

AI YOU

FOUNDATION

ANNUAL REPORT
2019年度报告



爱佑慈善基金会
AI YOU FOUNDATION

Our Mission :

A Chance for Life, A Future for Children.



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Our Values :

Equality Integrity Responsibility
Innovation Cooperation Science

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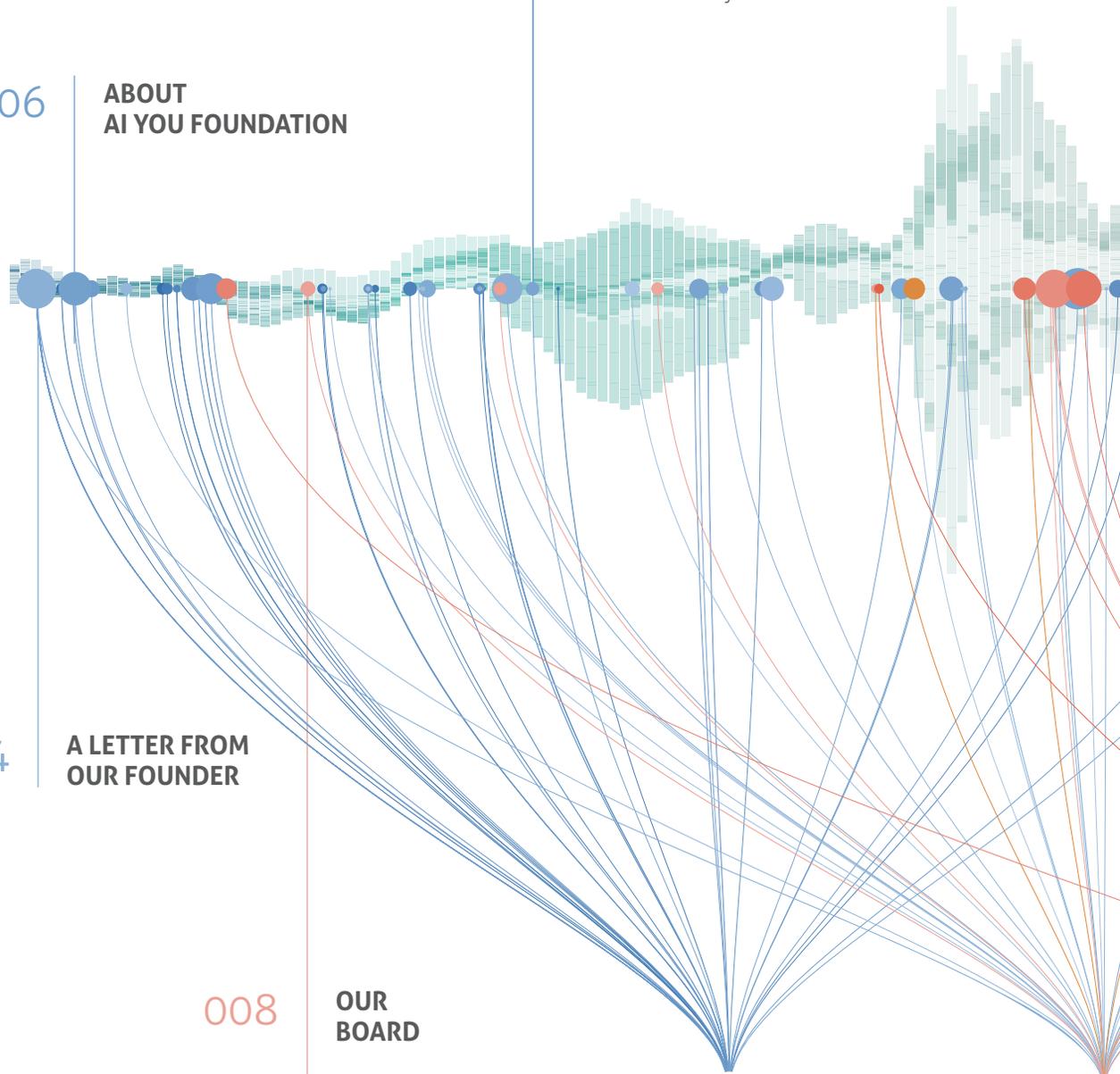
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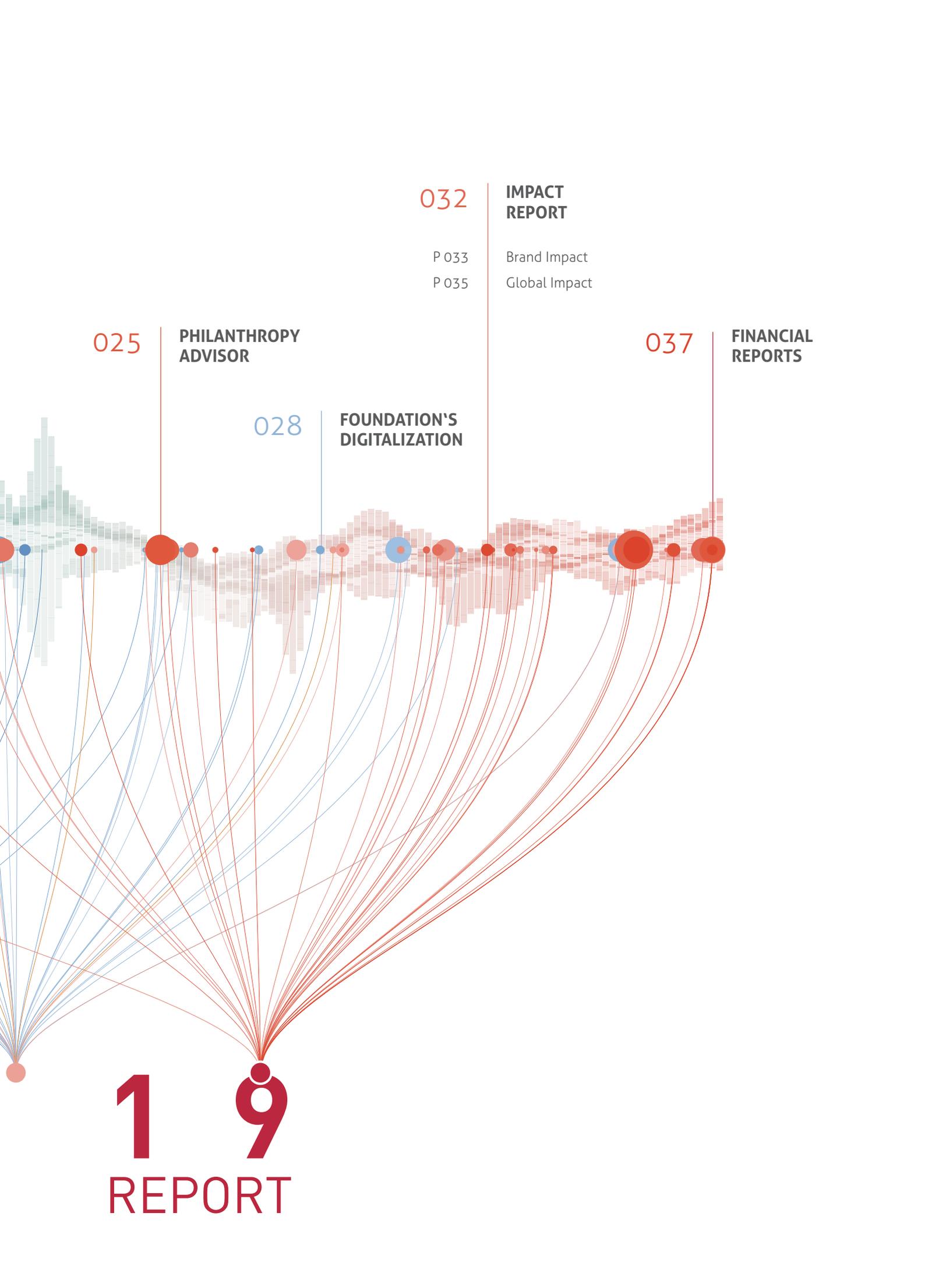
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A Letter from Our Founder



At the beginning of 2020, the unexpected outbreak of COVID-19 not only put an unprecedented test on the medical sector of the whole nation in response to major public emergencies, but also provided a training ground for the civil charity sector.

All areas are being profoundly changed by the outbreak.

In business, the purchase of commodities was gradually transferred online in the post-SARS period, which contributed to the rise of Alibaba and JD.com. With online consumption having largely replaced offline consumption, services are also shifting from offline to online on a large scale under the impact of the COVID-19 outbreak, and online services such as online education, online medical care and online local life have been basically realized. Wherever we are, we find ourselves surrounded by data and online services. The small health QR codes, for example, are supported by data.

Both the entire social environment and the era have turned a new page of comprehensive datamation. If the public welfare sector does not catch up from behind, it will be impossible for us to be aligned with advanced productivity, let alone talk with the business world in the same dimension. No matter we are willing or not, the trend of datamation will exist, and changes in the overall situation will occur. In the post-outbreak era, public welfare organizations must adapt to the development and changes of the times.

Ai You has attached great importance to information construction since its inception. Over the past more than ten years, Ai You has gradually entered the era of datamation through continuous iteration of "office automation-process going online-business digitalization-foundation datamation". In 2019, through the establishment of five major systems and one center, fundraising, business, administration, funds management, and donor feedback were all online and digitalized in Ai You.

The outbreak was also a comprehensive test of Ai You's achievement in online and datamation. During the Spring Festival and when employees worked from home, all work relating to fundraising, agreement signing, execution, supervision and feedback collection were carried out in online systems in an efficient, standardized and orderly fashion without any delay or quality degradation while compliance and transparency were ensured. In all, Ai You raised nearly 80 million yuan, provided support for more than 20,000 frontline medical workers, and donated more than 180,000 pieces of anti-epidemic supplies. This was not only an answer sheet submitted by Ai You, but also an embodiment of Ai You's online and datamation deployment in the past 10 years.

Take a look at today from tomorrow, and you will find that it is already a new era. Ai You has always hoped to be a pioneer who is unafraid to try and has the courage to bring forth new ideas, so as to share more with the industry based on our own experiments and experience. Three years ago, we imagined that Ai You could become a data-driven foundation, and now we are getting closer and closer to this goal!



ABOUT AI YOU FOUNDATION

Established in 2004, Ai You Foundation (Ai You) is a national 5-A grade foundation with public fundraising certificate, initiated, managed and operated by entrepreneurs. After 15 years of development, we have formed a systematic professional model in the field of child assistance. Ai You has received three China Charity Awards, the top award for Chinese charity organizations and has been entitled National Advanced Social Organization by the Ministry of Civil Affairs. We also ranked first on the Forbes List of Chinese Charity Foundations, received the Charity Organization Award from Responsible China, and won full score in China Foundation Transparency Index several times.

In the area of child health, Ai You has focused on offering medical assistance to disadvantaged children for 15 years. Through continuous upgrading and exploring methodologies, Ai You Child Health currently aims at major diseases in poor families through medical assistance, Ai You's three-level medical intervention system, and humanistic care. Targeted at the three core issues faced by children with serious diseases from underserved families of "Can't Afford", "Can't Be Healed", and "High Pains", Ai You has been actively carrying out various projects to systematically solve the major problems faced by children with major diseases in China. As of the end of December 2019, a total of over 84,000 disadvantaged children have been assisted. Among them, the Ai You Young Heart program has assisted over 60,000 person-times of disadvantaged children with congenital heart disease; the Ai You Angel program has assisted over 22,000 person-times of disadvantaged children with blood diseases or tumors; and the Ai You Morning Star program has assisted nearly 2,600 person-times of disadvantaged children with neonatal defects.

According to the latest statistics from the Ministry of Civil Affairs, there are 343,000 orphans and 500,000 de facto unattended children among the vulnerable children in China, and there are also a large number of children with difficulties in life and schooling due to family difficulties. Aiming at the problems faced by and the basic needs of orphans, de facto orphans and children living in difficulty, Ai You Child Welfare endeavors to help more children living in difficulty to get rid of their difficulties, take on a new lease of life and have a bright future by improving the level of medical nursing for orphans, the replacement nursing care for de facto orphans, and the life and schooling assistance of children living in difficulty. As of the end of December 2019, Ai You has helped nearly 12,000 sick orphans, and most of the children have recovered and started new lives in their foster homes. The child welfare service and child right and interest protection platform composed of government departments, social organizations, donors and other parties led by Ai You Child Welfare program covers more than 60,000 children.

Since its inception, Ai You has begun its process of datamation. After more than ten years of continuous iteration of office automation – online process - business digitalization - datamation of the Foundation, Ai You has established five major systems and one center, and has fully realized the automation, online process, digitalization, and datamation of fundraising, businesses, administration, fund management and donor feedback. Meanwhile, combined with the application of blockchain and other technologies, the openness and transparency of the organization has been greatly improved.

"A Chance for Life, A Future for Children", Ai You has always adhered to professionalism and standardization, and pursued transparent charity and measurable results. By insisting on innovation and constantly exploring models for the systematic solution of social problems, constantly trying concepts and methods suitable for the development of the charity sector in China, and combining rich project practices with unique charity methodologies, Ai You will make a more diversified contribution to the development of China's charitable cause.



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PROGRAM REPORT

Child Health



In the area of child health, Ai You has focused on offering medical assistance to disadvantaged children for 15 years. Through years of continuous upgrading and exploring methodologies, Ai You Child Health programs currently aim at major diseases in underserved families through medical assistance, Ai You's three-level medical intervention system, and humanistic care. Targeted at the three core issues faced by children with serious illnesses from underserved families of "Can't Afford", "Can't Be Healed", and "Great Sufferings", Ai You has been actively carrying out various projects to systematically solve the major problems faced by children with major diseases in China.



Medical Assistance



Congenital heart disease, leukemia, malignant tumors and other major diseases threaten the health of children. Without timely treatment, they will cause death or severe disability. The treatment costs of these major diseases range from tens of thousands of yuan to hundreds of thousands of yuan. In extreme cases, they may be as high as more than a million yuan. Ai You enjoys years of experience in the field of child health. In order to solve the problem of "Can't Afford" faced by children with severe illnesses, Ai You has always been committed to being an integrator of resources which, by fully combining resources such as government policies, medical care, charity, and commerce, has taken a multi-pronged approach and done its utmost to solve the problem of overburdening medical expenses for children with severe illnesses.

