

深圳市深粮控股股份有限公司
SHENZHEN CEREALS HOLDINGS CO.,LTD.

ANNUAL REPORT 2025



【April 2026】

Section I. Important Notice, Contents and Interpretation

The Board of Directors, all directors, and senior executives of SHENZHEN CEREALS HOLDINGS CO., LTD. (hereinafter referred to as “the Company”) hereby confirm that there are no fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the reality, accuracy and completion of the whole contents.

Principal of the Company Wang Zhikai, Head of Accounting Lu Yuhe and Head of Accounting Institution (Accounting Supervisor) Lu Chengjun hereby confirm that the Financial Report of Annual Report 2025 is authentic, accurate and complete.

All Directors have attended the Board Meeting for deliberation of this Report.

Concerning the forward-looking statements with future planning involved in the annual report, they do not constitute a substantial commitment for investors. *Securities Times*, *China Securities Journal*, *Shanghai Securities Journal* and website CNINFO (www.cninfo.com.cn) are the media appointed by the Company for information disclosure. All information of the Company disclosed in the above mentioned media should prevail. Investors are advised to exercise caution regarding investment risks.

The Company has analyzed the risk factors that the Company may exist and its countermeasures in the report. Investors are advised to read “Prospect for future development of the Company” in the report of Section III Management Discussion and Analysis. This report has been prepared in Chinese and English version respectively. In the event of difference in interpretation between the two versions, Chinese report shall prevail.

The profit distribution plan that was deliberated and approved by the Board Meeting is: based on total share capital of 1,152,535,254 shares, distributed cash bonus of 1.20 yuan (tax inclusive) for every 10 shares, 0 share bonus issued (tax inclusive) and no transfer of capital reserve into share capital.

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Documents Available for Reference

1. Text of financial statement with signature and seals of legal person, person in charge of accounting works and person in charge of accounting institution;
2. Original audit report with seal of accounting firm and signature and seal of the CPA;
3. Original and official copies of all documents which have been disclosed on *Securities Times*, *China Securities*, *Shanghai Securities Journal* and website CNINFO (www.cninfo.com.cn) in the reporting period;
4. Original copies of 2025 Annual Report with signature of the legal representative.

Interpretation

Items	Refers to	Contents
SZCH/Listed Company /the Company/	Refers to	Shenzhen Cereals Holdings Co., Ltd.
Shenshenbao/Shenbao Company	Refers to	Shenzhen Shenbao Industrial Co., Ltd.
SZCG	Refers to	Shenzhen Cereals Group Co., Ltd
Grain and Oil Purchase and Sales Branch	Refers to	Grain and Oil Purchase and Sales Branch of Shenzhen Cereals Group Co., Ltd
Shenzhen Flour, the company	Refers to	Shenzhen Flour Co., Ltd
Dongguan Logistics	Refers to	Dongguan Shenliang Logistics Co., Ltd.
Hualian Company	Refers to	Shenzhen Hualian Grain and Oil Trading Co., Ltd.
SZCH Big, Big Kitchen	Refers to	Shenzhen Shenliang Big Kitchen Food Supply Chain Co., Ltd
Doximi	Refers to	Shenzhen Shenliang Doximi Business Co., Ltd.
Smart Warehousing	Refers to	Shenzhen Shenliang Smart Warehousing Co., Ltd.
Shenliang Quality Inspection	Refers to	Shenliang Quality Inspection Co., Ltd.
Shenliang Property	Refers to	Shenzhen Shenliang Property Development Co., Ltd.
Shenbao Huacheng	Refers to	Shenzhen Shenbao Huacheng Technology Co., Ltd.
Shenshenbao Investment	Refers to	Shenzhen Shenshenbao Investment Co., Ltd
Shenzhen Shenliang Food	Refers to	Shenzhen Shenliang Food Co., Ltd.
Shenliang Cold Chain	Refers to	Shenzhen Shenliang Cold Chain Logistics Co., Ltd.
Shenzhen Agricultural Power Group/Food Material Group/Food Group/Fude Capital	Refers to	Shenzhen Agricultural Power Group Co., Ltd., originally named Shenzhen Food Materials Group Co., Ltd, Shenzhen Food Group Co., Ltd, and Shenzhen Fude State Capital Operation Co., Ltd., is the controlling shareholder of the company
Agricultural Products	Refers to	Shenzhen Agricultural Products Group Co., Ltd
SIHC	Refers to	Shenzhen Investment Holdings Co., Ltd.
Shenzhen SASAC	Refers to	Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission
CSRC	Refers to	China Securities Regulation Commission
SZSE	Refers to	Shenzhen Stock Exchange
Grant Thornton CPAs	Refers to	Grant Thornton Certified Public Accountant LLP (Special General Partnership)
Article of Association	Refers to	Article of Association of Shenzhen Cereals Holdings Co., Ltd.
RMB/10 thousand Yuan	Refers to	CNY/ten thousand Yuan

Section II Company Profile and Main Financial Indexes

I. Company information

Short form for share	SZCH, Shenliang B	Stock code	000019, 200019
Listing stock exchange	Shenzhen Stock Exchange		
Chinese name of the Company	深圳市深粮控股股份有限公司		
Abbr. of Chinese name of the Company	深粮控股		
English name of the Company (if applicable)	SHENZHEN CEREALS HOLDINGS CO., LTD		
Abbr. of English name of the Company	N/A		
Legal Representative	Wang Zhikai		
Registrations address	8/F, Tower B, No.4 Building, Software Industry Base, South District, Science & Technology Park, Xuefu Rd., Yuehai Street, Nanshan District, Shenzhen		
Code for registrations add	518057		
Historical changes of registered address	The registered address of the Company, when listed in 1992, was No.10, Tianbei East, Wenjin North Road, Luohu District, Shenzhen; in 1999 the registered address changed to No.1058, Wenjin North Road, Luohu District, Shenzhen; in 2002 the registered address changed to 28/F, Tower B and C of Bao'an Square, No.1002 Sungang Road, Luohu District, Shenzhen; in 2010 the registered address changed to South half of the 20 th floor, Tower of Zhuzilin Education and Technology Building, Futian District, Shenzhen; in 2015 registered address changed to 8/F, Tower B, No.4 Building, Software Industry Base, South District, Science & Technology Park, Xuefu Rd., Yuehai Street, Nanshan District, Shenzhen		
Office address	13/F, Tower A, World Trade Plaza, No.9 Fuhong Rd., Futian District, Shenzhen		
Codes for office add.	518033		
Company's website	www.slkg1949.com		
E-mail	szch@slkg1949.com		

II. Person/Way to contact

	Secretary of the Board	Rep. of security affairs
Name	Chen Xiaohua	Chen Kaiyue, Liu Muya
Contact address	13/F, Tower A, World Trade Plaza, No.9 Fuhong Rd., Futian District, Shenzhen	13/F, Tower A, World Trade Plaza, No.9 Fuhong Rd., Futian District, Shenzhen
Tel.	0755-83778690	0755-83778690
Fax.	0755-83778311	0755-83778311
E-mail	000019@slkg1949.com	chenky@slkg1949.com liumy@slkg1949.com

III. Information disclosure and preparation place

Website of the Stock Exchange where the annual report of the Company is disclosed	<i>Securities Times, China Securities Journal, Shanghai Securities Journal</i>
Media and website where the annual report of the Company is disclosed	website CNINFO www.cninfo.com.cn
Preparation place for annual report	Office of the Board of Directors

IV. Registration changes of the Company

Organization code	91440300192180754J
Changes of main business since listing (if applicable)	On February 18, 2019, the company completed the registration procedures of changes in industry and commerce for business scope and other matters. The

	main business has newly increased the modern food supply chain services such as grain & oil trading, processing, storage and logistics on the basis of production, research and development, and sales of food raw materials (ingredients) mainly focused on tea and natural plant deep processing.
Previous changes for controlling shareholders (if applicable)	<p>On September 10, 1999, Shenzhen Investment Management Co., Ltd. entered into the Equity Transfer Agreement of Shenzhen Shenbao Industrial Co., Ltd. with Shenzhen Agricultural Products Group Co., Ltd for 58,347,695 shares of the Company (35% in total shares of the Company) transfer to Shenzhen Agricultural Products Group Co., Ltd with price of RMB 1.95 per share. Shenzhen Agricultural Products Group Co., Ltd became the first majority shareholder of the Company after transfer and procedures for the above equity transfer has completed in June 2003.</p> <p>On April 3, 2018, Shenzhen Investment Holdings Co., Ltd. completed the transfer of all of its 79,484,302 A shares of the company to Fude Capital. After the completion of the equity transfer, Fude Capital directly holds 79,484,302 A shares of the company (16% of the company's original total share capital) and controls 19.09% shares of the company through Shenzhen Agricultural Products Group Co., Ltd. indirectly, becoming the controlling shareholder of the company.</p> <p>In 2018, the company implemented a major asset restructuring by issuing 655,752,951 A-shares to purchase 100% equity of Shenzhen Grain Group Co., Ltd. held by the controlling shareholder Fude Capital. On November 12, 2018, the above-mentioned issued shares were registered and listed, and the controlling shareholder Fude Capital (now renamed into "Shenzhen Agricultural Power Group Co., Ltd.") directly held 735,237,253 A-shares of the company (63.79% of the total share capital of the company), and indirectly held 8.23% of the company's shares through Shenzhen Agricultural Products Group Co., Ltd.</p>

V. Other relevant information

CPA engaged by the Company

Name of CPA	Grant Thornton Certified Public Accountant LLP (Special General Partnership)
Offices add. of CPA	5 th Floor, Saite Plaza, No. 22 Jianguomenwai Street, Chaoyang District, Beijing, China
Signing accountants	Xie Jing, Shu Zhicheng

Sponsor engaged by the Company for performing continuous supervision duties in reporting period

Applicable Not applicable

Financial consultant engaged by the Company for performing continuous supervision duties in reporting period

Applicable Not applicable

VI. Main accounting data and financial indexes

Whether the company has retroactive adjustment or re-statement on previous accounting data or not?

Yes No

	2025	2024	Changes in the current year over the previous year (+/-)	2023
Operating revenue	5,505,279,622.35	5,375,089,846.91	2.42%	6,190,005,356.82

(RMB)				
Net profit attributable to shareholders of the listed Company (RMB)	243,215,785.97	325,309,578.52	-25.24%	347,739,109.06
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains/losses (RMB)	148,452,198.97	307,799,147.68	-51.77%	328,085,399.55
Net cash flow from operating activities (RMB)	1,100,440,103.90	-15,317,619.38	7,284.15%	585,734,715.61
Basic earnings per share (RMB/Share)	0.2110	0.2823	-25.26%	0.3017
Diluted earnings per share (RMB/Share)	0.2110	0.2823	-25.26%	0.3017
Weighted average ROE	4.91%	6.67%	-1.76%	7.25%
	Year-end of 2025	Year-end of 2024	Changes in the current year over the previous year (+/-)	Year-end of 2023
Total assets (RMB)	7,372,342,349.32	7,714,550,508.01	-4.44%	7,402,926,251.19
Net assets attributable to shareholder of listed company (RMB)	4,988,751,158.32	4,919,674,142.82	1.40%	4,828,491,503.39

Notes:

1. The year-on-year decrease in net profit attributable to shareholders of the listed company is mainly due to the surplus of special-purpose financial funds obtained in previous years being included in taxable income for the reporting period with a five-year deferral, as well as special-purpose financial funds obtained in the current year being directly included in taxable income for the reporting period, resulting in a year-on-year increase in income tax expenses during the reporting period. For details, see “VI. Tax” in the Section III Financial Report”.
2. The year-on-year decrease in net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses is mainly attributable to the year-on-year increase in income tax expenses and non-recurring gains/losses in the reporting period, as well as increased warehousing and operating costs arising from factors such as the relocation of Shuguang Grain Depot and the commissioning of Shenshan Grain Depot.
3. The year-on-year increase in net cash flows arising from operating activities is mainly due to increased grain and oil sales and higher cash inflows from operating activities in the reporting period. In addition, a portion of grain and oil purchases in the reporting period was settled via domestic letters of credit, and cash paid for grain and oil purchases decreased compared with the same period of the previous year, leading to a reduction in cash outflows from operating activities.

The lower one of net profit before and after deducting the non-recurring gains/losses in the last three fiscal years is negative, and the audit report of last year shows that the ability to continue operating is uncertain.

Yes No

The lower one of net profit before and after deducting the non-recurring gains/losses is negative.

Yes No

VII. Difference of the accounting data under accounting rules in and out of China

1. Difference of the net profit and net assets disclosed in financial report, under both IAS (International Accounting Standards) and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

In RMB

	Net profit		Net asset	
	Current amount	Last amount	Ending balance	Beginning balance
Under Chinese GAPP	243,215,785.97	325,309,578.52	4,988,751,158.32	4,919,674,142.82
Items and amount adjusted under IAS				
			1,067,000.00	1,067,000.00
Under IAS	243,215,785.97	325,309,578.52	4,989,818,158.32	4,920,741,142.82

2. Difference of the net profit and net assets disclosed in financial report, under both foreign accounting rules and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

The Company has no above-mentioned condition occurred in the period

3. Explanation on the reasons for the differences in accounting data under domestic and overseas accounting standards

Applicable Not applicable

VIII. Main financial index disclosed by quarter

In RMB

	Q 1	Q 2	Q 3	Q 4
Operating revenue	1,226,680,291.18	1,157,547,146.72	1,534,248,068.76	1,586,804,115.69
Net profit attributable to shareholders of the listed company	91,323,433.84	84,692,092.03	67,510,968.82	-310,708.72
Net profit attributable to shareholders of the listed company after deducting non-recurring gains/losses	72,867,613.63	85,147,291.99	66,174,770.31	-75,737,476.96
Net cash flow from operating activities	401,152,980.30	336,125,586.51	527,878,611.67	-164,717,074.58

Are there significant differences between the above-mentioned financial index or its total number and the relevant financial index disclosed in the Company's quarterly report and semi-annual report?

Yes No

IX. Items and amounts of non-recurring gains/losses

Applicable Not applicable

In RMB

Item	2025	2024	2023	Note
Gains/losses from the disposal of non-current asset (including the written-off of accrued impairment provision of assets)	19,858,457.99	5,160,259.92	2,394,378.42	
Governmental subsidies reckoned into current gains/losses (except for those with normal operation business concerned, and conform to the national policies & regulations and are enjoyed according to certain standard, and having a	51,731,273.31	10,243,944.62	14,544,417.04	Mainly the compensation received

continuous impact on the company's gains/losses)				by the company for the relocation of Shuguang Grain Depot.
Gains/losses arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains/losses from the disposal of financial assets and financial liabilities, except for effective hedging business related to the normal operation of the company.			182,701.67	
Gains/losses of assets delegation on others' investment or management		4,518,517.76	6,622,492.60	
Reversal of impairment provision of accounts receivable which are treated with separate depreciation test	1,017,988.27		679,204.22	
Net current gains/losses from the business combination under the same control in the period from the beginning of the period to the date of combination		92,048.86		
Other non-operating income and expenditure except for the aforementioned items	48,145,562.02	147,191.48	644,754.74	Mainly because the Company received a timely handover bonus for the relocation of Shuguang Grain Depot.
Other gains/losses that meet the definition of non-recurring gains/losses		2,890,749.95		
Less: impact on income tax	25,989,694.59	5,545,407.55	5,027,939.98	
Impact on minority shareholders' equity (after-tax)		-3,125.80	386,299.20	
Total	94,763,587.00	17,510,430.84	19,653,709.51	--

Other gains/losses that conform to the definition of non-recurring gains/losses:

Applicable Not applicable

The Company does not have other gains/losses that conform to the definition of non-recurring gains/losses.

Information on the definition of non-recurring gains/losses listed in the Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Non-recurring Gains/Losses as Recurring Gains/Losses

Applicable Not applicable

The Company does not have any non-recurring gains/losses listed in the Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Non-recurring Gains/Losses as Recurring Gains/Losses.

Section III Management Discussion and Analysis

I. Main businesses of the Company during the reporting period

Main business of the Company includes the wholesale and retail business, food processing and manufacturing business, leasing and commerce service business. All business segments synergize to continuously optimize the full industrial chain layout of grain, oil and food.

The wholesale and retail business primarily operates basic grain and oil products including rice, wheat, paddy, corn and edible oil, together with supporting foods such as high-end tea, beverages and condiments. Raw grains mainly satisfy production demand in downstream sectors including trading, feed processing, flour milling and rice processing. Terminal grain, oil and related food products mainly serve group meals of enterprises and public institutions and daily consumption of community residents, covering both livelihood consumption and industrial supply.

