CONSOLIDATED FINANCIAL STATEMENTS

AND

REPORT OF THE AUDITORS

Hainan Jingliang Holdings Co., LTD.

FOR THE YEAR ENDED 31 DECEMBER, 2025

TianYuanQuan Certified Public Accountants [2026] Audit No. 000250

天 圆 全 会 计 师 事 务 所

TIANYUANQUAN CERTIFIED PUBLIC ACCOUNTANTS LLP

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AUDITOR'S REPORT

Tianyuanquan Audit No. [2026] 000250

To: Hainan Jingliang Holdings Co., Ltd.

I. Audit Opinion

We have audited the financial statements of Hainan Jingliang Holdings Co., Ltd. (hereinafter referred to as the "Jingliang Holdings Company"), which comprise the consolidated and parent company balance sheets as at December 31, 2025, the consolidated and parent company income statements, cash flow statements, and statements of changes in owners' equity for the year 2025, as well as the related notes to the financial statements.

In our opinion, the accompanying financial statements have been prepared, in all material respects, in accordance with the Accounting Standards for Business Enterprises, and fairly present the consolidated and parent company financial position of Jingliang Holdings Company as at December 31, 2025, and the consolidated and parent company operating results and cash flows for the year 2025.

II. Basis for Audit Opinion

We conducted our audit in accordance with the Chinese Standards on Auditing for Certified Public Accountants. Our responsibilities under those standards are further described in the section of the auditor's report entitled "Certified Public Accountants' Responsibilities for the Audit of the Financial Statements." In accordance with the Code of Ethics for Chinese Certified Public Accountants, we are independent of Jingliang Holdings Company and have fulfilled our other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our audit opinion thereon, and we do not express a separate opinion on these matters.

(I) Revenue recognition

1. Description of the matter

For the year 2025, as disclosed in "Note V, 42" to the financial statements, the operating revenue in the consolidated income statement of Jingliang Holdings amounted to RMB 7,858,535,847.11, mainly derived from oil and oilseed processing and sales, as well as food processing and sales. The occurrence and cutoff of operating revenue have a significant impact on the operating results of Jingliang Holdings. Therefore, we identified the occurrence and cutoff of operating revenue as a key audit matter.

2. Audit response

The main audit procedures we performed are as follows:

(1) Obtain an understanding of and test the entire process and related systems of the Company's sales and collection cycle, perform control tests over the sales and collection cycle, and evaluate the effectiveness of their design and operation;

(2) Examine the accounting policies, specific methods, and timing of revenue recognition adopted by the Company to determine whether they comply with the Accounting Standards for Business Enterprises;

(3) Perform analytical procedures on operating revenue, analyze the reasonableness of changes in the Company's gross profit margin, compare with similar indicators of the previous period, and identify and investigate the causes of abnormal fluctuations;

(4) On a sample basis, inspect original supporting documents related to revenue recognition, including contracts, invoices, and delivery notes;

(5) For operating revenue recognized before and after the balance sheet date,

inspect relevant contracts, invoices, delivery notes and other supporting documents, perform cutoff testing procedures, and evaluate whether sales revenue has been recorded in the appropriate accounting period;

(6) Performing confirmation procedures for accounts receivable and sales revenue, and conducting alternative testing procedures for samples with no confirmation responses.

(II) Goodwill impairment provision

1. Description of the matter

As of December 31, 2025, as disclosed in "Note V, 15" to the consolidated financial statements, the gross carrying amount of goodwill of Jingliang Holdings was RMB 191,394,422.51, the impairment provision was RMB 65,762,029.16, and the net carrying amount was RMB 125,632,393.35. The goodwill arose from the acquisition of Zhejiang Little Prince Food Co., Ltd. (hereinafter referred to as "Zhejiang Little Prince") in 2015. Management of Jingliang Holdings (hereinafter referred to as "management") conducted impairment testing on the above goodwill in accordance with the accounting policies set out in "Note III, 22" to the financial statements. The recoverable amount of the asset group containing goodwill was determined based on the present value of the estimated future cash flows under the going concern assumption, and management determined that the goodwill impairment amounted to RMB 65,762,029.16. Key parameters used in the goodwill impairment test include expected revenue growth rate, pre-tax operating profit margin, and discount rate, which involve significant accounting estimates and judgments. There is a risk of management bias in selecting assumptions and estimates; therefore, we identified the goodwill impairment provision as a key audit matter.

2. Audit response

The main audit procedures we performed are as follows:

(1) We obtained an understanding of and evaluated the design of internal controls related to goodwill impairment testing and tested the operating effectiveness of key controls, including the key assumptions and parameters adopted and the related internal controls;

(2) We evaluated the appropriateness of the method used by management for goodwill impairment testing. Through analysis of major economic indicators in historical years, interviews with management, and consideration of market developments, as well as comparison with industry or market data, we assessed the reasonableness of key parameters and major assumptions used in the goodwill impairment test, such as expected revenue growth rate, pre-tax operating profit margin, and discount rate;
(3) We tested the accuracy of the calculation process in the goodwill impairment test;
(4) We evaluated the accuracy of the forecast data for realized years. For example, we compared the previously estimated future cash flows in the prior year or at the acquisition date with the actual performance of the business for that year to consider whether management bias existed in management's goodwill impairment assessment process;
(5) Where the audited entity engaged a third-party expert to prepare the goodwill impairment testing report, in addition to performing the audit procedures in items (1) to (4) above, the audit engagement team also evaluated the competence, professional capabilities, and objectivity of the third-party expert and documented the evaluation results in the audit working papers, including obtaining the professional qualifications of the third-party expert, such as the business license of an appraisal institution qualified for securities and futures business and the asset appraiser qualification certificate.

IV. Other information

Management of Jingliang Holdings (hereinafter referred to as "management") is responsible for the other information. The other information comprises the information included in the 2025 annual report of Jingliang Holdings but does not include the financial statements and our auditor's report.

Our audit opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with the knowledge we obtained during the audit, or otherwise appears to be materially misstated.

Based on the work we have performed, if we conclude that there is a material misstatement in the other information, we are required to report that fact. In this regard, we have nothing to report.

V. Responsibilities of management and those charged with governance for the financial statements

Management of Jingliang Holdings Company (hereinafter referred to as "management") is responsible for preparing the financial statements in accordance with the Accounting Standards for Business Enterprises so as to achieve fair presentation, and for designing, implementing, and maintaining necessary internal controls to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ability of Jingliang Holdings Company to continue as a going concern, disclosing matters related to going concern (where applicable), and using the going concern assumption unless management intends to liquidate Jingliang Holdings Company, cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the financial reporting process of Jingliang Holdings Company.

VI. Certified public accountants' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 audit 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 may arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

In performing an audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. At the same time, we also perform the following work:

(1) Identify and assess the risks of material misstatement of the financial statements due to fraud or error, design and implement audit procedures to respond to

those risks, and obtain sufficient and appropriate audit evidence as a basis for our audit opinion. Because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control, the risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error.

(2) Obtain an understanding of internal controls relevant to the audit in order to design appropriate audit procedures.

(3) Evaluate the appropriateness of accounting policies used by management and the reasonableness of accounting estimates and related disclosures made by management.

(4) Conclude on the appropriateness of management's use of the going concern assumption and, based on the audit evidence obtained, determine whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Jingliang Holdings Company to continue as a going concern. If we conclude that a material uncertainty exists, auditing standards require that we draw attention in our auditor's report to the related disclosures in the financial statements; if such disclosures are inadequate, we should express a modified opinion. Our conclusions are based on the information available up to the date of the auditor's report. However, future events or conditions may cause Jingliang Holdings Company to cease to continue as a going concern.

(5) Evaluate the overall presentation, structure, and content of the financial statements, and assess whether the financial statements fairly present the underlying transactions and events.

(6) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within Jingliang Holdings Company to express an opinion on the financial statements. We are responsible for directing, supervising, and performing the group audit and remain solely responsible for our audit opinion.

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.

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Tianyuanquan Certified Public Accountants (Special General Partnership)	Chinese Certified Public Accountant (Engagement partner):
	Chinese Certified Public Accountant:
Beijing, P.R.China	**March 26, 2026**

Consolidated Balance Sheet

2025-12-31

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Note	Period-end balance	Balance at the end of the previous year
Current Assets:			
Monetary capital	V. 1	1,821,722,517.08	1,417,025,694.30
Transactional financial assets			
Derivative financial assets	V. 2		70,947,839.67
Notes receivable			
Accounts receivable	V. 3	98,216,373.71	91,439,895.13
Receivables financing			
Prepayment	V. 4	574,410,843.60	198,722,011.47
Other receivables	V. 5	173,257,419.17	455,148,011.66
Including: Interest receivable			
Dividends receivable			
Inventory	V. 6	1,421,929,091.40	2,357,805,420.92
Including: Data resources			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year	V. 7		10,694,166.66
Other current assets	V. 8	99,250,439.60	161,383,945.34
Total current assets		4,188,786,684.56	4,763,166,985.15
Non-current assets:			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity investment	V. 9	267,272,969.32	267,505,468.02
Other equity instruments investment			
Other non-current financial assets			
Investment property	V. 10	16,252,551.54	18,277,387.65
Fixed assets	V. 11	841,479,812.89	891,221,864.74
Construction in process	V. 12	88,960,509.10	50,058,378.98
Productive biological assets			
Oil-and-gas assets			
Right-of-use assets	V. 13	169,826,775.50	76,970,493.53
Intangible assets	V. 14	370,583,609.88	395,680,430.82
Including: Data resources			
Development expenditure			
Including: Data resources			
Goodwill	V. 15	125,632,393.35	191,394,422.51
Long-term deferred expenses	V. 16	3,362,646.84	17,403,238.18
Deferred income tax assets	V. 17	36,843,176.25	23,598,603.98
Other non-current assets	V. 18	9,281,092.22	5,682,032.40
Total non-current assets		1,929,495,536.89	1,937,792,320.81
Total assets		6,118,282,221.45	6,700,959,305.96

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Consolidated Balance Sheet

2025-12-31

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Note	Period-end balance	Balance at the end of the previous year
Current liabilities:			
Short-term borrowings	V. 20	1,136,260,975.85	1,311,609,177.78
Transactional financial liabilities			
Derivative financial liabilities	V. 21	3,815,280.00	30,979,464.00
Notes payable	V. 22	56,649,763.00	
Accounts payable	V. 23	66,273,857.12	127,879,265.40
Account collected in advance	V. 24	1,670,875.73	1,122,982.13
Contract liabilities	V. 25	275,724,804.27	522,267,254.98
Employee payroll payable	V. 26	29,353,455.84	27,703,136.66
Taxes payable	V. 27	38,204,738.18	19,999,374.52
Other payables	V. 28	62,493,915.38	58,529,914.31
Including: Interest payable		20,000,000.00	20,000,000.00
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year	V. 29	376,319,750.69	543,665,629.94
Other current liabilities	V. 30	36,800,107.16	97,380,074.75
Total current liabilities		2,083,567,523.22	2,741,136,274.47
Non-current liabilities:			
Long-term borrowings	V. 31	576,500,000.00	
Bonds payable	V. 32		299,250,000.00
Including: Preferred stock			
Perpetual capital bonds			
Lease liabilities	V. 33	135,451,638.57	50,700,060.93
Long-term payables			
Long-term payable to employees	V. 34	5,321,134.00	5,627,134.00
Estimated liabilities	V. 35	22,650,893.15	5,146,800.00
Deferred income	V. 36	53,936,649.47	56,731,497.62
Deferred income tax liabilities	V. 17	29,132,160.48	31,415,012.33
Other non-current liabilities			
Total non-current liabilities		822,992,475.67	448,870,504.88
Total liabilities		2,906,559,998.89	3,190,006,779.35
Owners' equity (or Shareholders' equity):			
Paid-in capital	V. 37	726,950,251.00	726,950,251.00
Other equity instruments			
Including: Preferred stock			
Perpetual capital bonds			
Capital reserves	V. 38	1,683,673,958.02	1,683,673,958.02
Less: treasury stock			
Other comprehensive income	V. 39	1,059,574.92	1,763,043.44
Special reserves			
Surplus reserves	V. 40	144,701,147.27	137,418,617.07
Undistributed profit	V. 41	307,028,112.53	593,483,706.16
Owner's Equity (or shareholder's equity) Attributable to Shareholders of the Parent Company		2,863,413,043.74	3,143,289,575.69
Minority equity		348,309,178.82	367,662,950.92
Total owners' equity (or shareholders' equity)		3,211,722,222.56	3,510,952,526.61
Total liabilities and owners' equity (or shareholders' equity)		6,118,282,221.45	6,700,959,305.96

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Balance Sheet of Parent Company

2025-12-31

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Note	Period-end balance	Balance at the end of the previous year
Current Assets:			
Monetary capital		341,590,983.27	343,402,502.17
Transactional financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing			
Prepayment			
Other receivables	XXVII. 1	930,000,000.00	948,000,000.00
Including: Interest receivable			
Dividends receivable			18,000,000.00
Inventory			
Including: Data resources			
Contract assets			
Held-for-sale assets			
Non-current assets due within one year			
Other current assets		588,414.42	342,287.50
Total current assets		1,272,179,397.69	1,291,744,789.67
Non-current assets:			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity investment	XXVII. 2	2,442,399,283.19	2,340,799,283.19
Other equity instruments investment			
Other non-current financial assets			
Investment property		4,520,056.97	4,858,318.61
Fixed assets		4,841,558.75	5,533,490.67
Construction in process			
Productive biological assets			
Oil-and-gas assets			
Right-of-use assets			
Intangible assets			
Including: Data resources			
Development expenditure			
Including: Data resources			
Goodwill			
Long-term deferred expenses		290,547.43	393,093.55
Deferred income tax assets			
Other non-current assets		7,326,142.22	5,035,082.40
Total non-current assets		2,459,377,588.56	2,356,619,268.42
Total assets		3,731,556,986.25	3,648,364,058.09

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Balance Sheet of Parent Company

2025-12-31

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Note	Period-end balance	Balance at the end of the previous year
Current liabilities:			
Short-term borrowings			
Transactional financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable		236,000.00	15,383.17
Account collected in advance			
Contract liabilities			
Employee payroll payable		150,534.39	151,075.75
Taxes payable		105,528.51	89,545.33
Other payables		21,383,284.41	21,267,504.53
Including: Interest payable		20,000,000.00	20,000,000.00
Dividends payable			
Held-for-sale liabilities			
Non-current liabilities due within one year		302,580,000.00	2,880,000.00
Other current liabilities			
Total current liabilities		324,455,347.31	24,403,508.78
Non-current liabilities:			
Long-term borrowings			
Bonds payable			299,250,000.00
Including: Preferred stock			
Perpetual capital bonds			
Lease liabilities			
Long-term payables			
Long-term payable to employees			
Estimated liabilities		22,650,893.15	
Deferred income			
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		22,650,893.15	299,250,000.00
Total liabilities		347,106,240.46	323,653,508.78
Owners' equity (or Shareholders' equity):			
Paid-in capital		726,950,251.00	726,950,251.00
Other equity instruments			
Including: Preferred stock			
Perpetual capital bonds			
Capital reserves		2,386,924,900.84	2,386,924,900.84
Less: treasury stock			
Other comprehensive income			
Special reserves			
Surplus reserves		132,065,774.68	124,783,244.48
Undistributed profit		138,509,819.27	86,052,152.99
Total owners' equity		3,384,450,745.79	3,324,710,549.31
Total liabilities and owners' equity		3,731,556,986.25	3,648,364,058.09

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Consolidated Income Statement

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. | Monetary Unit: RMB Yuan

Items	Note	Amount for the current period	Amount for the prior period
I. Total operating income	Ⅴ. 42	7,858,535,847.11	11,434,843,516.27
Including: Operating income		7,858,535,847.11	11,434,843,516.27
II. Total operating cost	Ⅴ. 42	7,983,627,943.13	11,355,705,803.09
Including: Operating cost		7,508,646,116.01	10,914,648,084.71
Tax and surcharges	Ⅴ. 43	29,449,761.72	30,945,038.63
Selling expenses	Ⅴ. 44	154,367,070.54	140,518,419.42
Administration expenses	Ⅴ. 45	213,476,195.17	199,231,019.64
Research and development expenses	Ⅴ. 46	19,274,443.12	24,982,468.62
Financial expenses	Ⅴ. 47	58,414,356.57	45,380,772.07
Including: interest expenses		65,081,667.94	60,492,426.83
Interest income		14,028,391.88	17,628,504.01
Add: Other income	Ⅴ. 48	14,628,099.32	19,031,421.09
Income from investment (Losses shall be filled in with “-”)	Ⅴ. 49	983,910.21	12,546,903.92
Including: income from investment on joint venture and cooperative enterprise		-232,498.70	12,546,903.92
income from derecognition of financial assets measured at amortized cost			
Income from net exposure hedging(Losses shall be filled in with “-”)			
Income from changes in fair value (Losses shall be filled in with “-”)	Ⅴ. 50	-59,953,281.42	-116,999,895.87
Credit impairment loss(Losses shall be filled in with “-”)	Ⅴ. 51	-35,107,765.59	6,735,814.75
Income from assets impairment(Losses shall be filled in with “-”)	Ⅴ. 52	-109,096,137.70	-13,819,833.62
Income from asset disposal (Losses shall be filled in with “-”)	Ⅴ. 53	14,708,222.06	63,830.72
III. Operating profit (Losses shall be filled in with “-”)		-298,929,049.14	-13,304,045.83
Add: non-operating income	Ⅴ. 54	14,589,622.93	11,249,072.43
Less: non-operating expenditure	Ⅴ. 55	20,606,002.60	5,595,403.68
IV. Total profit (Total losses shall be filled in with “-”)		-304,945,428.81	-7,650,377.08
Less: income tax expense	Ⅴ. 56	-5,764,160.59	-11,962,291.26
V. Net profit (Net loss shall be filled in with “-”)		-299,181,268.22	4,311,914.18
(I) Classified by operations continuity			
1. Net profit from continuing operations (Net loss shall be filled in with “-”)		-299,181,268.22	4,311,914.18
2. Net profit from discontinuing operations (Net loss shall be filled in with “-”)			
(II) Classified by ownership attribution			
1、Net profit attributable to shareholders of the parent company (Net loss shall be filled in with “-”)		-266,087,957.92	26,130,520.86
2、Minority interest income (Net loss shall be filled in with “-”)		-33,093,310.30	-21,818,606.68
VI. Net of tax from other comprehensive income		-703,468.52	393,062.52
(I)Net of tax from other comprehensive income attributable to shareholders of the parent company		-703,468.52	393,062.52
1.Other comprehensive income that cannot be reclassified into the profit and loss			
（1）Remeasure changes in defined benefit plans			
（2）Other comprehensive income that cannot be transferred to gains and losses under the equity method			
（3）Changes in fair value of other equity instrument investments			
（4）Changes in the fair value of the company's own credit risk			
（5）Others			
2.Other comprehensive income that will be reclassified into the profit and loss		-703,468.52	393,062.52
（1）Other comprehensive income that can be transferred to gains and losses under the equity method			
（2）Changes in fair value of other debt investments			
（3）Reclassification of financial assets included in other comprehensive income			
（4）Provision for credit impairment of other debt investments			
（5）Cash flow hedge reserve			
（6）Balance arising from the translation of foreign currency		-703,468.52	393,062.52
（7）Others			
（II） Net of tax from other comprehensive income attributable to minority shareholder			
VII. Total comprehensive income		-299,884,736.74	4,704,976.70
(I) Total comprehensive income attributable to shareholders of the parent company		-266,791,426.44	26,523,583.38
(II)Total comprehensive income attributable to minority shareholder		-33,093,310.30	-21,818,606.68
VIII. Earnings per share:			
(I) Basic earnings per share		-0.37	0.04
(II) Diluted earnings per share		-0.37	0.04

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Income Statement of Parent Company

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Note	Amount for the current period	Amount for the prior period
I. Total operating income	XXVII.3	2,553,338.81	2,448,223.41
Less：Operating cost	XXVII.3	338,261.64	340,195.56
Tax and surcharges		491,128.68	419,211.65
Selling expenses		800.00	
Administration expenses		7,633,584.86	7,077,381.80
Research and development expenses			
Financial expenses		7,722,795.24	-6,510,160.02
Including: interest expenses		9,090,000.00	9,090,000.00
Interest income		1,357,172.47	15,714,019.68
Add: Other income		66,345.27	619,000.43
Income from investment (Losses shall be filled in with “-”)	XXVII.4	86,434,733.13	63,700,859.50
Including: Investment income from associates and joint ventures			
Gains from derecognition of financial assets measured at amortized cost (losses presented with “–”)			
Income from net exposure hedging(Losses shall be filled in with “-”)			
Income from changes in fair value (Losses shall be filled in with “-”)			
Credit impairment loss(Losses shall be filled in with “-”)			
Income from assets impairment(Losses shall be filled in with “-”)			
Income from asset disposal (Losses shall be filled in with “-”)			
II. Operating profit (Losses shall be filled in with “-”)		72,867,846.79	65,441,454.35
Add: non-operating income			10,611,984.69
Less: non-operating expenditure		42,544.80	64,168.34
III. Total profit (Total losses shall be filled in with “-”)		72,825,301.99	75,989,270.70
Less: income tax expense			
IV. Net profit (Net loss shall be filled in with “-”)		72,825,301.99	75,989,270.70
(I) Net profit from continuing operations (Net loss shall be filled in with “-”)		72,825,301.99	75,989,270.70
(II) Net profit from discontinuing operations (Net loss shall be filled in with “-”)			
V. Net of tax from other comprehensive income			
(I) Other comprehensive income that cannot be reclassified into the profit and loss			
1.Remeasure changes in defined benefit plans			
2. Other comprehensive income that cannot be transferred to gains and losses under the equity method			
3.Changes in fair value of other equity instrument investments			
4. Changes in the fair value of the company's own credit risk			
5. Others			
(II) Other comprehensive income that will be reclassified into the profit and loss			
1. Other comprehensive income that can be transferred to gains and losses under the equity method			
2. Changes in fair value of other debt investments			
3. Reclassification of financial assets included in other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedge reserve			
6. Balance arising from the translation of foreign currency			
7. Others			
VI. Total comprehensive income		72,825,301.99	75,989,270.70
VII. Earnings per share			
(I) Basic earnings per share			
(II) Diluted earnings per share			

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Consolidated Cash Flow Statement

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd.

Monetary Unit: RMB Yuan

Items	Note	Amount for the current period	Amount for the prior period
I. Cash Flows from Operating Activities:			
Cash Receipts from Sales of Goods or Rendering of Services		9,756,862,086.55	12,599,938,049.04
Tax Refund Receipts		8,982,718.87	13,810,514.51
Other Cash Receipts Concerning Operating Activities	V. 58	7,253,775,666.89	7,455,484,587.56
Subtotal of Cash Inflows from Operating Activities		17,019,620,472.31	20,069,233,151.11
Cash Paid for Purchase of Goods and Accepting Services		8,832,660,339.64	12,272,299,857.43
Cash Paid to and for Employees		318,859,639.11	341,197,234.02
Taxes and Fees Paid		107,131,194.48	101,781,987.32
Other Cash Paid Concerning Operating Activities	V. 58	7,114,192,597.58	7,463,424,794.29
Subtotal of Cash Outflows from Operating Activities		16,372,843,770.81	20,178,703,873.06
Net Cash Flows from Operating Activities		646,776,701.50	-109,470,721.95
II. Cash Flows from Investment Activities:			
Cash Receipts from Disinvestment		39,781,480.00	82,188,083.34
Cash Receipts from Returns on Investments		900,000.00	156,138.88
Net Cash from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets		26,932,706.62	658,029.92
Net Cash Received by Disposal of Subsidiaries and Other Business Units			
Other Cash Receipts Concerning Investment Activities			
Subtotal of Cash Inflows from Investment Activities		67,614,186.62	83,002,252.14
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets		100,318,544.87	47,507,672.28
Cash Paid for Investments	V. 58	28,455,594.28	
Net Cash Paid for obtaining Subsidiaries and Other Business Units			
Other Cash Paid Concerning Investment Activities			1,747,611.95
Subtotal of Cash Outflows from Investment Activities		128,774,139.15	49,255,284.23
Net Cash Flows from Investment Activities		-61,159,952.53	33,746,967.91
III. Cash Flows from Financing Activities:			
Cash Receipts from Accepting Investment		1,500,000.00	
Including: Cash Received by Subsidiaries Absorbing the Investment from Minority Shareholders		1,500,000.00	
Cash Receipts from Borrowings		4,183,352,814.46	3,897,716,986.18
Other Cash Receipts Concerning Financing Activities	V. 58		840,000.00
Subtotal of Cash Inflows from Financing Activities		4,184,852,814.46	3,898,556,986.18
Cash Paid for Repayment of Debts		4,242,136,781.66	3,808,716,986.18
Cash Paid for Distribution of Dividends, Profits or Repayment of Interests		73,253,880.92	128,096,325.56
Including: Dividends and Profits Paid by Subsidiaries to Minority Shareholders		1,444,489.44	18,346,200.00
Other Cash Paid Concerning Financing Activities	V. 58	48,020,107.53	15,224,400.00
Subtotal of Cash Outflows from Financing Activities		4,363,410,770.11	3,952,037,711.74
Net Cash Flows from Financing Activities		-178,557,955.65	-53,480,725.56
IV. Exchange Rate Fluctuation Consequences on Cash and Cash Equivalents		-14,267,358.65	-15,914,853.58
V. Net Increase in Cash and Cash Equivalents		392,791,434.67	-145,119,333.18
Add: Opening Balance of Cash and Cash Equivalents		1,395,519,746.77	1,540,639,079.95
VI. Closing Balance of Cash and Cash Equivalents		1,788,311,181.44	1,395,519,746.77

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Cash Flow Statement of Parent Company

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Note	Amount for the current period	Amount for the prior period
I. Cash Flows from Operating Activities:			
Cash Receipts from Sales of Goods or Rendering of Services		782,063.24	1,745,187.40
Tax Refund Receipts			
Other Cash Receipts Concerning Operating Activities		26,867,165.38	5,058,125.87
Subtotal of Cash Inflows from Operating Activities		27,649,228.62	6,803,313.27
Cash Paid for Purchase of Goods and Accepting Services		20,183.17	932.98
Cash Paid to and for Employees		1,687,343.34	2,305,621.57
Taxes and Fees Paid		480,260.93	1,067,505.83
Other Cash Paid Concerning Operating Activities		27,942,431.85	6,930,232.03
Subtotal of Cash Outflows from Operating Activities		30,130,219.29	10,304,292.41
Net Cash Flows from Operating Activities		-2,480,990.67	-3,500,979.14
II. Cash Flows from Investment Activities:			
Cash Receipts from Disinvestment			372,687,877.46
Cash Receipts from Returns on Investments		104,434,733.13	32,455,704.26
Net Cash from Disposal of Fixed Assets, Intangible Assets and Other Long-term Assets			3,444.00
Net Cash Received by Disposal of Subsidiaries and Other Business Units			
Other Cash Receipts Concerning Investment Activities			
Subtotal of Cash Inflows from Investment Activities		104,434,733.13	405,147,025.72
Cash Paid for Purchase and Construction of Fixed Assets, Intangible Assets and Other Long-term Assets		2,323,959.82	2,573,332.40
Cash Paid for Investments		101,600,000.00	20,000,000.00
Net Cash Paid for obtaining Subsidiaries and Other Business Units			
Other Cash Paid Concerning Investment Activities			
Subtotal of Cash Outflows from Investment Activities		103,923,959.82	22,573,332.40
Net Cash Flows from Investment Activities		510,773.31	382,573,693.32
III. Cash Flows from Financing Activities:			
Cash Receipts from Accepting Investment			
Cash Receipts from Borrowings			
Other Cash Receipts Concerning Financing Activities			840,000.00
Subtotal of Cash Inflows from Financing Activities			840,000.00
Cash Paid for Repayment of Debts			
Cash Paid for Distribution of Dividends, Profits or Repayment of Interests		21,712,061.56	60,253,467.82
Other Cash Paid Concerning Financing Activities			
Subtotal of Cash Outflows from Financing Activities		21,712,061.56	60,253,467.82
Net Cash Flows from Financing Activities		-21,712,061.56	-59,413,467.82
IV. Exchange Rate Fluctuation Consequences on Cash and Cash Equivalents			
V. Net Increase in Cash and Cash Equivalents		-23,682,278.92	319,659,246.36
Add: Opening Balance of Cash and Cash Equivalents		343,402,502.17	23,743,255.81
VI. Closing Balance of Cash and Cash Equivalents		319,720,223.25	343,402,502.17

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Consolidated Statement of Changes in Equity

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Current Amount												
	Shareholder's Equity attributable to the Parent Company											Minority equity	Total shareholders' equities
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Subtotal		
		Preferred stock	Perpetual bond	Others									
I. Year-end balance of last year	726,950,251.00				1,683,673,958.02		1,763,043.44		137,418,617.07	593,483,706.16	3,143,289,575.69	367,662,950.92	3,510,952,526.61
Add: changes in accounting policies													
Correction of prior period errors													
Merger of enterprises under the same control													
Other													
II. Balance at beginning of current year	726,950,251.00				1,683,673,958.02		1,763,043.44		137,418,617.07	593,483,706.16	3,143,289,575.69	367,662,950.92	3,510,952,526.61
III. Increases and decreases of current year (Decrease shall be filled in with "-")							-703,468.52		7,282,530.20	-286,455,593.63	-279,876,531.95	-19,353,772.10	-299,230,304.05
(I) Total comprehensive income							-703,468.52			-266,087,957.92	-266,791,426.44	-33,093,310.30	-299,884,736.74
(II) Investment of shareholders and capital reduction												15,545,150.00	15,545,150.00
1. Common equity invested by shareholders												15,545,150.00	15,545,150.00
2. Capital invested by other equity instruments holders													
3. The amount of shares recorded into the shareholder's equity													
4. Others													
(III) Distribution of profits									7,282,530.20	-20,367,635.71	-13,085,105.51	-1,805,611.80	-14,890,717.31
1. Withdrawal of surplus reserves									7,282,530.20	-7,282,530.20			
2. Distribution to shareholders										-13,085,105.51	-13,085,105.51	-1,805,611.80	-14,890,717.31
3. Others													
(IV) Inner carrying-over of shareholders' equities													
1. Capital reserve converted into capital (or capital stock)													
2. Surplus public accumulation converted into capital (or capital stock)													
3. Surplus public accumulation loss remedy													
4. Change in defined benefit plan carried forward to retained earnings													
5.Other comprehensive income carried forward to retained earnings													
6. Others													
(V) Special reserve													
1. Withdrawal for current period													
2. Use for current period													
(VI) Others													
IV. Closing balance of current year	726,950,251.00				1,683,673,958.02		1,059,574.92		144,701,147.27	307,028,112.53	2,863,413,043.74	348,309,178.82	3,211,722,222.56

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Consolidated Statement of Changes in Equity

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Amount of Last Period												
	Shareholder's Equity attributable to the Parent Company											Minority equity	Total shareholders' equities
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Subtotal		
		Preferred stock	Perpetual bond	Others									
I. Year-end balance of last year	726,950,251.00				1,681,808,108.07		1,369,980.92		129,819,690.00	627,555,511.45	3,167,503,541.44	407,827,757.60	3,575,331,299.04
Add: changes in accounting policies													
Correction of prior period errors					989,931.26					-989,931.26			
Merger of enterprises under the same control													
Other													
II. Balance at beginning of current year	726,950,251.00				1,682,798,039.33		1,369,980.92		129,819,690.00	626,565,580.19	3,167,503,541.44	407,827,757.60	3,575,331,299.04
III. Increases and decreases of current year (Decrease shall be filled in with "-")					875,918.69		393,062.52		7,598,927.07	-33,081,874.03	-24,213,965.75	-40,164,806.68	-64,378,772.43
(I) Total comprehensive income							393,062.52			26,130,520.86	26,523,583.38	-21,818,606.68	4,704,976.70
(II) Investment of shareholders and capital reduction					875,918.69						875,918.69		875,918.69
1. Common equity invested by shareholders													
2. Capital invested by other equity instruments holders													
3. The amount of shares recorded into the shareholder's equity													
4. Others					875,918.69						875,918.69		875,918.69
(III) Distribution of profits									7,598,927.07	-59,212,394.89	-51,613,467.82	-18,346,200.00	-69,959,667.82
1. Withdrawal of surplus reserves									7,598,927.07	-7,598,927.07			
2. Distribution to shareholders										-51,613,467.82	-51,613,467.82	-18,346,200.00	-69,959,667.82
3. Others													
(IV) Inner carrying-over of shareholders' equities													
1. Capital reserve converted into capital (or capital stock)													
2. Surplus public accumulation converted into capital (or capital stock)													
3. Surplus public accumulation loss remedy													
4. Change in defined benefit plan carried forward to retained earnings													
5.Other comprehensive income carried forward to retained earnings													
6. Others													
(V) Special reserve													
1. Withdrawal for current period													
2. Use for current period													
(VI) Others													
IV. Closing balance of current year	726,950,251.00				1,683,673,958.02		1,763,043.44		137,418,617.07	593,483,706.16	3,143,289,575.69	367,662,950.92	3,510,952,526.61

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Statement of Changes in Equity of Parent Company

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Current Amount										
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Subtotal
		Preferred stock	Perpetual bond	Others							
I. Year-end balance of last year	726,950,251.00				2,386,924,900.84				124,783,244.48	86,052,152.99	3,324,710,549.31
Add: changes in accounting policies											
Correction of prior period errors											
Other											
II. Balance at beginning of current year	726,950,251.00				2,386,924,900.84				124,783,244.48	86,052,152.99	3,324,710,549.31
III. Increases and decreases of current year (Decrease shall be filled in with "-")									7,282,530.20	52,457,666.28	59,740,196.48
(I) Total comprehensive income										72,825,301.99	72,825,301.99
(II) Investment of shareholders and capital reduction											
1. Common equity invested by shareholders											
2. Capital invested by other equity instruments holders											
3. The amount of shares recorded into the shareholder's equity											
4. Others											
(III) Distribution of profits									7,282,530.20	-20,367,635.71	-13,085,105.51
1. Withdrawal of surplus reserves									7,282,530.20	-7,282,530.20	
2. Distribution to shareholders										-13,085,105.51	-13,085,105.51
3. Others											
(IV) Inner carrying-over of shareholders' equities											
1. Capital reserve converted into capital (or capital stock)											
2. Surplus public accumulation converted into capital (or capital stock)											
3. Surplus public accumulation loss remedy											
4. Change in defined benefit plan carried forward to retained earnings											
5.Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Withdrawal for current period											
2. Use for current period											
(VI) Others											
IV. Closing balance of current year	726,950,251.00				2,386,924,900.84				132,065,774.68	138,509,819.27	3,384,450,745.79

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Statement of Changes in Equity of Parent Company

Year 2025

Prepared by: Hainan Jingliang Holdings Co., Ltd. Monetary Unit: RMB Yuan

Items	Amount of Last Period										
	Paid-in capital	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Subtotal
		Preferred stock	Perpetual bond	Others							
I. Year-end balance of last year	726,950,251.00				2,386,084,900.84				117,184,317.41	69,275,277.18	3,299,494,746.43
Add: changes in accounting policies											
Correction of prior period errors											
Other											
II. Balance at beginning of current year	726,950,251.00				2,386,084,900.84				117,184,317.41	69,275,277.18	3,299,494,746.43
III. Increases and decreases of current year (Decrease shall be filled in with "-")					840,000.00				7,598,927.07	16,776,875.81	25,215,802.88
(I) Total comprehensive income										75,989,270.70	75,989,270.70
(II) Investment of shareholders and capital reduction					840,000.00						840,000.00
1. Common equity invested by shareholders											
2. Capital invested by other equity instruments holders											
3. The amount of shares recorded into the shareholder's equity											
4. Others					840,000.00						840,000.00
(III) Distribution of profits									7,598,927.07	-59,212,394.89	-51,613,467.82
1. Withdrawal of surplus reserves									7,598,927.07	-7,598,927.07	
2. Distribution to shareholders										-51,613,467.82	-51,613,467.82
3. Others											
(IV) Inner carrying-over of shareholders' equities											
1. Capital reserve converted into capital (or capital stock)											
2. Surplus public accumulation converted into capital (or capital stock)											
3. Surplus public accumulation loss remedy											
4. Change in defined benefit plan carried forward to retained earnings											
5.Other comprehensive income carried forward to retained earnings											
6. Others											
(V) Special reserve											
1. Withdrawal for current period											
2. Use for current period											
(VI) Others											
IV. Closing balance of current year	726,950,251.00				2,386,924,900.84				124,783,244.48	86,052,152.99	3,324,710,549.31

Legal Representative： Chief Financial Officer: Head of Accounting Department:

Hainan Jingliang Holdings Co., Ltd.2025 Financial Statement Notes

I. Basic Information of the Company

1. Place of incorporation, form of organization and head office address

Hainan Jingliang Holdings Co., Ltd. (hereinafter referred to as "the Company" or "Company" or "Jingliang Holdings Company") is established in accordance with the Hainan Provincial People's Government General Office QFBH (1992) No.1, approved by QY (1992) SGZ No. 6 Document of the People's Bank of Hainan Province and re-registered by Hainan Pearl River Enterprise Company on January 11, 1992. The Company issued 81,880,000 shares in total upon re-registration, of which 60,793,600 shares were converted from the net assets of the original company and 21,086,400 shares were newly issued. And the name of the Company is Hainan Pearl River Enterprise Co., Ltd. The business license registration number of the joint-stock company is 20128455-6, and the holding parent company Guangzhou Pearl River Enterprise Group holds 36,393,600 shares, accounting for 44.45%. Approved by ZGB (1992) No. 83 Document of the People's Bank of China in December 1992, the additional 21,086,400 shares were listed on the Shenzhen Stock Exchange for trading. The industry involved is real estate.

