729,918.34
2. Cash flow from investment activities:		
Cash recovered from investment	435,971,392.29	
Cash received from investment income	161,755.00	2,146,981.75
Disposal of fixed assets, intangible assets and others	788.25	
Net cash recovered from long-term assets		
Disposal of subsidiaries and other business units received		
Net cash		
Received other cash related to investment activities	627,288.43	5,769,855.03
Subtotal of cash inflows from investing activities	789,831.68	443,888,229.07
Purchase and construction of fixed assets, intangible assets and others	171,266,447.05	542,229,261.12
Cash paid for long-term assets		
Cash paid for investment	3,000,000.00	190,000,000.00
Net increase in pledge loans		
Obtain payment from subsidiaries and other business units	6,622,693.69	114,814,150.76
Net cash		
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	180,889,140.74	847,043,411.88

Net cash flow from investing activities -180,099,309.06 -403,155,182.81

3. Cash flow from financing activities:

Absorb cash received from investment

Among them: subsidiaries absorb minority shareholders' investment

Cash received

Cash received from the loan 205,401,700.00 1,002,000,000.00

Cash received from the issuance of bonds

Received other cash related to fundraising activities 51,449,700.22

Subtotal of cash inflows from financing activities 256,851,400.22

1,002,000,000.00

Cash paid for debt repayment 40,000,000.00 521,799,820.80

Distribute dividends, profits or pay interest payments

8,266,040.17 4,646,195.66

Cash

Of which: the subsidiary pays to minority shareholders

Dividend, profit

Pay other cash related to fundraising activities 41,912,100.92 58,92,535.31

Subtotal of cash outflows from financing activities 90,178,141.09 581,438,551.77

Net cash flow from financing activities 166,673,259.13 420,561,448.23

4. Exchange rate changes for cash and cash equivalents

34,499.42 -708,507.48

influences

V. Net increase in cash and cash equivalents 35,837,341.47 34,427,676.28

Plus: balance of cash and cash equivalents at the beginning of the period
77,274,652.40 115,083,829.61

6. Balance of cash and cash equivalents at the end of the period 113,111,993.87
149,511,505.89

6. Parent company cash flow statement

unit: yuan

The amount of the current period

I. Cash flow from operating activities:

Cash received for the sale of goods and services, 248,231,362.15

Tax Refund

Received other cash related to operating activities 99,316,349.00 29,488,219.40

Subtotal of cash inflow from operating activities 99,316,349.00 277,719,581.55

Cash paid for the purchase of goods and services, 210,903,926.71

Pay to employees and pay for employees

6,203,047.06

gold

Various taxes paid 27,158,589.66 2,895,015.22

Pay other cash related to operating activities 43,454,142.89 -25,718,405.90
Subtotal of cash outflows from operating activities 70,612,732.55 194,283,583.09
Net cash flow from operating activities 28,703,616.45 83,435,998.46

2. Cash flow from investment activities:

Recover the cash received from the investment

Cash received from investment income

Disposal of fixed assets, intangible assets and others

Net cash recovered from long-term assets

Disposal of subsidiaries and other business units received

Net cash

Received other cash related to investment activities 595,022.34 5,678,323.97

Subtotal of cash inflows from investing activities 595,022.34 5,678,323.97

Purchase and construction of fixed assets, intangible assets and others

5,113,583.42

Cash paid for long-term assets

Cash Investment

Obtain payment from subsidiaries and other business units

Net cash

Pay other cash related to investment activities 119,886,586.79

Subtotal of cash outflows from investing activities 125,000,170.21

Net cash flow from investing activities 595,022.34 -119,321,846.24

3. Cash flow from financing activities:

Absorb cash received from investment

Cash received from the loan 9,500,000.00 258,500,000.00

Cash received from the issuance of bonds

Received other cash related to fundraising activities 9,557,696.58

Subtotal of cash inflows from financing activities 19,057,696.58 258,500,000.00

Cash paid for debt repayment 40,000,000.00 171,799,820.80

Distribute dividends, profits or pay interest payments

6,776,218.55 4,539,623.49

Cash

Pay other cash related to fundraising activities 20,097.28 58,92,535.31

Subtotal of cash outflows from financing activities 46,796,315.83 231,331,979.60

Net cash flow from financing activities -27,738,619.25 27,168,020.40

4. Exchange rate changes for cash and cash equivalents

-247,674.98

influences

V. Net increase in cash and cash equivalents 1,560,019.54 -8,965,502.36

Plus: balance of cash and cash equivalents at the beginning of the period

24,035,818.15 12,451,380.48

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6. Balance of cash and cash equivalents at the end of the period 25,595,837.69

3,485,878.12

7. Consolidated owner's equity change statement

Current Amount

unit: yuan

This period

Equity attributable to equity holders

Owner

Project Other equity instruments Minority shares

Capital reduction: bank, other comprehensive reserves, surplus surplus, general
wind, unallocated, equity

Equity priority, perpetual, east equity

Other stocks, joint income, reserve insurance, profit,

Stock debt

498,56 1,668,6 2,211,0

-414,69 27,579, 9,263,5 7,427,7

I. Balance at the end of the previous year 6,987. 31,594. 54,229.

0.95 031.87 78.49 28.32

00 92 65

Plus: Accounting Policy
change

Pre-difference

Wrong correction

Same control

Business combination

Other

498,56 1,668,6 2,211,0

-414,69 27,579, 9,263,5 7,427,7

2. The beginning balance of the current year was 6,987. 31,594. 54,229.

0.95 031.87 78.49 28.32

00 92 65

Third, the current period of increase and decrease

616,860 19,239. -51,679, -1,796,0 -52,839,
Amount (reduced by "-"
.39 29 144.94 44.59 089.85
Number)

(1) Total comprehensive income 19,239. -51,679, 391,094 -51,268,
Amount 29 144.94 .78 810.87

(2) Owner input 616,860 463,126 1,079,9
And reducing capital .39.43 86.82

1. Shareholders' investment
Passing shares

2. Other equity instruments
Holder invests capital

3. Share-based payment
Owner's equity
amount

4. Other 616,860 463,126 1,079,9

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.39 .43 86.82

-2,650,2 -2,650,2

(3) Profit distribution
65.80 65.80

1. Extract surplus reserve

2. Extract general risks
ready

3. For the owner (or -2,650,2 -2,650,2

Distribution of shareholders) 65.80 65.80

4. other

(4) Owner's equity
Internal carryover

1. Capital reserve
Capital (or equity)

2. Surplus reserve increased
Capital (or equity)

3. Surplus reserve
Loss

4. other

(5) Special reserve

1. Current extraction

2. Current use

(6) Others

498,56 1,669,2 2,158,2

-395,45 27,579, -42,415, 5,631,6

4. The ending balance of the current period is 6,987. 48,455. 15,139.

1.66 031.87 566.45 83.73

00 31 80

Last year amount
unit: yuan

Previous period

Equity attributable to equity holders

Owner

Project Other equity instruments Minority shares

Capital reduction: bank, other comprehensive reserves, surplus surplus, general
wind, unallocated, equity
Equity priority, perpetual, east equity
Other stocks, joint income, reserve insurance, profit,
Stock debt

498,56 1,723,5 2,490,8

788,467 23,559, -11,685, 256,124

I. Balance at the end of the previous year 6,987. 24,062. 77,984.

.61 343.18 008.79, 132.56

00 49 05

Plus: Accounting Policy
change

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Pre-difference
Wrong correction

Same control
Business combination

Other

498,56 1,723,5 2,490,8

788,467 23,559, -11,685, 256,124

2. The beginning balance of the current year is 6,987. 24,062. 77,984.

.61 343.18 008.79, 132.56

00 49 05

Third, the current period of increase and decrease

1,348,3 -444,46 -25,314, 2,326,4 -22,083,

Amount (reduced by "-"

81.68 1.52 001.34 20.36 660.82

Number)

(1) Total comprehensive income -444,46 -25,314, -1,000, -26,759,
Amount 1.52 001.34 893.82 356.68

(2) Owner input 1,348,3 1,348,3
And reducing capital 81.68 81.68

1. Shareholders invested in 1,348,3 1,348,3
Stocks 81.68 81.68

2. Other equity instruments
Holder invests capital

3. Share-based payment
Owner's equity
amount

4. other

(3) Profit distribution

1. Extract surplus reserve

2. Extract general risks
ready

3. For the owner (or
Distribution of shareholders

4. other

(4) Owner's equity
Internal carryover

1. Capital reserve
Capital (or equity)

2. Surplus reserve increased
Capital (or equity)

3. Surplus reserve
Loss

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4. other

(5) Special reserve

348,659 348,659

1. Current extraction
.95 .95

348,659 348,659

2. Current use
.95 .95

3,327,3 3,327,3

(6) Others

14.18 14.18

498,56 1,724,8 2,468,7

344,006 23,559, -36,999, 258,450

4. The ending balance of the current period is 6,987. 72,444. 94,323.

.09 343.18 010.13 ,552.92

00 17 23

8. Change in parent company's owner's equity

Current Amount

unit: yuan

This period

Project Other equity instruments Less: Inventory Other comprehensive

Unallocated Ownership
Equity capital reserve special reserve surplus reserve
Preferred stock, perpetual debt, other stocks, profit, profit, total

498,566, 1,722,179 27,579,03 84,030, 2,332,355

I. Balance at the end of the previous year

987.00 ,000.80 1.87 132.03 ,151.70

Plus: Accounting Policy
change

Pre-difference
Wrong correction

Other

498,566, 1,722,179 27,579,03 84,030, 2,332,355

Second, the beginning balance of the current year

987.00 ,000.80 1.87 132.03 ,151.70

Third, the current period of increase and decrease

-6,446,5 -6,446,50

Amount (reduced by "-"

07.60 7.60

Number)

(1) Total comprehensive income -6,446,5 -6,446,50

Amount 07.60 7.60

(2) Owner input
And reducing capital

1. Shareholders' investment
Passing shares

2. Other equity instruments
Holder invests capital

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3. Share-based payment

Owner's equity
amount

4. other

(3) Profit distribution

1. Extract surplus reserve

2. For the owner (or
Distribution of shareholders

3. other

(4) Owner's equity

Internal carryover

1. Capital reserve
Capital (or equity)

2. Surplus reserve increased
Capital (or equity)

3. Surplus reserve
Loss

4. other

(5) Special reserve

1. Current extraction

2. Current use

(6) Others

498,566, 1,722,179 27,579,03 77,583, 2,325,908
Fourth, the current period ending balance
987.00 ,000.80 1.87 624.43 ,644.10

Last year amount
unit: yuan

Previous period

Project Other equity instruments Less: Inventory Other comprehensive
Unallocated Ownership
Equity capital reserve special reserve surplus reserve
Preferred stock, perpetual debt, other stocks, profit, profit, total

498,566, 1,722,048 23,559,34 -36,837, 2,207,336
I. Balance at the end of the previous year
987.00, 259.13 3.18 974.88, 614.43

Plus: Accounting Policy
change

Pre-difference
Wrong correction

Other

2. The beginning balance of the current year 498,566, 1,722,048 23,559,34 -
36,837, 2,207,336

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987.00, 259.13 3.18 974.88, 614.43

Third, the current period of increase and decrease
-723,69 -723,690.

Amount (reduced by "-")
0.45 45

Number)

(1) Total comprehensive income -723,69 -723,690.
Amount 0.45 45

(2) Owner input
And reducing capital

1. Shareholders' investment
Passing shares

2. Other equity instruments
Holder invests capital

3. Share-based payment
Owner's equity
amount

4. other

(3) Profit distribution

1. Extract surplus reserve

2. For the owner (or
Distribution of shareholders

3. other

(4) Owner's equity
Internal carryover

1. Capital reserve
Capital (or equity)

2. Surplus reserve increased
Capital (or equity)

3. Surplus reserve
Loss

4. other

(5) Special reserve

348,659.9 348,659.9

1. Current extraction

5 5

348,659.9 348,659.9

2. Current use

5 5

(6) Others

498,566, 1,722,048 23,559,34 -37,561, 2,206,612

Fourth, the current period ending balance

987.00,259.13 3.18 665.33,923.98

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Third, the company's basic situation

Beijing Kaiwen Dexin Education Technology Co., Ltd. (hereinafter referred to as "the company" or "the company") formerly known as Jiangsu Zhongtai Bridge Steel Structure Co., Ltd., is from Jiangsu Zhongzhong

The joint-stock company established by Taigang Steel Structure Co., Ltd. was registered and established on March 28, 2008 by the Jiangsu Administration for Industry and Commerce.

No. 320000000070820, with a registered capital of 116.5 million yuan and a share of 116.5 million shares.

According to the resolution of the company's first extraordinary shareholders meeting in 2011 and the revised articles of association, and approved by the China Securities Regulatory Commission on the approval of Jiangsu Zhongtai Bridge Steel Construction Co., Ltd. approved the initial public offering of shares (Zheng Jian Li [2012] No. 185) approved, on March 7, 2012, the company publicly issued the people to the public

The currency common stock was 39 million shares, the registered capital was increased by RMB 39 million, and the registered capital after the change was RMB 155.5 million.

According to the resolution of the 2012 Annual General Meeting of Shareholders, the company based on the company's total share capital of 155.5 million shares on December 31, 2012, and 10 shares of all shareholders to the capital reserve fund. 10 shares were transferred, totaling 155.5 million shares, and the registered capital after the transfer to share capital was RMB 311.0 million.

According to the resolution of the company's 2015 first extraordinary general meeting of shareholders and the revised articles of association, and approved by the China Securities Regulatory Commission on the approval of Jiangsu Zhongtai Bridge

Approval of the Non-public Issuance of Shares by Liang Gang Structure Co., Ltd. (Zheng Jian Li [2016] No. 809), the company to the specific target of the eight major holding group limited company

Division, Huaxuan (Shanghai) Equity Investment Fund Co., Ltd. and Zheng Yaping, three specific investors, non-public issuance of 187,566,987.00 shares of restricted shares

Gold, with a par value of RMB 1 per share, the issue price per share is RMB 9.33, and the registered capital is increased by RMB 187,566,987.00. The registered capital after the change is the people.

Coin 498,566,987.00 yuan.

Company residence: 109, 1st floor, West Section, Building 2, 4th District, Xishan Creative Park, Haidian District, Beijing. Legal representative of the company: Xu Guangyu.

The company's main business activities are technology development, technology promotion, technology transfer, technical consulting, technical services; education information consulting. (projects subject to approval in accordance with the law, Business activities can be carried out after approval by relevant departments).

Financial report approval date: The financial statements were approved by the board of directors of the company on August 7, 2018.

New subsidiaries in this issue:

No. Subsidiary company full name Subsidiary name Reason for inclusion in the scope of consolidation

1 Kevin Education US Co., Ltd. Kevin America Co., Ltd.

2 Princeton Westminster International Limited Princeton International Inc.

3 Hunan Kaiwen Xingyi Education Technology Co., Ltd. Kaiwen Xingyi New

4 Beijing Chaoyang Kewen School Chaoyang School New

Fourth, the basis for the preparation of financial statements

1. Preparation basis

Based on continuing operations, the Company confirms and measures according to the actual accounting transactions and events, in accordance with the Accounting Standards for Business Enterprises and its application guidelines and guidelines. Prepare financial statements on this basis.

2. Continuous operation

The Company has assessed the ability to continue operations for 12 months from the end of the reporting period and has not found any issues affecting the Company's ability to continue as a going concern. The Company is based on continuing operations.

It is reasonable to prepare financial statements.

V. Significant accounting policies and accounting estimates

Specific accounting policies and accounting estimates suggest:

The following important accounting policies and accounting estimates of the Company are formulated in accordance with the Accounting Standards for Business Enterprises. Businesses not mentioned are implemented in accordance with the relevant accounting policies in the Accounting Standards for Business Enterprises.

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1. Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the company are in compliance with the requirements of the Accounting Standards for Business Enterprises, which truly and completely reflect the financial status, operating results, changes in owner's equity and current status of the company.
Information about gold flow and so on.

2. Accounting period

The company's fiscal year begins on January 1 and ends on December 31 of the Gregorian calendar.

3. Business cycle

The normal business cycle of the company is one year.

4. Bookkeeping currency

The Company's bookkeeping base currency is Renminbi, and the overseas (sub)subsidiary is the bookkeeping base currency according to the currency of the country or region where it is located.

5. Accounting treatment method for business combination under the same control and not under the same control

(1) Business combination under the same control

The assets and liabilities acquired by the Company in the business combination are measured at the carrying amount of the combining party in the consolidated financial statements of the ultimate controlling party on the combination date.

Among them, right

In accordance with the accounting policies adopted by the merged party and the company before the merger, the accounting policy is based on the principle of importance, that is, according to the accounting policy of the company.

The book value of the side assets and liabilities is adjusted. There is a difference between the book value of the net assets acquired by the company in the business combination and the book value of the consideration paid.

First, adjust the capital reserve (capital premium or equity premium). If the balance

of capital reserve (capital premium or equity premium) is insufficient, the surplus reserve will be offset and the reserve will not be offset.

Allocate profits.

(2) Business combinations not under the same control

The identifiable assets and liabilities of the acquiree acquired by the company in the business combination are measured at its fair value on the purchase date.

Among them, for the buyer and the company

The accounting policies adopted before the merger are different, and the accounting policies are unified based on the principle of importance, that is, the books of the assets and liabilities of the purchased party are in accordance with the accounting policies of the company.

The value is adjusted. The merger cost of the Company on the purchase date is greater than the difference between the fair value of the identifiable assets and liabilities of the acquiree acquired in the business combination, and is recognized as goodwill;

If the merger cost is less than the difference between the acquiree's identifiable assets and the fair value of the liabilities acquired in the business combination, the merger cost and the merger are first obtained.

The fair value of the identifiable assets and liabilities of the purchaser shall be reviewed. After the review, the merger cost is still less than the fair value of the identifiable assets and liabilities of the acquired party.

The difference is recognized as the consolidated profit and loss for the current period.

6. Preparation method of consolidated financial statements

(1) Determination of the scope of consolidation

The scope of consolidation of the consolidated financial statements is determined on the basis of control, and includes not only the sub-publics determined by voting rights (or similar voting rights) themselves or in combination with other arrangements.

Division, also includes structured entities based on one or more contractual arrangements.

Control means that the company has the power to the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power to the investee.

Affect the amount of its return. Subsidiaries refer to the entities controlled by the company (including the divisible parts of the enterprise and the invested entity, and the structured entities controlled by the enterprise, etc.).

A structured subject is one that is designed without determining voting rights or similar rights as a decisive factor in determining its controlling party (note: sometimes referred to as a special purpose subject).

(2) Preparation method of consolidated financial statements

Based on the financial statements of itself and its subsidiaries, the Company prepares consolidated financial statements based on other relevant information. The Company prepares consolidated financial statements and regards the entire enterprise group as an accounting entity. According to the confirmation, measurement and presentation requirements of relevant accounting standards, The accounting policy reflects the overall financial status, operating results and cash flow of the enterprise group.

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1 Consolidate assets, liabilities, owner's equity, income, expenses and cash flow of the parent company and subsidiaries.

2 Set off the share of the parent company's long-term equity investment in the subsidiary and the parent company's share of the owner's equity.

3 Offset the impact of internal transactions between the parent company and its subsidiaries and subsidiaries. If the internal transaction indicates that the relevant assets have impairment losses, the full amount shall be confirmed.

Partial loss.

4 Adjust the special transaction matters from the perspective of the enterprise group.

(3) Increase or decrease of subsidiaries' processing during the reporting period

1 increase subsidiary or business

A. Subsidiary or business added by business combination under the same control

(a) When preparing the consolidated balance sheet, adjust the opening balance of the consolidated balance sheet and adjust the relevant items of the comparative statement, as if it were the combined report

The body always exists from the point at which the final control party begins to control.

(b) When preparing the consolidated income statement, the income, expenses and profits of the subsidiary and the business combination from the beginning of the period to the end of the reporting period are included in the consolidated income statement, and

The related items of the report are adjusted, as if the merged report body has existed since the final control party began to control.

(c) When preparing the consolidated cash flow statement, the cash flows of the subsidiary and the business combination from the beginning of the period to the end of the reporting period are included in the consolidated cash flow statement, and

The related items of the report are adjusted, as if the merged report body has existed since the final control party began to control.

B. Subsidiaries or businesses added by business combinations not under the same control

(a) When preparing the consolidated balance sheet, the opening balance of the consolidated balance sheet is not adjusted.

(b) When preparing the consolidated income statement, include the income, expenses and profits of the subsidiary and the business purchase date to the end of the reporting period in the consolidated income statement.

(c) When preparing the consolidated cash flow statement, the cash flow from the purchase date of the subsidiary to the end of the reporting period is included in the consolidated cash flow statement.

2 Disposal of subsidiaries or businesses

A. When preparing the consolidated balance sheet, the opening balance of the consolidated balance sheet is not adjusted.

B. When compiling the consolidated income statement, the income, expenses and profits of the subsidiary and the business beginning to the disposal date are included in the consolidated income statement.

C. When preparing the consolidated cash flow statement, the cash flow of the subsidiary and the business beginning to the disposal date is included in the consolidated cash flow statement.

(4) Special considerations in merger offsetting

1 Subsidiary holding the company's long-term equity investment shall be regarded as the company's treasury shares, as the deduction of the owner's equity, the owner's equity in the consolidated balance sheet

The project is listed as "minus: treasury stock".

The long-term equity investment held by the subsidiaries with each other is based on the offsetting method of the company's equity investment in the subsidiary, and the long-term equity investment and its corresponding subsidiaries are owned.

The share of the rights of the parties is offset by each other.

2 "Special Reserves" and "General Risk Preparedness" projects are not included in paid-in capital (or equity), capital reserve, but also in retained earnings and undistributed profits.

After the equity investment and the owner's equity of the subsidiary are offset, they are restored according to the share of the owner of the parent company.