The food processing and manufacturing business focuses on the processing and production of flour, rice, tea and plant extracts, beverages and condiments, and boasts a diversified brand matrix. Specifically, flour products include bread flour, special flour for pastries and steamed buns, and noodle flour to meet the demands of food processing enterprises and household cooking. Rice products cover the high-, medium- and low-end markets, suitable for daily consumption and gift-giving scenarios. Edible oil products adhere to the health concept to satisfy residents' demand for a healthy diet. Tea and related products include tea leaves, fresh extracts, and instant tea, catering to both traditional tea drinking and convenient consumption needs. Condiments are mainly oyster sauce and pastes, serving catering and household cooking scenarios.

Leveraging its brand reputation, operational capacity and facility advantages accumulated in the grain and oil market, the leasing and commercial services business provides a full range of professional services to customers upstream and downstream the industrial chain, covering import and export trade of grain, oil, food and beverages, warehousing, logistics and distribution, quality inspection, information technology services, property leasing and management, and commercial operation management, so as to facilitate the efficient operation of the industrial chain and ensure food security and product quality. Centered on the model of "platform-based services + specialized operation", the Company integrates industrial chain resources by relying on its core service carriers to provide customers with integrated solutions. Among others, the Dongguan Logistics Comprehensive Park integrates five coordinated functions including grain and oil terminals, transit and storage. As the "National Grain Quality Monitoring Station in Shenzhen, Guangdong", Shenliang Quality Inspection provides professional quality inspection services. As a professional asset management platform, Shenliang Land Development is responsible for property leasing and commercial operation, forming a coordinated and efficient service system.

II. Industry of the Company during the reporting period

The grain industry is a basic industry related to the national economy and people's livelihood. At the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China, some arrangements such as "Consolidating the National Safety Foundation to Ensure Food Safety", "Building a Diversified Food Supply System", "Strengthening the Management of Food Procurement, Sales and Storage" and "Promoting the Diversified Imports of Agricultural Products" were made, which pointed out the direction for the high-quality development of the grain industry. From the perspective of grain production, China's grain production has had good harvest year after year, and the total output has been more than 0.65 trillion kg for 11 consecutive years, of which it exceeded 0.70 trillion kg in 2024 and 2025; however, the grain supply and demand showed a tight balance pattern, and the structural contradiction was outstanding. From the perspective of industrial development, in recent years, the high-quality grain projects were implemented in depth, the optimization and upgrade of grain industry was promoted, the total annual output value of the national grain industry stabilized at more than RMB 4 trillion, and the comprehensive industrial strength and grain and oil supply capacity

continuously improved, showing a good development trend. Emerging technologies have been used increasingly in the grain industry. For example, the application of new grain storage technologies, such as modified atmosphere storage and low-temperature storage, have effectively prolonged the shelf life of grain. These new technologies are constantly emerging, bringing new changes to grain production, processing, storage and transportation. From the perspective of grain and oil consumption, under the guidance of the "Big Food Concept", residents' grain and oil consumption has accelerated the transformation to "Eating Well and Healthily". Residents' eating habits tend to be diversified, and their eating styles of "Less Oil and Salt" and the quality and diversity of food are paid more attention to, which puts higher requirements for the taste, nutrition and health of food. The improvement of the richness and diversity of food reserves and supplies has become a trend, which puts higher requirements for the company's research and development and deep processing capabilities of innovative products. From the perspective of industry development, the domestic grain and oil trade, processing and logistics industries involves all-circulating fields with high degree of marketization and fierce competition. Based on the functional orientation of state-owned grain enterprises, the company takes "Three-chain Synergy" as the starting point, enhances the added value of products through technological empowerment, and continuously improves the robustness of the industrial chain and the efficiency of the value chain. From the perspective of macro situation, geopolitical conflicts pose a great threat to grain import and shipping, and the risks of global grain supply chain are intensified. Shenzhen's grain supply is highly dependent on external input, facing many challenges such as long transportation distance, many links and high cost, which is directly affected by the stability of the international grain and oil supply chain. From the perspective of legal supervision, with the in-depth implementation of the Food Safety Law, the industry governance has entered a new stage of comprehensive legal governance, and the legal foundation has been further consolidated. China has implemented strict control policies on imported grains, the tightening of customs supervision has obvious impacts on bulk trade, and the import business is facing greater uncertainty. The competent departments of the industry are increasingly strict with the supervision of grain and oil reserves, strengthening the inspection of the completeness of video data and the consistency of inventory data in information systems, and enhancing new inspection methods such as credit supervision and off-site inspection.

III. Core Competitiveness Analysis

The company enhances the endogenous power by deepening reform, strengthens the "extensive" development by innovation cooperation, and continuously upgrades and transforms the governance pattern, development quality, and guarantee ability, and has embarked on a path of sustainable and high-quality development through self-innovation, and become a highly competitive, innovative and influential backbone grain enterprise in the domestic grain industry.

1. Operation mechanism

The core management team of the company has rich experience, and has a strong strategic vision and pragmatic spirit. Combined with the actual development of the Company, formulated a set of effective mechanisms to promote the quality and efficiency of business development. The company vigorously promotes the innovation and transformation of business models, and actively promotes the transition from "trade-oriented enterprises" to "service-oriented enterprises", and from "operational management and control" to "strategic management and control". In business control, through the own information management system, realizes a seamless link between the "operation" and "planning, capital, quality inspection, inventory, risk control and discipline" to effectively reduce the operational risks while fully participating in the market competition, and achieving a deep integration of "ensuring grain security" and "promoting development". Through deeply promotes the strategy of "talent strengthening the enterprises", continuously innovative talent training mechanism to creates a high-quality talent supply chain, the company has established an open talent team to meet the long-term development of enterprises and reserve intelligence for the enterprise upgrading and development. The company has innovated and implemented the performance appraisal mechanism and established a result-oriented incentive and restraint assessment mechanism to stimulated the viability within the enterprise. The company insists on cultivating and advocating the corporate culture with "people-oriented, performance first, excellent quality, and harmony" as the core

values, combines the personal development goals of employees with the corporate vision, and enhances the cohesiveness and centripetal force of the enterprise.

2. Business model

The Company has a mature and efficient market-oriented grain and oil rotation mechanism. By scientifically managing the rotation rhythm, it not only safeguards regional food security but also effectively improves economic benefits and preserves and increases the value of state-owned assets. The company deeply engages in segmenting the target market, provides diversified product supply services for customers in different areas of the industry chain, establishes a multi-level product supply network covering online and offline, and realizes the transformation of product supply to “remoteness, intelligentization, and self-service”. In terms of grain and oil trading services, the bulk commodity trading platform www.zglsjy.com.cn created by its subsidiary Hualian Company efficiently integrates business flow, logistics, and information flow, improves circulation efficiency, and provides spot listings, one-way bidding, basis price, financing, logistics, quality inspection, information and other services for internal business units, suppliers and customers. In terms of e-commerce, SZCH Doximi actively promotes the development of new grain retail formats such as “Internet + Grain” , and has opened channels on e-commerce platforms such as Tmall and Jingdong Mall so as to promote the deep integration of online and offline e-commerce platforms. In terms of group meal supply, its subsidiary SZCH Big Kitchen has established a one-stop distribution service platform serving large end customers, providing high-quality and safe oil and grain services for group users such as enterprises, schools, and government institutions.

3. Information technology

The company attaches great importance to the transformation and upgrading of traditional industries with modern technological means, and actively introduces new-generation information technologies such as the Internet of Things, cloud computing, big data, and mobile Internet into grain management, forming an information system that can cover the entire industrial chain of the grain industry, and promoting the “Internet + Grain” industry development. The company took the lead in building the warehouse management of “standardization, mechanization, informatization, and harmlessness” in the industry, the self-developed “Grain Logistics Information System (SZCG GLS)” has built a framework for the construction of grain informatization work, innovated the grain management model, led the development direction of the grain industry, and became a benchmark for the national grain industry. The project was awarded the “National IoT Major Application Demonstration Project” by the National Development and Reform Commission and the Ministry of Finance. The company has undertaken a number of national-level research projects, the results of a number of informatization projects have won national, provincial and municipal awards, and dozens of information systems have been developed and are operating normally.

4. R&D capabilities

The company has strong R&D capabilities in the field of food and beverage, and gathers leading technological advantages and equipment systems. The subsidiary Shenbao Huacheng owns the Jiangxi provincial enterprise technology center, Shenzhen municipal research and development center (technology center) and Shenzhen plant deep processing technology engineering laboratory and have obtained national high-tech enterprise certification. And also owns a number of patented technologies for tea powder, tea concentrated juice and plant extraction independently researched and developed, and published dozens of scientific papers. and won a number of awards such as Science and Technology Progress Award of the Ministry of Agriculture, Shennong Chinese Agricultural Science & Technology Award of the Chinese Society of Agriculture, Science & Technology Achievement Award of Chinese Academy of Agricultural Sciences, Science and Technology Award of China National Light Industry Council, Zhejiang Science and Technology Award, Jiangxi Science and Technology Progress Award and Shenzhen Science & Technology Progress Award, etc., presided over or participated in the preparation of several national standards and industry standards.

5. Quality control

The company implements grain and oil quality standards that are higher than national standards. The subsidiary Shenliang Quality Inspection has been awarded honors including a National Level Grain Quality Monitoring Station, a National Grain and Oil Standard Verification and Testing Workstation, a National Master Studio for Reserve Skills, a Top Talent Studio in the Grain Industry of Guangdong Province, and Five-Star Rating in Site Management by the China Quality Association. It obtained the assessment certificate of agricultural product quality and safety inspection agency (CATL) and the qualification certificate of inspection agency (CMA) etc., and passed the certification of a number of testing capability items. Shenliang Quality Inspection possesses leading grain and oil inspection technologies and equipment in China's grain industry, lists pesticide residues, heavy metal pollutants, fungal toxins and other hygiene indicators as well as food taste indicators in the daily inspection indicators. It has the ability to detect four types of indicators of generic quality, storage quality, food security & quality and other four types of indicators of testing capacity. The detection capability can meet the relevant quality detection requirements of grain and oil products, and can accurately analyze the nutritional composition and hygienic indicators of the grain and determine its storage and edible quality. It has created the "digital laboratory" in the grain industry, real-time monitoring of the entire process of cuttings, testing, distribution, etc., relying on collaborative platforms to save, retrieve, integrate, analyze and share grain and oil testing data to achieve 100% coverage of grain & oil product inspection.

IV. Main business analysis

1. Overview

In 2025, under the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, SZCH adhered to ensuring grain safety and promoting industry development, actively responded to market challenges, steadily implemented industrial upgrade, and made steady progress in operating performance. By the end of 2025, the total assets of the company were RMB 7.372 billion, the asset-liability ratio was 32.31%, the annual operating income was RMB 5.505 billion, with a year-on-year increase of 2.42%, and the total profit was RMB 466 million, with a year-on-year increase of 11.08%. The main financial indicators were at an excellent level in the industry. In 2025, the company effectively played the role of "Foundation" in regional food safety, solidly completed the service of increased storage, and the foundation of food safety was more solid. The company strengthened the support of industrial chain, enhanced the control of upstream grain sources through the construction of Shuangyashan Base, and continuously improved the synergy of downstream supply chain based on Dongguan Logistics Hub, to effectively optimize the integrated operation efficiency of "Production, Procurement, Storage and Sales". Despite the cyclical pressure on revenue, the company ensured the steady growth of total profit and achieved economic benefits and asset preservation and appreciation by consolidating the main business foundation and promoting refined management.

(1) Built a solid foundation for food safety in Shenzhen. Firstly, the reserve service and storage scale reached a record high, overcame the challenges of increasing grain and oil storage and adjusting the layout of storage points; through scientific planning and accurate scheduling, the reserve service and storage scale were completed ahead of schedule, and both reached a record high. Secondly, scientifically planned and implemented the adjustment of reserve layout, orderly implemented the transfer of grain and oil reserves in Shuguang Grain Depot, and added rice storage capacity in Pingshan Grain Depot. Thirdly, strictly regulated and strengthened the management of grain and oil reserves, deepened the reform of the management mechanism of grain reserves, set up a smart storage company operated by an independent legal person, and took a solid step to build a modern grain storage management enterprise; added a green storage capacity in Pinghu Grain Depot to realize 100% quasi-low temperature storage of finished grain. Continued to promote the information construction of the reserve grain depots, upgraded the temperature measuring system and cloud platform of Pinghu Grain Depot, built the Phase II of the reserve grain and oil management platform, completed the intelligent upgrade of the new rental point of Pingshan Grain Depot, and improved the intelligent management level of grain and oil reserves.

(2) Ensured the efficient promotion of major projects. Firstly, efficiently completed the large-scale relocation and handover of Shuguang Grain Depot, to realize the win-win situation of revitalizing government assets, improving food safety capacity, expanding the layout of grain and oil industry and improving enterprise benefits, and strongly support the construction of Xili High-

speed Rail Hub, a major project in Shenzhen. Secondly, implemented the special task of receiving and operating Shenshan Grain Depot, the largest one in Shenzhen to ensure the connection of the whole chain including grain source raising, logistics scheduling, terminal transfer, loading and unloading warehousing; by the end of the year, 240,000 tons of grain was put into storage, demonstrating the responsibility and excellent strength of the grain and oil enterprise.

(3) Promoted mutual empowerment of industrial chain resources. Hualian Company and Dongguan Logistics promoted the business of "Transporting Grain from the North to the South". Started the marketing integration reform, integrated the brand and channel resources of Duoxi and Shenbao Investment, created a unified marketing and brand building platform, accelerated the promotion of the brand influence of SZCH and the market competitiveness of terminal business, and effectively promoted the internal industry synergy. Actively carried out in-depth cooperation with leading enterprises in the grain trade, supply chain coordination and other fields, and achieved remarkable synergy results, to effectively ensure the stable supply of high-quality international grain sources under the tightening of national import policies. Successfully held the 2025 Grain Depot Open Day and the Second Brand Culture Festival, to effectively enhance the brand influence of the SZCH.

(4) Accelerated the cultivation of new energy for high-quality development. Firstly, opened up a new situation in model innovation. Dongguan Logistics innovated the operation mode of "Multi-port Linkage and One-navigation Implementation" and opened the navigation route of "Transporting Grain from the North to the South" for wheat and corn. Based on professional research and development, the buying and selling company built a business model of "Bulk Trade + Industrial Terminal", achieving 40,000 tons sales of powdered rice, with a year-on-year increase of 29%. Big Kitchen cooperated with upstream professional companies to build a 6,000mu high-quality rice planting base to explore a stable supply model of high-quality grain sources. Secondly, achieved new results in product innovation. Hualian Company adjusted the variety structure of rice reserves, steadily built the brand of "Shenliang Shuangbao", and launched "Shenliang Shuangbao" of northeast fresh waxy corn and sweet waxy corn, enriching the brand matrix. Shenzhen Flour completed the research and development and improvement of six new products, such as bread flour, to meet the diversified needs of customers. Following the trend of healthy and diversified grain and oil consumption, Big Kitchen newly developed diglyceride edible oil and non-steamed grain rice to consolidate the differentiated competitiveness of products. Thirdly, achieved new breakthroughs in technological innovation. Actively explored AI innovative application scenarios, to use AI technologies to carry out automatic inspection, screen monitoring, safety behavior monitoring in Pinghu Grain Depot. This project was released in "the First Release List of AI Application Scenarios of State-owned Enterprises in Shenzhen (50)". Shenbao Huacheng deepened the operation mode of "R&D, Sales and Manufacturing", participated in the formulation of 3 industry standards such as tea concentrate, breaking through the technical bottleneck of efficient transformation and utilization of summer and autumn tea, and won the Science and Technology Achievement Award of Chinese Academy of Agricultural Sciences.

2. Operating revenue and cost

(1) Component of operating revenue

In RMB

	2025		2024		YoY Increase/decrease (+/-)
	Amount	Ratio in operating revenue	Amount	Ratio in operating revenue	
Total operating revenue	5,505,279,622.35	100%	5,375,089,846.91	100%	2.42%
By industries					
Wholesale and retail	3,742,242,308.51	67.98%	3,547,023,210.68	65.99%	5.50%
Leasing and business services	1,004,985,111.36	18.25%	1,029,137,510.95	19.15%	-2.35%
Manufacturing	758,052,202.48	13.77%	798,929,125.28	14.86%	-5.12%

By products					
Grain & oil trading and processing	4,172,710,177.82	75.80%	3,999,373,911.19	74.41%	4.33%
Grain & oil storage logistics and services	861,103,837.43	15.64%	856,190,020.28	15.93%	0.57%
Food, beverage and tea processing	327,584,333.17	5.95%	346,578,424.77	6.45%	-5.48%
Leasing and others	143,881,273.93	2.61%	172,947,490.67	3.21%	-16.81%
By region					
Domestic market	5,477,246,945.41	99.49%	5,342,106,430.30	99.39%	2.53%
Overseas market	28,032,676.94	0.51%	32,983,416.61	0.61%	-15.01%
By sale model					
Direct sale	5,505,279,622.35	100.00%	5,375,089,846.91	100.00%	2.42%

(2) Industries, products, regions and sales model that account for more than 10% of the operating revenue or operating profit of the Company

☼ Applicable ☐ Not applicable

In RMB

	Operating revenue	Operating cost	Gross profit ratio	YoY increase/decrease of operating revenue	YoY increase/decrease of operating cost	YoY increase/decrease of gross profit ratio
By industry						
Wholesale and retail	3,742,242,308.51	3,634,651,019.74	2.88%	5.50%	5.69%	-0.16%
By products						
Grain & oil trading and processing	4,172,710,177.82	4,047,413,950.00	3.00%	4.33%	4.09%	0.22%
By region						
Domestic market	5,477,246,945.41	4,603,255,592.05	15.96%	2.53%	3.29%	-0.62%
By sale model						
Direct sale	5,505,279,622.35	4,623,410,073.54	16.02%	2.42%	3.22%	-0.65%

In the event that the statistical caliber of the company's main business data is adjusted during the reporting period, the main business data of the company has been adjusted according to the caliber at the end of the reporting period in the past year.