On March 25, 1993, in response to QGBH (1993) No.028 of Hainan Provincial Leading Group Office and SRYFZ (1993) No.099 of Shenzhen Special Economic Zone Branch of the People's Bank of China, the Company increased its share capital by converting the original share capital into 139,196,000 shares (according to distribution of 10, delivery of 5 and transfer of 2), with the controlling shareholder Guangzhou Pearl River Enterprises Group holding 48,969,120 shares accounting for 35.18% at the end of 1993.

In 1994, the share capital was increased by 10 to 10, and the total share capital was 278,392,000 shares after the increase. The controlling shareholder, Guangzhou Pearl River Enterprises Group, holds 97,938,240 shares, accounting for 35.18%.

In 1995, the issuance of 50,000,000 B Shares was approved by SZBF (1995) No.45 and SZBF (1995) No.12. The share capital of the Company was increased by 10:1.5 on the basis of the share capital after the additional B shares were issued, and the share capital of the Company after the increase was 377,650,800 shares. The holding parent company, Guangzhou Pearl River Enterprises Group, held 112,628,976 shares, accounting for 29.82% of the total.

In 1999, Guangzhou Pearl River Enterprises Group transferred all 112,628,976 shares to Beijing Wanfa Real Estate Development Co., Ltd. After the transfer of shares was completed in June 1999, Beijing Wanfa Real Estate Development Co., Ltd. held 112,628,976 shares of the Company, accounting for 29.82% of the total shares of the Company, and became the controlling shareholder of the Company.

On January 10, 2000, the name of the Company was changed to Hainan Pearl River Holding Co., Ltd. and the Business License for Enterprise Legal Person was renewed by Industrial & Commerce Administration Bureau of Hainan Province.

On August 17, 2006, the reform plan of the split share structure of the Company was implemented. The Company transferred 49,094,604 shares of capital stock to all shareholders at the ratio of 10 to 1.3. The original non-tradable shareholders transferred the increased shares to the tradable A-share holders. Beijing Wanfa Real Estate Development Co., Ltd. reimbursed the consideration shares of the non-tradable shareholders who have not expressly expressed their opinions. The converted total share capital was 426,745,404 shares, and the original controlling shareholder Beijing Wanfa Real Estate Development Co., Ltd. held 107,993,698 shares, accounting for 25.31%. Shareholders of non-tradable shares repaid 3,289,780 shares in consideration of the split share structure in 2007. Shareholders of non-tradable shares repaid 1,196,000 shares in consideration of the split share structure in 2009.

On 2 September 2016, Beijing Wanfa Real Estate Development Co., Ltd., the original controlling shareholder, transferred all of its 112,479,478 shares to Beijing Grain Group Co., Ltd. (hereinafter referred to as "Beijing Grain Group"). Upon completion of the share transfer in September 2016, Beijing Grain Group Co., Ltd. held 112,479,478 shares, accounting for 26.36% of the total shares of the Company. In November 2016, based on the confidence in the subject matter of the material asset restructuring and the future development of the Company, Beijing Grain Group Co., Ltd. decided to increase its shareholding through centralized bidding in the secondary market. After the increase, it held 123,561,963 shares of the Company, accounting for 28.95% of the total number of shares, and became the largest shareholder of the Company.

The Company determined July 31, 2017 as the delivery date of material assets in accordance with the material assets restructuring plan and the delivery agreement. On September 14, 2017, approved pursuant to the resolution of the Second Extraordinary General Meeting of Shareholders of the Company on November 18, 2016 and the Approval Reply of the China Securities Regulatory Commission dated July 28, 2017 On Approval of Hainan Pearl River Holding Co., Ltd. to Purchase Assets and Raise Supporting Funds from Beijing Grain Group Co., Ltd. (ZJXK (2017) No.1391): 1) The Company purchased assets from the original shareholders of Beijing Grain Food Co., Ltd. (hereinafter referred to as Beijing Grain Food) by issuing 210,079,552 shares of the balance between the transaction price of the injected assets and the assets to be purchased (the difference between the transaction price of the injected assets and the assets to be purchased was RMB 1,699.5436 million yuan). The par value in the issuance was RMB 1.00 per share and the issuance price was RMB 8.09 per share; 2) The Company has issued 48,965,408 non-public shares of the Company to Beijing Grain Group for the purpose of purchasing the supporting funds raised from the assets of the issuance of shares. The par value per share of the Company was RMB1.00 and the issuance price was RMB8.82 per share. The shareholder Beijing Grain Group conducted subscription in monetary funds. Upon completion of the issue, the registered capital was RMB 685,790,364.00 and the share capital was RMB 685,790,364.00. Beijing Grain Group, which accounted for 42.06% of the total number of shares, became the largest shareholder of the Company.

On November 21, 2019, with the approval of Beijing Capital Agribusiness Food Group Co., Ltd. (Beijing Capital Agribusiness Food publish [2019] No. 212), Approval on the Plan of Purchasing Assets by Cash and Issuing Shares of Hainan Jingliang Holdings Co., Ltd, On April , 2020, with the approval of Approval of Hainan Jingliang Holding Co., Ltd. Issuance Shares to Wang Yuecheng to Purchase Assets by China Securities Regulatory Commission [2020] No. 610, the company shall not issue more than 41,159,887 new shares in private offering to raise funds supporting the purchase of assets through the issued shares. The Company and its subsidiary, Beijing Jingliang Food Co., Ltd., purchased the 25.1149% equity stake of Zhejiang Little Prince by cash and issuance of shares.

As of December 31, 2025, the company has issued 726,950,251.00 shares, and the company's share capital is 726,950,251.00 yuan; Uniform Social Credit Code: 914600002012845568; Registration authority: Hainan Market Supervision Administration; Company type: Limited Company (Listed, State-controlled); Registered address: F29, Dihao Building, Pearl River Square, Binhai Avenue, Haikou City; Legal representative: WangChunli.

2. The nature of the Company's business and its main business activities

The Company belongs to manufacturing-agricultural and sideline food processing industry. Its main business activities mainly includes: food, beverages, oilseeds and by products, vegetable proteins and their products, organic fertilizers, microbial fertilizers, production and marketing of agricultural fertilizers; land consolidation, soil remediation; agricultural comprehensive planting development, animal husbandry and aquaculture, agricultural equipment production and marketing; computer network technology, investment in communication projects, research and development and application of high-tech products; investment and consultation of environmental protection projects; animation, graphic design; import and export trade in goods and technology; rental of own premises.

The Company and its subsidiaries are primarily engaged in oil and oilseed processing and sale, as well as food processing and sales.

3. The name of the parent company and the ultimate parent company

The parent company of the company is Beijing Grain Group Co., Ltd., and the ultimate parent company is Beijing Capital Agribusiness Food Group Co., Ltd.

4. Business Cycle

From March 22, 1988 onward, with no fixed end date.

5. The approval institution and the approval date of the financial statements

The financial statements have been approved by the Board of Directors of the Company in its resolution dated March 26, 2026.

II. Preparation Basis for Financial Statements

1. Preparation Basis

Based on the assumption of going concern and according to actual transaction events, the financial statements are prepared in accordance with the relevant provisions of Accounting Standard for Business Enterprises and the following stated Significant Accounting Policies and Estimates.

2. Going Concern

The Company has a going concern capability for 12 months from the end of the reporting period and no material matters affecting the company's going concern capability were found. Therefore, the financial statements are presented on a going concern basis is reasonable.

III. Significant Accounting Policies and Estimates

Specific accounting policies and accounting estimates:

The Company and its subsidiaries are engaged in oil and oilseed processing and sales, as well as food processing and sales. Based on the characteristics of their actual production and operations, and in accordance with the relevant Accounting Standards for Business Enterprises, the Company and its subsidiaries have formulated specific accounting policies and accounting estimates for transactions and events such as revenue recognition. For details, please refer to Note III, 27 “Revenue” to these financial statements.

1. Statement of Compliance with Enterprise Accounting Standards

The financial statements prepared by the company comply with the requirements of the Enterprise Accounting Standards and fairly and completely reflect the company's and consolidated financial position as of December 31, 2025, as well as the company's and consolidated operating results, changes in shareholders' equity, and cash flows for 2025.

Additionally, these financial statements are prepared with reference to the disclosure and reporting requirements outlined in the China Securities Regulatory Commission’s "Regulations on the Preparation of Information Disclosure Reports for Publicly Issued Securities No. 15 - General Provisions on Financial Reports" (revised in 2023).

2. Accounting Period

The accounting period of the Company is divided into an annual period and an interim period. The accounting interim period refers to the reporting period shorter than a full accounting year. The fiscal year of the Company adopts the Gregorian calendar year, that is, from January 1 to December 31 of each year.

3. Business Cycle

The normal business cycle is the period from the time the Company purchases assets for processing to the time when cash or cash equivalents are realized. The Company uses 12 months as a business cycle and uses it as a liquidity classification standard for assets and liabilities.

4. Bookkeeping Standard Currency

RMB is the currency in the main economic environment in which the Company and its domestic subsidiaries operate. The Company and its domestic subsidiaries use RMB as the bookkeeping standard currency. The offshore subsidiaries of the Company determine USD as their bookkeeping standard currency based on the currencies in the main economic environment in which they operate. The currency used by the Company in preparing these financial statements is RMB.

5. Materiality Standards Determination Method and Selection Basis

The company follows the materiality principle when preparing and disclosing financial reports. If disclosure matters involve the judgment of materiality standards. the methods of determining materiality standards and selection basis are disclosed as follows:

Disclosure matters involve the judgment of materiality standards	Methods of determining materiality standards and selection basis
Impairment test made on individual accounts receivable with significant amounts.	Impairment test made on individual accounts receivables accounting over 10% as total provision for various types of bad debts receivablese, and amounts exceeding 5 million yuan

Disclosure matters involve the judgment of materiality standards	Methods of determining materiality standards and selection basis
Significant bad debt reserve for accounts receivable recovered or reversed	Individual item recovered or reversed accounting over 10% as total amounts for various types of receivables and exceeding 5 million yuan
Significant receivables actually written off	Individual write-off amount accounting for over 10% as total amounts of various types of bad debts reserve for receivables, and amounts exceeding 5 million yuan
Significant contractual liabilities with aging over one year	Individual contractual liabilities with aging over one year accounting over 10% of total amount of contractual liabilities, and amounts exceeding 10 million yuan
Significant project under construction	Projects with investments exceeding 5 million yuan
Significant non-wholly owned subsidiaries	Non-wholly owned subsidiaries with individual entity revenue and net profit accounting 10% for items related to the Company's consolidated statements
Significant associates and joint ventures	Associates and joint ventures for which the share of net profit recognized for the current period exceeds 5% of the Company’s consolidated net profit
Significant investing activities	Purchases of bonds, funds, wealth management products, and other similar transactions with an amount reaching RMB 50 million

6. The Accounting Treatment of Business Combination under the Same Control and Different Control

Business Combination refers to the transaction or event in which two or more separate enterprises are merged to form one reporting entity. Business combination can be divided into business combination under the same control and business combination under different control.

(1) Business combination under the same control

Enterprises participating in the combination are ultimately controlled by the same party or multiple parties before and after the combination, and the control is not temporary, so it is the business combination under the same control. In case of business combination under the same control, the party that obtains control of other enterprises participating in the combination on the combination date shall be the combination party, and the other enterprises participating in the combination shall be the merged party. The combination date refers to the date on which the combination party actually acquires control over the merged party.

The assets and liabilities acquired by the combination party are measured at the book value of the merged party at the date of consolidation, including goodwill that was formed during acquisition by end controller. If the difference between the book value of the net assets acquired by the merging party and the book value of the merged consideration (or the total par value of the issued shares) paid by the merging party, and the capital reserve (share capital premium) shall be adjusted; If the capital reserve (equity premium) is insufficient to offset, the retained earnings shall be adjusted.

The direct expenses incurred by the merging party for the purpose of business combination shall be included in the profits and losses of the current period when they are incurred.

(2) Business combination under different control

If the enterprises participating in the merger are not ultimately controlled by the same party or multiple parties before and after the merger, the enterprise merger is not under the same control. In case of business combination under different control, the party that obtains control of other enterprises participating in the combination on the date of purchase shall be the Purchaser, and the other enterprises participating in the combination shall be the Purchasee. Purchase date means the date on which the Purchaser actually acquires control of the Purchasee.

For business combination under different control, the merger cost includes the assets, liabilities and fair value of equity securities issued by the Purchaser in order to obtain the control over the Purchasee on the date of purchase, and the intermediary fees such as audit, legal service, appraisal and consultation and other management fees for the enterprise merger are used to record into the profits and losses of the current period when incurred. The transaction costs of equity or debt securities issued by the Purchaser as a merger consideration are included in the initial recognition amount of the equity or debt securities.Contingent consideration involved shall be included in the consolidation cost at its fair value at the purchase date, and the consolidation goodwill shall be adjusted accordingly if new or further evidence of the existence of circumstances at the purchase date appears within 12 months after the purchase date and the adjustment or consideration is required. The consolidation cost incurred by the Purchaser and the identifiable net assets acquired during the consolidation are measured at the fair value at the date of purchase. The difference between the merger costs and the fair value shares of the identifiable net assets of the Purchasee at the purchase date obtained in the merger is recognized as goodwill. If the combined cost is less than the fair value of the identifiable net assets of the Purchasee in the merger, first, the fair value of the identifiable assets, liabilities and contingent liabilities of the Purchasee and the measurement of the consolidation cost shall be re-checked. If the consolidation cost is still smaller than the fair value share of the identifiable net assets of the Purchased obtained in the consolidation after the re-check, the difference shall be recorded into the profits and losses of the current period.

When the Purchaser acquires the deductible temporary difference of the Purchasee, if it fails to recognize the deferred income tax assets on the date of purchase because it does not meet the recognition conditions for the deferred income tax, and within 12 months of the date of purchase, new or further information is obtained indicating that the relevant circumstances at the purchase date already exist and the economic benefits from the temporary difference deductible by the purchaser on the purchase date are expected to be realized, the relevant deferred income tax assets shall be recognized, and the goodwill shall be reduced. If the goodwill is not sufficiently offset, the difference shall be recognized as the current profit or loss; In addition to the above circumstances, the deferred income tax assets related to the enterprise merger are recognized and included in the current profits and losses.

Through multi-transaction and step-by-step business combination under different control, according to the Circular of the Ministry of Finance on Printing and Issuing the Interpretation of Accounting Standards for Business Enterprises No.5 (CK (2012) No.19) and Article 51 of the Accounting Standards for Business Enterprises No.33-Consolidated Financial Statements on the judgment criteria of "package deal" (see 7 (2) of Note III), it is determined whether the multiple transactions belong to the "package deal". In the case of a "package deal", the accounting treatment shall be performed with reference to the description in the preceding paragraphs of this section and Note III, 15 "Long-term Equity Investments"; If the transaction is not a "package deal", the accounting treatment shall be distinguished between the individual financial statements and the consolidated financial statements:

In the individual financial statements, the sum of the book value of the equity investment held by the Purchaser prior to the purchase date and the cost of the new investment at the purchase date shall be taken as the initial investment cost of the investment; Where the equity of the Purchased held before the date of purchase involves other comprehensive income, the other consolidated income associated with the investment is accounted for on the same basis as the assets or liabilities directly disposed of by the Purchaser (i.e., except for the corresponding share in the change caused by the acquisition of the net liability or net assets of the defined benefit plan remeasured in accordance with the equity method, the rest is transferred to the current investment income).

In the consolidated financial statements, the equity of the Purchased held prior to the date of purchase is remeasured according to the fair value of the equity at the date of purchase, and the difference between the fair value and the carrying value is included in the investment income of the current period; Where the equity of the Purchasee held before the date of purchase involves other comprehensive income, other consolidated income related thereto shall be accounted for on the same basis as the direct disposal of the relevant assets or liabilities by the Purchaser (i.e., except for the corresponding share in the change caused by the acquisition of the net liability or net asset of the defined benefit plan remeasured in accordance with the equity method, the rest is converted into the investment income of the current period to which the acquisition date belongs).

7. Criteria for the Judgment of Control and Methods for the Preparation of Consolidated Financial Statements

(1) Criteria for the Judgment of Control

The scope of consolidation of the consolidated financial statements is determined on a control basis. Control means that the Company has the authority over the Investee, enjoys a variable return by participating in the relevant activities of the Investee, and has the ability to use its authority over the Investee to influence the amount of such return. The scope of the merger includes the Company and all its subsidiaries. Subsidiary refers to the main body controlled by the Company.

The Company will re-evaluate the above control definitions once the relevant facts and circumstances change, which results in the change of the relevant elements.

(2) Preparation method of consolidated financial statement

The Company begins to incorporate the net assets of the subsidiary and the actual control of the production and operation decisions into the scope of the merger from the date when the subsidiary is acquired; Cease to be included in the scope of the merger as of the date of loss of effective control. For the subsidiaries disposed of, the operating results and cash flows prior to the date of disposal have been appropriately included in the consolidated income statement and consolidated cash flow statement; For subsidiaries disposed of in the current period, the opening amount of the consolidated balance sheet is not adjusted. The operating results and cash flows of subsidiaries increased by consolidation after purchase have been properly included in the consolidated income statement and consolidated cash flow statement, and the opening and comparative amounts in the consolidated financial statements have not been adjusted for subsidiaries that are not under the same control. The operating results and cash flows of the subsidiaries increased by consolidation under the same control from the beginning of the consolidation period to the consolidation date have been appropriately included in the consolidated profit statement and consolidated cash flow statement, and the comparative amount of the consolidated financial statements has been adjusted at the same time.

In the preparation of the consolidated financial statements, if the accounting policies or accounting periods adopted by the subsidiaries are inconsistent with those adopted by the Company, necessary adjustments shall be made to the financial statements of the subsidiaries in accordance with the accounting policies and accounting periods of the Company. For subsidiaries acquired through business combination under different control, the financial statements shall be adjusted on the basis of the fair value of identifiable net assets at the date of purchase.

All significant transaction balances, transactions and unrealized profits within the Company are offset at the time of preparation of the consolidated financial statements.

The shareholders' equity and the portion of the net profit or loss of the subsidiary that is not owned by the Company for the current period are separately presented as minority shareholders' equity and minority shareholders' profit or loss in the consolidated financial statements under shareholders' equity and net profit. The shares of minority shareholders' equity in the net profits and losses of subsidiaries for the current period are shown as "minority shareholders' profits and losses" under the net profit item in the consolidated income statement. Losses shared by minority shareholders in a subsidiary exceed the minority shareholders' share in the shareholders' equity of the subsidiary at the beginning of the period, and still decrease by a number of shareholders' equity.

When the control of the original subsidiary is lost due to the disposal of part of the equity investment or other reasons, the residual equity shall be revalued according to its fair value at the date of loss of control. The sum of consideration obtained from the disposal of equity and the fair value of the remaining equity minus the difference between the shares of the net assets of the original subsidiary that shall be continuously calculated from the purchase date according to the original shareholding proportion shall be included in the investment income of the current period of loss of control. Other comprehensive income related to the equity investment of the original subsidiary, in the event of loss of control, the accounting treatment is performed on the same basis as the direct disposal of the relevant assets or liabilities by the Purchased (i.e. converted to current investment income, except for changes resulting from the re-measurement of the net liabilities or net assets of the Defined Benefit Plan in the original subsidiary). Thereafter, the residual equity shall be subsequently measured in accordance with the relevant provisions of Accounting Standards for Business Enterprises No.2-Long-term Equity Investment or Accounting Standards for Business Enterprises No.22-Recognition and Measurement of Financial Instruments, as detailed in Note III, 15-Long-term Equity Investment or Note III, 11-Financial Instruments.

If the Company disposes of the equity investment in subsidiaries step by step until it loses control through multiple transactions. It is necessary to distinguish whether the transactions that dispose of the equity investment in subsidiaries until it loses control belong to a package deal or not. The terms, conditions and economic impact of the transactions for the disposal of equity investments in subsidiaries are in accordance with one or more of the following circumstances and generally indicate that multiple transactions should be accounted for as a package deal: ① These transactions were entered into simultaneously or taking into account each other's influence; ② Only when these transactions are taken together can a complete business result be achieved; ③ The occurrence of one transaction depends on the occurrence of at least one other transaction; ④ It is not economical to consider a transaction alone, but it is economical to consider it in conjunction with other transactions. For transactions that are not part of the package deal, each transaction shall be accounted for in accordance with the principles applicable to the "partial disposal of long-term equity investments in subsidiaries without loss of control" (as detailed in 15 of Note III) and the "loss of control over existing subsidiaries as a result of the disposal of part of the equity investments or other reasons" (as detailed in the preceding paragraph), as appropriate. If the transactions involving the disposal of equity investments in subsidiaries until the loss of control belong to a package deal, the transactions shall be accounted for as a transaction involving the disposal of subsidiaries and the loss of control; However, the difference between each disposal price and the share of the subsidiary's net assets corresponding to the disposal investment prior to the loss of control is recognized in the consolidated financial statements as other consolidated gains and transferred to the profit or loss for the current period of loss of control in the event of loss of control.

8. Classification of Joint Venture Arrangements and Accounting Treatment of Joint Operation

A joint venture arrangement is an arrangement under the joint control of two or more participants. The Company divides the joint venture arrangement into joint operation and joint venture in accordance with the rights and obligations it enjoys in the joint venture arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture.

The Company's investment in the joint venture is accounted for using the equity method, and shall be treated in accordance with the accounting policy described in Note III, 15 "Long-term Equity Investment Accounted by the Equity Method".

The Company, as a joint venture party, recognizes the assets and liabilities held and assumed by the Company separately, and recognizes the assets and liabilities jointly held and assumed by the Company according to the shares of the Company; recognizes the revenue generated from the sale of the share of joint operating output enjoyed by the Company; recognizes revenue generated from the sale of output from joint operations on the basis of the Company's share; confirms the expenses incurred by the Company individually and the expenses incurred by the joint operation according to the shares of the Company.

When the Company invests or sells assets as a joint venture (such assets do not constitute business, the same below), or purchases assets from the joint venture, the Company recognizes only the portion of the profits and losses attributable to the other participants in the joint venture that arises from the transaction prior to the sale of such assets to a third party. Where such assets are impaired in accordance with the provisions of Accounting Standards for Business Enterprises No.8-Impairment of Assets, the Company shall fully recognize such losses in the case where the assets are cast or sold by the Company to joint operations; For the assets purchased by the Company from the joint operation, the Company recognizes the losses according to the shares it assumes.

9. Determining Standards for Cash and Cash Equivalent

Cash and cash equivalents of the Company include cash on hand, deposits that can be readily withdrawn on demand. Cash equivalents are investments held by the Company with a short term (usually maturing within three months from the date of purchase), high liquidity, readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. Foreign Currency Business and Translation of Foreign Currency Statements

(1) Translation method for foreign currency transaction

At the time of initial confirmation, the foreign currency transactions occurring in the Company shall be converted into the bookkeeping functional currency amount at the spot exchange rate on the trading day, but the foreign currency exchange business or transactions involving foreign currency exchange occurring in the Company shall be converted into the bookkeeping functional currency amount at the actual exchange rate.

(2) Translation method for foreign currency monetary items and foreign currency non-monetary item

On the balance sheet date, the foreign currency monetary items are converted at the spot exchange rate on the balance sheet date, and the exchange difference arising therefrom shall be: ① The exchange difference arising from the special foreign currency borrowings related to the acquisition and construction of assets eligible for capitalization shall be handled in accordance with the principle of capitalization of borrowing costs; ② The exchange difference of the hedging instruments used for effective hedging of the net investment in overseas operations (the difference is included in other comprehensive income, and is not recognized as current profit or loss until the net investment is disposed of); ③ Except for the amortized cost, the exchange differences arising from the changes in the book balance of the available-for-sale monetary items in foreign currencies shall be included in the other comprehensive income, and shall be included in the profits and losses of the current period.

Where the preparation of the consolidated financial statements involves overseas operations, if there are foreign currency monetary items constituting net investment in overseas operations, the exchange differences arising from exchange rate changes shall be included in other comprehensive income; When disposing of overseas operations, the profits and losses shall be transferred to the current disposal period.

Non-monetary items in foreign currencies measured at historical cost shall still be measured at the bookkeeping amount in functional currency translated at the spot exchange rate on the transaction date. For non-monetary items in foreign currencies measured at fair value, the spot exchange rate at the date of fair value determination shall be adopted for conversion.

The difference between the converted amount in functional currency and the amount in original functional currency shall be treated as the change in fair value (including the change in exchange rate), and shall be recorded into the profits and losses of the current period or recognized as other comprehensive income.

(3) Translation method for financial statements in foreign currencies

Where the preparation of the consolidated financial statements involves overseas operations, if there are foreign currency monetary items constituting net investment in overseas operations, the exchange differences arising from exchange rate changes shall be as "foreign currency report conversion difference" and be confirmed as other comprehensive income; When disposing of overseas operations, the profits and losses shall be transferred to the current disposal period.

The foreign currency financial statements of overseas operations shall be converted into RMB statements in the following ways: the assets and liabilities in the balance sheet shall be converted at the spot exchange rate on the balance sheet date; Except for "undistributed profits", other items of shareholders' equity shall be converted at the spot exchange rate at the time of occurrence. The income and expense items in the profit statement shall be converted at the average exchange rate of the current period on the date of transaction. The undistributed profit at the beginning of the period shall be the undistributed profit at the end of the period converted from the previous year; The undistributed profits at the end of the year shall be calculated and listed according to the converted profits distribution items; The difference between the converted asset items and the total amount of the liability items and shareholders' equity items shall be recognized as other comprehensive income as the translation difference in the foreign currency statements. In case of disposal of overseas operations and loss of control, the balance in translation of the foreign currency statements related to the overseas operations as shown below in the shareholders' equity items in the balance sheet shall be transferred to the profits and losses of the disposal period in whole or in proportion to the disposal of the overseas operations.

Cash flows in foreign currencies and cash flows of overseas subsidiaries shall be converted at the average exchange rate of the current period on the date of occurrence of the cash flows. The effect of exchange rate changes on cash shall be presented separately in the statement of cash flows as an reconciling item.

Opening amounts and prior-period actual amounts shall be shown on the basis of amounts translated from the prior-period financial statements.

When disposing of all the owner's equity of the Company's overseas operations or losing the control over overseas operations due to the disposal of part of the equity investment or for other reasons, if the following items of shareholders' equity in the balance sheet are shown below, the balance in translation of the foreign currency statement attributable to the owner's equity of the parent company related to the overseas operation shall be transferred to the profits and losses of the current disposal period.

In the event that the proportion of overseas business interests is reduced due to the disposal of part of the equity investment or for other reasons, but the control over overseas business operations is not lost, the balance in the translation of the foreign currency statements related to the disposal of part of overseas business operations shall be attributed to minority shareholders' interests and shall not be transferred to the profits and losses of the current period. When disposing of part of the equity of an overseas operation as an associated enterprise or a joint venture, the balance of the translation of the foreign currency statements related to the overseas operation shall be transferred into the profits and losses of the current disposal period in the proportion of the overseas operation disposed of.

11. Financial Instruments

Financial instruments are the contracts that form the financial assets of one entity, and at the same time form the financial liabilities or equity instruments of other entities.

(1) Classification, confirmation and measurement of financial assets

According to the business mode of managing financial assets and the contractual cash flow characteristics of financial assets, the Company divides financial assets into: Financial assets measured at amortized cost. Financial assets measured at fair value with changes included in other comprehensive income. Financial assets that are measured at fair value and whose movements are included in the current profits and losses.

Financial assets are measured at fair value at initial recognition. For financial assets measured at fair value and whose changes are included in current profits and losses, relevant transaction costs are directly included in current profits and losses. For other types of financial assets, relevant transaction costs are included in the initial recognition amount. Accounts receivable or notes receivable arising from the sale of products or the provision of labor services that do not contain or take into account significant financing components shall be initially recognized by the Company in accordance with the amount of consideration that the Company is expected to be entitled to receive.

① Financial assets measured at amortized cost

The Group measures financial assets at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income of such financial assets is recognized based on effective interest method. The Company measures these financial assets at fair value and their changes are included in other comprehensive income, but impairment loss or gain, exchange gain or loss and interest income calculated according to the effective interest rate method are included into the current profit and loss.

② Financial assets measured at fair value with changes included in other comprehensive income

The Group measures financial assets at fair value through other comprehensive income if both of the following conditions are met: the financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income of such financial assets is recognised based on effective interest method. The Company measures these financial assets at fair value and their changes are included in other comprehensive income, but impairment loss or gain, exchange gain or loss and interest income calculated according to the effective interest rate method are included into the current profit and loss.

