China Development Bank International Investment Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1062)

Interim Report 2021

Contents

Corporate Information

DIRECTORS

Executive Director

Mr BAI Zhe *(Chairman)*

Independent Non-executive Directors

Mr WANG Xiangfei *(Note 1)*
Mr SIN Yui Man
Mr FAN Ren Da, Anthony
Mr CHEUNG Ngai Lam *(Note 2)*

COMPANY SECRETARY

Mr FUNG Wing Kam Terence

AUDIT COMMITTEE

Mr CHEUNG Ngai Lam *(Chairman)* *(Note 2)*
Mr WANG Xiangfei *(Note 1)*
Mr SIN Yui Man
Mr FAN Ren Da, Anthony

REMUNERATION COMMITTEE

Mr SIN Yui Man *(Chairman)*
Mr WANG Xiangfei *(Note 1)*
Mr FAN Ren Da, Anthony
Mr CHEUNG Ngai Lam *(Note 2)*

NOMINATION COMMITTEE

Mr BAI Zhe *(Chairman)*
Mr WANG Xiangfei *(Note 1)*
Mr FAN Ren Da, Anthony
Mr CHEUNG Ngai Lam *(Note 2)*

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 4506-4509
Two International Finance Centre
No. 8 Finance Street
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited (Formerly known as SMP Partners (Cayman) Limited)
Suite 3204, Unit 2A, Block 3
Building D, P.O. Box 1586
Gardenia Court, Camana Bay
Grand Cayman, KY1-1100
Cayman Islands *(Note 3)*

Notes:

1. Resigned on 28 January 2021.
2. Appointed on 28 January 2021.
3. Changed since 1 March 2021.

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Standard Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

China Construction Bank (Asia) Corporation Limited
China Minsheng Banking Corp., Ltd., Hong Kong Branch

AUDITOR

BDO Limited
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

LEGAL ADVISERS TO THE COMPANY

As to Hong Kong Law
Zhong Lun Law Firm LLP

As to Cayman Islands Law
Conyers Dill & Pearman

INVESTMENT MANAGER

HuaAn Asset Management (Hong Kong) Limited
Unit No. 4702, 47th Floor
Central Plaza
No. 18 Harbour Road
Wanchai, Hong Kong

STOCK CODE

The Stock Exchange of Hong Kong Limited: 1062

WEBSITE

www.cdb-intl.com
www.irasia.com/listco/hk/cdbintl

Management Discussion and Analysis

The board of directors (the "**Board**" or "**Directors**") of China Development Bank International Investment Limited (the "**Company**") announces the unaudited interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2021 (the "**Period**"). The interim results for the Period have been reviewed by the audit committee of the Company and BDO Limited, the auditor of the Company.

OVERALL PERFORMANCE

For the Period, the Group recorded a loss of approximately Hong Kong Dollars ("**HK$**") 128.15 million (six months ended 30 June 2020: profit of approximately HK$190.23 million) which is primarily attributable to the net valuation losses in fair value of financial assets at fair value through profit or loss of approximately HK$120.55 million (six months ended 30 June 2020: net gains of approximately HK$207.54 million) netted off by the general and administrative expenses of approximately HK$6.13 million (six months ended 30 June 2020: approximately HK$6.65 million) incurred during the Period. For the Period, the interest income of the Group was approximately HK$0.07 million (six months ended 30 June 2020: approximately HK$0.10 million). The Group's net valuation losses in fair value of financial assets at fair value through profit or loss for the Period amounted to approximately HK$120.55 million (six months ended 30 June 2020: net gains of approximately HK$207.54 million). The general and administrative expenses of the Group for the Period were approximately HK$6.13 million (six months ended 30 June 2020: approximately HK$6.65 million), the decrease was mainly resulted from the decrease in auditor's remuneration, legal and professional fee and others expenses. The Group's net asset value decreased to approximately HK$1,717.80 million as at 30 June 2021 (31 December 2020: approximately HK$1,845.95 million), with loss per share of approximately HK$4.42 cents (six months ended 30 June 2020: earnings per share of approximately HK$6.55 cents).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

It is the Group's policy to adopt a prudent financial management strategy. The Group's treasury policies are designed to maintain a suitable level of liquidity facilities and minimise financial risks in order to meet operation requirements and pursue investment opportunities.

On 11 November 2016, a loan agreement was entered into between China Development Bank International Holdings Limited ("**CDBIH**"), the immediate controlling company of the Company as the lender and the Company as the borrower, pursuant to which CDBIH will provide a term loan to the Company in an amount of up to United States Dollars ("**US$**") 100 million, at an interest rate of 1.65% per annum over US$ 3-month LIBOR ("**LIBOR**"). The relevant loan will be repayable on the date falling twelve months after the date of first drawdown, which may be automatically extended for another twelve months unless notified by either CDBIH or the Company not to extend repayment.

On 3 April 2017, an uncommitted revolving loan facility agreement was entered into between China Minsheng Banking Corp., Ltd., Hong Kong Branch ("**CMBC HK**") as lender and the Company as borrower, pursuant to which CMBC HK will provide an uncommitted revolving loan facility to the Company in the amount of up to US$100,000,000.

On 6 January 2020, a new facility agreement ("**New Facility Agreement**") was entered into among China Construction Bank (Asia) Corporation Limited ("**CCB Asia**") as the lender, the Company as the borrower, and CDBIH as the guarantor, pursuant to which CDBIH will be the guarantor of the Company for an uncommitted term loan facility in the amount of up to US$50,000,000 and an uncommitted revolving loan facility in the amount of up to US$100,000,000 both granted by CCB Asia. CCB Asia is a licensed financial institution under the laws of Hong Kong and a wholly-owned subsidiary of China Construction Bank Corporation ("**China**

Construction Bank") (listed on the Shanghai Stock Exchange, stock code: 601939 and listed on the Stock Exchange of Hong Kong Limited stock code: 939). CCB Asia is a third party independent of and not connected with the Company and its connected persons, despite that Central Huijin Investment Ltd., which owns directly and indirectly 57.31% interest in China Construction Bank, the controlling company of CCB Asia, also owns 34.68% interest in China Development Bank ("**CDB**"), the controlling shareholder of China Development Bank Capital Corporation Ltd. ("**CDBC**") at the date of the Facility Agreement was entered into.

Moreover, CDBIH has confirmed its intention to provide financial support for the continuing operations of the Group so as to enable it to meet its liabilities as they fall due and carry on its business without a significant curtailment of operations in the twelve months from 30 June 2021. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

As at 30 June 2021, the Group had total borrowings of HK$390 million (31 December 2020: HK$390 million) and the debt-to-equity ratio (calculated as the sum of borrowings to the total shareholder's equity) was approximately 23% (31 December 2020: approximately 21%), putting the Group in an advantageous position to realise its investment strategies and pursue investment opportunities.

As at 30 June 2021, the cash and cash equivalents of the Group were approximately HK$272.08 million (31 December 2020: approximately HK$192.59 million). As more than half of the retained cash was denominated in United States Dollars and placed in major banks in Hong Kong, the Group's exposure to exchange fluctuation risk is considered minimal. The Board believes that the Group still maintains a healthy financial position as at 30 June 2021.

Save as disclosed as above, there is no change to the Group's capital structure for the Period.

CHARGE ON ASSETS, CAPITAL COMMITMENT AND CONTINGENT LIABILITIES

As at 30 June 2021, there were no charges on the Group's assets and the Group had no material capital commitment or any significant contingent liabilities (31 December 2020: Nil). As at 30 June 2021, as far as the Directors are aware, the Group was not involved in any material litigation or arbitration and no material litigation or claim was pending or threatened or made against the Group.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Period, the Company had not made any material acquisition and disposal of subsidiaries and associated companies.

SUBSEQUENT EVENTS

On 31 July 2021, Jinko Power Technology Co., Ltd. announced that Jade Sino Ventures Limited has completed reduction in the holding of the equity interest in Jinko Power Technology Co., Ltd. by 27,655,000 shares, representing 1% of Jinko Power Technology Co., Ltd.'s total share capital, through centralised bidding transaction.