● Applicable ☼ Not applicable

(3) Revenue from physical sales larger than revenue from labors

☼ Yes ☐ No

Industries	Item	Unit	2025	2024	YoY increase/decrease (+/-)
Wholesale and retail	Sales volume	Ton	1,433,791.01	1,397,429.10	2.60%
	Output	Ton			
	Storage	Ton	1,285,149.84	1,346,900.95	-4.58%

Reasons for y-o-y relevant data with over 30% changes

● Applicable ☼ Not applicable

(4) Performance of significant sales contracts and major procurement contract entered into by the company up to the current reporting period

Applicable Not applicable

(5) Component of operation cost

Classification of industries

In RMB

Industries	Item	2025		2024		YoY increase/decrease (+/-)
		Amount	Ratio in operation cost	Amount	Ratio in operation cost	
Wholesale and retail industry	Raw materials	3,634,651,019.74	78.61%	3,439,103,716.33	76.78%	1.83%

Explanation

The main business income of the company is from grain and oil trading, and the corresponding cost expenditure is mainly the procurement cost of grain and oil trade.

(6) Whether there are changes in the scope of consolidation in reporting period or not?

Yes No

During the reporting period, the company transferred Shenzhen Shenliang Cold Chain Logistics Co., Ltd., cancelled Shenzhen Shenliang Storage (Yingkou) Co., Ltd, and established a new company, Shenzhen Shenliang Smart Warehousing Co., Ltd. .

(7) Material changes or adjustment for products or services of the Company in reporting period

Applicable Not applicable

(8) Major clients and main suppliers

Major clients of the Company

Total sales volume of top five clients (RMB)	1,269,439,307.54
Proportion in total annual sales volume for top five clients	23.77%
Proportion in total annual sales volume for related sales among top five clients	0.00%

Top five clients of the Company

SN	Name	Sales volume (RMB)	Proportion in total annual sales volume
1	Client I	794,274,130.92	14.87%
2	Client II	139,365,036.76	2.61%
3	Client III	119,033,752.08	2.23%
4	Client IV	109,776,387.78	2.06%
5	Client V	106,990,000.00	2.00%
Total	--	1,269,439,307.54	23.77%

Other explanation on main clients

Applicable Not applicable

Main suppliers of the Company

Total purchase amount from top five suppliers (RMB)	1,232,214,459.57
Proportion in total annual purchase amount for top five suppliers	32.68%
Proportion in total annual purchase amount from related purchase among top five suppliers	0.00%

Top five suppliers of the Company

SN	Name	Sum of purchase amount (RMB)	Proportion in annual sum of purchase amount
1	Supplier I	563,995,649.05	14.96%
2	Supplier II	201,031,584.57	5.33%
3	Supplier III	171,082,161.54	4.54%
4	Supplier IV	161,777,578.53	4.29%
5	Supplier V	134,327,485.88	3.56%
Total	--	1,232,214,459.57	32.68%

Other explanation on main suppliers

Applicable Not applicable

During the reporting period, the Company's trading revenue accounted for more than 10% of its total operating revenue.

Applicable Not applicable

Information on the Top 5 clients of trading business

SN	Client	Sales volume(RMB)
1	Quanzhou Licheng Hetian Grain Co., Ltd.	139,365,036.76
2	Guangdong Yuehai Holdings Group Co., Ltd.	119,033,752.08
3	Shenzhen Fujiade Grain Co., Ltd.	109,776,387.78
4	Hunan Qingyan Hongchuang Trading Co., Ltd.	106,990,000.00
5	Guangzhou Huaren Grain Trade Co., Ltd.	92,680,807.14
Total	--	567,845,983.76

Information of Top 5 clients of trading business

SN	Client	Purchase volume (RMB)
1	Shenzhen Fengyi Grain & Oil Trading Co., Ltd.	563,995,649.05
2	COFCO Jinghua Trading (Beijing) Co., Ltd.	201,031,584.57
3	Guangzhou Huaren Grain Trade Co., Ltd.	171,082,161.54
4	Yingkou Jiatai Grain & Oil Trading Co., Ltd.	161,777,578.53
5	Guangrao Huitong Grain Co., Ltd.	134,327,485.88
Total	--	1,232,214,459.57

3.Expenses

In RMB

	2025	2024	YoY increase/decrease (+/-)	Note of major changes
Sales expenses	138,284,538.25	149,810,329.96	-7.69%	Mainly in accordance with the new

				accounting standards, part of the warehousing and logistics costs have been reclassified and included in operating costs.
Administration expenses	206,252,622.49	168,245,200.59	22.59%	Mainly due to a year-on-year increase in accrued employee compensation expenses.
Financial expenses	32,445,079.85	32,678,246.41	-0.71%	Mainly because the annual average balance of borrowings decreased, and the market LPR was lowered several times, resulting in a reduction in interest expenses.
R&D expenses	24,962,654.98	25,208,644.43	-0.98%	

4.R&D investment

☉ Applicable ● Not applicable

Projects	Purpose	Progress	Goals to be achieved	Expected impact on the future development of the Company
Temperature Measuring System and Cloud Platform Upgrading Project of Pinghu Grain Depot	Upgraded the existing grain information equipment in Pinghu Grain Depot to improve the coverage and accuracy of grain information monitoring	Completed	Replaced the grain information equipment and built a unified grain information cloud platform to view the grain information of all grain depots at any time	Strengthened the management of grain information through the unified cloud platform, to lay a foundation for subsequent intelligent analysis and application
Intelligent Transformation Project of Pingshan International Logistics Park Grain Depot (Phase II)	Met the regulatory requirements of grain and oil reserves, to realize "Video Communication", "Grain Information Communication" and "Data Communication"	Completed	Deployed intelligent equipment and software in the newly added storage area of Pingshan Grain Depot, to realize the automatic collection of grain information, video and data in the storage area and achieve the goal of penetrating supervision and management of grain and oil reserves	Improved the standardization and compliance of the company's management of grain and oil reserves
Pilot Application Project of AI Scenarios	Integrated human defense, physical defense and technical defense, and used AI technologies to empower on-site management of grain depots	Completed	Realize the video intelligent inspection of key areas of grain depot and strengthened AI screen inspection, to accurately check whether the screen is normal, and whether the finished grain stacking position is correctly covered, and provide intelligent identification and early warning of safety incidents	Explored the actual landing scenarios of AI technologies, and provided a feasible path for subsequent technology application and scenarios development

R&D personnel

	2025	2024	Increase (+)/Decrease (-)
Number of R&D personnel	123	117	5.13%

Ratio of number of R&D personnel	11.00%	10.00%	1.00%
Education background			
Below bachelor's degree	37	28	32.14%
Undergraduate	59	55	7.27%
Master	27	34	-20.59%
Age composition			
Under 30	50	41	21.95%
30~40	45	42	7.14%
Over 40	28	34	-17.65%

R&D investment

	2025	2024	Increase (+)/Decrease (-)
R&D investment (RMB)	57,062,133.35	52,099,502.14	9.53%
Ratio of R&D investment in operating revenue	1.04%	0.97%	0.07%
Capitalization of R&D investment (RMB)	0.00	0.00	0.00%
Ratio of capitalization of R&D investment in R&D investment	0.00%	0.00%	0.00%

Describe reasons for significant changes in component of the R&D personnel and related impact

Applicable Not applicable

Describe reasons for significant changes in ratio of R&D investment in operating revenue compared with that of last year

Applicable Not applicable

Describe reason for the great change in the ratio of capitalization of R&D investment in R&D investment.

Applicable Not applicable

5. Cash flow

In RMB

Item	2025	2024	YoY Increase (+)/Decrease (-)
Subtotal of cash inflow from operation activity	6,243,697,110.86	6,009,744,381.86	3.89%
Subtotal of cash outflow from operation activity	5,143,257,006.96	6,025,062,001.24	-14.64%
Net cash flow from operating activities	1,100,440,103.90	-15,317,619.38	7,284.15%
Subtotal of cash inflow from investment activity	81,138,806.57	442,392,843.77	-81.66%
Subtotal of cash outflow from investment activity	115,258,661.43	451,195,262.84	-74.45%
Net cash flow from investment activity	-34,119,854.86	-8,802,419.07	-287.62%
Subtotal of cash inflow from financing activity	1,681,005,908.26	3,395,816,991.96	-50.50%
Subtotal of cash outflow from financing activity	2,836,225,709.40	3,449,612,888.56	-17.78%
Net cash flow from financing activities	-1,155,219,801.14	-53,795,896.60	-2,047.41%
Net increased amount of cash and cash equivalent	-89,009,000.54	-77,810,324.25	-14.39%

Describe reasons for major YoY changes of relevant data

Applicable Not applicable

(1) During the reporting period, the net cash flow from operating activities increased year-on-year, mainly due to increased grain and oil sales and higher cash inflows from operating activities. In addition, part of the grain and oil purchases in the reporting period was settled by way of domestic letters of credit which had not yet matured, and cash paid for grain and oil purchases decreased compared with the same period of the previous year, resulting in a reduction in cash outflows from operating activities.

(2) During the reporting period, cash inflow and outflow from investing activities decreased compared with the same period of the previous year, mainly because the Company purchased fewer wealth management products with idle funds and correspondingly redeemed fewer maturing wealth management products on a year-on-year basis. The net cash flow from investing activities decreased year-on-year, mainly due to increased investment in long-term assets and decreased cash inflows from the disposal of equity investments during the reporting period. Meanwhile, cash recovered from the disposal of intangible assets (Huizhou land) increased year-on-year.

(3) During the reporting period, cash inflow from financing activities decreased compared with the same period of the previous year, mainly due to increased grain and oil trading sales and higher operating cash inflows, which led the Company to reduce short-term borrowings and corresponding financing cash inflows. Cash outflow from financing activities decreased compared with the same period of the previous year, mainly because the Company reduced short-term borrowings and accordingly decreased repayments of borrowings, resulting in a year-on-year decline in financing cash outflows. The above factors led to a decrease in the net cash flow generated from financing activities for the current period compared with the same period of the previous year.

Describe reasons for major difference between the cash flow arising from operation activity in reporting period and net profit of the Company

Applicable Not applicable

V. Analysis of non-main business

Applicable Not applicable

In RMB

	Amount	Ratio in total profit	Description of formation	Sustainable or not(Y/N)?
Investment income	-536,315.86	-0.12%	Mainly due to investment losses from joint ventures.	N
Gains/losses arising from changes in fair value	0.00	0.00%		N
Asset impairment	-121,690,077.25	-26.12%	Mainly due to inventory fall provision	N
Non-operating income	48,918,268.36	10.50%	Mainly because the Company received a timely handover bonus for the relocation of Shuguang Grain Depot.	N
Non-operating expense	883,565.29	0.19%		N

VI. Analysis of assets and liabilities

1. Major changes of assets component

In RMB

	Year-end of 2025		Year-begin of 2025		Ratio changes	Notes of major changes
	Amount	Ratio in total assets	Amount	Ratio in total assets		
Monetary fund	74,207,045.75	1.01%	168,199,291.23	2.18%	-1.17%	Mainly for the Company's payment of grain and oil purchase money.
Account receivable	185,600,881.90	2.52%	235,789,565.91	3.06%	-0.54%	
Contract asset	0.00	0.00%	0.00	0.00%	0.00%	
Inventory	3,968,883,163.28	53.83%	4,044,998,642.52	52.43%	1.40%	Mainly due to the decrease in the Company's grain and oil inventories.
Investment real estate	231,882,055.05	3.15%	302,075,246.75	3.92%	-0.77%	
Long-term equity investment	43,217,315.89	0.59%	45,356,888.44	0.59%	0.00%	
Fixed assets	1,993,966,742.36	27.05%	2,009,520,283.95	26.05%	1.00%	

Construction in progress	51,951,405.25	0.70%	39,312,847.70	0.51%	0.19%	
Right-of-use assets	54,801,538.67	0.74%	115,258,040.17	1.49%	-0.75%	
Short-term loans	1,155,754,328.18	15.68%	1,484,605,101.05	19.24%	-3.56%	Mainly due to the recovery of operating funds and the reduction of short-term bank borrowings.
Contract liability	77,779,348.91	1.06%	126,590,458.95	1.64%	-0.58%	
Long-term loans	0.00	0.00%	0.00	0.00%	0.00%	
Lease liability	29,468,268.66	0.40%	78,084,500.76	1.01%	-0.61%	

Foreign assets account for a relatively high proportion

Applicable Not applicable

2. Assets and liabilities measured at fair value

Applicable Not applicable

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

The details of monetary funds which are restricted in use due to mortgage, pledge, or freezing, which are restricted in withdrawal due to centralized management of funds, as well as which are deposited overseas and restricted in remittance back are as follows:

Item	Ending balance in current period	Ending balance in last period
Guarantee deposit	2,058,418.00	
Letter of credit deposit	2,222,285.44	3,245,714.29
Litigation related freezing		6,018,234.09
Total	4,280,703.44	9,263,948.38

VII. Investment analysis

1. Overall situation

Applicable Not applicable

Investment in reporting period (RMB)	Investment in the same period of last period (RMB)	Changes (+/-)
101,543,564.53	98,127,483.25	3.48%

2. The major equity investment obtained in the reporting period

Applicable Not applicable

3. The major non-equity investment performed in the reporting period

Applicable Not applicable

4. Financial assets investment

(1) Securities investment

Applicable Not applicable

The company had no securities investment in the Period.

(2) Derivative investment

Applicable Not applicable

The Company had no derivatives investment in the Period

VIII. Sales of major assets and equity

1. Sales of major assets

Applicable Not applicable

The Company had no sales of major assets in the reporting period.

2. Sales of major equity

Applicable Not applicable

IX. Analysis of main holding company/ stock-jointly companies

Applicable Not applicable

Particular about main subsidiaries and stock-jointly companies net profit over 10%

In RMB

Company name	Type	Main business	Register capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Cereals Group Co., Ltd	Subsidiary	Grain & oil trading processing, grain and oil reserve service	1,530,000,000.00	6,958,718,483.44	2,968,855,414.91	4,973,177,025.17	345,223,058.61	183,731,588.13
Shenzhen Hualian Grain and Oil Trading Co., Ltd.	Subsidiary	Grain & oil trading	300,000,000.00	932,544,464.89	377,225,230.42	1,314,737,522.77	18,317,948.70	2,722,744.53
Dongguan Shenlian Logistics Co., Ltd.	Subsidiary	Grain & oil trading processing, warehouse, and logistics	298,000,000.00	2,702,783,555.09	418,041,060.93	1,169,752,323.28	33,199,754.00	24,691,170.49

Particular about subsidiaries obtained or disposed in reporting period

Applicable Not applicable

Explanation on main holding/stock-jointly companies:

Shenzhen Cereals Group Co., Ltd: Business scope: general business items: grain and oil purchase and sales, grain and oil storage; grain and oil and products management and processing (operated by branches); operation and processing of feed (operated by outsourcing); investment in grain and oil, feed logistics projects; establishing grain and oil and feed trading market (including e-commerce market) (market license is also available); storage (operated by branches); development, operation and management of free property; providing management services for hotels; investing and setting up industries (specific projects are separately declared); domestic trade; engaging in import and export business; E-commerce and information construction; and grain circulation service. Licensed business items: the following projects shall be operated only with the relevant examination and approval documents if they are involved in obtaining approval: information services (internet information service only); general freight, professional transport (refrigerated preservation). Register capital is 1,530,000,000.00 yuan. As of the end of current period, total assets reached 6,958,718,483.44 yuan, and net assets amounted to 2,968,855,414.91 yuan, and shareholders' equity attributable to parent company was 2,762,270,183.29 yuan; in the reporting period, the operating revenue, net profit and net profit attributable to shareholder of parent company were 4,973,177,025.17 yuan, 183,731,588.13 yuan and 171,590,855.94 yuan respectively.