In addition, the Company designates some non tradable equity instrument investments as financial assets measured at fair value with changes included in other comprehensive income. The Company shall record the relevant dividend income of such financial assets into the current profits and losses, and the change of fair value into other comprehensive income. When the financial asset is derecognized, the accumulated gains or losses previously included in other comprehensive income will be transferred from other comprehensive income to retained income and will not be included in current profits and losses.

③ Fair value through Profit and Loss Financial assets

The Company classifies the above financial assets measured at amortized cost and financial assets measured at fair value with changes included in other comprehensive income into financial assets measured at fair value with changes included in current profits and losses. In addition, during initial recognition, in order to eliminate or significantly reduce accounting mismatch, the Company designated part of financial assets as financial assets measured at fair value with changes included in current profit and loss. For such financial assets, the Company adopts fair value for subsequent measurement, and the changes in fair value are included into the current profit and loss.

(2) Classification, recognition and measurement of financial liabilities

Financial liabilities upon initial recognition are classified as financial liabilities which are measured at fair value and whose changes are included in current profits and losses and other financial liabilities. For the financial liabilities measured at fair value with the changes included into the current profits and losses, the relevant transaction costs are directly included into the current profits and losses, and the relevant transaction costs of other financial liabilities are included in the initial recognition amount.

① Financial liabilities at fair value through profit or loss

Financial liabilities measured at fair value with changes included in current profits and losses, which include transactional financial liabilities (including derivatives belonging to financial liabilities) and financial liabilities designated to be measured at fair value with changes included in current profits and losses at initial recognition.

Trading financial liabilities (including derivatives belonging to financial liabilities) are subsequently measured according to their fair values. Except for those related to hedge accounting, changes in fair values are included in current profits and losses.

Financial liabilities designated to be measured at fair value with changes included in current profits and losses. Changes in the fair value of this liability caused by changes in the Company's own credit risk are included in other comprehensive income. When the liability is derecognized, the accumulated change in fair value caused by changes in its own credit risk included in other comprehensive income is transferred to retained earnings. Changes in fair value are accounted into current profits and losses. If the above-mentioned treatment of the impact of changes in the credit risk of these financial liabilities will cause or expand accounting mismatch in profits and losses, the Company will include all profits or losses of the financial liabilities (including the impact amount of changes in the credit risk of the enterprise itself) into the current profits and losses.

② Other financial liabilities

Except for financial liabilities and financial guarantee contracts formed by the transfer of financial assets that do not meet the conditions for termination of recognition or continue to be involved in the transferred financial assets, other financial liabilities are classified as financial liabilities measured at amortized cost and subsequently measured at amortized cost. Gains or losses arising from termination of recognition or amortization are included in current profits and losses.

(3) Basis of Confirmation and Calculation of financial instruments

Financial assets shall be derecognized if they meet one of the following conditions: ① The termination of the contractual right to receive cash flow from the financial asset. ② The financial asset has been transferred, and almost all risks and rewards related to the ownership of the financial asset have been transferred to the transferee. ③ The financial asset has been transferred. Although the enterprise has neither transferred nor retained almost all risks and rewards in the ownership of the financial asset, it has given up its control over the financial asset.

If the enterprise neither transfers nor retains almost all the risks and rewards of the ownership of the financial assets, and does not give up the control over the financial assets, the relevant financial assets shall be recognized according to the extent of continuous involvement in the transferred financial assets, and the relevant liabilities shall be recognized accordingly. The degree of continuous involvement in the transferred financial assets refers to the risk level faced by the enterprise due to the change in the value of the financial assets.

If the overall transfer of financial assets meets the conditions for termination of recognition, the difference between the book value of the transferred financial assets and the sum of the consideration received due to the transfer and the accumulated amount of changes in fair value originally included in other comprehensive income shall be included into the current profits and losses.

If the partial transfer of financial assets meets the conditions for termination of recognition, the book value of the transferred financial assets shall be apportioned according to its relative fair value between the derecognized part and the non derecognized part, and the difference between the sum of the consideration received due to the transfer and the accumulated change in fair value originally included in other comprehensive income that shall be apportioned to the derecognized part and the allocated aforesaid book amount shall be included into the current profits and losses.

For financial assets sold by the Company with recourse, or for endorsement and transfer of held financial assets, it is necessary to determine whether almost all risks and rewards in the ownership of the financial assets have been transferred. If almost all risks and rewards in the ownership of the financial asset have been transferred to the transferee, the recognition of the financial asset shall be terminated. If almost all risks and rewards on the ownership of a financial asset are retained, the recognition of the financial asset shall not be terminated. If almost all risks and rewards related to the ownership of financial assets have not been transferred or retained, it shall continue to judge whether the enterprise retains control over the assets and carry out accounting treatment according to the principles mentioned in the preceding paragraphs.

(4) Termination of recognition of financial liabilities

If the current obligation of the financial liability (or part thereof) has been relieved, the Company terminates the recognition of the financial liability (or part thereof). The Company (the borrower) and the lender sign an agreement to replace the original financial liabilities by assuming new financial liabilities. If the contract terms of the new financial liabilities and the original financial liabilities are substantially different, the original financial liabilities shall be derecognized and a new financial liability shall be recognized at the same time. If the Company makes any substantial modification to the contract terms of the original financial liability (or part thereof), the original financial liability shall be derecognized and a new financial liability shall be recognized in accordance with the modified terms.

If financial liabilities (or part thereof) are derecognized, the Company shall include the difference between its book value and the consideration paid (including transferred non-cash assets or liabilities assumed) into the current profits and losses.

(5) Offset of financial assets and financial liabilities

When the Company has the legal right to offset the recognized amount of financial assets and financial liabilities, and such legal right is currently enforceable, and the Company plans to settle the financial assets on a net basis or realize the financial assets and settle the financial liabilities at the same time, the financial assets and financial liabilities are listed in the balance sheet at a net amount after mutual offset. In addition, financial assets and financial liabilities shall be listed separately in the balance sheet and shall not be offset against each other.

(6) The fair value determination method of financial assets and financial liabilities

Fair value refers to the price that market participants can receive from selling an asset or pay to transfer a liability in an orderly transaction on the measurement date. Where there is an active market for financial instruments, the Company adopts quotations in the active market to determine their fair values. Quoted price in active market refers to the price easily obtained from exchanges, brokers, industry associations, pricing service agencies, etc. on a regular basis, and represents the price of market transactions actually occurred in fair trading. If there is no active market for financial instruments, the Company uses evaluation techniques to determine their fair values. Evaluation techniques include reference to prices used in recent market transactions by parties familiar with the situation and willing to trade, reference to current fair values of other financial instruments that are substantially the same, discounting cash flow technique, option pricing model, etc. In valuation, the Company adopts valuation techniques that are applicable under current circumstances and are supported by sufficient available data and other information, selects input values that are consistent with the characteristics of assets or liabilities considered by market participants in transactions related to assets or liabilities, and gives priority to the use of relevant observable input values as much as possible. If the relevant observable input value cannot be obtained or it is not impracticable to obtain it, the non-input value shall be used.

(7) Equity instruments

Equity instruments refer to contracts that can prove ownership of the Company's residual equity in assets after deducting all liabilities. The issuance (including refinancing), repurchase, sale or cancellation of equity instruments by the Company are treated as changes in equity, and transaction costs related to equity transactions are deducted from equity. The Company does not recognize changes in the fair value of equity instruments.

Dividends (including "interest" generated by instruments classified as equity instruments) distributed by the Company's equity instruments during their existence shall be treated as profit distribution.

12. Impairment of financial assets

The financial assets of the Company that need to confirm the impairment loss are financial assets measured at amortized cost and debt instrument investment measured at fair value with changes included in other comprehensive income, mainly including notes receivable, accounts receivable, other receivables, debt investment, other debt investment, long-term receivables, etc. In addition, for some financial guarantee contracts, impairment reserves and credit impairment losses are also accrued in accordance with the accounting policies described in this part.

(1) Recognition method of impairment provision

On the basis of expected credit losses, the Company sets aside impairment reserves and recognizes credit impairment losses for the above items according to the applicable expected credit loss measurement method (general method or simplified method).

Credit loss refers to the difference between all contractual cash flows receivable according to the contract and all cash flows expected to be collected by the Company discounted according to the original actual interest rate, i.e. the present value of all cash shortages. Among them, for the financial assets that have been purchased or incurred credit impairment, the Company discounts them according to the actual interest rate adjusted by credit.

The general method of measuring expected credit loss refers to the Company's assessment of whether the credit risk of financial assets has increased significantly since the initial recognition on each balance sheet date. If the credit risk has increased significantly since the initial recognition, the Company will measure the loss reserve by an amount equivalent to the expected credit loss during the entire period. If the credit risk has not increased significantly since the initial recognition, the Company will measure the loss reserve according to the amount equivalent to the expected credit loss in the next 12 months. In assessing the expected credit loss, the Company takes into account all reasonable and evidence-based information, including forward-looking information.

For financial instruments with low credit risk on the balance sheet date, the Company measures the loss reserve based on the expected credit loss amount within the next 12 months or the entire duration according to whether the credit risk has increased significantly since the initial recognition.

(2) Criteria for judging whether credit risk has increased significantly since initial recognition

If the default probability of a certain financial asset in the expected duration determined at the balance sheet date is significantly higher than the default probability in the expected duration determined at the time of initial recognition, it indicates that the credit risk of the financial asset is significantly increased. Except for special circumstances, the Company uses the change of default risk in the next 12 months as a reasonable estimate of the change of default risk in the entire duration to determine whether the credit risk has increased significantly since the initial recognition.

Generally, if the overdue period is more than 90 days, the Company will consider that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence that the credit risk of the financial instrument has not increased significantly since the initial recognition.

The Company will consider the following factors when evaluating whether the credit risk has increased significantly

1) Whether there is any significant change in the actual or expected operating results of the debtor;

2) Whether there is any significant adverse change in the regulatory, economic or technological environment of the debtor;

3) Whether there is any significant change in the value of the collateral or the quality of the guarantee or credit enhancement provided by the third party, which are expected to reduce the economic motivation of the debtor's repayment according to the time limit stipulated in the contract or affect the probability of default;

4) Whether there is any significant change in the expected performance and repayment behavior of the debtor;

5) Whether there is any significant change in the Company's credit management methods for financial instruments, etc.

On the balance sheet date, if the Company judges that the financial instrument has only low credit risk, the Company assumes that the credit risk of the financial instrument has not increased significantly since the initial recognition. If the default risk of a financial instrument is low, the borrower's ability to perform its contractual cash flow obligations in a short period of time is strong, and even if there are adverse changes in the economic situation and operating environment for a long period of time, it may not necessarily reduce the borrower's ability to perform its contractual cash obligations, then the financial instrument is considered to have low credit risk.

(3) Judgment criteria for financial assets with credit impairment:

When one or more events have an adverse impact on the expected future cash flow of a financial asset, the financial asset becomes a financial asset with credit impairment. The evidence of credit impairment of financial assets includes the following observable information:

1) The issuer or debtor has major financial difficulties;

2) The debtor violates the contract, such as default or overdue payment of interest or principal, etc.;

3) The creditor gives concessions that the debtor will not make under any other circumstances due to economic or contractual considerations related to the debtor's financial difficulties;

4) The debtor is likely to go bankrupt or undergo other financial restructuring;

5) The active market of the financial assets disappears due to the financial difficulties of the issuer or the debtor;

6) Purchase or generate a financial asset at a substantial discount, which reflects the fact that credit losses have occurred.

Credit impairment of financial assets may be caused by the combined action of multiple events, but may not be caused by separately identifiable events.

(4) Portfolio approach to evaluate expected credit risk based on portfolio

The Company evaluates credit risks for financial assets with significantly different credit risks, such as: Accounts receivable with related parties. Receivables in dispute with the other party or involving litigation or arbitration. Receivables with obvious signs that the debtor is likely to be unable to perform the repayment obligation.

In addition to the financial assets with individual credit risk assessment, the Company divides the financial assets into different groups based on the common risk characteristics. The common credit risk characteristics adopted by the Company include: Credit risk shall be assessed on the basis of the aging portfolio, the receivables portfolio between the final controlling party and its subordinate units, the public maintenance fund and house selling fund portfolio deposited in the housing provident fund management center, the deposit/margin portfolio, and the petty cash ledger portfolio formed by the employee loan of the unit.

(5) Accounting treatment method for impairment of financial assets

At the end of the period, the Company calculates the estimated credit losses of various financial assets. If the estimated credit losses are greater than the book amount of its current impairment reserve, the difference is recognized as impairment loss. If it is less than the carrying amount of the current impairment reserve, the difference is recognized as impairment gain.

(6) Methods for determining the credit loss of various financial assets

① Notes receivable

The Company measures the loss reserve for bills receivable according to the expected credit loss amount equivalent to the entire duration. Based on the credit risk characteristics of bills receivable, they are divided into different portfolios:

Item	Basis for determining portfolio
Bank acceptance bills	The acceptor is a bank with less credit risk
Commercial acceptance bill	According to the acceptor's credit risk classification, it should be the same as the "receivable" portfolio classification.

As for the notes receivables' classified as portfolio, the Company referred to the historical credit loss experience, combined with current situation and forecast for the future economic condition, calculating the expected credit loss. Through risk exposure at default and lifetime expected credit loss,

② Accounts receivable and other receivables

For receivables that do not contain significant financing components, the Company measures the loss reserve according to the expected credit loss amount equivalent to the entire duration.

For receivables that contain significant financing components, the Company measures the loss reserve based on whether the credit risk has increased significantly since the initial recognition, using the amount of expected credit loss within the next 12 months or the entire duration.

According to whether the credit risk of other receivables has increased significantly since the initial recognition, the Company measures impairment loss with an amount equivalent to the expected credit loss within the next 12 months or the entire duration.

In addition to the accounts receivable and other receivables that individually assess credit risk, they are divided into different portfolios based on their credit risk characteristics:

Item	Basis for determining portfolio
Portfolio 1	Credit portfolio

As for the receivables classified as portfolio, the Company referred to the historical credit loss experience, combined with current situation and forecast for the future economic condition, calculating the expected credit loss. Through cross reference table between the aging of receivables and lifetime expected credit loss. The aging of receivables is calculated on the date of recognition.

The portfolio of other receivable is recognized as follows:

Item	Basis for determining portfolio
Portfolio 1	Credit portfolio
Portfolio 2	Deposit/margin portfolio
Portfolio 3	The portfolio of reserve fund ledger formed by the Company's staff loan

As for the other receivables classified as portfolio, the Company referred to the historical credit loss experience, combined with current situation and forecast for the future economic condition, calculating the expected credit loss. Through risk exposure at default and lifetime expected credit loss in the coming 12 months. For the other receivables classified as aging, is calculated on the date of recognition.

13. Inventory

(1) Classification of inventory

Inventories mainly include raw materials, work in progress, finished goods, in transit materials inventory goods, reserve tanker storage commissioned processing, and manufacturing consignment, etc..

(2) Valuation method for obtaining and issuing inventory

Inventories are initially measured at cost. Inventory costs include purchase costs, processing costs and other expenditures. The actual cost of inventories upon delivery is calculated using the weighted average method.

(3) Confirmation of net realizable value of inventories and method of accrual of falling price reserve

Net Realizable Value refers to the amount of estimated selling price of inventories minus the estimated cost till completion, estimated expenses for selling activity and related taxes and fees in daily activities. When determining the net realizable value of inventories, solid evidence obtained shall be the basis, and the purpose of holding the inventories and the impact of events after the balance sheet date shall be considered.

On the balance sheet date, inventories shall be measured at lower of cost and net realizable value. When the net realizable value is lower than the cost, the provision for inventory devaluation shall be accrued. The provision for inventory devaluation shall be accrued based on the difference between the cost of a single inventory item and its net realizable value. The provision for inventory devaluation of a large number of inventories with low unit prices shall be based on the type of inventory; for inventories related to the product range produced and sold in same region, having the same or similar end use or purpose, and difficult to be separated from other items for measurement, their provision for inventory devaluation can be combined and accrued.

After the provision for inventory devaluation is accrued, if the factors cause the previous written-down inventory value have disappeared, and the situation results in the fact that the net realizable value of the inventories higher than the book value, the amount of the provision for inventory devaluation that has been accrued shall be reversed and included in the current period profit or loss.

(4) The Company adopts perpetual inventory system as its inventory system.

(5) Amortization method of low-value consumables and packaging materials

Low-value consumables are amortized by one-off amortization method when they are received; packaging materials are amortized by one-off amortization method when they are received.

14. Non-current assets or disposal groups held for sale

(1) Recognition standards and accounting method treatment for Held-for-sale assets and disposal group

A non-current asset or disposal group is classified as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuous use. The following conditions need to be simultaneously met to be classified as held for sale: a non-current asset or to-be-disposed portfolio can be sold immediately under the current conditions based on the practice of selling such asset or to-be-disposed portfolio in similar transactions; the Company has already decided on the sale plan and obtained confirmed purchase commitment; the sale is scheduled to be completed within one year. Among them, a Disposal Portfolio refers to a group of assets that will be disposed of as a whole through sale or other approaches in a transaction, and the liabilities directly associated with these assets transferred along with the assets in transaction. If the portfolio of assets or group of portfolios of assets is allocated goodwill acquired in business merger in accordance with Accounting Standards for Business Enterprises No. 8 - Asset Impairment, the Disposal Portfolio shall include the goodwill allocated to it.

In the event that the book value of a non-current asset or to-be-disposed portfolio that has been designated as held-for-sale category is higher than the net amount of fair value less sales expenses when the non-current asset or to-be-disposed portfolio is initially measured or measured on the balance sheet date, the book value shall be to the net amount of fair value minus sales expenses, and the written-down amount shall be recognized as asset impairment loss and included in current period profit or loss. The provision for impairment loss of the held-for-sale asset shall be accrued. For a Disposal Portfolio, the confirmed impairment loss shall deduct the book value of the goodwill in the Disposal Portfolio, then deduct the book value of the non-current assets determined by the measurement on a pro-rata basis in accordance with the applicable Accounting Standards for Business Enterprises No. 42 held-for-sale non-current assets, Disposal Portfolio and Termination of Operations (hereinafter referred to as the “Guide for Held-For-Sale”). In the event of an increase of the book value of the held-for-sale Disposal Portfolio minus sales expenses on the subsequent the balance sheet date, the amount previously written down shall be recovered and be reversed within the mount of the asset impairment loss recognized in the non-current assets measured by the measurement “Guide for Held-For-Sale” after being classified as held for sale asset, the reversal amount shall be included in the current period profit or loss, and the book value of all non-current assets (except for goodwill) determined by the measurement on a pro-rata basis in accordance with the applicable “Guide for Held-For-Sale” shall be increased on a pro-rata basis. The book value of the goodwill that has been deducted and the impairment loss of the assets recognized before the classification of the held-for-sale non-current assets in accordance with the applicable “Guide for Held-For-Sale” shall not be reversed.

In terms of the held-for-sale non-current assets or non-current assets in Disposal Portfolio, there is no accrual or amortization for depreciation, and the interest from and other expenses from the liabilities in held-for-sale Disposal Portfolio shall still be recognized.

When a non-current asset or Disposal Portfolio no longer meets the conditions for Held-For-Sale category, non-current asset or Disposal Portfolio will no longer be classified as Held-For-Sale category by the Company or the non-current asset will be removed from the Held-For-Sale Disposal Portfolio, and be measured based on one of the following two values, whichever is lower: (1) The book value before being classified as held-for-sale category adjusted based on the depreciation, amortization or impairment that should have be confirmed if it is not classified as held-for-sale category; (2) recoverable amount.

(2) Standards for Determining and Methods for the Presentation of Discontinued Operations.

A component of an entity that either has been disposed of or is classified as held for sale and:

a) represents a separate major line of business or geographical area of operations,

b) is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations or

c) is a subsidiary acquired exclusively with a view to resale.

Net profit from continuing operation and Net profit from discontinued Operation are added under the Item Net Profit of the Profit and Loss Statement, a single amount in the statement of comprehensive income comprising the total of:i) the post-tax profit or loss of continuing operation and discontinued operations. Profit and Loss from the discontinued operation shall listed as Discontinued Operation Profit and Loss, which comprises of the entire reporting period, not only recognized as the reporting period after the termination of the operation.

15. Long-term equity investment

The long-term equity investment refers to in this part refers to the long-term equity investment that the Company has control, joint control or significant influence on the invested entity. The long-term equity investment of the Company that does not have control, joint control or significant impact on the investee shall be accounted as a financial asset measured at fair value with its changes included into the current profits and losses. Among them, if it is non-transactional, the Company may choose to designate it as a financial asset measured at fair value and its changes are included in the accounting of other comprehensive income at the time of initial recognition. For details of its accounting policies, please refer to Note III, 11 “Financial Instruments".

Joint control refers to the control that the Company shares with other party/parties for an arrangement in accordance with relevant agreements, and relevant activities of the arrangement can only be decided based on the consensus of all parties sharing the control rights before making a decision. Significant Influence refers to power of the Company to participate in the decision-making of the financial and operating policies of the investee, but the Company cannot control or jointly control the development of these policies with other parties.

(1) Determination of investment cost

For a long-term equity investment obtained from a combination of businesses under the same control, the apportioned share of the book value in the final controller's consolidated financial statements on the combination date in accordance with the shareholders' equity shall be the initial investment cost of the long-term equity investment. The capital reserve shall be adjusted subject to the difference between the initial investment cost of the long-term equity investment and the cash paid, the non-cash assets transferred, and the book value of the debts assumed; if the capital reserve is insufficient for offsetting, the retained earnings shall be adjusted. Where the equity securities are issued as merger consideration, the apportioned share of the book value in the final controller's consolidated financial statements on the combination date in accordance with the shareholders' equity shall be the initial investment cost of the long-term equity investment, and the total par value of the issued shares is taken as the share capital. The capital reserve shall be adjusted subject to the difference between the initial investment cost of the long-term equity investment and the total par value of the shares issued; if the capital reserve is insufficient for offsetting, the retained earnings shall be adjusted. Where the equity of combined parties under the same control is obtained through multiple transactions and a business combination under the same control is formed finally, it shall be treated differentially based on whether it is a “package deal”: if it belongs to a “package deal”, all transactions will be treated as a transaction that obtains control. If it is not a “package deal”, the apportioned share of the book value in the final controller's consolidated financial statements on the combination date in accordance with the shareholders' equity shall be the initial investment cost of the long-term equity investment. The capital reserve shall be adjusted subject to the difference between the initial investment cost of the long-term equity investment and the sum of the book value of long-term equity investment before combination date and the book value of the new consideration for the new share on the combination date. If the capital reserve is insufficient for offsetting, the retained earnings shall be adjusted. The equity investments that are held prior to the combination date and are recognized with equity recognized or as available-for-sale financial asset as other comprehensive income will not be given accounting treatment for the moment.

For a long-term equity investment obtained from a combination of businesses not under the same control, the initial investment cost of the long-term equity investment shall be based on the combination cost on the purchase date. The combination cost includes the assets paid by purchaser, the liabilities incurred or assumed, and the sum of the fair value of issued equity securities. Where the equity of combined parties not under the same control is obtained through multiple transactions and a business combination under the same control is formed finally, it shall be treated differentially based on whether it is a "package deal": if it belongs to a "package deal", all transactions will be treated as a transaction that obtains control. If it is not a "package deal", the initial investment cost of the long-term equity investment calculated by the cost method shall be calculated based on the sum of the book value of the equity investment in the original holder and the new investment cost. The original share holding that measured using equity method, the relevant other comprehensive income does temporarily not conduct accounting treatment.

Intermediary expenses such as for auditing, legal services, assessment and other related expenses incurred by a combining party or a purchaser for business combination shall be recognized in current period profit or loss when incurred.

The equity investments other than formed by business combination shall be initially measured at cost. The cost will be determined based on the following amount according to different methods of the acquisition of long-term equity investment: the purchase price in cash actually paid by the Company; the fair value of the equity securities issued by the Company, the value agreed in relevant investment contract or agreement; the fair value or original book value of the assets exchanged in non-monetary asset exchange transaction; the fair value of the long-term equity investment itself. Any expenses, taxes and other necessary expenses directly related to the acquisition of long-term equity investments shall also be included in the cost of investment. The cost of long-term equity investment for the additional investment that can exert significant influence on investee or implement joint control but does not constitute control shall be the sum of the fair value of the originally held equity investment recognized in accordance with the Accounting Standards for Business Enterprises No.. 22 – Recognition and Measurement of Financial Instruments and the cost for new investment.

(2) Follow-up measurement and confirmation methods for profit and loss

The Equity Method shall be used to account for long-term equity investments that have joint control over the invested entity (except for those constituting joint operators) or have significant impact on the invested entity. In addition, the company's financial statements use the Cost Method to account for long-term equity investments, which can control the long-term equity investment of the investee.

① Long-term equity investment based on Cost Method

When accounting with Cost Method, long-term equity investment is priced at the initial investment cost, and the cost of the long-term equity investment is adjusted by adding or recovering the investment. Except for the actual payment at the time of obtaining investment or the cash dividends or profits included in the consideration but not yet issued, the current investment income shall be recognized according to the cash dividends or profits declared by the investee.

② Long-term equity investment accounted for by Equity Method

When accounting with Equity Method, if the initial investment cost of a long-term equity investment is greater than the fair value share of the identifiable net assets of the investee when investing, and the initial investment cost of the long-term equity investment shall not be adjusted; if the initial investment cost is less than the fair value share of the identifiable net assets of the investee when investing, the difference shall be included in the current profit and loss, and the cost of the long-term equity investment shall be adjusted

When accounting with Equity Method, the investment income and other comprehensive income are recognized separately according to the shares of the net profit or loss and other comprehensive income that should be enjoyed or shared, and the book value of the long-term equity investment should be adjusted at the same time. The book value of long-term equity investment is reduced accordingly by calculating the share that should be enjoyed according to the profit or cash dividend declared by the investee. The book value of long-term equity investment shall be adjusted and included in the capital reserve for other changes in the owner's rights and interests of the invested entity other than the net profit and loss, other comprehensive income and profit distribution. When confirming the share of the net profit and loss of the investee, the net profit of the investee shall be adjusted and confirmed on the basis of the fair value of the identifiable assets of the investee at the time of investment. If the accounting policies and periods adopted by the invested entity are inconsistent with the Company, the financial statements of the invested entity shall be adjusted in accordance with the accounting policies and periods of the Company, and the investment income and other comprehensive income shall be confirmed accordingly. For the transactions between the Company and the associates and joint ventures, the assets invested or sold do not constitute a business, and the unrealized gains and losses from internal transactions are offset against the portion of the Company that is attributable to the proportion of the shares, on this basis. investment profit and loss should be confirmed. However, the unrealized internal transaction losses incurred by the Company and the investee are not included in the impairment losses of the transferred assets. Where the assets invested by the Company into a joint venture or an associates constitute a business, if the investor obtains long-term equity investment but does not control, the fair value of the invested business shall be deemed as the initial investment cost of the new long-term equity investment, and the difference between the initial investment cost and the book value of the invested business is fully recognized in the current profits and losses. If the assets sold by the Company to a joint venture or an associate that constitute a business, the difference between the consideration value obtained and the book value of the business shall be fully recognized in the profits and losses of the current period.

When confirming the net loss that incurred by the investee should be shared, the book value of the long-term equity investment and other long-term equity that substantially constitutes the net investment of the investee are reduced to zero. In addition, if the Company has an obligation to bear additional losses to the investee, the estimated liabilities shall be recognized according to the estimated obligations and included in the current investment losses. If the investee achieves net profit in the following period, the Company shall resume recognizing the share of income after making up for the unrecognized share of loss.

For the long-term equity investment in the joint ventures and associates held by the Company for the first time before the implementation of the new accounting standards, if there is a debit balance of equity investments related to the investment, the current profits and losses shall be accounted for by the straight-line amortization of the original remaining period.

(3) Acquisition of Minority Equity

In the preparation of the consolidated financial statements, if the difference between the long-term equity investment added by purchasing minority shares and the net assets share that should be continuously calculated by the subsidiary company from the purchase date (or the consolidation date) is calculated according to the proportion of newly added shares, the retained earnings shall be adjusted; and if the capital reserve is insufficient to offset, the retained earnings shall be adjusted.

(4) Disposal of long-term equity investment

In the consolidated financial statements, the parent company partially of disposes of the long-term equity investment of the subsidiary without losing control, the difference of the corresponding net assets in the subsidiary between the disposal price and the disposal of the long-term equity investment is included in the shareholders' equity. it shall be treated in accordance with the relevant accounting policies described in “Notes on the preparation of consolidated financial statements” in Note III.7 .

For the disposal of long-term equity investment in other cases, the difference between the book value of the disposed equity and the actual acquisition price shall be included in the current profits and losses.

If the long-term equity investment is accounted for by equity method, the remaining equity after disposal is still accounted for by equity method, when disposing, the other comprehensive income which were originally included in shareholder's rights and interests shall be accounted for on the same basis as the assets or liabilities directly disposed of by the investee. The owner's equity recognized as a result of changes in the owner's equity of the investee other than net profit or loss, other comprehensive income and profit distribution, it should be carried forward to the current profit and loss

For the long-term equity investment accounted by Cost Method, the remaining equity is still accounted by Cost Method after disposal, other comprehensive income that recognized by equity method accounting or financial instrument recognition and measurement criteria accounting before obtaining control over the investee shall be accounted for on the same basis as the assets or liabilities directly disposed of by the investee, and shall be settled to the current profit and loss in proportion. Changes of the net assets of investee in the owner's equity other than net profit or loss, other comprehensive income and profit distribution 's that recognized by equity method shall be settled to the current profit and loss in proportion.

Where the Company loses control over the investee due to disposal of part of its equity investment, when preparing individual financial statements, if the remaining equity after disposal can exercise joint control or exert significant influence on the investee, it shall be accounted for by equity method instead, and the remaining equity shall be adjusted by accounting by equity method when it is deemed to be acquired. If the remaining equity after disposal cannot be jointly controlled or exerts significant influence on the investee, it shall be accounted for according to the relevant provisions of the financial instrument recognition and measurement criteria, and the difference between the fair value and the book value on the date of loss of control. It is included in the current profit and loss. Before the Company obtains control over the investee, other comprehensive income recognized by equity method accounting or financial instrument recognition and measurement criteria is used to directly dispose of the relevant assets with the investee, accounting treatment based on the same basis as the investee directly disposes of related assets or liabilities when the control of the investee is lost, Accounting is treated on the same basis as the liabilities. Changes in the owner's equity other than net profit or loss, other comprehensive income and profit distribution of the investee's net assets recognized by the equity method are carried forward to the current profit or loss when the control of the investee is lost. Among them, the remaining equity after disposal is accounted for using the equity method. Where the remaining equity after disposal is accounted for by equity method, other comprehensive income and other owner's equity should be settled by proportion. If the remaining equity is accounted for using financial instrument recognition and measurement standard, all of other comprehensive income and other shareholder’s equity should be settled.

If the Company loses its joint control or significant influence on the investee due to the disposal of part of the equity investment, the remaining equity after disposal shall be accounted for according to the financial instrument recognition and measurement criteria, and the difference between the fair value and the book value on the date of loss of joint control or significant influence is recognized in the current profit or loss. The other comprehensive income recognized in the original equity investment by the equity method is accounted for on the same basis as the investee's direct disposal of related assets or liabilities when the equity method is terminated, Owner's equity recognized as a result of changes in other owners' equity other than net profit or loss, other comprehensive income and profit distribution of the investee should be transferred to current investment income when terminating the equity method

The Company disposes of the equity investment in the subsidiaries step by step through multiple transactions until the loss of control. If the above-mentioned transactions are part of a package transaction, the transactions are treated as a transaction dealing with the equity investment of the subsidiary and losing control. The difference between the book value of each long-term equity investment corresponding to the disposal price and the disposal of the equity before loss of control is first recognized as other comprehensive income, and when the control is lost, it is transferred to the current profit and loss of loss of control.

16. Investment Property

Investment Property refers to property held for the purpose of earning rent or capital appreciation, or both, including land use rights that have been leased, land use rights that are held and prepared for transfer after appreciation, and buildings that have been rented. Investment property is initially measured at cost. The expenses related to investment property, if the economic benefits related to this asset are highly probable to flow into the company and the cost can be measured reliably, then the expense will account for as the cost of investment property. Other expenses are accounted for in profit and loss when incurred.

The Company adopts the cost model to conduct subsequent measurement of investment property and depreciation or amortization according to the policy consistent with the building or land use rights.

For details of the impairment test method and impairment provision method of property, please refer to Note III. 23 “Long-Term Asset Impairment”.

When the self-use property or inventory is converted into investment property or investment property is converted into self-use property, the book value before conversion is used as the recorded value after conversion.

When the use of investment property is changed to self-use, the investment property is converted into fixed assets or intangible assets from the date of change. When the use of self-use property changes to earn rent or capital appreciation, the fixed assets or intangible assets are converted into investment property from the date of change. In the case of investment property measured by the cost model when the conversion occurs, the book value before conversion is used as the entry value after conversion; if it is converted into investment property measured by the fair value model, the fair value of the conversion date is used as the entry value after conversion.