3 Due to the offset of the unrealized internal sales profit and loss, the book value of

the assets and liabilities in the consolidated balance sheet and its tax base of the taxpayer are temporary.

For differences, the deferred income tax assets or deferred income tax liabilities are recognized in the consolidated balance sheet, and the income tax expense in the consolidated income statement is adjusted, but directly

Except for the transactions or events of the owner's equity and the deferred income tax related to the business combination.

4 The unrealized internal transaction gains and losses arising from the sale of assets by the Company to the subsidiary shall fully offset the “net profit attributable to the owner of the parent company”. Subsidiary to the company The unrealized internal transaction gains and losses arising from the sale of assets shall be in accordance with the Company's distribution ratio to the subsidiary in the “net profit attributable to the owner of the parent company” and “a few Offset distribution between shareholders' gains and losses. The unrealized gains and losses from internal transactions arising from the sale of assets between subsidiaries shall be in accordance with the proportion of the Company's distribution to the seller's subsidiaries.

Offset is allocated between “net profit attributable to owners of the parent company” and “minority gains and losses”.

If the current loss shared by the minority shareholders of the subsidiary exceeds the minority shareholder’s share of the owner’s equity at the beginning of the subsidiary, the balance shall still be reduced by several shares.

East equity.

(5) Accounting treatment of special transactions

1 Purchase minority shareholders' equity

The Company purchases the equity of the subsidiaries owned by the minority shareholders of the subsidiary, and in the individual financial statements, the investment cost of the newly acquired long-term equity investment is purchased according to the

The fair value measurement of the consideration paid. In the consolidated financial statements, the long-term equity investment newly acquired due to the purchase of minority shares shall be calculated in accordance with the proportion of new shareholdings.

The difference between the net assets share that the company has continuously calculated from the date of purchase or the merger date shall be adjusted to the capital reserve (capital premium or equity premium), and the capital reserve is insufficient.

If it is reduced, it will reduce the surplus reserve and undistributed profit.

2 Step by step to obtain control of the subsidiary through multiple transactions

A. Step by step to achieve business combination under the same control through multiple transactions

In the case of a “package deal”, the company treats each transaction as a transaction that acquires control of the subsidiary. In individual financial statements, prior to the merger date

In each transaction, the equity investment is recognized as a long-term equity investment and its initial investment cost is calculated based on the corresponding shareholding ratio.

The book value share in the party's consolidated financial statements is determined. The difference between the initial cost of the long-term equity investment and the book value of the payment consideration is adjusted to the capital reserve (capital premium or

Equity premium) If the capital reserve (capital premium or equity premium) is insufficient to offset, it will offset the surplus reserve and undistributed profits.

Long-term equity investment in subsequent measurement

The capital is accounted for by the cost method, but does not involve the preparation of consolidated financial statements. On the merger date, the initial cost of the company's long-term equity investment in the subsidiary is in accordance with the subsidiary's

The calculation of the shareholding ratio is determined by the book value share of the net assets of the merged party in the consolidated financial statements of the ultimate controlling party, and the initial investment cost and the long-term before the merger.

Adjusting the capital reserve (capital premium or equity premium) by the difference between the book value of the equity investment and the sum of the book value of the new share payment consideration on the merger date,

If the capital reserve (capital premium or equity premium) is insufficient to offset, it will offset the surplus reserve and undistributed profits. Simultaneously prepare consolidated financial statements for the merger date, and

In the consolidated financial statements, the parties are deemed to have adjusted in the current state when the ultimate controlling party begins to control.

The terms, conditions and economic impact of each transaction are in one or more of the following situations, and multiple transactions are usually accounted for as a “package deal”:

- (a) These transactions are made simultaneously or with consideration of each other's influence.
- (b) These transactions as a whole can achieve a complete business outcome.
- (c) The occurrence of a transaction depends on the occurrence of at least one other transaction.
- (d) A transaction is not economical when considered separately, but it is economical when considered together with other transactions.

If it is not a “package deal”, in each transaction before the merger date, each transaction occurred by the company is recognized as a financial asset according to the fair value of the consideration paid.

(Financial assets measured at fair value through profit or loss or available-for-sale financial assets) or long-term equity investments accounted for using the equity method. On the merger day,

In the individual financial statements, the company determines the long-term shares based on the share of the book value of the subsidiary's net assets in the final controlling party's consolidated financial statements.

The initial investment cost of the right investment. The initial investment cost of the long-term equity investment in the merger, and the book value of the long-term equity investment before the merger plus the merger date

The difference between the sum of the book value of the new payment considerations, the capital reserve (capital premium or equity premium), the capital reserve is insufficient to offset, and the surplus is offset

Accumulated and undistributed profits.

In the consolidated financial statements, the parties are deemed to have adjusted in the current state when the ultimate controlling party begins to control, in the preparation of the consolidated financial report.

In the case of the table, the relevant assets and liabilities of the merged party are merged into the combined party and the financial assets, not earlier than the time when the combining party and the merged party are under the control of the ultimate controlling party.

In the comparison report of the report, the consolidated net assets will be adjusted in the comparison report to adjust the related items under the owner's equity. Due to the capital reserve of the merging party

The balance of the price or the share premium is insufficient. If the part of the retained earnings realized by the merged party before the merger is not fully recovered in the consolidated financial statements,

The Company explains this situation in the notes to the statement, including the amount of retained earnings realized by the merged party before the merger, the amount attributable to the company and the capital reserve.

The balance is insufficient for the amount of retained earnings that has not been

transferred to the retained balance sheet.

If the combining party holds the equity investment before the acquisition of the control of the merged party and is accounted for using the equity method, the combining party and the merged party are in the same party on the date of obtaining the original equity.

The relevant profit and loss, other comprehensive income and other changes in owner's equity have been recognized between the date of the final control and the date of the combination.

Retained earnings at the beginning of the period.

B. Step by step to achieve business combination not under the same control through multiple transactions

In the case of a “package deal”, the company treats each transaction as a transaction that acquires control of the subsidiary. In individual financial statements, prior to the merger date

In each transaction, the equity investment is recognized as a long-term equity investment and its initial investment cost is determined based on the fair value of the consideration paid. Long-term equity in subsequent measurement

Investments are accounted for using the cost method, but do not involve the preparation of consolidated financial statements. On the date of the merger, in the individual financial statements, in accordance with the original long-term equity investment

The sum of the value plus the new investment cost (the fair value of the consideration paid for the further acquisition of the shares) is the initial investment cost of the long-term equity investment on the merger date. In the merger

In the financial statements, the initial investment cost is offset against the share of the fair value of the identifiable net assets of the subsidiary. The difference is recognised as goodwill or recognised in profit or loss.

If it is not a “package deal”, each transaction incurred by the investor in each transaction prior to the merger date is recognized as a financial asset at the fair value of the consideration paid.

(Financial assets measured at fair value through profit or loss or available-for-sale financial assets) or long-term equity investments accounted for using the equity method. On the merger day,

In the individual financial statements, the book value of the original equity investment (financial assets or long-term equity investments accounted for under the equity method) plus new investment costs

And, as the initial cost of accounting for long-term equity investment by cost method. In the consolidated financial statements, for the shares of the purchased party held before the purchase date, according to the stock

The fair value of the right at the date of purchase is re-measured, the difference

between the fair value and the book value is included in the current investment income; the equity of the purchased party held before the purchase date
If other comprehensive incomes under the equity method are accounted for, other comprehensive income related to them shall be transferred to the current income at the date of purchase, but due to the re-measurement of the merged party
Except for other comprehensive income arising from changes in net assets or net liabilities of the defined benefit plan. In the notes, the company discloses that the equity of the purchased party held before the purchase date is

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The fair value of the purchase date and the amount of the relevant gain or loss arising from the re-measurement of the fair value.

3 The company disposed of long-term equity investment in subsidiaries but did not lose control

The parent company partially disposes of the long-term equity investment in the subsidiary without losing control. In the consolidated financial statements, the disposal price is relative to the disposal of the long-term equity investment. Should enjoy the difference between the share of the net assets that the subsidiary has continuously calculated from the date of purchase or the merger date, adjust the capital reserve (capital premium or equity premium), capital reserve
If there is insufficient credit, adjust the retained earnings.

4 The company disposed of long-term equity investment in subsidiaries and lost control

A. Disposal of a transaction

If the company loses control over the investee due to the disposal of part of the equity investment, etc., in the preparation of the consolidated financial statements, the remaining equity is lost according to its control.

The fair value of the date of the exercise is re-measured. The sum of the consideration obtained by disposing of the equity and the fair value of the remaining equity, less the original shareholding ratio

The difference between the share of net assets that has been continuously calculated from the date of purchase or the date of combination is included in the investment income of the current period of loss of control, and the goodwill is written off.

Business combinations are not under the same control and there is goodwill). Other

comprehensive income related to the original subsidiary's equity investment, etc., when the control is lost, it is converted into current investment income.

In addition, other comprehensive income and other changes in owner's equity related to the equity investment of Atom Co., Ltd. are transferred to the current profit and loss when control is lost, due to the

Except for other comprehensive income arising from changes in net liabilities or net assets of the new measurement and defined benefit plan.

B. Step by step multiple transactions

In the consolidated financial statements, it should first be judged whether the step-by-step transaction is a “package deal”.

If the step-by-step transaction is not a “package deal”, the transactions before the loss of control over the subsidiary shall be based on “the parent company’s disposal of the long-term equity of the subsidiary”.

The relevant provisions of the capital but not lost control.

If the step-by-step transaction is a “package deal”, each transaction should be accounted for as a transaction that disposes of the subsidiary and loses control; For each transaction before the loss of control, the difference between the disposal price and the disposal investment and the share of the net assets of the subsidiary shall be recognized as other in the consolidated financial statements.

The comprehensive income, when the control is lost, is transferred to the profit and loss of the current loss of control.

5 factor company's minority shareholders increase capital and dilute the proportion of equity owned by the parent company

The other shareholders (minority shareholders) of the subsidiary increase the capital of the subsidiary, thereby diluting the share ratio of the parent company to the subsidiary. In the consolidated financial statements, in accordance with the capital increase

The former parent company's shareholding ratio is calculated as the share of the net assets of the subsidiary before the capital increase. The share is calculated after the capital increase according to the parent company's shareholding ratio.

The difference between the net asset share of the company is adjusted to the capital reserve (capital premium or equity premium), and the capital reserve (capital premium or equity premium) is insufficient to be offset.
retained earnings.

7. Classification of joint venture arrangements and accounting treatment for joint

operations

A joint venture arrangement is an arrangement that is jointly controlled by two or more parties. The company's joint venture arrangements are divided into joint operations and joint ventures.

(1) Joint management

Joint operation refers to the joint arrangement of the company that enjoys the relevant assets of the arrangement and assumes the liabilities related to the arrangement.

The Company confirms the following items related to the share of interests in the joint operation and conducts accounting treatment in accordance with the relevant accounting standards:

1 to confirm the assets held separately and to confirm the assets held jointly by their shares;

2 Recognize the liabilities assumed separately and recognize the shared liabilities by their share;

3 to recognise the proceeds from the sale of the share of the common operating output that it enjoys;

4 to recognise the income generated by the joint operation from the sale of the output according to its share;

5 Confirm the expenses incurred separately and confirm the expenses incurred by the joint operation according to their shares.

(2) Joint venture

A joint venture is a joint venture arrangement in which the company only has rights to the net assets of the arrangement.

The Company shall account for the investment of the joint venture in accordance with the provisions of the long-term equity investment related equity method.

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8. Determination criteria for cash and cash equivalents

Cash refers to the company's cash on hand and deposits that can be used for payment at any time. Cash equivalents refer to short-term holdings (generally due

within three months from the date of purchase), flow
Strong, easy to convert into a known amount of cash, the risk of small changes in value.

9. Foreign currency business and foreign currency statement translation

(1) Method for determining the exchange rate during foreign currency transactions
The initial recognition of the foreign currency transactions of the Company is converted into the recording currency using the spot exchange rate on the transaction date or the approximate exchange rate of the spot exchange rate.

(2) Translation method of foreign currency monetary items on the balance sheet date

On the balance sheet date, foreign currency monetary items are translated at the spot exchange rate on the balance sheet date. Due to the spot exchange rate on the balance sheet date and the initial confirmation or previous

Exchange differences arising from differences in spot exchange rates on the balance sheet date are recognised in profit or loss for the current period.

(3) Foreign currency statement conversion method

Adjust the accounting period and accounting policies of overseas operations before converting the financial statements of overseas business operations, so that they are consistent with the accounting period and accounting policies of the enterprise, and then

According to the adjusted accounting policy and accounting period, prepare the financial statements of the corresponding currency (currency other than the recording currency), and then enter the financial statements of overseas operations according to the following methods.

Line conversion:

1 Assets and liabilities in the balance sheet are translated at the spot exchange rate on the balance sheet date. Other items besides the “undistributed profit” item of the owner's equity item.

Use the spot exchange rate at the time of occurrence to convert.

2 Income and expense items in the income statement are translated at the spot exchange rate on the transaction date or the approximate exchange rate of the spot exchange rate.

3 The translation difference of the foreign currency financial statements generated, when preparing the consolidated financial statements, separately lists “other comprehensive income” under the owner's equity item in the consolidated balance sheet.

4 Foreign currency cash flows and cash flows of overseas subsidiaries are

translated using the spot exchange rate on the date of the cash flow or the approximate exchange rate of the spot exchange rate. Exchange rate changes to cash

The amount of impact should be used as a reconciliation item and presented separately in the cash flow statement.

10. Financial instruments

(1) Classification of financial assets

1 Financial assets measured at fair value through profit or loss

Including trading financial assets and financial assets directly designated as fair value through profit or loss, the former mainly refers to the sale of the company in the near future.

And holding stocks, bonds, funds, and derivatives investments that are not effective hedging instruments. Such assets are initially measured at the fair value at the time of acquisition.

The amount of the transaction is recognized and the related transaction expense is recognised in profit or loss. The payment of the price includes a cash dividend that has been announced but not yet paid or has already paid interest but has not yet received

The bond interest taken is separately recognized as an item receivable. Obtain interest or cash dividends during the holding period and recognize them as investment income. On the balance sheet date, the company will use this type of gold

The finance products are measured at fair value through profit or loss. When such financial assets are disposed, the difference between the fair value and the initial recorded amount is recognized as an investment.

Revenue, while adjusting the gains and losses of changes in fair value.

2 held to maturity investment

It mainly refers to government bonds and corporate bonds with fixed maturities, fixed or determinable payments, and the company's intentions and ability to hold to maturity. Such financial financing

The production is based on the sum of the fair value at the time of acquisition and the related transaction expenses as the initial confirmation amount. Bond interest included in the payment price but not yet paid,

It is confirmed as an account receivable. Held-to-maturity investments are recognized as interest income based on amortized cost and actual interest rate during the holding period and are included in investment income. Disposal holding until

In the period of investment, the difference between the purchase price and the book value of the investment is included in the investment income.

3 receivables

Receivables mainly include accounts receivable and other receivables. Accounts receivable refers to the receivables formed by the company's sales of goods or provision of labor services. Accounts receivable by purchase

The amount of the contract or agreement receivable by the party is the initial confirmation amount.

4 available-for-sale financial assets

Mainly refers to the financial assets of the Company that are not measured at fair value through profit or loss, held-to-maturity investments, loans and receivables.

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Production. The available-for-sale financial assets are initially recognized as the sum of the fair value of the financial assets acquired and the related transaction expenses. The paid price included in the payment

Interest on bonds that have not been received but not yet received, or cash dividends that have been declared but not yet issued, are separately recognized as receivables. Interest earned during the period in which the available-for-sale financial assets are held

Or cash dividends are included in investment income.

The available-for-sale financial assets are foreign currency monetary financial assets, and the exchange gains and losses formed by them shall be included in the current profits and losses. Available-for-sale debtors calculated using the effective interest method

Interest on investment is recognised in profit or loss for the current period; cash dividends from available-for-sale equity instruments are recognised in profit or loss when the investee declares dividends. Assets and liabilities

At the date of the table, available-for-sale financial assets are measured at fair value, and their changes are included in other comprehensive income. When disposing of available-for-sale financial assets, the price to be obtained and the financial

The difference between the book value of the assets is included in the investment income; at the same time, the accumulated amount of the fair value change originally included in the owner's equity is transferred out of the amount of the disposal part, and is included in the investment.

Income.

(2) Classification of financial liabilities

(1) Financial liabilities measured at fair value through profit or loss, including transaction financial liabilities and designated at fair value through profit or loss. Financial liabilities; such financial liabilities are initially measured at fair value, the related transaction expense is directly recognised in profit or loss in the period, into the current profit and loss.

2 Other financial liabilities refer to financial liabilities other than financial liabilities measured at fair value through profit or loss.

(3) Reclassification of financial assets

If an investment is no longer suitable for being classified as held-to-maturity investment due to changes in intent or ability to hold, the Company reclassifies it as an available-for-sale financial asset and

The fair value is subsequently measured. The amount of held-to-maturity investments sold or reclassified is large and does not fall under the Accounting Standards for Business Enterprises No. 22 - Confirmation of Financial Instruments and the exceptions referred to in Article 16 of the Measures, so that the remainder of the investment is no longer suitable for being classified as held-to-maturity investments, the Company shall account for the remainder of the investment.

The classification is classified as available-for-sale financial assets and is subsequently measured at fair value, but no longer is financed in the current fiscal year and in the following two full fiscal years.

Production is divided into held-to-maturity investments.

On the reclassification date, the difference between the book value of the investment and the fair value is included in other comprehensive income, and is transferred when the available-for-sale financial assets are depreciated or derecognised,

It is included in the current profit and loss.

(4) Distinction between financial liabilities and equity instruments

Financial liabilities and equity instruments are distinguished according to the following principles, except in special circumstances:

1 If the company cannot unconditionally avoid delivering a contractual obligation by delivering cash or other financial assets, the contractual obligation is consistent with the definition of financial liability. some

Although financial instruments do not explicitly contain the terms and conditions of delivery of cash or other financial assets, it is possible to indirectly form contractual meaning through other terms and conditions.

Business.

2 If a financial instrument needs to be used or can be settled by the company's own equity instruments, it is necessary to consider the company's own equity instruments used to settle the instrument.

An alternative to gold or other financial assets, in order to give the instrument holder a residual interest in the assets of the issuer after deducting all liabilities. If it is the former, it should

The instrument is the financial liability of the issuer; if it is the latter, the instrument is the equity instrument of the issuer. In some cases, a financial instrument contract requires the company to use or

The financial instrument can be settled by its own equity instrument, where the amount of contractual rights or contractual obligations is equal to the amount of its own equity instruments that can be obtained or required to be delivered multiplied by its settlement.

The fair value of the time, regardless of the amount of the contractual or contractual obligation is fixed, or based in whole or in part on the market price of the company's own equity instruments

A foreign variable (such as an interest rate, the price of a commodity, or the price of a financial instrument) changes, and the contract is classified as a financial liability.

(5) Transfer of financial assets

Financial asset transfer refers to the following two situations:

A. Transfer the contractual right to receive cash flow from financial assets to the other party;

B. Transfer the financial assets in whole or in part to the other party, but retain the contractual right to receive the cash flow of the financial assets, and bear the cash flow to be paid to one or

Contractual obligations of multiple payees.

1 Termination of confirmed transfer of financial assets

Almost all risks and rewards of ownership of financial assets have been transferred to the transferee, or neither transfer nor retention of almost all risks of ownership of financial assets

And remuneration, but waived the control of the financial assets, the derecognition of the financial assets.

When judging whether the control of the transferred financial assets has been abandoned, the actual ability of the transferor to sell the financial assets is emphasized. Transferred financial assets that can be transferred separately

The overall sale to a third party with no related party relationship, and there is no additional condition to limit the sale, indicating that the company has given up control of the financial asset.

When the company judges whether the transfer of financial assets satisfies the conditions for derecognition of financial assets, it pays attention to the essence of the transfer of financial assets.

If the overall transfer of financial assets meets the conditions for derecognition, the

difference between the following two amounts is included in the current profit and loss:

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- A. The book value of the transferred financial assets;
- B. The consideration received due to the transfer, and the cumulative change in fair value that was originally included in the owner's equity (when the transferred financial asset is an available-for-sale financial asset)

Sum.

If the partial transfer of financial assets meets the conditions for derecognition, the book value of the transferred financial assets as a whole is in the derecognised portion and the unrecognized portion (in this case)

In the case where the retained service assets are treated as part of the unrecognized financial assets, they are apportioned according to their respective fair values, and the following two amounts are

The difference is included in the current profit and loss:

- A. The book value of the derecognition part;
- B. The amount of the derecognition part of the consideration and the amount of the derecognition part of the cumulative amount of changes in fair value that is directly recognised in owners' equity

The sum of the circumstances in which financial assets are available for sale.

2 Continue to be involved in the transferred financial assets

If there is neither transfer nor retention of almost all the risks and rewards of ownership of financial assets, and the control of the financial assets is not abandoned, it shall continue to be involved in it.

The extent of the transfer of financial assets confirms the relevant financial assets and the related liabilities are recognized accordingly.

The extent of continuing involvement in the transferred financial assets refers to the level of risk that the value of the financial assets faces.

3 Continue to confirm the transferred financial assets

If you still retain almost all the risks and rewards of ownership of the transferred financial assets, you should continue to confirm the transferred financial assets as a whole and confirm the received consideration as one.

Financial liabilities.

The financial assets and related financial liabilities recognized may not be offset.

In the subsequent accounting period, the company should continue to confirm the income generated by the financial assets and the financial negative
The cost of debt. If the financial assets transferred are measured at amortized cost, the related liabilities recognized shall not be designated at fair value through profit or loss.

Financial liabilities.

(6) Termination of financial liabilities

If all or part of the current obligations of a financial liability have been discharged, the financial liability or part of it is derecognised.