PORTFOLIO REVIEW

Particulars of the investments of the Group as at 30 June 2021 are set out as follows:

	Cost/carrying book cost as at 30 June 2021 HK$ (Unaudited)	Market value/ carrying amount as at 30 June 2021 HK$ (Unaudited)	Market value/ carrying amount as at 31 December 2020 HK$ (Audited)	Unrealised gains/(losses) recognised for the Period ended 30 June 2021 HK$ (Unaudited)	Accumulated unrealised gains/(losses) recognised as of 30 June 2021 HK$ (Unaudited)	Percentage to the Group's total assets as at 30 June 2021 % (Unaudited)
Jade Sino Ventures Limited (**"Jade Sino"**) *(Note 1)*	194,987,520	458,183,231	568,850,705	(110,667,474)	263,195,711	21.7%
P.G. Logistics Property Investment Limited ("**P.G. Logistics**") *(Note 2)*	195,000,000	288,600,000	288,600,000	–	93,600,000	13.7%
BEST Inc. ("**Best Inc.**") *(Note 3)*	234,000,000	46,312,094	52,780,263	(6,468,169)	(187,687,906)	2.2%
Spruce *(Note 4)*	200,460,000	563,940,000	569,400,000	(5,460,000)	363,480,000	26.7%
G7 Networks Limited ("**G7**") *(Note 5)*	195,000,000	296,400,000	296,400,000	–	101,400,000	14.0%
Wacai Holdings Limited ("**Wacai**") *(Note 6)*	195,000,000	–	–	–	(195,000,000)	–
Yimidida Supply Chain Group Co., Ltd. ("**Yimidida**") *(Note 7)*	153,260,180	180,271,128	178,223,469	2,047,659	27,010,948	8.5%
China Property Development (Holdings) Limited ("**CPDH**") *(Note 8)*	78,000,000	2,496,763	2,779,375	N/A	N/A	0.1%

Notes:

1. Jade Sino is an investment holding company incorporated in the British Virgin Islands with limited liabilities. As at 30 June 2021, the proportion of the issued share capital of Jade Sino owned by the Group was approximately 23.81%. As at 30 June 2021, Jade Sino directly held approximately 11.78% of the equity interests of Jinko Power Technology Co., Ltd. ("**Jinko Power**"), a company incorporated in the People's Republic of China ("**PRC**") with limited liabilities. Jinko Power was successfully listed on the Shanghai Stock Exchange in May 2020. Jinko Power and its subsidiaries are principally engaged in developing, building and operating photovoltaic power stations in the PRC. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

2. Guangzhou P.G. Investment Co., Ltd.* ("**PG Investment**"), a company incorporated in the PRC with limited liabilities, completed the restructuring of overseas red chips on 25 May 2021. As a result, the equity interests of Jolly Investment Limited ("**Jolly**") originally held by the Group has been converted into relevant equity interests of PG Logistics, an investment holding company incorporated in the Cayman Islands with limited liabilities, in accordance with relevant legal documents. As at 30 June 2021, the proportion of the issued share capital of P.G. Logistics owned by the Group was approximately 4.82%. As at 30 June 2021, P.G. Logistics held the entire equity interests of PG Investment, which is a logistics warehouse infrastructure operator in the PRC. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

3. Best Inc. was incorporated in the Cayman Islands with limited liabilities which is principally engaged in express delivery, freight delivery and supply chain service. Best Inc. was successfully listed on the New York Stock Exchange in September 2017. As at 30 June 2021, the proportion of its issued share capital owned by the Group was approximately 0.85%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

4. Spruce is an investment holding company incorporated in the Cayman Islands and provides supply chain related services including ingredient procurement, warehousing and distribution to small-and-medium-sized restaurants in the PRC. As at 30 June 2021, the proportion of the issued share capital of Spruce owned by the Group was approximately 1.06%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

5. G7 is a technology leader in the logistics sector in the PRC. Its services span each aspect of fleet management including order processing, short/long haul visibility, asset tracking, dispatch, route planning, financial settlement, accounting, safety management, etc. As at 30 June 2021, the proportion of the issued share capital of G7 owned by the Group was approximately 4.14%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

6. Wacai is the earliest personal accounting and wealth management platform in the PRC. As at 30 June 2021, the proportion of the issued share capital of Wacai owned by the Group was approximately 3.08%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

* *For identification purpose only*

7. Yimidida is a company incorporated in the PRC with limited liabilities which is principally engaged in the operation of the less-than-truckload freight network and was jointly established by several regional leading less-than-truckload logistics enterprises, Yimidida, with the mode of direct operation in core areas and regional franchise, unified the branding, systems, clearing, services and management standards of its partners along the whole ecological chain, and rapidly established the country-wide freight franchise network. As at 30 June 2021, the proportion of its issued share capital owned by the Group was approximately 2.59%. No gain or loss on disposal was recorded during the Period. No dividend was received during the Period.

8. The investments in CPDH disclosed in the table above are accounted for in accordance with HKAS 28 (Amendments) Investment in Associate and Joint Ventures, for details please refer to Note 12 to the condensed consolidated financial statements.

UNLISTED INVESTMENTS REVIEW

The Company has been committed to identifying and exploring high-quality investment opportunities and has established certain investment layout in areas including, but not limited to, logistics infrastructure and supply chain services, advanced manufacturing and new energy. The investments below in Yimidida, G7, Spruce, PG Investment and other investments as set out below are expected to create investment returns for the Shareholders and to further promote the Company's overall market advantage in sectors such as logistics, information technology, advanced manufacturing, medical, new energy, energy saving and environment protection. The Company will proactively leverage the resources of CDB in the areas of agriculture modernisation, logistics infrastructure and credit and will fully utilise the Company's extensive knowledge and experience in finance, management and relevant industries to assist Yimidida, G7, Spruce, PG Investment and other investments in enhancing their efficiency, exploring business opportunities, optimising the decision-making and incentive mechanisms and continuously improving corporate governance practices.

PG Investment

On 15 December 2015, the Company had entered into a share subscription agreement with Jolly and an independent third party of the Company, pursuant to which Jolly agreed to issue an aggregate of 31,449 ordinary shares of Jolly and the Company as one of the investors agreed to subscribe for 7,245 ordinary shares of Jolly at a cash consideration of US$25.00 million. Jolly is an investment holding company incorporated in the Cayman Islands with limited liabilities. Jolly indirectly invested in PG Investment, a PRC company. PG Investment is a leading logistics warehouse infrastructure operator in the PRC, whose principal business includes investment, construction and operation of large scale logistics parks, business facilities and exhibition centers. Jolly and PG Investment are both independent third parties of the Group.

On 25 May 2021, following the completion of the restructuring of overseas red chips, PG Investment became the wholly owned subsidiary of P.G. Logistics, a newly established investment holding company incorporated in the Cayman Islands. As a result, the equity interests of Jolly originally held by the Group has been converted into relevant equity interests of P.G. Logistics in accordance with relevant legal documents. The restructuring of overseas red chips will not affect the actual shareholding ratio of the Group in PG Investment.

As of 30 June 2021, PG Investment had nine projects in operation, the overall occupancy rate of which was 82%. The Company expects that operation of PG Investment in the second half of 2021 will be relatively stable.

Spruce

On 24 November 2016, the Company had entered into an investment agreement with Spruce pursuant to which the Company agreed to subscribe for the newly issued convertible preferred shares of Spruce at a cash consideration of US$25.70 million. Spruce is a holding company incorporated in the Cayman Islands and provides supply chain related services including ingredient procurement, warehousing and distribution to small-and-mediumsized restaurants in the PRC. It is the largest e-commerce platform in terms of gross merchandise volume in the area of supply chain for agricultural products in the PRC. By shortening the distribution process of agricultural products, improving the efficiency of agricultural products supply chain, and establishing large scale warehousing and distribution system and the good quality control for the whole process, Spruce is able to provide economic and efficient services for farmers and restaurant customers in the PRC's agricultural products supply chain. Spruce is an independent third party of the Group.

The focus of Spruce in 2021 is to continue to expand the key client accounts business and to increase its market share in the PRC. Meanwhile, Spruce will also focus on strengthening agricultural product management and improving its overall profitability. The revenue of Spruce for the first quarter of 2021 increased significantly compared to the same period in 2020, which is mainly attributable to gradual resumption of production and work in China following the stabilization of the pandemic. Overall, Spruce's business returned to normal in the first quarter of the year. In the future, Spruce will continue to increase its market share by shortening the distribution process of agricultural products, improving the efficiency of agricultural products supply chain, and providing economic and efficient services to farmers and restaurant customers in the agricultural supply chain industry in the PRC. The Company is confident that Spruce will continue its business expansion at a satisfactory growth rate, and become one of the leaders in the agricultural supply chain industry in the PRC.

G7

On 29 December 2016, a wholly-owned subsidiary of the Company entered into a convertible preferred share subscription agreement with G7 pursuant to which the Group, as one of the investors, agreed to subscribe for the newly issued preferred shares of G7 at a cash consideration of US$25.00 million. G7 is a leading logistics artificial intelligence service and intelligent equipment supplier in China with its business coverage spanning across China and its neighboring countries in Asia. G7 is connected to over 1,800,000 cargo vehicles. By installing smart devices on vehicles in the fleet, G7 utilizes real-time sensing technology to provide data services that span the entire logistic process, to connect the data of every single vehicle, consignor, fleet owner and driver, and thus to improve the efficiency of logistic service. Based on big data of the connected vehicles, G7 cooperates with premium partners from oil distribution, toll roads and bridges, insurance, banking and financial leasing industries to establish a one-stop service platform that integrates primary consumption of fleets. The platform enables safer, more economical, more efficient and more environmentally-friendly logistic services. G7 is an independent third party of the Group.

Despite the adverse impact of COVID-19, G7's business maintained sustainable development during the Period, with its business scales in security products, settlements, supply chain finance, insurance, oil products, asset lease, etc. recording certain growth as compared with last year, and its income level also increased. The Company expects that in the future, G7 will continue to use its own Internet of Things and artificial intelligence technology to help logistics customers to improve operational efficiency, reduce costs and potential safety hazards, thereby to further increase its market share and customer's recognition.