When an investment real estate is disposed of, or permanently withdrawn from use and is not expected to obtain economic benefits from its disposal, the confirmation of the investment real estate shall be terminated. Disposal income from the sale, transfer, retirement or damage of investment properties is charged to the current profit and loss after deducting its book value and related taxes and fees.

17. Fixed Assets

(1) Confirmation conditions for fixed assets

Fixed Assets refer to tangible assets held for the purpose of producing goods, providing labor services, renting or operating management, and having a service life of more than one fiscal year. Fixed assets are recognized only when the economic benefits associated with them are likely to flow into the Company and their costs can be reliably measured. Fixed assets are initially measured at cost and taking into account the impact of projected abandonment costs.

(2) Depreciation methods for various types of fixed assets

Fixed assets are depreciated over their useful lives using the straight-line method from the month following the scheduled availability. The depreciation period, estimated net residual value rate and annual depreciation rate of each category of fixed assets are as follows:

Category	Depreciation Method	Depreciation period (Year)	Net salvage rate(%)	Annual depreciation rate (%)
Buildings	straight-line depreciation	8-50	5	1.90— 11.88
Machinery equipment	straight-line depreciation	5-28	4、5	3.39—19.20
Transport facility	straight-line depreciation	5-10	4、5	9.50—19.20
Electronic equipment	straight-line depreciation	3-10	4、5	9.50—32.00
Office equipment	straight-line depreciation	3-10	4、5	9.50—32.00
Other equipment	straight-line depreciation	5-28	4、5	3.39—19.20

The estimated net residual value refers to the expected state after the estimated useful life of the fixed assets has expired and is at the end of its useful life. The amount currently obtained by the Company from the disposal of the assets after deducting the estimated disposal expenses.

(3) Impairment test method and Impairment provision method for fixed assets

For details of Impairment test method and impairment provision method for fixed assets, please refer to Note III. 22 “Long-Term Asset Impairment”.

(4) Recognition basis and valuation method of fixed assets acquired by finance lease

A finance lease is a lease that transfers substantially all the risks and rewards associated with ownership of an asset, and its ownership may or may not be transferred. If it is reasonable to determine the ownership of the leased asset at the expiration of the lease term, the depreciation shall be calculated within the useful life of the leased asset; If it is not reasonable to determine the ownership of the leased asset at the expiration of the lease term, depreciation shall be calculated within a relatively short period of the lease term and the service life of the leased assets.

(5) Others

The subsequent expenses related to fixed assets, if the economic benefits related to the fixed assets are likely to flow in and their costs can be reliably measured, are included in the cost of fixed assets and the book value of the replaced part should be terminated. The subsequent expenditures other than mentioned as above are recognized in profit or loss in the period in which they are incurred.

The fixed asset is derecognized when the fixed asset is in disposal or is not expected to generate economic benefits by using or disposal. The difference between the disposal income from the sale, transfer, retirement or damage of the fixed assets less the carrying amount and related taxes is recognized in profit or loss for the current period.

The Company reviews the useful life, estimated net residual value and depreciation method of fixed assets at least at the end of the year, and changes as an accounting estimate if changes occur.

18. Construction in progress

The cost of construction in progress is determined based on actual project expenditure, including various project expenditures incurred during the construction period, capitalized borrowing costs before the project reaches the expected usable status, and other related expenses. Construction in progress is carried forward to fixed assets when it is ready for its intended use.

For details of the impairment test method and impairment provision method for construction in progress, please refer to Note III. 22 “Long-Term Asset Impairment”.

19. Borrowing Costs

Borrowing costs include interest on borrowings, amortization of discounts or premiums, ancillary expenses, and exchange differences arising from foreign currency borrowings. Borrowing costs directly attributable to the acquisition, construction or production of assets eligible for capitalization, capitalization is began when asset expenditures have occurred, borrowing costs have occurred, and the acquisition, construction or production activities necessary to bring the assets to the intended usable or saleable state have begun. And capitalization is stopped when the assets under construction or production that meet the capitalization conditions are ready for their intended use or saleable status. The remaining borrowing costs are recognized as an expense in the period in which they are incurred.

The interest expenses actually incurred in the current period of special borrowings shall be capitalized after subtracting the interest income from the unused borrowing funds deposited into the bank or the investment income obtained from the temporary investment. For the general borrowings, according to the accumulated asset expenditures exceed the special borrowings. The capitalization amount is determined by multiplying the weighted average of which accumulated asset expenditure exceeds the asset expenditure of the special borrowing portion by the capitalization rate of the general borrowings used. The capitalization rate is determined based on the weighted average interest rate of general borrowings.

During the capitalization period, the exchange differences of foreign currency special borrowings are all capitalized; the exchange differences of foreign currency general borrowings are included in the current profit and loss.

Assets eligible for capitalization refer to assets such as fixed assets, investment property and inventories that require a substantial period of acquisition, construction or production activities to achieve the intended use or sale status.

If the assets eligible for capitalization are interrupted abnormally during the acquisition, construction or production process and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended until the acquisition, construction or production of the assets resumes.

20. Right-of-use assets

Right-of-use assets of the Group mainly consist of buildings, power generation and transmission equipment, plant, machinery and equipment, motor vehicles, furniture and fixtures and others.

(1) Initial accountings

At the commencement date of the lease, the Group recognizes the right to use the leased assets during the lease term as a right-of-use asset, including: the initial measurement amount of the lease liability; the amount of lease payment paid on or before the beginning of the lease term, the amount of lease incentive already enjoyed shall be deducted if there is a lease incentive; initial direct expenses incurred by the lessee; the costs that the lessee is expected to incur in order to dismantle and remove the leased asset, restore the leased asset to the site or restore the leased asset to the state agreed upon in the lease terms. The right-of-use assets are depreciated on a straight-line basis subsequently by the Group. If the Group is reasonably certain that the ownership of the underlying asset will be transferred to the Group at the end of the lease term, the Group depreciates the asset from the commencement date to the end of the useful life of the asset. Otherwise, the Group depreciates the assets from the commencement date to the earlier of the end of the useful life of the asset or the end of the lease term.

The company recognizes and measures the above costs under Item 4 in accordance with the *Accounting* Standards for Enterprises No.13–Contingencies.

(2) Subsequent accounting

The Company accursed the right-of-use assets according to the Accounting Standards for Enterprises NO.4-Fixed Assets. Commencement from the date of lease, the Company shall accrue the right-of-use assets. Generally the right-of-use assets are accrued at the start of the lease date, the expenses of depreciation accrued shall include into relevant asset cost or profit and loss in the current period based on the purpose of right-of-use assets. While recognizing the method of right-of-use assets, the Company shall make decisions on the economic benefit of forecast consumption mode related to the right-of-use assets, accrues the deprecation by straight-line method. When the Company recognize the depreciation period of right-of-use assets, maturity of lease period can be determined in a reasonable and well-grounded manner on the acquisition of the right-of-use assets, accursed the deprecation in its remaining service life. If the right-of-use lease assets could not be determined reasonably while the service life is mature, depreciation is applied with the short period of time between the lease term and the remaining useful life of the lease asset.

If there is impaired right-of-use assets, the Company shall accrue the subsequent deprecation based on the book value of right-of-use assets after deducting the loss of impairment.

The Company determined not to recognized the right-of-use assets and lease liabilities on the short-term lease (lease term not exceeding 12 months), and recognizes the relevant lease payment during the respective lease term in the current profit and loss or cost of assets relevant in straight line method. Impairment test method and the provision method for diminution in value of right-of-use assets are detailed in Note III 23 “Long-Term Asset Impairment”

21. Intangible Assets

Intangible assets refer to identifiable non-monetary assets without physical form owned or controlled by the Company.

Intangible assets are initially measured at cost. Expenditure related to intangible assets is included in the cost of intangible assets if the relevant economic benefits are likely to flow to the Company and its costs can be measured reliably. However, the intangible assets acquired through business combination not involving enterprises under common control should be measured at fair value separately as intangible assets when their fair values can be reliably measured.

The acquired land use rights are usually accounted for as intangible assets. The related land use rights and building construction costs of self-developed and constructed buildings are accounted for as intangible assets and fixed assets, respectively. In the case of purchased houses and buildings, the relevant price is distributed between the land use rights and the buildings. If it is difficult to allocate them reasonably, all of them are treated as fixed assets.

(1) Basis for determining the service life, the estimate thereof, and amortization methods and the procedures for reviewing their service life

When recognizing the service life of the intangible assets, being sourced from any contractual right or other statutory rights, its service life shall not exceed the life of contractual rights or other statutory rights. As for the intangible assets not specified either under the contract or legal regulations, the company combined various situations, such as employing relevant professional persons to undergo the justification or make comparison with the situation of the same industry and the historical experience of the Company, determining the future economic benefit service life which is brought by the intangible assets. If the efforts are made, but could not recognized reasonably that the intangible asset shall bring the economic benefit service life for the Company, then shall treat this as uncertain service life of the intangible asset.

Since the intangible assets with limited useful life are available for use, the original value minus the estimated net residual value and the accumulated amount of impairment reserve shall be amortized by the straight-line method during their expected service life. Intangible assets with uncertain service life shall not be amortized.

Among them, the useful life and amortization method of intellectual property are as follows:

Item	Amortization period (year)	Amortization method
Trademark	20	Straight-line method
Software	3-10	Straight-line method
Land-use rights	50	Straight-line method

At the end of the period, the useful life and amortization methods of intangible assets with limited useful life are reviewed, and if any change occurs, it is treated as a change of accounting estimate. In addition, the useful life of intangible assets with uncertain service life is also reviewed. If there is evidence that the period for which the intangible assets bring economic benefits to the enterprise is foreseeable, the useful life of intangible assets is estimated and amortized according to the amortization policy of intangible assets with limited useful life

(2) Research and development expenditure

The company's expenditure for internal research and development project is divided into research phase expenditure and development phase expenditure.

Expenditures for the research phase shall be recognized in profit or loss when incurred.

Expenditures for the development phase that meet the following conditions shall be recognized as intangible assets, and expenditures in the development stage that fail to meet the following conditions are included in current profit and loss:

a. It is technically feasible to complete the intangible asset to enable it to be used or sold.

b. The intent to complete the intangible asset and use or sell it;

c. The way in which intangible assets generate economic benefits, including the ability to prove that the products produced from the intangible assets having a market or the intangible assets having a market, and the intangible assets will be used internally, which can prove its usefulness;

d. sufficient technical, financial resources and other resources for supporting the development of the intangible assets and the ability to use or sell the intangible assets.

e. Expenditure attributable to the development phase of the intangible asset can be reliably measured.

If it is impossible to distinguish the expenditures between research phase and development phase, all research and development expenditures incurred will be included in the current profit and loss.

(3) Impairment test method and Impairment provision method for intangible assets

For details of the impairment test method and impairment provision method, please refer to Note III. 22 “Long-Term Asset Impairment”.

22. Long-term assets impairment

For fixed assets, construction in progress, intangible assets with limited useful life, investment property measured by cost model, and non-current non-financial assets such as long-term equity investments in subsidiaries, joint ventures and associates, the Company determines whether there is any indication of impairment on the balance sheet date. If there is any indication of impairment, the recoverable amount is estimated and the impairment test is carried out. Goodwill, intangible assets with uncertain service life and intangible assets that not yet ready for use are tested for impairment annually, regardless of whether there is any indication of impairment.

If the result of the impairment test indicates that the recoverable amount of the asset is lower than its book value, the impairment provision is made based on the difference and is included in the impairment loss. The recoverable amount is the higher of the fair value of the asset less the disposal expense and the present value of the estimated future cash flow of the asset. The fair value of assets is determined according to the sale agreement price in a fair transaction. If there is no sales agreement but there is an active market for the asset, the fair value is determined according to the buyer's bid for the asset; if there is neither sales agreement nor active market for assets, the fair value of assets shall be estimated based on the best information available. Asset disposal expenses include legal fee, taxes, transportation expenses and direct expenses incurred to make assets saleable. The present value of the estimated future cash flow of an asset is determined by the appropriate discount rate discounting and the estimated future cash flow generated by the asset during its continuous use and final disposal.

The asset impairment provision is calculated and confirmed based on individual assets. If it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of the asset is determined by the asset group which the asset belongs to. An asset group is the smallest portfolio of assets that can generate cash inflows independently.

The book value of the goodwill listed separately in the financial statements is amortized into asset groups or portfolios that are expected to benefit from the synergies of business combinations when impairment tests are conducted. The test results show that the recoverable amount of the asset group or portfolio containing the assessed goodwill is lower than its book value, the corresponding impairment losses should be confirmed. The amount of impairment loss is first deducted from the book value of the goodwill amortized to the asset group or portfolio, and then deducted proportionally from the book value of other assets according to the proportion of the book value of assets other than goodwill in the asset group or portfolio.

Once the above asset impairment loss is confirmed, it will not be reversed to the part where the value is restored in the future period.

23. Long-term Deferred Expenses

The long-term deferred expenses are all expenses that have occurred but shall be borne by the reporting period and subsequent periods with amortization period of more than one year. The company's long-term deferred expenses mainly include lease of land use right and renovation costs of factory building. Long-term deferred expenses are amortized on a straight-line basis over the estimated benefit period. If the long-term amortized expense item cannot benefit the company in subsequent accounting periods, the amortized value of the item that has not yet been amortized will be transferred to the current profit or loss.

24. Employee Compensation

The Company's employee compensation mainly includes short-term employee remuneration, Post-employment Benefits, Termination Benefits and benefits for other long-term employee. Among them:

Short-term employees remuneration mainly includes wages, bonuses, allowances and subsidies, employee welfare fees, medical insurance premiums, maternity insurance premiums, work injury insurance premiums, housing fund, labor union funds, employee education funds, and non-monetary benefits. The Company recognizes the actual short-term employee's remuneration as a liability in the accounting period in which employees provide services to the Company and recognizes them in profit or loss or related asset costs. Non-monetary benefits are measured at fair value.

Post-employment Benefits mainly include basic retirement security, unemployment insurance, and annuities. The Post-employment Benefit Scheme includes a Defined Contribution Plan and a Defined Benefit Plan. If a Defined Contribution Plan is adopted, the corresponding amount of the deposit shall be included in the relevant asset cost or current profit and loss as incurred. (1) The Defined Contribution Plan is recognized as a liability based on a fixed fee paid to an independent fund and is included in the current profit and loss or related asset costs; (2) The Defined Benefit Plan is accounted for using the expected cumulative benefits unit method Specifically, the Company will convert the welfare obligation arising from the Defined Benefit Plan into the final value of the departure time according to the formula determined by the expected cumulative benefits unit method; then it is attributed to the employee's in-service period and is included in the current profit and loss or related asset cost.

If the labor relationship with the employee is terminated before the employee's labor contract expires, or if the employee is encouraged to accept the reduction voluntarily, when cannot withdrawing unilaterally the dismissal benefits provided by the termination of the labor relationship plan or the reduction proposal, and when confirming the costs associated with the restructuring involving the payment of the dismissal benefits, whichever is earlier, the Company will recognize the employee compensation liabilities arising from the dismissal benefits, and included in the current profit and loss. However, if the dismissal benefits are not expected to be fully paid within 12 months after the end of annual reporting period, they shall be treated in accordance with other long-term employee compensations.

The internal retirement plan for employees shall be treated in the same way as the above-mentioned dismissal benefits. The company will pay the internal retired staff the salary and the social insurance premiums from the employee's lay-off to normal retirement, and will include in the current profit and loss (dismissal benefits) when the conditions of the estimated liabilities are met.

If the other long-term employee benefits provided by the Company to the employees are in line with the Defined Contribution Plan, they shall be accounted for Defined Contribution Plan, and otherwise accounted for the Defined Benefit Plan.

25. Estimated liabilities

When the obligations related to the contingencies meet the following conditions, they are recognized as contingent liabilities: (1) The obligation is the present obligation assumed by the

Company; (2) The performance of this obligation is likely to result in the outflow of economic benefits; (3) The amount of the obligation can be reliably measured.

On the balance sheet date, taking into account factors such as risks, uncertainties and time value of money related to contingencies, the estimated liabilities are measured in accordance with the best estimate of the expenditure required to perform the relevant current obligations.

If all or part of the expenses required to discharge the estimated liabilities are expected to be compensated by the third party, the compensation amount will be separately recognized as an asset when it is basically determined to be received, and the confirmed compensation amount does not exceed the book value of the estimated liabilities.

(1) Loss Contract

A loss contract is a contract in which the cost of fulfilling a contractual obligation will inevitably occur more than the expected economic benefit. If the contract to be executed becomes a loss contract, and the obligation arising from the loss contract satisfies the conditions for the recognition of the above-mentioned estimated liabilities, the portion of the contract's estimated loss that exceeds the recognized impairment loss (if any) of the contracted asset is recognized as the estimated liability.

(2) Restructuring Obligations

For restructuring plans that are detailed, formal, and have been announced to the public, the amount of the estimated liabilities are determined based on the direct expenses related to the reorganization, subject to the recognition conditions of the aforementioned estimated liabilities. For the restructuring obligation to the part of business sold, the obligation related to the reorganization is confirmed only when the company promises to sell part of the business (that is, when the binding sale agreement is signed).

26. Share-based Payments

(1) Accounting Treatment of Share-based Payments

A share-based payment is a transaction that grants an equity instrument or assumes a liability determined based on an equity instrument in order to obtain services from employees or other parties. Share-based Payments include equity-settled share payment and cash-settled share payment.

① Equity-settled Share Payment

The equity-settled share payment in exchange for the services from employee is measured at the fair value of the granting of employees' equity instruments at the grant date. If the fair value is vested in the completion of the waiting period of service or the fulfillment of the required performance conditions, during the waiting period, the amount of the fair value is calculated by the straight-line method into the relevant costs or expenses based on the best estimate of the number of vesting equity instruments; Or If the vesting right is granted immediately after the grant, the calculation of the amount of the fair value is included in the relevant cost or expense on the grant date, and the capital reserve is increased accordingly.

On each balance sheet date during the waiting period, the Company makes the best estimate based on the latest information on the changes in the number of employees with vesting rights and corrects the number of equity instruments that are expected to be vested. The impact of the above estimates shall be included in the current related costs or expenses, and the capital reserve is adjusted accordingly.

In the case of equity-settled share-based payments in exchange for other parties' services, if the fair value of other parties' services can be reliably measured, the fair value of other services shall be measured at the fair value on the date of acquisition; If the fair value of the other party's services cannot be measured reliably, the fair value shall be measured at the fair value of the equity instrument at the date the service is acquired, and is included in the relevant cost or expense, which increases the shareholders' equity accordingly.

② Cash-settled Share Payment

The cash-settled share payment is measured at the fair value of the liabilities determined by the Company based on shares or other equity instruments. If the vesting right is available immediately after the grant, the relevant costs or expenses shall be included on the date of grant, and the liabilities shall be increased accordingly; if vesting right is available after the service is completed within the waiting period or met the required performance conditions, based on the best estimate of the vesting rights on each balance sheet date of the waiting period, according to the fair value of the liabilities assumed by the company, the services obtained in the current period are included in the cost or expense, and the liabilities are increased accordingly.

The fair value of the liabilities shall be re-measured on each balance sheet date and settlement date before the settlement of the relevant liabilities, and the changes shall be recorded in the profit and loss of the current period.

(2) Relevant Accounting Treatment of share-based payment plan’s modification and

termination

When the Company modifies the share-based payment plan, if the modification increases the fair value of the equity instruments granted, the increase in the fair value of the equity instruments is recognized accordingly. The increase in the fair value of equity instruments refers to the difference between the fair value of the equity instruments before and after the modification. If the modification reduces the total fair value of the share-based payment or adopts other methods that are not conducive to the employee, the service obtained shall continue to be accounted for, as if the change has never occurred, unless the Company cancels some or all of equity instruments.

During the waiting period, if the granted equity instrument is cancelled, the Company will cancel the granted equity instrument as an accelerated exercise, and the amount to be recognized in the remaining waiting period will be immediately included in the current profit and loss, and the capital reserve will be recognized. If the employee or other party can choose to meet the non-vesting conditions but fails to meet the waiting period, the Company will treat it as a cancellation of the equity instrument.

(3) Accounting Treatment of Share Payment Transactions between the Company and its Shareholders or Actual Controllers

In respect of the share-based payment transaction between the company and the shareholders or actual controllers of the company, If one of the settlement enterprise and the service receiving enterprise is in the company and the other is outside the company, it shall be accounted for in the consolidated financial statements of the company according to the following provisions:

① If the settlement enterprise settles with its own equity instrument, the share-based payment transaction shall be treated as equity-settled share-based payment; otherwise, it shall be treated as a cash-settled share-based payment.

If the settlement enterprise is an investor of a serviced enterprise, it shall be recognized as the long-term equity investment of the serviced enterprise according to the fair value of the equity instrument at the grant date or the fair value of the liability to be assumed, and the capital reserve (other capital reserve) or liabilities shall be recognized.

② If the serviced enterprise has no settlement obligation or grants its own employees the equity instruments, the share payment transaction shall be treated as equity-settled share payment; if the serviced enterprise has settlement obligation and grants its employees other than its own equity instruments, the share payment transaction shall be treated as a cash-settled share payment.

For the share based payment incurred between companies within the group, if the serviced enterprise and settlement enterprise are not the same, then the payment should be recognized and measured in their individual financial statements, they should be accounted for using the above principles

27. Revenue

The term “revenue” refers to the gross inflow of economic benefits arising in the course of the ordinary activities of an enterprise, which may increase of the shareholder's equities and is irrelevant to the capital of the shareholder. When the company signs a contract, it evaluates the contract, identifies the individual performance obligations contained in the contract, and determines whether the individual performance obligations are performed within a certain period of time or at a certain point of time. When the company has fulfilled all the performance obligations in the contract, the revenue shall be recognized respectively according to the transaction price apportioned to the performance obligations. A contract with a customer generally explicitly states the goods or services that an entity promises to transfer to a customer. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Generally, the company recognizes the revenue from the sales of goods based on the transaction price apportioned to the single performance obligation when the customer obtains the control right of the relevant goods on the basis of comprehensively considering the following factors: the company has the right to receive payment in respect of the goods or services currently, that is, the customer has the obligation to pay for the goods currently; the company has transferred the legal ownership of the goods to the customer, that is, the customer has the legal ownership of the goods; The Company has transferred the physical goods of the commodity to the Customer or the Customer has obtained the qualification of physical goods right of the commodity. The consideration obtained by the Company in respect of the transfer of the commodity is likely to be recovered; Other indications that the customer has taken control of the commodity.

For the performance obligations performed in a certain period of time, such as the services provided, the company adopts the input method to determine the appropriate performance progress, and recognizes the revenue according to the performance progress in that period of time. On the balance sheet date, the company shall recognize the current income according to the total transaction price of the contract multiplied by the progress of performance minus the accumulated recognized income. If one of the following conditions is satisfied, it is regarded as the performance obligation performed during a certain period of time: the Customer obtains and consumes the economic benefits arising from the performance of the Company at the same time of the performance of the Company; Customers can control the goods under construction during the performance of the contract; The products produced by the Company during the performance of the Contract are of irreplaceable use, and the Company shall be entitled to receive payment for the accumulated part of the completed performance so far during the whole term of the Contract. Otherwise, the Company recognizes revenue at the point when the Customer acquires control of the relevant goods or services.

Where the contract contains two or more performance obligations, an entity shall, on the commencement date of the contract, allocate the transaction price to each performance obligation identified in the contract on a relative standalone selling price basis. Except when an entity has observable evidence that the entire discount relates to only one or more, but not all, performance obligations in a contract, the entity shall allocate a discount proportionately to all performance obligations in the contract. Stand-alone selling price refers to the price of the goods or services sold by the Company to the customer separately. If the stand-alone selling price cannot be directly observed, the Company shall take into account all relevant information reasonably available and estimate the stand-alone selling price by observable input values to the maximum extent

As for the sales with quality guarantee, except for it guarantees the product on sale of service meets the designated standards to the customer, providing a single separate service, this quality guaranteed composes the single performance obligation. Otherwise, the Company shall treat the accounting method on quality guarantee obligations in accordance with the Enterprise Accounting Standards No,13- Contingencies.

If the contract comprised of significant financing elements, the Company shall recognizes the amount of payables in cash to determine the trading price based on the assumption that the customer obtains the products or service control rights. The difference between the price stipulated in the contract or agreement and its contract consideration shall be amortized within the period of the contract or agreement. through the real interest method. As a practical expedient, an entity need not adjust the promised amount of consideration for theeffects of a significant financing component if the entity expects, at contract inception, that the period between when the entity transfers a promised good or service to the customer and when the customer pays for that good or service will be one year or less.

The Company justifies the trading identity is the major responsible person or on behalf based on whether it has the control right to the product or the service before transferring the products or service to the customer. As the major responsible person of the Company, shall recognizes the revenue based on the total consideration of the amount received or receivable. Otherwise, as the agent of the Company, shall recognizes the revenue based on the expected right of obtaining the commission or service charge, which is calculated as the total consideration on the amount received or receivable deducting the net amount payable to other related parties or recognizes on the amount of commission or proportion etc.

The Company received the amount of products sales or service in advance, shall recognizes it as liabilities in the first, then accounted as revenue upon fulfilling relevant performance obligations.

The Company has transferred the products or service to its clients and has rights to obtain the considerations (and this rights is obliged to other elements of passing time) listed as the contractual assets. Contractual assets are accrued the devaluation provision based on the expected credit loss. The Company has the unconditional rights （only depends on the passing of time） to its customer for obtaining the considerations, listed as item receivables. The consideration of amount received or receivable, which is obtained to its customer, shall transfer product or service obligation to them, listed as contractual liabilities.

The detailed accounting policies related to the major activities of obtaining the revenue of the Company

(1) Sales processing

The production and processing sales comprise mainly of sales of oils an oilseeds, food etc. The Company recognized the sales revenue when the amounts received or identification obtained upon sales, which has been submitted and signed by the customer.

(2) Trading Revenue

If the Company obtained the product control rights from the third party and transferred to the client, assumed the significant obligations under the transaction of transferring the products to the client. i.e. inventory risk, and has rights to determine the price of the products oneself. The identity of the Company under the transaction is the major responsible person, recognizing the trading revenue based on the expected rights for obtaining the total consideration stipulated on the contract. The Company made commitment to arrange others to provide specific products, but has no control rights on this before providing the specific products to clients. The identity of the Company under the transaction is agent, recognizing the revenue on the commission obtained or service amount for arranging others to provide the specific products to clients.

28. Contract costs

Contract cost comprises contract performance cost and contract acquisition cost.

The cost incurred by the company for the performance of the contract, which does not fall within the scope of other accounting standards for business enterprises other than the income standard and meets the following conditions at the same time, is recognized as an asset as the contract performance cost:

(1) The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs explicitly borne by the customer and other costs incurred solely as a result of the contract;

(2) The cost increases the company's resources for fulfilling its performance obligations in the future;

(3) The cost is expected to be recovered.

The assets are presented in inventory or other non-current assets according to whether the amortization period has exceeded one normal operating cycle at the time of its initial recognition.

If the incremental cost incurred by the company to obtain the contract is expected to be recovered, it shall be recognized as an asset as the contract acquisition cost. Incremental cost refers to the cost that will not occur if the company does not obtain the contract.

The assets related to the contract cost mentioned above shall be amortized at the time of performance of the obligation or according to the performance progress on the same basis as the income recognition of the commodity or service related to the asset and shall be recorded into the current profit and loss.

If the book value of the above assets related to the contract cost is higher than the difference between the residual consideration expected to be obtained by the company due to the transfer of the goods related to the assets and the estimated cost to be incurred for the transfer of the relevant goods, the excess part shall be set aside as an impairment provision and recognized as an impairment loss of the asset.

29. Government grants

Government grant refers to the company's acquisition of monetary and non-monetary assets from the government free of charge, excluding the capital invested by the government as an investor and enjoying the corresponding owner's rights and interests. Government grants include assets-related grants and revenue-related grants. The company defines the government grant obtained for the purchase and construction of long-term assets or for the formation of long-term assets in other ways as the government grant related to assets; the remaining government grant is defined as the government grant related to income. If the object of grants is not specified in government documents, the grants shall be divided into income-related government grants and assets-related government grants in the following ways: (1) If the government document clarifies the specific project for which the grant is targeted, the proportion of the expenditure amount of the assets to be formed and the amount of the expenditures included in the expenses in the budget of the specific project are divided, and the proportion of grant division needs to be reviewed on each balance sheet day and changed if necessary. (2) In government documents, if the purpose is expressed only in general terms and no specific project is specified, the grant shall be regarded as a government grant related to the income. Where a government grant is a monetary asset, it shall be measured according to the amount received or receivable. If the government grants are non-monetary assets, they shall be measured at the fair value; if the fair value cannot be obtained reliably, they shall be measured at the nominal amount. Government grants measured in nominal amounts shall be recognized directly in current profits and losses.

The Company usually confirms and measures the government grant according to the amount when it is actually received. However, if there is conclusive evidence at the end of the period that the relevant conditions stipulated in the financial support policy can be met and the financial support funds are expected to be received, it shall be measured according to the amount receivable. Government grants measured in accordance with the amount receivable shall meet the following conditions at the same time: (1) The amount of the subvention receivable has been confirmed by the authorized government departments, or can be reasonably calculated according to the relevant provisions of the formally issued financial fund management measures, and there is no significant uncertainty in the amount expected; (2) According to the "Regulations on the Openness of Government Information" that the local financial department officially released and in accordance with the provisions of the "Regulations on the Openness of Government Information," the financial support project and its financial fund management measures should be inclusive (any eligible enterprise can apply for them), rather than being specifically tailored to specific companies; (3) The relevant grant approval has clearly promised the payment period, and the allocation of the payment is guaranteed by the corresponding budget, so it can be reasonably ensure that it can be received within the prescribed time limit; (4) Other relevant conditions (if any) to be met in accordance with the specific circumstances of the Company and the grants.

Government grants related to assets are recognized as deferred earnings and are divided into current profits and losses in a reasonable and systematic way during the service life of the assets concerned. The government grants related to revenue, which are used to compensate for the related cost or loss in the subsequent period, shall be recognized as deferred income, and shall be recognized in profit or loss in the period in which the related costs or losses are recognized; if it is used to compensate the related costs or losses that has occurred, it shall be directly recognized in the current profit and loss.

It includes government grants related to both assets and income, and different parts are separately classified for accounting treatment; if it is difficult to distinguish, the whole is classified as government grants related to income.

Government grants related to the daily activities of the Company shall be included in other income or cost deductions according to the nature of the economic business; government subsidies unrelated to daily activities shall be included in the non-operating revenues and expenses.

When the recognized government grants need to be returned, if there are relevant deferred earnings balances, the book balance of related deferred earnings shall be deducted, and the excess part shall be included in the current profits and losses or the book value of assets shall be adjusted, otherwise, the book value of assets shall be directly included in the current profits and losses.

The company will obtain preferential policy loans discount in accordance with the finance will be allocated to the loan bank discount funds and the finance will be directly allocated to the company discount funds in two cases:

(1) If the finance department allocates the discount interest funds to the lending bank, and the lending bank provides the loan to the Company at the policy preferential interest rate, the Company chooses to conduct accounting treatment according to the following methods: the loan amount actually received shall be taken as the entry value of the loan, and the relevant borrowing costs shall be calculated in accordance with the loan principal and the policy preferential interest rate.

(2) If the finance allocates the discount funds directly to the company, the company will offset the corresponding discount against the relevant borrowing costs.

30. Deferred tax assets/deferred tax liabilities

(1) Current Income Tax

On the balance sheet date, the current income tax liabilities (or assets) formed in the current and previous periods are measured by the expected amount of income tax payable (or returned) in accordance with the provisions of the Tax Law. The amount of taxable income on which current income tax expenses are calculated is based on the corresponding adjustment of pre-tax accounting profits in the reporting period in accordance with the relevant tax laws.

(2) Deferred Income Tax Assets and Deferred Income Tax Liabilities

The difference between the book value of certain assets and liabilities and their tax basis, and the temporary difference between the book value of items that are not recognized as assets and liabilities but which can be determined as their tax basis according to the tax law, are confirmed by the balance sheet liability method.

Taxable temporary differences which related to the initial recognition of goodwill and the initial recognition of an asset or liability arising from a transaction that is neither a business combination nor an accounting profit or taxable income (or deductible loss), relevant deferred income tax liabilities shall not be recognized. In addition, for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, if the Company is able to control the turnaround time of temporary differences, and the temporary difference is unlikely to be reversed in the foreseeable future, the related deferred income tax liabilities shall not be recognized. Except for the above exceptions, the Company recognizes all other deferred income tax liabilities arising from taxable temporary differences.

Taxable temporary differences which related to the initial recognition of an asset or liability arising from a transaction that is neither a business combination nor an accounting profit or taxable income (or deductible loss), relevant deferred income tax liabilities shall not be recognized. In addition, for taxable temporary differences related to investments in subsidiaries, associates and joint ventures, if the temporary difference is unlikely to be reversed in the foreseeable future, or the amount of taxable income used to offset the temporary difference is unlikely to be obtained in the future, the deferred income tax assets concerned shall not be recognized. Except for the above exceptions, the Company recognizes other deferred income tax assets that can offset temporary differences, subject to the amount of taxable income that is likely to be obtained to offset temporary differences.