Shenzhen Hualian Grain and Oil Trading Co., Ltd.: Business scope: general business items: domestic trade (except for projects that laws, administrative regulations, and decisions of the State Council require approval before registration); engaging in import and export business (except for projects prohibited by laws, administrative regulations, and decision of the State Council, restricted projects can be operated only after obtaining permission); online feed sales; information consultation, self-owned housing leasing (excluding talent agency services and other restricted items); international freight forwarding, domestic freight forwarding (can only be operated after being approved by the transport department if laws, administrative regulations, State Council decision require the approval of transport department); Licensed business items: following items shall be operated only with the relevant examination and approval documents if they are involved in obtaining approval: purchase and sale of grain and oil, online sales of grain and oil; information service business (internet information service business only). Register capital is 300,000,000.00 yuan. As of the end of current period, total assets reached 932,544,464.89 yuan, and net assets amounted to 377,225,230.42 yuan, and shareholders' equity attributable to parent company was 377,225,230.42 yuan; in the reporting period, the operating revenue, net profit and net profit attributable to shareholder of parent company were 1,314,737,522.77 yuan, 2,722,744.53 yuan and 2,722,744.53 yuan respectively.

Dongguan Shenliang Logistics Co., Ltd. Business scope: General business items: Container and bulk cargo storage and other supporting services; Container and bulk cargo transportation; Production: food (grain and oil), feed and feed additives; Grain procurement; Wholesale and retail: prepackaged food (grain and oil), bulk food (grain and oil), feed and feed additives; Port operations, loading and unloading of steel and general cargo at ports; Road freight transportation; Water transportation, water transportation services; Grain and oil storage; Internet Information Services; Technical services for grain, oil, and feed quality inspection; hotel management; Industrial investment; Market operation management; Supply chain management services; International freight forwarding, domestic freight forwarding; Customs declaration agency and inspection agency; Property management and leasing; Import and export of goods and technology. Projects that require approval according to law can only be operated with the approval of relevant departments. Its registered capital is 298,000,000.00 yuan. As of the end of current period, total assets reached 2,702,783,555.09 yuan, and net assets amounted to 418,041,060.93 yuan, and shareholders' equity attributable to parent company was 418,041,060.93 yuan; in the reporting period, the operating revenue, net profit and net profit attributable to shareholder of parent company were 1,169,752,323.28 yuan, 24,691,170.49 yuan and 24,691,170.49 yuan respectively.

X. Structured vehicle controlled by the Company

Applicable Not applicable

XI. Prospects on future development

Company's future development strategy:

During the "15th Five-Year Plan" period, the company will focus on the main business of grain, oil and food, thoroughly implement the national food safety strategy, fulfill the national development requirements of "Extending the Grain Industry Chain, Upgrading the Value Chain and Building a Supply Chain", focus on the main business, enhance the core functions, accelerate the strategic transformation, and continue to exert efforts in ensuring regional food safety, serving the people's livelihood in cities, leading industrial transformation, comprehensively promote the upgrading of industrial chain and the extension of value chain with the mission vision of "Ensuring Food Safety and Serving a Healthy Life", and accelerate the building of a competitive grain, oil and food industry group, to contribute to the food safety and high-quality development of grain, oil and food industry in Shenzhen.

Next year's business plan:

1. Carry out fine management to consolidate the foundation of reserves

The company will steadily implement intensive management of storage resources, optimize the layout of grain reserves and varieties, and scientifically coordinate the quality and quantity of grain and oil reserves and rotation services; carry out a detailed analysis of the operational efficiency of each business entity, optimize the allocation of main business resources based on the goal of maximizing overall operational benefits, and promote the strategic position of Pinghu Grain Depot, Shenshan Grain Depot and Dongguan Logistics Node in the food safety system; strengthen the quality management and control of reserves, strengthen the monitoring of stock quality and storage environment, and extend quality management to upstream suppliers; build the affiliated smart storage company into a specialized grain storage management enterprise, and actively explore green and smart grain storage and reduce operating costs.

2. Concentrate resources to develop the food industry

The company will adhere to the relevant principles of diversification and limited effectiveness, moderately extend the industrial chain, and promote the optimization and upgrading of reserve rotation from "Main Trade-driven" to "Trade + Intensive Processing + Terminal Synergy". In aspect of rice business, the company will give full play to the advantages of the northeast grain source base, build a stable supply chain system, deepen the channels of industrial rice and group rice, and enhance the rice brand of SZCH. In aspect of wheat-flour business, the company will adhere to the integrated management of wheat and flour, develop a product system with core competitiveness based on flour, and optimize the mechanism to promote the effective promotion of flour sales; gradually shift the rotation of grain reserves to "Production + Trade rotation" based on wheat, realizing the linkage operation of four grain depots in two places. In aspect of oil and fat business, based on the needs of future operation, the company will deeply study the functional facilities of Guangming Oil Depot, integrate nutrition science and refining technologies, explore and open up the market of traditional catering oil and high-end healthy edible oil, and build a complete industrial chain from crude oil procurement, refining processing and refined oil production.

3. Implement strategic leadership to expand the industrial layout

The company will expand the layout of port trade, promote the construction of supporting projects in Dongguan Logistics Park, and improve the comprehensive service level of logistics node ports; actively introduce large-scale grain and oil processing enterprises to create a modern grain industry ecology with the integration of "Port, Park and Trade"; adhere to the "Port + Trade" drive with mutual empowerment, build a port logistics channel, and gradually build a grain and oil logistics network; strengthen tea business, and build a perfect supply chain guarantee system for tea and plant deep processing business with market demand as the guide and with industrial manufacturing and scientific research and development as the core; promote the construction of deep processing project and the upgrading of core equipment in Shenbao Huacheng, and accelerate the establishment of leading enterprises in deep processing of tea; improve marketing ability, carry out the reform of marketing integration, reshape brand image, optimize channel layout, create a professional, innovative and efficient marketing integration platform, and enhance the brand reputation and influence of SZCH.

4. Take measures to improve the quality and efficiency of operation

The company will deepen strategic cooperation with leading enterprises in the industry, consolidate the achievements of

cooperation in the procurement and sales of wheat, rice, corn and other varieties, promote the expansion of cooperation achievements in the fields of project development and supply chain coordination, and realize complementary advantages and coordinated development; deepen the development of stock resources, explore the diversified operation mode of assets in combination with market demands, and improve the income level of inefficient assets; closely follow up the property right replacement project of Shuguang Grain Depot to ensure a successful landing and maximize benefits; focus on the whole chain of high-quality development and management of enterprises, accurately issue performance evaluation indicators, clarify the responsible subjects, key nodes and quantitative standards, guide business entities to increase investment in research and development, and strengthen product innovation, technological innovation and model innovation.

Possible risks and countermeasures:

1. Risk of the procurement and sale price fluctuations of grain and oil

International geopolitical conflicts, extreme weather and other uncertain external factors may lead to large procurement and sale price fluctuations of grain and oil at home and abroad, with big structural differences. The aforementioned risks may affect the company's profitability and lead to fluctuations in inventory value.

The company will actively respond to the risk of grain and oil price fluctuations by strengthening market forecast, establishing strategic cooperation, refining procurement and sales management, strengthening internal coordination and optimizing product structure.

2. Food safety risks

"Quality and safety" is the lifeline of enterprise's sustainable development and an insurmountable red line. The regulatory authorities have promulgated a series of laws and regulations on food safety hazards, enterprise responsibilities, production management compliance, quality and safety inspection, risk monitoring and control, to implement the "Four Strictest" requirements of food safety management.

According to the regulatory requirements and the actual management, the company has issued and strictly implemented the Measures for the Administration of Food Quality and Safety of SZCH. As the superior system of the company's food safety management, the system covers the quality management of grain, oil and non-grain foods, comprehensively clarifies the responsibilities of key posts, and strengthens the supervision of key links, to ensure that food products meet the quality standards, hygiene standards and relevant regulations.

3. Risk of intensified market competition

As a representative enterprise of regional grain, oil and food business, the company still has a certain gap in scale and brand awareness compared with central enterprises and large multinational grain, oil and food enterprises. In the future, the competition in the grain, oil and food industry will become increasingly fierce. If the company cannot effectively promote its own brand and broaden its marketing channels, it may face greater risks under fierce market competition.

In view of possible market and operational risks, on the one hand, the company will make an overall plan for annual procurement and carefully optimize procurement channels, to ensure adequate and orderly supply of grain; on the other hand, the company will continue to strengthen communication with upstream and downstream customers in the industrial chain, vigorously expand sales channels, focus on customer needs, deepen brand and services, and enhance the brand value and competitiveness; in addition, the company will promote brand building, strengthen brand exchanges and cooperation within the industry, open up high-quality brand element resources, create unified brand application norms, and gradually establish brand advantages.

XII. Reception of research, communication and interview during the reporting period

☞Applicable ☐Not applicable

Reception time	Reception place	Reception mode	Reception object	Reception Object	Main content talked about and	Index of basic situation of research
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			type		materials provided	
May 20, 2025	Online Value www.ir-online.cn	Network platform online communication	Other	All investors	2025 annual performance briefing	For details, please refer to the “Company Investor Relations Activity Record Form” disclosed on website CNINFO (www.cninfo.com.cn) on April 20, 2025

XIII. The formulation and implementation of the market capitalization management system and valuation enhancement plan

Whether the company formulated a market capitalization management system or not?

Yes No

Whether the company disclosed the valuation enhancement plan or not?

Yes No

To strengthen the company's market value management, effectively promote the enhancement of the company's investment value, increase investor returns, and safeguard investor interests, the Market Value Management System was formulated in accordance with laws and regulations such as the Company Law, the Securities Law, the Measures for the Administration of Information Disclosure by Listed Companies, the Listed Company Supervision Guidelines No. 10–Market Value Management, as well as the provisions of the Articles of Association and based on the actual situation of the company. It was reviewed and adopted at the 21st meeting of the 11th session of the Board of Directors. Its main contents include the basic principles of market value management, market value management institutions and personnel, main methods of market value management, monitoring and early warning mechanisms, and emergency measures. For details, please refer to the Market Value Management System disclosed on website CNINFO (www.cninfo.com.cn) on October 28, 2025.

XIV. Implementation of the Action Plan for “Double Improvement of Quality and Return”

Whether the company disclosed the Action Plan for “Double Improvement of Quality and Return” or not?

Yes No

Based on its actual operation, the Company formulated the Action Plan for "Dual Improvement of Quality and Return". It planned to improve corporate quality and shareholder return capacity by focusing on its core business, enhancing operation quality, improving corporate governance, attaching importance to shareholder return, strengthening investor communication, and conducting high-standard information disclosure. For details, please refer to the Announcement on the Action Plan for "Dual Improvement of Quality and Return" disclosed on website CNINFO (www.cninfo.com.cn) on April 28, 2026.

Section IV Corporate Governance

I. Corporate governance of the Company

During the reporting period, the Company constantly improved the corporate governance structure, improved the quality of corporate governance, and established a sound internal control system, strictly in accordance with corporate governance requirements of normative documents released by the Company Law, Securities Law, Corporate Governance Guidelines and Standard Operational Guidelines to Main Board Listed Companies of Shenzhen Stock Exchange. The Company continued to carry out the governance activities, improved the standard operation level, and safeguarded the legitimate interests of the Company and investors.

Accountability among Shareholders' General Meeting, the Board of Directors and the management level were clear. We strictly implemented the rules from the Articles of Association during the reporting period as well as work regulations and other basic management system to ensure the effective implementation of the internal control system.

The Company received no relevant documents with administrative regulation concerned from regulatory authorities in reporting period, and has no particular about rectification within a time limit.

Is there any difference between the actual condition of corporate governance and relevant regulations about corporate governance for listed Company from CSRC?

Yes No

There are no differences between the actual condition of corporate governance and relevant regulations about corporate governance for listed Company from CSRC.

II. Independence of the Company relative to controlling shareholder and the actual controller in ensuring the Company's assets, personnel, finance, organization and businesses

By the end of the reporting period, Shenzhen Agricultural Power Group is the actual controller of the Company. The Company, in strict accordance with the governance rules of listed companies and other relevant provisions, completely separates from the controlling shareholders in business, finance, personnel, assets, organizations, and has independent full business and self-management ability.

1. Independent Business:

The business of the Company is independent from controlling shareholders and has complete business and self-management ability, and is not dependent on the shareholders and their affiliated enterprises, which has no competition with controlling shareholder and its subordinate enterprises. The controlling shareholder has no direct or indirect intervention in the Company business activities.

2. Independent Staff:

The Company has special organization to manage labor and payment, and has independent perfect personnel system and collective management system. General Manager of the Company as well as deputy GM, secretary of the Board, CFO and other senior executives receive remuneration from the Company, and don't receive remuneration from shareholders' unit and subordinate enterprises and holding the post except director or supervisor.

3. Independent Assets:

The Company has independent and integrity asset structure; There is no situation where funds or assets of the company are occupied by controlling shareholders for non-operational purposes.

4. Independent Organization:

The Company has set up a sound organizational structure system and operates independently; there is no mixed operation between the Company and controlling shareholders.

5. Financial Independence:

The Company, with independent financial department, has set up independent accounting system and financial management system and makes financial decision independently. With independent bank accounts, and tax payment, the Company strictly follows the financial system and has independent operation and standardized management.

III. Horizontal Competition

Applicable Not applicable

IV. Directors, supervisors and senior executives

1. Basic information

Name	Gender	Age	Title	Working status	Start dated of office term	End date of office term	Shares held at period-begin (share)	Number of shares increased in current period (share)	Number of shares decreased in current period (share)	Other changes (share)	Shares held at period-end (share)	Reasons for increase or decrease of shares
Wang Zhikai	Male	54	Party Secretary, Chairman of BOD	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Gu Cheng	Male	52	Director	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Zhang Guoyuan	Male	52	Director	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Zheng Xiangpeng	Male	50	Deputy Party Secretary, Director	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Lu Yuhe	Female	48	Director, CFO	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Mei Yuexin	Female	61	Independent director	Currently in office	2025-09-05	2026-11-03	0	0	0	0	0	-
Zhang Sheng	Male	55	Independent director	Currently in office	2025-09-05	2026-11-03	0	0	0	0	0	-
Tao Ran	Male	53	Independent director	Currently in office	2025-09-05	2026-11-03	0	0	0	0	0	-
Chen Xiaohua	Male	59	Member of the Party Committee, Deputy GM, and Secretary of the Board of Directors	Currently in office	2020-08-24	2026-11-03	0	0	0	0	0	-
Shen Hua	Male	50	Member of the Party Committee, Deputy GM	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Xiao Hui	Male	47	Member of the Party	Currently in office	2020-02-28	2026-11-03	0	0	0	0	0	-
Du Jianguo	Male	52	Employee supervisor Committee, Deputy GM	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Zhao Rubing	Male	69	Former independent director	Left office	2019-02-21	2025-09-05	0	0	0	0	0	-
Bi Weimin	Female	69	Former independent director	Left office	2019-02-21	2025-09-05	0	0	0	0	0	-
Liu Haifeng	Male	54	Former independent director	Left office	2019-02-21	2025-09-05	0	0	0	0	0	-
You Hongxia	Female	54	Former supervisor	Left office	2023-11-03	2025-11-13	0	0	0	0	0	-
Liu Xinqing	Female	53	Former supervisor	Left office	2023-11-03	2025-11-13	0	0	0	0	0	-
Zheng Shengqiao	Male	58	Former supervisor	Left office	2019-02-21	2025-11-13	0	0	0	0	0	-
Ma Zenghai	Male	61	Former supervisor	Left office	2019-02-21	2025-11-13	0	0	0	0	0	-
Total	---	---	---	---	---	---	0	10,000	0	0	10,000	---

During the reporting period, whether there is any departure of directors and supervisors and dismissal of senior executives or not?

Yes No

1. On August 18, 2025, the Board of Directors of the Company received written resignation reports from Mr. Zhao Rubing, Ms. Bi Weimin and Mr. Liu Haifeng, independent directors of the Company. Having served as independent directors for six consecutive years, Mr. Zhao Rubing, Ms. Bi Weimin and Mr. Liu Haifeng applied to resign from their positions as independent directors of the 11th session of Board of Directors of the Company and relevant positions in the special committees of the Board of Directors. After resignation, they will not hold any other positions in the Company.

2. On November 13, 2025, the Company held the Second Extraordinary General Meeting of Shareholders in 2025, which reviewed and approved the Proposal on Amending the Articles of Association of Shenzhen Shenliang Holding Co., Ltd. The general meeting agreed to abolish the Board of Supervisors of the Company. The supervisors Ms. You Hongxia and Ms. Liu Xinqin, the employee supervisors Mr. Zheng Shengqiao and Mr. Ma Zenghai resigned voluntarily, and will not hold any other positions in the Company after resignation.