THE "MEDICAL INSURANCE + ASSISTANCE" MODEL:

The medical insurance policy cannot cover all treatment costs, and the proportion of out-of-pocket payment is high for children who receive treatment in other provinces. Many underserved families give up treatment because they cannot afford the out-of-pocket expenses. In 2019, Ai You provided about 137 million RMB yuan to fund these families, which rekindled the hopes of many families that originally planned to give up treatment, and lives of children were saved by the "medical insurance + assistance" model.

CHANNELING HIGH-QUALITY MEDICAL RESOURCES DOWN TO REMOTE AREAS:

Ai You organizes top domestic pediatric experts to travel to remote areas to carry out surgical treatments for children with severe illnesses in local hospitals. While ensuring high-level diagnosis and treatment services for these children, this approach also makes full use of the advantages of medical insurance in local areas (where medical insurance can be directly subsidized locally and the reimbursement ratios are high). This may greatly reduce the treatment costs of children, and at the same time alleviate the various expenses of parents in leaving hometowns for medical treatment.

BOOSTING POVERTY ALLEVIATION THROUGH POVERTY RELIEF BY MEDICAL TREATMENT:

Ai You channels poverty alleviation funds to support poverty relief efforts by medical treatment. In 2019, medical assistance from Ai You reached a total of more than 1,000 children with illnesses from families subject to targeted poverty alleviation and the poverty-stricken families in the "three regions and three prefectures" (Tibet Autonomous Region, Xinjiang Uygur Autonomous Region, and parts of Sichuan, Yunnan and Gansu provinces), preventing the families from illness-related poverty.

2019 MEDICAL ASSISTANCE DATA

PROGRAM	PERSON-TIMES
Ai You Young Heart — Surgical Treatment Program for Disadvantaged Children with Congenital Heart Disease	5240
Ai You Angel — Medical Assistance Program for Disadvantaged Children with Blood Diseases and Tumors	2501
Ai You Morning Star — Medical Assistance Program for Disadvantaged Children with Neonatal Defects	593



Ai You's Three-level Medical Intervention System

Based on years of program accumulation and sufficient industry research, aiming at the problem of "Can't Be Healed", Ai You has gradually built a three-level medical intervention system – "early detection and diagnosis at the grassroots level", "local hospitalization of children with serious illnesses" and "international level diagnosis and treatment of intractable illnesses in top domestic hospitals".

EARLY DETECTION AND DIAGNOSIS AT THE GRASSROOTS LEVEL

Problem addressed: Misdiagnosis and missed diagnosis rates

Grassroots doctors are exposed to few diseases and few cases, and lack clinical experience. In addition, primary hospitals are generally poorly equipped and lack sufficient diagnostic capabilities. As a result, the misdiagnosis and missed diagnosis rates are high, and child patients often missed optimal treatment opportunities.

In terms of "early detection and diagnosis", we have carried out the following measures:

- Building a screening network for children's serious illnesses — establishing a network platform for the treatment of congenital heart disease in Zhejiang Province

Ai You joined hands with the Children's Hospital of Zhejiang University School of Medicine in implementing the program of network platform for the treatment of congenital heart disease in Zhejiang Province. With the involvement of the pediatric departments of general hospitals and maternal and child health hospitals at prefecture and municipal levels in Zhejiang Province, the screening and treatment of congenital heart disease is conducted through a cloud platform. The child patients are screened and referred through joint actions at different levels, which may improve the diagnosis and treatment rate while reducing the case fatality rate.

The network platform has covered a total of 273 screening institutions and 170 diagnostic institutions in the province. Among them, 11 prefectures and municipalities have included congenital heart disease screening into governmental livelihood projects.

- Improving the ability of primary care providers to identify and handle children with major diseases — launching the training program for grassroots Pediatricians

Ai You has carried out training on medical staff in primary-level medical and health institutions. Taught by leading specialist children's hospitals in China, the training provides medical, nursing, technical, and pharmaceutical personnel among grassroots pediatric medical workers with a variety of training contents, thereby improving the ability of grassroots medical staff to recognize and deal with children's serious illnesses in earlier stages, and enabling patients to obtain accurate judgments at the time of initial diagnosis. In 2019, about 250 grassroots pediatric medical staff from a variety of fields such as pediatrics, health care and pediatric internal medicine received the training.

LOCAL HOSPITALIZATION OF CHILDREN WITH SERIOUS ILLNESSES

Problem addressed: Some provincial-level hospitals are in relatively poor conditions in terms of medical treatment

Many underdeveloped areas still lag far behind the developed areas such as Beijing, Shanghai, and Guangzhou in terms of the medical level, which has forced severely ill children in some provinces to be treated in other provinces, resulting in significant increases in medical costs. The inability to bear these medical expenses and living costs will deprive the poverty-stricken children patients in these provinces of effective treatment due to delays.

In response to this problem, Ai You is committed to improving the level of diagnosis and treatment of serious illnesses of children in provincial medical centers, so that the children can receive high-level local treatment in time. This will not only save their lives, but also reduce their family burdens and social costs.

- Program supporting the construction of the Cardiothoracic Surgery Department in Hainan Women and Children's Medical Center

Ai You joins hands with Shanghai Children's Medical Center to provide one-to-one support for the construction of the Cardiothoracic Surgery Department in Hainan Women and Children's Medical Center. In accordance with the construction standards on professional heart centers, Ai You and Shanghai Children's Medical Center formulated a systematic talent-based upgrading plan for Hainan Women and Children's Medical Center. From the selection of department leaders to

the collaborative training of doctors, nurses, and technicians, the program has greatly improved Hainan Women and Children's Medical Center's ability to treat children with congenital heart disease. The implementation of this program has achieved the goal of local hospitalization of children with congenital heart disease in Hainan Province.

● Program of Improving Multidisciplinary Training in Clinical of Congenital Heart Disease, Children's Hospital of Shanxi

The treatment of complex congenital heart disease requires not only a high level of clinical ability, but also the cooperation of multidisciplinary teams (such as anesthesia, monitoring, nursing, ultrasound and Perfusion). In order to enable Children's Hospital of Shanxi to improve the level of basic congenital heart disease diagnosis and treatment so as to carry out complex congenital heart disease treatment (especially improvement in the treatment of congenital heart disease of newborns and children of low age and low weight), Ai You coordinates top international medical resources to provide one-to-one customized teaching for multi-disciplinary teams of children's congenital heart disease, and promote comprehensive improvement in their clinical, management and talent cultivation, so that the children with congenital heart disease in Shanxi Province can obtain high-level diagnosis and treatment services and medical experience.

INTERNATIONAL LEVEL DIAGNOSIS AND TREATMENT OF INTRACTABLE ILLNESSES IN TOP DOMESTIC HOSPITALS

Problem addressed: Fill the gap of the treatment of critical illnesses and rare diseases between domestic pediatrician and leaders in the international

According to the latest global Healthcare Access and Quality (HAQ) Index and report on global surveillance of trends in cancer survival released by the Lancet, China ranks 48th (78 points) which is in the middle reaches of the world. Of the ranks, China's congenital heart disease treatment only has a score of 36, which is in the lower reaches of the world, and the 5-year survival rate of Chinese children with blood diseases and solid tumors is much lower than those of developed countries.

In view of this, Ai You has launched an "elite academic leader training program" which supports high-level domestic pediatric talents to engage in further studies abroad and receive training in clinics, scientific research and management from leading international medical institutions. By cultivating domestic elite pediatric talents, the gap between domestic treatment of major diseases and the international level will be narrowed.



On January 16, 2020, under the guidance of the Shanxi Provincial Health Commission, Jessica Geng (left), Chairwoman of Ai You Foundation and Kang Wenjuan (right), President of Shanxi Children's Hospital signed a cooperation agreement and officially launched the project.



Humanistic Care

Illness itself as well as hospitalization and treatment processes will bring great physical and psychological sufferings to children with severe illnesses and have long-term impacts on them. Ai You is committed to alleviating the physical and psychological sufferings of these children through the delivery of the program model of "Hospital Playrooms + Social Work Services + Volunteer Support".

As of the end of 2019, Ai You has completed the construction of "Ai You Children's Paradise" — child patients' playrooms in a total of 6 hospitals in Nanjing, Hangzhou, Wuhan, Suzhou, Tianjin and Shanghai. At the playrooms, medical social workers carry out a variety of activities including financial assistance consultation, psychological counseling for child patients, expressive art activities, group play activities, family support and volunteer services. A total of 561 themed activities have been carried out, which have been participated in by a total of 5,049 hospitalized children. These activities have mobilized 664 caring enterprises and social volunteers. In addition, the construction of a painless spinal puncture room at The Institute of Hematology and Blood Diseases Hospital has been completed.



Our Strengths

1. LARGE SCALE

As of the end of December 2019, a total of over 84,000 disadvantaged children have been assisted and the cumulative expenditure exceeded 1.187 billion RMB yuan. Among them, Ai You Young Heart has assisted over 60,000 person-times of disadvantaged children with congenital heart disease; Ai You Angel has assisted over 22,000 person-times of disadvantaged children with blood diseases or tumors; and Ai You Morning Star has assisted nearly 2,600 person-times of disadvantaged children with neonatal defects.

2. BROAD CHANNELS OF COOPERATION

Channel advantage provided by nearly 100 high-quality hospitals nationwide including the National Children's Medical Center, regional medical centers and well-known specialized medical institutions.

3. HIGH DEGREE OF REFINEMENT

The authenticity of applications for assistance and the poverty degrees of families are accurately assessed through a variety of methods such as review of self-statement on child patient's family situation, family background investigation, evidence from witnesses, and government poverty certificate.

4. HIGH CAPITAL EFFICIENCY

When a child patient is discharged from the hospital, the self-payment gap will be accurately worked out based on information about medical insurance and other social assistance. On this basis, the assistance fund will be directly allocated to the cooperative hospital to maximize the use of funds and help more children who need help.

5. COMPLETELY ONLINE AND HIGH DEGREE OF DATAMATION

The execution processes of the reviews, approvals and settlements between Ai You and the hospitals are all completed online, and the parents of child patients have gradually started to apply for the program on the mobile terminal.



PROGRAM REPORT

Child Welfare

According to the latest statistics from the Ministry of Civil Affairs, there are 343,000 orphans and 500,000 de facto unattended children among the vulnerable children in China, and there are also a large number of children with difficulties in life and schooling due to poverty. Aiming at the basic needs of orphans, de facto orphans and children living in difficulty, Ai You Child Welfare programs endeavor to help more children living in difficulty to get rid of their difficulties, take on a new lease of life and have a bright future by improving the level of medical nursing for orphans, the replacement/supportive nursing care for de facto orphans, and the life and schooling support of children living in difficulty.





Target Group: Orphans

PROBLEM:

More than 90% of abandoned orphans suffer from serious congenital diseases, most of whom are critically ill and need timely rescue and treatment, professional nursing care and rehabilitation training. Due to insufficient medical nursing before and after surgery, orphans who have received medical assistance lack professional care, resulting in a low cure rate.

SOLUTIONS:

Establishing provincial hub nursing centers that cover orphans who need nursing before and after surgery

Setting up child nursing centers in provincial child welfare institutions and adding professional medical and nursing personnel so as to provide elaborate nursing services for orphans in respective provinces. Meanwhile, improving the overall level of medical nursing for orphans at the provincial level by training professional teams.

Establishing 11 provincial nursing centers in Hangzhou, Wuhan, Nanchang, Kunming, Chongqing, Urumqi, Nanjing, Chengdu, Xi'an, Ningxia and Kaifeng. In 2019, a total of 1,609 patient orphans received nursing, of whom 1,046 have completed the nursing and embarked on a new life, and 563 are still receiving nursing.

Establishing domestic hub nursing center pilots to provide medical nursing for orphans with severe and intractable illnesses

Ai You has successively set up two domestic hub nursing centers (one in Shanghai and the other in Beijing). Using the medical resources of first-tier municipalities and the advantages of professional medical nursing teams and by giving play to the synergistic effect of the Internet, the centers are providing professional and efficient medical nursing services for patient orphans in urgent need of treatment to improve the overall cure rate. In 2019, with the medical resources of Shanghai and Beijing, the centers offered nursing to 294 orphans, of whom 241 have completed the nursing and embarked on a new life, and 53 are still receiving nursing.



Target Group: De Facto Orphans

PROBLEM:

Due to severe disability, serious illnesses, imprisonment, compulsory isolation for drug rehabilitation, disappearance or missing of parents, some families have no ability or willingness to raise their children, which makes these children lack effective guardianship and care, live in poverty and lack family care for a long period of time.

SOLUTIONS:

Providing replacement nursing services to de facto orphans based on the situation of the child's family

1. Setting up child welfare directors who will discover the problems encountered by de facto orphans in a timely manner, integrating resources, and providing effective assistance.
2. Providing daily food and clothing and daily care for de facto orphans.
3. Taking joint actions with local civil affairs departments, changing the caregivers/transferring to child welfare institutions and boarding schools.

In 2019, the program arranged 65 daily caregivers in Bengbu, Anhui to provide daily food and drink, personal hygiene and other care services for 75 de facto orphans; in Zhongwei, Ningxia, the program equipped local child service institutions with professional social workers to provide centralized fostering for 20 de facto orphans ; In Zhenxiang of Yunnan, Liangshan of Sichuan, and Chengduo of Qinghai, the program provided child care service training for the families of de facto orphans, and assisted families in raising children. Currently, the program has covered 2,566 de facto orphans.



Target Group: Children of Needy Families

PROBLEM:

Difficulties in children's life and schooling due to family difficulties

1. The children lack living materials which lead to malnutrition, poor hygiene habits, and difficulties in basic life
2. The children lack tuitions, fees and school supplies, resulting in dropouts, weariness and poor academic performance

SOLUTIONS:

Building a child welfare service network, discovering children in difficulty and their needs, providing basic life support, school assistance and other emergency assistance and support protection for the children in difficulty, and helping them solve their urgent needs and get rid of the dilemma of survival.

In 2019, the program provided 11,002 person-times of personalized assistance to children in difficulty: it provided 10,447 times of survival assistance services for children facing basic survival problems such as food packs, hygiene kits, winter clothes, and quilts; it provided student assistance services such as tuitions and miscellaneous fees for 555 dropouts or children about to become dropouts.