For deductible losses and tax credits that can be carried forward in subsequent years, the corresponding deferred income tax assets are recognized to the extent that it is probable that the future taxable income shall be used to offset the deductible losses and tax credits.

On the balance sheet date, the deferred income tax assets and deferred income tax liabilities shall be measured at the applicable tax rates in the period in which the related assets are recovered or the related liabilities are recovered in accordance with the tax laws.

On the balance sheet date, the book value of deferred income tax assets is reviewed. and the book value of deferred income tax assets is written down if it is likely that sufficient taxable income will not be available to offset the benefits of deferred income tax assets in the future. When it is possible to obtain sufficient taxable income, the amount written down shall be reversed.

(3) Income tax expenses

Income tax expenses include current income tax and deferred income tax.

In addition to recognizing that the current income tax and deferred income tax related to other transactions and matters directly included in shareholder's rights and interests shall be recognized in other comprehensive income or shareholder's rights and interests, and the book value of adjusted goodwill from deferred income tax resulting from the merger of enterprises, the other current income tax and deferred income tax expenses or gains shall be recognized in profit or loss for the current period.

(4) Offset of Income Tax

When the company has legal rights to settle on a net basis, and intends to settle on a net basis or acquire assets and pay off liabilities at the same time, the company's current income tax assets and current income tax liabilities shall be presented on a net basis after the offset.

When it has the legal right to settle current income tax assets and current income tax liabilities on a net basis, and deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax administration department on the same tax payer or to different tax payers, but in the future, during each important period of deferred income tax assets and liabilities being reversed, the taxpayer involved intends to settle the current income tax assets and liabilities on a net basis, or acquire assets and pay off liabilities simultaneously, the deferred the income tax assets and deferred income tax liabilities of the Company shall be presented on a net basis after offset.

31. Leasing

On the commencement date of a contract, an enterprise shall assess whether the contract is a lease or includes a lease. Where a party to a contract transfers the right to control the use of one or more identified assets for a certain period of time in return for consideration, the contract is a lease or includes a lease. To determine whether the right to control the use of identified assets within a certain period of time under a contract has been transferred, an enterprise shall assess whether a client in the contract has the right to use almost all of the economic benefits arising from the use of the identified assets during the period of use, and has the right to dominate the use of identified assets during this period of use.

Where a contract concurrently contains multiple separate leases, the lessee and lessor shall split the contract and conduct accounting treatment respectively for all separate leases.

Where the following conditions are concurrently met, use of the rights of identified assets shall constitute a separate lease in a contract:

①A lessee may earn profits from separate use of the assets or joint use with other resources readily available.

②There is no high dependence or high correlation between the assets and other assets in the contract.

Where a contract concurrently includes both leased and non-leased parts, the Company, as the lessee and lessor, shall split the leased and non-leased parts to conduct accounting treatment.

(1) The Company records operating lease business as a lessee.

The main types of leased assets of the company include houses and buildings, transportation equipment and land use rights etc.

1) Initial measurement

At the beginning of the lease period, the Company recognizes its right to use the leased assets during the lease period as a right-of-use asset, recognition of the present value of outstanding lease payments as lease liabilities, except short-term and low-value asset leases. In calculating the present value of the lease payment, the Company uses the interest rate included in the lease as the discount rate. Where the interest rate included in the lease cannot be determined, the Company uses the incremental borrowing rate as the discount rate

The lease period is the irrevocable period during which the Company is entitled to use the lease assets. Where the Company has the option to renew the lease, that is, the right to choose to renew the lease of the asset, and reasonably determines that the option will be exercised, The lease period also includes the period covered by the lease renewal option. The Company has the option to terminate the lease, that is, the right to terminate the lease of the asset, Provided that it is reasonably determined that the option will not be exercised, the lease period includes the period covered by the option to terminate the lease. Where a material event or change within the control of the Company occurs and affects whether the Company reasonably determines that the appropriate option will be exercised... The Company will determine to exercise the option of renewing the lease, re-evaluation of the option to purchase or not to exercise the option to terminate the leas on its reasonability.

2) Subsequent measurement

The Company adopts the straight-line method to depreciate the right to use assets. Where it is reasonable to determine that the leased assets are to be owned upon expiry of the lease term, the Company shall calculate the leased assets within the remaining useful life of the leased assets. If the ownership of the leased assets upon expiry of the lease term is unable to be reasonably determined, the Company shall accrue depreciation within a short period of time between the lease term and the remaining useful life of the leased assets. The interest expenses of the lease liabilities for each period of the lease term at the discount rate is recognized by the Company and shall be included into the current profit or loss. Variable lease payments that are not included in the leasehold liability measure are included in the current profit and loss at the time of actual incurance.

After commencement of the lease period, when there is a change in the amount of substantial fixed payments and the amount due to which the guarantee balance is expected, changes in indices or ratios used to determine rental payments, where the assessment of purchase options, the renewal option or termination option or actual exercise of the option changes, the Company re-measures the lease liabilities according to the present value of the change in lease payments, and adjust the book value of the right to use assets accordingly. If the book value of the right to use assets has been reduced to zero, but the lease liability still needs to be further reduced, the Company will record the remaining amount in the current profit or loss.

3) Lease change

Lease modification refers to the modification of the lease scope, lease consideration and lease term beyond the terms of the original contract, including increasing or terminating the right to use one or more leased assets, extending or shortening the lease term specified in the contract, etc.

If the lease changes and the following conditions are met, the Company will account for the lease change as a separate lease:

① The lease change expands the scope of the lease by adding the right to use one or more leased assets;

② The increased consideration is equivalent to the separate price for the extended portion of the lease, adjusted for the circumstances of the contract.

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company redetermines the lease term and discounts the changed lease payment at the revised discount rate to remeasure the lease liability. In calculating the present value of the lease payment after the change, the Company uses the inherent interest rate of the lease during the remaining lease term as the discount rate; If the inherent interest rate of the lease for the remaining lease term cannot be determined, the Company's incremental borrowing rate on the effective date of the lease change shall be used as the discount rate.

The Company accounts for the impact of the above adjustment of lease liabilities in the following cases:

① If the lease change results in the reduction of the lease scope or the shortening of the lease term, the Company shall reduce the book value of the right of use assets to reflect the partial or complete termination of the lease. The Company recognises gains or losses related to partial or complete termination of the lease in profit or loss for the current period.

② For other lease changes, the company shall adjust the book value of the right to use assets accordingly

4) Short-term leases and leases of low value assets

The Company will consider a lease for a period not exceeding 12 months and excluding a purchase option as a short-term lease on the commencement date of the lease term; A lease with a lower value when a single leased asset is a new asset is identified as a low-value asset lease. Where the Company subleases or intends to sublease leased assets, the original lease is not deemed to be a low-value asset lease. The relevant asset cost or current profit or loss is recognised on a straight-line basis during each period of the lease term, and the contingent rent is recognised in current profit or loss when actually incurred

(2) The company records operating lease business as a lessor

The lease commencement date essentially transfers almost all the risks and rewards associated with the ownership of the leased asset to finance leases, and all other leases are operating leases

1) Operating lease

The rental income of operating lease shall be recognized as current profit and loss according to the straight-line method during each period of the lease period. The larger initial direct expenses are capitalized when occurring, and the profits and losses of the current period shall be recorded in stages on the same basis as the recognized rental income during the whole lease period; the smaller initial direct expenses shall be recorded in the profits and losses of the current period when occurring. Contingent rentals shall be included in current profits and losses when actually occurring.

2) Finance lease

At the beginning date of the lease term, the Company recognizes the financial lease payment receivable for the financial lease and terminates the recognition of the financial lease assets. When the Company makes the initial measurement of the financial lease receivable, the net lease investment is taken as the recorded value of the financial lease receivable. The net lease investment is the sum of the unsecured balance and the present value of the lease proceeds not yet received at the commencement date of the lease term, discounted at the intrinsic interest rate of the lease. The Company calculates and recognizes interest income for each period of the lease term based on the inherent interest rate of the lease.

The Company presents financial lease receivables as long-term receivables, and financial lease receivables received within one year (including one year) from the balance sheet date are presented as non-current assets maturing within one year.

32. Other important accounting policies and accounting estimates

(1) Hedge accounting

In order to avoid some risks, the Company hedges some financial instruments as hedging instruments. For the hedges meeting the specified conditions, the Company adopts the hedge accounting method for treatment. The hedging of the Company is fair value hedging.

At the beginning of hedging, the Company formally designates hedging instruments and hedged items, and prepares written documents on hedging relationship and risk management strategy and risk management objectives of the Company engaged in hedging. In addition, the Company will continuously evaluate the effectiveness of hedging at the beginning and after the hedging.

(2)Fair value hedging

If a hedging instrument is designated as a fair value hedge and meets the conditions, the profits or losses arising therefrom shall be included into the current profits and losses. If the hedging instrument hedges the non-trading equity instrument investment (or its components) that is measured at fair value and whose changes are included in other comprehensive income, the gains and losses generated by the hedging instrument are included in other comprehensive income. The profit or loss of the hedged item due to the hedged risk exposure shall be included into the current profits and losses, and the book value of the hedged item shall be adjusted at the same time. If the hedged item is measured at fair value, the gain or loss of the hedged item due to the hedged risk does not need to adjust the book value of the hedged item, and the relevant gains and losses are included into the current profits and losses or other comprehensive income.

When the Company cancels the designation of the hedging relationship, the hedging instrument has expired or been sold, the contract has been terminated or exercised, or no longer meets the conditions for the application of hedge accounting, the application of hedge accounting shall be terminated.

33. Changes in Significant Accounting Policies and Accounting Estimates

The Company did not have any significant changes in accounting policies and accounting estimates during the reporting period.

IV. Taxes

1. Major types of taxes and tax rates

Taxes	Tax basis	Tax rate
VAT	Taxable value-added amount (tax payable is calculated as the balance of taxable sales amount multiplied by the applicable tax rate after deducting input VAT allowable for the current period)	1%、3%、5%、6%、9%、10%、13%
Urban Maintenance Construction Tax	It is calculated and levied according to the actual VAT paid	7%、5%
Educational fee surcharge	It is calculated and levied according to the actual VAT paid	3%
Local Education Add-on	It is calculated and levied according to the actual VAT paid	2%
Corporate income tax	According to the taxable income	25%、20%、17%、15%
Property tax	70% of the original value of the property is the tax basis, and 30% is deducted according to the original value of the property; Rental income is used as the tax basis	12%、1.2%

If there are taxpayers with different enterprise income tax rates, the disclosure shall be explained:

Name of the taxpayer	Income tax rate
Hangzhou Lin'an Chunmanyuan Agricultural Development Co., Ltd	20%
Jingliang (Singapore) International Trade Co., Ltd	17%
Beijing Guchuan Bread Food Co., Ltd	15%

2. Tax incentives

Beijing Guchuan Bread & Food Co., Ltd., a third-level subsidiary of the Company, is a high-tech enterprise, which enjoys the preferential tax policy of paying enterprise income tax at a rate of 15% in accordance with the relevant provisions of the Law of the People's Republic of China on the Administration of Tax Collection and Collection and the Detailed Rules for the Implementation of the Law of the People's Republic of China on the Administration of Tax Collection, and the certificate number of the high-tech enterprise is GR202411003833, which is valid until October 29, 2027. According to Announcement No. 43 of 2023 of the Ministry of Finance and the State Administration of Taxation on the VAT Plus Deduction Policy for Advanced Manufacturing Enterprises, from January 1, 2023 to December 31, 2027, advanced manufacturing enterprises are allowed to deduct the VAT payable by adding 5% of the deductible input tax in the current period.

The company's third-level subsidiary, Jingliang (Singapore) International Trade Co., Ltd., is taxed according to the territorial principle. Based on Singapore's tax exemption policy, the company is eligible for the following tax exemptions:

1.The first SGD 10,000 of taxable income is exempted by SGD 7,500. For the portion of taxable income between SGD 10,001 and SGD 200,000, a 95% exemption is granted. The portion exceeding SGD 200,000 is not eligible for exemption. The company will pay income tax at a 17% rate based on the taxable income after applying the exemptions.

2.For the 2025 Year of Assessment (YA), all taxable companies (regardless of whether they are tax residents) will receive a rebate equivalent to 50% of the corporate tax payable, with a total rebate amount of SGD 40,000.

Zhejiang Little Prince Food Co., Ltd., a third-level subsidiary of the Company, Hangzhou Lin'an Little Angel Food Co., Ltd., Linqing Little Prince Food Co., Ltd. and Liaoning Little Prince Food Co., Ltd., a fourth-level subsidiary of the Company, in accordance with the relevant provisions of the Notice of the Ministry of Finance and the State Administration of Taxation on Issues Concerning the Preferential Policies of Enterprise Income Tax Related to the Employment of Disabled Persons (CS (2009) No. 70). An additional deduction of 100% of the wages paid to the disabled employee can be made in the calculation of taxable income.

Hangzhou Lin'an Little Angel Food Co., Ltd., a fourth-level subsidiary of the Company, is a welfare enterprise, and has been enjoying the preferential policy of VAT refund in the Notice on Promoting the Employment of Disabled Persons (CS [2016] No. 52) since May 2016.

The company's fourth-level subsidiary, Liaoning Little Prince Food Co., Ltd., is subject to the regulations in Article 13 of the Ministry of Finance and the State Administration of Taxation's "Notice on the Issuance of Supplementary Provisions on Several Specific Issues of Land Use Tax" (89 Guo Shui Di Zi No. 140). According to this regulation, "public lands such as municipal streets, squares, and greenbelts" are exempt from land use tax. When calculating the land use tax, the area used for green space and roads can be subtracted from the total land area to determine the taxable area. The company's fourth-level subsidiary, Hangzhou Lin'an Little Angel Food Co., Ltd., benefits from a tax reduction according to the Zhejiang Provincial Local Taxation Bureau's Announcement (2014 No. 8). For companies where the average number of disabled employees in a tax year exceeds 25% (including 25%) of the total number of on-duty employees, and the actual number of disabled employees exceeds 10 (including 10), the company may, upon approval from the local tax department, enjoy a reduction in urban land use tax. The reduction is RMB 2,000 per person per year based on the annual average number of disabled employees, with the maximum reduction limited to the total amount of urban land use tax payable by the company for that year.

The Company’s fourth-level subsidiary, Hangzhou Lin’an Little Angel Food Co., Ltd., in accordance with the provisions of the Announcement of the Zhejiang Provincial Local Taxation Bureau (Announcement No. 8 of 2014), for entities in which, within a tax year, the monthly average actual number of disabled persons employed accounts for more than 25% (inclusive) of the total number of employees on staff and the actual number of disabled persons employed exceeds 10 (inclusive) (including welfare enterprises, blind massage institutions, work therapy institutions and other entities), upon approval by the local taxation authorities, may enjoy a preferential policy of urban land use tax reduction calculated at a fixed amount of RMB 2,000 per person per year based on the annual average actual number of disabled persons employed, with the maximum reduction not exceeding the amount of urban land use tax payable by the entity for the year.

According to the Announcement on Relevant Tax and Fee Policies for Further Supporting the Development of Small and Micro Enterprises and Individually Owned Businesses (Announcement of the Ministry of Finance and the State Taxation Administration No. 12 of 2023), the Company’s second-level subsidiary Jingliang (Yangpu) Grain and Oil Industry Co., Ltd., and fourth-level subsidiaries Linqing Little Prince Food Co., Ltd. and Hangzhou Lin’an Chunmanyuan Agricultural Development Co., Ltd. meet the criteria for recognition as small and micro enterprises. The applicable preferential policies for the year 2025 are as follows:

① For the portion of annual taxable income not exceeding RMB 3 million, 25% of the amount shall be included in taxable income, and enterprise income tax shall be paid at a tax rate of 20%; ② Resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land use tax, stamp duty (excluding securities transaction stamp duty), cultivated land occupation tax, education surcharge, and local education surcharge shall be levied at half of the statutory rate.

The Company's third-level subsidiary Beijing Tianweikang Oil and Fat Allocation and Distribution Center Co., Ltd., in accordance with the Announcement on Continuing the Implementation of Certain Tax Preferential Policies for National Commodity Reserves (Announcement of the Ministry of Finance and the State Taxation Administration No. 48 of 2023), enjoys the following policies: stamp duty shall be exempted on accounting books of commodity reserve management companies and their directly affiliated warehouses; stamp duty shall be exempted on purchase and sale contracts executed in the course of undertaking commodity reserve operations; stamp duty payable by other parties to such contracts shall be levied in accordance with the relevant regulations; and property tax and urban land use tax shall be exempted on the real estate and land used by commodity reserve management companies and their directly affiliated warehouses for their own use in undertaking commodity reserve operations.

V. Notes to Items in the Consolidated Financial Statements

Unless otherwise specified, the financial statements disclosed below refer to the financial statements as at the end of the period as at 31 December 2025, the term "at the beginning of the period" as at 31 December 2024, the term "current" as at 1 January to 31 December 2025 and the "previous period" as at 1 January to 31 December 2024, with the currency unit RMB yuan.

1. Monetary funds

Projects	Period-End Balance	Beginning Balance
Cash on hand	10,241.76	10,717.74
Bank deposits	453,246,396.16	503,613,151.53
Funds in other currencies	65,441,208.59	72,691,131.78
Deposit of financial company deposits	1,303,024,670.57	840,710,693.25

Projects	Period-End Balance	Beginning Balance
Total	1,821,722,517.08	1,417,025,694.30
Among them: the total amount of money deposited abroad	17,207,901.63	23,966,791.89

2. Derivative financial assets

Project	Period-End Balance	Beginning Balance
Floating profit and loss of hedging instruments		70,947,839.67
Total		70,947,839.67

3. Accounts receivable

（1） Disclosure by ageing

Aging	Period-End Balance	Beginning Balance
Within 1 year	97,759,940.74	91,439,947.43
1 to 2 years	582,432.97	
2 to 3 years		752,867.27
3 to 4 years	717,497.72	
4 to 5 years		
More than 5 years	328,259.50	328,259.50
Total	99,388,130.93	92,521,074.20

（2） Classified disclosure according to the method of bad debt provision

Category	End of period				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Provision Ratio (%)	
Provision for bad debts by item	449,259.50	0.45	449,259.50	100.00	
Portfolio by credit risk characteristics	98,938,871.43	99.55	722,497.72	0.73	98,216,373.71
Total	99,388,130.93	——	1,171,757.22	——	98,216,373.71

（Continuing Table）

Category	Beginning period				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Provision Ratio (%)	
Provision for bad debts by item	328,259.50	0.35	328,259.50	100.00	
Portfolio by credit risk characteristics	92,192,814.70	99.65	752,919.57	0.82	91,439,895.13

Category	Beginning period				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Provision Ratio (%)	
Total	92,521,074.20	——	1,081,179.07	——	91,439,895.13

① **Provision for Bad Debts**

Debtor's name	Beginning period		Period-End Balance				
	Book Balance	Provision for Bad Debts	Book Balance	Provision for Bad Debts	Provision Ratio (%)	Aging	Provision Reason
Fujian Jingxin Industrial Group Co., Ltd.	151,844.00	151,844.00	151,844.00	151,844.00	100.00	More than 5 years	Tight liquidity, unable to repay
Beijing Guotai Ping'an Tianzhu Commercial Development Co., Ltd.	1,809.60	1,809.60	1,809.60	1,809.60	100.00	More than 5 years	Expected to be unrecoverable
Beijing Rongfalida Grain and Oil Trading Co., Ltd.	163,143.00	163,143.00	163,143.00	163,143.00	100.00	More than 5 years	Expected to be unrecoverable
Beijing Guotai Ping An Department Store Co., Ltd.	10,862.90	10,862.90	10,862.90	10,862.90	100.00	More than 5 years	Expected to be unrecoverable
Beijing Shunyi Longhua Shopping Center	600.00	600.00	600.00	600.00	100.00	More than 5 years	Expected to be unrecoverable
Chengde Jinli Food Co., Ltd.			121,000.00	121,000.00	100.00	within one year	Expected to be unrecoverable
Total	328,259.50	328,259.50	449,259.50	449,259.50	——	——	——

② **Items for Group-Based Provisioning of Bad Debt Allowances:**

Name	Period-End Balance		
	Accounts receivable	Provision for bad debts	Accrual ratio（%）
Credit Risk Portfolio	98,938,871.43	722,497.72	0.73
Total	98,938,871.43	722,497.72	0.73

（Continuing Table）

Name	Beginning period		
	Accounts receivable	Provision for Bad Debts	Accrual ratio（%）
Credit Risk Portfolio	92,192,814.70	752,919.57	0.82

Total	92,192,814.70	752,919.57	0.82

(3) **Provision for Bad Debts situation**

Category	Beginning period	Changes during the period				Period-End Balance
		Provision	Recovery or reversal	Write-off or cancellation	Other changes	
Provision for Bad Debts on individually assessed items	328,259.50	121,000.00				449,259.50
Credit risk portfolio	752,919.57	-30,421.85				722,497.72
Total	1,081,179.07	90,578.15				1,171,757.22

(4) Accounts receivable and contract assets of the top five end-of-term balances collected by the debtor

Debtor's name	Accounts receivable Period-End Balance	Contract assets Period-End Balance	Accounts receivable and contract assets Period-End Balance	Proportion of the total Accounts receivable and contract assets Period-End Balance (%)	Provision for Bad DebtsPeriod-End Balance
Huadu Food Co., Ltd., Luanping County, Hebei Province	22,348,359.23		22,348,359.23	22.49	
Beijing Grain Group Co., Ltd.	12,847,737.37		12,847,737.37	12.93	
Guizhou Grain Reserve Group Co., Ltd.	10,340,000.00		10,340,000.00	10.40	
Beijing Yangu Grain and Oil Purchasing and Sales Co., Ltd.	6,780,217.25		6,780,217.25	6.82	
Zhejiang Lvqin Supply Chain Management Co., Ltd.	5,893,330.64		5,893,330.64	5.93	
Total	58,209,644.49		58,209,644.49	58.57	

4. Prepayments

(1) Prepayments Classified by Aging

Aging	Period-End Balance		Beginning period	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	574,317,912.78	99.98	198,688,387.53	99.98
1 to 2 years	60,544.38	0.01	33,623.94	0.02
2 to 3 years	32,386.44	0.01		

Aging	Period-End Balance		Beginning period	
	Amount	Proportion (%)	Amount	Proportion (%)
more than 3 years				
Total	574,410,843.60	100	198,722,011.47	100

（2） Prepayment status of the top five prepaid balances at the end of the period, grouped by prepayment object

Debtor’s name	Book Balance	Percentage of Total Prepayments（%）	Bad Debt Provision
China Grain Reserves Oils & Fats Co., Ltd.	522,392,380.32	90.94	
Louis Dreyfus (Tianjin) International Trade Co., Ltd.	19,844,809.79	3.45	
Jiangsu Jianghai Grain & Oil Group Co., Ltd.	15,950,587.40	2.78	
COFCO Jiayue (Tianjin) Co., Ltd.	5,005,103.18	0.87	
Zhuhai Binhe Industrial Co., Ltd.	3,351,570.00	0.58	
Total	566,544,450.69	98.62	

5. Other Receivables

Item	Period-End Balance	Beginning period
Other Receivables	173,257,419.17	455,148,011.66
Total	173,257,419.17	455,148,011.66

（1） Other Receivables

① By Aging

Aging	Period-End Balance	Beginning Balance
Within 1 year	220,208,199.83	433,032,730.72
1 to 2 years	759,074.72	20,961,921.58
2 to 3 years	492,800.00	435,859.37
3 to 4 years	327,859.37	86,000.00
4 to 5 years	62,000.00	12,500.00
Over 5 years	401,499.99	618,999.99
Total	222,251,433.91	455,148,011.66

② Classification by Nature of Receivables

Nature of Receivable	Period-End Balance	Beginning Balance
Deposits and Guarantees	130,596,795.79	452,531,490.90

Nature of Receivable	Period-End Balance	Beginning Balance
Company Transactions	58,906,353.63	389,804.08
Employee Receivables	729,283.59	784,435.04
Tax Refund Receivables	1,196,283.46	1,370,551.74
Insurance claim proceeds	30,654,986.50	
Others	167,730.94	71,729.90
Total	222,251,433.91	455,148,011.66

③ Bad Debt Provision by Method of Provisioning

Category	Period-End Balance				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Expected Credit Loss Rate (%)	
Individually Provisions for Bad Debt	48,980,344.30	22.04	48,980,344.30	100.00	
Provisions for bad debts recognized on receivables grouped by credit risk characteristics	173,271,089.61	77.96	13,670.44	0.01	173,257,419.17
Total	222,251,433.91	——	48,994,014.74	——	173,257,419.17

（Continuing Table）

Category	Beginning period				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Expected Credit Loss Rate(%)	
Individually Provisions for Bad Debt					
Provisions for bad debts recognized on receivables grouped by credit risk characteristics	455,148,011.66	100.00			455,148,011.66
Total	455,148,011.66	——		——	455,148,011.66

④ Other receivables with individually assessed Provision for Bad Debts

Debtor's name	Beginning period		Period-End Balance				
	Book Balance	Provision for Bad Debts	Book Balance	Provision for Bad Debts	Provision Ratio (%)	Aging	Provision Reason
MARS FARMER LIMITED			48,970,344.30	48,970,344.30	100.00	Within 1 year	Expected to be unrecoverable
Keyoushi (Shanghai) Management Consulting Co., Ltd.			10,000.00	10,000.00	100.00	4 to 5 years	Expected to be unrecoverable
Total			48,980,344.30	48,980,344.30	——	——	——

⑤ **Provision for Bad Debts recognized on a portfolio basis**

Name	Period-End Balance		
	other receivables	Provision for Bad Debts	Provision rate (%))
Credit risk portfolio	42,637,733.45	13,670.44	0.03
Deposit and security deposit portfolio	130,530,795.79		
Petty cash advances to employees of the Company	102,560.37		
Total	173,271,089.61	13,670.44	0.01

（Continuing Table）

Name	Beginning period		
	other receivables	Provision for Bad Debts	Provision rate (%))
Credit risk portfolio	2,503,901.81		
Deposit and security deposit portfolio	452,475,490.90		
Petty cash advances to employees of the Company	168,618.95		
Credit risk portfolio	455,148,011.66		

⑥ **Provision for Bad Debts recognized under the general model of Expected Credit Losses**

Provision for Bad Debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
Beginning period				
Beginning period | During the period	——	——	——	——
-- Transfer to Stage 2				
-- Transfer to Stage 3				

Provision for Bad Debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (not credit-impaired)	Lifetime expected credit losses (credit-impaired)	
-- Transfer back to Stage 2				
-- Transfer back to Stage 1				
Provision recognized during the period	34,993,517.00		23,670.44	35,017,187.44
Reversal during the period				
Write-off during the period				
Charge-off during the period				
Other changes	13,976,827.30			13,976,827.30
Period-End Balance	48,970,344.30		23,670.44	48,994,014.74

⑦ Provision for Bad Debts situation

Category	Beginning period	Changes during the period				Period-End Balance
		Provision recognized	Recovery or reversal	Write-off or cancellation	Other changes	
Individually Provisions for Bad Debt		35,003,517.00			13,976,827.30	48,980,344.30
Credit risk portfolio		13,670.44				13,670.44
Total		35,017,187.44			13,976,827.30	48,994,014.74

⑧ Top five other receivables by debtor aggregated at Period-End Balance

Debtor's name	Nature of receivable	Book Balance	Aging	Proportion of total other receivables (%)	Provision for Bad Debts
Zhongtian Futures Co., Ltd.	Security deposit	61,041,175.30	Within 1 year	27.46	
MARS FARMER LIMITED	Intercompany receivable	48,970,344.30	Within 1 year	22.03	48,970,344.30
China Life Property & Casualty Insurance Company Limited Beijing Branch	Insurance claim proceeds	30,654,986.50	Within 1 year	13.79	
Galaxy Futures Co., Ltd.	Security deposit	27,710,580.50	Within 1 year	12.47	
Grain Trading Coordination Center of the National Food and Strategic Reserves Administration	Security deposit	20,020,000.00	Within 1 year	9.01	
Total	——	188,397,086.60	——	84.76	48,970,344.30

6. Inventory

（1） Inventory Classification

Item	Period-End Balance		
	Book Balance	Provision for Inventory Impairment/Contract Fulfillment Cost Provision	Book Value
Raw Materials	597,025,582.96	21,350,971.75	575,674,611.21
Self-made Semi-finished Products & Work in Progress	372,109.32	0.00	372,109.32
Finished goods	664,865,256.03	1,510,139.93	663,355,116.10
Turnover Materials	2,978,388.97	57,918.90	2,920,470.07
Materials entrusted for processing	83,426,732.77		83,426,732.77
Goods in Transit	94,930,883.69		94,930,883.69
Goods dispatched	1,249,168.24		1,249,168.24
Total	1,444,848,121.98	22,919,030.58	1,421,929,091.40

（Continuing Table）

Item	Beginning Balance		
	Book Balance	Provision for Inventory Impairment/Contract Fulfillment Cost Provision	Book Value
Raw Materials	413,059,280.53		413,059,280.53
Self-made Semi-finished Products & Work in Progress	25,015.91		25,015.91
Finished Goods	1,155,820,490.28	234,235.76	1,155,586,254.52
Turnover Materials	5,044,840.04		5,044,840.04
Goods in Transit	797,976,857.22	13,886,827.30	784,090,029.92
Total	2,371,926,483.98	14,121,063.06	2,357,805,420.92

（2） Inventory Falling Price Reserves and provision for impairment of contract performance costs

Item	Beginning period	Increased Amounts in the Current Period	
		Accrual	Others
Raw Materials		21,350,971.75	
Finished Goods	234,235.76	3,441,560.26	
Turnover Materials		57,918.90	
Goods in Transit	13,886,827.30	90,000.00	

Item	Beginning period	Increased Amounts in the Current Period	
		Accrual	Others
Total	14,121,063.06	24,940,450.91	

（Continuing Table）

Item	Decreased Amounts in the Current Period		Period-End Balance
	Recover or Charge Off	Others	
Raw material			21,350,971.75
Finished Goods	2,165,656.09		1,510,139.93
Turnover Materials			57,918.90
Goods in Transit		13,976,827.30	
Total	2,165,656.09	13,976,827.30	22,919,030.58

（3） Stock Goods listed by major product type

Name	Closing Balance		
	Book Balance	Falling Price Reserves	Book Value
Grease and oils	648,365,629.66	1,510,139.93	646,855,489.73
Food	16,499,626.37		16,499,626.37
Total	664,865,256.03	1,510,139.93	663,355,116.10

（Continuing Table）

Name	Opening Balance		
	Book Balance	Falling Price Reserves	Book Value
Grease and oils	1,134,402,697.01	170,341.46	1,134,232,355.55
Food	21,417,793.27	63,894.30	21,353,898.97
Total	1,155,820,490.28	234,235.76	1,155,586,254.52

7. Non-current Assets Due Within One Year

Item	Period-End Balance	Beginning period
Term Deposits Due Within One Year		10,694,166.66
Total		10,694,166.66

8. Other Current Assets

Item	Period-End Balance	Beginning period
VAT to be deducted	80,350,441.94	75,132,953.17
Prepaid Taxes	9,948,529.68	6,584,449.99
VAT to be certified	245,525.77	285,763.13
Fair Value Changes of Hedged Items	8,705,942.21	79,380,779.05

Item	Period-End Balance	Beginning period
Total	99,250,439.60	161,383,945.34

9. Long-Term Equity Investments

（1） Long-term equity investments situation

① Long-Term Equity Investment Classification

Item	Beginning Balance	Current Increase	Current Decrease	Period-End Balance
Investment in Joint Ventures	133,970,264.23	5,488,026.95		139,458,291.18
Investment in Associates	133,535,203.79	546,035.33	6,266,560.98	127,814,678.14
Total	267,505,468.02	6,034,062.28	6,266,560.98	267,272,969.32

② Details of Joint Ventures and Associates

Invested Entity	Investment Cost	Beginning Balance	Current Changes			
			Additional Investment	Reduced Investment	Equity Method Investment Income	Other Comprehensive Income Adjustment
Total	119,825,100.64	267,505,468.02			-232,498.70	
1. Joint Ventures	26,232,442.61	133,970,264.23			5,488,026.95	
Beijing Zhengda Feedstuff Limited Company	26,232,442.61	133,970,264.23			5,488,026.95	
2. Associates	93,592,658.03	133,535,203.79			-5,720,525.65	
Zhongchu Grain (Tianjin) Storage & Logistics Co., Ltd.	84,000,000.00	127,268,642.81			546,035.33	
Jingliang Mismi Catering Management (Beijing) Co., Ltd.	9,592,658.03	6,266,560.98			-6,266,560.98	

（Continuing Table）

Investment Entity	Current Changes				Period-End Balance	Impairment Provision Balance
	Other Equity Changes	Declaration of Cash Dividends or Profits	Impairment Provision	Other		
Total					267,272,969.32	
1. Joint Venture					139,458,291.18	
Beijing Zhengda Feedstuff Limited Company					139,458,291.18	
2. Associate					127,814,678.14	
Zhongchu Grain (Xiong'an) Storage & Logistics Co., Ltd.					127,814,678.14	
Jingliang Mismi Catering Management (Beijing) Co., Ltd.						