Wacai

On 8 April 2017, a wholly-owned subsidiary of the Company entered into a preferred share purchase agreement with Wacai, pursuant to which the Group, as one of the investors, agreed to subscribe for the newly issued preferred shares of Wacai at a consideration of US$25.00 million.

Wacai is the earliest personal accounting and wealth management platform in the PRC. With its devotion to providing one-stop online financial management tools, information and advisory services to its customers, Wacai has developed an ecosystem around personal financial planning, wealth management, credit management, and vertical online discussion forum. Based on the profound understanding of customer needs for wealth management, user-friendly product design, cutting edge finance technology, and rigorous risk management, Wacai has been providing consistent and high-quality online wealth management services to over 47.00 million registered users in the past eight years. Wacai is an independent third party of the Group.

In 2020, due to the sudden tightening of regulation on Internet finance and the macro environment of large-scale de-leveraging, the business performance of Wacai was adversely and continuously affected, and its valuation has also been adversely affected, details of which are set out on P.6 (Particulars of the investments of the Group as at 30 June 2021) of this report. Wacai had gradually exited its highly regulated person to person business. The Company expects that Wacai will continue to seek business diversification and identify new areas for growth in revenue and profit in the future.

Yimidida

On 30 November 2017, a wholly-owned subsidiary of the Company entered into a capital increment agreement with Yimidida, pursuant to which the Group, as one of the investors, agreed to subscribe for the shares newly issued by Yimidida at a consideration of RMB130.00 million in USD equivalent. Yimidida is principally engaged in the operation of the less-than-truckload freight network and was jointly established by several regional leading less-than-truckload logistics enterprises. Yimidida, with the mode of direct operation in core areas and regional franchise, unified the branding, systems, clearing, services and management standards of its partners along the whole ecological chain, and rapidly established the country-wide freight franchise network. Yimidida is an independent third party of the Group.

During the Period, despite the adverse impact of COVID-19, Yimidida continued to strengthen the direct operation and management of its major franchise member companies at primary regions, and the business integration with UC Express Limited has been promoted in an orderly manner to form complementary advantages, reduce costs, increase efficiency, and expand the network coverage, all of which reinforced its first ranking in terms of overall cargo volume in the PRC and contributed to the rapid increase in its revenue. The Company expects that based on its country-wide franchise freight network, Yimidida will continuously strengthen and optimize its transport network, and increase the density of its last-mile service stations, and upgrade the existing products and services, which will further improve its brand image and value-added service capability.

CPDH

CPDH is a company incorporated in the Cayman Islands with limited liability and principally engaged in investment of residential development project. CPDH did not carry out any business during the Period and it is under litigation process. Its carrying value is accounted for using equity method. For details, please refer to Note 12 to the condensed consolidated financial statements.

LISTED INVESTMENTS REVIEW

Securities Investments

BEST INC.

On 18 January 2016, the Company entered into a convertible preferred shares purchase agreement with Best Logistics as well as the members of Best Logistics group, the existing holders of the securities of Best Logistics and investors of the new preferred shares of Best Logistics, pursuant to which the Company, as one of the investors of the new preferred shares, agreed to subscribe for certain new preferred shares at a cash consideration of US$30.00 million, representing approximately 0.96% of the enlarged issued share capital of Best Logistics. In June 2017, the name of Best Logistics was changed to Best Inc. In September 2017, Best Inc. completed its initial public offering of 45,000,000 ADSs, each representing one share of its Class A ordinary shares, at US$10.00 per ADS for a total offering size of US$450.00 million. Its ADSs commenced trading on the New York Stock Exchange on 20 September 2017. Now the symbol is “BEST”.

Combining the Internet, information technology and traditional logistics services, Best Inc. is committed to creating a one-stop logistics and supply chain service platform to provide customers with efficient services and experience. It is one of the largest integrated logistics service providers in China. Its multisided platform combines technology, integrated logistics and supply chain services, last-mile services and value-added services. BEST Cloud, the proprietary technology platform of Best Inc., which seamlessly connects its systems with those of its ecosystem participants, is the backbone that powers its integrated services and solutions. Its logistics, supply chain and last-mile services encompass B2B and B2C supply chain management, express and less-than-truckload delivery, cross-border supply chain management and a real-time bidding platform to source truckload capacity. In addition, it provides value-added services to support its ecosystem participants and help them grow.

Despite the adverse impacts of fierce price competition in the express delivery industry and conventional logistics low seasons, BEST Inc. has strengthened cost control and attached greater importance to its principal business. The revenue of BEST Inc. in the first quarter of 2021 increased 29.9% as compared to the same period of 2020, representing a loss of RMB604 million. Following gradual improvement resulted from strategic adjustments and organisational changes of BEST Inc., the Company expects a resumption of rapid business growth as well as an improvement in profitability and financial positions of BEST Inc. in the second half of 2021.

JINKO POWER

On 29 September 2014, the Company entered into a share subscription agreement (the “**Jade Sino Subscription Agreement**”) with CDBIH and Jade Sino, pursuant to which the Company and CDBIH agreed to subscribe for 11,904 and 13,096 ordinary shares of Jade Sino, representing approximately 23.81% and 26.19% of the enlarged issued share capital of Jade Sino respectively.

The principal asset of Jade Sino was the 13,404 preferred shares of JinkoSolar Power Engineering Group Limited ("**JinkoSolar Power**") out of the total 26,809 preferred shares subscribed on 11 August 2014 by CDBIH. Upon completion of Jade Sino Subscription Agreement, Jade Sino applied the amount of US$52.50 million (equivalent to approximately HK$409.50 million) contributed by the Company and CDBIH to completing the subscription of the remaining 13,405 preferred shares of JinkoSolar Power. The subscription of the remaining 13,405 preferred shares of JinkoSolar Power by Jade Sino was completed on 13 November 2014. In May 2020, Jinko Power completed its initial public offering of 594,592,922 A shares ("**A Shares**") on the Shanghai Stock Exchange with the issue price of RMB4.37 per A share for a total offering size of approximately RMB2.60 billion. The A Shares listed and commenced trading on the Shanghai Stock Exchange on 19 May 2020, under stock code 601778.

During the Period, the business income performance of Jinko Power was similar as compared with that at the beginning of 2020, with the major sources of its income including sales of electricity and engineering, procurement and construction. The Company expects that the performance of Jinko Power in 2021 will be generally in line with our expectations and it is expected that Jinko Power can make a significant contribution to the Company's performance afterward.

EMPLOYEES

As at 30 June 2021, the Company had 7 employees (30 June 2020: 7 employees). The total staff costs of the Group (excluding Directors' fee) for the Period was approximately HK$4.12 million (six months ended 30 June 2020: HK$3.49 million). The Company determines its staff remuneration in accordance with prevailing market salary scales, individual qualifications and performance. Remuneration packages of the Company's employees including basic salary, performance bonuses and mandatory provident fund are reviewed on a regular basis. The Company had no share option scheme during the six months ended 30 June 2021. However, the Company provided training suitable to employees' needs and in accordance with the Company's own development strategy.

GEARING RATIO

As at 30 June 2021, the Group had outstanding bank borrowings of HK$390 million (31 December 2020: HK$390 million). As at 30 June 2021 the Group's current ratio (current assets to current liabilities) was approximately 90% (31 December 2020: approximately 72%). The ratio of total liabilities to total assets of the Group was approximately 19% (31 December 2020: approximately 18%).

As at 30 June 2021, the Group had drawn down US$50 million (equivalent to approximately HK$390 million) under the New Facility Agreement with CCB Asia.

EXCHANGE EXPOSURE

The Group had an insignificant exchange risk exposure under review during the Period since more than half of the retained cash was denominated in United States Dollars and placed in several major banks in Hong Kong. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

FUTURE PROSPECTS

The Company has been committed to identifying and exploring high-quality investment opportunities and has established certain investment layout in areas including, but not limited to, logistics infrastructure and supply chain services, advanced manufacturing and new energy. The Company expects that the logistics industry will maintain good growth, as it is a fundamental and strategic industry which supports the national economic development, synergises with e-commerce transactions with increasing importance and is also a key industry supported by CDB, the ultimate controlling shareholder of the Company. The Company will proactively leverage the resources of CDB in the areas of logistics infrastructure and credit based on its existing logistics network, and its extensive industry knowledge and experience in finance and management to assist the Company in continuously enhancing its efficiency, exploring business opportunities, optimising the decision-making process and incentive mechanism and improving corporate governance practices, and continue to be committed to identifying and exploring suitable investment opportunities in the logistics industry. The Company will continue to actively pursue opportunities to bring the best returns to the Shareholders and pave the way for its business growth.

Looking forward, the management believes that the business and operating environment for the Group is full of challenges and volatility. In order to improve the performance of the Group and deliver the best returns to the Shareholders, the Group will continue to look for investment opportunities which could strengthen profitability with acceptable risk of the portfolio of the Group by continuing to diversify its investments in different segments such as logistics, information technology, advanced manufacturing, medical, new energy, energy saving and environment protection.