If the current obligation to repay a financial liability is transferred to an institution or a trust, and the current obligation to repay the debt still exists, the financial liability will not be terminated, nor will it be terminated.

Recognized assets.

Signing an agreement with creditors to replace existing financial liabilities with new financial liabilities, and the contractual terms of new financial liabilities and existing financial liabilities are substantially different,

Derecognition of existing financial liabilities and recognition of new financial liabilities.

If the contractual terms of all or part of the existing financial liabilities are substantially modified, the existing financial liabilities or part of them will be terminated, and the financial liabilities after the amendments will be

The debt was recognized as a new financial liability.

If the financial liabilities are derecognised in whole or in part, the book value of the recognition part and the consideration paid (including the transferred non-cash assets or new financial liabilities) will be terminated.

The difference between the two is included in the current profit and loss.

(7) Offset of financial assets and financial liabilities

Financial assets and financial liabilities shall be presented separately in the balance sheet and shall not be offset against each other. However, if the following conditions are met, the net amount after offsetting each other is negative in the assets.

Listed in the debt statement:

The company has a statutory right to offset the confirmed amount, and such legal rights are currently enforceable;

The company plans to settle the net assets or realize the financial assets and pay off the financial liabilities at the same time.

If the financial assets that do not meet the conditions for termination confirmation are transferred, the transferor shall not offset the transferred financial assets and related liabilities.

(8) Financial assets impairment test method and impairment provision accrual

method

1 Objective evidence of impairment of financial assets:

- A. The issuer or the debtor has serious financial difficulties;
- B. The debtor violates the terms of the contract, such as default or overdue payment of interest or principal;
- C. The creditor makes concessions to the debtor who has financial difficulties for economic or legal considerations;
- D. The debtor may fail or undergo other financial restructuring;
- E. Due to major financial difficulties of the issuer, the financial assets cannot continue to trade in the active market;
- F. It is impossible to identify whether the cash flow of an asset in a group of financial assets has been reduced, but after an overall evaluation based on the public data, it is found that the group finances Estimated future cash flows from initial recognition have been reduced and measurable;

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G. Significant adverse changes in the technical, market, economic or legal environment in which the debtor operates, which may make it impossible for equity instrument investors to recover the investment cost;

H. The fair value of equity instrument investments has experienced a serious or non-temporary decline;

I. Other objective evidence that the financial assets are impaired.

2 Impairment test of financial assets (excluding receivables)

A. Held-to-maturity investment impairment test

When the held-to-maturity investment is impaired, the book value of the held-to-maturity investment is reduced to the estimated future cash flow (excluding future credit losses that have not yet occurred)

The current value, the amount of write-down is recognized as the asset impairment loss, which is included in the current profit and loss.

The present value of expected future cash flows is determined by discounting the original effective interest rate of the held-to-maturity investment, taking into

account the value of the relevant collateral (acquisition and sale of the collateral

The cost of the birth is deducted). The original effective interest rate is the actual interest rate calculated and determined when the held-to-maturity investment is

initially recognized. For floating-rate held-to-maturity investments, The current effective interest rate stipulated in the contract can be used as the discount rate when calculating the present value of future cash flows. Even if the terms of the contract are re-agreed or modified due to the financial difficulties of the debtor or the financial asset issuer, the amount calculated before the modification of the clause is still used when the impairment loss is recognized. The original actual interest rate calculation of financial assets.

After the impairment loss is recognized for the held-to-maturity investment, if there is objective evidence that the value of the held-to-maturity investment has been restored, and objectively and after the confirmation of the loss,

If the credit rating of the debtor has been increased, the previously recognized impairment loss is reversed and included in the current profit and loss.

After the impairment of the held-to-maturity investment, the interest income is recognized as the interest rate based on the discount rate used to discount the future cash flow when the impairment loss is determined.

B. Impairment test of available-for-sale financial assets

On the balance sheet, the Japanese company analyzes the impairment of available-for-sale financial assets to determine whether the fair value of the financial assets continues to decline. usually,

If the fair value of the available-for-sale financial assets has fallen by 50% or more relative to the cost, or the continuous decline has reached or exceeded 12 months,

After comprehensive consideration of various relevant factors, it is expected that this downward trend is non-temporary, and it can be considered that the available-for-sale financial assets have been impaired and the impairment loss is recognized.

If the available-for-sale financial assets are impaired, when the impairment loss is recognized, the accumulated losses arising from the decline in the fair value directly included in the owner's equity are transferred out.

Impairment losses on assets.

Whether the financial assets of available-for-sale debt instruments are impaired can be analyzed and judged by reference to the above-mentioned available-for-sale equity instrument investments.

Impairment losses arising from investments in available-for-sale equity instruments may not be reversed through profit or loss.

After the financial assets available for sale are impaired, the interest income is calculated as the interest rate based on the discount rate used to discount the future cash flows when determining the impairment loss.

confirm.

For the available-for-sale debt instruments that have been recognized for impairment losses, the fair value has increased in the subsequent accounting period and objectively occurred after confirmation of the original impairment loss

Relevant, the previously recognized impairment loss is reversed and included in the current profit and loss.

(9) Method for determining the fair value of financial assets and financial liabilities

The Company measures the fair value of the relevant assets or liabilities at the price of the major market. If there is no major market, the Company measures the relevant assets at the most favorable market price or the fair value of the liability.

The main market refers to the market with the largest transaction volume and the most active trading of related assets or liabilities; the most favorable market refers to the consideration of transaction costs and transportation costs,

A market that can sell the underlying assets at the highest amount or transfer the related liabilities at the minimum amount. The company adopts market participants to realize the pricing of the assets or liabilities.

The assumptions used to maximize its economic benefits.

1 valuation technique

The company adopts valuation techniques that are applicable in the current period and have sufficient data and other information to support it. The valuation techniques used mainly include market law and income method.

And cost method. The Company measures the fair value using a method consistent with one or more of the valuation techniques, and uses various valuation techniques to measure the fair value.

For the reasonableness of the valuation results, the amount that best represents the fair value in the current period is taken as the fair value.

In the application of valuation techniques, the Company prioritizes the use of relevant observable inputs, only if the relevant observable inputs are not available or are not practicable.

Use unobservable input values. Observable input values are the input values that can be obtained from market data. This input value reflects the market participants' Assumptions used in pricing liabilities. Unobservable input values are input values that cannot be obtained from market data. The input value is based on the available market participants.

The best information obtained from the assumptions used in pricing related assets or liabilities is obtained.

2 fair value hierarchy

The company divides the input value used in fair value measurement into three levels, and first uses the first level input value, then the second level input value, and finally uses

The third level is the input value. The first level input value is an unadjusted quote for the same asset or liability that can be obtained on the measurement date in an active market. The second level input value is

Inputs that are directly or indirectly observable for related assets or liabilities, except for the first level of input. The third level input value is the unobservable input value of the relevant asset or liability.

11. Accounts receivable

(1) Receivables with significant single amount and provision for bad debts separately

The company will have accounts receivable of more than 5 million yuan, and other receivables of more than 1 million yuan.

Judgment basis or amount standard for significant single amount

The amount of the individual item is significant.

For receivables with significant single amount, the impairment test is carried out separately. Objective

If the evidence indicates that it has been impaired, the present value of its future cash flow is lower than its

Accrual method for single item amount and single item provision for bad debts

The difference between the book value, the impairment loss is recognized, and the corresponding bad debts are accrued accordingly

Ready.

(2) Receivables with provision for bad debts according to the combination of credit risk characteristics

Combination name bad debt preparation accrual method

In the portfolio, the aging analysis method is used to make provision for bad debts:

Applicable Not applicable

Aging account receivables accrual ratio Other receivables accrual ratio

Within 1 year (including 1 year) 5.00% 5.00%

1-2 years 10.00% 10.00%

2-3 years 20.00% 20.00%

3-4 years 40.00% 40.00%

4-5 years 80.00% 80.00%

5 years or more 100.00% 100.00%

In the portfolio, the provision for bad debts is made using the balance percentage method:

Applicable Not applicable

In the portfolio, other methods are used to make provision for bad debts:

Applicable Not applicable

(3) Receivables with insignificant single amount but with separate provision for bad debts

For receivables that are not significant in the individual amount but have objective evidence that they have been impaired

Reasons for single provision for bad debts, the provision for bad debts based on the aging analysis method cannot reflect the actual situation.

The company conducts impairment test separately

The impairment is recognized based on the difference between the present value of its future cash flows and its book value.

Provision method for bad debt provision

Loss, and accordingly make provision for bad debts accordingly

12. Inventory

Does the company need to comply with disclosure requirements for specific industries?

no

(1) Classification of inventory

Inventories refer to finished products or commodities held by the company for sale in daily activities, in-process products in the production process, in the production process or in the provision of labor services.

Materials and materials, including raw materials, engineering construction, inventory goods, turnover materials, etc.

(2) Valuation method for issuing inventory

The company's inventory is issued using the weighted average method.

(3) Inventory system

The company's inventories are in perpetual inventory system, and are inventoried at least once a year. The profit and loss are included in the current year's profit and loss.

(4) Construction contract accounting method

1 The calculation and report of the construction contract are listed: the construction contract project is based on the accumulated cost incurred and the accumulated recognized gross profit (loss) minus the amount of the settlement price.

price. Costs are calculated at actual cost, including direct material costs, direct labor costs, overhead costs, other direct costs, and related construction costs.

Cumulative single contract engineering

The incurred costs and the accumulated confirmed gross profit (loss) exceed the amount of the settled settlement price as inventory - construction; if the individual contract works have been settled

The amount of the price that exceeds the accumulative cost incurred and the accumulated recognized gross profit (loss) is classified as advance receipt.

2 The method for determining the completion schedule of the construction contract: the proportion of the cumulative completed workload to the estimated total workload of the contract is used as the method for determining the completion schedule of the construction contract.

3 Estimated contract losses: At the end of each year or the end of the interim reporting period, the company will estimate the total cost of the contract for the

project with the estimated total contract cost exceeding the estimated total contract revenue.

The difference between the portion exceeding the estimated total contract revenue and the recognized loss of the project is accrued for the estimated contract loss.

(5) Accrual method for inventory depreciation reserve

When the cost of inventories is higher than its net realizable value, the provision for impairment of inventories is recognised in profit or loss for the current period. In determining the net realizable value of inventories, based on reliable evidence obtained, and considering the purpose of holding the inventories and the impact of events after the balance sheet date.

1 Inventories directly used for sale, such as finished goods, commodities and materials for sale, in the normal production and operation process, the estimated selling price of the inventory minus the estimated sales fee

The net realizable value is determined by the amount after the relevant taxes and fees. The inventory held for the execution of a sales contract or a labor contract, based on the contract price as its net realizable value

The basis of quantity; if the quantity held in inventory is more than the quantity ordered by the sales contract, the net realizable value of the excess inventory is measured based on the general sales price. For sale

Materials, etc., based on market prices as the basis for measurement of their net realizable value.

2 Inventories of processed materials are required. In the normal production and operation process, the estimated selling price of the finished products produced is reduced to the estimated cost and estimated cost of completion.

The net selling value is determined by the amount of sales expenses and related taxes. If the net realizable value of the finished product produced by it is higher than the cost, the material is measured at cost;

If the decrease in the price of the material indicates that the net realisable value of the finished product is lower than the cost, the material is measured at the net realisable value, and the provision for decline in value of the inventory is made based on the difference.

3 Inventory depreciation reserves are generally accrued according to individual inventory items; for a large number of inventories with low unit prices, they are accrued according to the inventory category.

4 On the balance sheet date, if the influencing factors of the previously written down inventory value have disappeared, the amount of the write-down will be restored, and the amount of the provision for the inventory depreciation that has been accrued

The amount transferred back is included in the current profit and loss.

(6) Amortization method of turnover materials

1 Amortization method of low-value consumables: a one-off method is adopted when it is used.

2 Amortization method of packaging: a one-off method is adopted when it is used.

13. Holding assets for sale

(1) Classification of non-current assets or disposal groups held for sale

The Company classifies non-current assets or disposal groups that meet the following conditions into holding categories for sale:

1 According to the practice of selling such assets or disposal groups in similar transactions, they can be sold immediately under current conditions;

2 The sale is highly probable, that is, the company has already made a resolution on a sale plan and obtained a certain purchase commitment, and the sale is expected to be completed within one year. Relevant regulations

It has been approved if it is approved by the relevant authorities or regulatory authorities of the company.

The non-current assets or disposal groups acquired by the Company for resale meet the requirements of “expected sales will be completed within one year” on the acquisition date, and short-term (usually 3

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In the month of the month, it is very likely that the other conditions for holding the category for sale are met, and the company divides it into the held for sale category on the acquisition date.

The company loses control of the subsidiary due to the sale of the investment in the subsidiary, etc., regardless of whether the company retains part of the equity investment after the sale, the proposed sale

When the investment in a subsidiary meets the conditions for holding the category for sale, the subsidiary's investment will be divided into holdings for sale in the individual financial statements of the parent company.

All financial assets and liabilities of subsidiaries are classified as held for sale in the financial statements.

(2) Measurement of non-current assets or disposal groups held for sale

The investment real estate adopting the fair value model for subsequent measurement, the biological assets measured by the net amount after the fair value

minus the selling expenses, and the capital formed by the employee compensation Production, deferred income tax assets, financial assets regulated by relevant accounting standards for financial instruments, and rights arising from insurance contracts regulated by relevant accounting standards for insurance contracts Measurements apply to other relevant accounting standards.

When the initial measurement or re-measurement of non-current assets or disposal groups held for sale on the balance sheet date, the carrying amount is higher than the fair value less costs of disposal

After deducting the book value to the net amount of the fair value less the selling expenses, the amount of the write-down is recognized as the asset impairment loss, which is included in the current profit and loss, and is accrued

Provision for impairment of assets sold.

Non-current assets or disposal groups are no longer continuing to be classified as held for sale or for non-current assets from holdings for sale because they no longer meet the conditions for holding the category for sale.

When the group is removed, it is measured as follows:

1 The book value before being classified as held for sale is adjusted according to the depreciation, amortization or impairment that should be confirmed if it is not classified as held for sale.

Amount

2 recoverable amount.

(3) Presentation

The Company distinguishes between the non-current assets held for sale or the assets held in the disposal group for sale separately from other assets in the balance sheet, which is different from other liabilities.

List the liabilities in the disposal group held for sale. The non-current assets held for sale or the assets in the disposal group held for sale are not related to the liabilities in the disposal group held for sale.

The offsets are presented as current assets and current liabilities, respectively.

14. Long-term equity investment

The company's long-term equity investment includes equity investments that have significant control over the investee, and equity investments in joint ventures. The company is able to

If the investment unit exerts significant influence, it shall be an associate of the company.

(1) Determining the basis for joint control and significant influence on the invested entity

Joint control refers to the control that is common to an arrangement in accordance with the relevant agreement, and the relevant activities of the arrangement must be agreed upon by the participants sharing control.

Can make decisions. When judging whether there is joint control, first determine whether all participants or groups of participants collectively control the arrangement, if all participants or a group of participants

In the event that the parties must act in concert to determine the relevant activities of an arrangement, it is considered that all parties or a group of participants collectively control the arrangement. Secondly, judge the relevant arrangement Whether the decision of the activity must be unanimously agreed by the parties who collectively control the arrangement. If there are two or more combinations of participants, you can collectively control an item

Arranged does not constitute joint control. When judging whether there is joint control, the protective rights enjoyed are not considered.

Significant influence refers to the investing party's power to participate in the decision-making of the financial and operating policies of the invested entity, but it cannot control or jointly control this with other parties.

The formulation of these policies. When determining whether it can exert significant influence on the investee, consider that the investor directly or indirectly holds the voting shares of the investee and the investor

And the impact of the current potential voting rights held by other parties after the assumption of conversion to the equity of the investee unit, including the current period of the issuance of the invested entity

The impact of swaps, share options and convertible corporate bonds.

When the company directly or through a subsidiary indirectly owns 20% (including 20%) or more of the voting shares of the invested company, it is generally considered to have

There is a significant impact unless there is clear evidence that it cannot participate in the production and operation decisions of the invested entity in this case and does not have a significant impact.

(2) Initial investment cost determination

1. The long-term equity investment formed by the business combination shall be determined according to the following provisions:

A. A business combination under the same control, the merger party pays cash, transfers non-cash assets or assumes the debt as the merger consideration, according to the merged party on the merger date.

The share of the book value of the owner's equity in the final controlling party's consolidated financial statements is taken as the initial investment cost of the long-

term equity investment. Initial investment cost of long-term equity investment
Adjusting the capital reserve with the difference between the cash paid, the
transferred non-cash assets and the book value of the debts assumed; if the capital
reserve is insufficient to offset, the adjustment is retained.
beneficial;

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B. For a business combination under the same control, the combining party shall
issue the equity securities as the merger consideration, and in the final control of
the owner's equity of the merged party on the merger date

And the share of the book value in the financial statements is the initial investment
cost of the long-term equity investment. According to the total par value of the
issued shares as the share capital, the initial equity investment

The difference between the investment cost and the total par value of the shares
issued shall be adjusted to the capital reserve; if the capital reserve is insufficient to
offset, the retained earnings shall be adjusted;

C. Business combination not under the same control, the assets paid, the liabilities
incurred or assumed, and the issued equity certificates on the purchase date to
obtain control of the purchased party

The fair value of the bonds is determined as the initial cost of the long-term equity
investment. The merger party is the audit, legal service, evaluation consultation,
etc.

The fee and other related management expenses are recognised in profit or loss
when incurred.

1. In addition to the long-term equity investment formed by the business
combination, the long-term equity investment obtained by other means shall be
determined according to the following provisions:

A. The long-term equity investment obtained by paying cash is based on the actual
purchase price as the investment cost. Initial investment costs include direct
acquisition of long-term equity investments

Related expenses, taxes and other necessary expenses;

B. The long-term equity investment obtained by issuing equity securities is based
on the fair value of the issued equity securities as the initial investment cost;

C. Long-term equity investment obtained through the exchange of non-monetary assets, if the exchange has commercial substance and the fair value of the assets exchanged or exchanged assets can be reliably measured,
The fair value of the assets and related taxes are used as the initial investment cost, and the difference between the fair value of the assets and the book value is included in the current profit and loss;

If the above two conditions are met at the same time, the book value of the assets exchanged and the related taxes and fees will be used as the initial investment cost.

D. The long-term equity investment obtained through debt restructuring, based on the fair value of the acquired equity as the initial investment cost, between the initial investment cost and the book value of the debt

The difference is included in the current profit and loss.

(3) Subsequent measurement and profit and loss confirmation method

The long-term equity investment that the company can control over the investee is accounted for using the cost method; the long-term equity investment of associates and joint ventures is equity method

Count.

1 cost method

Long-term equity investment accounted for using the cost method, adjusting the cost of long-term equity investment when adding or recovering investment; the cash dividend or profit declared by the invested entity is indeed

Think of current investment income.

2 equity method

For long-term equity investments accounted for under the equity method, the general accounting treatment is:

The investment cost of the company's long-term equity investment is greater than the fair value of the identifiable net assets of the investee when investing, and the initial period of long-term equity investment is not adjusted.

Investment cost; if the initial investment cost of a long-term equity investment is less than the fair value of the identifiable net assets of the investee, the difference is included in the current profit and loss.

At the same time adjust the cost of long-term equity investment.

The Company recognizes the investment income and other comprehensive income according to the share of net profit and loss and other comprehensive income realized by the investee that should be shared or should be shared.

The book value of the entire long-term equity investment; the company calculates the portion to be enjoyed according to the profit or cash dividend declared by the invested entity, and reduces the long-term equity investment accordingly.

Book value; other changes in the owner's equity other than net profit or loss, other comprehensive income and profit distribution of the investee, adjusting the book

value of the long-term equity investment and

Included in the owner's equity. When confirming the share of the net profit or loss of the investee, the fair value of the identifiable net assets of the investee at the time of obtaining the investment is based on

The net profit of the invested company is adjusted and confirmed. If the accounting policies and accounting periods adopted by the invested entity are inconsistent with the company, it shall be in accordance with the accounting policies of the company.

And the accounting period adjusts the financial statements of the invested entity, and confirms the investment income and other comprehensive income. Between the company and its joint ventures and joint ventures

The unrealized internal transaction gains and losses that occur are offset against the portion attributable to the Company in proportion to the share, and the investment gains and losses are recognized on this basis. The company and the invested

If the unrealized internal transaction losses incurred by the unit are asset impairment losses, they shall be fully confirmed.

If it can exert significant influence on the investee or implement joint control due to additional investment, etc., but does not constitute control, the fair value of the original equity investment shall be added.

The sum of the newly added investment costs is used as the initial investment cost calculated by the equity method. If the original equity investment is classified as an available-for-sale financial asset, its fair value and

The difference between the book value and the accumulated fair value of the original comprehensive income should be transferred to the current profit and loss accounted for under the equity method.

If the joint control or significant influence on the investee is lost due to the disposal of part of the equity investment, etc., the remaining equity after disposal shall be measured at fair value, and it shall be mourned.

The difference between the fair value and the book value on the date of loss of joint control or significant influence is recognised in profit or loss. Other comprehensive investment confirmed by the equity method using the equity method

The income is calculated on the same basis as the investee directly disposes of the relevant assets or liabilities when the equity method is terminated.

15. Investment real estate

Investment real estate measurement model
Not applicable

16. Fixed assets

(1) Confirmation conditions

When the fixed assets meet the following conditions at the same time, they are confirmed according to the actual cost at the time of acquisition: 1 The economic benefits related to the fixed assets are likely to flow into the enterprise. 2 solid The cost of a fixed asset can be reliably measured. Subsequent expenditures incurred on fixed assets are included in the cost of fixed assets in accordance with the conditions for recognition of fixed assets; The recognition condition is included in the current profit and loss when it occurs.