10. Investment properties

（1） Investment properties measured using the cost model

Item	Buildings and structures	Land use rights	Construction in progress	Total
I.Gross carrying amount				
1.Beginning period	62,845,234.00	576,510.00		63,421,744.00
2. Increase during the period				
3. Decrease during the period	2,123,357.90			2,123,357.90
—Other transfers out	2,123,357.90			2,123,357.90
4.Period-End Balance	60,721,876.10	576,510.00		61,298,386.10
II.Accumulated depreciation and accumulated amortization				
1.Beginning period	34,336,525.00	220,034.65		34,556,559.65
2. Increase during the period	1,662,520.91	11,530.20		1,674,051.11
—Provision or amortization	1,662,520.91	11,530.20		1,674,051.11
3. Decrease during the period	1,772,572.90			1,772,572.90
—Other transfers out	1,772,572.90			1,772,572.90
4.Period-End Balance	34,226,473.01	231,564.85		34,458,037.86
III. Impairment provision				
1.Beginning period	10,587,796.70			10,587,796.70
2. Increase during the period				
3.Decrease during the period				
4.Period-End Balance	10,587,796.70			10,587,796.70
IV.Book Value				
1. Period-end Book Value	15,907,606.39	344,945.15		16,252,551.54
2. Beginning Book Value	17,920,912.30	356,475.35		18,277,387.65

11. Fixed assets

Item	Period-end Book Value	Beginning Book Value
Fixed assets	841,479,812.89	891,221,864.74
Disposal of fixed assets		
Total	841,479,812.89	891,221,864.74

（1） Fixed Asset Situation

Item	Buildings & Structures	Machinery & Equipment	Transportation Tools	Electronic Equipment	Office Equipment	Other Equipment	Total
I. Original Cost							
1. Beginning Balance	1,069,117,861.39	823,734,711.89	18,848,024.29	13,588,228.08	7,806,289.10	1,385,077.43	1,934,480,192.18
2. Additions This Period	26,476,026.74	41,499,572.03		3,561,585.35	409,628.41	27,427.02	71,974,239.55
— Purchase	13,722,961.57	13,129,323.49		2,744,734.82	409,628.41	27,427.02	30,034,075.31
— Transfers from Construction in Progress	10,629,707.27	28,370,248.54		816,850.53			39,816,806.34
—Others	2,123,357.90						2,123,357.90
3. Reductions This Period		21,160,211.81	260,264.11	730,917.08	585,025.35	1,179,630.69	23,916,049.04
— Disposals or Scrap		21,160,211.81	260,264.11	730,917.08	585,025.35	1,179,630.69	23,916,049.04
4. Period-End Balance	1,095,593,888.13	844,074,072.11	18,587,760.18	16,418,896.35	7,630,892.16	232,873.76	1,982,538,382.69
II. Accumulated depreciation							
1.Beginning period	478,795,195.04	528,503,752.48	11,706,669.69	9,786,529.31	4,928,269.96	419,597.21	1,034,140,013.69
2. Additions This Period	40,209,042.90	54,591,127.82	1,678,254.76	1,342,030.56	754,352.27	70,387.55	98,645,195.86
— Provision	38,436,470.00	54,591,127.82	1,678,254.76	1,342,030.56	754,352.27	70,387.55	96,872,622.96
—Others	1,772,572.90						1,772,572.90
3. Reductions This Period		17,418,032.00	251,311.89	659,436.82	557,419.13	405,107.96	19,291,307.80
— Disposals or Scrap		17,418,032.00	251,311.89	659,436.82	557,419.13	405,107.96	19,291,307.80
4. Period-End Balance	519,004,237.94	565,676,848.30	13,133,612.56	10,469,123.05	5,125,203.10	84,876.80	1,113,493,901.75
III. Impairment Provision							

Item	Buildings & Structures	Machinery & Equipment	Transportation Tools	Electronic Equipment	Office Equipment	Other Equipment	Total
1.Beginning period	9,047,959.13	70,354.62					9,118,313.75
2. Current Period Increase		18,213,856.37	2,780.80	155,337.57	69,089.76	5,289.80	18,446,354.30
—Provision		18,213,856.37	2,780.80	155,337.57	69,089.76	5,289.80	18,446,354.30
3. Reductions This Period							
4.Period-End Balance	9,047,959.13	18,284,210.99	2,780.80	155,337.57	69,089.76	5,289.80	27,564,668.05
IV.Book Value							
1. Period-End Book Value	567,541,691.06	260,113,012.82	5,451,366.82	5,794,435.73	2,436,599.30	142,707.16	841,479,812.89
2.Beginning Book Value	581,274,707.22	295,160,604.79	7,141,354.60	3,801,698.77	2,878,019.14	965,480.22	891,221,864.74

（2） Recoverable Amount determined based on fair value less costs of disposal

Item	Book Value	Recoverable Amount	Impairment Amount	Method for determining fair value and costs of disposal	Key parameters	Basis for determining key parameters
Office equipment	124,771.01	55,681.25	69,089.76	Fair value is primarily determined using the market approach, and costs of disposal are determined based on the necessary expenses incurred during the asset disposal process	Second-hand market prices of similar assets	Based on recent market transaction prices and on-site inspection
Electronic equipment	295,986.86	140,649.29	155,337.57			
Machinery and equipment	22,833,066.82	4,619,210.45	18,213,856.37			
Transportation equipment	3,819.03	1,038.23	2,780.80			
Others	36,280.44	30,990.64	5,289.80			
Total	23,293,924.16	4,847,569.86	18,446,354.30	——	——	——

12. Construction in Progress

Item	Period-End Balance	Beginning period
Construction in Progress	88,960,509.10	50,058,378.98
Total	88,960,509.10	50,058,378.98

（1） Construction in Progress

① Construction in Progress Situation

Item	Period-End Balance		
	Book Balance	Impairment provision	Book Value
Baking production line	37,502,395.06		37,502,395.06
Jingliang Hainan Yangpu Oil Processing Project	12,048,331.15		12,048,331.15
Slope stabilization project of Plant No.3	8,101,830.83		8,101,830.83
Comprehensive Bonded Zone feed processing project	7,858,573.81		7,858,573.81
Leisure Plant No.3 Haidilao baked potato chips automation upgrade project	6,438,366.79		6,438,366.79
Rice cake production line upgrading and renovation project	4,347,643.14		4,347,643.14
Rice products workshop relocation and renovation project	2,854,971.76		2,854,971.76
Snow rice cracker workshop product category expansion investment project	1,472,459.91		1,472,459.91
Soybean extrusion and rumen-protected soybean meal processing project			
Leisure Plant No.1 fried potato chips Line 6 flexible automation upgrade project			
Leisure Plant No.2 baked potato chips refining system conversion to automated material sorting and tray loading system project			
Leisure Plant No.2 Oriental Selection baked potato chips capacity expansion project			

Item	Period-End Balance		
	Book Balance	Impairment provision	Book Value
Rice cake workshop infrastructure and prefabricated section project	1,341,054.32		1,341,054.32
Lean production transformation project for Workshop No.2 of Leisure Plant No.1	1,311,148.16		1,311,148.16
Other projects	5,683,734.17	-	5,683,734.17
Total	88,960,509.10		88,960,509.10

（Continuing Table）

Item	Beginning period		
	Book Balance	Impairment provision	Book Value
Baking production line			
Jingliang Hainan Yangpu Oil Processing Project	6,288,251.73		6,288,251.73
Slope stabilization project of Plant No.3	6,996,706.06		6,996,706.06
Comprehensive Bonded Zone feed processing project	7,858,573.81		7,858,573.81
Leisure Plant No.3 Haidilao baked potato chips automation upgrade project			
Rice cake production line upgrading and renovation project			
Rice products workshop relocation and renovation project	2,749,716.18		2,749,716.18
Snow rice cracker workshop product category expansion investment project	1,347,952.96		1,347,952.96
Soybean extrusion and rumen-protected soybean meal processing project	14,863,819.29		14,863,819.29
Leisure Plant No.1 fried potato chips Line 6 flexible automation upgrade project	2,866,434.87		2,866,434.87
Leisure Plant No.2 baked potato chips refining system conversion to automated material sorting and tray loading system project	1,750,171.23		1,750,171.23
Leisure Plant No.2 Oriental Selection baked potato chips capacity expansion project	1,166,784.33		1,166,784.33

Item	Beginning period		
	Book Balance	Impairment provision	Book Value
Rice cake workshop infrastructure and prefabricated section project			
Lean production transformation project for Workshop No.2 of Leisure Plant No.1			
Other projects	4,169,968.52		4,169,968.52
Total	50,058,378.98		50,058,378.98

② Major Changes in Construction in Progress This Period

Project Name	Budget Amount	Beginning period	Increase This Period	Transfer to Fixed Assets	Decrease This Period	Period-End Balance
Baking production line	164,200,000.00		37,502,395.06			37,502,395.06
Jingliang Hainan Yangpu Oil Processing Project	49,429,300.00	14,863,819.29	11,696,560.63	26,560,379.92		
Slope stabilization project of Plant No.3	661,324,100.00	6,288,251.73	5,760,079.42			12,048,331.15
Comprehensive Bonded Zone feed processing project	7,184,400.00	7,858,573.81				7,858,573.81
Leisure Plant No.3 Haidilao baked potato chips automation upgrade project	17,107,500.00	6,996,706.06	1,105,124.77			8,101,830.83
Leisure Plant No. 3 Haidilao baked potato chips automation upgrade project	6,691,000.00		6,438,366.79			6,438,366.79
Total	905,936,300.00	36,007,350.89	62,502,526.67	26,560,379.92		71,949,497.64

（Continuing Table）

Project Name	Budge of Cumulative Investment （%）	Project Progress	Capitalized Interest Accumulated Amount	Current Period Capitalized Interest	Capitalization Rate（%）	Funding Source
Baking production line	22.84	22.84%				Self-owned by the enterprise
Soybean extrusion and rumen-protected soybean meal processing project	100.00	100.00%				Self-owned by the enterprise
Jingliang Hainan Yangpu oil processing project	1.82	1.82%				Raised funds and self-financing by the enterprise
Comprehensive Bonded Zone feed processing project	109.38	99.00%				Self-owned funds
Slope stabilization project of Plant No. 3	47.36	50.00%				Self-owned by the enterprise
Leisure Plant No. 3 Haidilao baked potato chips automation upgrade project	96.22	96.00%				Self-owned by the enterprise
Total	——	——			——	——

13. Right-of-Use Assets

（1） Situation of Right-of-Use Assets

Item	Buildings & Structures	Transportation Tools	Land Use Rights	Total
I. Original Cost				
1. Beginning Balance	120,774,622.11	467,890.70	5,648,400.00	126,890,912.81
2. Additions for the Period	167,805,814.50			167,805,814.50
— Leased	167,805,814.50			167,805,814.50
3. Reductions for the Period	118,358,131.25			118,358,131.25
— Contract Expiry	1,314,156.45			1,314,156.45
— Contract Expiry adjustment	117,043,974.80			117,043,974.80
4.Period-End Balance	170,222,305.36	467,890.70	5,648,400.00	176,338,596.06
II. Accumulated Depreciation				
1.Beginning period	48,674,411.99	116,327.29	1,129,680.00	49,920,419.28
2. Additions for the Period	27,973,077.75	45,896.82	112,968.00	28,131,942.57
— Depreciation	27,973,077.75	45,896.82	112,968.00	28,131,942.57
3. Reductions for the Period	71,540,541.29			71,540,541.29
— Contract Expiry	70,226,384.84			70,226,384.84
— Contract Expiry adjustment	1,314,156.45			1,314,156.45
4.Period-End Balance	5,106,948.45	162,224.11	1,242,648.00	6,511,820.56
III. Impairment Provision				
1.Beginning period				
2. Additions for the Period				
3. Reductions for the Period				
4.Period-End Balance				
IV. Book value				
1.Ending Book Value	165,115,356.91	305,666.59	4,405,752.00	169,826,775.50
2.Beginning Book Value	72,100,210.12	351,563.41	4,518,720.00	76,970,493.53

14. Intangible Assets

（1） Intangible Asset Situation

Item	Software	Land Use Rights	Trademark Rights	Total
I. Original Cost				
1.Beginning period	5,388,151.29	415,718,033.78	154,841,200.00	575,947,385.07
2. Additions for the Period	39,893.28			39,893.28
— Purchase	39,893.28			39,893.28
3. Reductions for the Period			28,735,200.00	28,735,200.00

Item	Software	Land Use Rights	Trademark Rights	Total
—Disposal			28,735,200.00	28,735,200.00
4.Period-End Balance	5,428,044.57	415,718,033.78	126,106,000.00	547,252,078.35
II. Accumulated Amortization				
1. Beginning Balance	4,669,207.87	88,706,671.21	86,891,075.17	180,266,954.25
2. Additions for the Period	241,514.51	9,039,551.17	6,875,807.42	16,156,873.10
— Amortization	241,514.51	9,039,551.17	6,875,807.42	16,156,873.10
3. Reductions for the Period			19,755,358.88	19,755,358.88
—Disposal			19,755,358.88	19,755,358.88
4.Period-End Balance	4,910,722.38	97,746,222.38	74,011,523.71	176,668,468.47
III. Impairment Provision				
1.Beginning period				
2. Additions for the Period				
3. Reductions for the Period				
4.Period-End Balance				
IV.Book Value				
1.Ending Book Value	517,322.19	317,971,811.40	52,094,476.29	370,583,609.88
2.Beginning Book Value	718,943.42	327,011,362.57	67,950,124.83	395,680,430.82

15. Goodwill

（1） Goodwill Original Value

Invested Unit or Matter Forming Goodwill	Beginning period	Current Period Increase			Current Period Decrease			Period-End Balance
		Formed by Business Combination	Current Period Adjustments	Other	Disposal	Current Period Adjustments	Other	
Acquisition of Zhejiang Xiao Wangzi Food Co., Ltd.	191,394,422.51							191,394,422.51
Total	191,394,422.51							191,394,422.51

（2） Relevant Information of the Asset Group or Asset Group Combination Containing Goodwill

Name	Composition and Basis of the Asset Group or Combination	Business Division and Basis	Consistency with Previous Years
Acquisition of Zhejiang Xiao Wangzi Food Co., Ltd.	The asset group contains assets related to goodwill, and its cash inflow is independent of other asset groups.	The asset is mainly used in food processing, belonging to the food processing division.	Yes

（3） Specific Determination Method for Recoverable Amount

The recoverable amount is determined based on the present value of future cash flows.

Unit: Ten thousand yuan

Item	Book Value	Recoverable Amount	Impairment Amount	Forecast Period (Years)	Key Parameters for Forecast Period	Key Parameters for Stable Period	Basis for Determining Key Parameters for Stable Period
Acquisition of Zhejiang Xiao Wangzi Food Co., Ltd.	71,207.29	58,314.80	12,892.49	2026 - 2030	Average revenue growth rate 6.98%, pre-tax discount rate 13.72%	Stable period revenue growth rate 0%, pre-tax discount rate 13.72%	The pre-tax discount rate is determined based on the risk-free rate of return, market risk premium, risk coefficient, cost of equity capital, and the income tax rate.
Total	71,207.29	58,314.80	12,892.49	——	——	——	——

Note: The goodwill impairment Amount arising from the acquisition of the equity of Zhejiang Little Prince Food Co., Ltd. is RMB 128,924,931.69, of which the impairment loss attributable to the parent company is RMB 65,762,029.16.

（4） Goodwill impairment provision

Name of the investee or item giving rise to goodwill	Beginning period	Increase during the period		Decrease during the period		Period-End Balance
		Provision	Others	Disposal	Others	
Acquisition of equity of Zhejiang Little Prince Food Co., Ltd.		65,762,029.16				65,762,029.16
Total		65,762,029.16				65,762,029.16

16. Long-Term Deferred Expenses

Item	Beginning period	Increase during the period	Amortization during the period	Other decreases during the period	Period-End Balance
Factory Renovation (Majuqiao)	12,191,567.81		674,188.08	11,517,379.73	
Leased Asset Maintenance & Renovation	1,940,073.46		145,302.10	1,794,771.36	
Workshop Renovation Maintenance	733,581.81		235,478.52		498,103.29
Building Renovation & Modification	2,538,015.10	3,370,247.99	814,945.00	2,228,774.54	2,864,543.55
Total	17,403,238.18	3,370,247.99	1,869,913.70	15,540,925.63	3,362,646.84

17. Deferred Tax Assets/Deferred Tax Liabilities

(1) Deferred tax assets before offsetting

Item	Period-End Balance		Beginning period	
	Deductible Temporary Differences	Deferred Tax Assets	Deductible Temporary Differences	Deferred Tax Assets
Provision for credit impairment	50,152,256.47	12,538,064.11	1,081,179.07	270,294.77
Provision for asset impairment	2,669,362.22	667,340.56	14,200,339.20	3,550,084.80
Valuation of financial instruments and derivative financial instruments	3,572,045.80	893,011.45		
Lease liabilities	166,205,889.35	41,551,472.34	74,957,822.23	18,739,455.57
Deductible tax losses	74,064,292.97	18,516,073.24	124,470,315.23	31,117,578.79
Deferred income	14,835,521.81	3,708,880.45	14,203,242.12	3,550,810.53
Employee compensation payable	5,321,134.00	1,330,283.50	5,627,134.00	1,406,783.50
Contract Rebates	1,987,981.50	496,995.38	823,272.82	205,818.21
Expected Liabilities			5,146,800.00	1,286,700.00
Total	318,808,484.12	79,702,121.03	240,510,104.67	60,127,526.17

(2) Deferred Tax Liabilities before Offsetting

Item	Period-End Balance		Beginning period	
	Taxable Temporary Differences	Deferred Tax Liabilities	Taxable Temporary Differences	Deferred Tax Liabilities
Valuation of financial instruments and derivative financial instruments	6,320,422.21	1,580,105.55	73,663,915.05	18,415,978.76
Right-of-Use Assets	165,115,356.93	41,278,839.23	72,451,773.67	18,112,943.43
Non-Same Control Business Combination Asset Valuation Increment	116,528,641.92	29,132,160.48	125,660,049.32	31,415,012.33
Total	287,964,421.06	71,991,105.26	271,775,738.04	67,943,934.52

(3) Net Deferred Tax Assets or Liabilities After Offsetting

Item	Ending Balance		Beginning Balance	
	Deferred Tax Assets Offsetting Amount	Net Deferred Tax Assets (After Offsetting)	Deferred Tax Assets Offsetting Amount	Net Deferred Tax Assets (After Offsetting)
I. Deferred tax assets	42,858,944.78	36,843,176.25	36,528,922.19	23,598,603.98
II. Deferred tax liabilities	42,858,944.78	29,132,160.48	36,528,922.19	31,415,012.33

(4) Unrecognized Deferred Tax Assets

Item	Period-End Balance	Beginning period
Deductible Temporary Differences	58,415,648.60	19,626,834.31
Deductible Losses	327,283,562.80	193,392,087.31
Total	385,699,211.40	213,018,921.62

(5) Deductible tax losses for which deferred tax assets have not been recognized will expire in the following years

Year	Period-End Balance	Beginning period	Remarks
2025	——		
2026	29,295,158.76	29,423,788.84	
2027	60,063,347.60	58,679,866.78	
2028	83,640,475.86	80,435,449.46	
2029	72,064,767.83	24,852,982.23	
2030	82,219,812.75		
Total	327,283,562.80	193,392,087.31	——

18. Other Non-Current Assets

Item	Period-End Balance		
	Book Balance	Impairment Provision	Book Value
Prepaid Long-Term Asset Purchases	9,281,092.22		9,281,092.22
Total	9,281,092.22		9,281,092.22

(Continuing Table)

Item	Beginning period		
	Book Balance	Impairment Provision	Book Value
Prepaid Long-Term Asset Purchases	5,682,032.40		5,682,032.40
Total	5,682,032.40		5,682,032.40

19. Assets with restricted ownership or right of use

Item	Ending-period			
	Book Balance	Book Value	Type	Restriction Situation
Cash	33,411,335.64	33,411,335.64	Guarantee Deposit	Guarantee Deposit
Fixed Assets	21,719,189.02	4,167,145.29	Legal Freeze	Legal Freeze
Investment Properties	19,594,735.46	4,520,056.97	Legal Freeze	Legal Freeze
Total	74,725,260.12	42,098,537.90	——	——

(Continuing Table)

Item	Beginning-period			
	Book Balance	Book Value	Type	Restriction Situation
Cash	21,505,947.53	21,505,947.53	Guarantee Deposit	Guarantee Deposit
Fixed Assets	21,719,189.02	4,580,904.04	Legal Freeze	Legal Freeze
Investment Properties	19,594,735.46	4,858,318.61	Legal Freeze	Legal Freeze
Total	62,819,872.01	30,945,170.18	——	——

20. Short-Term Borrowings

（1） Short-term borrowings by category

Item	Period-End Balance	Beginning period
Credit Loans	1,136,260,975.85	1,311,609,177.78
Total	1,136,260,975.85	1,311,609,177.78
Including: Interest payable	544,943.05	1,609,177.78

21. Derivative Financial Liabilities

Item	Period-End Balance	Beginning period	Cause of origin
Fair Value Changes in Hedging Instruments	3,815,280.00	30,979,464.00	
Total	3,815,280.00	30,979,464.00	——

22. Notes payable

Category	Period-End Balance	Beginning period
Bank acceptance bills	56,649,763.00	
Total	56,649,763.00	

23. Accounts Payable

（1） Breakdown of Accounts Payable

Item	Period-End Balance	Beginning period
Payable for Materials	47,834,239.89	116,601,554.59
Payable for Engineering	13,248,688.94	1,765,477.00
Payable for Equipment	28,140.00	1,964,645.00
Consulting Service Fee	920,480.25	496,573.78
Leasing Fee		3,694,464.27
Storage Fee	2,073,066.67	2,016,713.57
Other	2,169,241.37	1,339,837.19
Total	66,273,857.12	127,879,265.40

24. Advances from Customers

（1） Breakdown of Advances

Item	Period-End Balance	Beginning period
Prepaid Rent	1,670,875.73	1,122,982.13
Total	1,670,875.73	1,122,982.13

25. Contract Liabilities

（1） Breakdown of Contract Liabilities

Item	Period-End Balance	Beginning period
Loan	275,724,804.27	522,256,930.34
Service Fees		9,900.99
Other		423.65
Total	275,724,804.27	522,267,254.98

26. Employee Compensation Payable

（1） Breakdown of Employee Compensation Payable

Item	Beginning period	Increase	Decrease	Period-End Balance
I. Short-Term Compensation	25,205,707.33	281,996,546.81	282,008,668.85	25,193,585.29
II. Post-Employment Benefits	2,497,429.33	38,643,971.29	38,235,559.07	2,905,841.55
III. Termination Benefits		2,856,739.27	1,602,710.27	1,254,029.00
IV. Other		15,785.37	15,785.37	
Total	27,703,136.66	323,513,042.74	321,862,723.56	29,353,455.84

（2） Breakdown of Short-Term Compensation

Item	Beginning period	Increase	Decrease	Period-End Balance
I.Salary, Bonuses, Allowances	21,026,120.00	225,312,258.68	225,535,672.39	20,802,706.29
II.Employee Welfare Fees	47,400.00	7,012,945.77	7,040,020.27	20,325.50
III.Social Insurance Fees	1,101,651.76	21,084,426.11	21,099,962.08	1,086,115.79
Including：Medical Insurance	1,006,336.66	19,953,694.98	19,941,208.62	1,018,823.02
Work Injury Insurance	95,315.10	1,130,731.13	1,158,753.46	67,292.77
IV.Housing Provident Fund	128,868.75	17,299,992.75	17,287,983.00	140,878.50
V.Union and Employee Education	2,677,378.31	4,584,830.86	4,587,469.46	2,674,739.71

Item	Beginning period	Increase	Decrease	Period-End Balance
VI.Other Short-Term Compensation	224,288.51	6,702,092.64	6,457,561.65	468,819.50
Total	25,205,707.33	281,996,546.81	282,008,668.85	25,193,585.29

（3） Presentation of defined contribution plans

Item	Beginning period	Increase	Decrease	Period-End Balance
I. Basic Pension Insurance	2,394,170.46	33,182,185.82	32,801,614.70	2,774,741.58
II. Unemployment Insurance	56,466.82	1,041,111.53	1,040,497.68	57,080.67
III. Corporate Pension Payment	46,792.05	4,420,673.94	4,393,446.69	74,019.30
Total	2,497,429.33	38,643,971.29	38,235,559.07	2,905,841.55

27. Taxes Payable

Item	Period-End Balance	Beginning period
Value Added Tax	29,296,775.82	6,437,878.04
Corporate Income Tax	2,223,946.93	2,742,466.65
City Maintenance and Construction Tax	1,452,582.88	361,760.50
Property Tax	1,769,241.11	7,464,168.71
Land Use Tax	1,093,470.51	996,814.98
Personal Income Tax	609,990.36	1,515,360.06
Education Fee Surcharge (including Local Education Fee)	1,430,441.63	296,495.58
Other Taxes	328,288.94	184,430.00
Total	38,204,738.18	19,999,374.52

28. Other Payables

Item	Period-End Balance	Beginning period
Interest Payable	20,000,000.00	20,000,000.00
Other Payables	42,493,915.38	38,529,914.31
Total	62,493,915.38	58,529,914.31

（1） Interest Payable

Item	Period-End Balance	Beginning period
Interest on Intercompany Loans	20,000,000.00	20,000,000.00
Total	20,000,000.00	20,000,000.00

（2）Other Payables

① Breakdown of Other Payables by Nature

Item	Period-End Balance	Beginning period
Related Party Transactions	558,574.25	3,669,472.80
Deposits and Guarantees	26,526,699.27	26,389,861.74
Interunit Transactions	9,082,778.49	2,527,587.55
Personal Transactions	769,967.93	651,768.84
Employee Insurance	3,902,761.56	1,892,167.70
Storage Fees		1,595,833.71
Others	1,653,133.88	1,803,221.97
Total	42,493,915.38	38,529,914.31

29. Non-current Liabilities Due Within One Year

Item	Period-End Balance	Beginning period
Long-term Loans Due Within One Year	68,000,000.00	529,000,000.00
Bonds payable due within one year	299,700,000.00	
Lease Liabilities Due Within One Year	5,284,537.08	11,512,646.62
Interest on Long-term Loans Due Within One Year	455,213.61	272,983.32
Interest on Bonds Due Within One Year	2,880,000.00	2,880,000.00
Total	376,319,750.69	543,665,629.94

30. Other Current Liabilities

Item	Period-End Balance	Beginning period
Sales Tax Payable to be Written Off	34,674,941.36	53,414,020.52
Fair Value Changes on Hedging Items	2,125,165.80	43,966,054.23
Total	36,800,107.16	97,380,074.75

31. Long-term Loans

Item	Ending Book Value	Including：Amount Due Within One Year	Ending Balance
Credit Loans	644,500,000.00	68,000,000.00	576,500,000.00
Total	644,500,000.00	68,000,000.00	576,500,000.00

（Continuing Table）

Item	Beginning Book Value	Including：Amount Due Within One Year	Beginning Balance
Credit Loans	529,000,000.00	529,000,000.00	

Item	Beginning Book Value	Including：Amount Due Within One Year	Beginning Balance
Total	529,000,000.00	529,000,000.00	

32. Bonds Payable

（1） Bonds Payable

Item	Period-End Balance	Beginning period
Corporate Bonds		299,250,000.00
Total		299,250,000.00

（2） Details of Bonds Payable (Excluding Preferred Stocks, Perpetual Bonds, and Other Financial Instruments Classified as Financial Liabilities)

Bond Name	Face Value	Coupon Rate（%）	Issue Date	Bond Term	Issue Amount	Beginning Book Value	Including: Amount Due Within One Year
23 Jingliang 01 Corporate Bond	300,000,000.00	2.88	2023.8.21-8.22	3 years	300,000,000.00	299,250,000.00	
Total	——	——	——	——	300,000,000.00	299,250,000.00	

（Continuing Table）

Bond Name	Amount Issued This Period	Interest Accrued (Face Value)	Amortization of Premium/Discount	Repayment This Period	Ending Book Value	Including: Amount Due Within One Year	Default Status
23 Jingliang 01 Corporate Bond		8,640,000.00	-450,000.00	8,640,000.00	299,700,000.00	299,700,000.00	No
Total		8,640,000.00	-450,000.00	8,640,000.00	299,700,000.00	299,700,000.00	——

33. Lease Liabilities

Item	Period-End Balance	Beginning period
Lease Payment Amount	201,310,577.51	66,639,136.63
Less: Unrecognized Financing Costs	60,574,401.86	4,426,429.08
Reclassified to Non-current Liabilities Due Within One Year	5,284,537.08	11,512,646.62
Net Lease Liabilities	135,451,638.57	50,700,060.93

34. Long-term Employee Benefits Payable

（1） Table of Long-term Employee Benefits Payable

Item	Period-End Balance	Beginning period
Other Long-term Benefits	5,321,134.00	5,627,134.00
Total	5,321,134.00	5,627,134.00

35. Provisions

Item	Period-End Balance	Beginning period	Reason for Fromation
Pending Letigation	22,650,893.15	5,146,800.00	
Total	22,650,893.15	5,146,800.00	——

36. Deferred Income

Item	Beginning period	Increase This Period	Decrease This Period	Period-End Balance	Reason for Formation
Government Subsidy	56,731,497.62		2,794,848.15	53,936,649.47	
Total	56,731,497.62		2,794,848.15	53,936,649.47	——

37. Share Capital

Shareholder Name	Beginning period	Changes This Period (+, -)					Period-End Balance
		Issuance of New Shares	Bonus Shares	Capital Reserve Conversion to Shares	Other	Subtotal	
Total Shares	726,950,251.00						726,950,251.00

38. Capital Reserves

Item	Beginning period	Increase This Period	Decrease This Period	Period-End Balance
Capital (Share Capital) Premium	1,435,204,343.74			1,435,204,343.74
Other Capital Reserves	248,469,614.28			248,469,614.28
Total	1,683,673,958.02			1,683,673,958.02

39. Other Comprehensive Income

Item	Beginning period	Current Period Amount			
		Pre-tax amount for the current period	Less: Amount Transferred from Other Comprehensive Income to Profit or Loss	Less: Amount Transferred from Other Comprehensive Income to Retained Earnings	Less: Income Tax Expenses
1.Other Comprehensive Income Not Reclassifiable to Profit or Loss					
2.Other Comprehensive Income Reclassifiable to Profit or Loss	1,763,043.44	-703,468.52			
Foreign Currency Translation Differences	1,763,043.44	-703,468.52			
Total other comprehensive income	1,763,043.44	-703,468.52			

（Continuing Table）

Item	Current Period Amount			Period-End Balance
	Income Tax Effect for the Period	After-Tax Amount Attributable to the Parent Company	After-Tax Amount Attributable to Minority Shareholders	
I.Other Comprehensive Income that will not be reclassified to profit or loss.				
II.Other Comprehensive Income that will be reclassified to profit or loss.	-703,468.52	-703,468.52		1,059,574.92
Foreign Currency Translation Differences	-703,468.52	-703,468.52		1,059,574.92
Total Other Comprehensive Income	-703,468.52	-703,468.52		1,059,574.92

40. Surplus Reserves

Item	Beginning period	Increase	Decrease	Period-End Balance
Statutory Surplus Reserve	99,783,789.14	7,282,530.20		107,066,319.34
Discretionary Surplus Reserve	37,634,827.93			37,634,827.93
Total	137,418,617.07	7,282,530.20		144,701,147.27

41. Undistributed Profits

Item	Current Amount	Previous Amount
Adjusted Undistributed Profit at Beginning of the Period	593,483,706.16	627,555,511.45

Item	Current Amount	Previous Amount
Adjustment to the total of beginning retained earnings (increase +, decrease -)		-989,931.26
Adjusted Undistributed Profit at Ending of the Period	593,483,706.16	626,565,580.19
Plus: Net Profit Attributable to Parent Company for the Period	-266,087,957.92	26,130,520.86
Less: Statutory Surplus Reserve	7,282,530.20	7,598,927.07
Dividends Payable on Common Stock	13,085,105.51	51,613,467.82
Ending Undistributed Profit	307,028,112.53	593,483,706.16

42. Operating Revenue and Operating Costs

（1） Operating Revenue and Operating Costs

Item	Current Period Amount		Previous Period Amount	
	Revenue	Cost	Revenue	Cost
Main Business	7,835,200,308.77	7,456,882,245.69	11,335,771,143.52	10,902,532,360.75
Other Business	23,335,538.34	51,763,870.32	99,072,372.75	12,115,723.96
Total	7,858,535,847.11	7,508,646,116.01	11,434,843,516.27	10,914,648,084.71

（2） Breakdown of Operating Revenue and Costs

By Contract Classification	Revenue	Cost
The type of product		
Principal business:		
Oil	7,127,297,998.76	6,877,489,780.98
Food	689,488,843.03	559,113,703.99
Other	18,413,466.98	20,278,760.72
Subtotal	7,835,200,308.77	7,456,882,245.69
Other business:		
Other	23,335,538.34	51,763,870.32
Subtotal	23,335,538.34	51,763,870.32
Total	7,858,535,847.11	7,508,646,116.01
By Operating Region		
North	4,999,999,360.00	4,824,286,322.57
East	1,255,330,748.77	1,147,885,611.25
Northeast	351,084,839.40	327,640,412.96
South	83,173,200.05	78,247,757.03
Northeast	670,334,256.43	651,218,302.69
Other	498,613,442.46	479,367,709.52

By Contract Classification	Revenue	Cost
Total	7,858,535,847.11	7,508,646,116.01
Classified by the timing of transfer of goods		
At a specific point in time	7,858,535,847.11	7,508,646,116.01
Total	7,858,535,847.11	7,508,646,116.01
The classification by sales channel		
Direct sales	3,587,404,822.95	3,464,016,401.21
Distributors	4,247,795,485.82	3,992,865,844.48
Other	23,335,538.34	51,763,870.32
Total	7,858,535,847.11	7,508,646,116.01

（3） Explanation of Performance Obligations

Item	Performance Obligation Fulfillment Time	Key Payment Terms	Nature of Goods Committed to Transfer	Primary Obligation Responsible Party	Amount Expected to be Returned to Customers	Type of Quality Guarantee Provided & Related Obligations
Oil and oilseed processing and sales, and food processing and sales	Upon delivery and acceptance by the customer	Primarily advance payment before delivery	Mainly engaged in the sales of oil and oilseeds, and snack foods.	Yes	None	Statutory warranty

Note: In terms of settlement methods, the company and its distributors primarily use the advance payment before delivery method. For some long-term cooperative and creditworthy distributors, the company provides a certain credit limit. Some direct sales customers and supermarkets settle according to the contractual agreed payment period.