As a result of the uncertainty and continuing impacts brought by the COVID-19 on the economic development and performance of investment projects, the management will continue to enhance communication and pay close attention to the impact of COVID-19 on the industry, and actively assist the invested companies to resume normal operations by various means. The management will also continue to closely monitor the market situation and enhance its operation in all areas, to raise levels of financial discipline and improve profitability of the Group.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2021

	Notes	Six months ended 30 June 2021 HK$ (Unaudited)	2020 HK$ (Unaudited)
Net valuation (losses)/gains in fair value of financial assets at fair value through profit or loss		**(120,547,984)**	207,541,665
General and administrative expenses	8	**(6,130,134)**	(6,647,278)
Operating (loss)/profit		**(126,678,118)**	200,894,387
Other gains, net		**2,352,982**	–
Finance income		**69,491**	99,790
Finance costs		**(3,611,801)**	(9,064,263)
Share of loss in associates		**(282,612)**	(1,884,324)
(Loss)/profit before income tax		**(128,150,058)**	190,045,590
Income tax credit	7	**–**	180,336
(Loss)/profit for the period attributable to owners of the Company		**(128,150,058)**	190,225,926
Other comprehensive loss			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**–**	(1,258,490)
Other comprehensive loss for the period		**–**	(1,258,490)
Total comprehensive income for the period attributable to owners of the Company		**(128,150,058)**	188,967,436
(Loss)/earnings per share			
– Basic (HK cents)	10	**(4.42)**	6.55
– Diluted (HK cents)	10	**(4.42)**	6.55

Condensed Consolidated Statement of Financial Position

As at 30 June 2021

	Notes	**30 June 2021 HK$ (Unaudited)**	31 December 2020 HK$ (Audited)
Assets			
Non-current assets			
Property, plant and equipment	11	**–**	–
Interest in an associate	12	**2,496,763**	2,779,375
Financial assets at fair value through profit or loss	13	**1,755,932,688**	1,954,254,437
		1,758,429,451	1,957,033,812
Current assets			
Prepayments and other receivables		**2,375,728**	94,154,039
Financial assets at fair value through profit or loss	13	**77,773,765**	–
Cash and cash equivalents	14	**272,082,100**	192,585,995
		352,231,593	286,740,034
Total assets		**2,110,661,044**	2,243,773,846
Equity and liabilities			
Equity attributable to owners of the Company			
Share capital	16	**29,022,154**	29,022,154
Reserves		**1,688,782,736**	1,816,932,794
Total equity		**1,717,804,890**	1,845,954,948
Liabilities			
Current liabilities			
Other payables and accruals	15	**2,856,154**	7,818,898
Borrowings		**390,000,000**	390,000,000
		392,856,154	397,818,898
Total liabilities		**392,856,154**	397,818,898
Total equity and liabilities		**2,110,661,044**	2,243,773,846
Net asset value per share	20	**0.59**	0.64

The condensed consolidated financial statements on pages 13 to 36 were approved and authorised for issue by the Board of Directors on 18 August 2021 and are signed on its behalf by:

Bai Zhe
Director

CHEUNG Ngai Lam
Director

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2021

	Attributable to owners of the Company						
	Share capital HK$	**Share premium** HK$	**Special reserve** HK$ (Note)	**Exchange reserve** HK$	**Capital redemption reserve** HK$	**Retained earnings** HK$	**Total** HK$
At 1 January 2020 (Audited)	29,022,154	1,043,800,995	382,880,958	5,680,480	270,200	336,823,035	1,798,477,822
Profit for the period	–	–	–	–	–	190,225,926	190,225,926
Other comprehensive loss							
Currency translation differences	–	–	–	(1,258,490)	–	–	(1,258,490)
Total comprehensive (loss)/income for the period	–	–	–	(1,258,490)	–	190,225,926	188,967,436
Balance at 30 June 2020 (Unaudited)	29,022,154	1,043,800,995	382,880,958	4,421,990	270,200	527,048,961	1,987,445,258
At 1 January 2021 (Audited)	**29,022,154**	**1,043,800,995**	**382,880,958**	**–**	**270,200**	**389,980,641**	**1,845,954,948**
Loss for the period	**–**	**–**	**–**	**–**	**–**	**(128,150,058)**	**(128,150,058)**
Total comprehensive loss for the period	**–**	**–**	**–**	**–**	**–**	**(128,150,058)**	**(128,150,058)**
Balance at 30 June 2021 (Unaudited)	**29,022,154**	**1,043,800,995**	**382,880,958**	**–**	**270,200**	**261,830,583**	**1,717,804,890**

Note: Special reserve represents the difference between the amount recorded as share capital issued by the Company pursuant to a scheme of arrangement which became effective in April 2005 under section 166 of the Hong Kong Companies Ordinance in respect of ING Beijing Investment Company Limited ("**ING Beijing**") and the amount recorded for the share capital of ING Beijing acquired. ING Beijing was liquidated in November 2005.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2021

	Six months ended 30 June	
	2021	2020
	HK$	HK$
	(Unaudited)	(Unaudited)
Net cash used in operating activities	**(8,449,896)**	(10,699,780)
Cash flows from investing activities		
Interest received from bank deposits	**69,491**	99,790
Net proceeds received from disposal of an associate	**91,488,311**	–
Net cash generated from investing activities	**91,557,802**	99,790
Cash flows from financing activities		
Proceeds from bank borrowings	**–**	624,000,000
Repayment of bank borrowings	**–**	(546,000,000)
Interest paid	**(3,611,801)**	(9,064,263)
Net cash (used in)/generated from financing activities	**(3,611,801)**	68,935,737
Net increase in cash and cash equivalents	**79,496,105**	58,335,747
Cash and cash equivalents at the beginning of the period	**192,585,995**	20,136,301
Cash and cash equivalents at the end of the period	**272,082,100**	78,472,048

Notes to the Condensed Consolidated Financial Statements

1 GENERAL

China Development Bank International Investment Limited (the "**Company**") is a limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Its immediate holding company is China Development Bank International Holdings Limited ("**CDBIH**"), a private limited company established in Hong Kong and its ultimate holding company is China Development Bank ("**CDB**"), a wholly state-owned policy bank established on 17 March 1994 in the People's Republic of China ("**PRC**"). CDB is a limited liability company owned by the Ministry of Finance ("**MOF**") and Central Huijin Investment Ltd. ("**Huijin**"). The MOF is one of the ministries under the State Council, primarily responsible for state fiscal revenue and expenditures, and taxation policies. Huijin was established to hold certain equity investments as authorised by the State Council and does not engage in other commercial activities. Huijin exercises legal rights and obligations on behalf of the PRC government. The address of the registered office and principal place of business of the Company are disclosed in the corporate information of the interim report.

The principal activities of the Company and its subsidiaries (the "**Group**") are to achieve medium-term to long-term capital appreciation of its assets primarily through its investments in money market securities, equity and debt related securities in listed and unlisted entities on a global basis.

The condensed consolidated interim financial information is presented in Hong Kong Dollars ("**HK$**"), unless otherwise stated.

2 BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 ("**HKAS 34**") "**Interim Financial Reporting**" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). The condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2020, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**").

In preparing the condensed consolidated financial statements, the Directors have given careful consideration to the future liquidity of the Group. There are continuous and uncertain impacts brought by the COVID-19 on the performance of economic development and investment projects of the Group and the Group has experienced downturns during the period. As at 30 June 2021, the Group had net current liabilities of approximately HK$40,625,000, which included bank borrowing of HK$390,000,000 with contractual repayment date beyond one year after 30 June 2021 that is classified as current liability as the bank has the overriding right to demand immediate repayment. The Directors consider the Group will be able to meet its financial obligations as they fall due for the foreseeable future after taking into account the continued availability of the Group's existing banking facilities and the availability of the unutilised loan facilities of US$100,000,000 from CDBIH, the immediate holding company of the Company (Note 17(a)). Moreover, CDBIH has confirmed its intention to provide financial support for the continuing operations of the Group and the Company so as to enable it to meet its liabilities as they fall due and carry on its business without a significant curtailment of operations in the twelve months from 30 June 2021. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

The preparation of condensed consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed consolidated financial statements are disclosed in Note 5.

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2020, as described in those annual financial statements, except for the estimation of income tax using the tax rate that would be applicable to expected total annual earnings and the adoption of new and amended standards as set out below.

(a) New and amended standards adopted by the Group

In the current interim period, the Group has applied, for the first time, the following new and amended HKFRSs issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	Interest Rate Benchmark Reform – Phase 2
Amendment to HKFRS 16	Covid-19-Related Rent Concessions

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

(b) Impact of standards issued but not yet applied by the Group

Standards	**Subject of amendment**	**Effective for accounting periods beginning or after**
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to HKAS 16	Property, Plant and Equipment – Proceeds before Intended Use	1 January 2022
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2023
Amendments to HKAS 37	Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022
Amendments to HKFRS 3	Reference to the Conceptual Framework	1 January 2022
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendment to HKFRS 16	Covid-19 – Related Rent Concessions beyond 30 June 2021	1 April 2021
Amendments of HKFRS 17	Insurance Contracts	1 January 2023
Amendments to HKAS 1	Disclosure of Accounting Policies	1 January 2023
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
Amendments to HKAS 8	Definition of Accounting Estimates	1 January 2023
Annual Improvements to HKFRSs	Annual Improvements to HKFRSs 2018-2020	1 January 2022

The Group has already commenced an assessment of the impact of these new HKFRSs and none of those are expected to have material impact on the Group's accounting policies.