Changes of directors, supervisors and senior executives

☞Applicable ☐Not applicable

Name	Title	Type	Date	Reason
Zhao Rubing	Original independent director	Retire upon expiration of term	2025-09-05	Re-election and transition of the board
Bi Weimin	Original independent director	Retire upon expiration of term	2025-09-05	Re-election and transition of the board
Liu Haifeng	Original independent director	Retire upon expiration of term	2025-09-05	Re-election and transition of the board
Mei Yuexin	Independent director	Elected	2025-09-05	Re-election and transition of the board
Zhang Sheng	Independent director	Elected	2025-09-05	Re-election and transition of the board
Tao Ran	Independent director	Elected	2025-09-05	Re-election and transition of the board
You Hongxia	Former supervisor	Left office	2025-11-13	Due to work reassignment
Liu Xinqing	Former supervisor	Left office	2025-11-13	Due to work reassignment
Zheng Shengqiao	Original employee supervisor	Left office	2025-11-13	Due to work reassignment
Ma Zenghai	Original employee supervisor	Left office	2025-11-13	Retired

2.Post-holding

Professional background, major working experience and present main responsibilities in Company of directors, supervisors and senior executive

(i) Director

Mr. Wang Zhikai: Born in 1971, holds a master's degree. Formerly served as deputy director and director of the Enterprise Second Division of the State-owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government, and Director of the Strategic Development Division; deputy GM and Party Committee Member of Shenzhen Talent Anju Group Co., Ltd. He is currently member of the Party Committee of Shenzhen Agricultural Power Group Co., Ltd, the secretary of the company's Party Committee and Chairman.

Mr. Gu Cheng: Born in 1973, hold a master's degree. He formerly served as the Secretary of the Youth League Committee of the Education Bureau of Longgang District, Shenzhen; the director and deputy director of the Office of the Shenzhen Federation of Trade Unions, minister of Legal Work, minister of Grassroots Organization Construction, Minister of Grassroots Organization

Construction and Economic Work, member of the Party Group and vice chairman of the Shenzhen Federation of Trade Unions; member of the Party Working Committee of Shenzhen's Two New Organizations; the members of the Shenzhen Municipal Committee of the Chinese People's Political Consultative Conference and other positions; and supervisor of Shenzhen Agricultural Products Group Co., Ltd; Now, He is currently the deputy secretary of the Party Committee and Director of Shenzhen Agricultural Products Group Co., Ltd, and director of the Company.

Mr. Zhang Guoyuan: Born in 1973, holds a master's degree. He previously served as a cadre of Shenzhen Special Zone Development Company; employee of Shenzhen Yantian District Investment Service Center; member of the Investment Promotion Department and deputy director of the Office of the Yantian District Economic and Trade Bureau in Shenzhen; deputy chief staff member and chief staff member of the Supervision and Inspection Department of Shenzhen State-owned Assets Supervision and Administration Commission; director of the Supervision and Inspection Department of Shenzhen State-owned Assets Supervision and Administration Bureau; Director, Deputy Director, and Director of the Supervision and Inspection Department of the State owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government; Director of the Property Rights Management and Regulations Department of the State owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government. He is currently member of the Party Committee and deputy GM of Shenzhen Agricultural Power Group Co., Ltd and director of the company.

Mr. Zheng Xiangpeng: Born in 1975, holds a bachelor's degree and is a senior journalist. He formerly served as an editor and journalist for Shenzhen Special Zone Daily, deputy director of the Political News Department (in current period, he was appointed as a member of the Longgang Street Party Working Committee and Deputy Director of the Office), deputy director and director of the Regional News Department, and member of Shenzhen Special Zone Daily Editorial Committee; assistant to the President of Shenzhen Press Group, director of the Office of Shenzhen Press Group, and chairman of Shenzhen Press Education Media Group; deputy secretary of the Party Committee, director, and chairman of the Trade Union of Shenzhen Food Materials Group Co., Ltd. He is current deputy secretary and director of the company's Party Committee.

Ms. Lu Yuhe: born in 1977, master's degree and CPA. She previously worked as the senior auditor of Ernst & Young; the independent non-executive director, Director and CFO of China Trends Holdings Limited; CFO of VIEIN; Director and CFO of the Shenzhen Exhibition & Convention Center Management Co., Ltd., the Director and CFO of Shenzhen Tong Chan Group and CFO of Shenzhen Yinhu Convention Center (Hotel) Co., Ltd. Now she is the Director and CFO of the Company.

Ms. Mei Yuexin: Born in 1964, holds a bachelor's degree, and is a certified public accountant and senior accountant. She has successively served as a lecturer at Hangzhou Institute of Electronic Engineering, an expert on self-disciplinary sanctions for non-financial enterprise debt financing instruments at the National Association of Financial Market Institutional Investors, and independent director of Shenzhen Zhenye (Group) Co., Ltd. (Stock Code: 000006), Solon Enterprise Co., Ltd. (Stock Code: 002105), Shenzhen Weiye Decoration Group Co., Ltd. (Stock Code: 300621), Shenzhen Toncen Lixing Co., Ltd. (Stock Code: 002243), Shenzhen Zhongqingbao Interactive Network Co., Ltd. (Stock Code: 300052), Shenzhen Batian Ecological Engineering Co., Ltd. (Stock Code: 002170), Shenzhen Agricultural Products Group Co., Ltd. (Stock Code: 000061), Shenzhen Today International Logistics Technology Co., Ltd. (Stock Code: 300532), as well as a partner at Ruihua Certified Public Accountants. She is currently independent director of Ningbo Ronbay New Energy Technology Co., Ltd. (Stock Code: 688005) and independent director of the Company.

Mr. Zhang Sheng: Born in 1970, holds a doctoral degree, and is a lawyer and professor of law. He has successively served as a clerk at the People's Court of Funing County, Hebei Province; lecturer, associate professor, professor and vice dean of China University of Political Science and Law; professor and dean of the Law School of Beijing Jiaotong University; and independent director of Shede Spirits Co., Ltd. He is currently a research fellow and director of a research office at the Institute of Law, Chinese Academy of Social Sciences; independent director of Hainan Natural Rubber Industry Group Co., Ltd. (Stock Code: 601118); independent director of Whirlpool (China) Co., Ltd. (Stock Code: 600983); and independent director of the Company.

Mr. Tao Ran: Born in 1972, holds a doctoral degree. He has successively served as an associate research fellow at the Center for Chinese Agricultural Policy, Chinese Academy of Sciences; professor at the School of Economics and vice dean of the Hanqing Advanced Institute of Economics and Finance, Renmin University of China. He is currently a Presidential Chair Professor and Director of the Division of Development and Governance, School of Humanities and Social Science, The Chinese University of Hong Kong, Shenzhen; and independent director of the Company.

(iii) Senior executives

Mr. Chen Xiaohua, born in 1966, holds a master's degree and is an economic manager. He served successively as chief of the secretarial section, deputy director and director of the office of the board of directors, and secretary of the board, director, and vice president of Shenzhen Agricultural Products Group Co., Ltd., concurrently served as chairman of Guangxi Higeen International Logistics Co., Ltd., chairman of Tianjin Higeen Agricultural Products Market Management Co., Ltd., and chairman of Tianjin Higeen Agricultural Products Logistics Co., Ltd. He currently serves as the member of party committee, deputy general manager and secretary of the board of the company.

Mr. Shen Hua: Born in 1975, holds master's degree and is an economist. He has formerly served as the deputy manager of the Management Department of Shenzhen Buji Agricultural Products Wholesale Center, deputy GM, GM and Chairman of Nanchang Shenzhen Agricultural Products Wholesale Market Co., Ltd., and deputy GM of Shenzhen Agricultural Products Group Co., Ltd. He currently serves as member of the party committee and deputy GM of the Company.

Mr. Xiao Hui, born in 1978, holds a master's degree and is a master of finance and a master of business administration. He served as a staff member of the Personnel and Education Department, and a staff member, a deputy chief staff member, a chief staff member, deputy director, and director of the General Office of the People's Bank of China; and the deputy head of the Nanshan District People's Government. He currently serves as the member of party committee and deputy GM of the company.

Mr. Du Jianguo: Born in 1973, holds a master's degree and an economist. He has formerly served as a clerk in the Comprehensive Control Department of Qingdao Price Bureau. deputy director of the GM's Office of Shenzhen Agricultural Products Co., Ltd, chairman of Changsha Mawangdui Agricultural Products Co., Ltd, director of the GM's Office and director of the Transportation Department of Shenzhen Agricultural Products Co., Ltd, chairman of Shenzhen Zhongnong Aquatic Products Co., Ltd. and Chairman of Shenzhen Buji Seafood Market Co., Ltd, investment director of the Investment Department of Shenzhen Cereals Group Co., Ltd; Minister of Investment Department and Secretary of the Board of Directors of Shenzhen Duoxi Equity Investment Fund Management Co., Ltd., Chairman of Dongguan Shengliang Logistics Co., Ltd; Member of the Party Committee, Deputy General Manager, and Chairman of Shenzhen Zhenchu Supply Chain Co., Ltd. of Shenzhen Food Materials Group Co., Ltd. Current member of the company's party committee and deputy general manager.

Whether the controlling shareholder or actual controller concurrently serves as Chairman and General Manager of the listed company or not?

Applicable Not applicable

Post-holding in shareholding entities

Applicable Not applicable

Name	Name of shareholding entities	Positions held in shareholding entities	Start dated of office term	End date of office term	Whether receiving remuneration from shareholding entities(Y/N)?
Wang Zhikai	Shenzhen Agricultural Power Group Co., Ltd.	Member of the Party Committee	2023-09-01		N
Gu Cheng	Shenzhen Agricultural Power Group Co., Ltd.	Deputy Secretary of the Party Committee, Director	2022-09-01		Y
Gu Cheng	Shenzhen	Supervisor	2023-01-	2025-12-	N

	Agricultural Products Group Co., Ltd		17	31	
Zhang Guoyuan	Shenzhen Agricultural Power Group Co., Ltd.	Member of the Party Committee, Deputy GM	2023-08-01		Y
Explanation of employment in shareholding entities	No				

Post-holding in other entities

Applicable Not applicable

Name	Name of other entities	Position	Start dated of office term	End date of office term	Whether receiving remuneration from other entities(Y/N)?
Mei Yuexin	Ningbo Ronbay New Energy Technology Co., Ltd.	Independent director	2024-08-01		Y
Zhang Sheng	the Institute of Law, Chinese Academy of Social Sciences	Research fellow and director	2014-11-01		Y
Zhang Sheng	Hainan Natural Rubber Industry Group Co., Ltd.	Independent director	2021-10-01		Y
Zhang Sheng	Whirlpool (China) Co., Ltd.	Independent director	2022-05-01		Y
Tao Ran	Chinese University of Hong Kong, Shenzhen	Presidential chair professor and director of the division of development and governance, School of Humanities and Social Science	2022-09-01		Y
Explanation of employment in other entities	No				

Punishment of securities regulatory authorities in recent three years to the Company's current and former directors, supervisors and senior executives during the reporting period

Applicable Not applicable

3. Remuneration for directors and senior executives

Decision-making procedures, determination bases and actual payment of remunerations of directors and senior executives

The remuneration plans for directors and senior management are formulated by the Remuneration and Assessment Committee of the Board of Directors of the Company. The remuneration plan for directors shall be submitted to the Board of Directors and the general meeting of shareholders for deliberation, while the remuneration plan for senior executives shall be submitted to the Board of Directors for deliberation. During the reporting period, the Remuneration and Assessment Committee of the Board of Directors determined the remuneration of senior executives in accordance with the Measures for Performance Assessment and Remuneration Management of Senior Executives of the Company, based on the Company's annual operating results and individual performance assessment outcomes. During the reporting period, the allowances for independent directors of the Company are implemented at the standard of RMB138,000.00 per person per annum (tax included), which was adopted at the Fifth Extraordinary General Meeting of Shareholders of the Company in 2019.

Remuneration for directors and senior executives in the Period

Unit: 10 thousand Yuan

Name	Gender	Age	Title	Post-holding status	Total remuneration obtained from the Company	Whether remuneration obtained from related party of the Company(Y/N)
Wang Zhikai	Male	54	Party Secretary and Chairman	Currently in office	128.28	N
Gu Cheng	Male	52	Director	Currently in office	0	Y
Zhang Guoyuan	Male	52	Director	Currently in office	0	Y
Zheng Xiangpeng	Male	50	Deputy Secretary of the Party Committee, Director	Currently in office	116.43	N
Lu Yuhe	Female	48	Director and CFO	Currently in office	50.00	Y
Mei Yuexin	Female	61	Independent director	Currently in office	4.60	N
Zhang Sheng	Male	55	Independent director	Currently in office	4.60	N
Tao Ran	Male	53	Independent director	Currently in office	4.60	N
Chen Xiaohua	Male	59	Party Committee Member, Deputy GM and Secretary of the Board of Directors	Currently in office	120.12	N
Shen Hua	Male	50	Party Committee Member, Deputy GM	Currently in office	112.74	N
Xiao Hui	Male	47	Party Committee Member, Deputy GM	Currently in office	112.41	N
Du Jianguo	Male	52	Deputy GM	Currently in office	109.05	N
Zhao Rubing	Male	69	Former independent director	Left office	9.20	N
Bi Weimin	Female	69	Former independent director	Left office	9.20	N
Liu Haifeng	Male	54	Former independent director	Left office	9.20	N
You Hongxia	Female	54	Former supervisor	Left office	0	Y
Liu Xinqin	Female	53	Former supervisor	Left office	0	Y
Zheng Shengqiao	Male	58	Former employee supervisor	Left office	48.06	Y
Ma Zenghai	Male	61	Former employee supervisor	Left office	0	N
Total	--	--	--	--	838.49	--

Note: The total pre-tax remuneration received by directors and senior management from the Company during the reporting period includes basic salary, prepaid performance salary, allowances, subsidies, various insurance premiums, public accumulation fund, annuity, etc. As the 2025 annual performance appraisal for senior management has not yet been completed, the remaining performance salary and term incentives will be paid upon confirmation. The above table does not include these two amounts.

Basis for assessment of the actual remuneration received by all directors and senior executives as of the end of the reporting period	The Measures for Performance Assessment and Remuneration Management of Senior Executives of the Company
Completion status of the assessment for the actual remuneration received by all directors and senior executives as of the end of the reporting period	The 2025 annual performance appraisal for senior management has not yet been completed
Deferred payment arrangements for the actual remuneration received by all directors and senior executives as of the end of the reporting period	The remaining performance salary and term incentives of senior executives in 2005 will be paid upon confirmation

Suspension and recovery of the actual remuneration received by all directors and senior executives as of the end of the reporting period	No suspension or recovery of remuneration occurred
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Other explanation

Applicable Not applicable

V. Responsibility performance of directors during the reporting period

1. The attendance of directors to Board meetings and shareholders general meeting

The attendance of directors to Board Meeting and Shareholders General Meeting							
Director	Times of Board meeting supposed to attend in the reporting period	Times of presence	Times of attending the Board Meeting by communication	Times of entrusted presence	Times of Absence	Absent the Meeting for the second time in a row (Y/N)	Times of attend the general meeting
Wang Zhikai	9	9	0	0	0	N	3
Gu Cheng	9	3	6	0	0	N	0
Zhang Guoyuan	9	6	2	1	0	N	1
Zheng Xiangpeng	9	8	1	0	0	N	3
Lu Yuhe	9	8	1	0	0	N	3
Mei Yuexin	3	3	0	0	0	N	1
Zhang Sheng	3	1	2	0	0	N	1
Tao Ran	3	0	3	0	0	N	1
Zhao Rubing	6	5	1	0	0	N	1
Bi Weimin	6	3	3	0	0	N	0
Liu Haifeng	6	5	1	0	0	N	1

Explanation of not attending the board meeting in person for two consecutive times

Nil

2. Objection for relevant events from directors

Directors come up with objection about Company's relevant matters

Yes No

No directors come up with objection about Company's relevant matters in the Period

3. Other explanation about responsibility performance of directors

The opinions from directors have been adopted

Yes No

Explanation on whether the director's proposal about the Company has been or has not been adopted

During the reporting period, independent directors of the Company were in strict accordance with provisions of Articles of Association, the Company Law, Guidance to Establishment of Independent Director System in Listed Companies and other relevant laws and regulations, and actively attended board meetings, shareholders' meetings. The independent directors of the company paid sustained attention to company's operation, inspected and guided the operation and management work of the company from time to

time, learned about internal control system, implementation progress of the equity investment project, etc., continued to enhance consciousness of performing duties according to provisions of law, and expressed independent and impartial advice for investment outside, related party transactions, hiring auditors and other matters occurred during the reporting period in time. Duties performance of independent directors has improved the corporate governance structure and safeguarded the interests of the Company and its shareholders. From performance of duties of independent directors, please refer to “2025 Annual Work Report of Independent Directors” disclosed in www.cninfo.com.cn.