（4） Explanation of Remaining Performance Obligations

Item	Amount
Revenue corresponding to signed contracts that have not yet been fulfilled or completed by the end of this reporting period	275,724,804.27
—Expected revenue to be recognized in 2026	275,724,804.27

43. Taxes and Surcharges

Item	Current Period Amount	Previous Period Amount
Urban Maintenance and Construction Tax	5,431,226.73	3,636,611.72
Property Tax	10,122,782.93	13,097,397.94
Land Use Tax	2,629,901.69	2,446,590.59
Education Fee Surcharge	4,403,488.27	2,741,190.20
Land value-added tax	59,634.45	
Vehicle and Vessel Usage Tax	31,443.98	38,109.50
Environmental Protection Tax	35,597.08	66,365.17

Item	Current Period Amount	Previous Period Amount
Stamp Duty	6,672,076.51	8,918,488.40
Other Taxes and Fees	63,610.08	285.11
Total	29,449,761.72	30,945,038.63

44. Sales Expenses

Item	Current Period Amount	Previous Period Amount
Employee Compensation	70,094,169.86	70,273,163.60
Warehousing and Storage Fees	25,652,062.90	19,229,919.38
Depreciation Expense	17,005,215.02	16,866,196.27
Promotion Expenses	12,595,531.64	14,968,467.76
Material Consumption and Losses	6,196,316.82	4,558,864.92
Travel Expenses	4,340,396.72	4,214,616.80
Lease Expenses	6,586,020.25	2,174,672.28
Office Expenses	1,888,081.82	1,484,310.25
Repair Expenses	2,968,067.05	1,444,300.03
Utilities	1,255,732.66	1,229,238.36
Vehicle Expenses	713,481.47	871,730.11
Business Reception Expenses	276,426.09	509,618.37
Insurance Expenses	361,014.25	364,354.71
Packaging Expenses	264,662.60	341,091.01
Inspection and Testing Expenses	302,649.10	206,603.46
Loading and Unloading Expenses	22,641.51	118,856.33
Labor Protection Expenses	78,244.19	93,474.09
Other	3,766,356.59	1,568,941.69
Total	154,367,070.54	140,518,419.42

45. Administrative Expenses

Item	Current Period Amount	Previous Period Amount
Employee Compensation	123,881,221.24	127,972,209.14
Depreciation Expense	17,792,807.40	16,226,625.52
Amortization of Intangible Assets	15,978,654.28	14,323,916.32
Office Expenses	7,671,537.92	7,395,582.62
Lease Expenses	11,031,650.84	5,977,264.11
Fees for Engaging Intermediaries	12,913,862.54	6,438,726.56
Repair Expenses	7,087,141.97	4,034,279.79
Security and Protection Expenses	911,640.94	1,401,532.72
Travel Expenses	1,063,100.40	1,258,181.33
Information and Network Expenses	1,418,172.49	1,147,485.11

Item	Current Period Amount	Previous Period Amount
Insurance Expenses	1,354,469.98	1,135,356.00
Business Reception Expenses	802,303.83	1,101,072.91
Environmental Protection Expenses	951,659.49	913,233.20
Amortization of Prepaid Expenses	282,244.21	887,684.08
Director's Expenses	299,999.88	299,999.88
Vehicle Expenses	593,125.36	690,796.45
Material Consumption	307,844.95	560,692.04
Labor Protection Expenses	80,787.58	103,200.04
Conference Expenses	32,387.30	64,892.64
Court Expenses	1,853,272.91	505,290.56
Other	7,168,309.66	6,792,998.62
Total	213,476,195.17	199,231,019.64

46. Research and Development Expenses

Item	Current Period Amount	Previous Period Amount
Salary	10,497,135.48	13,594,553.19
Material Costs	2,630,634.68	5,544,119.46
Material Consumption	1,116,905.78	1,268,715.98
Depreciation and Amortization	774,165.13	1,289,462.62
Fuel and Power Costs	1,025,717.44	779,758.88
Travel Expenses	59,857.17	72,184.10
Equipment Costs	2,166.94	14,946.90
Other	3,167,860.50	2,418,727.49
Total	19,274,443.12	24,982,468.62

47. Financial Expenses

Item	Current Period Amount	Previous Period Amount
Total interest expense	65,081,667.94	60,492,426.83
Net interest expense	65,081,667.94	60,492,426.83
Less: Interest income	14,028,391.88	17,628,504.01
Discount interest on bank acceptance bills	8,216,509.93	
Net exchange loss (net gain presented with "–")	-2,433,950.20	776,053.73
Handling fee expense	1,578,506.78	1,740,795.52
Other expenses	14.00	
Total	58,414,356.57	45,380,772.07

48. Other Income

Item	Current Period Amount	Previous Period Amount
Individual income tax handling fee refund	160,126.53	222,588.13
Additional input VAT credit deduction	343,099.33	
Government subsidy	14,077,503.48	18,808,559.96
Other	47,369.98	273.00
Total	14,628,099.32	19,031,421.09

49. Investment Income

Investment Income	Current Period Amount	Previous Period Amount
Investment income from long-term equity investments accounted for using the equity method	-232,498.70	12,546,903.92
Other	1,216,408.91	
Total	983,910.21	12,546,903.92

50. Fair Value Change Gains

Source of Fair Value Change Gains	Current Period Amount	Previous Period Amount
Trading Financial Assets	-59,953,281.42	-116,999,895.87
Of which: Fair Value Change of Hedging Instruments and Hedged Items	-59,953,281.42	-116,999,895.87
Total	-59,953,281.42	-116,999,895.87

51. Credit Impairment Losses

Item	Current Period Amount	Previous Period Amount
Bad Debt Losses on Accounts Receivable	-90,578.15	6,734,035.01
Bad Debt Losses on Other Receivables	-35,017,187.44	1,779.74
Total	-35,107,765.59	6,735,814.75

52. Asset Impairment Losses

Item	Current Period Amount	Previous Period Amount
Inventory Write-down Loss	-24,887,754.24	-13,819,833.62
Impairment loss on fixed assets	-18,446,354.30	
Impairment loss on goodwill	-65,762,029.16	
Total	-109,096,137.70	-13,819,833.62

53. Gains on Asset Disposal

Item	Current Period Amount	Previous Period Amount	Amount Included in Non-Recurring Gains and Losses
Gain or loss on disposal of fixed assets	-4,383,111.33	63,830.72	-4,383,111.33
Gain or loss on disposal of intangible assets	16,255,536.24		16,255,536.24
Gain or loss from termination or modification of long-term lease contracts	2,835,797.15		2,835,797.15
Total	14,708,222.06	63,830.72	14,708,222.06

54. Non-Operating Income

Item	Current Period Amount	Previous Period Amount	Amount Included in Non-Operating Gains and Losses
Non-Current Asset Destruction or Scrap Gain	11,002.10	131,658.82	11,002.10
Inventory surplus gain	11,631.09		11,631.09
Fines, Penalties, Late Fees, and Compensation Income	3,407,093.59	53,728.00	3,407,093.59
Demolition compensation income	10,955,322.00		10,955,322.00
Payables no longer required to be paid	68,795.16	9,952,534.05	68,795.16
Scrap Disposal Income	1,004.42	60,218.08	1,004.42
Other	134,774.57	1,050,933.48	134,774.57
Total	14,589,622.93	11,249,072.43	14,589,622.93

55. Non-Operating Expenses

Item	Current Period Amount	Previous Period Amount	Amount Included in Non-Operating Gains and Losses
Non-Current Asset Destruction or Scrap Loss	663,189.06	163,623.76	663,189.06
Late Fees	48,303.53	9,166.34	48,303.53
Inventory Loss	998,229.83	7,970.33	998,229.83
Penalties, Compensation	3,539,319.07	336,961.15	3,539,319.07
Litigation Compensation Expenses	15,344,724.00	5,000,000.00	15,344,724.00
Other	12,237.11	77,682.10	12,237.11
Total	20,606,002.60	5,595,403.68	20,606,002.60

56. Income Tax Expense

（1） Income Tax Expense Table

Item	Current Period Amount	Previous Period Amount
Current Income Tax Expense	9,763,263.53	18,504,508.70
Deferred Income Tax Adjustment	-15,527,424.12	-30,466,799.96

Item	Current Period Amount	Previous Period Amount
Total	-5,764,160.59	-11,962,291.26

(2) Reconciliation of Accounting Profit and Income Tax Expense

Item	Current Period Amount
Total Profit	-304,945,428.81
Income Tax Expense Calculated at Statutory/Applicable Tax Rate	-76,236,357.19
Effect of Different Tax Rates for Subsidiaries	3,538,095.55
Effect of Adjustments to Prior Period Income Tax	193,542.12
Effect of Non-Taxable Income	-102,954.81
Effect of Non-Deductible Costs, Expenses, and Losses	18,885,600.41
Impact of utilizing deductible tax losses for which deferred tax assets were not recognized in prior periods	9,573,993.54
Impact of deductible tax losses for which deferred tax assets were not recognized in the current period	21,351,804.61
Impact of deductible temporary differences for which deferred tax assets were not recognized in the current period	7,958,168.56
Impact of additional tax deduction for R&D expenses and wages of disabled employees	-3,774,949.90
Impact of non-taxable investment income	-1,508,515.57
Impact of reversal of deferred tax assets recognized at the beginning of the period	14,079,798.04
Accelerated depreciation of fixed assets	631,948.28
Other	-354,334.23
Income tax expense	-5,764,160.59

57. Other Comprehensive Income

Please refer to Note V.39 Other Comprehensive Income for detailed information.

58. Cash Flow Statement Items

(1) Cash Related to Operating Activities

① Cash Received from Other Operating Activities

Item	Current Period Amount	Previous Period Amount
Related Party Transactions	19,462,887.52	10,190,180.58
Deposits and Guarantees	1,430,954,532.04	4,775,548,384.38
Other Unit Transactions	49,419,787.13	68,187,505.79
Interest Income	9,480,246.63	13,207,645.63

Item	Current Period Amount	Previous Period Amount
Non-Operating Income & Other Gains	2,707,605.71	8,810,598.64
Collections for Others	5,699,493,171.70	2,549,941,162.71
Other	42,257,436.16	29,599,109.83
Total	7,253,775,666.89	7,455,484,587.56

② Cash Paid for Other Operating Activities

Item	Current Period Amount	Previous Period Amount
Expense Payments	89,867,289.60	74,785,966.59
Other Unit Transactions	49,532,355.14	46,871,640.12
Related Party Transactions	36,280,872.29	15,379,839.85
Petty Cash	60,500.00	90,000.00
Deposits and Guarantees	1,184,541,744.32	4,692,659,820.38
Collections for Others	5,699,493,171.70	2,549,941,162.71
Other	54,416,664.53	83,696,364.64
Total	7,114,192,597.58	7,463,424,794.29

（2） Cash Related to Investing Activities

① Other cash paid relating to investing activities

Item	Current Period Amount	Previous Period Amount
Hebei Oilseed Investment Withdrawal		1,747,611.95
Total		1,747,611.95

（3） Cash Related to Financing Activities

① Cash Received from Other Financing Activities

Item	Current Period Amount	Previous Period Amount
Capital contribution from Capital Agribusiness Group for research subsidies		840,000.00
Total		840,000.00

② Cash Paid for Other Financing Activities

Item	Current Period Amount	Previous Period Amount
Lease Payments	48,020,107.53	15,224,400.00
Total	48,020,107.53	15,224,400.00

③ Changes in Liabilities Arising from Financing Activities

Item	Beginning period	Period-Increase		Period-Decrease		Period-End Balance
		Cash Changes	Non-Cash Changes	Cash Changes	Non-Cash Changes	
Short-term borrowings	1,311,609,177.78	3,533,352,814.46	26,771,774.82	3,735,472,791.21		1,136,260,975.85
Long-term borrowings	529,272,983.32	650,000,000.00	14,405,524.16	548,723,293.87		644,955,213.61
Bonds payable	302,130,000.00		9,090,000.00	8,640,000.00		302,580,000.00
Lease liabilities	62,212,707.55		236,643,940.20	45,237,595.87	112,882,876.23	140,736,175.65
Interest payable	20,000,000.00					20,000,000.00
Dividends payable			13,085,090.17	13,085,090.17		
Total	2,225,224,868.65	4,183,352,814.46	299,996,329.35	4,351,158,771.12	112,882,876.23	2,244,532,365.11

59. Supplementary Information for the Cash Flow Statement

（1） Supplemental Information to the Cash Flow Statement

Supplemental Information	Current Period Amount	Previous Period Amount
1. Adjusting Net Profit to Operating Activities' Cash Flow：	——	——
Net profit	-299,181,268.22	4,311,914.18
Add: Asset impairment loss	109,096,137.70	13,819,833.62
Credit impairment loss	35,107,765.59	-6,735,814.75
Depreciation of fixed assets, oil and gas assets, and biological assets	98,546,674.07	98,532,989.69
Depreciation of right-of-use assets	28,131,942.57	24,678,301.11
Amortization of intangible assets	13,550,658.86	14,407,936.72
Amortization of long-term prepaid expenses	1,869,913.70	1,446,354.13
Loss (or gain) on disposal of fixed assets, intangible assets, and other long-term assets (income is listed with a "-" sign)	-14,708,222.06	-63,830.72
Loss on retirement of fixed assets (income is listed with a "-" sign)	652,186.96	31,964.94
Fair value change loss (Gain is marked with "-"columns)	59,953,281.42	116,999,895.87
Finance expenses (income is indicated with a "-")	85,392,590.29	77,015,661.77
Investment losses (gains are listed with a "-" sign)	-983,910.21	-12,546,903.92
Deferred tax assets decreased (increased with a "-" sign)	-13,244,572.27	-14,799,688.76
Deferred tax liabilities increased (decreased by "-" sign)	-2,282,851.85	-15,667,111.20
Decrease in inventories (increase by "-")	924,976,600.21	-329,668,276.06
Decrease in operating receivables (increase with "-" sign)	-255,490,832.27	-76,364,386.07
Increase in operating payables (decrease by "-" sign)	-124,609,392.99	-4,869,562.50
Other		
Net cash flow from operating activities	646,776,701.50	-109,470,721.95
2. Significant investment and financing activities that do not involve cash receipts and expenditures:	——	——
3. Net change in cash and cash equivalents:	——	——
Cash at Period-End Balance	1,788,311,181.44	1,395,519,746.77
Less: Cash at Beginning period	1,395,519,746.77	1,540,639,079.95
Add: Cash equivalents at Period-End Balance		
Less: Cash equivalents at Beginning period		
Net increase in cash and cash equivalents	392,791,434.67	-145,119,333.18

（2） Composition of Cash and Cash Equivalents

Item	Ending balance	Beginning balance
I. Cash	1,788,311,181.44	1,395,519,746.77
Including: Cash on hand	10,241.76	10,717.74
Bank deposits available for immediate use	1,725,447,216.11	1,325,403,161.84
Other funds available for immediate use	62,853,723.57	70,105,867.19
II. Cash equivalents		
III. Closing cash and cash equivalents balances	1,788,311,181.44	1,395,519,746.77

60. Monetary items in foreign currencies

（1） Monetary items in foreign currency

Item	Closing Foreign Currency Balance	Translation Exchange Rate	Translation at the end of the period
Monetary funds	——	——	25,155,525.27
Including: USD	3,578,921.76	7.0288	25,155,525.27

61. Lease

（1） Tenant information

Item	Amount
Interest expense on lease liabilities	4,479,427.69
Simplified short-term lease charges including cost of related assets or current profit or loss	8,948,472.32
Total lease-related cash outflows	33,013,756.28

（2） Operating lease as lessor

① Operating leases as the lessor

Item	Rental income	Including: income related to variable lease payments that are not included in lease receipts
Rental income	4,579,040.24	
Total	4,579,040.24	

VI. R&D expenditure

1. Listed by nature of fees

Item	Current Period Amount	Previous Period Amount
Salary	10,497,135.48	13,594,553.19
Material cost	2,630,634.68	5,544,119.46

Item	Current Period Amount	Previous Period Amount
Material consumption	1,116,905.78	1,268,715.98
Depreciation and amortization expense	774,165.13	1,289,462.62
Fuel power cost	1,025,717.44	779,758.88
Travel costs	59,857.17	72,184.10
Equipment cost	2,166.94	14,946.90
Others	3,167,860.50	2,418,727.49
Total	19,274,443.12	24,982,468.62
Among them: expensed R&D expenditure	19,274,443.12	24,982,468.62
Capitalize R&D expenditures		

VII. Change in the scope of consolidation

There was no change in the scope of consolidation during the reporting period.

VIII. Interests in Other Entities

1. Equity Interests in Subsidiaries

（1）Composition of the Corporate Group

Subsidiary Name	Primary Business Location	Registered Capital (in Ten Thousand Yuan)	Registered Location	Business Nature	Shareholding ratio（%）		Acquisition Method
					Direct Shareholding	Indirect Shareholding	
Jingliang (Tianjin) Grain and Oil Industry Co., Ltd.	Tianjin	56,000.00	Tianjin	Processing of agricultural by-products		70.00	Business combination under common control
Beijing Jingliang Oil Co., Ltd.	Beijing	5,000.00	Beijing	Grain and oilseed trading		100.00	Business combination under common control
Beijing Guchuan Oil Co., Ltd.	Beijing	12,558.46	Beijing	Grain and oilseed trading		100.00	Business combination under common control
Beijing Aisen Lvbao Oil Co., Ltd.	Beijing	5,050.00	Beijing	Processing of agricultural and sideline food products		100.00	Business combination under common control
Beijing Tianweikang Oil Marketing Center Co., Ltd.	Beijing	500.00	Beijing	Warehousing		100.00	Business combination under common control
Beijing Guchuan Bread Food Co., Ltd.	Beijing	5,550.00	Beijing	Food processing		100.00	Business combination under common control
Zhejiang Little Prince Food Co., Ltd.	Hangzhou	5,156.00	Hangzhou	Food processing	17.6794	77.2072	Business combination not under common control
Hangzhou Lin'an Little Angel Food Co., Ltd.	Hangzhou	4,900.00	Hangzhou	Food processing	17.6794	77.2072	Business combination not under common control
Liaoning Little Prince Food Co., Ltd.	Liaoning	3,000.00	Liaoning	Food processing	17.6794	77.2072	Business combination not under common control

Subsidiary Name	Primary Business Location	Registered Capital (in Ten Thousand Yuan)	Registered Location	Business Nature	Shareholding ratio（%）		Acquisition Method
					Direct Shareholding	Indirect Shareholding	
Linqing Little Prince Food Co., Ltd.	Linqing	2,132.50	Linqing	Food processing	17.6794	77.2072	Business combination not under common control
Hangzhou Lin'an Chunmanyuan Agricultural Development Co., Ltd.	Hangzhou	600.00	Hangzhou	Food processing	17.6794	77.2072	Business combination not under common control
Jingliang (Singapore) International Trade Co., Ltd.	Singapore	643.35	Singapore	Grain trading		100.00	Investment establishment
Beijing Jingliang Gubi Oils & Fats Co., Ltd.	Beijing	5,000.00	Beijing	Grain and oilseed trading		100.00	Investment establishment
Beijing Jing Grain Products Co., Ltd	Beijing	105,658.96	Beijing	Investment management	100.00		Business combination under common control
Jingliang (Caofeidian) Agricultural Development Co., Ltd	Tangshan	5,000.00	Tangshan	Crop cultivation	51.00		Investment establishment
Jingliang (Yueyang) Grain and Oil Industry Co., Ltd	Hunan	68,000.00	Hunan	Processing of agricultural by-products	65.00		Investment establishment
Jingliang (Beijing) Food Marketing Management Co., Ltd	Beijing	9,010.00	Beijing	Commercial services	100.00		Investment establishment
Jingliang (Yangpu) Grain and Oil Industry Co., Ltd	Hainan	50,000.00	Hainan	Processing of agricultural by-products	65.00		Investment establishment

（2）Important Non-Wholly-Owned Subsidiaries

Subsidiary Name	Minority Shareholding (%)	Loss Attributable to Minority Shareholders in Current Period	Dividends Declared to Minority Shareholders	Minority Shareholders’ Equity at Period End
Jingliang (Tianjin) Grain and Oil Industry Co., Ltd	30.00	-25,180,235.72		159,429,184.49

Subsidiary Name	Minority Shareholding (%)	Loss Attributable to Minority Shareholders in Current Period	Dividends Declared to Minority Shareholders	Minority Shareholders' Equity at Period End
Zhejiang Little Prince Food Co., Ltd	5.11	4,288,519.31	7,687,328.50	186,056,384.42

（3）Main Financial Information of Important Non-Wholly-Owned Subsidiaries

Subsidiary Name	Period-End Balance					
	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities
Jingliang (Tianjin) Grain and Oil Industry Co., Ltd	1,625,607,063.73	661,343,555.22	2,286,950,618.95	1,140,764,804.72	622,795,199.25	1,763,560,003.97
Zhejiang Little Prince Food Co., Ltd	506,824,937.95	299,866,798.65	806,691,736.60	65,321,476.86	12,472,190.18	77,793,667.04

（Continuing Table）

Subsidiary Name	Beginning period					
	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities
Jingliang (Tianjin) Grain and Oil Industry Co., Ltd	1,860,100,669.62	685,396,396.29	2,545,497,065.91	1,882,087,225.29	48,045,106.57	1,930,132,331.86
Zhejiang Little Prince Food Co., Ltd	530,330,845.53	310,413,253.53	840,744,099.06	83,362,355.35	18,836,092.53	102,198,447.88

（Continuing Table）

Subsidiary Name	Current Period Amount			
	Operating Income	Net Profit	Total Comprehensive Income	Cash Flow from Operating Activities
Jingliang (Tianjin) Grain and Oil Industry Co., Ltd	3,995,068,448.04	-91,974,119.07	-91,974,119.07	381,763,004.68
Zhejiang Little Prince Food Co., Ltd	589,563,586.49	25,663,792.40	25,663,792.40	85,124,374.13

（Continuing Table）

Subsidiary Name	Previous Period Amount			
	Operating Income	Net Profit	Total Comprehensive Income	Cash Flow from Operating Activities
Jingliang (Tianjin) Grain and Oil Industry Co., Ltd	4,610,312,602.62	-81,414,144.97	-81,414,144.97	-227,746,332.44
Zhejiang Little Prince Food Co., Ltd	726,127,696.17	70,622,748.04	70,622,748.04	30,154,130.18

2. Equity Interests in Joint Ventures or Associates

（1）Important Joint Ventures or Associates

Joint Venture or Associate Name	Primary Business Location	Registered Location	Business Nature	Shareholding ratio（%）		Accounting Treatment Method for Investment in Joint Venture or Associate
				Direct Shareholding	Indirect Shareholding	
Beijing Zhengda Feedstuff Limited Company	Beijing	Beijing	Manufacturing		50.00	Equity method
Zhongchu Grain (Tianjin) Warehouse and Logistics Co., Ltd.	Tianjing	Tianjing	Warehousing & Transport		30.00	Equity method

（2）Main Financial Information of Important Joint Ventures

Item	Period-End Balance / Current Period Amount	Beginning period / Previous Period Amount
	Beijing Zhengda Feedstuff Limited Company	Beijing Zhengda Feedstuff Limited Company
Current Assets	345,873,214.96	327,856,522.69
Including: Cash and cash equivalents	6,457,544.94	13,344,582.35
Non-Current Assets	21,173,751.15	21,750,027.11
Total Assets	367,046,966.11	349,606,549.80
Current Liabilities	62,689,232.60	56,698,809.23
Non-Current Liabilities	25,441,151.16	24,967,212.11
Total Liabilities	88,130,383.76	81,666,021.34
Equity Attributable to Parent Shareholders	278,916,582.35	267,940,528.46
Share of Net Assets Attributable to Parent	139,458,291.18	133,970,264.23
Book Value of Investment in Joint Venture	139,458,291.18	133,970,264.23

Item	Period-End Balance / Current Period Amount	Beginning period / Previous Period Amount
	Beijing Zhengda Feedstuff Limited Company	Beijing Zhengda Feedstuff Limited Company
Operating Revenue	267,844,675.40	298,495,469.15
Financial Expenses	-10,223,651.78	-9,914,634.19
Income Tax Expenses	3,734,980.70	3,775,596.96
Net Profit	10,976,053.89	11,054,824.97
Total comprehensive income	10,976,053.89	11,054,824.97

（3）Main Financial Information of Important Associates

Item	Period-End Balance / Current Period Amount	Beginning period / Previous Period Amount
	Zhongchu Grain (Tianjin) Warehouse and Logistics Co., Ltd.	Zhongchu Grain (Tianjin) Warehouse and Logistics Co., Ltd.
Current Assets	172,497,466.92	107,422,998.85
Non-Current Assets	1,026,922,117.36	929,833,741.73
Total Assets	1,199,419,584.28	1,037,256,740.58
Current Liabilities	158,225,065.61	42,972,048.52
Non-Current Liabilities	615,145,591.52	570,055,882.68
Total Liabilities	773,370,657.13	613,027,931.20
Equity Attributable to Parent Shareholders	426,048,927.15	424,228,809.38
Share of Net Assets Attributable to Parent	127,814,678.14	127,268,642.81
Book Value of Investment in Associate	127,814,678.14	127,268,642.81
Operating Revenue	59,455,101.74	97,832,532.36
Net Profit	1,812,204.97	19,173,955.86
Total comprehensive income	1,812,204.97	19,173,955.86

（4）Summary Financial Information of Non-Significant Joint Ventures and Associates

Item	Period-End Balance / Current Period Amount	Beginning period / Previous Period Amount
Associates：		
Total Book Value of Investments		6,266,560.98

Item	Period-End Balance / Current Period Amount	Beginning period / Previous Period Amount
The total amount calculated based on the shareholding ratio for the following items.		
-- Net Profit	-6,549,869.47	-85,605.64
-- Total Comprehensive Income	-6,549,869.47	-85,605.64

（5）Excess losses incurred by joint ventures or associates

Name of joint venture or associate	Cumulative unrecognized losses in prior periods	Losses not recognized in the current period (or share of net profit in the current period)	Cumulative unrecognized losses at the end of the current period
Jingliang Mismi Catering Management (Beijing) Co., Ltd.		128,816.34	128,816.34

IX. Government Grants

1. Liabilities Related to Government Grants

Financial Statement Item	Beginning Balance	New Grant Amount for the Period	Amount Recorded in Non-operating Income for the Period	Transferred to Other Income for the Period	Other Changes for the Period	Ending Balance	Asset/Income Related
Deferred Revenue	56,731,497.62			2,794,848.15		53,936,649.47	
Total	56,731,497.62			2,794,848.15		53,936,649.47	——

2. Government Grants Recorded in Current Profit or Loss Item

Item	Current Period Amount	Previous Period Amount	Reported Item
VAT Immediate Refund	7,548,211.92	7,385,224.08	Other income
Relocation Compensation		3,078,110.50	Other income
Import Soybean Financial Subsidy		2,165,900.00	Other income
Infrastructure Support Subsidy for Enterprises in the Construction Phase of the Tianjin Lingang Industrial Zone Administrative Committee	1,277,504.16	1,277,504.16	Other income

Industrial Zone Administrative Committee		767,281.55	Other income
Job Stabilization Subsidy	1,128,588.23	611,411.81	Other income
Government Support for Debt Financing Reward		600,000.00	Other income
First Upgrade to Standard in the Economic Development Zone Reward		300,000.00	Other income
Quality Award Subsidy (Market Regulatory Bureau)	1,200,000.00	300,000.00	Other income
2024 Grain Production and Marketing Cooperation Project Subsidy		504,900.00	Other income
Beijing Grain and Material Reserve Bureau "Oil Tank Expansion and Winterization Renovation Project" Subsidy	250,180.92	250,180.92	Other income
Tianjin Binhai New Area Industrial Technology Reform and Park Construction Funds and Scientific and Technological Expenditures	222,222.24	222,222.24	Other income
Subsidy under preferential tax policies for key groups (January–November)	191,100.00	200,200.00	Other income
Incentive funds for key sub-brands	200,000.00	200,000.00	Other income
Grain storage facility maintenance funds allocated by the Food and Reserves Bureau		149,880.00	Other income
Subsidy for the potato chips production line expansion project	911,102.35	143,820.80	Other income
Subsidies related to persons with disabilities	199,389.75	210,972.16	Other income
Other	949,203.91	440,951.74	Other income
Total	14,077,503.48	18,808,559.96	

X. Risks Related to Financial Instruments

1. Risks of Financial Instruments

The company's main financial instruments include equity investments, debt investments, loans, accounts receivable, accounts payable, etc. The primary purpose of these financial instruments is to finance the company's operations. The company has various other financial assets and liabilities directly arising from operations, such as accounts receivable and accounts payable.

The primary risks associated with the company's financial instruments are credit risk, liquidity risk, and market risk.

（1）Classification of Financial Instruments

1) Book Value of Various Financial Assets as of the Balance Sheet Date

a. December 31, 2025

Financial Asset Item	Measured at Amortized Cost	Measured at Fair Value Through Profit or Loss	Measured at Fair Value Through Other Comprehensive Income	Total
Cash and Cash Equivalents	1,821,722,517.08			1,821,722,517.08
Derivative Financial Assets				
Accounts Receivable	98,216,373.71			98,216,373.71
Other Receivables	173,257,419.17			173,257,419.17
Non-Current Assets Due Within One Year				
Other Current Assets		8,705,942.21		8,705,942.21

b. December 31, 2024

Financial Asset Item	Measured at Amortized Cost	Measured at Fair Value Through Profit or Loss	Measured at Fair Value Through Other Comprehensive Income	Total
Cash and Cash Equivalents	1,417,025,694.30			1,417,025,694.30
Derivative Financial Assets		70,947,839.67		70,947,839.67
Accounts receivable	91,439,895.13			91,439,895.13
Other receivables	455,148,011.66			455,148,011.66
Non-Current Assets Due	10,694,166.66			10,694,166.66

Financial Asset Item	Measured at Amortized Cost	Measured at Fair Value Through Profit or Loss	Measured at Fair Value Through Other Comprehensive Income	Total
Within One Year				
Other Current Assets		79,380,779.05		79,380,779.05

2) Book Value of Various Financial Liabilities as of the Balance Sheet Date

a. December 31, 2025

Financial Liability Item	Measured at Fair Value Through Profit or Loss	Other Financial Liabilities	Total
Short-term Borrowings		1,136,260,975.85	1,136,260,975.85
Derivative Financial Liabilities	3,815,280.00		3,815,280.00
Accounts Payable		66,273,857.12	66,273,857.12
Other Payables		62,493,915.38	62,493,915.38
Other current liabilities	2,125,165.80		2,125,165.80
Long-term Borrowings		576,500,000.00	576,500,000.00
Non-Current Liabilities Due Within One Year		371,035,213.61	371,035,213.61

b. December 31, 2024

Financial liability items	Financial liabilities measured at fair value through profit or loss	Other financial liabilities	Total
Short-term Borrowings		1,311,609,177.78	1,311,609,177.78
Derivative Financial Liabilities	30,979,464.00		30,979,464.00
Accounts Payable		127,879,265.40	127,879,265.40
Other Payables		58,529,914.31	58,529,914.31
Bonds payable		299,250,000.00	
Non-Current Liabilities Due Within One Year		532,152,983.32	532,152,983.32

（2）Credit Risk

As of December 31, 2025, the maximum credit risk exposure that could cause financial loss to the company mainly arises from the possibility that the counterparty may fail to fulfill its obligations, leading to losses in the company's financial assets. Specifically, this includes:

The book value of financial assets recognized in the consolidated balance sheet; for financial instruments measured at fair value, the book value reflects its risk exposure, but not the maximum risk exposure. The maximum risk exposure will change as the fair value fluctuates in the future.