(2) Depreciation method

Category Depreciation method Depreciation period Residual value Rate Annual depreciation rate

House and Building Annual Average Method 20-40 5 4.75%-2.38%

Structure Annual Average Method 10-20 5 9.50%-4.75%

Production and construction equipment Annual average method 5-10 5 19.00%-9.50%

Transportation Equipment Annual Average Method 5-8 5 19.00%-11.88%

Office equipment Annual average method 3-5 5 31.67%-19.00%

For fixed assets that have been withdrawn for impairment, the provision for impairment of fixed assets is deducted when depreciation is provided.

At the end of each year, the company reviews the useful life, estimated net residual value and depreciation method of fixed assets. Estimated life expectancy and original estimate

If the count is different, adjust the service life of the fixed assets.

(3) Recognition basis, valuation and depreciation method for financing leased fixed assets

When the leased fixed assets transfer substantially all the risks and rewards related to the assets, the company confirms that the lease of the fixed assets is a finance lease. Financing lease

The cost of fixed assets is determined by the lower of the fair value of the leased assets on the lease start date and the present value of the minimum lease payments.

Fixed assets used for financing leases

Depreciation of leased assets is accrued based on the depreciation policy consistent with its own fixed assets. If it is reasonable to determine that the leasehold asset will be acquired at the expiration of the lease term,

Depreciation is provided within the useful life; if it is not reasonable to determine the ownership of the leased asset at the expiration of the lease term, the shorter of the lease term and the useful life of the leased asset

Depreciation is provided between the rooms.

17. Construction in progress

(1) Construction in progress is accounted for by project classification.

(2) Standards and time points for the construction in progress to be transferred to fixed assets

The total amount of expenditure incurred by the construction in progress before the construction of the asset reaches the expected usable status is recorded as the value of the fixed assets. Including construction costs, machine design

Prepare the original price, other necessary expenses incurred to bring the construction in progress to the expected usable condition, and special loan facilities for the project before the assets are ready for their intended use.

Borrowing costs incurred and borrowing costs incurred for general borrowings incurred. The company will transfer the construction in progress to the solid state when the engineering installation or construction is completed and ready for use.

Fixed assets. The fixed assets constructed that have reached the intended usable

condition but have not yet been processed for final accounts shall be based on the project budget, from the date of the scheduled usable status.

The cost of construction or the actual cost of the project shall be transferred to the fixed assets at the estimated value, and the depreciation of the fixed assets shall be accrued according to the depreciation policy of the fixed assets of the Company.

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After the calculation, the original temporary valuation value is adjusted according to the actual cost, but the depreciation amount that has been accrued is not adjusted.

18. Borrowing costs

(1) Recognition principle and capitalization period of capitalization of borrowing costs

The borrowing costs incurred by the Company for the acquisition, construction or production of assets that are directly attributable to the capitalization conditions are capitalized and included in the relevant assets when the following conditions are met.

Production cost:

- 1 Asset expenditure has occurred;
- 2 borrowing costs have occurred;
- 3 The acquisition, construction or production activities necessary to bring the assets to the intended usable state have begun.

Other interest on borrowings, discounts or premiums and exchange differences are recognised in profit or loss in the period in which they are incurred.

Capitalization of borrowing costs is suspended if the assets eligible for capitalization are interrupted abnormally during the acquisition, construction or production process and the interruption period lasts for more than 3 months.

When the acquisition, construction or production of assets eligible for capitalization meets the intended use or sale status, the capitalization of the borrowing costs is stopped; the borrowing costs incurred in the future

It is recognized as an expense in the period in which it occurs.

(2) Calculation method of capitalization rate of borrowing costs and capitalization amount

For the purpose of purchasing or constructing or producing special assets that are eligible for capitalization, the interest expenses actually incurred in the current period of special loans shall be deducted from the borrowings that have not yet been used.

The amount of interest earned by the deposit into the bank or the investment income obtained from the temporary investment is determined as the capitalized amount of the interest expense of the special loan.

If the acquisition, construction or production of assets eligible for capitalization occupies general borrowings, the amount of interest that should be capitalized for general borrowings exceeds the specific borrowings by accumulated assets.

The weighted average of the asset expenditures is multiplied by the capitalization rate of the general borrowings used to calculate the amount of interest that should be capitalized for general borrowings. Capitalization rate based on general borrowing

The weighted average interest rate is calculated and determined.

19. Biological assets

20. Oil and gas assets

21. Intangible assets

(1) Valuation method, service life, impairment test

(1) Valuation method of intangible assets

It is accounted for at the actual cost at the time of acquisition.

(2) Life and amortization of intangible assets

1 Estimated service life of intangible assets with limited service life:

Project estimated service life

Land use rights 50 years legal use rights

Computer software — to determine the useful life of a period that brings economic benefits to the company

Patent

At the end of each year, the company reviews the useful life and amortization method of intangible assets with a limited useful life. After review, the use of

intangible assets at the end of the period

The method of life and amortization is not different from previous estimates.

2 If it is impossible to foresee that the intangible assets bring economic benefits to the enterprise, it is regarded as an intangible asset with an indefinite useful life. For intangible assets with an indefinite useful life,

At the end of each year, the company reviews the useful life of intangible assets with uncertain service life. If it is still uncertain after re-review, on the balance sheet date

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Perform an impairment test.

3 amortization of intangible assets

For intangible assets with a limited service life, the company determines its service life when it is acquired, and amortizes the straight-line method within the service life.

It is included in the current profit and loss according to the beneficial items. The specific amortization amount is the amount after deducting the estimated residual value from its cost. Intangible assets that have been withdrawn for impairment are also deductible

The accumulated amount of impairment provision for intangible assets, the residual value is zero. Except in the following cases: a third party undertakes to purchase the intangible asset at the end of its useful life or

To obtain estimated residual value information based on active markets, and the market is likely to exist at the end of the useful life of intangible assets.

Intangible assets with an indefinite useful life are not amortized. Review the service life of intangible assets with uncertain service life at the end of each year, if any

Evidence indicates that the useful life of intangible assets is limited, and its useful life is estimated and systematically amortized over the estimated useful life.

(2) Internal research and development expenditure accounting policy

1 The company will take the preparatory activities for further development activities and related aspects as the research stage, and the expenditures of the intangible assets research stage will occur at the time of occurrence. Into the current profit and loss.

2 Development activities carried out after the company has completed the research phase as a development stage.

Intangible assets can only be recognized when the development phase expenditures meet the following conditions:

A. It is technically feasible to complete the intangible asset to enable it to be used or sold;

B. has the intent to complete the intangible asset and use or sell it;

C. The way in which intangible assets generate economic benefits, including the ability to prove that products produced using the intangible assets exist in the market or intangible assets exist in the market, intangible Assets that will be used internally can prove their usefulness;

D. There is sufficient technical, financial and other resources to support the development of the intangible asset and the ability to use or sell the intangible asset;

E. Expenditure attributable to the development phase of the intangible asset can be reliably measured.

22. Long-term asset impairment

(1) Long-term equity investment impairment test method and accounting treatment method

The company conducts item-by-item inspection of long-term equity investments on the balance sheet date, according to the operating policies, legal environment, market demand, industry and profit of the invested company.

Various changes in capabilities, etc., determine whether there is any indication of impairment in long-term equity investments. When the recoverable amount of the long-term equity investment is lower than the book value, the recoverable amount is lower than the long

The difference between the book value of the equity investment is accrued as a provision for impairment of long-term equity investments. Once the asset impairment loss is confirmed, it will not be transferred back in the future accounting period.

(2) Impairment test method and accounting treatment method for fixed assets

The Company judges each fixed asset on the balance sheet date. When there is any indication of impairment, the estimated recoverable amount is lower than its book value, the book value is reduced.

The amount of the write-down is recognized as the asset impairment loss, which is included in the current profit and loss, and the corresponding asset impairment provision is made. Once the asset impairment loss is confirmed,

It will not be transferred back in the future accounting period. When there are the following signs, the provision for impairment is made in full on the fixed assets individual project:

1 Fixed assets that are not used for a long time and will not be used for the foreseeable future, and have no transfer value;

2 Fixed assets that are no longer usable due to technological advancement;

3 Although fixed assets are still available, they will generate a large number of fixed assets that are not qualified;

1. Fixed assets that have been damaged so that they no longer have value in use and transfer value;

2. Other fixed assets that are virtually no longer able to bring economic benefits to the company.

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(3) Impairment test method and accounting treatment method for construction in

progress

The company conducts a comprehensive inspection of the construction in progress on the balance sheet date. If there is evidence that the construction in progress has been impaired, the estimated recoverable amount is lower than its

book value, the book value is reduced to the recoverable amount, and the amount of the write-down is recognized as the asset impairment loss, which is included in the current profit and loss, and the corresponding asset impairment provision is made.

Once the asset impairment loss is confirmed, it will not be transferred back in the future accounting period. Impairment testing of construction in progress in the presence of one or more of the following:

- 1 Construction in progress that has been suspended for a long time and is not expected to restart in the next three years;
- 2 The projects built are backward in terms of performance and technology, and the economic benefits brought to the enterprise are highly uncertain;
- 3 Other circumstances are sufficient to prove that the construction in progress has been impaired.

(4) Intangible assets impairment test method and accounting treatment method

When the recoverable amount of the intangible asset is lower than its carrying amount, the carrying amount of the asset is reduced to the recoverable amount, and the amount of the write-down is recognized as the asset impairment loss.

It is included in the current profit and loss, and the corresponding provision for impairment of intangible assets is made. Once the impairment loss of an intangible asset is recognized, it will not be reversed in the subsequent accounting period.

One of the following

Impairment test of intangible assets in the following cases:

- 1 The intangible assets have been replaced by other new technologies, etc., which have significantly adversely affected the ability of enterprises to create economic benefits;
- 2 The market price of the intangible asset fell sharply in the current period and may not rise during the remaining years;

3 Other circumstances sufficient to indicate that the book value of the intangible asset has exceeded the recoverable amount.

(5) Goodwill impairment test

Goodwill arising from a business combination is tested for impairment at least at the end of each year. The company reduces the relevant asset group or asset group combination containing goodwill.

In the value test, if there is any sign of impairment of the asset group or asset group combination related to goodwill, follow the steps below:

First, the asset group or asset group combination that does not contain goodwill is tested for impairment, the recoverable amount is calculated, and compared with the book value of the relevant assets, the corresponding impairment is confirmed.

Loss; then the impairment test is performed on the combination of asset groups or asset groups that contain goodwill, and the book value of these related asset groups or asset group combinations is compared (including

The difference between the book value of the goodwill allocated and its recoverable amount, if the recoverable amount of the relevant asset group or asset group combination is lower than its book value, the difference is

Confirm the impairment loss. The amount of impairment loss is first deducted from the book value of the goodwill allocated to the asset group or the combination of asset groups;

The book value of other assets other than goodwill is proportional to the book value of other assets.

23. Long-term deferred expenses

The long-term deferred expenses account for all expenses that have occurred in the company but should be borne by the current and future periods with amortization period of more than one year.

The Company's long-term deferred expenses are amortized evenly over the beneficial period. The amortization period of each expense is as follows:

Project amortization period

Fixed assets improvement leases leased by operating leases Operating lease leased assets

24. Employee compensation

(1) Accounting treatment method for short-term compensation

Employee compensation refers to various forms of remuneration or compensation given by the company to obtain services provided by employees or to terminate labor relations. Employee benefits include short-term salary Remuneration, post-employment benefits, termination benefits and other long-term employee benefits. The company provides spouses, children, dependents, deceased employee survivors and other beneficiaries The welfare also belongs to employee compensation.

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1 Basic salary of employees (salary, bonus, allowance, subsidy)

During the accounting period in which employees provide services, the Company recognizes the actual short-term remuneration as a liability and recognises it in profit or loss for the current period. Other accounting standards require or Except for the cost of assets allowed.

2 employee welfare fee

The employee benefit expenses incurred by the Company are included in the current profit and loss or related asset costs based on the actual amount incurred at the time of actual occurrence. Employee benefits are non-monetary benefits , measured at fair value.

3 Social insurance premiums, work injury insurance premiums, maternity insurance premiums and other social insurance premiums and housing provident fund, as well as labor union funds and employee education funds

The social insurance premiums and housing accumulation funds paid by the company for medical insurance, work-related injury insurance, and maternity insurance premiums paid by employees, as well as labor union funds drawn according to regulations

And the employee education fund, during the accounting period in which the employee provides services, determine the corresponding employee compensation amount according to the prescribed accrual basis and the accrual ratio, and confirm The corresponding liabilities are included in the current profit and loss or related asset costs.

4 short-term paid absences

When the company provides services to employees and increases their right to paid absenteeism in the future, the company recognizes the employee compensation related to the accumulated paid absence and accumulates

The expected payment amount increased by exercising the right. The Company recognizes employee benefits related to non-cumulative paid absences during the accounting period in which employees actually absent.

5 short-term profit sharing plan

If the profit sharing plan meets the following conditions at the same time, the company confirms the relevant employee benefits payable:

A. The enterprise has a statutory obligation or a definitive obligation to pay employee compensation due to past events;

B. The amount of employee compensation payable due to the profit sharing plan can be reliably estimated.

(2) Accounting treatment of post-employment benefits

1 Set the deposit plan

During the accounting period in which employees provide services, the Company recognizes the amount of the deposits calculated based on the defined contribution plan as liabilities and accounts for the current profits and losses or related

Asset cost.

According to the defined contribution plan, it is expected that the entire amount of the deposit due will not be paid within 12 months after the end of the annual reporting period in which the employee provides the relevant services.

According to the corresponding discount rate (based on the balance sheet date and the defined benefit plan period and the currency of the national debt or the market price of high-quality corporate bonds in the active market

The rate of profit is determined), and all the payable amount is measured at the discounted amount.

2 set benefit plan

A. Determine the present value of the defined benefit plan obligation and the current service cost

Estimate the relevant demographic variables and financial variables based on the expected cumulative welfare unit method using unbiased and consistent actuarial assumptions.

The obligations arising from the benefit plan and the period of attribution of the relevant obligations. The company follows the corresponding discount rate (based on the balance sheet date and the defined benefit plan obligation period)

Determining the market yield of a treasury bond matching a currency or a high-quality corporate bond in an active market) discounting the obligations arising from the defined benefit plan to determine

The present value of the defined benefit plan obligation and the current service cost.

B. Confirm the net debt or net assets of the defined benefit plan

If there are assets in the defined benefit plan, the company will set the current value of the benefit plan obligation minus the deficit or earnings confirmation formed by the fair value of the defined benefit plan assets.

A net liability or net asset for a defined benefit plan.

If there is a surplus in the defined benefit plan, the Company measures the net assets of the defined benefit plan by the lower of the surplus and the asset cap of the defined benefit plan.

C. Determine the amount that should be included in the cost of assets or current profit and loss

Service costs, including current service costs, past service costs, and settlement gains or losses. Among them, in addition to other accounting standards required or allowed to be included in the cost of assets

In addition to the current service costs, other service costs are included in the current profit and loss.

The net interest on the net liabilities or net assets of the defined benefit plan, including the interest income of the planned assets, the interest expense of the defined benefit plan obligation, and the asset cap

The interest charged is included in the current profit and loss.

D. Determine the amount that should be included in other comprehensive income

Re-measure changes in the net liabilities or net assets of the defined benefit plan, including:

(a) actuarial gains or losses, that is, an increase or decrease in the present value of a previously defined defined benefit plan obligation as a result of actuarial assumptions and experience adjustments;

(b) the return on the planned assets, net of the amount of interest included in the net interest or net assets of the defined benefit plan;

(c) Changes in the impact of the asset cap, net of the amount of net interest included in the net benefit or net assets of the defined benefit plan.

The above changes in the net liabilities or net assets of the defined benefit plan are directly included in other comprehensive income and are not allowed to be transferred back to the subsequent accounting period.

Gains and losses, but the company can transfer these amounts recognized in other comprehensive income within the scope of equity.

(3) Accounting treatment of dismissal benefits

If the Company provides termination benefits to employees, the employee compensation liabilities arising from the termination of benefits will be recognized as soon as possible and will be included in the current profit and loss:

1 The enterprise cannot unilaterally withdraw the dismissal benefits provided by the termination of the labor relations plan or the reduction proposal;

2 When the company confirms the costs or expenses associated with the restructuring involving the payment of the termination benefits.

If the dismissal benefits are not fully paid within 12 months after the end of the annual reporting period, refer to the corresponding discount rate (based on the balance sheet date and defined benefit)

Determining the market yield of a government bond or a high-quality corporate bond in an active market that matches the duration of the obligation and the market, and discounting the amount of the dismissal benefit to the discounted amount. The amount is measured as payable to employees.

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

1 in accordance with the conditions of the defined contribution plan

If other long-term employee benefits provided by the Company to employees meet the conditions of the defined contribution plan, all the payable amount shall be measured and paid to the employees after the discounted amount.
Salary.

2 in accordance with the conditions of the defined benefit plan

At the end of the reporting period, the Company recognized the employee compensation costs arising from other long-term employee benefits as the following components:

A. Service cost;

B. Net interest on net liabilities or net assets of other long-term employee benefits;

C. Re-measure the changes in net liabilities or net assets of other long-term employee benefits.

In order to simplify the relevant accounting treatment, the total net amount of the above projects is included in the current profit and loss or related asset costs.

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25. Estimated liabilities

(1) Confirmation criteria for estimated liabilities

If the obligations related to the contingent events meet the following conditions, the company will recognize them as estimated liabilities:

1 The obligation is the current obligation of the company;

2 The performance of this obligation is likely to cause economic benefits to flow out of the company;

3 The amount of this obligation can be reliably measured.

(2) Measurement method of estimated liabilities

Estimated liabilities are initially measured in accordance with the best estimate of the expenditure required to perform the relevant current obligations, taking into account the risks, uncertainties and

factors such as the time value of money. The book value of the estimated liabilities is reviewed on each balance sheet date. There is conclusive evidence that the book value does not reflect the current best estimate

If it is counted, the book value will be adjusted according to the current best estimate.

26. Share-based payment

27. Other financial instruments such as preferred stocks and perpetual bonds

28. Income

Does the company need to comply with disclosure requirements for specific industries?

no

(1) Sales of goods revenue

The company has transferred the main risks and rewards of ownership of the goods to the purchaser; the company neither retains the continuation of management rights associated with ownership, nor does it have sold

The effective implementation of the commodity is implemented; the amount of income can be reliably measured; the relevant economic benefits are likely to flow into the enterprise; the relevant costs that have occurred or will occur can be reliably measured. When measuring reliably, confirm the realization of the sales revenue of the goods.

(2) Providing labor income

If the results of the labor service transactions on the balance sheet date can be reliably estimated, the labor income will be recognized by the percentage of completion method. Provide the completion of the labor transaction, determined based on measurements of completed work.

The results of providing labor services can be reliably estimated to mean that: A, the amount of income can be reliably measured; B, the relevant economic benefits are likely to flow into the enterprise; C; the degree of completion of the transaction can be reliably determined; D, the costs that have occurred and will occur in the transaction can be reliably measured.

The company determines the total amount of labor service income according to the contract or agreement price received or receivable, except that the contract or agreement price received or receivable is not fair. assets

On the balance sheet date, the amount of labor service income is multiplied by the

completion progress, after deducting the accumulated amount of labor service income recognized in the previous accounting period, and confirming the current labor service receipt.

At the same time, according to the estimated total cost of providing labor, multiplied by the completion schedule minus the accumulated confirmed labor costs in the previous accounting period, the current labor costs are carried forward.

If the results of labor service transactions on the balance sheet date cannot be reliably estimated, they shall be dealt with as follows:

1 If the labor costs incurred have been estimated to be compensated, the labor service income is recognized according to the amount of labor costs incurred, and the labor service is carried forward at the same amount.
cost.

2 If the labor costs incurred have not been compensated, the labor costs incurred will be included in the current profit and loss, and the income from the provision of labor services will not be recognized.

(3) Income from the transfer of asset use rights

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The economic benefits associated with the transaction are likely to flow into the enterprise. When the amount of income can be reliably measured, the amount of income from the transfer of the right to use the asset is determined in the following cases:

1 The amount of interest income shall be calculated and determined according to the time and actual interest rate of the use of the company's monetary funds by others.

2 The amount of royalty income shall be calculated and determined in accordance with the time and method of charging as stipulated in the relevant contract or agreement.

29. Government subsidies

(1) Judgment basis and accounting treatment method of government subsidies related to assets

Government grants acquired by the company for the purpose of purchasing or constructing or otherwise forming long-term assets are classified as government grants related to assets. Government subsidies related to assets

It is recognized as deferred income and is included in profit or loss in a reasonable and systematic manner within the useful life of the relevant assets. Government subsidies measured according to the nominal amount are directly included in the Period profit and loss. If the relevant assets are sold, transferred, scrapped or damaged before the end of their useful life, the balance of relevant deferred income that has not been allocated shall be transferred to the current period of disposal of the assets.

Profit and loss.

(2) Judgment basis and accounting treatment method of government subsidies related to income

Government grants other than government grants related to assets are classified as government grants related to income. Government subsidies related to income, according to the following rules

Make accounting treatment:

If it is used to compensate the related costs or losses of the Company in the future period, it is recognized as deferred income, and is included in the period when the relevant cost or loss is confirmed.

Profit or loss

If it is used to compensate the related costs or losses incurred by the Company, it shall be directly included in the current profit and loss.

For government subsidies that include both asset-related and income-related components, different parts are separately accounted for; indistinguishable, overall The class is a government subsidy related to income.

Government grants related to the daily activities of the company are included in other income in accordance with the economic business. Government subsidies not related to the daily activities of the company, counted in the camp

Revenue from outside the industry.

30. Deferred income tax assets / deferred income tax liabilities

The company usually uses the balance sheet liability method to be taxable based on the temporary difference between the book value of the assets and liabilities on the balance sheet date and the tax base.