4 FINANCIAL RISK MANAGEMENT

4.1 Financial risk

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2020.

There have been no changes in the risk management policies since year end.

4.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at 30 June 2021 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

– Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
– Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
– Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Financial assets	Fair value as at 30 June 2021 (unaudited) HK$	Fair value as at 31 December 2020 (audited) HK$	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value	Sensitivity
(i) Unlisted ordinary shares of Jade Sino Ventures Limited	**HK$458,183,231**	HK$568,850,705	Level 3	Quoted bid prices in an active market with an adjustment of discount rate for lack of marketability calculated by option pricing model	Discount rate for lack of marketability of 10%. (2020: 15%)	The higher the discount rate for lack of marketability, the lower the fair value. (2020: Same)	If the discount rate for lack of marketability is 2.5% higher/lower with all other variables were held constant, the fair value would increase/decrease by HK$12,727,312 (2020: HK$16,730,903).

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation (Continued)

	Financial assets	Fair value as at 30 June 2021 (unaudited) HK$	Fair value as at 31 December 2020 (audited) HK$	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value	Sensitivity
(i)	Unlisted ordinary shares of P.G. Logistics Property Investment Limited ("**P.G. Logistics**") (2020: Unlisted ordinary shares of Jolly Investment Limited)	**HK$288,600,000**	HK$288,600,000	Level 3	Option-Pricing model The key inputs are credit spread rate and volatility	Credit spread rate, determined by reference with credit analysis of the issuer and the market rate with similar credit ratio, of 9.93% (2020: 11.68%).	The higher the credit spread rate, the lower the fair value (2020: same).	If the credit spread rate is 2.5% higher/lower, while all other variables were held constant, the fair value would decrease by HK$1,292,046 (2020: HK$1,278,280) and increase by HK$1,327,583 (2020: HK$1,313,231) respectively.
						Volatility, determined by reference to the average annualised standard deviation of the continuously compounded rates of return on the daily average adjusted share of the comparable companies, of 32.48% (2020: 40.16%).	The higher the volatility, the higher the fair value (2020: same).	If the volatility is 10% higher/lower, while all other variables were held constant, the fair value would increase by HK$31 (2020: HK$1,466) and decrease by HK$8 (2020: HK$1,069) respectively.
(ii)	Listed equity securities of BEST Inc.	**HK$46,312,094**	HK$52,780,263	Level 1	Quoted bid prices in an active market	N/A	N/A	N/A

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation (Continued)

Financial assets	Fair value as at 30 June 2021 (unaudited) HK$	Fair value as at 31 December 2020 (audited) HK$	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value	Sensitivity
(iv) Unlisted convertible preferred shares with put option of Spruce	**HK$563,940,000**	HK$569,400,000	Level 3	Option-Pricing model The key inputs are credit spread rate and volatility	Credit spread rate, determined by reference with credit analysis of the issuer and the market rate with similar credit ratio, of 8.45% (2020: 8.60%).	The higher the credit spread rate, the lower the fair value (2020: same).	If the credit spread rate is 2.5% higher/ lower, while all other variables were held constant, the fair value would decrease by HK$765,258 (2020: HK$2,515,539) and increase by HK$972,730 (2020: HK$2,762,604) respectively.
					Volatility, determined by reference to the average annualised standard deviation of the continuously compounded rates of return on the daily average adjusted share of the comparable companies, of 40.66% (2020: 45.89%).	The higher the volatility, the higher the fair value (2020: same).	If the volatility is 10% higher/lower, while all other variables were held constant, the fair value would increase by HK$4,097,184 (2020: HK$5,055,406) and decrease by HK$2,180,591 (2020: HK$4,077,099) respectively.

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation (Continued)

Financial assets	Fair value as at 30 June 2021 (unaudited) HK$	Fair value as at 31 December 2020 (audited) HK$	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value	Sensitivity
(v) Unlisted convertible preferred shares with put option of G7 Networks Limited	**HK$296,400,000**	HK$296,400,000	Level 3	Option-Pricing model The key inputs are credit spread rate and volatility	Credit spread rate, determined by reference with credit analysis of the issuer and the market rate with similar credit ratio, of 9.93% (2020: 11.68%). Volatility, determined by reference to the average annualised standard deviation of the continuously compounded rates of return on the daily average adjusted share of the comparable companies, of 39.5% (2020: 42%).	The higher the credit spread rate, the lower the fair value (2020: same). The higher the volatility, the higher the fair value (2020: same).	If the credit spread rate is 2.5% higher/ lower, while all other variables were held constant, the fair value would decrease by HK$10,138,409 (2020: HK$11,485,126) and increase by HK$10,959,113 (2020: HK$12,561,682) respectively. If the volatility is 10% higher/lower, while all other variables were held constant, the fair value would increase by HK$8,371,888 (2020: HK$11,316,583) and decrease by HK$9,836,486 (2020: HK$10,995,317) respectively.

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation (Continued)

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value	Sensitivity
	30 June 2021 (unaudited) HK$	31 December 2020 (audited) HK$					
(vi) Unlisted convertible preferred shares with put option of Wacai Holdings Limited	**-**	–	Level 3	Option-Pricing model The key inputs are credit spread rate and volatility	No credit spread rate for 2021. (2020: No credit spread rate).	The higher the credit spread rate, the lower the fair value (2020: same).	N/A
					No volatility for 2021 (2020: No volatility for 2020).	The higher the volatility, the lower the fair value (2020: same).	N/A

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation (Continued)

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value	Sensitivity
	30 June 2021 (unaudited) HK$	31 December 2020 (audited) HK$					
(vii) Unlisted shares with put option of *Yimidida Supply Chain Group Co., Ltd.	**HK$180,271,128**	HK$178,223,469	Level 3	Option-Pricing model The key inputs are credit spread rate and volatility	Credit spread rate, determined by reference with credit analysis of the issuer and the market rate with similar credit ratio, of 9.93% (2020: 13.60%).	The higher the credit spread rate, the lower the fair value (2020: same).	If the credit spread rate is 2.5% higher/lower, while all other variables were held constant, the fair value would decrease by HK$6,590,590 (2020: HK$6,388,799) and increase by HK$7,073,426 (2020: HK$6,918,409) respectively.
					Volatility, determined by reference to the average annualised standard deviation of the continuously compounded rates of return on the daily average adjusted share of the comparable companies, of 38.26% (2020: 40.06%).	The higher the volatility, the higher the fair value (2020: same).	If the volatility is 10% higher/lower, while all other variables were held constant, the fair value would increase by HK$5,838,410 (2020: HK$8,583,577) and decrease by HK$5,479,413 (2020: HK$8,662,840) respectively.

* *For identification purpose only*

4 FINANCIAL RISK MANAGEMENT (continued)

4.3 Fair value estimation (Continued)

The Directors consider that the carrying amounts of the financial assets recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

	Level 1 HK$	**Level 2** HK$	**Level 3** HK$	**Total** HK$
30 June 2021	**(unaudited)**	**(unaudited)**	**(unaudited)**	**(unaudited)**
Financial assets				
Financial assets at fair value through profit or loss	**46,312,094**	**–**	**1,787,394,359**	**1,833,706,453**
31 December 2020	(audited)	(audited)	(audited)	(audited)
Financial assets				
Financial assets at fair value through profit or loss	52,780,263	–	1,901,474,174	1,954,254,437

The fair values of the financial assets included in the level 3 category above have been determined in accordance with option-pricing model, with the most significant inputs being the credit spread rate that reflects the credit risk of counterparties and the volatility.

The following table presents the changes in level 3 instruments for the period ended 30 June 2020 and 2021.

Reconciliation of Level 3 fair value measurement on financial assets at fair value through profit or loss ("FVTPL").

	Financial assets at FVTPL HK$
At 1 January 2020	1,972,856,228
Total gains recognised in profit or loss	
– transfer to level 2	(477,360,000)
– change in fair value of financial assets at fair value through profit or loss	15,778,170
At 30 June 2020 (unaudited)	1,511,274,398
At 1 January 2021	1,901,474,174
Total gains recognised in profit or loss	
– change in fair value of financial assets at fair value through profit or loss	(114,079,815)
At 30 June 2021 (unaudited)	1,787,394,359

Of the total (losses)/gains for the period included in profit or loss, losses of HK$114,079,815 (six months ended 30 June 2020: gains of HK$15,778,170) relates to financial assets at fair value through profit or loss classified as level 3 held at the end of the reporting period. Fair value (losses)/gains on financial assets at fair value through profit or loss are included in 'net valuation (losses)/gains in fair value of financial assets at fair value through profit or loss'.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Fair value of financial instruments and interests in associates measured at FVTPL

The Group selects appropriate valuation techniques for financial instruments and interest in associates measured at FVTPL for financial reporting purposes. The Directors have delegated the valuation work to finance division to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of assets, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The finance division works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The finance division reports findings to the directors of the Company regularly to explain the cause of fluctuations in the fair value of the assets and liabilities.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Note 4.3 provides detailed information about the valuation techniques and inputs used in the determination of the fair value of various assets.