To mitigate credit risk, the company has established relevant policies to control credit risk exposure, including evaluating the creditworthiness of customers based on factors such as their financial condition, the possibility of obtaining third-party guarantees, credit history, and current market conditions. The company sets appropriate credit periods and implements other monitoring procedures to ensure necessary actions are taken to recover overdue receivables. Furthermore, the company reviews the recovery status of each receivable as of each balance sheet date to ensure adequate provisions for bad debts are made for uncollectible amounts. Therefore, the management believes the credit risk undertaken by the company has been significantly reduced.

The Company's working capital is deposited with banks that have high credit ratings; therefore, the credit risk associated with the Company's working capital is relatively low.

（3）Liquidity Risk

When managing liquidity risk, the company maintains what the management considers to be sufficient cash and cash equivalents, which are monitored to meet the company's operational needs and reduce the impact of cash flow fluctuations. The management monitors the use of bank borrowings and ensures compliance with loan agreements.

An analysis of the maturity of financial liabilities based on the undiscounted contract cash flows:

Item	December 31, 2025			
	Within 1 year	1 to 5 Years	Over 5 Years	Total
Short-term borrowings	1,136,260,975.85			1,136,260,975.85
Derivative financial liabilities	3,815,280.00			3,815,280.00
Accounts payable	62,935,403.84	3,338,453.28		66,273,857.12
Other payables	62,493,915.38			62,493,915.38
Long-term borrowings		576,500,000.00		576,500,000.00
Bonds payable				
Non-current liabilities due within one year	371,035,213.61			371,035,213.61

（Continuing Table）

Item	December 31, 2025			
	Within 1 year	1 to 5 Years	Over 5 Years	Total
Short-term borrowings	1,311,609,177.78			1,311,609,177.78
Derivative financial liabilities	30,979,464.00			30,979,464.00
Accounts payable	124,440,132.93	3,439,132.47		127,879,265.40
Other payables	58,529,914.31			58,529,914.31
Long-term borrowings				
Bonds payable		299,250,000.00		
Non-current liabilities due within one year	532,152,983.32			

（4）Market Risk

Market risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market prices. Market risk mainly includes interest rate risk, exchange rate risk, and other price risks such as equity instrument investment price risk.

1） Interest Rate Risk

The company's interest rate risk primarily arises from bank borrowings and other financial liabilities. Floating rate financial liabilities expose the company to cash flow interest rate risk, while fixed rate financial liabilities expose the company to fair value interest rate risk. The company determines the relative proportions of fixed and floating rate contracts based on the current market environment.

As of December 31, 2025，the company's interest-bearing debt includes floating-rate contracts in RMB amounting to ¥180,000,000.00 and fixed-rate contracts in RMB amounting to ¥1,900,460,975.85.

2） Exchange Rate Risk

The foreign exchange risk faced by the Company is mainly related to its operating activities (when receipts and payments are settled in foreign currencies other than the Company's functional currency) and its net investments in overseas subsidiaries. The Company is primarily exposed to foreign exchange risk related to the U.S. dollar. Except for certain subsidiaries of the Company that conduct purchases and sales in U.S. dollars, the Company's other major operating activities are denominated and settled in Renminbi. As of December 31, 2025, except for the assets or liabilities with U.S. dollar balances as shown in the table below, the Company's assets and liabilities are all denominated in Renminbi. The foreign exchange risk arising from assets and liabilities denominated in these foreign currencies may have an impact on the Company's operating results.

Item	Ending Balance	Beginning Balance
Cash and Cash Equivalents	25,155,525.27	87,168,294.60
Other Receivables		16,141,102.93

The company uses sensitivity analysis techniques to assess the potential impact of reasonable and possible changes in risk variables on the current period's profit or loss or shareholders' equity. Since risk variables rarely change in isolation and the correlation between variables significantly affects the final impact of a change in a specific risk variable, the following content is based on the assumption that changes in each variable are independent.

Under the assumption that foreign currency assets and liabilities remain relatively stable, and other variables remain unchanged, the potential reasonable changes in exchange rates could have the following after-tax impact on profit or loss and equity for the current period:

Item	Ending Foreign Currency Balance	Exchange Rate	Ending Converted RMB Balance
Monetary funds	——	——	25,155,525.27
Including: U.S. dollars	3,578,921.76	7.0288	25,155,525.27

(Continuing Table)

Item	Current Period		
	USD Exchange Rate Increase/(Decrease)	Gross Profit/Net Profit Increase/(Decrease)	Total Profit/Net Profit Increase/(Decrease)
RMB Depreciation vs USD	5%	1,257,776.26	1,257,776.26
RMB Appreciation vs USD	-5%	-1,257,776.26	-1,257,776.26

2. Hedging

(1) Company's Hedging Activities for Risk Management

Item	Relevant Risk Management Strategies and Goals	Qualitative and Quantitative Information on Hedged Risk	Hedged Project and Economic Relationship with Hedging Instruments	Effectiveness of Expected Risk Management Goal	Impact of Hedging Activity on Risk Exposure
Oilseed Hedging	Use of futures contracts for hedging purposes to avoid market price volatility, achieving stable operations.	Hedged risk is price volatility risk, mainly arising from basis risk, substitute risk, supply-demand risk, etc.	Hedged project and related hedging instruments change in fair value in opposite direction to the	Expected risk management goal is mostly achieved.	Effectively mitigates risk exposure.

Item	Relevant Risk Management Strategies and Goals	Qualitative and Quantitative Information on Hedged Risk	Hedged Project and Economic Relationship with Hedging Instruments	Effectiveness of Expected Risk Management Goal	Impact of Hedging Activity on Risk Exposure
			change in market prices or correlated economic variables.		

（2）The company engages in qualifying hedging activities and applies hedge accounting

Item	Carrying value related to the hedged items and hedging instruments	Cumulative fair value hedge adjustments included in the carrying value of the recognized hedged items	Source of hedge effectiveness and ineffectiveness	The impact of hedge accounting on the company's financial statements
Types of hedging risks				
Commodity price risk - Other current assets	8,705,942.21	8,705,942.21	The correlation between the hedged items and hedging instruments	-169,671,995.27
Commodity price risk - Other current liabilities	2,125,165.80	2,125,165.80		
Hedge Category				
Fair value hedge – derivative financial liabilities	3,815,280.00		The correlation between the hedged items and hedging instruments	-169,671,995.27

XI. Fair Value Disclosures

1. Fair Value Measurement of Assets and Liabilities at Period End

Item	Ending Fair Value			
	Level 1 Fair Value Measurement	Level 2 Fair Value Measurement	Level 3 Fair Value Measurement	Total
I. Assets Measured at Fair Value on a Continuing Basis				
(I) Trading Financial Assets	8,705,942.21			8,705,942.21
1. Financial Assets Measured at Fair Value with Changes in Profit and Loss	8,705,942.21			8,705,942.21
（1）Debt Instruments				
（2）Equity Instruments				
（3）Derivative Financial Assets				
（4）Other current assets	8,705,942.21			8,705,942.21
2. Financial Assets Designated at Fair Value with Changes in Profit and Loss				
（1）Debt Instruments				
（2）Equity Instruments				
(II) Other Debt Investments				
(III) Other Equity Instruments				
(IV) Investment Properties				
Total Assets Measured at Fair Value on a Continuing Basis	8,705,942.21			8,705,942.21
(VI) Trading Financial Liabilities	5,940,445.80			5,940,445.80
1. Financial liabilities measured at fair value through profit or loss	5,940,445.80			5,940,445.80
Including: Trading bonds issued				
Derivative financial liabilities	3,815,280.00			3,815,280.00
Other current liabilities	2,125,165.80			2,125,165.80
Other				
2. Financial liabilities designated as measured at fair value through profit or loss				
Total liabilities measured at fair value on a recurring basis	5,940,445.80			5,940,445.80

2. Determination Basis for Market Price of Level 1 Fair Value Measurement Items on a Continuing and Non-Continuing Basis

The Company's Level 1 fair value measurement is based on the public contract quotations of the futures exchange.

XII. Related Parties and Related Transactions

1. Parent Company Information

Parent Company Name	Registered Location	Business Nature	Registered Capital	Parent Company's Shareholding Percentage in the Company (%)	Parent Company's Voting Rights Percentage in the Company (%)
Beijing Grain Group Co., Ltd.	Beijing, China	Investment Management	RMB 900,000,000.00	39.68	39.68

Description of the Company’s parent company

The ultimate controlling party of the Company is Beijing State-owned Capital Operation and Management Co., Ltd.

2. Subsidiary Information

The information about the subsidiaries of the company is detailed in Note VIII, Item 1, "Equity in Subsidiaries."

3. Joint Ventures and Associates Information

The information about the significant joint ventures or associates of the company is detailed in Note VIII, Item 2, "Equity in Joint Ventures or Associates."

4. Other Related Parties

Other Related Party Name	Relationship with the Company
Beijing Capital Agribussiness & Food Group Finance Co., Ltd.	Controlled by the same ultimate controlling party
Shanghai Shouyu Commercial Management Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Ershang Meat Food Group Co., Ltd.	Controlled by the same ultimate controlling party
Hebei Luanping Huadu Foodstuff Co., Ltd.	Controlled by the same ultimate controlling party
Hebei Shounong Modern Agricultural Technology Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness Consumption Assistance & Innovation Center Co., Ltd.	Controlled by the same ultimate controlling party

Beijing Lvhe Cattle Farming Co., Ltd. Xingtai Branch	Controlled by the same ultimate controlling party
Beijing Jingliang East Grain and Oil Trading Group Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Baijiayi Food Co., Ltd.	Controlled by the same ultimate controlling party
Hebei Anping Dahongmen Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Zhangxin Grain Reserve Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Lanfeng Vegetable Distribution Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Guchuan Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness Dot-To-Net E-commerce Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Sanyuan Foods Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Haidian Xijiao Grain and Oil Supply Station Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Grain Group Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Wuhuan Shuntong Supply Chain Management Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Grain Science Research Institute Co., Ltd.	Controlled by the same ultimate controlling party
Liu Biju Peking Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingliang Electronic Commerce Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Hepingmen Market Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingliang Taiyu Real Estate Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Shoucheng Shanshui Real Estate Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness Development Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Guchuan Rice Industry Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness & Foods Emergency Support Center Co., Ltd.	Controlled by the same ultimate controlling party

Beijing Capital Agribusiness & Food Group Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Wangzhihe Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness Livestock Development Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Food Supply Department No. 34 Supply Department Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingdujingu Grain Purchasing and Sales Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness Xiangshan Conference Center Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Longqingxiadu Military Grain Supply Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Allied Faxi Food Co.,Ltd.	Controlled by the same ultimate controlling party
Beijing North Jingtang Foreign Spirits Sales Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Dot-To-Net E-commerce Sales Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Ershang Dahongmen Wuroulian Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Ershang Jinghua Tea Industry Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingshen Seafood Sales Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingtang Dingsheng Trading Co., Ltd.	Controlled by the same ultimate controlling party
Liu Biju Peking Huairou Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Farm Produce Central Wholesale Market Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Shenghua Sihe Asset Management Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Changfa Industrial Operation Management Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Haiyunxing Aquatic Product Company	Controlled by the same ultimate controlling party
Beijing Nanjiao Heyi Farm Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Changyang Farm Co., Ltd.	Controlled by the same ultimate controlling party

Beijing Capital Agribusiness Commercial Chain Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness Xiangshan Commercial Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Sidaokou Aquatic Products Trading Market Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Taiyu Real Estate Management Co., Ltd.	Controlled by the same ultimate controlling party
Huai’an Jingliang Lvgu Grain Co., Ltd.	Controlled by the same ultimate controlling party
Shanghai Sanyuan Dairy Co., Ltd.	Controlled by the same ultimate controlling party
Tongliao Dachang Grain Trading Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingliang Xingye Commercial Management Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingtang Shengshi Meilihua Trading Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Maisui Hotel Management Co., Ltd. Maike Tianxiang Hotel	Controlled by the same ultimate controlling party
Beijing Dairy Cattle Center	Controlled by the same ultimate controlling party
Beijing Nanjiao Agricultural Production and Operation Management Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Sanjia Taifu Real Estate Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Sanyuan Petroleum Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Sanyuan Breeding Technology Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Nankou Farm Co., Ltd. Fruit Products Business Branch	Controlled by the same ultimate controlling party
Beijing Shuangqiao Qiaolian Property Service Co., Ltd.	Controlled by the same ultimate controlling party
Hebei Sanyuan Food Co., Ltd.	Controlled by the same ultimate controlling party
Tianjin Capital Agribusiness Dongjiang Animal Husbandry Co., Ltd.	Controlled by the same ultimate controlling party
China Meat Research Center	Controlled by the same ultimate controlling party
Beijing Ershang Muxiangyuan Halal Meat Food Co., Ltd.	Controlled by the same ultimate controlling party

Beijing Heiliu Animal Husbandry Technology Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Huadu Sunshine Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Huayu Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Jingliang Gurun Trade, Ltd.	Controlled by the same ultimate controlling party
Beijing Sanyuan AGRICULTURE Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Capital Agribusiness *Information Technology & Services* Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Sugar Tobacco & Wine Group Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Wanfa Hengxing Trading Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Xinanjiao Frozen Food Co., Ltd.	Controlled by the same ultimate controlling party
Beijing Yanqi Yueshengzhai Islamic Food Co.,Ltd.	Controlled by the same ultimate controlling party
Shandong Fukuan Bioengineering Co., Ltd.	Controlled by the same ultimate controlling party

5. Related Party Transactions

（1） Purchase and Sale of Goods, Provision and Receipt of Services

Purchase and Sale of Goods, Provision and Receipt of Services

Related Party	Related Transaction Content	Current Period Amount	Approved transaction limit (RMB 10,000)	Whether the transaction limit was exceeded (if applicable)	Amount incurred in the previous period
Beijing Guchuan Food Co., Ltd.	Purchase of goods	12,180,238.74	1,800.00	No	14,450,217.76
Shanghai Shounong Investment Holding Co., Ltd.	Purchase of goods			No	55,530,880.00
Other related units	Purchase of goods	4,064,287.94	1,200.00	No	4,274,096.76
Other related units	Receipt of services		1,700.00	No	116,255.16

Sale of Goods/Provision of Services：

Related Party	Related Transaction Content	Current Period Amount	Previous Period Amount
Shanghai Shounong Investment Holding Co., Ltd.	Sale of goods	8,488,245.03	311,641,692.68
Hebei Shounong Modern Agricultural Technology Co., Ltd.	Sale of goods	11,757,571.92	17,871,902.07
Hebei Luanping Huadu Food Co., Ltd.	Sale of goods	101,778,751.91	88,182,730.21
Beijing Sanyuan Seed Industry Technology Co., Ltd. Feed Branch	Sale of goods	39,541,959.37	58,393,255.17
Beijing Wang Zhihé Food Co., Ltd.	Sale of goods		13,829,319.37
Beijing Shounong Consumption Assistance and Double Innovation Center Co., Ltd.	Sale of goods	11,455,400.89	8,722,272.45
Beijing Shounong Animal Husbandry Development Co., Ltd.	Sale of goods	6,505,217.13	7,800,749.94
Beijing Jingliang Dongfang Grain and Oil Trading Co., Ltd.	Sale of goods	1,645,417.57	2,936,536.67
Beijing Food Supply Bureau No. 34 Supply Department Co., Ltd.	Sale of goods	1,844,670.47	2,546,073.08
Beijing Wuhuan Shuntong Supply Chain Management Co., Ltd.	Sale of goods	4,388,303.63	2,141,115.90
Beijing Zhangxin Grain Storage Co., Ltd.	Sale of goods	1,266,068.79	1,953,412.40
Beijing Baijia Yi Food Co., Ltd.	Sale of goods	2,345,633.02	1,907,018.32
Beijing Jingdu Jingu Grain Purchase and Sales Co., Ltd.	Sale of goods		1,736,146.78
Beijing Guchuan Rice Industry Co., Ltd.	Sale of goods	4,046,599.52	1,377,817.45
Beijing Haidian Xijiao Grain and Oil Supply Station Co., Ltd.	Sale of goods	1,853,082.56	1,324,036.68
Hebei Anping Dahongmen Food Co., Ltd.	Sale of goods	1,162,843.97	753,718.30
Beijing Shounong Development Co., Ltd.	Sale of goods	17,996.18	585,779.12
Beijing Lanfeng Vegetable Distribution Co., Ltd.	Sale of goods	46,215.59	505,685.23
Beijing Shounong Xiangshan Conference Center Co., Ltd.	Sale of goods	22,655.04	342,868.31
Beijing Longqing Xiadu Military Food Supply Co., Ltd.	Sale of goods	284,036.71	277,431.20

Beijing Guchuan Food Co., Ltd.	Sale of goods	343,188.01	251,753.39
Beijing Ailafa Food Co., Ltd.	Sale of goods	52,869.73	233,097.82
Beijing Ershang Meat Food Group Co., Ltd.	Sale of goods	1,640,052.22	
Beijing Liubiju Huairou Food Co., Ltd.	Sale of goods	5,399,458.71	
Beijing Agricultural Products Central Wholesale Market Co., Ltd.	Sale of goods	1,070,229.37	
Beijing Shounong Xiangshan Commercial Co., Ltd.	Sale of goods	450,000.01	
Beijing Capital Agribusiness Food Group Co., Ltd.	Sale of goods	275,594.42	
Beijing Sanjia Taifu Real Estate Co., Ltd.	Sale of goods	125,113.76	
Other related units	Sale of goods	861,063.73	1,202,072.47
Shanghai Shounong Investment Holding Co., Ltd.	Provision of services	7,819,405.73	3,837,338.61
Beijing Capital Agribusiness Food Group Co., Ltd.	Provision of services	1,590,618.04	1,646,403.21
Other related parties	Provision of services	183,106.58	49,397.36

Explanation of the purchase and sale of goods, provision, and receipt of services: The transaction prices are based on the prices charged for the same or similar business activities between unrelated parties.

（2） Related Lease Transactions

As Lessor：

Lessee Name	Lease Asset Type	Lease Income Recognized in Current Period	Lease Income Recognized in Previous Period
Beijing Jingliang E-Commerce Co., Ltd.	Vehicles	15,020.18	22,530.27
Beijing Grain Group Co., Ltd.	Properties		53,333,333.34

As Lessee：

Lessor Name	Lease Asset Type	Simplified Short-Term Lease and Low-Value Asset Rent (CNY)		Lease Payments Not Included in Lease Liability Measurement (CNY)	
		Current Period Amount	Previous Period Amount	Current Period Amount	Previous Period Amount
Beijing Grain Group Co., Ltd.	Properties	2,436,206.95	196,300.00		
Beijing Shounong Food Emergency Guarantee Center Co., Ltd.	Properties	2,528,669.72	2,528,669.72		
Beijing Grain Science Research Institute Co., Ltd.	Properties				

（Continuing Table）

Lessor Name	Rent Paid		Lease Liability Interest Expense		Increase in Right-of-Use Assets	
	Current Period Amount	Previous Period Amount	Current Period Amount	Previous Period Amount	Current Period Amount	Previous Period Amount
Beijing Grain Group Co., Ltd.	5,565,689.98					
Beijing Shounong Food Emergency Guarantee Center Co., Ltd.		2,756,250.00				
Beijing Municipal Grain Science Research Institute Co., Ltd.	14,040,000.00	14,040,000.00	2,476,170.62	1,150,310.75		

（3） Key management personnel compensation

Item	Current Period Amount	Previous Period Amount
Key management personnel compensation	RMB 4,399,800	RMB 8,495,700

（4） Other Related Party Transactions

Related Party	Related Transaction Content	Current Period Amount	Previous Period Amount
Beijing Shounong Food Group Financial Co., Ltd.	Interest Income	7,747,070.11	7,046,721.43
Beijing Shounong Food Group Financial Co., Ltd.	Interest Expense	8,218,405.55	2,610,416.67

Beijing Guchuan Food Co., Ltd.	Trademark Usage Fee	931,720.94	1,946,502.22
Beijing Guchuan Rice Industry Co., Ltd.	Trademark Usage Fee	143,828.28	200,353.23
Beijing Jingliang Dongfang Grain and Oil Trading Co., Ltd.	Trademark Usage Fee	385.31	1,439.81
Beijing Grain Group Co., Ltd.	Trademark license fee	656,320.06	
Beijing Grain Group Co., Ltd.	Demolition compensation	10,955,322.00	
Beijing Grain Group Co., Ltd.	Sale of trademarks	25,235,377.36	
Beijing Municipal Grain Science Research Institute Co., Ltd.	Other	220,519.81	

6. Receivables and Payables from Related Parties and Unsettled Items

（1） Receivables

Project Name	Related Party	Period-End Balance		Beginning period	
		Book Balance	Provision for Bad Debts	Book Balance	Provision for Bad Debts
Monetary funds	Beijing Shounong Food Group Financial Co., Ltd.	1,303,024,670.57		840,710,693.25	
Prepayments	Shanghai Shounong Investment Holding Co., Ltd.			18,949,338.60	
Prepayments	Beijing Ershang Meat Food Group Co., Ltd.	27,540.00			
Accounts receivable	Huadu Food Co., Ltd., Luanping County, Hebei Province	22,348,359.23		28,001,392.07	
Accounts receivable	Beijing Sanyuan Seed Technology Co., Ltd.	1,887,834.11		6,108,044.61	
Accounts receivable	Hebei Shounong Modern Agricultural Technology Co., Ltd.			1,945,602.36	

Accounts receivable	Beijing Shounong Consumer Assistance Innovation and Entrepreneurship Center Co., Ltd.			371,250.00	
Accounts receivable	Beijing Shounong Livestock Development Co., Ltd.	426,725.84		332,181.38	
Accounts receivable	Beijing Jingliang Dongfang Grain & Oil Trading Co., Ltd.	125,200.00		319,534.75	
Accounts receivable	Beijing Baijiayi Food Co., Ltd.	102,580.00		160,250.00	
Accounts receivable	Hebei Anping Dahongmen Food Co., Ltd.	565,500.00		156,000.00	
Accounts receivable	Beijing Zhangxin Grain Reserve Co., Ltd.	367,175.00		119,717.50	
Accounts receivable	Beijing Lanfeng Vegetable Distribution Co., Ltd.			26,000.00	
Accounts receivable	Beijing Guchuan Food Co., Ltd.	13,202.00		24,012.00	
Accounts receivable	Beijing Ershang Meat Food Group Co., Ltd.	13,830.01		17,075.00	
Accounts receivable	Beijing Shounong Diandao E-commerce Co., Ltd.			10,468.00	
Accounts receivable	Beijing Sanyuan Foods Co., Ltd.	19,235.00			
Accounts receivable	Beijing Haidian Xijiao Grain and Oil Supply Station Co., Ltd.	316,800.00			
Accounts receivable	Beijing Grain Group Co., Ltd.	12,847,737.37			

Accounts receivable	Beijing Wuhuan Shuntong Supply Chain Management Co., Ltd.	67,680.00			
Other Receivables	Beijing Shounong Consumer Assistance Innovation and Entrepreneurship Center Co., Ltd.	20,000.00			

（2）Payables

Project Name	Related Party	Ending Balance	Beginning Balance
Accounts Payable	Shanghai Shounong Investment Holding Co., Ltd.		845,410.83
Accounts Payable	Beijing Guchuan Food Co., Ltd.	746,826.11	275,504.58
Accounts Payable	Beijing Municipal Grain Science Research Institute Co., Ltd.	190,000.00	
Accounts Payable	Beijing Liubiju Food Co., Ltd.	193.81	
Other Payables	Beijing Grain Group Co., Ltd.	543,047.81	3,652,500.00
Other Payables	Beijing Jingliang E-commerce Co., Ltd.		16,972.80
Other Payables	Beijing Wuhuan Shuntong Supply Chain Management Co., Ltd.	7,841.96	
Other Payables	Beijing Jingliang Dongfang Grain & Oil Trading Co., Ltd.	7,684.48	
Contract Liabilities	Shanghai Shounong Investment Holding Co., Ltd.		13,947,007.52
Contract Liabilities	Beijing Hepingmen Market Co., Ltd.	27,522.94	
Contract Liabilities	Beijing Jingliang Taiyu Real Estate Co., Ltd.	7,100.92	
Contract Liabilities	Beijing Grain Group Co., Ltd.	327,200.00	
Contract Liabilities	Beijing Shoucheng Shanshui Real Estate Co., Ltd.	6,192.66	
Contract Liabilities	Beijing Shounong Development Co., Ltd.	22,192.66	

XIII. Share-based Payments

The company does not have any share-based payments that need to be disclosed.

XIV. Commitments and Contingencies

(1) As of the end of the reporting period, the approved guarantee limit of the Company and its subsidiaries amounted to 55.95 billion RMB, and the actual amount of guarantees utilized by the Company and its subsidiaries was 9.78 billion RMB, representing 34.15% of the Company's most recently audited net assets attributable to the parent company. All such guarantees were provided between the Company and its subsidiaries. The Company and its subsidiaries have not provided any guarantees to entities outside the consolidated financial statements.

XV. Events after the balance sheet date

There are no events after the balance sheet date that require disclosure for the reporting period.

XVI. Other significant matters

1. Correction of prior period accounting errors

（1） Retrospective restatement method

Content of accounting error correction	Processing procedure	Name of financial statement items in each affected comparative period	Cumulative impact
Correction of revenue that did not meet the revenue recognition criteria	Correction of prior period accounting error	Capital reserve	989,931.26
Correction of revenue that did not meet the revenue recognition criteria	Correction of prior period accounting error	Retained earnings	-989,931.26

2. Pension plan

Pension Plan Overview: The companies under the group, including Beijing Jingliang Food Co., Ltd., Jingliang (Tianjin) Grain and Oil Industry Co., Ltd., Beijing Guchuan Oil Co., Ltd., Beijing Aisen Greenbao Oil Co., Ltd., Beijing Jingliang Oils Co., Ltd., Beijing Guchuan Bread and Food Co., Ltd., and Beijing Tianweikang Oil Adjustment Center Co., Ltd., participate in the pension plan of Beijing Capital Agribusiness Food Group Co., Ltd. Each company has established its own implementation rules for the pension plan. The pension plan is named "

Beijing Capital Agribusiness Food Group Co., Ltd Corporate Pension Plan." The trustee is Ping An Pension Insurance Co., Ltd., the account manager is Bank of Communications, and the custodian is CITIC Bank Co., Ltd.

3. Segment Information

（1）Basis for Determining Reportable Segments and Accounting Policies

Based on the company's internal organizational structure, management requirements, and internal reporting system, the company's business operations are divided into segments such as food processing, oilseeds and oil-related operations. The company's management regularly evaluates the operating results of these segments to allocate resources and assess their performance. The segment reporting information is disclosed based on the accounting policies and measurement standards used by the management to report to the board, and these measurement bases are consistent with those used in the preparation of the financial statements.

（2）Financial Information of Reportable Segments

Item	Food Processing	Oilseeds and Oils	Inter-Segment Eliminations	Total
Operating Revenue	680,705,627.17	7,154,995,505.45	500,823.85	7,835,200,308.77
Operating Cost	550,661,896.73	6,906,789,779.01	569,430.05	7,456,882,245.69
Total Assets	1,083,751,681.79	5,407,465,791.46	372,935,251.80	6,118,282,221.45
Total Liabilities	224,389,868.72	3,055,105,381.97	372,935,251.80	2,906,559,998.89

XVII. Notes to the Financial Statements of the Parent Company

1. Other Receivables

Item	Period-End Balance	Beginning period
Interest Receivable		
Dividend Receivable		18,000,000.00
Other Receivables	930,000,000.00	930,000,000.00

Total	930,000,000.00	948,000,000.00

（1）Dividends receivable

1）Dividends receivable

Item (or investee)	Period-End Balance	Beginning period
Beijing Jingliang Food Co., Ltd.		18,000,000.00
Total		18,000,000.00

2）Classified disclosure by provision method for bad debts

Category	Period-End Balance				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Proportion (%)	
Provision for Bad Debts recognized on an individual basis					
Provision for Bad Debts recognized on a portfolio basis					
Total					

（Continuing Table）

Category	Beginning period				
	Book Balance		Provision for Bad Debts		Book Value
	Amount	Proportion (%)	Amount	Proportion (%)	

Provision for Bad Debts recognized on an individual basis					
Provision for Bad Debts recognized on a portfolio basis	18,000,000.00				18,000,000.00
Total	18,000,000.00				18,000,000.00

（2）Other Receivables

1） Receivables by Age

Age	Ending Balance	Beginning Balance
Within 1 Year		930,000,000.00
1 to 2 Years	930,000,000.00	
Total	930,000,000.00	930,000,000.00

2） Receivables by Nature

Nature	Ending Balance	Beginning Balance
Inter-company Receivables	930,000,000.00	930,000,000.00
Total	930,000,000.00	930,000,000.00

3） Top five other receivables by debtor aggregated at Period-End Balance

Entity name	Period-End Balance	Proportion of total other receivables at Period-End Balance (%)	Nature of receivable	Aging	Provision for Bad DebtsPeriod-End Balance
Beijing Jingliang	930,000,000.00	100.00	Loan	1–2 years	

Food Co., Ltd.					
Total	930,000,000.00				

2. Long-term equity investments

Item	Period-End Balance			Beginning period		
	Book Balance	Impairment Provision	Book Value	Book Balance	Impairment Provision	Book Value
Investment in subsidiaries	2,442,399,283.19		2,442,399,283.19	2,340,799,283.19		2,340,799,283.19
Total	2,442,399,283.19		2,442,399,283.19	2,340,799,283.19		2,340,799,283.19

（1）Investment in subsidiaries

Investee	Beginning period	Increase during the period	Decrease during the period	Period-End Balance	Impairment provision recognized during the period	Impairment ProvisionPeriod-End Balance
Beijing Jingliang Food Co., Ltd.	2,051,781,964.05			2,051,781,964.05		
Zhejiang Little Prince Food Co.,	249,017,319.14			249,017,319.14		

Ltd.						
Jingliang (Caofeidian) Agricultural Development Co., Ltd.	25,500,000.00			25,500,000.00		
Jingliang (Beijing) Baking Food Co., Ltd.	8,000,000.00	82,100,000.00		90,100,000.00		
Jingliang (Yangpu) Grain and Oil Industry Co., Ltd.	6,500,000.00	19,500,000.00		26,000,000.00		
Total	2,340,799,283.19	101,600,000.00		2,442,399,283.19		

3. Revenue and cost of revenue

（1）Revenue and cost of revenue

Item	Current Period Amount		Previous Period Amount	
	Revenue	Cost	Revenue	Cost
Other business	2,553,338.81	338,261.64	2,448,223.41	340,195.56
Total	2,553,338.81	338,261.64	2,448,223.41	340,195.56

4. Investment income

Item	Current Period Amount	Previous Period Amount
Investment income from long-term equity investments accounted for using the cost method	86,434,733.13	35,870,982.04

Item	Current Period Amount	Previous Period Amount
Investment income arising from disposal of long-term equity investments		27,829,877.46
Total	86,434,733.13	63,700,859.50

XVIII. Supplementary Information

1. Statement of non-recurring profit or loss for the current period

Item	Amount	Description
Non-current asset disposal gains and losses, including the reversal of asset impairment provisions	14,056,035.10	
Government subsidies recognized in the current period but not closely related to normal business operations, and those that have a continuous impact on the company's profit and loss	3,913,039.95	
Fair value changes of financial assets and liabilities held by non-financial enterprises, as well as gains and losses from the disposal of financial assets and liabilities, excluding effective hedging activities related to the company's normal business operations	1,216,408.91	
Occupation fees for funds collected from non-financial enterprises		
Profit or loss on entrusting others to invest or manage assets		
Profit or loss from external entrusted loans		
Loss of assets due to force majeure, such as natural disasters		
Reversal of impairment charges for receivables that are tested separately for impairment		
The investment cost of the subsidiary, associate and joint venture is less than the income generated by the fair value of the investee's identifiable net assets when the investment is obtained		
Net profit or loss for the period from the beginning of the period to the date of consolidation of subsidiaries arising from a business combination under the same control		
Gains or losses on the exchange of non-monetary assets		
Debt restructuring gains and losses		
One-time expenses incurred by the enterprise due to the cessation of relevant business activities, such as expenses for the placement of employees, etc		
One-time impact on profit or loss for the current period due to adjustments to laws and regulations such as taxation and accounting		
Share-based payment expenses recognized at one time due to cancellation or modification of the equity incentive plan		
For cash-settled share-based payments, gains or losses arising from changes in the fair value of employee remuneration payable after the vesting date		
Gains and losses arising from changes in the fair value of investment real estate that are subsequently measured using the fair value model		
Proceeds from transactions where the price of the transaction is clearly unfair		

Item	Amount	Description
Profit or loss arising from contingencies unrelated to the normal operation of the company		
Custody fee income obtained from entrusted operations		
Other non-operating income and expenses other than those listed above	-5,364,192.71	
Other profit or loss items that meet the definition of non-recurring profit or loss		
Less: Income tax impact	2,092,351.08	
Impact of Minority Interest (After-Tax)	-1,331,864.39	
Total	13,060,804.56	

2. Return on Equity and Earnings per Share

Report Period Profit	Weighted Average Return on Equity（%）	Earnings Per Share	
		Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the company	-8.86	-0.37	-0.37
Deducting non-recurring gains and losses, net profit attributable to ordinary shareholders of the company	-9.29	-0.38	-0.38

Hainan Jingliang Holdings Co., Ltd.

March 26, 2026