The temporary difference or the deductible temporary difference affects the income tax and recognizes the deferred income tax liabilities or deferred income tax assets.

The company does not defer the income tax

Production and deferred income tax liabilities are discounted.

(1) Confirmation of deferred income tax assets

For the deductible temporary difference, the impact on the income tax is calculated based on the income tax rate during the expected reversal period, and the impact is recognized as deferred income tax.

Production, but is limited to the amount of future taxable income that the company is likely to obtain to offset deductible temporary differences, deductible losses and tax credits.

The amount of deductible temporary difference arising from the initial recognition of an asset or liability in a transaction or event that has the following characteristics is not recognized as

Deferred tax assets:

A. The transaction is not a business combination;

B. The transaction does not affect the accounting profit or the taxable income (or deductible loss).

The Company's deductible temporary differences related to investments in subsidiaries, associates and joint ventures, while meeting the following two conditions, its impact on income tax

The amount of the ring (recognition) is recognized as deferred income tax assets:

A. Temporary differences are likely to be reversed in the foreseeable future;

B. It is likely that in the future, the amount of taxable income used to offset the deductible temporary difference will be obtained;

On the balance sheet date, if there is conclusive evidence that it is probable that sufficient taxable income will be available in the future to offset the deductible temporary differences,

Deferred income tax assets that are not recognized.

On the balance sheet date, the Company reviews the book value of deferred income tax assets. If it is likely that you will not be able to obtain sufficient taxable income in the future.

To offset the interest of deferred income tax assets, reduce the book value of deferred income tax assets. When it is probable that sufficient taxable income will be obtained, the amount of write-down will be

Turn back.

(2) Confirmation of deferred income tax liabilities

All taxable temporary differences of the Company are measured at the income tax rate of the estimated reversal period, and the impact is recognized as deferred income tax.

Liabilities, except in the following cases:

1 The effect of taxable temporary differences arising from the following transactions or events on income tax is not recognized as deferred income tax liabilities:

A. Initial confirmation of goodwill;

B. Initial recognition of an asset or liability arising from a transaction characterized by a transaction that is not a business combination and that does not affect accounting profits when the transaction occurs

Does not affect the taxable income or deductible losses.

2 The Company's taxable temporary differences related to investments in subsidiaries, joint ventures and joint ventures are generally recognized as deferred income.

Tax liabilities, except for the following two conditions:

A. The company can control the time when temporary differences are reversed;

B. This temporary difference is likely to not be reversed in the foreseeable future.

(3) Recognition of deferred income tax liabilities or assets involved in a specific transaction or event

1 Deferred income tax liabilities or assets related to business combination

The taxable temporary difference or deductible temporary difference arising from a business combination not under the same control is recognised in the deferred income tax liabilities or deferred income tax assets

The relevant deferred income tax expense (or income) is usually adjusted for the goodwill recognized in the business combination.

2 Items directly included in the owner's equity

The current income tax and deferred income tax related to the transactions or events directly included in the owner's equity are included in the owner's equity.

Temporary differences on income tax

Transactions or events that are included in the owner's equity include: other comprehensive income resulting from changes in the fair value of available-for-sale financial assets, and changes in accounting policies using retrospective adjustments

Method or correction of the difference between the previous (important) accounting errors, retrospective restatement, adjustment of the retained earnings at the beginning of the period, and the inclusion of the liability component and the equity component of the hybrid financial instrument at the initial

The owner's equity is included in the confirmation.

3 can make up for losses and tax credits

A. Reparable losses and tax credits generated by the company's own operations

The deductible loss refers to the loss made by the taxable income in the subsequent years as determined by the tax law. For carry-over according to the tax law Unrecovered losses (deductible losses) and tax credits for subsequent years are treated as deductible temporary differences. In the future where it is expected to make use of recoverable losses or tax credits

When it is probable that sufficient taxable income will be obtained during the period, the corresponding deferred income tax assets will be recognized, and the current period will be reduced, subject to the taxable income that is likely to be obtained.

Income tax expense in the income statement.

B. Unrecoverable losses of compensable companies formed due to business combination

In the business combination, the company obtains the deductible temporary difference of the purchased party and does not confirm the conditions for confirming the deferred income tax assets on the purchase date.

Within 12 months after the purchase date, if new or further information is obtained indicating that the relevant circumstances of the purchase date already exist, it is expected that the purchaser will deduct the temporary difference on the purchase date.

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If the economic benefits brought about can be realized, the relevant deferred income tax assets will be recognized, and the goodwill will be reduced. If the goodwill is insufficient, the difference will be recognized as current profit and loss; In addition to the above, the deferred income tax assets related to the business combination are recognized in profit or loss for the current period.

4 Temporary differences in the formation of offsetting

When preparing the consolidated financial statements, the Company offsets the unrealized internal sales gains and losses and causes the book value of the assets and liabilities in the consolidated balance sheet to be

If there is a temporary difference between the taxable basis of the taxpayer, the deferred income tax asset or deferred income tax liability is recognized in the

consolidated balance sheet, and the consolidated profit is adjusted. Income tax expense in the table, except for deferred income tax related to transactions or events and business combinations that are directly included in owners' equity.

5 Equity-settled share-based payment

If the tax law stipulates that the expenses related to the share-based payment are allowed to be deducted before tax, the company shall be based on the accounting period during the period in which the cost is recognized in accordance with the accounting standards.

The amount of the pre-tax deduction is estimated to determine the tax base and the resulting temporary difference. If the conditions are confirmed, the relevant deferred office is confirmed.

Get tax. It is estimated that the amount of pre-tax deduction in the future period exceeds the cost related to the share-based payment recognized in accordance with the accounting standards, and the excess income tax

The response is credited directly to the owner's equity.

31. Lease

(1) Accounting treatment method for operating lease

1 When the company acts as the operating lease lessee, it will lease the rental expenses of the operating leases according to the straight-line method or the use of the leased assets in each period of the lease term.

It is included in the current profit and loss. If the lessor provides a rent-free period, the company will use the total amount of rent for the entire lease term without deducting the rent-free period, by straight-line method or other reasonable method. Amortization, rental expenses and corresponding liabilities are recognized during the rent-free period. If the lessor bears certain expenses of the lessee, the company shall deduct the total amount of the rent from the total cost of the rent.

The balance of the rental expenses is apportioned during the lease term.

The initial direct costs are included in the current profit and loss. If the agreement stipulates or has a rent, it is included in the current profit and loss when it actually occurs.

2 When the Company acts as the lessor of the operating lease, the rental received is recognized as income over the lease term using the straight-line method. If the lessor provides a rent-free period, the lessor will

The total rent is allocated on a straight-line basis or other reasonable method over the entire lease term without deduction of the rent-free period. The lessor also confirms the rental income during the rent-free period. Bearer

For certain expenses of the lessee, the balance of the rental income deducted by the Company from the total rental income is allocated during the lease term.

The initial direct costs are included in the current profit and loss. Capitalized for a larger amount, based on the same basis as the confirmed rental income during the entire operating lease period

Into the current profit and loss. If the agreement stipulates or has a rent, it is included in the current income when it actually occurs.

(2) Accounting treatment of financial leasing

1 When the company acts as a financial lease lessee, it will compare the fair value of the leased assets with the present value of the minimum lease payments on the lease beginning date.

The lower one is the book value of the leased asset, and the minimum lease payment is taken as the book value of the long-term payable, and the difference is regarded as the unrecognized financing charge. During the lease term

During the period, the actual interest rate method is used for apportionment, which is recognized as current financing expenses and included in financial expenses.

The initial direct costs incurred are included in the value of the leased asset.

When depreciating the finance lease assets, the company adopts the depreciation policy consistent with its own depreciable assets, and the depreciation period is determined by the lease contract. If you can

Reasonable determination of the lease term of the company will be obtained when the lease term expires, the life of the leased asset at the beginning of the lease period is used as the depreciation period;

Whether the company can obtain ownership of the leased assets after the expiration of the lease term, the shorter of the lease term and the leased asset life is used as

the depreciation period.

2 When the company acts as the financial lessor, the sum of the minimum lease receivable amount and the initial direct cost on the lease beginning date is taken as the receivable financing on the start date of the lease period.

The recorded value of the lease payment is included in the long-term receivables of the balance sheet, and the unguaranteed residual value is recorded; the minimum lease receivable amount, the initial direct expense and the unguaranteed balance. The difference between the sum of the value and the present value is used as the unrealized financing income, which is recognized as the lease income by the actual interest rate method during each period of the lease term, and is included in the lease income/industry.

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Business income.

32. Other important accounting policies and accounting estimates

(1) Changes in important accounting policies

On April 28, 2017, the Ministry of Finance issued the "Accounting Standards for Business Enterprises No. 42 - Non-current assets held for sale, disposal groups and termination of operations", the standard from 2017

It will take effect on May 28th. For non-current assets held for sale, disposal groups and termination operations on the date of the implementation of the standard, the future applicable law shall be applied.

On May 10, 2017, the Ministry of Finance issued the "Accounting Standards for Business Enterprises No. 16 – Government Grants" (revised), which will take effect on June 12, 2017. this

The company will adopt the future applicable law for the government subsidies existing on January 1, 2017, and the new government subsidies between January 1, 2017 and the implementation date of this standard are based on this standard.

Make adjustments.

The Ministry of Finance revised the financial statement format of general enterprises in accordance with the relevant provisions of the above two accounting standards, and issued the "About December 25, 2017".

Revise the Notice on Issuing the Format of Financial Statements for General Enterprises; add "Holding Assets for Sale" line item, "Holding for Sale" line item on the balance sheet, and add "

"Production and disposal income" line item, "other income" line item, net profit item added "(1) net profit from continuing operation" and "(2) net profit from termination of operation". 2018

On January 12, the Ministry of Finance issued the "Interpretation of Issues Related to the Financial Statement Format of General Enterprises", according to the relevant provisions of the interpretation:

For the new "asset disposal income" line item of the income statement, the company complies with the relevant provisions of "Accounting Standards for Business Enterprises No. 30 – Presentation of Financial Statements", etc.

The comparative data for the comparable period is adjusted in accordance with the Notice.

For the "other income" line item added to the income statement, the company complies with the relevant provisions of the "Accounting Standards for Business Enterprises No. 16 – Government Subsidy" for January 1, 2017.

The government grants that exist in Japan are processed in the future, and there is no need to adjust the comparative data for comparable periods.

(2) Changes in important accounting estimates

During the reporting period, the company had no significant changes in accounting estimates.

33. Changes in important accounting policies and accounting estimates

(1) Changes in important accounting policies

Applicable Not applicable

(2) Changes in important accounting estimates

Applicable Not applicable

34, other

6. Taxes

1. Major taxes and tax rates

Tax type tax basis

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VAT production income, construction industry labor income, education service income, 16%, 10%, 6%

Urban maintenance and construction tax turnover tax 7%

Corporate income tax taxable income 25%

Education surcharge Circulation tax 5%

If there are different corporate income tax rate taxpayers, the disclosure

Taxpayer name income tax rate

Kevin International 16.5%

Kevin Education US Co., Ltd. Federal tax rate 21%; state tax 8.7%

Princeton Westminster International LLC 0%

2. Tax incentives

According to Caishui [2016] No. 36, "Notice of the Ministry of Finance and the State Administration of Taxation on the Comprehensive Pushing of the Pilot Reform of Business Tax to VAT"

Article (8) of the Articles stipulates that Haidian Kewen School, organized by the company's grandson Kevin Zhixin, submits to the First Taxation Office of the State Taxation Bureau of Haidian District, Beijing.

Taxpayer tax reduction and registration record registration form, from September 1, 2017, the provision of education service income is exempt from VAT.

3, other

Other taxes are calculated and paid according to relevant national and local regulations.

VII. Consolidated financial statement project notes

1. Monetary funds

unit: yuan

Project ending balance

Cash on hand 232,965.97 169,978.97

Bank deposit 112,879,027.90 77,104,673.43

Other currency funds 52,645,923.58 87,791,620.16

Total 165,757,917.45 165,066,272.56

Of which: Total amount deposited abroad: 388,746.67 4,010,904.56

other instructions

52,645,923.58 yuan of other monetary funds is the guarantee deposit.

2. Financial assets measured at fair value through profit or loss

unit: yuan

Project ending balance

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other instructions:

3. Derivative financial assets

Applicable Not applicable

4. Bills receivable

(1) Classification of notes receivable

unit: yuan

Project ending balance

(2) Notes receivable that the company has pledged at the end of the period

unit: yuan

Item End of the deposit

(3) Notes receivable that the company has endorsed or discounted and has not yet

expired on the balance sheet date

unit: yuan

Project Ending confirmation amount at the end of the period

(4) At the end of the period, the company transferred the notes to the accounts receivable due to the failure of the drawer to perform.

unit: yuan

The amount of accounts receivable at the end of the project

other instructions

5. Accounts receivable

(1) Disclosure of accounts receivable

unit: yuan

Closing balance

Book balance bad debt provision book balance bad debt provision

Category

Accrual ratio book value book value

Amount Proportion Amount Amount Proportion Amount Amount Proportion

example

Credit risk group

408,485.23,993.6 384,492.3 135,910

Total 100.00% of the provision for bad debts 5.87% 100.00% 6,795.55 5.00%

129,115.44

99 0 9 .99

accounts receivable

408,485.23,993.6 384,492.3 135,910
 Total 100.00% 5.87% 100.00% 6,795.55 5.00% 129,115.44
 99 0 9 .99

Accounts receivable with significant single amount and single provision for bad debts at the end of the period:

Applicable Not applicable

In the portfolio, the accounts receivable for bad debt provision are calculated according to the aging analysis method:

Applicable Not applicable

unit: yuan

Ending balance

Aging

Accounts receivable bad debt provision

Within 1 year

Within 1 year 337,099.99 16,855.00 5.00%

Subtotal within 1 year 337,099.99 16,855.00 5.00%

1 to 2 years 71,386.00 7,138.60 10.00%

Total 408,485.99 23,993.60 5.87%

Determine the description of the combination:

In the portfolio, accounts receivable for bad debt provision are calculated using the balance percentage method:

Applicable Not applicable

In the portfolio, accounts receivable with bad debt provision are calculated by other methods:

(2) Provision for bad debts withdrawn, recovered or reversed in the current period

In the current period, the provision for bad debts is made up; in the current period, the amount of bad debts is recovered or transferred back.

Among them, the amount of bad debts prepared for recovery or reversal in the current period is important:

unit: yuan

Unit name Recover or transfer back amount

(3) Accounts receivable actually written off during the period

unit: yuan

Project write-off amount

Among them, the important write-off of accounts receivable:

unit: yuan

Whether the payment is due

Unit name Nature of accounts receivable Verification amount Reason for write-off
Easy to produce

Accounts receivable write-off instructions:

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(4) Accounts receivable of the top five balances at the closing balance of the arrears

Customer Name Ending Balance (RMB 10,000) Proportion of Accounts
Receivable Balance Relationship with Company

Beijing Jinshengfu Food Co., Ltd. 34.46 84.35% Non-related party

Cuiyuan student tuition fee 4.00 7.97% non-related party

Beijing Badachu Real Estate Development Group Co., Ltd. 1.18 2.90% Related parties

Beijing Huayida Real Estate Co., Ltd. 0.57 1.40% Related parties

Beijing Badachu Decoration Engineering Co., Ltd. 0.10 0.24% Related parties

Total 40.31 98.68%

The closing balance of the top five accounts receivable at the closing balance of the arrears is 403,100 yuan, accounting for 98.68% of the total balance of accounts receivable at the end of the period.

The ending balance of provision for bad debts totaled RMB 19,843.85.

(5) Receivables that are derecognised due to the transfer of financial assets

(6) Amount of assets and liabilities formed by transferring accounts receivable and continuing to be involved

other instructions:

At the end of the period, the book balance of accounts receivable increased by 197.79% compared with the beginning of the period, mainly due to the increase in service income of academic education around the reporting period, resulting in an increase in the scale of income settlement in each period.

The closing balance of the accounts receivable increased.

6, prepayments

(1) Prepayments are listed by age

unit: yuan

Closing balance

Aging

Amount ratio amount amount

Within 1 year 6,765,449.20 100.00% 50,347.16 100.00%

Total 6,765,449.20 -- 50,347.16 --

A description of the reason why the prepayments with an age greater than 1 year and the significant amount are not settled in time:

(2) Advance payment of the top five balances of final balances by prepaid objects

other instructions:

The book balance of prepayments at the end of the period increased by 13,337.60% from the beginning of the period, mainly due to the payment of 1 million US dollars in earnest money from the three colleges of Westminster, USA.

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7. Interest receivable

(1) Classification of interest receivable

unit: yuan

Project ending balance

Interest on wealth management products 30,915.00 39,474.88

Total 30,915.00 39,474.88

(2) Important overdue interest

Whether or not impairment occurs and its judgment
Borrower Unit Ending Balance Overdue Time Overdue Reason
in accordance with

other instructions:

8. Dividends receivable

(1) Dividends receivable

unit: yuan

Project (or invested unit) ending balance

(2) Important dividends receivable for more than one year

unit: yuan

Whether or not impairment occurs and its judgment
Project (or invested entity) Ending balance Aging cause Unrecovered reasons
in accordance with

other instructions:

9. Other receivables

(1) Disclosure of other receivables

unit: yuan

Closing balance

Book balance bad debt provision book balance bad debt provision
Category
Accrual ratio book value book value
Amount Proportion Amount Amount Proportion Amount Amount Proportion
example

Credit risk group

2,994,90 153,687. 2,841,220 1,626,6 1,531,272.7

Total 100.00% of bad debt provision 5.13% 100.00% 95,382.78 5.86%

7.72 38 .34 55.50 2

Other receivables

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2,994,90 153,687. 2,841,220 1,626,6 1,531,272.7

Total 100.00% 5.13% 100.00% 95,382.78 5.86%

7.72 38 .34 55.50 2

Other receivables with significant single amount and single provision for bad debts at the end of the period:

Applicable Not applicable

In the portfolio, other receivables for provision for bad debts by aging analysis:

Applicable Not applicable

unit: yuan

Ending balance

Aging

Other receivables, bad debt provision, accrual ratio

Within 1 year

Within 1 year 2,936,011.92 146,800.60 5.00%

Subtotal within 1 year 2,936,011.92 146,800.60 5.00%

1 to 2 years 58,895.80 5,889.58 10.00%

Total 2,994,907.72 153,687.38 5.13%

Determine the description of the combination:

In the portfolio, the other receivables for bad debt provision are calculated using the balance percentage method:

Applicable Not applicable

In the portfolio, other receivables for provision for bad debts are made by other methods:

Applicable Not applicable

(2) Provision for bad debts withdrawn, recovered or reversed in the current period

In the current period, the provision for bad debts is made up; in the current period, the amount of bad debts is recovered or transferred back.

Among them, the amount of bad debts prepared for the current period is important to be transferred back or recovered:

unit: yuan

Unit name Return or recovery amount

(3) Other receivables actually written off during the period

unit: yuan

Project write-off amount

Among the important other receivables written off:

unit: yuan

Whether the payment is due

Unit name The nature of other receivables Verification amount The reason for the write-off

Easy to produce

Other receivables write-off instructions:

(4) Other receivables are classified according to the nature of the money

unit: yuan

Nature of the balance Book balance at the end of the period

Reserve gold 1,826,365.37 597,339.22

Deposit and security deposit 405,840.00 378,980.00

Other 169,577.07 650,336.28

Payment on behalf of 593,125.28

Total 2,994,907.72 1,626,655.50

(5) Other receivables of the top five ending balances according to the arrears

unit: yuan

At the end of other receivables

Unit name The nature of the payment Ending balance Aging The ending balance of bad debt provision

Proportion of total balance

Xu Zhiwen Rental deposit 78,840.00 Within one year 2.77%

Zhang Dianping Rental deposit 80,240.00 Within one year 2.82%

Jia Lihua Reserve Gold 80,435.03 Within one year 2.83%

Tianjin Zhongjing Building Materials

Transaction compensation 169,577.07 Within one year 5.97%

Limited

Yueyang City Station Chief Liaison Service

Chief of the limited liability company Deposit 300,000.00 Within one year 10.56%

Sand branch

Total -- 709,092.10 -- 24.95%

(6) Receivables involving government subsidies

unit: yuan

Estimated time and amount

Unit Name Government Subsidy Project Name Ending Balance Final Period Aging
And basis

(7) Other receivables terminated due to the transfer of financial assets

(8) Amount of assets and liabilities formed by transferring other receivables and continuing to be involved

other instructions:

At the end of the period, the book balance of other receivables increased by 85.55% from the beginning of the period, mainly due to the increase in the daily operating rent deposits and the rental of teachers' apartments.