Assessment of the Group's ability to continue as a going concern

As explained in Note 2 to the condensed consolidated financial statements, the Directors do not consider that there are material uncertainties that cast doubt on the Group's going concern status over the course of the next twelve months from 30 June 2021. This judgment was made with consideration of the Group's liquidity position, given the underlying strength of the statement of financial position, the maturity dates of existing borrowings, the availability of unutilised loan facilities in place and the intention of the CDBIH to provide financial support for the continuing operations of the Group and the Company (as disclosed in Note 2).

6 SEGMENT INFORMATION

The chief operating decision-maker ("**CODM**") has been identified as the Company's executive directors. The Group's principal activity is investment in equity instruments and other financial instruments. For the purpose of resources allocation and assessment of performance, the CODM regularly reviews the Group's investment portfolio, including financial assets at fair value through profit or loss. Information provided to the CODM includes fair value of the respective investees. The Group's financial assets at fair value through profit or loss portfolio are managed and evaluated on a total return basis. No other discrete financial information was provided to the CODM. Therefore, the Group has identified only one operating segment-investment holding, and no separate segment information is disclosed.

6 SEGMENT INFORMATION (continued)

Management determines the Group is domiciled in Hong Kong, which is the location of the Group's principal office.

The Group's non-current assets (other than interest in an associate and financial assets at fair value through profit or loss) are located in Hong Kong. The Group's revenue was all derived from the Group's operation which is located in Hong Kong.

Given that the nature of the Group's operation is investment holding, there was no information regarding major customers as determined by the Group.

7 INCOME TAX CREDIT

No provision for Hong Kong profits tax has been made in the condensed consolidated financial statements as the Group did not generate any assessable profits arising in Hong Kong for both periods. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

	Six months ended 30 June	
	2021 **HK$** **(Unaudited)**	2020 HK$ (Unaudited)
Current tax		
– Withholding tax	**–**	–
Deferred taxation on withholding tax on undistributed earnings of associates		
– Current period	**–**	180,336
	–	180,336

8 EXPENSES BY NATURE

	Six months ended 30 June	
	2021 **HK$** **(Unaudited)**	2020 HK$ (Unaudited)
Employee benefits expenses		
– Directors' fee	**150,213**	150,000
– Other staff costs *(Note)*		
Basic salaries and other benefits	**3,822,450**	3,244,759
Retirement benefits contribution	**300,522**	245,029
Auditor's remuneration	**200,000**	371,960
Investment management fees	**175,000**	175,000
Legal and professional fee	**62,466**	276,042
Others	**1,419,483**	2,184,488
Total general and administrative expenses	**6,130,134**	6,647,278

Note: During the six months ended 30 June 2021, the Group paid services fee of HK$483,046 (six months ended 30 June 2020: HK$262,752) to a personnel services company which provides staff to the Group. Such amounts are excluded from the total staff costs as mentioned above.

9 DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2021 (30 June 2020: Nil).

10 (LOSS)/EARNINGS PER SHARE

	Six months ended 30 June	
	2021	2020
	HK$	HK$
	(Unaudited)	(Unaudited)
(Loss)/profit for the period attributable to owners of the Company	**(128,150,058)**	190,225,926
Weighted average number of ordinary shares in issue	**2,902,215,360**	2,902,215,360
Basic (loss)/earnings per share (in HK cents)	**(4.42)**	6.55
Diluted (loss)/earnings per share (in HK cents)	**(4.42)**	6.55

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

The calculation of diluted (loss)/earnings per ordinary share is based on the (loss)/profit for the period attributable to owners of the Company and the weighted average number of ordinary shares in issue. The Company did not have any potential dilutive ordinary shares for the periods ended 30 June 2021 and 30 June 2020. Accordingly, the diluted (loss)/earnings per ordinary share are the same as the basic (loss)/earnings per ordinary share.

11 PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	**Furniture and fixtures**	**Total**
	HK$	HK$	HK$
At 1 January 2020, 31 December 2020, 1 January 2021 and 30 June 2021			
Cost	401,733	357,522	759,255
Accumulated depreciation	(401,733)	(357,522)	(759,255)
Net book amount	–	–	–

As at 30 June 2021, the Group has gross carrying amount of fully depreciated property, plant and equipment of HK$759,255 (31 December 2020: HK$759,255) that is still in use.

12 INTEREST IN AN ASSOCIATE

	HK$
At 1 January 2020	68,873,347
Share of loss	(465,432)
Dividend from an associate	(924,880)
Disposal of an associate	(68,350,702)
Currency translation difference	3,647,042
At 31 December 2020 (audited) and 1 January 2021	2,779,375
Share of loss	(282,612)
At 30 June 2021 (unaudited)	2,496,763

The Group's principle associates accounted for using the equity method are as follows:

Name of associate	Place of incorporation/ establishment	Place of operation	Equity interest attributable to the Group 30 June 2021	Equity interest attributable to the Group 31 December 2020	Proportion of voting power held 30 June 2021	Proportion of voting power held 31 December 2020	Principal activities
Beijing Far East Instrument Company Limited ("**BJFE**")	The PRC	The PRC	–	–	–	–	Manufacture of electronic and electrical instruments
China Property Development (Holdings) Limited	The Cayman Islands	The PRC	33.42%	33.42%	20.49%	20.49%	Investment holding

The Group lost significant influence over BJFE during the year ended 31 December 2020 due to a disposal of equity interest through listing-for-sale on 3 December 2020. As the result, BJFE ceased to be an associate of the Group on 3 December 2020 in accordance with Hong Kong Accounting Standard 28 Investments in Associates and Joint Ventures ("**HKAS 28**"). Accordingly, the gain on disposal of investment in BJFE at the date when significant influence is lost was recognised in consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2020.

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2021 HK$ (Unaudited)	31 December 2020 HK$ (Audited)
Financial assets at fair value through profit or loss (i), (ii), (iii), (iv), (v), (vi), (vii)	**1,833,706,453**	1,665,654,437
Interest in an associate measured at FVTPL (ii)	**–**	288,600,000
	1,833,706,453	1,954,254,437
Analysed to reporting purpose as		
Non-current assets	**1,755,932,688**	1,954,254,437
Current assets	**77,773,765**	–
	1,833,706,453	1,954,254,437

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

Changes in fair values of financial assets at fair value through profit or loss are recorded in the condensed consolidated statement of profit or loss and other comprehensive income.

The information of the fair values of financial assets at fair value through profit or loss is disclosed in Note 4.3.

(i) On 29 September 2014, the Group entered into a share subscription agreement with Jade Sino Ventures Limited ("**Jade Sino**"). Pursuant to the agreement, the Group subscribed 11,904 ordinary shares of Jade Sino for an aggregate amount of US$24,998,400 (equivalent to HK$194,987,520), representing approximately 23.81% of the issued share capital of Jade Sino.

Jade Sino is an investment holding company incorporated in the British Virgin Islands with limited liabilities. It directly holds 20% of the equity interests of Jinko Power Technology Co., Ltd. ("**Jinko Power**"), a company incorporated in the PRC with limited liabilities. Jinko Power and its subsidiaries are principally engaged in developing, building and operating photovoltaic power stations in the PRC.

Shares of Jinko Power were successfully listed for trading on Shanghai Stock Exchange in May 2020.

As at 30 June 2021, the fair value of the ordinary shares of Jade Sino held by the Group was approximately HK$458,183,000 (31 December 2020: HK$568,851,000). As at 30 June 2021, Jade Sino directly held approximately 11.78% of the equity interests of Jinko Power.

On 19 June 2021, Jinko Power has announced that Jade Sino intended to reduce the holding of the equity interest in Jinko Power. The reduction would complete through a centralised bidding transaction within 6 months after 15 trading days from the date of the announcement. The reduction ratio shall not exceed 2% of the Jinko Power's total share capital and the total number of shares held by centralised bidding transactions shall not exceed 1% of the Jinko Power's total share capital within 90 consecutive days. On 31 July 2021, Jinko Power announced that Jade Sino has completed reduction in the holding of the equity interest in Jinko Power by 27,655,000 shares, representing 1% of Jinko Power's total share capital, through centralised bidding transaction.

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(ii) On 15 December 2015, the Group entered into a share subscription agreement with Jolly Investment Limited ("**Jolly**"). Pursuant to the agreement, the Group subscribed 7,245 ordinary shares of Jolly for an aggregate amount of US$25,000,000 (equivalent to HK$195,000,000).

Jolly is an investment holding company incorporated in the Cayman Islands with limited liabilities. It indirectly holds 20.91% of the equity interests of Guangzhou P.G. Investment Co., Ltd. (廣州寶供投資有限公司) ("**PG Investment**"), a company incorporated in the PRC. PG Investment is a logistics warehouse infrastructure operator in the PRC. On 25 May 2021, following the completion of the restructuring of overseas red chips, PG Investment became a wholly-owned subsidiary of P.G. Logistics, a newly established investment holding company incorporated in the Cayman Islands (the "**Restructuring**"). As a result, the equity interests of Jolly held by the Group have been converted into relevant shares of P.G. Logistics. The Restructuring of PG Investment has not affected the effective shareholding ratio of the Group in PG Investment.