● Ai You Children House:

In villages/schools where there are relatively more children living in difficulty, establishing Ai You children houses using existing public service facilities such as idle school buildings and vacant rooms of village committees, and equipping the children houses with child welfare directors. Through these children houses, organizing local children for learning, activities and entertainment, enhancing their emotional, cognitive and social communication abilities, providing them with health and sanitation knowledge, and helping them integrate into the society. Meanwhile, finding children living in difficulty through these activities and providing them with assistance.

In 2019, Ai You set up a total of 168 children houses in 180 villages across the country, covering more than 60,000 children. These children houses were opened 15,129 times, organized 7,800 activities, and attracted more than 170,000 person-times of participants.



● Ai You Child Welfare Directors:

Selecting local at-home wives or activists and training them to become child welfare directors of local villages. Through organizing children houses' activities and frequently visiting families in the villages, they may get familiar with the situations of local children. On the one hand, they can discover children's problems as soon as possible and report them to relevant departments for handling and following up. On the other hand, they can also promote the correct parenting knowledge and knowledge on the self-protection of children in daily life, so as to raise the awareness of child protection in the community and prevent child abuse.

In 2019, Ai You trained a total of 168 child welfare directors across 180 villages. These child welfare directors watched over more than 60,000 children, and the total service time exceeded 100,000 hours.





Our Strengths

- Being large in scale, the program may cover and help more orphans, de facto orphans and children of needy families

Ai You Child Welfare program covers 26 regions in 17 provinces, autonomous regions and municipalities directly under the central government. It has helped 12,123 patient orphans and 2,661 de facto orphans, and assisted 15,050 person-times of children of needy families.

- Taking joint actions with the government, the program may provide assistance to children by maximized integration of local resources

Through taking joint actions with local governments, the child welfare program has established a working mechanism of information sharing and coordinated joint actions with various departments of local governments, planned various social assistance funds as a whole, and established a fund guarantee mechanism combining government input, charitable support and social forces. The program may provide fund guarantee for the establishment of a multi-level, wide-area welfare system for children living in difficulty.

- Our refined program management and online monitoring of service quality may benefit the children in a real sense

Based on the needs of children, we have upgraded our professional skills, trained front-line professionals, and directly served children living in difficulty. At the same time, by continuously optimizing and upgrading the online program management platform, we may realize remote monitoring, timely feedback on the orphans' nursing processes and conditions, de facto orphans' family backgrounds and changes in living and nurturing conditions, the needs of and assistance services of children of needy families, conduct online statistical analysis of program data, and provide data support for continuous improvement of the program model.



PHILANTHROPY
ADVISOR

AI YOU
FOUNDATION

WHAT IS PHILANTHROPY ADVISOR

With professional team and systematic services, we bolster high-net-worth individuals and wealth families to engage in their philanthropic activities.

Through consulting and customizing systematic professional solutions, Philanthropy Advisor provides monitoring, evaluation, feedback and other project management services, creates a communication and empowering platform for the global philanthropist, assists high-net-worth individuals to establish their own philanthropic efforts and achieve their philanthropic goals.

WHAT DOES PHILANTHROPY ADVISOR DO

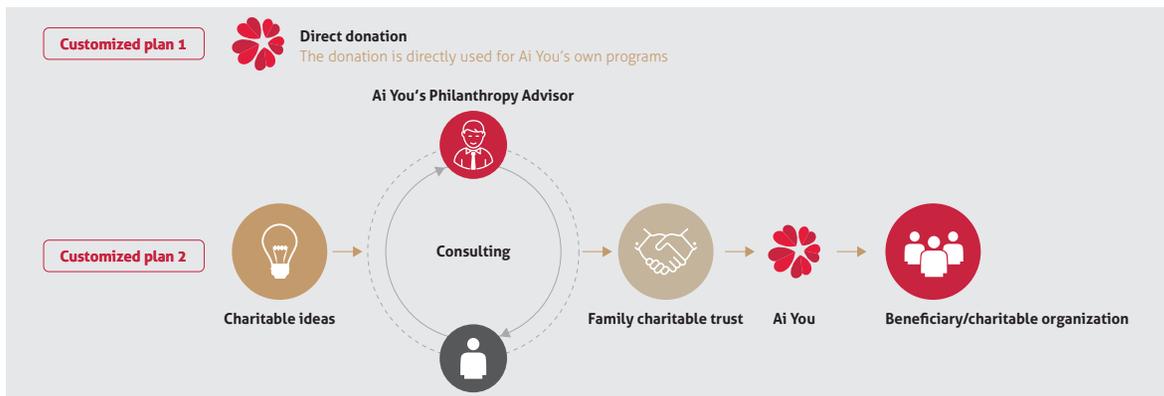
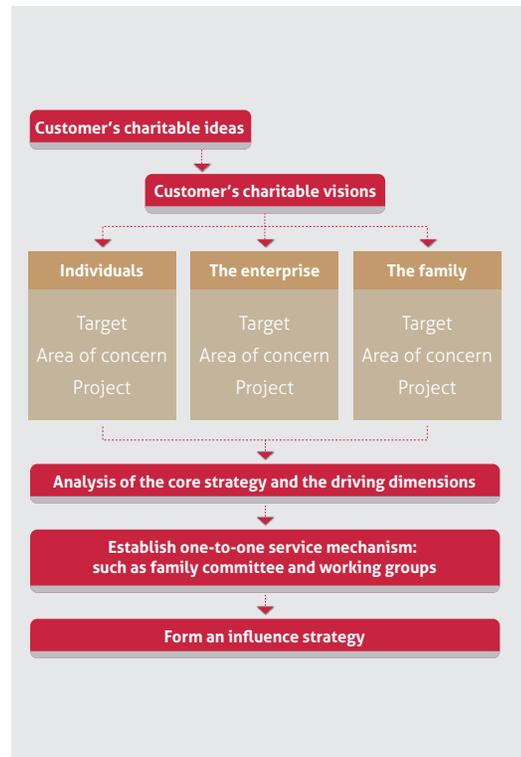


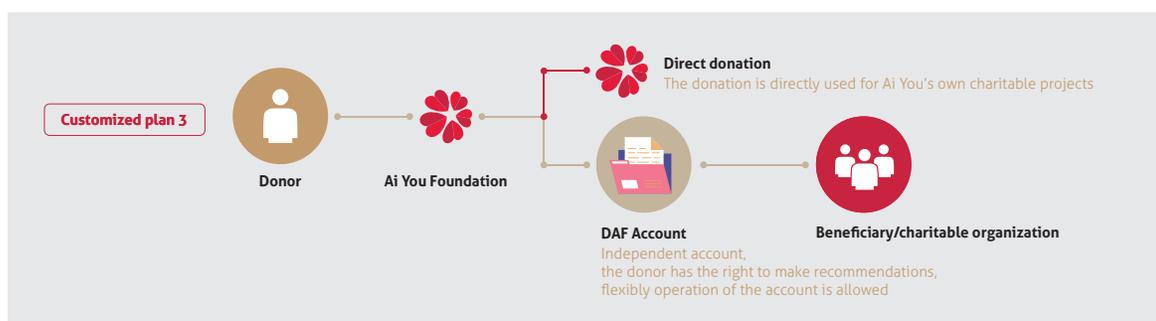
1) Philanthropic strategy customization

Philanthropy Advisor provides consulting services to customers. At the beginning of a charitable cause, it assists the customer in sorting out its idea on philanthropy, breaks down the customer's philanthropy visions from different dimensions such as individuals, the enterprise, and the family and then makes them concrete. By dismantling the philanthropic goals, targeting charitable areas and positioning responses, Philanthropy Advisor will form a systematic long-term philanthropic strategy, and then assist the customer to establish an exclusive service mechanism based on the complexity of the strategic system.

2) Architecture and decision mechanism design

On the basis of establishing philanthropic strategies, Philanthropy Advisor will work with customers to customize systematic philanthropic solutions, and assist in the establishment of decision-making mechanisms for transactions and funds management on matters such as whether to set up independent foundations, whether to introduce charitable trusts and Donor Advised Fund (DAF) accounts, how to carry out investment management when funds have not been fully disbursed, and how to ensure the preservation and appreciation of assets.





3) Establishment, execution and management of philanthropic projects

With fifteen years of experience in charity, Ai You is able to assist the customers in carrying out project execution and turning their philanthropic “ideas” into philanthropic “deeds”. In the whole process of project and empowering institution management, Ai You has developed a post-input management platform and an internal financial control and evaluation framework. From multiple perspectives of projects’ industry influence, internal management and financial compliance, Philanthropy Advisor maintains continuous tracking and process management on implementation to ensure the full implementation of the customers’ overall philanthropic strategies.

4) Whole process monitoring, evaluation and feedback

Ai You’s Philanthropy Advisor provides a systematic whole-process monitoring, evaluation and feedback mechanism which includes due diligence, agreement examination and approval, project tracking, execution feedback, etc. Through 10 grade one indicators, 32 grade two indicators and 101 scoring points, Philanthropy Advisor conducts three-dimensional monitoring and objective evaluation of charitable projects. Meanwhile, it provides project feedback through various forms such as exclusive caring accounts, annual/monthly/weekly reports, and site visits to the projects.

5) Value-added services for charitable circles

Philanthropy Advisor provides diversified value-added charitable education services, professional and systematic courses on charity, immersive seminars, world-class charitable projects and international philanthropist exchanges. We are committed to enhancing the sense of mission and sense of honor of high-net-worth individuals, elevating wealth families’ recognition of philanthropy, assisting the inter-generational inheritance of wealth, and creating influential philanthropists’ circles.

- Philanthropy 101 series for high-net-worth populations: the lesson series help individuals to systematically develop awareness and ideas on philanthropy, and find suitable paths for their own philanthropic efforts. Philanthropy 101 series have been made available successively on the platforms of enterprises such as ZRT, CreditEase, CEIBS Business Review • Zhejiang Business Leadership Camp, Hang Tang Wealth Management University, etc., covering participants of more than 1,600 person-times.
- Cultivation of the philanthropic consciousness of affluent second generations: Aiming at the second generations of different ages of wealth families, Philanthropy Advisor has designed and launched the Youth Leader Program on Charitable Action and the Parent-Child Program on Charitable Actions to bolster the inter-generational inheritance of family and entrepreneurs’ philanthropic spirits.
- Empowering corporate employees and enhancing cohesive force: Through a variety of forms such as lessons on philanthropy, charitable activities and workshops, Philanthropy Advisor provides the customers, partners and corporate employees within the platforms of enterprises with rich and diverse learning and charitable volunteering experiences, helping enterprises better practice their social responsibility. In 2019, Ai You joined hands with Didi Charity and Alibaba’s Technical Committee to hold several customized charity empowerment activities.

PARTNERS:

Everbright Trust, CCB Trust, CITIC Trust, Wanxiang Trust, ZRT, CMB Private Bank, CreditEase, Milken Institute, and Synergos - Global Philanthropists Circle (GPC)

Ai You began information construction soon after its establishment. After more than ten years of continuous upgrading of information technology, Ai You has set up five systems and one center, thus fully realizing the automation, online process, digitalization and datamation of fundraising, business, administration, fund management and donor feedback collection.

1. THE FUNDRAISING SYSTEM

In 2019, Ai You's official public fundraising H5 was launched to provide online donation scenarios for consumer users and offer a variety of charitable cooperation services for loving enterprises. With customized pages, Ai You's H5 meets the personalized demands of caring enterprises and renders channelized operation services for different branches or stores of these enterprises.



2. THE BUSINESS SYSTEM:

1) Child Health Online

The system realizes information exchange with hospitals through the internet and is customized according to Ai You's standards and the individual needs of hospitals including information submission and review, creation and verification of online agreements, application for assistance expenses, accounting and fund appropriation. The entire process is completed online. At the same time, the system supports the submission of assistance applications via mobile terminals, which has greatly improved convenience and execution efficiency.



2) Child Welfare Online

With mobile APP, Ai You Child Protection Program has realized whole-process online from submission of information on children living in difficulty, home visits by officers, declaration of organized activities to personalized assistance. The process of program execution is also under online checking, tracking and supervision.

3. THE FUND MANAGEMENT SYSTEM:

This system connects business data with financial data, and connects donors with beneficiaries. No matter which scenario is analyzed, we may find both the upstream and the downstream of the entire business chain. The data on the capital chain can completely reflect the entire actual business scenario and provide an in-depth analysis of the business.

4. THE SYSTEM OF DONOR'S SPECIFIC ACCOUNT

In 2019, Ai You developed and officially launched the Engine of Intelligent Fund Distribution Rules and the Platform of Donor's Specific Account, which may ensure that each donation has a clear track and can be queried at any time.

Introduction to main functions:

- Opening of specific account: Each donor on Ai You's platform will have a dedicated account regardless of the amount of donation.
- Scientific matching: Each donation of the donor corresponds to each charitable expenditure according to the donor's will, so that the matching between the donation and the beneficiary is more flexible, precise and scientific.
- Monthly donor account: Every donor on Ai You's platform will receive a donor account on the use of the donation, and the donor's care will be clearly displayed through data visualization.
- Daily verification: Through the mechanism of daily verification, the data matched is verified to ensure the accuracy of data.

- View at any time: Donors can log in to the platform at any time to check their donations online.
- Full process tracking: Traces are left in every link of the donation flow, so that all traces can be tracked online to achieve true transparency.



5. THE ADMINISTRATIVE SYSTEM

The comprehensive administrative office system includes personnel management, administrative examination and approval, salary management, conference management and other functions. Online handling of office businesses has been realized, which has improved the office efficiency of the entire foundation.

6. THE CENTER OF OVERALL PLANNING

The center regularly monitors Ai You's assistance, donation income and charitable expenditure data, and coordinates the balance between donor needs, business development and fundraising activities, so that Ai You may better assist donors' services, assistance planning and fundraising.

Ai You's datamation construction not only fully supports the foundation's business development and improves the efficiency of its charitable causes, but also greatly improves the transparency of the foundation.