VI. Performance of duties by Specialized Committees under the Board Meeting in the Reporting Period

Committee name	Members	Number of meetings held	Date of meeting	Meeting content	Important comments and suggestions made	Other performance of duties	Specific circumstances of the objection (if applicable)
The Audit Committee of the 11 th session of Board of Directors of the Company	Bi Weimin (Jan.–Sep.), Mei Yuexin (Oct.–Dec.), Zhao Rubing (Jan.–Sep.), Tao Ran (Oct.–Dec.) and Zhang Guoyuan	3	2025-04-28	<ol style="list-style-type: none"> 1. Deliberated SZCH 2024 Annual Internal Control Evaluation Report; 2. Deliberated SZCH 2024 Annual Internal System Report; 3. SZCH 2025 Major Risk Assessment Report; 4. Deliberated SZCH 2025 Annual Internal Audit and Post-Investment Evaluation Work Plan; 5. Proposal on Restating Financial Data for Business Combinations Under Common Control; 6. Deliberated SZCH 2024 Financial Report 7. Deliberated SZCH 2025 First Quarter Financial Report 8. Deliberated the Report on the Evaluation of the Accounting Firm’s Performance in 2024 and the Report on the Audit Committee’s Performance of Supervision 	Evaluated the performance of the accounting firm in 2024 and summarized the supervision responsibilities fulfilled by the audit committee.	-	Nil

				Responsibilities			
			2025-08-18	1. Deliberated the SZCH 2025 Semi-Annual Financial Report	-	-	Nil
			2025-10-20	1. Deliberated SZCH 2025 Third Quarter Financial Report 2. Deliberated the Proposal to Propose Reappointing Grant Thornton China (Special General Partnership) as the Company's 2025 Annual Audit Institution	Proposal to Reappoint Grant Thornton China (Special General Partnership) as the company's financial audit and internal control audit institution for 2024.	-	Nil
The Remuneration and Assessment Committee of the Audit Committee of the 11 th session of Board of Directors of the Company	Zhao Rubing (Jan.–Sep.), Tao Ran (Oct.–Dec.), Bi Weimin (Jan.–Sep.), Mei Yuexin (Oct.–Dec.) and Lu Yuhe	5	2025-04-28	Deliberated the Proposal on SZCH 2024 Remuneration of Directors and Senior Executives	-	-	Nil
			2025-06-13	Deliberated the Proposal on the Long-Term Incentive Implementation for Senior Executives during 2020-2022 and the Pre-Distribution of Individual Incentive Bonuses	-	-	Nil
			2025-06-30	Deliberated the Proposal on Approving the Measures for Performance Assessment and Remuneration Management of Senior Executives of the Company	-	-	Nil
			2025-08-29	1. Deliberated the Proposal on the 2024 Annual Performance Assessment Results of the Company's Senior Executives 2. Deliberated the Proposal on the Term Performance Assessment Results of the Company's Senior Executives	-	-	Nil
			2025-10-24	1. Deliberated the	-	-	Nil

				Proposal on Granting Special Awards to Some Senior Executives of the Company 2. Deliberated the Proposal on the Annual and Term Performance Responsibility Letters for Senior Executives of the Company			
The Strategy Committee of the 11 th session of Board of Directors of the Company	Wang Zhikai, Zhao Rubing (Jan.–Sep.), Tao Ran (Oct.–Dec.) and Gu Cheng	3	2025-03-25	Deliberated the Proposal on Deliberating the Project of Independent Legal Person Operation for the Reserve Grain and Oil Management Business	-	-	Nil
			2025-04-28	Deliberated the Proposal on the Investment Decision of Steel Structure Workshop No. 2 for the Food Processing Project of Dongguan Shenliang Logistics Co., Ltd.	-	-	Nil
			2025-06-17	1. Deliberated 2025 Annual Comprehensive Budget Plan of the Company 2. Deliberated the Proposal on the Investment Decision of the New Quality Productivity Technology Upgrade Project for Shenbao Huacheng Beverage Tea	-	-	Nil
The Nomination Committee of the 11 th session of Board of Directors of the Company	Zhao Rubing (Jan.–Sep.), Tao Ran (Oct.–Dec.), Wang Zhikai, Liu Haifeng (Jan.–Sep.) and Zhang Sheng (Oct.–Dec.)	1	2025-08-18	Deliberated the Proposal of Changing Independent Directors	-	-	Nil

VII. Works of the Board of Supervisors

Does the board of supervisors discover any risks in the company during its supervisory activities during the reporting period?

Yes No

The board of supervisors has no objection about supervision events in reporting period

VIII. Particulars of workforce

1. Number of Employees, Professional composition, Education background

Employee in-post of the parent Company at period-end (people)	108
Employee in-post of main subsidiaries at period-end (people)	1,028
The total number of current employees at period-end (people)	1,136
The total number of current employees to receive pay (people)	1,136
Retired employee's expenses born by the parent Company and main subsidiaries (people)	0
Professional composition	
Category of professional composition	Numbers of professional composition (people)
Production personnel	214
Salesperson	125
Technicians	240
Financial personnel	96
Administrative personnel	461
Total	1,136
Education background	
Education	Numbers (people)
Postgraduate	150
Undergraduate	527
College or bellow	459
Total	1,136

2. Remuneration Policy

During the reporting period, employee wages was paid monthly according to salary management provisions set by the Company, and the performance-related pay was issued based on the actual situation of benefit and individual performance assessment results at the year-end, remuneration and benefit are connected as a whole.

3. Training Plan

In 2025, based on the deepening of the implementation of a classified and layered talent training plan, the role characteristics of the phased population were sorted out from the perspective of organizational development and talent demand, focusing on the talent management pyramid that has been gradually built in the early stage. Based on the construction of talent echelons, training goals and directions were formed, while actively responding to the training needs of higher-level units to carry out training effectively. Continuously improved the professional level and ability of talent cultivation in the company, achieved efficient utilization of resources, and provided a continuous source of intelligence for the company's development.

4. Labor outsourcing

Applicable Not applicable

IX. Profit distribution plan and capitalizing of common reserves plan

Formulation, Implementation and Adjustment of Profit Distribution Policy Especially Cash Dividend policy during the Reporting Period

Applicable Not applicable

The profit distribution policy of the Company is specified in the Article of Association as:

(1) Profit distribution of the Company should pay attention to the reasonable investment return to investors, and the profit distribution policy should maintain continuity and stability;

(2) The Company may distribute dividends in the form of cash or a combination of cash and stocks, and may pay interim cash dividends;

(3) The following conditions shall be met at the same time when the Company intends to implement cash dividends:

1. Earnings per share for the year is not less than 0.1 yuan;

2. The audit institution shall issue a standard unqualified audit report on the company's annual financial report;

3. The company has no major investment plans or major cash expenditures (except for fund-raising projects). Major investment plans or major cash expenditures refer to the cumulative expenditures that the company intends to invest, acquire assets, or purchase equipment in the next twelve months reach or exceed 30% of the company's most recent audited total assets, and exceed 50 million yuan;

(4) In principle, the company's annual profits distributed in cash should not be less than 10% of the attributable profits realized in the year; and the company's cumulative profits distributed in cash in the last 3 years should not be less than 30% of the annual average attributable profits realized in the last 3 years. Under the premise of ensuring the distribution of cash profits, the company can additionally adopt the method of stock dividend distribution for profit distribution; the company's annual profit distribution amount shall not exceed the company's accumulated undistributed profits at the end of the year, and shall not damage the company's ability to continue operations;

(5) The specific profit distribution plan shall be drawn up by the board of directors and submitted to the general meeting of shareholders for deliberation. The company provides a variety of ways to accept the recommendations and supervision of all shareholders, independent directors and supervisors on the company's dividends distribution. If the annual reporting period is profitable but the board of directors does not propose a cash dividend plan in accordance with the Articles of Association, it shall be disclosed in the periodic report the reasons for not proposing a cash dividend plan in accordance with the Articles of Association, and the purpose of funds not used for dividends but retained by the company. The independent directors shall express independent opinions on this purpose. In addition to on-site meetings, the company shall also provide shareholders with an online voting platform when convening a general meeting of shareholders;

(6) If the company has not distributed cash profits in the last 3 years, it cannot issue new shares to the public, issue convertible corporate bonds or allot shares to original shareholders;

(7) Where a shareholder illegally occupies the company's funds, the company shall deduct the cash dividends distributed to the shareholder in order to repay the capital occupied;

(8) When the company adjusts its profit distribution policy, it should take the protection of shareholders, especially small and

medium shareholders' rights and interests, as the starting point for detailed argumentation, and the board of directors should submit it to the general meeting of shareholders for review and approval by a special resolution, while independent directors should express clear independent opinions;

(9) The company provides multiple channels (telephone, fax, e-mail, interactive platform, etc.) to accept all shareholders' suggestions and supervision on the company's dividends.

The foreign exchange conversion rate of domestically-listed foreign share dividends is calculated based on the central parity rate of Hong Kong dollar against RMB announced by the People's Bank of China on the first working day after the resolution date of the general meeting of shareholders.

During the reporting period, the company's profit distribution complied with the company's articles of association and review procedures, and fully protected the legitimate rights and interests of small and medium investors, and the profit distribution procedures were compliant and transparent. During the reporting period, the company's profit distribution policy has not been adjusted or changed.

Special explanation on cash dividend policy	
Satisfy regulations of General Meeting or requirement of Article of Association (Y/N):	Y
Well-defined and clearly dividend standards and proportion (Y/N):	Y
Completed relevant decision-making process and mechanism (Y/N):	Y
Independent directors perform duties completely and play a proper role (Y/N):	Y
If the company does not distribute cash dividends, specific reasons should be disclosed, as well as the measures to be taken next to enhance investor returns:	Y
Minority shareholders have opportunity to express opinions and demands totally and their legal rights are fully protected (Y/N):	Y
Condition and procedures are compliance and transparent while the cash bonus policy adjusted or changed (Y/N):	Y

The Company gains profits in reporting period and the parent company has positive profit available for distribution to shareholders of the parent company but no cash dividend distribution plan has been proposed

Applicable Not applicable

Profit distribution plan and capitalizing of common reserves plan for the Period

Applicable Not applicable

Bonus shares for every 10-share (Share)	0
Dividends for every 10-share (RMB) (tax inclusive)	1.2
Equity base of distribution plan (Share)	1,152,535,254
Cash bonus distribution (RMB) (tax inclusive)	138,304,230.48
Cash bonus distribution in other ways (i.e. share buy-backs) (RMB)	0.00
Total cash bonus (including other ways) (RMB)	138,304,230.48
Profit available for distribution (RMB)	1,449,596,464.96
Ratio of total cash dividend (other ways included) in total profit distribution	100%
Cash dividend	
In case the Company is in a development stage and has the arrangement of major capital expenses, the ratio of cash dividend in profit distribution should reach a minimum of 20% in profit distribution.	
Detailed explanation on profit distribution or capital accumulation fund conversion plan	

After audited by Grant Thornton Certified Public Accountant LLP (Special General Partnership), in consolidated statements for year of 2025, the net profit attributable to shareholders of parent company amounted to 243,215,785.97 yuan; As of Dec. 31, 2025, the profit of parent company that can be distributed for shareholders was 1,449,596,464.96 yuan.

In accordance with relevant regulations and Article of Association, combined with the actual development needs of the Company and in consideration of the interests of shareholders, BOD plans to submit the equity distribution plan for year of 2025 to shareholders general meeting: based on total share capital 1,152,535,254 shares of the Company on Dec. 31, 2025, distribute 1.2 yuan (tax inclusive) for every 10-share to all shareholders with zero share bonus (tax inclusive), and no capital share converted from capital reserve.

X. Implementation of the Company's stock incentive plan, employee stock ownership plan or other employee incentives

Applicable Not applicable

During the reporting period, the Company has no stock incentive plan, employee stock ownership plan or other employee incentives that have not been implemented.

XI. Construction and implementation of internal control system during the reporting period

1. Construction and implementation of internal control

In accordance with the Company Law, the Guidelines for Governance of Listed Companies, the relevant regulations of the China Securities Regulatory Commission and other relevant national laws and regulations, the company has established the party committee, the shareholder's meeting, the board of directors and managers. The board of directors consists of strategy committee, remuneration and appraisal committee, nominations committee and audit committee, clarified the responsibilities and authorities of decision-making, execution, and supervision, and formed a scientific and effective division of responsibilities and checks and balances mechanism, providing a good internal environment for the establishment and operation of the company's internal control system.

On the aspect of construction and implementation of the internal control system, the board of directors is responsible for the establishment, improvement and effective implementation of the internal control system, the Audit Committee supervises the establishment and implementation of the internal control system of the board of directors, and the managers are responsible for organizing the daily operation of the company's internal control system, and the Audit & Legal Department of the Company is responsible for organizing and coordinating the establishment, implementation, evaluation and daily work of the internal control system.

The company has established management systems and procedures in line with internal control management norms in the fields of organizational structure, development strategy, internal audit and supervision, human resources, social responsibility, corporate culture, capital management, procurement business, sales business, asset management, engineering project management, research and development, guarantee business, investment management, contract management, budget management, financial reports, and information communication, which have been effectively implemented in the daily business operation and management process.

2. Details of major defects in internal control identified during the reporting period

Yes No

XII. Management and controls on subsidiaries during reporting period

Name	Integration plans	Integration progress	Problems encountered	Measures taken to	Progress in	Follow-up solution
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			d in integration	resolve	solution	plan
N/A	N/A	N/A	N/A	N/A	N/A	N/A

XIII. Internal control self-appraisal report or internal control audit report

1. Self-appraisal report of internal control

Disclosure date of full internal control evaluation report	April 28, 2026	
Disclosure index of full internal control evaluation report	“Internal control self-appraisal report of SZCH. in 2025” published on website CNINFO (http://www.cninfo.com.cn)	
The ratio of the total assets of entities included in the scope of evaluation accounting for the total assets on the Company’s consolidated financial statements		100.00%
The ratio of the operating income of entities included in the scope of evaluation accounting for the operating income on the Company’s consolidated financial statements		100.00%
Defects Evaluation Standards		
Category	Financial Reports	Non-financial Reports
Qualitative criteria	<p>1. Major defects: Defect alone or together with other defects in a timely manner cause unpreventable or undetectable and uncorrectable material misstatement in the financial statements.</p> <p>The Company may indicate the presence of significant deficiencies in internal control over financial reporting if following circumstances:</p> <p>(1) The directors, supervisors and senior management fraud;</p> <p>(2) Enterprise corrects mistake which has been published in financial statements;</p> <p>(3) CPA finds material misstatement in current financial statements, but internal control during operation fails to find the misstatements;</p> <p>(4) Oversight of internal control by corporate audit committee and the internal audit is invalid;</p> <p>(5) Particularly important or significant deficiencies found during internal control has not been rectified;</p> <p>(6) The lack of business-critical system or invalid system.</p> <p>2. Important defect: defect alone or together with other defects in a timely manner cause unpreventable or undetectable and uncorrectable material misstatement in the financial statements, although not reach and exceed the level of importance, should lead to management attention misstatements.</p> <p>3. General Defects: other internal defects do not pose a significant or important defect control deficiency.</p>	<p>1. Qualitative criteria for major defects are as follows:</p> <p>(1) The lack of democratic decision-making process, such as the lack of decision-making on major issues, an important appointment and dismissal of cadres, major investment decisions, large sums of money using the decision-making process;</p> <p>(2) Decision-making process is not scientific, such as major policy mistakes, resulting in significant property damage to the Company;</p> <p>(3) Serious violations of national laws and regulations;</p> <p>(4) Loss of key executives or loss of a large number of key talents;</p> <p>(5) Frequent negative news in media, which causes nationwide impact.</p> <p>2. The qualitative criteria for important defects are as follows:</p> <p>(1) The decision-making process is not perfect;</p> <p>(2) The company’s internal management system has not been effectively implemented, resulting in losses;</p> <p>(3) Frequent occurrence of negative news in the media with certain influence;</p> <p>(4) The general defects in the internal control evaluation have not been corrected.</p> <p>3. General defects refer to other internal control defects that do not constitute major defects or important defects.</p>
Quantitative standard	Major defects: Potential misstatement of total assets \geq 1%	Major defects: the amount of direct property loss \geq 12 million yuan, have

	<p>of total assets; Potential misstatement of operating revenue $\geq 1\%$ of operating income; Potential misstatement of total profit $\geq 5\%$ of total profit. Important defects: 0.5% of total assets \leq Potential misstatement of total assets $<1\%$ of total assets, 0.5% of operating income \leq Potential misstatement of operating revenue $<1\%$ of operating income, 2.5% of total profit \leq Potential misstatement of total profit $<5\%$ of total profit; General defects: Potential misstatement of total assets $<0.5\%$ of total capital; Potential misstatement of Operating revenue $<0.5\%$ of operating income; Potential misstatement of total profit $<2.5\%$ of total profit;</p>	<p>been officially disclosed outside the Company disclosed in periodic reports and adversely affected. Important defects: 3 million yuan $<$ the amount of direct property loss $<$ 12 million yuan, punished by the state government but no negative impact on the disclosure of the company's regular reports; General defects: the amount of direct property loss ≤ 3 million yuan, punished by the provincial (including provincial) government but no negative impact on the disclosure of the company's regular reports;</p>
Number of significant defects in financial reports		0
Number of significant defects in non-financial reports		0
Number of important defects in financial reports		0
Number of important defects in non-financial reports		0

2. Internal control audit report

Applicable Not applicable

Deliberations in Internal Control Audit Report	
Grant Thornton Certified Public Accountant LLP (Special General Partnership) believes as of Dec. 31, 2025, the company maintained effective internal control over financial reporting in all significant aspects in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations	
Disclosure details of audit report of internal control	Disclosed
Disclosure date of audit report of internal control (full-text)	2026-04-28
Index of audit report of internal control (full-text)	The internal control audit report of SZCH in 2025 published on website CNINFO (www.cninfo.com.cn)
Opinion type of auditing report of internal control	Standard unqualified
Whether the non-financial report had major defects	No

Whether the accounting firm issues an internal control audit report with non-standard opinions or not?