The ordinary shares of PG Investment are redeemable at the option of Jolly if a qualified IPO has not occurred on or prior to 15 December 2020, with an annual return of 12% on the principal. The Group has not exercised the redemption right as at 30 June 2021.

As at 30 June 2021, the fair value of the ordinary shares of P.G. Logistics (31 December 2020: Jolly) held by the Group was HK$288,600,000 (31 December 2020: HK$288,600,000). As at 30 June 2021, the Group directly held 4.82% of equity interests of P.G. Logistics and P.G. Logistics indirectly held entire equity interests of PG Investment after the Restructuring. The Group has reclassified the interest in an associate at FVTPL to financial assets at FVTPL. (31 December 2020: Jolly indirectly held approximately 20.91% of the equity interest of PG Investment. The effective equity interest of PG Investment held by the Group was 4.82%.)

(iii) On 18 January 2016, the Group entered into a shares subscription agreement with BEST Inc. ("**Best Inc.**"). Pursuant to the agreement, the Group subscribed 3,317,010 convertible preferred shares of Best Logistics for an aggregate amount of US$30,000,000 (equivalent to HK$234,000,000), representing 0.96% of the issued share capital of Best Inc..

Shares of Best Inc. were successfully listed for trading on New York Stock Exchange in September 2017.

Best Inc. (NYSE: BEST) is principally engaged in express delivery, freight delivery and supply chain service.

As at 30 June 2021, the fair value of the shares of Best Inc. held by the Group was approximately HK$46,312,000 (31 December 2020: HK$52,780,000). As at 30 June 2021, the proportion of the issued share capital of Best Inc. owned by the Group was approximately 0.85%.

(iv) On 24 November 2016, the Group entered into a shares subscription agreement with Spruce. Pursuant to the agreement, the Group subscribed 34,441,169 convertible preferred shares of Spruce for an aggregate amount of US$25,700,000 (equivalent to HK$200,460,000).

The convertible preferred shares may, at the option of the Group, be converted into fully paid ordinary shares of Spruce. In addition, the convertible preferred shares are redeemable at the option of the Group if a qualified IPO has not occurred on or prior to 22 March 2021, with 120% on applicable Preferred Share Purchase Price. The Group has not exercised the redemption right during the period.

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(iv) (continued)

Spruce is an investment holding company incorporated in the Cayman Islands with limited liabilities. It provides supply chain related services including ingredient procurement, warehousing and distribution to small-and-medium-sized restaurants in the PRC.

As at 30 June 2021, the fair value of the convertible preferred shares with the put option of Spruce held by the Group was HK$563,940,000 (31 December 2020: HK$569,400,000). As at 30 June 2021, the proportion of the issued share capital of Spruce owned by the Group was approximately 1.06%.

(v) On 29 December 2016, Excellent Fleet Limited, a wholly owned subsidiary of the Company, entered into a share subscription agreement with G7 Networks Limited ("**G7**"). Pursuant to the agreement, the Group subscribed 1,986,008 convertible preferred shares of G7 for an aggregate amount of US$25,000,000 (equivalent to HK$195,000,000).

The convertible preferred shares may, at the option of the Group, be converted into fully paid ordinary shares of G7. In addition, the convertible preferred shares are redeemable at the option of the Group if a qualified IPO has not occurred on or prior to 31 December 2023, with an annual return of 12% on the principal.

G7 was incorporated in the Cayman Islands with limited liabilities and engages in fleet logistic management services.

As at 30 June 2021, the fair value of the convertible preferred shares with the put option of G7 held by the Group was HK$296,400,000 (31 December 2020: HK$296,400,000). As at 30 June 2021, the proportion of the issued share capital of G7 owned by the Group was approximately 4.14%.

(vi) On 8 April 2017, Excellent Fortune Limited, a wholly-owned subsidiary of the Company entered into a share subscription agreement with Wacai Holdings Limited. Pursuant to the agreement, the Group subscribed 11,971,852 convertible preferred share of Wacai Holdings Limited for an aggregate amount of US$25,000,000 (equivalent to HK$195,000,000) ("**Wacai Investment**").

The convertible preferred shares may, at the option of the Group, be converted into fully paid ordinary shares of Wacai Investment. In addition, the convertible preferred shares are redeemable at the option of the Group if a qualified IPO has not occurred on or prior to 27 April 2021, with an annual return of 10%. The Group has not exercised the right during the period.

Wacai Investment operates an online comprehensive financial planning and wealth management platform in the fin-tech industry in the PRC. Due to the tightening of regulation on internet finance, the business performance of Wacai Investment was adversely and continuously affected. The Group considered the carrying amount of Wacai Investment to be of no significant value and hence recognised a total loss on fair value of financial assets at fair value through profit or loss of approximately HK$202,800,000 for the year ended 31 December 2020.

As at 30 June 2021, the fair value of the convertible preferred shares with the put option of Wacai Investment held by the Group was zero due to the irrecoverability of Wacai Investment (31 December 2020: written down to zero due to the irrecoverability of Wacai Investment). As at 30 June 2021, the proportion of the issued share capital of Wacai Investment owned by the Group was approximately 3.08%.

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

(vii) On 30 November 2017, Excellent Graticule Limited, a wholly-owned subsidiary of the Company entered into a share subscription agreement with *Yimidida Supply Chain Group Co., Ltd. ("**Yimidida**"). Pursuant to the agreement, the Group subscribed for the shares of Yimidida for an aggregate amount of RMB130,000,000, (equivalent to HK$153,260,180) representing 7.39% of the issued share capital of Yimidida. Yimidida is principally engaged in the operation of the less-than-truckload freight network and was jointly established by several regional leading less-than-truckload logistics enterprises, Yimidida, with the mode of direct operation in core areas and regional franchise, unified the branding, systems, clearing, services and management standards of its partners along the whole ecological chain, and rapidly established the country-wide freight franchise network. As at 30 June 2021, the proportion of the issued share capital owned by the Group was approximately 2.59%. As at 30 June 2021, the fair value of the issued share capital owned by the Group was approximately HK$180,271,000 (31 December 2020: HK$178,223,000).

14 CASH AND CASH EQUIVALENTS

	30 June 2021 **HK$** **(Unaudited)**	31 December 2020 HK$ (Audited)
Cash at banks and on hand	**272,082,100**	192,585,995
Cash and cash equivalents	**272,082,100**	192,585,995

The carrying amounts of cash and cash equivalents are denominated in the following currencies:

	30 June 2021 **HK$** **(Unaudited)**	31 December 2020 HK$ (Audited)
United States Dollars ("**US$**")	**180,432,524**	185,011,839
HK$	**14,247,876**	6,757,028
Renminbi ("**RMB**")	**77,401,700**	817,128
	272,082,100	192,585,995

* *For identification purpose only*

15 OTHER PAYABLES AND ACCRUALS

	30 June 2021 HK$ (Unaudited)	31 December 2020 HK$ (Audited)
Accrued operating expenses	**2,856,154**	7,818,898

16 SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares HK$
Authorised		
As at 1 January 2020, 31 December 2020 (Audited), 1 January 2021 and 30 June 2021 (Unaudited)	2,902,215,360	29,022,154
Issued and fully paid		
As at 1 January 2020, 31 December 2020 (Audited), 1 January 2021 and 30 June 2021 (Unaudited)	2,902,215,360	29,022,154

17 RELATED PARTY TRANSACTIONS

The Company's immediate holding company is CDBIH, a private limited company established in Hong Kong and its ultimate holding company is CDB, a wholly state-owned policy bank established on 17 March 1994 in the PRC. CDB is a joint stock commercial bank established jointly by the MOF and Huijin. The MOF is one of the ministries under the State Council, primarily responsible for state fiscal revenue and expenditures, and taxation policies. Huijin was established to hold certain equity investments as authorised by the State Council and does not engage in other commercial activities. Huijin exercises legal rights and obligations on behalf of the PRC government.

In addition to those disclosed elsewhere in the condensed consolidated financial statements, the following transactions were carried out with related parties:

(a) On 11 November 2016, the Company entered into a loan facility agreement with its immediate holding company pursuant to which its immediate holding company will provide term loans to the Company with amount up to US$100,000,000. The term loans are unsecured, interest bearing at London Inter-Bank Offered Rate + 1.65% per annum, and repayable at twelve months after the date of drawdown. The credit facilities provided by CDBIH has no expiry date. The Company has to repay the money to CDBIH 12 months after the withdrawal date. As at 30 June 2021, the Company has not utilised any of the loan facilities.

17 RELATED PARTY TRANSACTIONS (continued)

(b) Key management compensation

Key management includes Directors and senior management. The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2021	2020
	HK$	HK$
	(Unaudited)	(Unaudited)
Short term benefits	**1,947,347**	2,559,407
Post-employment benefits	**27,000**	27,000
	1,974,347	2,586,407

Note: Certain Directors' compensation was borne by the immediate holding company of the Group.

(c) The Group shared the office premises with its immediate holding company and the rental expense was borne by its immediate holding company.