▲ IMPACT
REPORT

AI YOU
FOUNDATION

BRAND IMPACT

● Annual Events Review

On April 17, 2019, a press conference on strategic cooperation themed "Charity x Medical Care-Creating a Healthy and Better Future Together" was held in Shanghai, which marked the official upgrading of the strategic partnership between Ai You Foundation and Shanghai Children's Medical Center (SCMC). Through deepening the model of collaborative charitable medical care, the upgraded strategic partnership ensures comprehensive long-term cooperation to comprehensively improve the level of medical care of the children in our country and systematically solve social problems, thus playing a more positive role in exploring the upgrade of charitable models and boosting the development of the entire medical cause.



"Ai You Experience Officer" successively invited Kai Shu, founder of "Kai Shu Story", the champion of 100-meter race in National Games of China Zhang Peimeng, and Lee Jinglei, Wang Leehom's wife to Ai You Children's Aid and Protection Program, bringing professional volunteer services to the children there.



● Public Advocacy

In 2019, relying on the all media platforms, Ai You Foundation continued to carry out charity advocacy events through Weibo, Tik Tok, Kwai, Focus Media, Tencent, etc. with supports and advocacy from Wang Leehom, Chen He, Zhang Ruoyun, Wang Ziwen, Shen Yue, Dong Li, Yang Zi, Jing Tian, Rise, Ou Hao, Li Xian, Deng Lun, Liu Tao, Jolin Tsai, Wang Xiaochen, Hou Minghao, Arif Lee and other celebrities. The annual communication volume exceeded 50 million.



| GLOBAL IMPACT

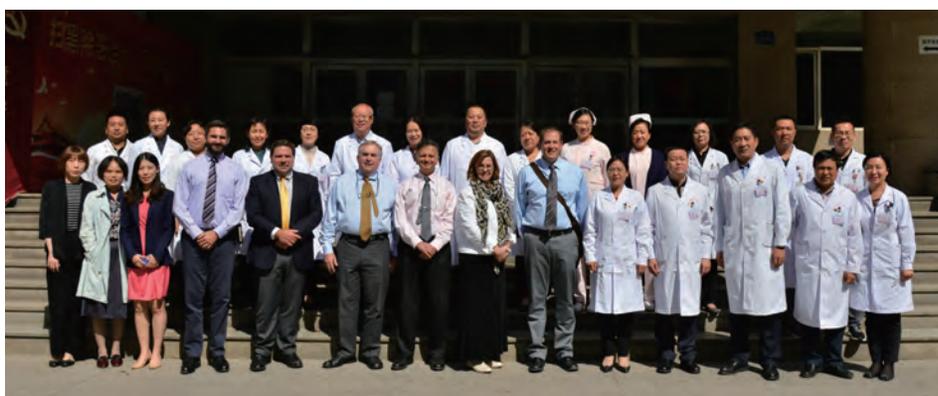
In 2019, the Office of Global Partnership continued to practice the leading principles of “bringing-in” and “going out”. During this period, Ai You Foundation paid special attention to and actively participated in online and offline exchanges with international counterparts, ensuring and enhancing the participation and support of more than one hundred international partners in Ai You’s programs. As a result, the advantages of Ai You’s international network were brought into full play, enabling Ai You to move steadily towards the goal of globalized cooperation and development.

Ai You staffs actively participate in international exchanges, learn and understand each other in mutual visits, international conferences and activities, continue to tell the stories of Ai You, understand peer experience, and enhance their business capabilities. In 2019, Ai You supported and participated in the 13th WEF Annual Meeting of the New Champions (the 2019 Summer Davos), the 2019 Milken Institute Global Conference and Asia Summit, the 2019 Goldman Sachs Asia Charity Summit Forum, the 2019 International Symposium on Rehabilitation & Advocacy for Autism, UN Women Workshop on Gender-based Violence Prevention and Intervention, the Child Welfare Training taught by teachers from top Chinese universities and international experts, Fundraising Camp of Empowerment Community-International Skills Extracurricular and other activities.



INTERNATIONAL COOPERATION: CHILD HEALTH PROGRAMS

Based on its own experience and by coordinating international experts and introducing high-quality international resources, the Office of Global Partnership enhanced international exchanges in the business field while promoting Ai You’s child health programs and strengthening the internationalization of cooperative hospitals, elevating the overall strengths of cooperative hospitals in many ways.





INTERNATIONAL COOPERATION: CHILD WELFARE PROGRAMS

To enhance the Foundation team's understanding of international perspectives on child welfare and protection in order to consider the positioning and future development of Ai You's child welfare programs, Ai You invited the internationally renowned consulting company Child Frontiers to China. Child Frontiers provided capacity building and technical support to Ai You's team on the development and application of approaches, methods, strategic development and program design.





FINANCIAL
REPORTS

AI YOU FOUNDATION

AI YOU FOUNDATION

FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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Financial position		
Related financial information of the Foundation		

Client: AI You Foundation
Auditor: PricewaterhouseCoopers Zhong Tian LLP, Beijing Office
Tel: 010-65338888
Fax: 010-65338800

AI YOU FOUNDATION

FINANCIAL STATEMENTS AND AUDITOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

[English translation for reference only. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.]

[English translation for reference only]

Auditor's Report

PwC ZT Beijing Shen Zi (2020) No. 0167
(Page 1 of 3)

To Ai You Foundation,

Opinion

What we have audited

We have audited the accompanying financial statements of Ai You Foundation, which comprise:

- the balance sheet as at 31 December 2019;
- the business activity statement for the year then ended;
- the cash flow statement for the year then ended; and
- notes to the financial statements.

Our opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Ai You Foundation as at 31 December 2019, and its financial performance and cash flows for the year then ended in accordance with the requirements of the *Accounting System for Non-governmental Non-profit Organisations*.

Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs") and *Audit Guidelines on Foundation Financial Statements*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Ai You Foundation in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code.

PwC ZT Beijing Shen Zi (2020) No. 0167
(Page 2 of 3)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management of Ai You Foundation is responsible for the preparation and fair presentation of these financial statements in accordance with the *Accounting System for Non-governmental Non-profit Organisations*, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing these financial statements, management is responsible for assessing Ai You Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Ai You Foundation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Ai You Foundation's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether these financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Balance sheet

AI You Foundation		As at 31 December 2019		Unit: RMB Yuan		
Line No.	31 December 2018	31 December 2019	Liabilities and Net Assets	Line No.	31 December 2018	31 December 2019
Assets						
Current assets:			Current liabilities:			
Cash at bank and on hand	26,058,750.41	21,185,424.75	Short-term borrowings	24	-	-
Short-term investments	588,081,037.23	588,005,005.66	Payables	25	5,724,187.83	6,881,774.79
Receivables	-4,345,934.20	2,291,834.85	Accrued payroll	26	952,189.02	1,327,459.60
Advance to suppliers	-	-	Tax payable	27	54,991.20	105,068.13
Inventories	-	-	Advances from customers	28	-	-
Prepaid expenses	364,482.36	290,946.01	Accrued expenses	29	-	-
Long-term investments due within one year	-	-	Provisions	30	-	-
Other current assets	626,080.19	818,312.73	Current portion of long-term liabilities	31	-	-
Total current assets	619,476,284.39	613,492,424.00	Other current liabilities	32	-	-
			Total current liabilities	33	6,731,348.05	8,014,302.52
Long-term investments:						
Long-term equity investments	4,084,032.88	15,442,764.93	Long-term liabilities:			
Long-term debt investments	-	-	Long-term borrowings	34	-	-
Total long-term investments	4,084,032.88	15,442,764.93	Other long-term liabilities	35	-	-
Fixed assets:			Total long-term liabilities	36	-	-
Fixed assets - cost	666,270.31	752,486.39				
Less: accumulated depreciation	351,458.07	514,382.10	Entrusted liabilities:			
Fixed assets - net	316,812.24	238,104.29	Entrusted liabilities	38	-	-
Construction in progress	-	-	Total liabilities	39	6,731,348.05	8,014,302.52
Cultural relic assets	-	-				
Fixed assets pending for disposal	-	-				
Total fixed assets	316,812.24	238,104.29	Net assets:			
Long-term prepaid expenses	-	-	Unlimited net assets	40	496,920,151.84	491,002,411.11
			Limited net assets	41	120,225,629.62	130,156,579.59
Intangible assets:			Total net assets	42	617,145,781.46	621,159,990.70
Intangible assets	-	-				
Entrusted assets:						
Entrusted assets	-	-	Total liabilities and net assets	43	623,877,129.51	629,173,293.22
Total assets	623,877,129.51	629,173,293.22				

Legal representative: _____ Prepared by: _____ Reviewed by: _____

PwC ZT Beijing Shen Zi (2020) No. 0167
(Page 3 of 3)

Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on AI You Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in these financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause AI You Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers Zhong Tian LLP
Beijing Office
Beijing, the People's Republic of China
13 March 2020

Signing CPA
Signing CPA
Zhao Yupeng
Li Dan

Business Activity Statement

Unit: RMB Yuan

Item	Line No.	2018			2019		
		Unlimited	Limited	Total	Unlimited	Limited	Total
Revenue							
Including: Revenue from donation	1	155,867,460.07	235,848,259.68	391,715,719.75	67,258,841.94	194,436,312.66	261,695,154.60
Revenue from rendering of services	2	-	83,490.57	83,490.57	-	83,490.57	83,490.57
Revenue from sales of goods	3	-	-	-	-	-	-
Government grants	4	-	-	-	-	-	-
Investment income	5	21,270,504.59	4,997,148.54	26,267,653.13	12,837,821.21	9,112,407.45	21,950,228.66
Other income - interest income	6	15,093.38	287,303.35	302,396.73	4,192.83	190,473.99	194,666.82
Total revenue	7	177,153,058.04	241,216,202.14	418,369,260.18	80,100,855.98	203,822,684.67	283,923,540.65
Expenditure							
Business activity cost	8	333,351,477.18	-	333,351,477.18	255,515,131.61	-	255,515,131.61
General and administrative expenses	9	15,156,425.10	-	15,156,425.10	14,755,922.18	-	14,755,922.18
Financing expenses	10	1,439,813.24	-	1,439,813.24	9,639,277.62	-	9,639,277.62
Total expenditure	12	349,947,715.52	-	349,947,715.52	279,910,331.41	-	279,910,331.41
Limited net assets transferred into unlimited net assets	13	233,236,685.15	(233,236,685.15)	-	193,891,734.70	(193,891,734.70)	-
Movements in net assets (presented with "-" for decrease)	14	60,442,027.67	7,979,516.99	68,421,544.66	(5,917,740.73)	9,930,949.97	4,013,209.24

Legal representative:

Prepared by:

Reviewed by:

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Cash flow statement

For the year ended 31 December 2019

Unit: RMB Yuan

Item	Line No.	2019	2018
Cash flows (used in)/from business activities	1		
Cash received from donation	2	261,695,154.60	391,715,719.75
Cash received from membership fee	3	-	-
Cash received from rendering of services	4	83,490.57	83,490.57
Cash received from sales of goods	5	-	-
Cash received from government grants	6	-	-
Cash received relating to other business activities	7	2,248,766.17	302,396.73
Sub-total of cash inflows	8	264,027,411.34	392,101,607.05
Cash paid for donation or financial aid	9	250,031,578.81	329,791,223.64
Cash paid to and on behalf of employees	10	20,115,534.40	12,426,233.67
Cash paid for goods and services	11	-	-
Cash paid relating to other business activities	12	8,436,035.89	11,549,556.25
Sub-total of cash outflows	13	278,583,149.10	353,767,013.56
Net cash flows (used in)/from business activities	14	(14,555,737.76)	38,334,593.49
Cash flows from/(used in) investing activities	15		
Cash received from disposal of investments	16	536,980,586.00	506,565,581.00
Including: Cash received from disposal of long-term equity investments	17	586.00	8,115,581.00
Cash received from returns on investments	18	16,885,004.95	20,186,615.90
Cash received from disposal of fixed assets and intangible assets	19	-	-
Cash received relating to other investing activities	20	553,865,590.95	526,752,196.90
Sub-total of cash inflows	21	84,216.08	198,099.74
Cash paid to acquire fixed assets and intangible assets	22	544,095,962.77	574,395,216.05
Cash paid to acquire investments	23	11,500,000.00	6,000.00
Including: Cash paid to acquire long-term equity investments	24	544,183,178.85	574,593,315.79
Sub-total of cash outflows	25	9,682,412.10	(47,841,118.89)
Net cash flows from/(used in) investing activities	26	-	-
Cash flows from financing activities	27		
Cash received from borrowings	28	-	-
Cash received relating to other financing activities	29	-	-
Sub-total of cash inflows	30	-	-
Cash paid for borrowings	31	-	-
Cash paid for interest	32	-	-
Cash paid relating to other financing activities	33	-	-
Sub-total of cash outflows	34	-	-
Net cash flows from financing activities	35	-	-
Effect of foreign exchange rate changes on cash	36	(4,873,325.66)	(9,506,525.40)
Net decrease in cash and cash equivalents			

Legal representative:

Prepared by:

Reviewed by:

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AI YOU FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

I. General information

AI You Foundation (hereinafter "the Foundation") was authorised for registration by the Ministry of Civil Affairs of the People's Republic of China on 6 May 2008. The unified social credit code is 53100005000210435. The legal representative is Ms. Geng Yuan and the Secretary-General is Mr. Cong Zhigang.

The Foundation operates under the governance of the Ministry of Civil Affairs.

The approved scope of business of the Foundation includes funding the sponsorship, medical aid and education support projects for orphaned, poor and disabled children; supporting the development of public service organisations; providing management and advisory services on public welfare projects; providing government purchase services; funding projects that promote the development of medical industry, such as medical research, communication and training for medical workers, medical social workers supporting, etc.

II. Basis of preparation

Management confirmed that there are no uncertainties or situations relating to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern based on the assessment of the Foundation's ability to continue as a going concern. The financial statements are prepared on a going concern basis.

III. Statement of compliance with the Accounting System for Non-governmental Non-profit Organisations

The financial statements of the Foundation for the year ended 31 December 2019 are in compliance with the *Accounting System for Non-governmental Non-profit Organisations*, and truly and completely present the financial position of the Foundation as at 31 December 2019 and its operations, cash flows and other information for the year then ended.