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10. Inventory

(1) Inventory classification

unit: yuan

Closing balance

Project

Book balance Depreciation reserve Book value Book balance Depreciation reserve
Book value

Stock goods 24,124.73 24,124.73 59,074.12 59,074.12

Total 24,124.73 24,124.73 59,074.12 59,074.12

Whether the company is required to comply with the disclosure requirements of the Shenzhen Stock Exchange Industry Information Disclosure Guide No. 4 - Listed Companies Engaged in Seed Industry and Planting Business
no

(2) Inventory depreciation reserve

unit: yuan

Increase in the current period
Project opening balance
Withdrawal Others Return or Resale Other

(3) Description of the ending balance of the inventory including the capitalization amount of the borrowing costs

(4) The completed unsettled assets formed by the construction contract at the end of the period

unit: yuan

Item Amount

other instructions:

11. Assets held for sale

unit: yuan

Project Closing value at the end of the period Fair value Estimated disposal cost
Estimated disposal time

other instructions:

12. Non-current assets due within one year

unit: yuan

Project ending balance

other instructions:

13. Other current assets

unit: yuan

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Project ending balance

Bank wealth management products 8,000,000.00 12,361,300.00

Input tax to be certified 15,489,700.23

The amount of input tax to be deducted 146,294,510.43 113,933,970.19

Prepaid VAT

Prepaid income tax 810,726.22

Deferred expenses 1,246,291.66 1,162,670.31

Total 155,540,802.09 143,758,366.95

other instructions:

14. Available-for-sale financial assets

(1) Available-for-sale financial assets

unit: yuan

Closing balance

Project

Book balance Depreciation reserve Book value Book balance Depreciation reserve
Book value

(2) Available-for-sale financial assets measured at fair value at the end of the period

unit: yuan

Available-for-sale financial assets classification Available-for-sale equity
instruments Available-for-sale debt instruments Total

(3) Available-for-sale financial assets measured at cost at the end of the period

unit: yuan

Book balance impairment provision

Invested in the current period

Unit holding

At the beginning of the period, the current period increases, the current period
decreases, the period ends, the current period increases, the current period
decreases, and the end of the period

Proportion

(4) Changes in the impairment of available-for-sale financial assets during the reporting period

unit: yuan

Available-for-sale financial assets classification Available-for-sale equity
instruments Available-for-sale debt instruments Total

(5) Relevant explanations of the fair value of the available-for-sale equity instruments at the end of the period or the non-temporary decline but no provision for impairment

unit: yuan

Fair value of available-for-sale equity workers versus continuous decline
Investment cost Final fair value Deducted amount of impairment No reason for impairment
Project cost reduction (months)

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other instructions

15. Held-to-maturity investments

(1) Held-to-maturity investment

unit: yuan

Closing balance

Project

Book balance Depreciation reserve Book value Book balance Depreciation reserve
Book value

(2) Important held-to-maturity investments at the end of the period

unit: yuan

Bond item face value coupon rate real interest rate maturity date

(3) Held-to-maturity investments reclassified in the current period

other instructions

16. Long-term receivables

(1) Long-term receivables

unit: yuan

Closing balance

Project discount rate interval

Book balance bad debt provision book value book balance bad debt provision book value

(2) Long-term receivables that are terminated due to the transfer of financial assets

(3) Amount of assets and liabilities formed by transferring long-term receivables and continuing to be involved

other instructions

17. Long-term equity investment

unit: yuan

Changes in the current period

Under the investment method, the equity method is declared to be released for impairment.

Opening balance Other comprehensive other equity Provision for impairment

Ending balance

Additional investment, reduced investment, confirmed investment, cash dividend, other, ending balance

Income adjustment change preparation

Profit or loss or profit

I. Joint venture

Eddie Jiayin 200, 861.5 200, 861.5

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Educational Technology 8 8
(Beijing)
Limited Liability
the company

200, 861.5 200, 861.5
Subtotal
8 8

Second, joint ventures

200, 861.5 200, 861.5
total
8 8

other instructions

In September 2017, the company's controlling subsidiary Kevin Ruixin and natural person Yu Wenjing jointly invested in the establishment of Aidi Jiayin Education Technology (Beijing) Co., Ltd., with registered capital for the people. The currency was 100,000 yuan, of which Kevin Ruixin subscribed for a capital contribution of 400,000 yuan, and the shareholding ratio was 40.00%.

18. Investment real estate

(1) Investment real estate adopting cost measurement mode

Applicable Not applicable

(2) Investment real estate adopting fair value measurement mode

Applicable Not applicable

(3) Investment real estate situation without certificate of title

unit: yuan

Project book value

other instructions

19. Fixed assets

(1) Fixed assets

unit: yuan

Projects Houses and Buildings Machinery and Equipment Transportation Tools
Office Equipment and Others Total

First, the original value of the book:

1. Opening balance 1,364,076,439.19 1,827,218.00 1,975,978.88 23,565,774.71
1,391,445,410.78

2. The increase amount in the current period 263,801.79 1,538,569.01
1,802,370.80

(1) Purchase 263,801.79 1,538,569.01 1,802,370.80

(2) Construction in progress

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Transfer

(3) Business combination
increase

3. Current amount reduction

(1) Disposal or report
Waste

4. Ending balance 1,364,076,439.19 1,827,218.00 2,239,780.67 25,104,343.72
1,393,247,781.58

Second, accumulated depreciation

1. Opening balance 1,595,919.08 169,514.85 29,045.48 2,348,644.54 4,143,123.95

2. Increase in the current period 17,050,955.51 23,740.56 193,213.92 2,914,072.23
20,436,742.41

(1) Provisions 17,050,955.51 23,740.56 193,213.92 2,914,072.23 20,436,742.41

3. Current amount reduction

(1) Disposal or report
Waste

4. Ending balance 18,646,874.59 193,255.41 222,259.40 5,262,716.77
24,325,106.17

Third, the provision for impairment

Opening balance

2. Increase in the current period

(1) Accrual

3. Current amount reduction

(1) Disposal or report
Waste

4. Ending balance

Fourth, the book value

1. Book value at the end of the period 1,345,429,564.60 1,633,962.59 2,017,521.27
19,841,626.95 1,368,922,675.41

2. Book value at the beginning of the period 1,362,480,520.11 1,657,703.15
1,946,933.40 21,217,130.17 1,387,302,286.83

(2) Temporary idle fixed assets

unit: yuan

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Item Original book value Accumulated depreciation Impairment reserve Book
value Remarks

(3) Fixed assets leased through financial leasing

unit: yuan

Item	Original book value	Accumulated depreciation	Impairment reserve	Book value
------	---------------------	--------------------------	--------------------	------------

(4) Fixed assets leased out through operating leases

unit: yuan

Project book value at the end of the period

Kevin Building B1, B2 Building	277,444,685.55
--------------------------------	----------------

(5) Fixed assets without certificate of title

unit: yuan

Project	Book value	The reason for not completing the title certificate
---------	------------	---

Chaoyang Kevin School Houses and Buildings	1,345,429,564.60	In progress
--	------------------	-------------

other instructions

20. Construction in progress

(1) Construction in progress

unit: yuan

Closing balance

Project

Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve
--------------	----------------------	------------	--------------	----------------------

Book value				
------------	--	--	--	--

(2) Changes in important construction projects in the current period

unit: yuan

In this issue, the project is tired.

Current interest period benefits

Project name, the beginning of the period, the current period, the increase of the fixed period, the balance of the investment, the project interest, the funds,

The number of budgets, he reduced the capital of capitalization

Weighing amount, amount of assets, accounting for capitalization

Amount

Amount ratio

(3) Provision for impairment of construction in progress in the current period

unit: yuan

Project accrual amount in the current period

other instructions

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21. Engineering materials

unit: yuan

Project ending balance

other instructions:

22. Fixed assets cleanup

unit: yuan

Project ending balance

other instructions:

23. Productive biological assets

(1) Production biological assets using cost measurement model

Applicable Not applicable

(2) Production biological assets using the fair value measurement model

Applicable Not applicable

24. Oil and gas assets

Applicable Not applicable

25. Intangible assets

(1) Intangible assets

unit: yuan

Project	Land use rights	Patent rights	Non-patent technology	Software and others
Total				

First, the original value of the book

1. Opening balance	971,842,863.07	604,200.86	972,447,063.93
--------------------	----------------	------------	----------------

2. Increase in the current period			
-----------------------------------	--	--	--

2,905.98	2,905.98
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amount

(1) Purchase	2,905.98	2,905.98
--------------	----------	----------

(2) Internal research
hair

(3) Corporate cooperation
And increase

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3. Current amount reduction

(1) Disposal

4. Ending balance 971,842,863.07 607,106.84 972,449,969.91

Second, the cumulative amortization

1. Opening balance 16,156,448.30 44,612.31 16,201,060.61

2. Increase in the current period
9,802,973.33 30,234.22 9,833,207.55
amount

(1) Provision 9,802,973.33 30,234.22 9,833,207.55

3. Reduction of gold in this period
amount

(1) Disposal

4. Ending balance 25,959,421.63 74,846.53 26,034,268.16

Third, the provision for impairment

Opening balance

2. Increase in the current period
amount

(1) Accrual

3. Reduction of gold in this period
amount

(1) Disposal

4. Ending balance

Fourth, the book value

1. Book value at the end of the period
945,883,441.44 532,260.31 946,415,701.75
value

2. Beginning book price
955,686,414.77 559,588.55 956,246,003.32
value

At the end of the period, the intangible assets formed through internal research and development of the company accounted for the proportion of intangible assets.

(2) Land use rights without certificate of title

unit: yuan

Project Book value The reason for not completing the title certificate

other instructions:

26. Development expenditure

unit: yuan

Project opening balance Current period increase amount Current period reduction amount Ending balance

other instructions

27. Goodwill

(1) Original value of goodwill book

unit: yuan

Invested entity name

Or the formation of goodwill, the opening balance, the current period, the current period, the period, the ending balance

Item

Wen Kaixing 312,061.40 312,061.40

Kevin Zhixin 186,063,115.81 186,063,115.81

Kevin Ruixin 27,602,832.64 27,602,832.64

Kai Literature Letter 700,514.32 700,514.32

Total 214,678,524.17 214,678,524.17

(2) Goodwill impairment provision

unit: yuan

Invested entity name

Or the formation of goodwill, the opening balance, the current period, the current period, the period, the ending balance

Item

Explain the method of confirming the impairment test process, parameters and goodwill impairment loss of goodwill:

other instructions

There was no significant change in goodwill during the reporting period.

28. Long-term deferred expenses

unit: yuan

Project Opening balance Current period increase amount Current period amortization amount Other reduction amount Ending balance

Haidian School Gym Cafe

251,680.71 44,890.09 8,950.58 287,620.22

Office renovation

Decoration 209,778.76 83,916.00 125,862.76

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Other 84,390.98 194,484.77 78,067.74 200,808.01

Haidian School Decoration 240,762,246.75 40,644,565.92 10,066,759.30

271,340,053.37

Primary school renovation and renovation

125,697.00 4,213.32 121,483.68

Cheng

Total 241,433,794.20 40,883,940.78 10,241,906.94 272,075,828.04

other instructions

29. Deferred income tax assets / deferred income tax liabilities

(1) Deferred income tax assets without offset

unit: yuan

Closing balance

Project

Deductible temporary differences Deferred income tax assets Deductible
temporary differences Deferred income tax assets

Deductible losses 193,792,936.06 48,448,234.04 137,173,796.52 34,293,449.13

Bad debt provision 176,313.55 44,078.38 101,459.41 25,364.86

Total 193,969,249.61 48,492,312.42 137,275,255.93 34,318,813.99

(2) Deferred income tax liabilities without offset

unit: yuan

Closing balance

Project

Taxable temporary differences Deferred income tax liabilities Taxable temporary
differences Deferred income tax liabilities

(3) Deferred income tax assets or liabilities presented in net amount after offset

unit: yuan

Deferred income tax assets and liabilities Deferred income tax assets after offsetting Deferred income tax assets and liabilities Deferred income tax assets after offset

Project

Ending balance amount or liability ending balance Balance at the beginning of the period or the beginning balance of the liability

Deferred income tax assets 48,792,312.42 34,318,813.99

(4) Unconfirmed deferred income tax asset details

unit: yuan

Project ending balance

Deductible loss 4,405,302.38

Bad debt preparation 718.92

Total 4,406,021.30

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(5) Deductible losses of unrecognized deferred income tax assets will expire in the following years

unit: yuan

Year Ending amount Beginning amount Remarks

2022 4,405,302.38

2021 1,374,449.17

2020 930,293.06

2019 495,410.12

2018 1,439,496.37

Total 8,644,951.10 --

other instructions:

The deferred income tax assets at the end of the period increased by 42.17% compared with the beginning of the period, mainly due to the increase in the amount of deductible losses caused by the current losses.

30. Other non-current assets

unit: yuan

Project ending balance

Equipment section 2,039,789.09 219,354.18

Total 2,039,789.09 219,354.18

other instructions:

At the end of the period, other current assets increased by 829.91% compared with the beginning of the period, mainly due to the increase in the purchase of furniture and teaching aids in the new school year.

31. Short-term loans

(1) Short-term loan classification

unit: yuan

Project ending balance

Guaranteed loan 249,500,000.00 280,000,000.00

Total 249,500,000.00 280,000,000.00

Description of short-term loan classification:

(2) Short-term borrowings that have been overdue

The total amount of short-term loans that have been overdue at the end of the period is RMB, and the important short-term loans that have been overdue are as follows:

unit: yuan

Borrower Unit Ending Balance Borrowing Rate Overdue Time Overdue Rate

other instructions:

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32. Financial liabilities measured at fair value through profit or loss

unit: yuan

Project ending balance

other instructions:

33. Derivative financial liabilities

Applicable Not applicable

34, notes payable

unit: yuan

Type Ending balance Opening balance

Bank acceptance bill 74,831,255.00

Total 74,831,255.00

The total amount of notes payable that have not been paid at the end of the period is RMB.

35, accounts payable

(1) List of accounts payable

unit: yuan

Project ending balance

Materials and other 2,962,785.85 2,770,875.14

Project payable 292,395,153.20 400,729,857.14

Payable equipment

Rent 2,812,500.00

Property charges payable 4,089,276.79

Other 430,391.78 5,506,889.20

Total 302,690,107.62 409,007,621.48

(2) Important accounts payable aged over 1 year

unit: yuan

Project Ending balance Reasons for outstanding or carry-over

other instructions:

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36. Advance receipts

(1) Listing of advance receipts

unit: yuan

Project ending balance

Advance tuition fees 211,589,151.16 91,057,346.76

Advance payment for meals 2,374,267.49 2,902,350.61

Advance training fee 6,520,709.01 1,380,599.92

Total 220,484,127.66 95,340,297.29

(2) Important advance receipts aged over 1 year

unit: yuan

Project Ending balance Reasons for outstanding or carry-over

(3) Settlement of unfinished projects formed by the construction contract at the end of the period

unit: yuan

Item Amount

other instructions:

The book balance of advance receipts at the end of the period increased by 131.26% from the beginning of the period, mainly due to the collection of tuition fees for the next academic year.

37. Employee benefits payable

(1) List of employee benefits payable

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

1. Short-term salary 12,264,284.73 58,426,061.09 58,721,173.29 11,969,172.53

Second, post-employment benefits - set to mention

634,234.69 4,037,247.76 4,008,473.75 663,008.70

Deposit plan

Total 12,898,519.42 62,463,308.85 62,729,647.04 12,632,181.23

(2) Short-term salary list

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

1. Wages, bonuses, allowances and 11,823,004.96 48,538,771.91 50,084,619.82
10,277,157.05

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subsidy

2. Staff welfare fee	83,435.00	5,543,328.32	4,368,676.32	1,258,087.00
3. Social insurance premiums	357,124.77	2,151,341.86	2,134,779.15	373,687.48
Of which: medical insurance premiums	321,987.10	1,939,666.16	1,924,590.26	337,063.00
Work injury insurance premium	9,378.86	56,678.29	56,235.70	9,821.45
Maternity insurance premium	25,758.81	154,997.41	153,953.19	26,803.03
4. Housing provident fund	720.00	2,192,619.00	2,133,098.00	60,241.00
Total	12,264,284.73	58,426,061.09	58,721,173.29	11,969,172.53

(3) List the proposed contribution plan

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

1. Basic pension insurance	608,742.25	3,884,060.49	3,856,278.16	636,524.58
2. Unemployment insurance premiums	25,492.44	153,187.27	152,195.59	26,484.12
Total	634,234.69	4,037,247.76	4,008,473.75	663,008.70

other instructions:

38. Taxes payable

unit: yuan

Project ending balance

VAT 104,399.36 211,676.39

Corporate income tax 184,390.10 28,541,750.47

Personal income tax 717,208.69 478,160.20

Urban maintenance and construction tax 578,322.06 590,028.28

Land value added tax 760,851.10 760,851.10

Education surcharge 124,331.50 208,962.35

Stamp duty 41,674.08 189,559.14

Other 81,021.67 39,447.91

Total 2,592,198.56 31,020,435.84

other instructions:

The book balance of tax payable at the end of the period decreased by 91.64% compared with the beginning of the period, mainly due to the payment of the previous year's corporate income tax settlement.

39. Interest payable

unit: yuan

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Project ending balance

Interest payable on short-term loans 340,695.62 417,956.46

Total 340,695.62 417,956.46

Important overdue interest rates:

unit: yuan

Borrower Overdue Amount Overdue Reason

other instructions:

40, payable dividends

unit: yuan

Project ending balance

Common stock dividend 511,924.22 425,485.61

Total 511,924.22 425,485.61

Other instructions, including important unpaid dividends payable for more than 1 year, should disclose the reasons for the unpaid:

41, other payables

(1) Other payables by nature of the payment

unit: yuan

Project ending balance

Equity transfer payment 22,700,660.00 22,700,660.00

Collection and payment 8,306,764.66 4,493,016.42

Margin 1,912,400.00

Other 539,563.14 195,914.46

Contacts 7,848,480.67

Borrowing 193,089,708.34

Deposit 2,373,386.88

Total 234,858,563.69 29,301,990.88

(2) Important other payables aged over 1 year

unit: yuan

Project Ending balance Reasons for outstanding or carry-over

other instructions

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42. Liabilities held for sale

unit: yuan

Project ending balance

other instructions:

43. Non-current liabilities due within one year

unit: yuan

Project ending balance

other instructions:

44. Other current liabilities

unit: yuan

Project ending balance

Tax to be resold 2,645,675.26 735,770.47

Total 2,645,675.26 735,770.47

Changes in short-term bonds payable:

unit: yuan

Over-the-counter

Bond Name	Denomination	Date of Issue	Bond Term	Issue Amount	Opening Balance	Current Issues	Current Repayments	Ending Balance
Interest earning								

other instructions:

45. Long-term loans

(1) Long-term loan classification

unit: yuan

Project ending balance

Description of long-term loan classification:

Other instructions, including interest rate intervals:

46. Bonds payable

(1) Bonds payable

unit: yuan

Project ending balance

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(2) Changes in the amount of bonds payable (excluding other financial instruments such as preferred stocks classified as financial liabilities, perpetual bonds, etc.)

unit: yuan

(3) Description of the conversion conditions and conversion time of convertible corporate bonds

(4) Description of other financial instruments classified as financial liabilities

Basic information on other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

unit: yuan

At the beginning of the period, the current period increases, the period decreases, and the period ends.

Financial instruments Quantity Book value Quantity Book value Quantity Book value Quantity Book value

Explanation of other financial instruments classified as financial liabilities other instructions

47. Long-term payables

(1) Long-term payables by nature of money

unit: yuan

Project ending balance

other instructions:

48. Long-term payroll payroll

(1) Long-term payroll employee compensation form

unit: yuan

Project ending balance

(2) Setting changes in the benefit plan

Set the current value of the benefit plan obligation:

unit: yuan

The amount of the current period

Plan assets:

unit: yuan

The amount of the current period

Set benefit plan net debt (net assets)

unit: yuan

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The amount of the current period

The impact of the content of the defined benefit plan and the risks associated with it, the company's future cash flow, time and uncertainty:

The main actuarial assumptions and sensitivity analysis results of the defined benefit plan:

other instructions:

49, special payables

unit: yuan

Project opening balance, current period increase, current period decrease, ending balance, formation reasons

other instructions:

50. Estimated liabilities

unit: yuan

Project ending balance balance at the beginning of the project

Other notes, including important assumptions about important projected liabilities, estimates:

51. Deferred income

unit: yuan

Project opening balance, current period increase, current period decrease, ending balance, formation reasons

Projects involving government subsidies:

unit: yuan

Current period

The new supplementary period of this period is included in its current period.

Debt project opening balance, extra-currency income, other changes, ending

balance

Amount of the amount of his income The amount of the fee is related to the income

Amount

other instructions:

52. Other non-current liabilities

unit: yuan

Project ending balance

other instructions:

53. Share capital

unit: yuan

Increase or decrease of this change (+, -)

Opening balance

Issuing new shares, sending shares, providing public reserve funds, other subtotals

Total shares 498,566,987.00 498,566,987.00

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other instructions:

54. Other equity instruments

(1) Basic information on other financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

(2) Changes in financial instruments such as preferred stocks and perpetual bonds issued at the end of the period

unit: yuan

At the beginning of the period, the current period increases, the period decreases, and the period ends.

Financial instruments	Quantity	Book value	Quantity	Book value	Quantity	Book value
-----------------------	----------	------------	----------	------------	----------	------------

The changes in other equity instruments in the current period, the reasons for the changes, and the basis for relevant accounting treatment:
other instructions:

55. Capital reserve

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

Capital premium (share premium)	1,667,152,471.57	1,667,152,471.57
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Other capital reserves	1,479,123.35	616,860.39	2,095,983.74
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Total	1,668,631,594.92	616,860.39	1,669,248,455.31
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Other explanations, including the changes in the current period and the reasons for the changes:

56, treasury shares

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

Other explanations, including the changes in the current period and the reasons for

the changes:

57, other comprehensive income

unit: yuan

Current period

Current period income minus: pre-tax credit

Project opening balance minus income tax after tax attributable ending balance

Other comprehensive income before tax

Fee at the parent company

Amount transferred to profit and loss in the current period

1. Others that cannot be reclassified into profit or loss in the future -414,690.

-414,690.95 19,239.29

Comprehensive income 95

Second, the other will be reclassified into profit and loss

19,239.29 19,239.29

Income

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Foreign currency financial statement translation difference -414,690.95 19,239.29

19,239.29 19,239.29

-395,451.