18 SHARE-BASED PAYMENT TRANSACTIONS

The Company does not operate any share option scheme.

There were no options granted during the period ended 30 June 2021 (30 June 2020: Nil). There are no outstanding options as at 30 June 2021 (31 December 2020: Nil).

19 EVENT AFTER THE REPORTING DATE

On 31 July 2021, Jade Sino, an investment of the Group measured at fair value through profit or loss, has completed disposal of 27,655,000 shares of Jinko Power, representing 1% of the Jinko Power's total share capital, through centralised bidding transactions at a consideration of approximately HK$188,202,602 (equivalent to RMB156,853,695) (the "**Disposal**"). For details, please refer to Note 13(i).

After the Disposal, Jade Sino continues to own 298,189,000 shares of Jinko Power, representing approximately 10.78% of the total share capital of Jinko Power.

20 NET ASSET VALUE PER SHARE

Net asset value per share is computed based on the condensed consolidated net assets of HK$1,717,804,890 as at 30 June 2021 (31 December 2020: HK$1,845,954,948) and 2,902,215,360 ordinary shares in issue as at 30 June 2021 (31 December 2020: 2,902,215,360 ordinary shares).

Report on Review of Interim Financial Information

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TO THE BOARD OF DIRECTORS OF
CHINA DEVELOPMENT BANK INTERNATIONAL INVESTMENT LIMITED
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 13 to 36, which comprises the interim condensed consolidated statement of financial position of China Development Bank International Investment Limited (the "**Company**") and its subsidiaries (together, the "**Group**") as at 30 June 2021 and the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

OTHER MATTER

The interim financial information for the six-month period ended 30 June 2020 was reviewed by another auditor who expressed an unmodified opinion on 11 August 2020. The consolidated financial statements of the Group for the year ended 31 December 2020 were audited by the same auditor who expressed an unmodified opinion on those statements on 30 March 2021.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with HKAS 34.

BDO Limited
Certified Public Accountants
Chan Wing Fai
Practising Certificate no. P05443

Hong Kong, 18 August 2021

Other Information

DIRECTORS' INTERESTS AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2021, none of the Directors or the chief executive of the Company or their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")), which were required, pursuant to Section 352 of the SFO, to be recorded in the register required to be kept therein, or which were required, pursuant to Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in the Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as is known to any Directors or chief executive of the Company, as at 30 June 2021, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions in the shares and underlying shares of the Company

Name of Shareholder	**Nature of Interests**	**Number of issued shares of the Company held**	**Approximate percentage of the existing issued share capital of the Company**
CDB *(Note 1)*	Corporate Interest	1,920,000,000	66.16%
China Development Bank Capital Corporation Ltd (國開金融有限責任公司) ("**CDBC**") *(Note 1)*	Corporate Interest	1,920,000,000	66.16%
CDBIH *(Note 1)*	Corporate Interest	1,920,000,000	66.16%
Mr LIU Tong *(Note 2)*	Corporate Interest	163,702,560	5.64%
Yoobright Investments Limited *(Note 2)*	Corporate Interest	163,702,560	5.64%

Notes:

1. CDBIH is a wholly-owned subsidiary of CDBC. CDBC is a wholly-owned subsidiary of CDB. Thus, CDB and CDBC are deemed to be interested in the same percentage of shares held by CDBIH.

2. Yoobright is beneficially and wholly owned by Mr LIU Tong. Mr LIU Tong is therefore deemed to be interested in the same percentage of shares held by Yoobright.

Save as disclosed above, as at 30 June 2021, the Company had not been notified by any person, other than Directors and chief executive of the Company, who had interests or short positions in the shares and underlying shares of the Company which were recorded in the registered required to be kept by the Company under section 336 of the SFO.

SHARE OPTION SCHEME

The Company had no share option scheme during the Period. None of the Directors or chief executive of the Company, or their respective associates had any right to subscribe for the securities of the Company or its associated corporations, or had exercised any such right during the Period.

INTERIM DIVIDEND

The Directors do not recommend the payment of an interim dividend for the Period (30 June 2020: Nil).

CHANGE OF AUDITOR

PricewaterhouseCoopers ("**PwC**") has retired as the auditor of the Company with effect from 28 June 2021. Taking into account recommendation of the audit committee of the Company, the Board has resolved to appoint BDO Limited as the new auditor of the Company to fill the vacancy upon retirement of PwC until the conclusion of the forthcoming annual general meeting of the Company.

AUDIT COMMITTEE

As at 30 June 2021, the audit committee of the Company (the "**Audit Committee**") comprises three members, namely, Mr CHEUNG Ngai Lam, Mr SIN Yui Man and Mr FAN Ren Da, Anthony. All members of the Audit Committee are independent non-executive Directors. The chairman of the Audit Committee is Mr CHEUNG Ngai Lam, an independent non-executive Director of the Company. The members of the Audit Committee meet regularly to review the financial report and other information submitted and reported to the Shareholders, the system of internal control, and the effectiveness and objectivity of risk management and audit process. The Audit Committee acts in an advisory capacity and makes recommendations to the Board. The terms of reference of the Audit Committee which explained the role and the authority delegated to the Audit Committee by the Board were revised in 2018 is available on the websites of the Company and the Stock Exchange. The Audit Committee has reviewed the interim results announcement and the interim report, including the unaudited condensed consolidated interim financial information of the Group for the Period, which has also been reviewed by the Company's auditor, BDO Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

REMUNERATION COMMITTEE

As at 30 June 2021, the remuneration committee of the Company (the "**Remuneration Committee**") comprises three members, namely Mr SIN Yui Man, Mr FAN Ren Da, Anthony and Mr CHEUNG Ngai Lam. All members of the Remuneration Committee are independent non-executive Directors. The chairman of the Remuneration Committee is Mr SIN Yui Man, an independent non-executive Director of the Company. The Remuneration Committee advises the Board on the Group's overall policy and structure for the remuneration of Directors and senior management. The terms of reference of the Remuneration Committee were revised in 2018 and is available on the websites of the Company and the Stock Exchange.

NOMINATION COMMITTEE

As at 30 June 2021, the nomination committee of the Company (the "**Nomination Committee**") comprises three members, namely Mr BAI Zhe, Mr FAN Ren Da, Anthony and Mr CHEUNG Ngai Lam. The majority members of the Nomination Committee are independent non-executive Directors. The chairman of the Nomination Committee is Mr BAI Zhe, chairman of the Board. The Nomination Committee reviews the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. The terms of reference of the Nomination Committee were revised in 2018 and is available on the websites of the Company and the Stock Exchange. The Board has adopted the board diversity policy in 2013.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Throughout the Period, the Directors believe that the Company has complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 to the Listing Rules.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct regarding the Directors' securities transactions. Having made specific enquiry by the Company, the Directors have confirmed that they have complied with the required standards as set out in the Model Code throughout the Period.

DISCLOSURE OF DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B (1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, from the date of the annual report of the Company for the year ended 31 December 2020 and up to the date of the interim report, changes in the information that shall be disclosed by the directors pursuant to Rule 13.51(2)(a) to (e) and (g) are as follows:

Mr. Bai Zhe, the executive director of the Company, was appointed by the parent company CDBC as the deputy general manager of the China Development Transformation and Upgrade Fund for Manufacturing Industry (Limited Partnership) controlled by the parent company since 9 February 2021.

Mr FAN Ren Da, Anthony, an independent non-executive Director of the Company, has been re-designated from an independent non-executive Director to an executive Director of Tenfu (Cayman) Holdings Company Limited, a company listed on the Stock Exchange (Stock Code: 6868), with effect from 18 May 2021, and he has resigned as the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee of Tenfu (Cayman) Holdings Company Limited. In addition, Mr. FAN Ren Da ceased to be an independent non-executive director of Raymond Industrial Limited, a company listed on the Stock Exchange (Stock Code: 0229), with effect from 21 May 2021, and he also ceased to be a member of the audit committee, the remuneration committee and the nomination committee of Raymond Industrial Limited at the same time.

Mr CHEUNG Ngai Lam, an independent non-executive Director of the Company, ceased to be an independent non-executive Director of Guoan International Limited with effect from 17 June 2021; in addition, Mr CHEUNG Ngai Lam was appointed as an executive Director of Silk Road Logistics Holdings Limited, a company listed on the Stock Exchange (Stock Code: 988), with effect from 4 June 2021.

Except for the information disclosed above, there are no other changes in directors' information that shall be disclosed pursuant to Rule 13.51B (1) of the Listing Rules.

ACKNOWLEDGMENT

On behalf of the Board, I would like to take this opportunity to express our appreciation to the external professionals to provide their professional services to the Group throughout the Period. I would like to thank my fellow Directors for their valuable contribution and the staff of the Company for their commitment and dedicated services throughout the Period. I would like to express our gratitude to our Shareholders for their support to the Group.

DIRECTORS

As at the date hereof, the Board comprises Mr BAI Zhe as executive Director; and Mr SIN Yui Man, Mr FAN Ren Da, Anthony and Mr CHEUNG Ngai Lam as independent non-executive Directors.

By Order of the Board
China Development Bank International Investment Limited

BAI Zhe
Chairman

Hong Kong, 18 August 2021