IV. Summary of significant accounting policies

1. Accounting System

The Foundation prepared its financial statements in accordance with the *Accounting System for Non-governmental Non-profit Organisations* issued by the Ministry of Finance and other complementary regulations.

2. Accounting Period

The Foundation's accounting year starts on 1 January and ends on 31 December.

AI YOU FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

IV. Summary of significant accounting policies (Cont'd)

3. Recording currency

The Foundation's recording currency is Renminbi (RMB).

4. Basis of accounting and measurement bases

The Foundation follows the accrual basis of accounting. Assets are measured at historical costs.

5. Accounting for foreign currency transactions

Operating transactions denominated in foreign currency in the accounting year are measured at the RMB equivalent using the market rate at the actual date of transaction (middle rate). At the end of the year, monetary items will be adjusted with the market rate then, exchange gains or losses arising from which will be recognised into the financing expenses for the period or capitalised based on their purpose and nature.

6. Short-term investments

Short-term investments include stocks, bonds, etc., which are readily convertible to cash and are held for a period no more than 1 year (inclusive). Short-term investments are measured at the investment costs when acquired. Upon disposal of short-term investments, the difference between the amount received on disposal and the carrying amount of the short-term investments is recognised into profit or loss of investment in the current period.

7. Accounting for bad debts

The Foundation adopts the allowance method for the accounting for bad debts and makes provision on an individual basis.

A provision for bad debts is made by the Foundation if:

- (1) the debtor goes bankrupt or ceases, and the Foundation is not able to collect the amount under the original terms even if it had been repaid through the debtor's bankruptcy property or bequest;
- (2) the debtor fails to perform its obligations for a long time, and there is sufficient evidence that the debt is irrecoverable or the chance for recovery is minimum.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

IV. Summary of significant accounting policies (Cont'd)

8. Accounting for long-term investments

(1) Long-term equity investments

Long-term equity investments are measured at the initial investment costs at the date of acquisition. Where the Foundation has no control, common control or significant influence over the investee, the investments are accounted for using the cost method; where the Foundation has control, common control or significant influence over the investee, the investments are accounted for using the equity method.

(2) Long-term debt investments

The actual costs of long-term debt investments at the date of acquisition are deemed as the initial investment costs. For long-term debt investments, the interests are accrued and the discounts or premiums of bonds are amortised on a straight-line basis.

(3) Provision for impairment of long-term investments

Each item of long-term investment is inspected at the end of the period, and the provision for impairment of long-term investments is made based on the difference of the recoverable amount of single investment and its carrying amount.

9. Measurement and depreciation of fixed assets

Fixed assets refer to assets held for administrative management, rendering of services, producing commodities or renting with estimated useful lives over one fiscal year and with relatively high unit value.

(1) A fixed asset shall be measured at the actual cost at the date of acquisition.

(2) Fix assets are depreciated using the straight line method.

According to the straight-line method, the depreciation rate is determined by deducting residual value rate from the cost and the estimated useful lives of the fixed assets. The annual depreciation rates by categories of fixed assets are as follows:

Assets categories	Estimated useful lives	Estimated residual value rate	Annual depreciation rates
Electronic equipment Office furniture	3 years	3%	32.33%
	5 years	3%	19.40%

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

IV. Summary of significant accounting policies (Cont'd)

9. Measurement and depreciation of fixed assets (Cont'd)

(3) Fixed assets without depreciation.

Historical relics and artistic works held for exhibition, education, research, etc. as well as other collections with cultural or historical value and collected as a long-term or permanent preservation should be accounted for as fixed assets, and the depreciation is not necessary.

10. Recognition of limited and unlimited net assets

When the usage of assets and the economic benefits generated from the assets (returns on investments and interests of the assets) are subject to the restriction on its timing or (and) usage set by the provider of the assets or related national laws or administrative regulations, the net assets generated therefrom are limited net assets; otherwise, they are unlimited net assets.

11. Revenue recognition

Revenue refers to the inflows of economic benefits or service potential generated from the operation of non-governmental non-profit organisations and will result in an increase in the net assets of the current period. Revenues are categorised by their sources as revenue from donation, revenue from government grants, revenue from rendering of services, investment income, revenue from sales of goods, other income, etc.

The Foundation recognises revenue realisation in accordance with the following criteria and realised revenue are recognised into profit or loss for the period.

At recognition, revenue is divided into revenue arising from exchange transactions and non-exchange transactions.

Unconditional donation or government grants are recognised when received. Conditional donation or government grants are recognised when the Foundation obtains the control over them. When the Foundation has a present obligation that requires it to fully or partially repay the donated assets or corresponding amount, a liability or an expense is recognised based on the amount of such repayment.

Non-monetary assets from donation should be measured at fair value. The Foundation should require the donor to provide evidence for the fair value of the donated assets. Otherwise, such assets shall not be recognised as donation revenue. Revenue from labour service donation is not recognised into revenue.

Related revenue recognised from assets of which the usage is restricted in timing or (and) usage by the asset provider is limited revenue, other revenue is unlimited revenue.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

V. Taxation

1. Main categories and rates of taxes applicable to the Foundation

The main categories and rates of taxes applicable to the Foundation are set out below:

Category	Tax rate	Tax base
Enterprise income tax	25%	Taxable income
Value-added tax ("VAT")	6%	Taxable value-added amount

Pursuant to the *Circular on the Overall Promotion of Pilot Program of Levying Value-Added Tax in Place of Business Tax* (Cai Shui [2016] No. 36) jointly issued by the Ministry of Finance and the State Administration of Taxation, as a general taxpayer, the Foundation's investment income from purchasing wealth management products ("WMPs") of banks is subject to VAT at a tax rate of 6% since 1 May 2016.

2. Tax preference policies and bases

Pursuant to the *Circular on Issues of Enterprise Income Tax Exemption for Non-profit Organisations* issued by the MOF and the State Administration of Taxation (Cai Shui [2009] No. 122), qualified income of non-profit organisations is exempted from enterprise income tax, except for that generated from profit-making activities engaged by non-profit organisations.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

VI. Notes to the financial statements

1. Cash at bank and on hand

Category	Currency	Opening balance	Ending balance
Cash at bank	RMB	26,058,750.41	3,185,424.75
Other cash balances	RMB	-	18,000,000.00
Total		26,058,750.41	21,185,424.75

2 Short-term investments

Categories of short-term investments	Opening balance		Ending balance	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
WMPs	588,081,037.23	-	588,081,037.23	-
Total	588,081,037.23	-	588,081,037.23	-

The WMPs of the foundation include: "Bubushengjin 8688", a principal-guaranteed WMP with floating proceeds for enterprises purchased from China Merchants Bank ("CMB"), which has, as agreed in the agreement, an expected yield rate of 2.1%-2.7%, and had delivered an actual yield rate of 2.1%-2.7% as at 31 December 2019; a principal-guaranteed structured deposit product with floating proceeds purchased from CMB, which has, as agreed in the agreement, an expected yield rate of 1.55%-3.9%, and had delivered an actual yield rate of 3.1%-3.9% as at 31 December 2019; "Win to Fortune Time Deposit", a principal-guaranteed structured deposit product with floating proceeds purchased from Bank of Communications, which has, as agreed in the agreement, an expected yield rate of 3.85%-3.95%, and had delivered an actual yield rate of 3.85% as at 31 December 2019; and "Loan Collective Fund Trust Scheme for Meishan Hengda Yufu Project" and "Loan Collective Fund Trust Scheme for Sunac Haiyan Shanshuiliqi Project No. 3", which are two trust WMPs with floating proceeds purchased from Wanxiang Trust Co., Ltd., and had delivered an actual yield rate of 8.45%-8.7% as at 31 December 2019.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated) [English translation for reference only]
Notes to the financial statements (Cont'd)

VI.

3. Receivables

(1) The ageing of receivables is analysed as follows:

Ageing	Opening balance		Ending balance		Carrying amount	Reason
	Book balance	Provision for bad debts	Book balance	Provision for bad debts		
Within 1 year	2,830,631.61	-	2,830,631.61	-	345,860.11	
1 to 2 years	700,000.00	-	700,000.00	-	430,672.15	
2 to 3 years	-	-	700,000.00	-	700,000.00	
Over 3 years	815,302.59	-	815,302.59	-	815,302.59	
Total	4,345,934.20	-	4,345,934.20	-	2,291,834.85	

(2) Major customers of the receivables:

Name of customers	Opening balance		Ending balance		Date	Reason
	Book balance	% of total balance	Book balance	% of total balance		
Alipay (China) Network Technology Co., Ltd.	2,354,378.86	54.18%	221,016.93	9.64%	31 December 2019	Charitable donation in petty cash
TenPay Payment Technology Co., Ltd.	45,580.80	1.06%	24,814.05	1.08%	31 December 2019	Charitable donation in petty cash
Beijing Qianqianbao Payment Technology Co., Ltd.	-	-	29.13	0.00%	31 December 2019	Charitable donation in petty cash
Wunan Union Hospital of Children's Hospital of Shanghai Children's Medical Centre, Medical School of SJTU	400,000.00	9.20%	400,000.00	17.45%	25 December 2017 and 20 July 2018	Deposit for hospitalisation
Children's Hospital, Capital Institute of Paediatrics	200,000.00	4.60%	200,000.00	8.73%	29 December 2017	Deposit for hospitalisation
Chinese PLA General Hospital	200,000.00	4.60%	200,000.00	8.73%	30 March 2017	Deposit for hospitalisation
Children's Hospital of Fudan University	200,000.00	4.60%	200,000.00	8.73%	17 August 2018	Deposit for hospitalisation
Jiangxi Provincial Children's Hospital	100,000.00	2.30%	100,000.00	4.36%	29 November 2017	Deposit for hospitalisation
	-	-	100,000.00	4.36%	19 November 2019	Deposit for hospitalisation

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated) [English translation for reference only]
Notes to the financial statements (Cont'd)

VI.

3. Receivables (Cont'd)

(2) Major customers of the receivables (Cont'd):

Name of customers	Opening balance		Ending balance		Date	Reason
	Book balance	% of total balance	Book balance	% of total balance		
Beijing Kuntai Jianhua Real Estate Management Co., Ltd.	762,421.68	17.54%	762,421.68	33.27%	14 August 2015, 25 November 2015 and 13 November 2018	Deposit for office property fee
Beijing Shengqidian Property Management Co., Ltd.	83,553.06	1.92%	83,553.06	3.65%	31 August 2015 and 26 November 2016	Deposit for office property fee
Total	4,345,934.20	100.00%	2,291,834.85	100.00%		

4. Prepaid expenses

Detailed item	Opening balance		Increase in the current year		Amortisation charged in the current year		Ending balance
	Book balance	% of total balance	Book balance	% of total balance	Book balance	% of total balance	
Rental expenses	256,753.06		2,816,598.52		(2,816,522.34)		256,829.24
Property management fee	26,274.55		306,361.22		(304,784.75)		27,851.02
Decoration fee	81,454.75		-		(75,189.00)		6,265.75
Total	364,482.36		3,122,959.74		(3,196,496.09)		290,946.01

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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VI. Notes to the financial statements (Cont'd)

5. Long-term equity investments

Investee	Initial investment cost	Opening balance	Ending balance	Proportion	Accounting method
Justering (Beijing) Technologies Co., Ltd.*	3,000,000.00	2,942,764.93	2,942,764.93	5.66%	Equity method
Ningbo Meishan Free Trade Port Zone Ai You Yi Chuang Financial Consulting Co., Ltd.**	150,000.00	141,267.95	-	-	Equity method
Beijing Xiangyue Education Technology Co., Ltd.	1,000,000.00	1,000,000.00	1,000,000.00	0.98%	Cost method
Beijing Hongyi Media Co., Ltd.	1,500,000.00	-	1,500,000.00	15.00%	Cost method
Nanjing Yuanheng Equity Investment Management Partnership***	10,000,000.00	-	10,000,000.00	1.52%	Cost method
Total	15,650,000.00	4,084,032.88	15,442,764.93		

* The Foundation has been investing in Justering (Beijing) Technologies Co., Ltd. ("Justering Beijing") since 2016, and holds 5.66% of the investee's shares. The investee's Board of Directors consists of 5 directors, including one representative of the Foundation. The Foundation has the right to participate in the decision-making of the investee's financial and operating policies and has significant influence over the investee.

** Ningbo Meishan Free Trade Port Zone Ai You Yi Chuang Financial Consulting Co., Ltd. cancelled its registration in July 2018, and refunded the Foundation's investment in January 2019.