Yes No

Whether the internal control audit report issued by the accounting firm is consistent with the self-evaluation report of the board of directors?

Yes No

Whether non-standard internal control audit opinion has been issued in the reporting period or last year or not?

Yes No

XIV. Rectification of self-examination problems in special governance actions in listed company

During the reporting period, the company conducted self-examination and self-correction on corporate governance in accordance with the requirements of the Announcement on Launching Special Actions on Corporate Governance of Listed Companies of the China Securities Regulatory Commission. Through this self-examination, the company has established and improved a relatively complete and reasonable corporate governance structure and internal control system in accordance with relevant laws and regulations such as the Company Law, Guidelines for Governance of Listed Companies, Self-Regulatory Guidelines for Listed Companies No. 1- Standardized Operation of Main Board Listed Companies, etc. The company didn't find any major deficiencies and risks in standardized operations.

In the future, the company will focus on improving the high-quality development of the listed company, continue to improve the corporate governance system, effectively improve the effectiveness of corporate governance and scientificity of decision-making, and achieve stable operation and sustainable development of the company.

XV. Environmental information disclosure

Are the listed company and its subsidiaries a key pollutant discharge unit announced by the environmental protection authorities?

Yes No

Number of enterprises included in the list of enterprises subject to mandatory environmental information disclosure (in number)		1
SN	Enterprise name	Query Index for Mandatory Environmental Information Disclosure Report
1	Dongguan International Food Industrial Park Development Co., Ltd.	Department of Ecology and Environment of Guangdong Province – Enterprise Mandatory Environmental Information Disclosure System https://gdee.gd.gov.cn/gdeepub/front/dal/report/list

XVI. Social responsibilities

During the Reporting Period, the Company strictly complied with the requirements of the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Articles of Association and other relevant laws and regulations, continuously improved its corporate governance structure and further standardized its operations. The Company integrated ESG practices into its social responsibility management system for coordinated implementation, deeply embedded them into its corporate development strategy and the entire operation process, operated in accordance with the law and with integrity, and remained committed to creating social value. By building a modern, intelligent and green grain industry system as a key driver, the Company continuously enhanced its regional grain emergency supply capacity, provided consumers with safe, reliable and high-quality products and services, and helped consumers achieve a better and healthier life. It was committed to improving management standards, strengthening innovation capabilities and enhancing its core competitiveness. The Company actively explored new business formats and innovatively launched branded science popularization activities such as Grain Depot Open Days, integrating into urban life in a more down-to-earth and warm-hearted manner. It treated all investors in accordance with the principles of fairness, impartiality and openness, with particular attention to protecting the interests of minority shareholders. The Company strictly abided by national environmental protection laws and regulations, thoroughly implemented the concept of green, low-carbon and environmental protection, strengthened energy and resource management, increased investment in research and development as well

as promotion and application of green and low-carbon technologies, and enhanced ecological protection. It strived to coordinate economic benefits with social benefits, short-term interests with long-term interests, and its own development with social development, so as to realize the sound and harmonious development of the Company with its employees, society and the environment.

XVI. Consolidating and expanding the achievements of poverty alleviation and rural revitalization

In 2025, SZCH thoroughly implemented the strategic plan of the CPC Central Committee on comprehensively promoting rural revitalization, actively fulfilled the social responsibilities as a state-owned enterprise, systematically promoted assistance through multi-dimensional measures such as industrial linkage and consumption assistance, and achieved positive results in consolidating and expanding the achievements of poverty alleviation and effectively connecting rural revitalization.

1. Gathered strength in the town to help and unite the rural revitalization

The company arranged some employees to Longtian Town, Shantou City to carry out the work of helping the town and villages, to improve the local rural development and governance capacity in the grassroots. At the same time, the company donated special assistance funds to support the rural greening and beautification projects in the Shenzhen-Shantou Special Cooperation Zone, and organized employees to carry out party day activities with the theme of "Planting in the Spring " to participate in the green and beautiful ecological construction in urban and rural areas with practical actions.

2. Deepened industrial assistance and enhance domestic development power

The first was to give play to the base guide effect. The company gave full play to the location advantages of Shuangyashan Shenliang Grain Base Co., Ltd. as a strategic node of "Southern Grain Storage in the North and Northern Grain Transportation in the South", deepened the linkage between production areas and sales areas, and promoted rural revitalization with industrial revitalization. In the aspect of grain procurement, the company adhered to the principle of openness and transparency, and effectively solved the problem of farmers' grain sales by publicizing the procurement standards in advance, guiding farmers to send samples in advance, and arranging special personnel for on-site guidance, and realizes the "T+1" payment of grain, to achieve comfortable grain sales and fund receives. In 2025, the base efficiently completed the large-scale procurement of new grain, benefiting many farmers and effectively increasing farmers' income. In aspect of deepening the linkage between production and marketing, the company established in-depth cooperation with local agricultural entities such as 597 Farm, to broaden the channels of high-quality grain sources such as rice and corn, actively procured special agricultural products such as waxy corn in Northeast China, and promoted the large-scale operation of local agriculture. Relying on the intelligent production line with a daily processing capacity of 300 tons, the company promoted the integrated management of rice, expanded its "SZCH Shuangbao" brand rice, and the products radiated to the national multi-regional markets such as North China, East China and South China, so as to promote local economic income through industrial linkage. Through industry guide, employment promotion and contract farming, the base was deeply integrated into the local rural revitalization strategy, contributing to the coordinated development of regional economy and the continuous increase of farmers' income. The second was to build a supply chain platform. The affiliated Duoxi gave full play to the advantages of supply chain integration and platform operation, and built a two-wheel drive mode of "Source Procurement + Channel Cooperation". The company continued to expand the network of suppliers in helping areas and established long-term and stable cooperation with enterprises in Wanyuan, Sichuan and Kashgar, Xinjiang, and introduced high-quality specialty agricultural products such as rice, mushrooms, specialty milk and dried fruits. Based on strict product selection standards and quality control and combined with the promotion activities such as "Bringing More happiness to Enterprises", the company opened up the production and marketing linkage from the field to the terminal consumption and effectively enhanced the market added value and brand awareness of agricultural products in the helping areas. The third was to deepen technical assistance. The affiliated Shenbao Huacheng established tea production bases in Yunnan and other places, and arranged continuously the R&D technicians to Yunnan, Fujian, Guizhou and other tea areas to provide technical guidance and support to improve the professional skills of tea farmers and realize the transformation

from "Blood Transfusion" to "Hematopoiesis".

3. Provided consumption assistance to broaden the channels to help farmers increase their income

The company gave full play to its internal synergy and organized its affiliated enterprises to carry out in-depth consumer assistance. On the one hand, the agricultural products in the help areas were included in the procurement system of raw materials for production and operation, to realize the effective linkage between supply chain demand and assistance; on the other hand, trade unions at all levels were actively mobilized to procure consumer assistance products for holiday welfares, benefitting more farmers. In 2025, SZCH procured more than RMB 6 million of products from the helping areas.

In the future, the company will continue to innovate assistance measures, improve the assistance effectiveness, to show greater responsibilities and achievements in serving the rural revitalization strategy.

Section V. Important Events

I. Implementation of commitment

1. Commitments completed in Period and those completed till the end of the Period from actual controller, shareholders, related parties, purchaser and companies

⊗ Applicable □ Not applicable

Commitment reason	Made by	Type of commitments	Content of commitments	Commitment date	Commitment term	Implementation
Commitments in assets reorganization	Shenzhen Agricultural Power Group	Other commitments	Commitment to non-normal business enterprises: For non-normal business enterprises under Shenzhen Cereals Group (including but not limited to enterprises that have been revoked business licenses, discontinued operation, etc.), the commitment party will fully assist, urge and promote Shenzhen Cereals Group to implement the corresponding write-off procedures. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the abnormal operation of the non-normal business enterprises or the failure to handle write-off procedures in time, the commitment party will bear the relevant legal liability, and fully compensate the listed company and the target company within 30 working days after the actual loss occurs.	2018-03-23	Implement as promised	Normal performance
	Shenzhen Agricultural Power Group	Other commitments	Relevant Commitments Regarding the Existence of Flaws in Leased Property: The leased house property of Shenzhen Cereals Group and its holding subsidiaries has the following conditions: (1) The lessor has not provided the ownership documentary evidence of the property and/or the documentary evidence proving the lessor has the right to rent out the house property. (2) The lease term of part of the leased	2018-03-23	Implement as promised	Normal performance

			<p>house property is more than 20 years; (3) Shenzhen Cereals Group and its subsidiaries sublet part of the leased house property to a third party without the consent of the lessor; (4) The leased house property of Shenzhen Cereals Group and its holding subsidiary has not been registered for the housing lease. If Shenzhen Cereals Group and its holding subsidiaries are imposed any form of punishment by the relevant government departments or assume any form of legal responsibility, or suffer from any losses or expenses because their leased place and / or house property do not comply with relevant laws and regulations, the commitment party will be willing to bear any losses, damages, claims, costs and expenses incurred, suffered and assumed by Shenzhen Cereals Group and its holding subsidiaries, and protect Shenzhen Cereals Group and its holding subsidiaries from damages. In addition, the commitment party will support Shenzhen Cereals Group and its holding subsidiaries to actively advocate their rights against the corresponding parties in order to safeguard and protect the interest of Shenzhen Cereals Group and the listed companies to the maximum extent.</p>			
	Shenzhen Agricultural Power Group	Other commitments	<p>Commitment Letter on Flaws in House Property and Land: In the case that some of the house properties held by Shenzhen Cereals Group fail to rename the obligee of the property ownership certificate, the commitment party will fully assist, urge and promote Shenzhen Cereals Group or its subsidiaries to go through the formalities. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to rename the obligee of the property ownership</p>	2018-03-23	Implement as promised	Normal performance

			<p>certificate, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that some house properties held by Shenzhen Cereals Group fail to complete the registration procedures for ownership transfer, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to complete the relevant transfer procedures. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to rename the obligee of above-mentioned property, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In response to the conversion of non-market commercial housing held by Shenzhen Cereals Group into market commercial housing, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to go through the formalities. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to complete the conversion of non-market commercial housing into market commercial housing, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that some house properties of Shenzhen Cereals Group have not been</p>			
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			<p>renewed for the land use period, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to renew the corresponding land use right period. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to renew the land use right period, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that some house properties of Shenzhen Cereals Group have not been registered for ownership transfer or renewed the land use period, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to handle the corresponding land use rights renewal and ownership transfer registration procedures. After the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to complete the above-mentioned land use right renewal and ownership transfer registration procedures, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the property of SZCG Sungang Warehouse has not completed the registration for converting noncommercial housing into commercial housing, after the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses as the</p>			
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		<p>property of Sungang Warehouse is not registered for converting noncommercial housing into commercial housing in time, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the land and property of SZCG Shuguang Grain Depot have not passed the completion acceptance nor completed the registration of commercial housing, after the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses as the land and property of Shuguang Grain Depot have not timely passed the completion in time nor completed the registration of commercial housing, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the property of SZCG Flour Factory has not completed the conversion of non-commercial housing into commercial housing and the relocation, after the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers from any losses as Flour Factory doesn't complete the conversion of non-commercial housing into commercial housing and the relocation, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the land of Heilongjiang Hongxinglong Nongken Shenxin Grain</p>			
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			<p>Industry Park Co., Ltd., a subsidiary of Shenzhen Cereals Group, has not applied for land use right certificates, the commitment party will fully assist, urge and promote the subsidiary of Shenzhen Cereals Group to manage the application procedures of the corresponding land use right certificates. After the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses because the land use right certificate cannot be issued due to any ownership disputes in the above-mentioned land use right, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. If Shenzhen Cereals Group and its holding subsidiaries are required to take back the sites and/or properties or imposed any form of punishment by the relevant government departments or assume any legal liability, or suffer any losses or expenses arising from the modification for flaws in sites and/or properties as the above-mentioned and other self-owned or leased sites and/or properties fail to comply with the relevant laws and regulations, the commitment party will assume any losses, damages, claims, costs and expenses incurred, suffered and assumed by Shenzhen Cereals Group and its holding subsidiaries, and protect the list companies and Shenzhen Cereals Group from damages. In addition, the commitment party will support the company and its holding subsidiaries to actively advocate their rights against the corresponding parties in order to safeguard and protect the interest of the company and its holding subsidiaries to the maximum extent.</p>			
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	Shenzhen Agricultural Power Group	Other commitments	Commitment Letter on the Company's System Reform and System Evaluation of Shenzhen Cereals Group in 1998: After the completion of this restructuring, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses as the system reform is not evaluated or other reasons related to this reform, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs.	2018-03-23	Implement as promised	Normal performance
	Shenzhen Agricultural Power Group	Other commitments	Commitment on the public shares: After the completion of the transaction, the commitment party will cautiously nominate directors and supervisors, and will not nominate candidates for directors, supervisors and senior management to the listed company that will cause the proportion of public shares of the listed company not meet the requirements of the Listing Rules of Shenzhen Stock Exchange.; nor will vote for the relevant shareholders' meeting and/or board resolutions for selecting directors, supervisors and senior executives of listed companies that will make the proportion of public shares of listed companies not meet the requirements of the Listing Rules of Shenzhen Stock Exchange.	2018-03-23	Implement as promised	Normal performance
	Shenzhen Agricultural Power Group	Other commitments	Commitment letter of Shenzhen Food Materials Group Co., Ltd on pending litigation of Shenzhen Cereals Group Co., Ltd.: Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Shenshenbao", "Listed Company") intends to purchase the 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG", "target company") held by the shareholders of SZCG through issuance of shares. In view of the two	2018-04-02	Implement as promised	Normal performance

			unfinished major lawsuits/arbitration of SZCG, Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as “the commitment party”), the controlling shareholder of SZCG, has made the following commitments: If SZCG and its controlling subsidiaries suffer any claims, compensation, losses or expenses due to the unsettled major lawsuits/arbitration about the contract dispute of international sale of soybean with Noble Resources Co., Ltd. and the contract dispute with Guangzhou Jinhe Feed Co., Ltd. and Huangxianning Import Agent, the commitment party will assume the compensation or loss caused by the above two outstanding major lawsuits/arbitration.			
Shenzhen Agricultural Power Group	Other commitments	Commitment letter of Shenzhen Food Materials Group Co., Ltd. on risks of making a supplementary payment for the rent at earlier stage of Pinghu Grain Depot: Shenzhen Shenbao Industrial Co., Ltd. intends to purchase the 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as “SZCG”) held by the shareholders of SZCG through issuance of shares. Shenzhen Food Materials Group Co., Ltd. (hereinafter referred to as “the commitment party”), the controlling shareholder of SZCG, has made the following commitments: If SZCG needs to make a supplementary payment for the rent before assessment basis date to the property right unit of Pinghu Grain Depot (or its authorized unit), the total amount of the rent and other related charges and expenses shall be borne by the commitment party.	2018-04-02	Implement as promised	Normal performance	
Shenzhen Agricultural Power Group	Other commitments	Commitment letter on the house properties of Shenzhen Cereals Group and its subsidiaries that have not obtained the housing ownership certificate: Shenzhen Shenbao Industrial Co., Ltd. (hereinafter	2018-04-02	Implement as promised	Normal performance	

