百融云创

**Bairong Inc.**
**百融雲創**
*(A company controlled through weighted voting rights and incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 6608)**

# SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE 2020 ANNUAL REPORT

Reference is made to the 2020 annual report of the Company published on April 15, 2021 (the "**2020 Annual Report**"). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the 2020 Annual Report. The Company would like to provide further information in respect of the significant investments held by the Group, their performance during the financial year and the Group's investment strategy for these investments as of December 31, 2020.

## Significant investments

As of December 31, 2020, the Group invested in trust plans sold by major commercial banks with strict control measures with maturity periods from one month to five months. The underlying assets are incomes derived from sales of commercial housing projects. As of April 30, 2021, all outstanding balance of the trust plans that the Group invested in as of December 31, 2020 has been recovered and expected investment income realized.

During the year ended December 31, 2020, the Group had the following significant investments held with a value of 5% or more of the Group's total assets which were classified as financial assets at fair value through profit or loss:

| Name of investment | Investment costs | Realized gain for the year ended December 31, 2020 | Unrealized gain for the year ended December 31, 2020 | Fair value as at December 31, 2020 | Date of interest commencement | Maturity date of investment | Expected annualised rate of return | Size as compared to the Group's total assets as at December 31, 2020 |
|---|---|---|---|---|---|---|---|---|
| | *(RMB'000)* | *(RMB'000)* | *(RMB'000)* | *(RMB'000)* | | | *(%)* | *(%)* |
| Bairui Trust-Hengyi No. 925 Trust Scheme | 97,000 | 0 | 24 | 97,024 | December 29, 2020 | January 29, 2021 | 4.5 | 7.3 |
| Minsheng Trust-Zhixin No. 1013 Trust Scheme | 70,000 | 1,005 | 182 | 70,182 | September 9, 2020 | January 12, 2021 | 5.4 | 5.3 |
| Daye Trust-Zhaoye No. 3 Trust Scheme | 130,000 | 2,409 | 212 | 130,212 | August 21, 2020 | January 28, 2021 | 5.5 | 9.8 |

| Name of investment | Investment costs | Realized gain for the year ended December 31, 2020 | Unrealized gain for the year ended December 31, 2020 | Fair value as at December 31, 2020 | Date of interest commencement | Maturity date of investment | Expected annualised rate of return | Size as compared to the Group's total assets as at December 31, 2020 |
|---|---|---|---|---|---|---|---|---|
| | *(RMB'000)* | *(RMB'000)* | *(RMB'000)* | *(RMB'000)* | | | *(%)* | *(%)* |
| Lujiazui Trust-Qinyuan No. 68 Trust Scheme | 100,000 | 695 | 175 | 100,175 | November 3, 2020 | March 5, 2021 | 5.4 | 7.5 |
| Minsheng Trust-Zhixin No. 1001 Trust Scheme | 70,000 | 1,367 | 187 | 70,187 | August 5, 2020 | January 21, 2021 | 5.4 | 5.3 |

**Investment strategy for the investments**

The Group selects trust plans and wealth management products prudently in accordance with its internal policies and guidelines with an aim to improve its efficiency on capital utilization, earn extra return on investment and combat inflation while not affecting the Group's daily cash flows. After taking into consideration the investment risks and potential returns of the investments which are in line with the internal policies and guidelines of the Company, the Board considers that the terms of the investments are on normal commercial terms, fair and reasonable and are in the interest of the Company and its shareholders as a whole. Going forward, the Group will continue to give regard to prudent capital management and liquidity risk management in its investment strategy. We will continue to pursue a balanced approach in exploring favorable short-term and long-term investments to achieve sustainable growth for the Group. During 2021, the Group has reduced investments in trust plans to less than 5% of the Group's total assets.

The above additional information does not affect other information contained in the 2020 Annual Report, and save as disclosed in this announcement, all other information contained in the 2020 Annual Report remains unchanged.

By order of the Board
**Bairong Inc.**
**Zhang Shaofeng**
*Chairman*

Hong Kong, September 21, 2021

*As at the date of this announcement, the board of directors of the Company comprises Mr. Zhang Shaofeng, Mr. Zhao Hongqiang and Ms. Zhao Jing as executive directors, Mr. Bai Linsen and Mr. Ren Xuefeng as non-executive directors, and Professor Chen Zhiwu, Mr. Zhou Hao, Professor Guo Yike and Dr. Li Yao as independent non-executive directors.*