*** For the purpose of maintaining or increasing assets' value, the Foundation purchased a private fund WMP managed by Lhasa Yuanchi Investment Management Co., Ltd. as the manager partner in October 2019, and held 1.52% of the shares of a product company Nanjing Yuanheng Equity Investment Management Partnership as a limited partner. Limited partners are not allowed to participate in the management and control of the investment business and operating decisions of the partnership, so the investment doesn't impose significant influence on the investee and is accounted for using the cost method.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated)
(English translation for reference only)

VI. Notes to the financial statements (Cont'd)

6. Fixed assets and accumulated appreciation

(1) Fixed assets listed by categories:

Item	Opening balance	Increase in the current period	Decrease in the current period	Ending balance
1. Total cost	668,270.31	84,216.08	-	752,486.39
Including: Electronic devices	640,770.31	83,463.87	-	724,234.18
Office furniture	27,500.00	752.21	-	28,252.21
2. Total accumulated depreciation	(351,458.07)	(162,924.03)	-	(514,382.10)
Including: Electronic devices	(338,120.37)	(157,491.67)	-	(495,612.04)
Office furniture	(13,337.70)	(5,432.36)	-	(18,770.06)
3. Total carrying amount	316,812.24	(78,707.95)	-	238,104.29
Including: Electronic devices	302,649.94	(74,027.80)	-	228,622.14
Office furniture	14,162.30	(4,680.15)	-	9,482.15

(2) Fixed assets listed by usage:

Usage	Opening balance		Ending balance	
	Cost	Accumulated depreciation	Cost	Accumulated depreciation
Self-use	668,270.31	(351,458.07)	316,812.24	(514,382.10)
Total	668,270.31	(351,458.07)	316,812.24	(514,382.10)

7. Payables

Item	Opening balance	Increase in the current year	Decrease in the current year	Ending balance
Payables	5,724,167.83	9,733,123.48	(8,875,516.52)	6,581,774.79
Total	5,724,167.83	9,733,123.48	(8,875,516.52)	6,581,774.79

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
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(All amounts in RMB Yuan unless otherwise stated)
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VI. Notes to the financial statements (Cont'd)

7. Payables (Cont'd)

Major recipients of payables:

Item	Opening balance	Increase in the current year	Decrease in the current year	Ending balance
Beijing Yunke Kaichuang Information Technology Co., Ltd.	-	1,165,000.00	-	1,165,000.00
Children's Hospital of Chongqing Medical University	-	856,219.47	-	856,219.47
Children's Hospital of Zhejiang University School of Medicine	-	788,568.55	-	788,568.55
Institute of Hematology & Blood Diseases Hospital, Chinese Academy of Medical Sciences	-	580,000.00	-	580,000.00
Guangdong Provincial People's Hospital	-	576,283.24	-	576,283.24
West China Second University Hospital, Sichuan University	336,196.63	427,552.54	(336,196.63)	427,552.54
Children's Hospital of Nanjing Medical University	478,791.89	371,163.05	(478,791.89)	371,163.05
Neusoft Yuetong Software Technology (Dalian) Co., Ltd.	-	231,250.00	-	231,250.00
Bizinsight (Beijing) Information Technology Co., Ltd.	-	220,000.00	-	220,000.00
Others	4,909,179.31	4,517,086.63	(8,060,528.00)	1,365,737.94
Total	5,724,167.83	9,733,123.48	(8,875,516.52)	6,581,774.79

8. Detailed changes in employee expenses

Item	Opening balance	Increase in the current year	Payments in the current year	Ending balance
I. Wages and salaries, bonus, allowances and subsidies	594,398.77	12,678,160.69	(12,328,769.83)	943,789.63
II. Staff welfare	-	44,239.39	(44,239.39)	-
III. Social security contributions	357,790.25	4,828,165.83	(4,802,286.11)	383,669.97
Including: 1. Medical insurance	104,974.68	1,500,955.08	(1,478,403.60)	127,526.16
2. Basic pensions	235,384.92	3,003,225.00	(3,002,670.24)	235,939.68
3. Supplementary medical insurance	-	80,685.89	(80,685.89)	-
4. Unemployment insurance	8,695.76	119,291.93	(118,242.91)	9,744.78
5. Work injury insurance	1,746.95	24,080.67	(23,859.25)	1,968.37
6. Maternity insurance	6,987.94	99,927.26	(98,424.22)	8,490.98
IV. Housing funds	-	2,990,316.00	(2,990,316.00)	-
Total	952,189.02	20,540,881.91	(20,165,611.33)	1,327,459.60

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AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
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VI. Notes to the financial statements (Cont'd)

9. Taxes payable

Item	Opening balance	Ending balance
Withholding individual income tax	54,991.20	105,068.13
Total	54,991.20	105,068.13

10. Net assets

Item	Opening balance	Increase in the current year	Decrease in the current year	Ending balance
Limited net assets	120,225,629.62	203,822,684.67	(193,891,734.70)	130,156,579.59
Unlimited net assets	496,920,151.84	80,100,855.98	(86,018,596.71)	491,002,411.11
Total	617,145,781.46	283,923,540.65	(279,910,331.41)	621,158,990.70

For the year ended 31 December 2019, movements of the Foundation's net assets amounted to RMB 4,013,209.24. The increase in net assets was generated from the total revenue of RMB 283,923,540.65 (including: unlimited revenue of RMB 80,100,855.98 and limited revenue of RMB 203,822,684.67). The decrease in net assets was generated from the total expenditure of RMB 279,910,331.41 (including: business activity cost of RMB 285,515,131.61, general and administrative expenses of RMB 14,755,922.18 and financing expenses of RMB 9,639,277.62).

11. Revenue

Item	2019	2018
Revenue from donation	261,695,154.60	391,715,719.75
Investment income	21,950,228.66	26,267,653.13
Other income - interest income	194,666.82	302,396.73
Revenue from rendering of services	83,490.57	83,490.57
Total	283,923,540.65	418,369,260.18

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AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
(All amounts in RMB Yuan unless otherwise stated)
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Notes to the financial statements (Cont'd)

VI.

Revenue (Cont'd)

(1) Revenue from donations with large amount (Cont'd)

Entities and individuals with accumulated donation over RMB 5,000,000 and more than 5% of total revenue from donation of the Foundation in 2018 are listed below.

Donor	2018		Usage
	Limited	Unlimited	
1. SF Foundation	45,000,000.00	40,000,000.00	AI You Young Heart/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation
2. Medical Care LIBS OPTIMUS FOUNDATION (Switzerland) Beijing Office	36,747,533.91	-	AI You Angel/AI You Comfort Life/AI You Reborn/AI You Morning Star/AI You Young Heart
3. Shenzhen AI You Future Foundation	27,358,958.73	-	Matters specified in the Articles of Association of the Foundation/AI You Morning Star/AI You Angel/AI You Reborn/AI You Young Heart
4. Petty cash of Allpay (China) Network Technology Co., Ltd.	18,999,361.34	3,814.00	Matters specified in the Articles of Association of the Foundation/AI You Morning Star/AI You Young Heart
5. Beijing Lianjia Foundation	-	11,500,000.00	Matters specified in the Articles of Association of the Foundation
6. Zhejiang Hanyu Co., Ltd.	-	11,500,000.00	Matters specified in the Articles of Association of the Foundation
7. Alibaba Foundation	11,500,000.00	-	Daily operation/AI You Reborn/AI You Young Heart
8. Tencent Foundation	9,416,189.69	931,957.57	AI You Young Heart/AI You Morning Star/AI You Angel/AI You Reborn/AI You Young Heart/AI You Comfort Life/AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation/Venture Philanthropy projects
9. MA HUATENG FOUNDATION LIMITED	-	10,000,000.00	Matters specified in the Articles of Association of the Foundation
10. Vanke Foundation	10,000,000.00	-	AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation/Venture Philanthropy project
11. Guangtuan Group Co., Ltd.	-	10,000,000.00	Matters specified in the Articles of Association of the Foundation
12. Beijing Hengjieng International Holdings Co., Ltd.	-	10,000,000.00	Matters specified in the Articles of Association of the Foundation
13. Car Cuba Cultural Development (Beijing) Co., Ltd.	-	10,000,000.00	Matters specified in the Articles of Association of the Foundation
14. BRIGHT UNISON LIMITED	-	9,968,490.52	AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation
15. Shenzhen Baiyuan Investment Co., Ltd.	-	9,500,000.00	Matters specified in the Articles of Association of the Foundation
16. Wang Yue	-	7,500,000.00	Matters specified in the Articles of Association of the Foundation
17. Excellence Real Estate Holdings Co., Ltd.	7,000,000.00	-	Children's welfare
18. Shanghai Pudong Development Bank Co., Ltd.	6,198,000.00	-	AI You Comfort Life/ Medical industry
19. Petty cash of TenPay Payment Technology Co., Ltd.	6,094,131.07	0.83	AI You Young Heart/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation
20. Yujian Luolai Investment Holdings Co., Ltd.	6,000,000.00	-	Children's medical care
21. Shanghai Yunfeng Xichuang Investment Management Co., Ltd.	-	5,500,000.00	Matters specified in the Articles of Association of the Foundation
22. Shanghai Fanchong Defeng Advertising Co., Ltd.	-	5,000,000.00	Matters specified in the Articles of Association of the Foundation
Total	194,314,175.74	131,404,302.92	325,718,478.66

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AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019
(All amounts in RMB Yuan unless otherwise stated)
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Notes to the financial statements (Cont'd)

VI.

Revenue (Cont'd)

(1) Revenue from donations with large amount

Entities and individuals with accumulated donation over RMB 5,000,000 and more than 5% of total revenue from donation of the Foundation in 2019 are listed below.

Donor	2019		Usage
	Limited	Unlimited	
1. Petty cash of Allpay (China) Network Technology Co., Ltd.	39,537,088.64	0.01	Matters specified in the Articles of Association of the Foundation/AI You Comfort Life/AI You Reborn/AI You Young Heart/Children's medical care/Children's welfare/Projects not directed
2. SF Foundation (Note X)	25,000,000.00	25,000,000.00	AI You Young Heart
3. BRIGHT UNISON LIMITED (Note X)	7,002,516.87	11,003,793.27	Matters specified in the Articles of Association of the Foundation/AI You Comfort Life
4. Beijing Lianjia Foundation (Note X)	-	15,000,000.00	Matters specified in the Articles of Association of the Foundation
5. Golden Archers (China) Co., Ltd. (Note X)	-	15,000,000.00	Matters specified in the Articles of Association of the Foundation
6. Medical Care LIBS OPTIMUS FOUNDATION (Switzerland) Beijing Office (Note X)	14,599,031.39	-	AI You Young Heart
7. Shenzhen AI You Future Foundation (Note X)	12,505,407.51	844,200.00	Matters specified in the Articles of Association of the Foundation/AI You Angel/AI You Reborn/AI You Young Heart/Reserved capital
8. Alibaba Foundation	11,000,000.00	-	AI You Young Heart/AI You Reborn/AI You Morning Star/AI You Angel/AI You Reborn/AI You Young Heart/AI You Comfort Life/AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation/Projects not directed/Matters specified in the Articles of Association of the Foundation
9. Customers of TenPay Payment Technology Co., Ltd.	10,704,425.83	311.67	AI You Angel/AI You Comfort Life/AI You Reborn/AI You Morning Star/AI You Young Heart/Public welfare publicity
10. Tencent Foundation	7,754,200.07	-	AI You Young Heart/AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation/Venture Philanthropy project
11. Vanke Foundation	7,500,000.00	-	AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation
12. Car Cuba Cultural Development (Beijing) Co., Ltd.	7,000,000.00	-	AI You Reborn/AI You Morning Star/AI You Angel/Matters specified in the Articles of Association of the Foundation
13. Yujian Luolai Investment Holdings Co., Ltd.	6,000,000.00	-	Children's medical care
14. Shanghai Chizhong Advertising Communication Co., Ltd.	6,000,000.00	-	Matters specified in the Articles of Association of the Foundation
15. Shanghai Red Avenue Foundation	5,000,000.00	-	AI You Reborn/Children's medical care
16. Jincare Co., Ltd.	-	5,000,000.00	Matters specified in the Articles of Association of the Foundation
17. Xinpai (Shanghai) Food and Beverage Management Co., Ltd.	-	5,000,000.00	Matters specified in the Articles of Association of the Foundation
18. Minsheng Insurance Charity Foundation	5,000,000.00	-	Children's medical care
19. Shenzhen OneSmart International Education Foundation	5,000,000.00	-	Matters specified in the Articles of Association of the Foundation
Total	158,602,880.31	62,848,304.95	221,451,185.26

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AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan, unless otherwise stated)
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VI. Notes to the financial statements (Cont'd)

12. Investment income

Item	2019	2018
WMPs	22,090,910.61	21,667,653.13
Long-term equity investments	(140,681.95)	4,600,000.00
Total	21,950,228.66	26,267,653.13

The Foundation's WMPs are purchased from banks and trust companies.

13. Business activity cost

Item	2019	2018
AI You Young Heart	99,991,184.06	140,790,985.43
Venture Philanthropy	38,832,347.09	49,128,828.82
AI You Reborn	36,194,641.55	48,883,348.40
AI You Angel	18,504,634.92	31,923,981.50
AI You Morning Star	18,413,427.99	25,927,515.22
AI You Comfort Life	16,108,393.86	12,255,966.48
Medical Industry Support	12,982,559.72	4,217,406.30
Big Data Initiatives	8,325,700.28	8,013,691.40
AI You Hekang Rehab	2,006,165.99	8,229,563.05
AI You Ya'an	380,386.85	538,848.34
Others	1,775,689.30	3,441,342.24
Total	255,515,131.61	333,351,477.18

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NOTES TO THE FINANCIAL STATEMENTS
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VI. Notes to the financial statements (Cont'd)

14. General and administrative expenses

Item	2019	2018
1. Employee benefits expense	8,633,837.63	7,225,023.66
2. Expense for operating supplies and service	6,122,084.55	7,931,401.44
Total	14,755,922.18	15,156,425.10

Total general and administrative expenses of the Foundation in 2019 amounted to RMB 14,755,922.18, accounting for 5.27% of total expenditure.

Total general and administrative expenses of the Foundation in 2018 amounted to RMB 15,156,425.10, accounting for 4.33% of total expenditure.

15. Financing expenses

Item	2019	2018
1. Employee benefits expense	5,303,067.18	-
2. Technical service fee	2,913,191.50	-
3. Service fee	557,528.81	1,258,299.42
4. Rental expenses	459,418.11	-
5. Travel expenses	268,839.05	31,362.88
6. Other financing expenses	137,232.97	150,150.94
Total	9,639,277.62	1,439,813.24

Such expenses are presented in the "Cash paid relating to other business activities" in the cash flow statement.

In 2019, the Foundation established a new financing department, which incurred employee benefits expenses of RMB 5,303,067.18 in 2019. The technical service expenditure of the Foundation is distributed among different departments. The technical service fee shared by the financing department in 2019 was RMB 2,913,191.50.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
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VII. Description of the numbers, changes and remunerations such as salaries obtained of the council members and employees

1. Names and attributions of the council members, the number of council members that obtain remunerations from the Foundation and the amount of their remunerations

No.	Title	Name	Attribution	Paid by the Foundation or not
1	Chairman	Geng Yuan	Ai You Foundation	Yes
2	Vice Chairman	Li Jialie	Hong Kong Henderson Land Group	No
3	Vice Chairman	Ma Huaifeng	Tencent Holdings Limited	No
4	Secretary-General	Cong Zhigang	Ai You Foundation	Yes
5	Director	Wang Bing	Beijing Dingtian Investment Management Co., Ltd.	No
6	Director	Cao Guowei	Sina Corporation	No
7	Director	Jiang Nanchun	Focus Media (China) Holding Co., Ltd.	No
8	Director	Li Yanhong	Baidu (China) Co., Ltd.	No
9	Director	Yu Feng	Shanghai Yunfeng Investment Management Co., Ltd.	No
10	Director	Xiao Feng	China Wanxiang Holding Co., Ltd.	No
11	Director	Zhang Yichen	CITIC Capital Holdings Ltd.	No
12	Director	Zuo Hui	Beijing Lianjia Real Estate Brokerage Co., Ltd.	No

2. For the year ended 31 December 2019, the Foundation had 58 employees in total, up by 4 as compared to the prior year. In 2018, salary paid to employees amounted to RMB 9,115,412.80 with an average monthly salary of RMB 14,067.00 per person. In 2019, salary paid to employees amounted to RMB 14,726,784.07 with an average monthly salary of RMB 21,159.17 per person.