Total other comprehensive income -414,690.95 19,239.29 19,239.29

66

Other instructions, including the conversion of the effective portion of the cash flow hedge gains and losses to the initial recognition amount adjustment of the hedged item:

58. Special reserve

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

Other explanations, including the changes in the current period and the reasons for the changes:

59, surplus reserve

unit: yuan

Project opening balance, current period increase, current period reduction, ending balance

Statutory surplus reserve 27,579,031.87 27,579,031.87

Total 27,579,031.87 27,579,031.87

Explanation of surplus reserve, including the changes in the current period and the reasons for the changes:

60, undistributed profits

unit: yuan

Project current issue

Undistributed profit before the adjustment of the previous period, 9,263,578.49 - 11,685,008.79

Adjust the initial undistributed profit in the later period, 9,263,578.49 - 11,685,008.79

Plus: net profit attributable to owners of the parent company during the period -

51,679,144.94 -25,314,001.34

Undistributed profit at the end of the period -42,415,566.45 -36,999,010.13

Adjustment of undistributed profit at the beginning of the period:

1) Due to the retrospective adjustment of the “Accounting Standards for Business Enterprises” and its related new regulations, the profit factors are not allocated at the beginning of the period.

2) Due to changes in accounting policies, the impact of the beginning of the period is not allocated profit.

3) Due to the correction of major accounting errors, the impact of the beginning of the period is not allocated profit.

4) The change in the scope of the merger due to the same control affects the undistributed profit at the beginning of the period.

5) Other adjustments affect the undistributed profit at the beginning of the period.

61. Operating income and operating costs

unit: yuan

The amount of the current period

Project

Income cost income cost

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Main business 81,882,042.19 107,516,909.42 228,629,608.38 211,582,314.69

Other business 7,500,000.00 2,329,231.84 2,637,300.89 2,559,397.33

Total 89,382,042.19 109,846,141.26 231,266,909.27 214,141,712.02

62. Taxes and surcharges

unit: yuan

The amount of the current period

Urban maintenance and construction tax 48,674.94 64,054.31

Education surcharge 20,671.62 63,885.63

Property tax 595,191.78

Land use tax 793,700.01

Vehicle and vessel use tax 8,400.00

Stamp duty 55,581.47 463,272.90

Other 10,558.36

Local education fee 14,096.20

Residual insurance 170,179.00

Total 309,203.23 1,999,062.99

other instructions:

63, sales expenses

unit: yuan

The amount of the current period

Employee compensation 1,468,887.01 911,457.95

Advertising promotion fee 4,486,230.46

Traffic travel expenses 6,803.85 344,213.16

Business hospitality 329,011.00

Other 1,217,730.34

Office consumption 313,126.23 58,555.00

Total 6,275,047.55 2,858,867.45

other instructions:

64, management fees

unit: yuan

The amount of the current period

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Traffic travel costs 914,375.17 1,414,118.32

Employee compensation 16,125,176.25 15,413,179.28

Office consumption 979,088.74 2,294,642.24

Business hospitality 85,604.20 381,163.59

Intermediary consulting fee 1,523,696.89 4,069,753.32

Property fee 5,655,108.94

Other expenses 666,378.41 7,628,286.18

R&D expenses 86,345.82

Depreciation and amortization expenses 1,579,713.11

Service charge 4,529,030.41

Rent 2,862,377.55

Total 29,351,786.55 36,856,251.87

other instructions:

65. Financial expenses

unit: yuan

The amount of the current period

Interest expense 9,794,647.30 17,164,978.19

Interest income -733,861.01 -6,609,082.92

Handling fee 73,141.04 228,862.54

Exchange loss 247,674.98

Letter of guarantee fee 20,097.28 498,368.24

Discounted interest on bills

Corporate bond interest 4,024,097.41

Financing lease interest 1,108,191.68

Total 9,154,024.61 16,663,090.12

other instructions:

66. Asset impairment losses

unit: yuan

The amount of the current period

I. Bad debt losses 78,084.83 -8,472,453.38

Second, the inventory price loss 940,932.96

Total 78,084.83 -7,531,520.42

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other instructions:

67. Changes in fair value changes

unit: yuan

Sources of income from changes in fair value arising from the current period

other instructions:

68. Investment income

unit: yuan

The amount of the current period

Financial products 153,195.12 5,386,023.47

Total 153,195.12 5,386,023.47

other instructions:

69. Asset disposal income

unit: yuan

Source of income from asset disposal The amount of the current period

70, other income

unit: yuan

Sources of other income, current period

2017-2018 school year private compulsory education students are shared

595,900.00

Subsidy

71. Non-operating income

unit: yuan

Gold included in current non-recurring gains and losses

The amount of the current period

Amount

Other 0.20 38,479.13

Fine income 165,729.60

Total 0.20 204,208.73

Government subsidies included in current profit and loss:

unit: yuan

Whether the subsidy affects whether the special supplement occurs in the current period.

Subsidy project, issue subject, issue reason, nature type

The profit and loss of the current year is related to the income.

2017-2018 people
Compulsory education Haidian District Education
Grant 595,900.00 related to income
Health supplement
help

Total -- -- -- -- -- 595,900.00 --

other instructions:

72. Non-operating expenses

unit: yuan

Gold included in current non-recurring gains and losses
The amount of the current period
Amount

Donate 1,000.00

Total loss on disposal of non-current assets 91,451.90

Fine payment 200,000.00 9,360.00

Tax late payment fee 59,616.39

Other 0.01 24,013.72

Total 200,000.01 185,442.01

other instructions:

On January 5, 2018, the Beijing Municipal Planning and Land Resources Committee established the Kaiwen International School project for the company's subsidiary Wen Kaixing in Beimafang Village, Jinyu Township, Chaoyang District.

The project (Tsinghua High School Kevin International School Project) has imposed a fine of 200,000 yuan due to the unauthorised construction of the

construction drawings.

73. Income tax expenses

(1) Income tax schedule

unit: yuan

The amount of the current period

Current income tax expense 678,398.06 221,959.63

Deferred income tax expense -14,473,498.43 -2,222,829.04

Total -13,795,100.37 -2,000,869.41

(2) Accounting profit and income tax adjustment process

unit: yuan

Project amount

Total profit -65,083,150.53

Income tax expense -13,795,100.37

other instructions

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74, other comprehensive income

See the note for details.

75. Cash flow statement project

(1) Other cash received related to operating activities

unit: yuan

The amount of the current period

Margin and exchange 8,829,706.42 10,384,063.49

Interest income 733,861.01 692,718.49

Government subsidy 595,900.00

Fine income 165,783.24

Tax refund 63,755.27

Total 10,223,222.70 11,242,565.22

Other cash instructions received related to operating activities:

(2) Other cash paid in connection with business activities

unit: yuan

The amount of the current period

Administrative expenses 11,622,919.83 19,889,573.07

Sales expenses 4,202,119.15 1,127,389.07

Bank charges 73,141.04 228,862.54

Contacts 45,338,263.61 80,000,000.00

Other 2,935,565.30

Total 61,236,443.63 104,181,389.98

Other cash instructions related to operating activities:

(3) Other cash received related to investment activities

unit: yuan

The amount of the current period

Interest income 627,288.43 5,769,855.03

Total 627,288.43 5,769,855.03

Other cash instructions received related to investment activities:

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(4) Other cash paid related to investment activities

unit: yuan

The amount of the current period

Other cash instructions related to investment activities paid:

(5) Other cash received related to fundraising activities

unit: yuan

The amount of the current period

Note, guarantee deposit 51,449,700.22

Total 51,449,700.22

Other cash instructions received related to fundraising activities:

(6) Other cash paid related to fundraising activities

unit: yuan

The amount of the current period

Note, guarantee deposit 41,912,100.92 58,92,535.31

Total 41,912,100.92 58,92,535.31

Other cash instructions related to fundraising activities paid:

76. Cash flow statement supplementary information

(1) Supplementary information on cash flow statement

unit: yuan

Supplementary information Current amount Amount in the previous period

1. Adjust net profit to cash flow from operating activities: -- --

Net profit -51,288,050.16 -26,314,895.16

Add: Asset impairment provision 78,084.83 -7,531,520.42

Depreciation of fixed assets, depletion of oil and gas assets, productive production
20,436,742.41 19,451,924.16

Depreciation of assets

Amortization of intangible assets 9,833,207.55 5,177,240.23

Long-term deferred expenses amortization 10,241,906.94 6,986,158.65

Disposal of fixed assets, intangible assets and other long-term assets
91,451.90

Loss (revenue is marked with "-")

Financial expenses (revenues are marked with "-") 9,060,786.29 8,717,589.64

Investment losses (revenues are marked with "-") -153,195.12 -5,386,023.47

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Deferred income tax assets decreased (increase by "-") -14,473,498.43 -
10,115,644.47

Reduction in inventory (increase by "-") 34,949.39 -175,476,234.25

Reduction of operational receivables (increase by "-"
18,868,188.29 114,357,418.42
Column)

Increase in operational payables (reduced by "-"
46,589,769.99 87,772,453.11
Column)

Net cash flow from operating activities 49,228,891.98 17,729,918.34

2. Significant investment and fundraising activities that do not involve cash
receipts and payments

-- --

move:

3. Net changes in cash and cash equivalents: -- --

Ending balance of cash 113,111,993.87 149,511,505.89

Less: the beginning balance of cash 77,274,652.40 115,083,829.61

Net increase in cash and cash equivalents 35,837,341.47 34,427,676.28

(2) Net cash paid by the subsidiary for the current period

unit: yuan

Amount

among them: --

among them: --

among them: --

other instructions:

(3) Net cash received from disposal of subsidiaries during the period

unit: yuan

Amount

among them: --

among them: --

among them: --

other instructions:

(4) Composition of cash and cash equivalents

unit: yuan

Project ending balance

I. Cash 113,111,993.87 77,274,652.40

3. Balance of cash and cash equivalents at the end of the period 113,111,993.87
77,274,652.40

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other instructions:

77. Notes on the item of changes in owner's equity

Explain the names of the “other” items and the adjustment amount for adjusting the balance at the end of the previous year:

78. Assets with restricted ownership or use rights

unit: yuan

Project book value at the end of the period

Monetary funds 52,645,923.58 margin

Fixed assets 1,345,429,564.60 Property certificates have not been completed

Total 1,398,075,488.18 --

other instructions:

79. Foreign currency monetary items

(1) Foreign currency monetary items

unit: yuan

Project Foreign currency balance at the end of the period Converted exchange rate

HKD 461,092.00 0.8431 388,746.67

other instructions:

(2) Description of overseas operating entities, including for important overseas operating entities, disclosure of their major overseas business locations, bookkeeping base currency and selection

According to the reasons for the change in the bookkeeping currency, the reasons should be disclosed.

Applicable Not applicable

80, hedging

Disclosure of hedging items and related hedging instruments, qualitative and quantitative information on hedged risks in accordance with the hedging category:

81, other

8. Changes in the scope of consolidation

1. Business combination not under the same control

(1) Business combination not under the same control occurred in the current period

unit: yuan

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Purchase date to date purchase date to period

When the share name of the purchased party is acquired, the equity is acquired.

The shareholding ratio is obtained.

Purchased at the end of the purchase date

Weighing this example
Net profit

other instructions:

(2) Consolidation costs and goodwill

unit: yuan

Merger cost

The method for determining the fair value of the merger cost, or the description of the consideration and its changes:

The main reasons for the formation of large-value goodwill:

other instructions:

(3) The identifiable assets and liabilities of the purchased party on the purchase date

unit: yuan

Purchase date fair value purchase date book value

Method for determining the fair value of identifiable assets and liabilities:

Contingent liabilities of the purchased party assumed in the business combination:

other instructions:

(4) The gain or loss arising from the re-measurement of the equity held before the purchase date at fair value

Is there a transaction that realizes the business combination step by step through multiple transactions and gains control during the reporting period?

Yes No

(5) Relevant explanations of the merger consideration or the fair value of the identifiable assets and liabilities of the acquiree cannot be reasonably determined at the end of the purchase date or the end of the current period.

(6) Other instructions

2. Business combination under the same control

(1) Business combination under the same control in the current period

unit: yuan

Consolidation of the current period

In the business combination, the same control is formed during the comparison period.

The name of the merged party is confirmed. The date of the merger is the first to the date of the merger.

The acquired equity system under the merger date of the merger party

Weighed according to the merged party

Proportion and basis

Income net profit

other instructions:

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(2) Merger cost

unit: yuan

Merger cost

Or a description of the consideration and its changes:

other instructions:

(3) Book value of the assets and liabilities of the merged party on the merger date

unit: yuan

Merger date

Contingent liabilities of the merged party assumed in the business combination:
other instructions:

3, reverse purchase

The basic information of the transaction, the basis of the transaction constitutes the reverse purchase, whether the assets and liabilities retained by the listed company constitute the business and its basis, the determination of the merger cost, and the interest

Adjust the amount of equity and its calculation when the transaction is processed:

4. Disposal of subsidiaries

Whether there is a single disposal of the investment in the subsidiary, that is, the loss of control

Yes No

Is there a situation in which the investment in the subsidiary is stepped through multiple transactions and the control is lost in the current period?

Yes No

5. Changes in the scope of consolidation for other reasons

Explain changes in the scope of consolidation caused by other reasons (eg, new subsidiaries, clearing subsidiaries, etc.) and their related circumstances:

No. Subsidiary company full name Subsidiary name Reason for inclusion in the scope of consolidation

1 Kevin Education US Co., Ltd. Kevin America Co., Ltd.

2 Princeton Westminster International Limited Princeton International Inc.

3 Hunan Kaiwen Xingyi Education Technology Co., Ltd. Kaiwen Xingyi New
4 Beijing Chaoyang Kewen School Chaoyang School New

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6, other

9. Rights in other subjects

1. Rights in subsidiaries

(1) Composition of enterprise groups

Shareholding ratio

Subsidiary name Main place of business Registration place Business nature

Acquisition method

Direct indirect

Investment management and education

Wenhua Xuexin Beijing 100.00% established

Consulting

Education investment management and enterprises under the same control

Wen Kaixing Beijing, Beijing 100.00%

Investment consulting

Chaoyang School Beijing Beijing Education 100.00% Established

Education investment management and enterprises under the same control

Kevin Zhixin Beijing Beijing 100.00%

Investment consulting

Non-identical control

Haidian School Beijing Beijing Education 100.00%

Industry merger

Non-identical control

Kevin Ruixin Beijing Beijing Education Consulting 57.12%

Industry merger

Education investment management and enterprises under the same control

Kai Literature Letter Beijing Beijing 100.00%

Investment consulting

Education investment management and

Kevin International Hong Kong Hong Kong 100.00% established

Investment Advisory

Kevin Hengxin Beijing Beijing Education Consulting 100.00%

Kevin Renxin Beijing Beijing Education Consulting 100.00%

Investment management and education

Kai Yu Xin De Beijing, Beijing 51.00%

Consulting

Hunan Xingyi Changsha City, Hunan Province Changsha City, Hunan Province

Education Consultation 100.00% Established

Kevin America Inc. Delaware, USA Delaware International Education Consulting
100.00% Established

Princeton International

New Jersey, USA New Jersey, USA International Education Consulting 100.00%
Established

Secretary

A description of the shareholding ratio of the subsidiary in the share of the voting rights:

The basis for holding half or less of the voting rights but still controlling the investee, and holding more than half of the voting rights but not controlling the investee:

For important structured entities that are included in the scope of consolidation, the basis for control:

Determine the basis for the company to be an agent or a principal:
other instructions:

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(2) Important non-wholly owned subsidiaries

unit: yuan

In the current period, the minority shareholders are declared to the minority shareholders.

Subsidiary name Minority shareholding ratio Balance of minority shareholders at the end of the period

Profit and loss

Kevin Ruixin 42.88% 330,782.17 2,650,265.80 4,378,631.17

Kai Yu Xinde 49.00% 60,312.61 1,253,052.56

The shareholding ratio of the minority shareholders of the subsidiary is different from the proportion of the voting rights:

other instructions:

(3) Main financial information of important non-wholly owned subsidiaries

unit: yuan

Closing balance

Subsidiary

Current assets, non-current assets, negative liquidity, non-current liabilities, current assets, non-current assets, negative flows, non-current liabilities,

Name

Assets, assets, liabilities, liabilities, assets, liabilities, liabilities, liabilities

Kevin Rui 13,370,741.6 13,786,835.93 3,593,491.66 488,621.17,339,22,799,612,799,61
Letter 46.16 85 50.01 6.32 6.32 62.66 81 84.47 4.83 4.83

Kai Yuxin 5,412,422,354,737,767,155,209,905,209,905,122,872,382,777,505,655,071,495,071,49
De 2.40 2.18 4.58 4.46 4.46 9.24 5.66 4.90 1.74 1.74

unit: yuan

The amount of the current period
Subsidiary name Comprehensive income total Operating activity now
Comprehensive income total Operating activity
Operating income net profit operating income net profit
Amount of gold flow

Kevin Ruixin 3,330,107.73 771,366.87 440,584.70 903,537.18 4,663,372.93
113,029.61 113,029.61 0.00

Kai Yu Xin De 4,937,137.81 123,086.96 62,774.35 1,157,057.50 1,990,906.88
141,090.37 141,090.37 738,752.82

other instructions:

(4) Major restrictions on the use of corporate group assets and liquidation of corporate group debt

(5) Financial support or other support provided to structured entities included in the scope of the consolidated financial statements

other instructions:

2. Changes in the share of the owner's equity in the subsidiary and still control the transactions of the subsidiary

(1) Description of changes in the share of owners' equity in subsidiaries

(2) The impact of the transaction on the minority shareholders' equity and the owner's equity attributable to the parent company

unit: yuan

other instructions

3. Equity in joint venture arrangements or joint ventures

(1) Important joint ventures or joint ventures

Shareholding ratio for joint ventures or joint ventures

Joint venture or joint venture

Main place of business Registration place Business nature Business enterprise investment meeting

Company name direct indirect

Meter processing method

Beijing Haichen Cloud Education

Beijing Beijing Education Consulting Service 20.00% has not yet started business

Technology Co., Ltd.

A description of the shareholding ratio of a joint venture or joint venture that differs from the proportion of voting rights:

A basis that holds less than 20% of the voting rights but has a significant impact, or holds 20% or more of the voting rights but does not have a significant impact:

(2) Main financial information of important joint ventures

unit: yuan

Ending balance / current period amount Opening balance / previous period

other instructions

(3) Main financial information of important joint ventures

unit: yuan

Ending balance / current period amount Opening balance / previous period

other instructions

(4) Summary financial information of unimportant joint ventures and joint ventures

unit: yuan

Ending balance / current period amount Opening balance / previous period

Joint ventures: -- --

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Total book value of investment 200,861.58

The total of the following items in terms of shareholding ratio -- --

Associated companies: -- --

The total of the following items in terms of shareholding ratio -- --

-- Net profit 861.58

-- Total comprehensive income 861.58

other instructions

(5) A description of the significant restrictions on the ability of joint ventures or joint ventures to transfer funds to the Company

(6) Excess loss incurred by joint ventures or joint ventures

unit: yuan

Accumulated unconfirmed losses recognized in the previous period Unrecognized losses in the current period (or current period)

Name of joint venture or joint venture Accumulated unrecognized losses at the end of the period

Lost net profit)

other instructions

(7) Unconfirmed commitments related to joint venture investment

(8) Contingent liabilities related to investment in joint ventures or joint ventures

4. Important joint management

Shareholding ratio / share of share

Joint operation name Main place of business Registration place Business nature

Direct indirect

The shareholding ratio or share of shares in joint operations is different from the statement of the proportion of voting rights:

Joint operations are separate entities and are classified as the basis for joint operations:

other instructions

5. Equity in structured entities not included in the scope of consolidated financial statements

Relevant descriptions of structured entities not included in the scope of the consolidated financial statements:

6, other

X. Risks associated with financial instruments

The risks associated with the Company's financial instruments are derived from various types of financial assets and financial liabilities recognized by the Company during its operations, including: credit risk, market risk and flow.

Dynamic risk. The company's management is responsible for the management objectives and policies of various risks related to financial instruments. The management team is responsible for the functional department.

Daily risk management. The overall goal of the company's risk management is to reduce the various types of financial workers as much as possible without unduly affecting the company's competitiveness and resilience.

Risk management policy with associated risks.

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Credit risk

Credit risk refers to the risk that one party to a financial instrument cannot perform its obligations, causing financial losses to the other party. The company's accounts receivable customers are mainly based on the government.

The main part of the facility investment construction or the general contractor with high credibility, the customer's credit status is good, the possibility of bad debt loss is very small, and the company's receivables quality

Overall higher.

Other financial assets of the Company include monetary funds and other receivables. The credit risk of these financial assets is derived from the default of

the counterparty, and the maximum risk exposure is equal to these
The carrying amount of the book.

2. Market risk

The market risk of financial instruments refers to the risk that the fair value or future cash flow of financial instruments will fluctuate due to changes in market prices, including foreign exchange risk and interest rate.

Risk and other price risks.

(1) Foreign exchange risk

On June 30, 2018, except for the assets in the following table, which are US dollars and Hong Kong dollars, the assets and liabilities of the Company are all in RMB. Project Currency balance at the end of the period Converted exchange rate End of the period RMB Converted at the beginning of the period Foreign currency balance Converted exchange rate Converted RMB balance at the beginning

Balance

Monetary funds — — — — 4,014,421.13

Of which: US\$ 507.86 6.9243 3,516.57

EUR - - - - -

-

HKD 461,092.00 0.8431 388,746.67 4,798,249.29 0.8359 4,010,904.56

accounts receivable - - - - -

Of which: USD — — — — —

-

Other receivables 16,340.76 0.8359 13,659.40

Of which: HK\$16,340.76 0.8359 13,659.40

Total – 388,746.67 – — 4,028,080.53

The foreign exchange risk arising from the assets and liabilities of these foreign currency balances may have an impact on the Company's operating results. The company will fully consider the appreciation of the RMB during the order taking process.

It is expected that the bargaining power will be fully utilized and relevant provisions will be attached to the export contract to reduce and pass on some exchange rate fluctuation risks.

(2) Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or future cash flows will fluctuate due to changes in market interest rates. As of

December 31, 2017, the company's financial machine

The borrowings implement fixed interest rates and therefore do not face the risk of market interest rate fluctuations.