VIII. Notes to the proportion of expenditure related to donation, employee benefits and administrative and office expenses

For the year ended 31 December 2018, the revenue of the Foundation, net of incomes with time limit that are not allowed to be spent in 2018, plus the net assets cleared of the time limit in 2018, amounted to RMB 349,510,619.67. For the year ended 31 December 2019, total expenditure of the Foundation for public welfare activities amounted to RMB 255,515,131.61, accounting for 73.11% of the Foundation's total revenue for the prior year. For the year ended 31 December 2019, the general and administrative expenses amounted to RMB 14,755,922.18, accounting for 5.27% of total expenditure in the current year.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
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IX. Significant public welfare projects

1. Revenue and expenditure of significant public welfare projects in 2019

Project	Revenue for the current year	Direct or entrusted cash or goods for beneficiaries	Expenditure for the current year				Total
			Employee remunerations, volunteer subsidies and insurance incurred for rendering charity services or performing charity projects	Expenditures incurred for use of buildings, equipment and supplies	Expenses for travel, logistics, transportation, meeting, training, audit and assessment for management of charity projects	Others	
Ai You Young Heart	71,690,514.74	93,582,975.93	1,861,746.18	570,801.80	3,975,660.15	-	99,991,184.06
Ai You Reborn	47,352,565.74	35,753,175.18	855,674.21	235,142.55	1,350,649.61	-	38,194,641.55
Ai You Comfort Life	19,762,509.90	13,415,760.52	1,179,841.28	176,194.82	1,336,597.24	-	16,108,393.86
Ai You Morning Star	13,824,206.39	17,020,645.93	478,445.94	159,284.85	755,051.27	-	18,413,427.99
Ai You Angel	9,661,129.19	17,247,392.55	476,514.89	103,586.77	677,140.71	-	18,504,634.92
Venture Philanthropy	1,500,000.00	38,026,048.84	-	119,131.42	687,166.83	-	38,832,347.09
Ai You Hekang Rehab	257,908.62	887,746.82	460,410.14	52,320.04	605,688.99	-	2,006,165.99
Ai You Ya'an	-	364,935.59	-	1,930.00	13,521.26	-	380,386.85
Total	164,048,834.48	216,298,681.36	5,312,632.64	1,418,392.25	9,401,476.06	-	232,431,182.31

AI YOU FOUNDATION

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FOR THE YEAR ENDED 31 DECEMBER 2019
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IX. Significant public welfare projects (Cont'd)

1. Revenue and expenditure of significant public welfare projects in 2019 (Cont'd)

"Significant public welfare projects" refer to public welfare projects that meet one of the following criteria:

- The revenue from donation in the project accounts for more than 20% of total revenue from donation of the Foundation for the current year;
- The expenditure in the project accounts for more than 20% of total expenditure of the Foundation for the current year;
- The project duration is longer than 5 years (inclusive).

2. Recipients of large payments in significant public welfare projects

Project	Usage	Recipients	Amount	% of the significant public welfare project expenditure	% of total expenditure for public welfare project	Usage
Ai You Young Heart	Treatment for ill children	Xinjiang Cardia-cerebrovascular Diseases Hospital	8,663,727.02	8.66%	3.39%	Treatment for ill children
		Shanghai Children's Medical Centre, Medical School of SJTU	7,610,879.44	7.61%	2.98%	Treatment for ill children
Ai You Reborn	Treatment for ill children	Shanghai Children's Medical Centre, Medical School of SJTU	4,937,014.70	12.93%	1.93%	Treatment for ill children
		Beijing Chunmiao Children Rescue Services Exchange Center	4,000,000.00	10.47%	1.57%	Donations
	Donations	Nanjing Children Welfare House	3,644,174.13	9.54%	1.43%	Donations

AI YOU FOUNDATION

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IX. Significant public welfare projects (Cont'd)

2. Recipients of large payments in significant public welfare projects (Cont'd)

Project	Usage	Recipients	Amount	% of the significant public welfare project expenditure	% of total expenditure for public welfare project	Usage
Ai You Reborn	Donations	Kaifeng Disabled Children Rehabilitation Centre	3,213,577.26	8.41%	1.26%	Donations
		Wuhan Children Welfare House	3,133,429.48	8.20%	1.23%	Donations
		Chengdu Children Welfare House	2,326,078.00	6.09%	0.91%	Donations
		Nanchang Social Welfare Institute	2,110,597.14	5.53%	0.83%	Donations
		Chongqing Children Welfare House	2,055,388.36	5.38%	0.80%	Donations
		Care Centre for Ill Children of Shanghai Baby Home	2,004,036.25	5.25%	0.78%	Donations
		Xi'an Children Welfare House	1,995,163.96	5.22%	0.78%	Donations
Ai You Comfort Life	Donations	Shanghai Huji Foundation	2,527,362.20	15.69%	0.99%	Donations
		Beijing Ciyou Children's Welfare Research Center	2,525,000.00	15.68%	0.99%	Donations
		Guangzhou FAZE Community Well-being Foundation	1,820,100.00	11.30%	0.71%	Donations
		Yunnan Lianxin Community Care Service Center	1,003,530.80	6.23%	0.39%	Donations
Ai You Angel	Treatment for ill children	Children's Hospital of Chongqing Medical University	2,708,215.11	14.64%	1.06%	Treatment for ill children
		Guangzhou Women and Children's Medical Center	2,441,693.58	13.20%	0.96%	Treatment for ill children
		Institute of Hematology & Blood Diseases Hospital, Chinese Academy of Medical Sciences	2,303,641.62	12.45%	0.90%	Treatment for ill children

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
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IX. Significant public welfare projects (Cont'd)

2. Recipients of large payments in significant public welfare projects (Cont'd)

Project	Usage	Recipients	Amount	% of the significant public welfare project expenditure	% of total expenditure for public welfare project	Usage
Ai You Angel	Treatment for ill children	Guangdong Provincial People's Hospital	1,621,028.29	8.76%	0.63%	Treatment for ill children
		Children's Hospital of Zhejiang University School of Medicine	1,597,746.39	8.63%	0.63%	Treatment for ill children
		West China Second University Hospital, Sichuan University	1,484,200.90	8.02%	0.58%	Treatment for ill children
		Shanghai Children's Medical Centre, Medical School of SJTU	1,446,000.00	7.81%	0.57%	Treatment for ill children
		Wuhan Union Hospital of China, Tongji Medical School of HUST	1,029,398.04	5.56%	0.40%	Treatment for ill children
Ai You Morning Star	Treatment for ill children	Hunan Provincial Children's Hospital	2,680,999.42	14.56%	1.05%	Treatment for ill children
		West China Second University Hospital, Sichuan University	1,938,976.63	10.53%	0.76%	Treatment for ill children
		Children's Hospital of Fudan University	1,228,093.00	6.67%	0.48%	Treatment for ill children
		Renji Hospital, Medical School of SJTU	1,195,414.28	6.49%	0.47%	Treatment for ill children
		Guangzhou Women and Children's Medical Center	1,127,030.37	6.12%	0.44%	Treatment for ill children
Venture Philanthropy	Donations	West China Hospital of Sichuan University	1,028,156.78	5.58%	0.40%	Treatment for ill children
		Beijing Xinghan Public Welfare Development Center (Note X)	37,746,048.84	97.20%	14.77%	Donations
		CBEM	315,299.87	15.72%	0.12%	Donations
Ai You Hekang Rehab	Donations or service fee	Beijing Normal University Education Foundation	300,000.00	14.95%	0.12%	Donations
		Beijing Quanmei Zhihe Technology Co., Ltd.	187,281.55	9.34%	0.07%	Donations
Ai You Ya'an	Treatment for ill children	West China Hospital of Sichuan University	364,935.59	95.94%	0.14%	Treatment for ill children
Total			116,314,219.00		45.52%	

A party is presented as a recipient of large payments in a significant project if the amount paid by the Foundation to the party accounts for more than 5% of the total expenditure of the significant project.

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
(All amounts in RMB Yuan unless otherwise stated)
[English translation for reference only]

X. Related parties and related party transactions

1. Significant related parties

Name of related parties	Relationship with the Foundation
Wang Bing	Founder and investor of the Foundation
Li Jialie	Major donor and Vice Chairman
SF Foundation	Major donor
BRIGHT UNISON LIMITED	Major donor
Beijing Lianjia Foundation	Major donor
Golden Arches (China) Co., Ltd.	Major donor
UBS OPTIMUS FOUNDATION (Switzerland)	Major donor
Beijing Office	Major donor
Shenzhen Ai You Future Foundation	Four directors of the Foundation also serve as its directors (out of 9 directors in total)
Beijing Ai You Hekang Children's Rehabilitation Centre*	Funded and set up by the Foundation and share one director with the Foundation (5 directors in total)
Beijing Xinghan Public Welfare Development Center	Share founders with the Foundation, and one director of the Foundation also serves as its director (out of 5 directors in total)
Beijing Huiyun Institute of Data Application Technology Research Institute	Funded and set up by the Foundation

* Beijing Ai You Hekang Children's Rehabilitation Centre had cancelled its registration with Beijing Municipal Civil Affairs Bureau on 15 July 2019.

2. Related party transactions

Name of related parties	Amount of transaction for the period	Nature of transaction
SF Foundation	25,000,000.00	Donation received
BRIGHT UNISON LIMITED	18,006,310.14	Donation received
Beijing Lianjia Foundation	15,000,000.00	Donation received
Golden Arches (China) Co., Ltd.	15,000,000.00	Donation received
Mr. Li Jialie and UBS OPTIMUS FOUNDATION (Switzerland)	14,599,031.39	Donation received
Shenzhen Ai You Future Foundation	13,349,607.51	Donation received
Beijing Ai You Hekang Children's Rehabilitation Centre	220,681.36	Donation received
Beijing Xinghan Public Welfare Development Center	37,746,048.84	Donation expenditure
Beijing Huiyun Institute of Data Application Technology Research Institute	8,110,000.00	Donation expenditure of the Foundation for purchasing trust schemes
Wanxiang Trust Co., Ltd.	33,000,000.00	

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan, unless otherwise stated)

(English translation for reference only)

Detailed list of fixed assets

XI.

Name	Source	Date	Unit	Qty.	Unit price	Amount	Usage
HP ML360 server	Purchase	1 December 2014	Set	1.00	35,780.00	35,780.00	Self-use
Lenovo B460A 14-inch laptop	Purchase	28 February 2015	Set	1.00	3,999.00	3,999.00	Self-use
HP 14-inch laptop	Purchase	28 February 2015	Set	1.00	2,949.00	2,949.00	Self-use
Lenovo G40-70MA laptop	Purchase	31 March 2015	Set	1.00	3,749.00	3,749.00	Self-use
Lenovo Xiaoxin I1000 laptop	Purchase	31 March 2015	Set	1.00	4,399.00	4,399.00	Self-use
Dell desktop	Purchase	31 March 2015	Set	1.00	2,999.00	2,999.00	Self-use
Lenovo laptop	Purchase	31 March 2015	Set	1.00	3,699.00	3,699.00	Self-use
Lenovo laptop	Purchase	30 April 2015	Set	1.00	6,299.00	6,299.00	Self-use
Lenovo laptop	Purchase	31 May 2015	Set	1.00	4,499.00	4,499.00	Self-use
Lenovo laptop	Purchase	31 May 2015	Set	2.00	4,399.00	8,798.00	Self-use
Lenovo E450C laptop	Purchase	30 June 2015	Set	2.00	4,499.00	8,998.00	Self-use
Projector	Purchase	30 June 2015	Set	1.00	2,699.00	2,699.00	Self-use
Lenovo Xiaoxin V3000 laptop	Purchase	30 June 2015	Set	1.00	4,499.00	4,499.00	Self-use
Samsung 19-inch display	Purchase	31 July 2015	Set	3.00	695.00	2,087.00	Self-use
Copier	Purchase	31 July 2015	Set	1.00	6,800.00	6,800.00	Self-use
Face recognition entrance access	Purchase	30 November 2015	Set	1.00	4,100.00	4,100.00	Self-use
TCL LCD TV	Purchase	30 November 2015	Set	1.00	5,999.00	5,999.00	Self-use
Samsung curve display	Purchase	30 November 2015	Set	1.00	1,359.00	1,359.00	Self-use
Call-centre system	Purchase	30 November 2015	Set	3.00	11,333.33	34,000.00	Self-use
GPS power supply	Purchase	31 December 2015	Set	1.00	8,600.00	8,600.00	Self-use
Bein projector	Purchase	31 December 2015	Set	1.00	4,299.00	4,299.00	Self-use
Xbox One	Purchase	31 December 2015	Set	1.00	3,799.00	3,799.00	Self-use
Samsung curve display	Purchase	31 January 2016	Set	1.00	1,499.00	1,499.00	Self-use
OP10MA projector	Purchase	31 March 2016	Set	1.00	3,779.00	3,779.00	Self-use
Dell desktop	Purchase	31 March 2016	Set	1.00	12,000.00	12,000.00	Self-use
Lenovo Xiaoxin 300 classic	Purchase	31 March 2016	Set	1.00	4,399.00	4,399.00	Self-use
Dell 14-inch laptop	Purchase	30 June 2016	Set	1.00	3,699.00	3,699.00	Self-use
Dell Vostro 14-inch laptop	Purchase	30 June 2016	Set	1.00	3,999.00	3,999.00	Self-use
Dell Vostro 14VR-1728B 14-inch laptop	Purchase	31 July 2016	Set	1.00	3,999.00	3,999.00	Self-use
Dell Vostro 14VR-1728B 14-inch laptop	Purchase	31 August 2016	Set	1.00	3,999.00	3,999.00	Self-use
Dell Vostro office laptop	Purchase	31 August 2016	Set	1.00	3,799.00	3,799.00	Self-use
MIPRO beamer	Purchase	31 August 2016	Set	1.00	2,920.00	2,920.00	Self-use
Dell Vostro 14VR-1528B 14-inch light business laptop	Purchase	30 September 2016	Set	1.00	2,999.00	2,999.00	Self-use

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AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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(English translation for reference only)

Detailed list of fixed assets (Cont'd)

XI.

Name	Source	Date	Unit	Qty.	Unit price	Amount	Usage
Dell Vostro 14-inch light business laptop	Purchase	31 October 2016	Set	1.00	3,299.00	3,299.00	Self-use
Dell Vostro 14VR-1728B 14-inch business office laptop	Purchase	24 November 2016	Set	2.00	3,799.00	7,598.00	Self-use
Dell Vostro 14VR-1728B 14-inch business laptop	Purchase	29 November 2016	Set	5.00	3,599.00	17,995.00	Self-use
Dell Vostro 14VR-1728B 14-inch business laptop	Purchase	29 November 2016	Set	1.00	3,799.00	3,799.00	Self-use
Dell Vostro 14VR-1728B 14-inch business laptop	Purchase	31 December 2016	Set	2.00	3,599.00	7,198.00	Self-use
Vostro 14VR-2729BB business laptop	Purchase	28 February 2017	Set	1.00	3,800.00	3,800.00	Self-use
Dell Vostro 14VR-2729BB 14-inch business laptop	Purchase	31 March 2017	Set	1.00	4,348.80	4,348.80	Self-use
Dell 7000R1526S 14-inch business laptop	Purchase	31 March 2017	Set	2.00	4,999.00	9,998.00	Self-use
Dell 14-inch business laptop	Purchase	30 April 2017	Set	2.00	4,443.59	8,887.18	Self-use
EPSON scanner	Purchase	30 April 2017	Set	1.00	2,288.89	2,288.89	Self-use
HP printer	Purchase	31 May 2017	Set	1.00	1,588.89	1,588.89	Self-use
Lenovo Xiaoxin laptop	Purchase	31 May 2017	Set	1.00	4,272.65	4,272.65	Self-use
Dell Inspiron light narrow bezel laptop	Purchase	30 June 2017	Set	2.00	4,272.65	8,545.30	Self-use
Dell 7000R1526S 14-inch business laptop	Purchase	31 July 2017	Set	2.00	4,271.79	8,543.58	Self-use
Dell 7000R1526S 14-inch business laptop	Purchase	31 July 2017	Set	1.00	4,271.80	4,271.80	Self-use
Switch	Purchase	31 August 2017	Set	1.00	7,863.25	7,863.25	Self-use
Firewall	Purchase	31 August 2017	Set	1.00	9,572.65	9,572.65	Self-use
DELL laptop	Purchase	31 August 2017	Set	1.00	4,700.85	4,700.85	Self-use
Computer	Purchase	31 August 2017	Set	1.00	4,700.85	4,700.85	Self-use
Computer	Purchase	31 August 2017	Set	1.00	4,700.85	4,700.85	Self-use
Dell laptop	Purchase	31 August 2017	Set	1.00	4,700.85	4,700.85	Self-use
Dell laptop	Purchase	30 September 2017	Set	3.00	4,101.71	12,305.13	Self-use
Laptop	Purchase	31 October 2017	Set	3.00	4,529.06	13,587.18	Self-use
Wireless AP	Purchase	31 October 2017	Set	1.00	2,136.75	2,136.75	Self-use
Lenovo laptop	Purchase	30 November 2017	Set	1.00	5,127.35	5,127.35	Self-use
ipad mini4	Purchase	30 November 2017	Set	18.00	2,794.72	50,304.96	Self-use
Lenovo laptop	Purchase	30 November 2017	Set	4.00	2,794.70	11,178.80	Self-use
Lenovo laptop	Purchase	12 March 2018	Set	1.00	4,272.65	4,272.65	Self-use
Lenovo laptop	Purchase	24 April 2018	Set	2.00	4,268.37	8,536.74	Self-use
Lenovo laptop	Purchase	24 April 2018	Set	2.00	4,268.38	8,536.76	Self-use
Lenovo laptop	Purchase	24 April 2018	Set	1.00	4,271.79	4,271.79	Self-use
Lenovo laptop	Purchase	24 April 2018	Set	1.00	4,272.65	4,272.65	Self-use
Laptop	Purchase	31 May 2018	Set	1.00	4,529.06	4,529.06	Self-use

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AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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XI. Detailed list of fixed assets (Cont'd)

Name	Source	Date	Unit	Qty.	Unit price	Amount	Usage
Computer monitor	Purchase	31 May 2018	Set	1.00	794.02	794.02	Self-use
ASUS laptop	Purchase	30 June 2018	Set	1.00	4,093.96	4,093.96	Self-use
ASUS desktop	Purchase	30 June 2018	Set	1.00	22,413.79	22,413.79	Self-use
ASUS desktop	Purchase	30 June 2018	Set	1.00	12,931.03	12,931.03	Self-use
Lenovo laptop	Purchase	30 June 2018	Set	1.00	4,310.34	4,310.34	Self-use
DELL laptop	Purchase	31 July 2018	Set	1.00	4,309.48	4,309.48	Self-use
DELL laptop	Purchase	31 July 2018	Set	1.00	4,309.49	4,309.49	Self-use
Lenovo laptop	Purchase	31 July 2018	Set	1.00	4,266.38	4,266.38	Self-use
Samsung display	Purchase	31 July 2018	Set	3.00	775.00	2,325.00	Self-use
Lenovo laptop	Purchase	31 July 2018	Set	1.00	4,300.00	4,300.00	Self-use
Lenovo laptop	Purchase	31 July 2018	Set	1.00	4,308.62	4,308.62	Self-use
Lenovo laptop	Purchase	31 July 2018	Set	1.00	4,309.46	4,309.46	Self-use
Zhytun EQS 50 Mark IV body only	Purchase	31 July 2018	Set	1.00	3,792.24	3,792.24	Self-use
Canon EOS 6D Mark IV	Purchase	31 July 2018	Set	1.00	15,916.36	15,916.36	Self-use
Canon EOS 6D Mark IV Camera (EF 24-105mm f/4L IS II USA)	Purchase	31 July 2018	Set	1.00	19,481.90	19,481.90	Self-use
Canon EF 16-35mm f/2.8L III	Purchase	31 July 2018	Set	1.00	10,775.00	10,775.00	Self-use
Canon EF 24-70mm f/2.8L II	Purchase	31 July 2018	Set	1.00	9,039.86	9,039.86	Self-use
Canon EF 70-200mm f/2.8L IS II	Purchase	31 July 2018	Set	1.00	10,084.49	10,084.49	Self-use
Canon EF 50mm f/1.4	Purchase	31 July 2018	Set	1.00	2,066.11	2,066.11	Self-use
TERNS TX-76L PLUS aluminium tripod	Purchase	31 July 2018	Set	2.00	3,500.00	7,000.00	Self-use
Sony UWP-D11 belt-pack wireless microphone	Purchase	31 July 2018	Set	1.00	2,999.00	2,999.00	Self-use
Lenovo laptop	Purchase	30 September 2018	Set	1.00	5,775.00	5,775.00	Self-use
Projector	Purchase	30 September 2018	Set	1.00	4,465.52	4,465.52	Self-use
Computer monitor	Purchase	31 January 2019	Set	1.00	766.38	766.38	Self-use
Lenovo laptop	Purchase	31 March 2019	Set	1.00	4,826.72	4,826.72	Self-use
Huawei basic set of electronic computer	Purchase	30 April 2019	Set	3.00	4,600.88	13,802.64	Self-use
Senior of electronic computer	Purchase	31 May 2019	Set	1.00	16,814.16	16,814.16	Self-use
KVM switch	Purchase	31 May 2019	Set	1.00	6,637.17	6,637.17	Self-use
Electronic invoice server	Purchase	30 June 2019	Set	1.00	972.56	972.56	Self-use
Electronic invoice server	Purchase	31 July 2019	Set	1.00	15,752.21	15,752.21	Self-use
Lenovo Xiaoxin laptop	Purchase	31 July 2019	Set	1.00	16,106.19	16,106.19	Self-use
Lenovo Xiaoxin laptop	Purchase	31 August 2019	Set	1.00	3,538.94	3,538.94	Self-use
Office desk	Purchase	29 September 2019	Set	1.00	4,248.90	4,248.90	Self-use
Conference table - large size	Purchase	29 June 2016	Set	1.00	5,800.00	5,800.00	Self-use
Document cabinet	Purchase	29 June 2016	Set	1.00	14,200.00	14,200.00	Self-use
Conference table - medium size	Purchase	29 June 2016	Set	1.00	3,200.00	3,200.00	Self-use
Document cabinet	Purchase	29 June 2016	Set	1.00	4,300.00	4,300.00	Self-use
Total					752.21	752,486.39	

AI YOU FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB Yuan unless otherwise stated)
(English translation for reference only)

XII. Operating lease commitments

Item	31 December 2019	31 December 2018
Within 1 year	2,824,046.16	3,049,686.72
1 to 2 years	-	2,795,546.16
Total	2,824,046.16	5,845,232.88

XIII. Notes to the assets with timing or usage limits posed by assets providers

The Foundation received limited donation amounted to RMB 194,436,312.66 in 2019 donated by entities or individuals. The Foundation used the assets in public welfare projects as specified in the contract.

XIV. Notes to entrusted business

The Foundation had no entrusted business for the year ended 31 December 2019.

XV. Notes to impairment of significant assets

The Foundation had no impairment of significant assets.

XVI. Notes to donated assets and other assets with no reliable fair value

The Foundation had no donated assets and other assets with unavailable fair value as at 31 December 2019.

XVII. Notes to labour service donation received

The Foundation received no labour service donation for the year ended 2019.

XVIII. Notes to events after balance sheet date not subject to adjustment

The Foundation had no events after balance sheet date not subject to adjustment.

AI YOU FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

(All amounts in RMB, Yuan unless otherwise stated)
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XIX. Other pending issues

The Foundation had no other issues need to be specified as at 31 December 2019.

The above financial statements of the Foundation for the year ended 31 December 2019 and notes to the financial statement are prepared in compliance with the *Accounting System for Non-governmental Non-profit Organisations*.

Name of the Foundation: (Stamp)

Legal representative of the Foundation: (Signature)

Date: 19 March 2020

Head of Financial Department: (Signature)

Date: 19 March 2020

AI YOU FOUNDATION

SUPPLEMENTARY INFORMATION PROVIDED BY MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2019

[English translation for reference only]

- General information
- Financial position
- Related financial information of the Foundation

AI YOU FOUNDATION
SUPPLEMENTARY INFORMATION PROVIDED BY MANAGEMENT
(English translation for reference only)

III. Related financial information of the Foundation
31 December 2019

Name of the Foundation	Ai You Foundation		
Unified social credit code	531000005000210435		
Office address	Room 2408, 24/F, Kuntai International Building, B12 Chaowai Avenue, Chaoyang District, Beijing	Date of registration	6 May 2008
Tel:	+86 (10) 50948839	Zip code	100020
Legal representative	Geng Yuan	Major fund source	Revenue from donation
Deposit bank	Vantone Centre Branch of the CMBC		
Bank account	110908540910703		
Name of financial unit	Financial Department	Tel:	13810074137
Name of accountant	Gao Shan	Full-time or part-time	Full-time
Name of bookkeeping agency	Nil	Name of the person in charge of the bookkeeping agency	Nil
Unified social credit code	531000005000210435		
Branches and representative institutions with bank accounts and their deposit banks and corresponding bank accounts	Nil		
Entities	Nil		

AI YOU FOUNDATION
SUPPLEMENTARY INFORMATION PROVIDED BY MANAGEMENT
(English translation for reference only)

I. General information

The social credit code of Ai You Foundation is 531000005000210435. On 6 May 2008, the Ministry of Civil Affairs of the PRC approved the issuance of legal person registration certificate to the Foundation, with Geng Yuan as the legal representative. The address of the Foundation is Room 2408, 24/F, Kuntai International Building, B12 Chaowai Avenue, Chaoyang District, Beijing. The Foundation is a public offering foundation with the original fund of RMB 20 million under the regulation of the Ministry of Civil Affairs, and has not established any branch as at 31 December 2019.

II. Financial position

- As at 31 December 2019, Ai You Foundation had total assets of RMB 629,173,293.22, of which cash at bank and on hand, short-term investments and receivables amounted to RMB 21,185,424.75, RMB 588,905,905.66 and RMB 2,291,834.85, respectively; prepaid expenses, other current assets, fixed assets and long-term equity investments amounted to RMB 290,946.01, RMB 818,312.73, RMB 238,104.29 and RMB 15,442,764.93, respectively.
- As at 31 December 2019, Ai You Foundation's total liabilities amounted to RMB 8,014,302.52, including current liabilities of RMB 8,014,302.52.
- As at 31 December 2019, Ai You Foundation's total net assets amounted to RMB 621,158,980.70, including limited net assets of RMB 130,156,579.59 and unlimited net assets of RMB 491,002,411.11.
- Revenue of Ai You Foundation for the year ended 31 December 2019 was RMB 283,923,540.65, including revenue from donation of RMB 261,695,154.60, revenue from rendering of service of RMB 83,490.57, investment income of RMB 21,950,228.66, and other income of RMB 194,666.82.
- Expenditure of Ai You Foundation for the year ended 31 December 2019 were RMB 279,910,331.41, including business activity cost, general and administrative expenses and financing expenses of RMB 255,515,131.61, RMB 14,755,922.18 and RMB 9,639,277.62, respectively.
- For the year ended 31 December 2019, the Foundation spent a total of RMB 255,515,131.61 in public welfare activities. The revenue of the Foundation for the prior year, net of incomes with time limit that are not allowed to be spent in the prior year, plus the net assets cleared of the time limit, amounted to RMB 349,510,619.67. Total expenditure related to public welfare activities in 2019 accounted for 73.11% of the Foundation's revenue in the prior year. General and administrative expenses, including labour costs, administrative & office expenses and professional service expenses, amounted to RMB 14,755,922.18, accounting for 5.27% of the total expenditure for the current year.



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