(3) Other price risks

no.

3. Liquidity risk

Liquidity risk refers to the risk of a shortage of funds when an enterprise fulfills its obligation to settle cash or other financial assets.

When managing liquidity risk, the management of the Company believes that sufficient cash and cash equivalents are maintained and monitored to meet the company's operational needs and reduce cash.

The impact of traffic fluctuations.

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XI. Disclosure of fair value

1. Final fair value of assets and liabilities measured at fair value

unit: yuan

Final fair value

Project first level fair value meter

The second level of fair value measurement The third level of fair value measurement

the amount

I. Continuous fair value measurement -- -- -- --

2. Non-continuous fair value meter

-- -- -- --

the amount

2. Basis for determining the market price of the first-level fair value measurement

project of continuous and non-sustainable

3. Continuing and non-sustainable second-level fair value measurement projects, using qualitative and quantitative information on valuation techniques and important parameters

4. Continuing and non-sustainable third-level fair value measurement projects, using qualitative and quantitative information on valuation techniques and important parameters

5. Continuous third-level fair value measurement project, adjustment information between the opening and ending book value and sensitivity analysis of unobservable parameters

6. The continuous fair value measurement project, the conversion between the various levels during the period, the reason for the conversion and the policy to determine the conversion time

7. Valuation technology changes and reasons for changes occurred during the period

8. Fair value of financial assets and financial liabilities not measured at fair value

9, other

12. Related parties and related party transactions

1. The parent company of the company

The parent company's parent company's parent company

Parent company name Registration place Business nature Registered capital

Shareholding ratio

Badachu Holding Group has

Beijing Investment Management, Asset Management 30 million yuan 32.60%
32.60%

Limited company

Description of the parent company of the company

The ultimate controlling party of this enterprise is the State-owned Assets Supervision and Administration Commission of Haidian District, Beijing.
other instructions:

2. The subsidiaries of the company

For details of the subsidiaries of this company, please refer to the notes.

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3. The situation of joint ventures and joint ventures of the enterprise

See the notes for details of the important joint ventures or joint ventures of the company.

In the current period, there are related party transactions with the Company, or other joint ventures or joint ventures that have formed balances with related parties in the previous period as follows:

Joint venture or joint venture name and relationship with the company

other instructions

4. Other related parties

Other related party names Other related parties and the company's relationship

Beijing Haidian District State-owned Assets Investment Management Co., Ltd. holds 51% equity of Badachu Holding Group Co., Ltd.

Beijing Bada Division Real Estate Development Group Co., Ltd. Bada Branch Holdings Group Co., Ltd. wholly-owned subsidiary

Beijing Guoke New Industry Investment Co., Ltd. Bada Branch Holdings Group Co., Ltd. wholly-owned subsidiary

Beijing Huasoft Jinhong Asset Management Co., Ltd. is a general partner, Beijing Bada

Beijing Yinye Jinhong Investment Partnership (Limited Partnership)
Real Estate Development Group Co., Ltd. is a limited partner

Tianjin Zhongjing Building Materials Co., Ltd., controlled by Zhang Jingming, director of Badachu Holding Group Co., Ltd.

Beijing Wanjiaxin Property Management Co., Ltd. The company controlled by Zhang Jingming, director of Badachu Holding Group Co., Ltd.

Beijing Wanjiaxin Building Decoration Engineering Co., Ltd. Beijing Wanjiaxin Property Management Co., Ltd.

Beijing Badachu Decoration Engineering Co., Ltd. Badachu Holding Group Co., Ltd. holds 70%

Jiangsu Xinzhongtai Bridge Steel Structure Engineering Co., Ltd. Controlled by Zhang Jingming, Director of Badachu Holding Group Co., Ltd.

Beijing Huayida Real Estate Co., Ltd. Beijing Bada Real Estate Development Group Co., Ltd. holds 51%

Jiangsu Huanyu Investment Development Co., Ltd. Shareholders holding more than 5% of the company's shares

other instructions

5. Related party transactions

(1) Related transactions for the purchase and sale of goods, provision and acceptance of labor services

Purchase of goods / acceptance of labor
unit: yuan

Related party related party transaction content of the current period The approved transaction amount exceeds the transaction amount.

Beijing Wanjiaxin Property Management
Property fee 8,060,988.30 8,060,988.30 No
Liability limited liability company

Beijing Wanjiaxin Building
Renovation work 44,890.09 44,890.09 No
Decoration limited liability company

Beijing Bada Department Decoration Worker
Renovation work 1,326,810.00 1,326,810.00 No
Cheng Company Limited

Sale of goods / provision of labor
unit: yuan

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Related party related party transaction amount

Beijing Huayida Real Estate Co., Ltd. meal income 25,830.00

Beijing Bada Division Real Estate Development Group has
Meal income 34,118.00
Limited company

Description of related party transactions for the purchase and sale of goods,
provision and acceptance of labor services

(2) Associated trusteeship management/contracting and entrusted
management/outsourcing

The company's entrusted management / contracting situation:
unit: yuan

Principal/Outsourcing Name Trustee/Contractor Name Trustee/Contracted Asset
Class Custody Revenue/Contracted Custody
Trustee/Contracting Start Date Trust/Contract Termination Date

Weighing type pricing basis revenue/contracting income

Associated hosting/contracting situation description

The company entrusted management / outsourcing situation table:

unit: yuan

Principal/Outsourcing Party Name Trustee/Contractor Name

Entrusted/Outsourcing Assets Custody Fee/Outsourcing Fees

Delegate/outsourcing start date Entrust/outsourcing termination date

Weighing type price basis / outsourcing fee

Association management / outsourcing situation description

(3) Related leases

The company as a lessor:

unit: yuan

Name of the lessee Type of leased assets Lease income recognized in the current period Lease income recognized in the previous period

The company as a lessee:

unit: yuan

Name of the lessor The type of the leased asset The lease fee confirmed in the current period The lease fee confirmed in the previous period

Beijing Guoke New Industry Investment Co., Ltd. Housing construction and land use rights 2,812,500.00 982,702.85

Badachu Holdings Group Co., Ltd. House Building 499,652.50 0.00

Related lease description

(4) Related guarantees

The company as a guarantor

unit: yuan

Guaranteed party Guarantee amount Guarantee start date Guarantee due date
Whether the guarantee has been fulfilled

New Zhongtai 915,222,499.77 No

The company as the guarantor
unit: yuan

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Guarantee party Guarantee amount Guarantee start date Guarantee due date
Whether the guarantee has been fulfilled

Badachu Holdings Group Co., Ltd.
1,300,000,000.00 June 29, 2018, June 29, 2035 No
Secretary

Badachu Holdings Group Co., Ltd.
200,000,000.00 March 27, 2017 2020 March 26 No
Secretary

Badachu Holdings Group Co., Ltd.
100,000,000.00 June 12, 2017 November 06, 2018
Secretary

Southern Heavy Industry 29,636,800.00 January 27, 2015 2018 January 27

Southern Heavy Industry 120,000,000.00 April 11, 2017 2019 April 11

Badachu Holdings Group Co., Ltd.
120,000,000.00 April 11, 2017 2018 April 11
Secretary

Badachu Holdings Group Co., Ltd.
50,000,000.00 April 20, 2017 2018 March 06
Secretary

Badachu Holdings Group Co., Ltd.
100,000,000.00 August 30, 2017 November 06, 2018 No
Secretary

Badachu Holdings Group Co., Ltd.
200,000,000.00 November 18, 2016 December 31, 2018 No
Secretary

Description of related guarantees

(5) Related party funds lending

unit: yuan

Related party Debit amount Starting date Expiration date Description

Pull in

Badachu Holdings Group Co., Ltd.
150,000,000.00 February 11, 2018 February 21, 2019
Secretary

Badachu Holdings Group Co., Ltd.
20,000,000.00 March 06, 2018 2019 March 06
Secretary

Badachu Holdings Group Co., Ltd.
20,000,000.00 March 19, 2019 March 1919
Secretary

Take out

(6) Asset transfer and debt restructuring of related parties

unit: yuan

Related party related party transaction amount

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(7) Remuneration of key management personnel

unit: yuan

The amount of the current period

Key management personnel salary compensation 1,440,981.28 2,865,553.00

(8) Other related transactions

6. Related party accounts receivable and payable

(1) Items receivable

unit: yuan

Closing balance

Project Name Related Party

Book balance bad debt provision book balance bad debt provision

Beijing Bada Real Estate

Accounts receivable 11,846.00 592.30 15,584.00 779.20

Development Group Ltd.

Beijing Huayida Real Estate has

Accounts receivable 5,700.00 285.00

Limited company

Tianjin Zhongjing Building Materials

Other receivables 169,577.07 8,478.85 169,577.07 8,478.85

Limited

(2) Projects payable

unit: yuan

Project Name Related Party Final Book Balance Initial Book Balance

Beijing Wanjiaxin Property Management Co., Ltd.

Accounts payable 5,649,276.79 3,484,905.66

Company

Beijing Wanjiaxin Building Decoration Co., Ltd.

Accounts payable 55,548.06 54,054.06

Company

Accounts payable Beijing Guoke New Industry Investment Co., Ltd. 2,812,500.00

Beijing Yinye Jinhong Investment Partnership

Other payables 16,520,660.00 16,520,660.00

(Limited Partnership)

Other payables Badachu Holdings Group Co., Ltd. 193,089,708.34 120,000,000.00

Dividend payable Jiangsu Huanyu Investment Development Co., Ltd. 425,485.61

425,485.61

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7. Related party commitment

8, other

13. Share-based payment

1. Overall situation of share 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 payment

5, other

XIV. Commitments and contingent events

1. Important commitments

Important commitments on the balance sheet date

As of June 30, 2018, the company has no major commitments that need to be disclosed.

2. Contingencies

(1) Important contingent events on the balance sheet date

1 Company and Guangxi Cangzhou Xijiang Fourth Bridge Project Investment Management Co., Ltd., Hongyu Construction Group Co., Xu Yizhen, Xu Zhigang, Liu Feng Construction Engineering Contract Lawsuit, Accepted by the Guangxi High Court, the lawsuit was suspended after August 17, 2016, and the trial has not resumed as of the reporting date.

2 Company Chongqing Fengdu Changjiang Second Bridge main bridge steel structure production and transportation contract pending litigation, Chongqing Donggang Shipbuilding Industry Co., Ltd. sued the company's site rent litigation,

as of this

On the disclosure date of the report, the company has signed a "Settlement Agreement" with China Communications Road and Bridge Construction Co., Ltd., which stipulates that all parties and relevant third parties are not allowed to make and

The transportation agreement claims any rights to the other party. The two parties shall not be held accountable for the related litigation actions initiated by the Fengdu Second Bridge Box Girder Contract and the litigation-related preservation. No compensation fees. Litigation between the company and Chongqing Donggang Shipbuilding Industry Co., Ltd.: Chongqing Nan'an District People's Court ruled that the company paid Chongqing Donggang Shipbuilding Co., Ltd.

The venue lease fee, the company appealed. The Fifth Intermediate People's Court of Chongqing Municipality held that the basic facts of the judgment of the first-instance judgment of the Nan'an District People's Court of Chongqing City were unclear, and

Violation of the legal procedures, the ruling was sent back to the People's Court of Nan'an District of Chongqing for retrial.

The company and Xinzhongtai signed the "Asset Transfer Agreement" on the sinking of the bridge steel structure assets, and the contracted assets have the right to mortgage, pledge, freeze, seal and other rights.

In the form of lawsuits, arbitrations or administrative penalties, the company will do its utmost to eliminate the above-mentioned restrictions on rights and properly handle litigation, arbitration or administrative penalties.

It is assumed by Xinzhongtai. If the company suffers any loss or expenses due to the above circumstances, it shall be compensated by Xinzhongtai, so the above pending litigation will not cause substance to the company.

Sexual influence.

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(2) The company has no important contingent issues that need to be disclosed, and should also be explained

The company does not have important contingent issues that need to be disclosed.

3, other

XV. Events after the balance sheet date

1. Important non-adjusting matters

unit: yuan

Impact on financial status and business results

Item Contents Reasons for not being able to estimate the number of impacts
Number

2. Profit distribution

unit: yuan

3. Sales return

4. Description of events after the other balance sheet date

16. Other important matters

1. Correction of previous accounting errors

(1) Retrospective restatement

unit: yuan

Affected individual comparison period reports

Accounting Error Correction Contents Handler Cumulative Impact Number
project name

(2) Future applicable law

Correction of Accounting Errors Approval Process Reasons for Adopting Future

Applicable Law

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2. Debt restructuring

3. Asset replacement

(1) Non-monetary asset exchange

(2) Other asset replacement

4. Annuity plan

5. Termination of business

unit: yuan

Attributable to the parent company

Project Revenue Expenses Total Profits Income Tax Expenses Net Profits

Termination of the business

Profit

other instructions

6. Segment information

(1) Determination basis and accounting policy of the report segment

(2) Financial information of the report segment

unit: yuan

Project Inter-segment offset

(3) If the company has no reportable divisions, or cannot disclose the total assets and total liabilities of each reportable segment, the reasons shall be explained.

(4) Other instructions

7. Other important transactions and events that have an impact on investor decision-making

8, other

XVII. Notes on the main items of the financial statements of the parent company

1. Accounts receivable

(1) Disclosure of accounts receivable

unit: yuan

Category Ending balance Opening balance

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Book balance bad debt provision book balance bad debt provision

Accrual ratio book value book value

Amount Proportion Amount Amount Proportion Amount Amount Proportion
example

Accounts receivable with significant single amount and single provision for bad debts at the end of the period:

Applicable Not applicable

In the portfolio, the accounts receivable for bad debt provision are calculated according to the aging analysis method:

Applicable Not applicable

In the portfolio, accounts receivable for bad debt provision are calculated using the balance percentage method:

Applicable Not applicable

In the portfolio, accounts receivable with bad debt provision are calculated by other methods:

(2) Provision for bad debts withdrawn, recovered or reversed in the current period

In the current period, the provision for bad debts is made up; in the current period, the amount of bad debts is recovered or transferred back.

Among them, the amount of bad debts prepared for recovery or reversal in the current period is important:

unit: yuan

Unit name Recover or transfer back amount

(3) Accounts receivable actually written off during the period

unit: yuan

Project write-off amount

Among them, the important write-off of accounts receivable:

unit: yuan

Whether the payment is due

Unit name Nature of accounts receivable Verification amount Reason for write-off

Easy to produce

Accounts receivable write-off instructions:

(4) Accounts receivable of the top five balances at the closing balance of the arrears

(5) Receivables that are derecognised due to the transfer of financial assets

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

continuing to be involved

other instructions:

2. Other receivables

(1) Disclosure of other receivables

unit: yuan

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Closing balance

Book balance bad debt provision book balance bad debt provision

Category

Accrual ratio book value book value

Amount Proportion Amount Amount Proportion Amount Amount Proportion

example

Single amount of significant amount

2,459,64 2,459,646

0.01% of the provision for bad debts alone

6,598.66,598.66

Other receivables

According to credit risk characteristics group 2,566,1

169,577. 161,098.2 2,566,097,6

Total 99.99% 8,478.85 5.00% 06,175. 100.00% 8,478.85

07 2 96.88

Other receivables 73

2,566,1

2,459,81 2,459,807 2,566,097,6

Total 100.00% 8,478.85 06,175. 100.00% 8,478.85

6,175.73,696.88 96.88

Other receivables with significant single amount and single provision for bad debts at the end of the period:

Applicable Not applicable

In the portfolio, other receivables for provision for bad debts by aging analysis:

Applicable Not applicable

unit: yuan

Ending balance

Aging

Other receivables, bad debt provision, accrual ratio

Within 1 year

Within 1 year 169,577.07 8,478.85 5.00%

Determine the description of the combination:

The age of the account is used as a credit risk feature.

In the portfolio, the other receivables for bad debt provision are calculated using the balance percentage method:

Applicable Not applicable

In the portfolio, other receivables for provision for bad debts are made by other methods:

Applicable Not applicable

(2) Provision for bad debts withdrawn, recovered or reversed in the current period

In the current period, the provision for bad debts is made up; in the current period, the amount of bad debts is recovered or transferred back.

Among them, the amount of bad debts prepared for the current period is important to be transferred back or recovered:

unit: yuan

Unit name Return or recovery amount

(3) Other receivables actually written off during the period

unit: yuan

Project write-off amount

Among the important other receivables written off:

unit: yuan

Whether the payment is due

Unit name The nature of other receivables Verification amount The reason for the write-off

Easy to produce

Other receivables write-off instructions:

(4) Other receivables are classified according to the nature of the money

unit: yuan

Nature of the balance Book balance at the end of the period

Contacts 2,459,646,598.66 2,565,936,598.66

Compensation for equity transfer 169,577.07 169,577.07

Total 2,459,816,175.73 2,566,106,175.73

(5) Other receivables of the top five ending balances according to the arrears

unit: yuan

At the end of other receivables

Unit name	The nature of the payment	Ending balance	Aging	The ending balance of bad debt provision	Proportion of total balance
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Wenhua Xuexin Internal Remittance		1,337,467,633.33	Within 1 year		54.37%
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Wen Kaixing internal transactions		831,729,415.33	within 1 year		33.81%
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Kevin Zhixin Internal Remittance		290,449,550.00	Within 1 year		11.81%
----------------------------------	--	----------------	---------------	--	--------

Tianjin Zhongjing Building Materials Co., Ltd.					
--	--	--	--	--	--

Compensation for equity transfer	Secretary	169,577.07	Within 1 year	8,478.85	0.01%
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Total	--	2,459,816,175.73	--	8,478.85	100.00%
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(6) Receivables involving government subsidies

unit: yuan

Estimated time and amount

Unit Name	Government Subsidy Project Name	Ending Balance	Final Period	Aging	And basis
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(7) Other receivables terminated due to the transfer of financial assets

(8) Amount of assets and liabilities formed by transferring other receivables and continuing to be involved

other instructions:

3. Long-term equity investment

unit: yuan

Closing balance

Project

	Book balance	Depreciation reserve	Book value	Book balance	Depreciation reserve	Book value
--	--------------	----------------------	------------	--------------	----------------------	------------

Investing in subsidiaries	19,000,000.00		19,000,000.00	9,000,000.00		9,000,000.00
---------------------------	---------------	--	---------------	--------------	--	--------------

Total	19,000,000.00		19,000,000.00	9,000,000.00		9,000,000.00
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(1) Investment in subsidiaries

unit: yuan

Provision for impairment at the end of the current period

The initial balance of the investee is increased in the current period.

Reserve

Wenhua Xuexin	9,000,000.00		9,000,000.00
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Kai Literature Letter	10,000,000.00		10,000,000.00
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Total	9,000,000.00	10,000,000.00	19,000,000.00
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(2) Investment in joint ventures and joint ventures

unit: yuan

Changes in the current period

Under the equity method, the issuance of impairment provision

Investment unit	Opening balance	Other comprehensive	Other equity	Provision for impairment	Ending balance
-----------------	-----------------	---------------------	--------------	--------------------------	----------------

Additional investment, reduced investment, confirmed investment, cash dividend,

other, ending balance
Income adjustment change preparation
Profit or loss or profit

I. Joint venture

Second, joint ventures

(3) Other instructions

4. Operating income and operating costs

unit: yuan

The amount of the current period
Project
Income cost income cost

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Main business 204,431,370.49 189,076,493.57

Other business 73,055,825.61 73,394,755.58

Total 277,487,196.10 262,471,249.15

other instructions:

5. Investment income

unit: yuan

The amount of the current period

Financial products 2,572,292.58

Total 2,572,292.58

6, other

18. Supplementary information

1. Current non-recurring profit and loss statement

Applicable Not applicable
unit: yuan

Item Amount Description

Government subsidies included in current profit and loss (closed with business operations)

Relevant, according to national unified standards, quota or quantitative enjoyment
595,900.00

(Except for government subsidies)

Entrust others to invest or manage the profit and loss of assets 153,195.12

Other non-operating income and expenses other than the above -199,999.81

Less: Income tax impact 137,273.83

Minority shareholders' equity impact 49,267.55

Total 362,553.93 --

Non-recurring gains and losses items defined by the company in accordance with the definition of "Interpretive Announcement of Information Disclosure of Companies That Offer Securities to the Public No. 1 – Non-recurring Gains and Losses"

Non-recurring gains and losses items listed in Interpretive Announcement No. 1 of the Company's Information Disclosure of Development Bank Securities – Non-recurring gains and losses are defined as items of recurring profit and loss.

Explain the reason.

Applicable Not applicable

2. Return on net assets and earnings per share

Earnings per share

Reporting period profit weighted average return on equity

Basic earnings per share (yuan/share) diluted earnings per share (yuan/share)

Net profit attributable to ordinary shareholders of the company -2.37% -0.10 -0.10

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Attributable to the company after deducting non-recurring gains and losses

-2.39% -0.10 -0.10

Net profit of ordinary shareholders

3. Differences in accounting data under domestic and overseas accounting standards

(1) Differences in net profit and net assets in financial reports disclosed in accordance with international accounting standards and in accordance with Chinese accounting standards

Applicable Not applicable

(2) Differences in net profit and net assets in financial reports disclosed in accordance with overseas accounting standards and in accordance with Chinese accounting standards

Applicable Not applicable

(3) Reasons for differences in accounting data under domestic and overseas accounting standards, and for the adjustment of the data already audited by

overseas audit institutions,
Ming the name of the foreign institution

4, other

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Section XI Documents for reference

- (1) The original 2018 semi-annual report containing the signature of the legal representative of the company and the company's seal;
- (2) The financial statements 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 department;
- (3) The originals of all company documents and the originals of the announcements publicly disclosed on the designated website of the China Securities Regulatory Commission during the reporting period.

Beijing Kaiwen Dexin Education Technology Co., Ltd.

Legal representative: Xu Guangyu

August 7, 2018

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