			<p>referred to as “Shenshenbao” and “listed company”) intends to purchase the 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as “SZCG”, “target company”) held by the shareholders of SZCG through issuance of shares. Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as “the commitment party”), the controlling shareholder of SZCG, has made the following commitments: If SZCG and its subsidiaries suffer any administrative punishment or losses due to their house properties without the housing ownership certificate, the commitment party will bear the relevant legal responsibilities and fully compensate the listed company and SZCG within 30 working days after the actual loss occurs.</p>			
	Shenzhen Agricultural Power Group	Commitment on restricted sale of shares	<p>Commitment on Shenzhen Food Materials Group Co., Ltd to accept the restricted shares of non-tradable shares reform of Shenzhen Shenbao Industrial Co., Ltd. held by Shenzhen Investment Holdings Co., Ltd.: Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as “Food Materials Group”) accepts 79,484,302 shares of A shares of Shenshenbao A (000019) (including 66,052,518 shares of unrestricted A shares and 13,431,784 shares of restricted A shares) held by Shenzhen Investment Holdings Co., Ltd. (hereinafter referred to as “Shenzhen Investment Holdings”) by the free transfer, totally accounting for 16% of the total share capital of Shenshenbao. Shenzhen Investment Holdings made the following commitments in the reform of non-tradable shares of Shenshenbao in 2006: “To make effective and long-term incentives for the management, after the completion of the share reform, Shenzhen Agricultural Products Co.,</p>	2018-04-04	Implement as promised	Normal performance

			<p>Ltd. (hereinafter referred to as “Agricultural Products”) and Shenzhen Investment Holdings, the company’s non-tradable shareholders, will sell their shareholdings after consideration which account for 6%-8% of the company’s total share capital to the management of the company in three years based on the shareholding ratio of Agricultural Products and Shenzhen Investment Holdings after the share reform (i.e. accounting for 6%-8% of the company’s total share capital of 181,923,088 shares after the share reform).” Food Materials Group made a commitment that after the completion of the free transfer of the state-owned shares, Food Materials Group would continue to perform the above commitments it made when Shenzhen Investment Holdings makes the non-tradable shares reform to Shenshenbao, which is effective in the long run.</p>			
	Shenzhen Agricultural Power Group	Commitments on inter-industry competition, related transactions and capital occupancy	<p>Commitment Letter on Avoiding Horizontal Competition: In view of the fact that Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as “Listed Company”) intends to acquire 100% equity of Shenzhen Cereals Group Co., Ltd. held by Shenzhen Food Materials Group Co., Ltd.(hereinafter referred to as “the Company”) by issuing shares to purchase assets, the Company has made the following commitments: 1. As of the issue date of this Commitment Letter, the Company and other enterprises controlled by the Company have not engaged in any business or activity that directly or indirectly constitute horizontal competition to the Listed Company and its subsidiaries in the business, and guarantees that it will not engage or induce any enterprise controlled by the Company to engage in any business or activity that directly or indirectly constitute horizontal</p>	2018-06-08	Implement as promised	Normal performance

			<p>competition to the Listed Company and its subsidiaries in the future. 2. If the business opportunity obtained by the Company and other enterprises controlled by the Company constitutes horizontal competition or may constitute horizontal competition to the main business of the Listed Company and its subsidiaries, the Company will immediately notify the Listed Company and try its best to give the business opportunity to the Listed Company to avoid horizontal competition or potential horizontal competition with the Listed Company and its subsidiaries and ensure the interests of Listed Company and other shareholders of Listed Company are not impaired. 3. If the main business of the Listed Company and its subsidiaries constitutes horizontal competition or may constitute horizontal competition to the Company and other enterprises controlled by the Company due to business development or extension, the Company and other enterprises controlled by the Company shall take the following feasible measures based on specific circumstance to avoid competition with the Listed Company: (1) Stop business that constitutes competition or may constitute competition to the Listed Company; (2) Transfer the competitive businesses and assets to the Listed Company at fair prices; (3) Transfer the competitive business to an unrelated third party; (4) Other ways to protect the interests of the Listed Company; 4. If the Company violates the above commitments and causes losses to the Listed Company, the Company will compensate the Listed Company for the incurred losses after the losses are determined. 5. The above commitments continue to be valid during the period when the Company is the</p>			
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			controlling shareholder of the Listed Company.			
	Shenzhen Agricultural Power Group	Commitments on inter-industry competition, related transactions and capital occupancy	<p>Commitment Letter on Reducing and Regulating Related Transactions: In view of the fact that Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Listed Company") intends to acquire 100% equity of Shenzhen Cereals Group Co., Ltd. held by Shenzhen Food Materials Group Co., Ltd. (hereinafter referred to as "the Company") by issuing shares to purchase assets, the Company has made the following commitments: 1. The enterprises directly or indirectly controlled or affected by the Company and the restructured company and its holding companies will regulate and minimize the related transactions. For related transactions that cannot be avoided or have reasonable reasons to occur, the Company promises to follow the market-oriented principle of justice, fairness and openness, and sign agreements in accordance with relevant laws and regulations, regulatory documents and articles of association, perform legal procedures, fulfill information disclosure obligations and handle relevant approval procedures in accordance with the law, and ensure not to damage the legitimate rights and interests of the company and other shareholders through related transactions. 2. The enterprises directly or indirectly controlled or affected by the Company will strictly avoid borrowing from the company and its holding and shareholding companies, occupying the funds of the company and its holding and shareholding companies, or embezzling the company's funds by taking advance payments and compensatory debts from the company and its holding and shareholding companies. 3. After the completion of this transaction, the Company will continue to exercise its</p>	2018-06-08	Implement as promised	Normal performance

			<p>shareholder rights in strict accordance with the relevant laws and regulations, regulatory documents and the relevant provisions of the Articles of Association; and fulfill its obligation of avoiding voting when the company's general meeting of shareholders is voting on related transactions involving the Company. 4. The Company guarantees not to obtain any improper interests through the related transactions or cause the company and its holding and shareholding companies to bear any wrongful obligations. If the company or its holding and shareholding companies suffer losses or the interests of the company or its holding and shareholding companies are embezzled by related transactions, the Company will the losses of the company and its holding and shareholding companies.</p>			
Shenzhen Agricultural Power Group	Other commitments		<p>Commitment on the Standardized Operation of Listed Company: Shenzhen Shenbao Industrial Co., Ltd. intends to purchase 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG") held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as "the Company") through issuance of shares. In response to the above transactions, the Company has made the following commitments: After the completion of this transaction, the commitment party promises to ensure that the listed company will strictly follow the requirements of laws and regulations such as the "Guidelines for the Governance of Listed Companies" and the changes in internal management and external operation and development of listed company to revise the Articles of Association and related rules of procedure so as to adapt to the business operations and corporate governance requirements after the reorganization, continue to improve the</p>	2018-06-08	Implement as promised	Normal performance

		<p>governance structure of listed company, continuously strengthen the system construction to form a corporate governance structure that each performs their own duties, effectively checks and balances, makes scientific decisions and coordinates the operation so as to more effectively and feasibly protect the interests of the listed company and all its shareholders. The commitment party will urge the listed company to perform the functions of the shareholders' meeting in strict accordance with the Articles of Association and the Rules of Procedures of the Shareholders Meeting, ensure that all shareholders, especially small and medium shareholders, enjoy equal rights as stipulated by laws, administrative regulations and the Articles of Association, and ensure that all shareholders legally exercise their rights and interests. The commitment party will also urge the listed company to further improve the institutional requirements of the board of directors, ensure that the board of directors fairly, scientifically and efficiently makes decisions, ensure that independent directors can perform their duties in accordance with laws and regulations during their employment, actively understand the various operations of the listed company, consciously perform responsibilities, play a positive role in the scientific decision-making of the board of directors and the development of the listed company, promote the sound development of the listed company, and effectively safeguard the overall interests of the listed company and the interests of small and medium-sized shareholders. In addition, the Company will urge the listed company to give full play to the positive role of independent directors in regulating the operation of the company, strictly abide</p>			
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			by relevant national laws, regulations, rules and relevant provisions of the Articles of Association to select independent directors, and further enhance corporate governance.			
	Shenzhen Agricultural Power Group	Other commitments	<p>Commitment Letter on the Legal Compliance of the Underlying Asset Operation: Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Shenshenbao", "Listed Company") intends to purchase 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG", "Target Company") held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as "the Company") through issuance of shares. The Company has made the following commitments: 1. The Target Company is a limited liability company established according to law and is validly existing, possesses statutory business qualifications, and the Target Company has obtained all the approvals, consents, authorizations and licenses required for its establishment and operation, and all approvals, consents and authorizations and licenses are valid and there is no reason or case that may result in the invalidation of the above approvals, consents, authorizations and licenses. 2. The Target Company has no major violations of laws and regulations in the production and operation in the last three years, there is no case that the Target Company should be terminated according to relevant laws, regulations, normative documents and the company's articles of association. Except for litigations, arbitrations and administrative penalties disclosed in the Restructuring Report, the Target Company does not have any unsettled or foreseeable major litigation, arbitration and administrative penalty that</p>	2018-06-08	Implement as promised	Normal performance

			<p>adversely affect its operations or the amount is more than 10 million yuan. 3. The Target Company will perform the labor contracts with its employees independently and completely. 4. If the Target Company is subject to the fees or penalties of the relevant competent authorities in terms of industry and commerce, taxation, employee salaries, social security, housing provident fund, business qualifications or industry supervisors due to the facts already existing before the reorganization, the Company will fully compensate all the outstanding fees of the Target Company and bear all the losses suffered by Shenshenbao and the Target Company. 5. The Target Company legally owns the ownership and/or use rights of the offices, office equipment, trademarks and other assets required for normal production and operation, has independent and complete assets and business structure, and has legal ownership of its main assets, and the ownership of assets is clear. 6. There is no case that the Target Company impedes the transfer of ownership of the company, such as litigation, arbitration, judicial enforcement, etc., and there is no external guarantee that violates the law or the articles of association. After this reorganization, if the Company violates the above commitments and causes losses to Shenshenbao and the Target Company, the Company agrees to bear the aforementioned compensation/ liability for damage to Shenshenbao/ Target Company.</p>			
Shenzhen Agricultural Power Group	Other commitments	Commitment on the Independence of Listed Company: In view of the fact that Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Shenshenbao") intends to acquire 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter		2018-06-08	Implement as promised	Normal performance

			<p>referred to as “Target Company”) held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as “the Company”) by issuing shares to purchase assets, the Company has made the following commitments: 1. Guarantee the independence of the personnel of Shenshenbao and the Target Company (1) Guarantee that the labor, personnel and compensation management of Shenshenbao and Target Company are completely independent of the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties after the completion of this restructuring. (2) Guarantee that the senior management personnel of Shenshenbao and Target Company are fully employed in Shenshenbao and Target Company and receive remuneration after the completion of this restructuring, and do not hold any post except for directors and supervisors in the Company and other companies, enterprises controlled by the Company or other economic organizations and related parties. (3) Ensure not to intervene into the shareholders’ meeting and the board of directors of Shenshenbao and Target Company to exercise their powers to determine the appointment and dismissal of personnel after the completion of this restructuring. 2. Guarantee the institutional independence of Shenshenbao and Target Company (1) After the completion of this restructuring, Shenshenbao and Target Company will establish a sound corporate governance structure and have an independent and complete organization. (2) After the completion of this restructuring, the shareholders meeting, the board of directors and the board of supervisors of</p>			
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			<p>Shenshenbao and Target Company shall independently exercise their functions and powers in accordance with the laws, regulations and the articles of association of Shenshenbao and Target Company. 3. Ensure that the assets of Shenshenbao and Target Company are independent and complete. (1) After the completion of this restructuring, Shenshenbao and Target Company shall have independent and complete assets related to production and operation. (2) Ensure that the site for business operation of Shenshenbao and Target Company are independent of the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties after the completion of this restructuring. (3) In addition to normal business transactions, after the completion of this restructuring, Shenshenbao and Target Company do not have funds and assets which are occupied by the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties. 4. Guarantee the business independence of Shenshenbao and Target Company (1) After the completion of this restructuring, Shenshenbao and Target Company shall have the relevant qualifications for independent business activities, and have the market-oriented independent, autonomous and sustainable operation capabilities. (2) After the completion of this restructuring, the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties shall reduce the related transactions with Shenshenbao and Target Company and other companies and enterprises controlled by them or other</p>			
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		<p>economic organizations; for the necessary and unavoidable related transactions, guarantee the fair operation according to market principles and fair prices, and perform relevant approval procedures and information disclosure obligations in accordance with relevant laws, regulations and regulatory documents. 5. Guarantee the financial independence of Shenshenbao and Target Company (1) Ensure that Shenshenbao and Target Company will establish an independent financial department and an independent financial accounting system, and a standardized and independent financial accounting system after the completion of this restructuring. (2) Ensure that Shenshenbao and Target Company will open an independent bank account after the completion of this restructuring, and will not share bank accounts with the Company and other companies and enterprises controlled by the Company or other economic organizations and other related parties. (3) After the completion of this restructuring, the financial personnel of Shenshenbao and Target Company shall not take part-time jobs in the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties. (4) After the completion of this restructuring, Shenshenbao and Target Company shall be able to make financial decisions independently, the Company shall not interfere with the use of funds of Shenshenbao and Target Company. (5) After the completion of this restructuring, Shenshenbao and Target Company shall pay taxes independently according to law. If the Company violates the above commitments, it will bear all the losses caused to</p>			
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			Shenshenbao and Target Company.			
	Shenzhen Agricultural Power Group, Agricultural Products	Commitments on inter-industry competition, related transactions and capital occupancy	<p>Commitment to Avoid Occupation of Non-operating Capital: Shenzhen Shenbao Industrial Co., Ltd. intends to acquire 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG") held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as "the Company") through issuance of shares. In response to the above transactions, Food Materials Group and Agricultural Products have made the following commitments: 1. As of the issue date of this commitment letter, the commitment party and its related person do not have any illegal use of funds and assets of the listed company and SZCG, and there is no case that the listed company and SZCG provide illegal guarantee for the commitment party and its related person. 2. After the completion of the transaction, the commitment party guarantees that the commitment party and its related person shall not illegally occupy the funds and assets of the listed company in any way, nor require the listed company to provide illegal guarantee for the commitment party and its related person under any circumstances, nor engage in any act to damage the legitimate rights and interests of the listed company and other shareholders. If the commitment party violates the above commitments, it will bear all losses caused to the listed company and the target company and other companies and enterprises controlled by them or other economic organizations.</p>	2018-06-08	Implement as promised	Normal performance
Completed on time (Y/N)	Y					
If any commitment remains unfulfilled upon expiration of the	Not applicable					

performance period, the specific reasons for non-performance and the detailed follow-up work plan shall be fully explained.	
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2. For assets or projects of the Company which keep profitable forecast during the reporting period, description reasons for reaching the original profitable forecast

Applicable Not applicable

3. The Company is subject to performance commitments.

Applicable Not applicable

II. Non-operational fund occupation by controlling shareholders and their related parties

Applicable Not applicable

No non-operational fund occupation by controlling shareholders and their related parties in period.

III. External guarantee out of regulations

Applicable Not applicable

No external guarantee out of the regulations occurred in the period.

IV. Statement on the latest “modified audit report” by BOD

Applicable Not applicable

V. Explanation from the BOD and independent directors (if applicable) for “Qualified Audit Opinion” issued by CPA

Applicable Not applicable

VI. Explanation on changes in accounting policies, accounting estimates or correction of significant accounting errors compared with the financial report of the previous year

Applicable Not applicable

There were no changes in accounting policies, accounting estimates or correction of significant accounting errors compared with the financial report of the previous year.

VII. Explanation of changes in the scope of the consolidated financial statements compared to the previous year's financial reports

Applicable Not applicable

During the reporting period, the company transferred Shenzhen Shenliang Cold Chain Logistics Co., Ltd., cancelled Shenzhen Shenliang Storage (Yingkou) Co., Ltd, and established a new company, Shenzhen Shenliang Smart Warehousing Co., Ltd.。 **VIII.**

Appointment and dismissal of CPA

Accounting firm appointed

Name of domestic accounting firm	Grant Thornton Certified Public Accountant LLP (Special General Partnership)
Remuneration for domestic accounting firm (in 10 thousand Yuan)	70
Continuous life of auditing service for domestic accounting firm	3
Name of domestic CPA	Xie Jing, Shu Zhicheng
Continuous life of auditing service for domestic CPA	1、 2

Whether re-appointed accounting firms in this period or not?

Yes No

Appointment of internal control auditing accounting firm, financial consultant or sponsor

Applicable Not applicable

During the reporting period, the company hired Grant Thornton Certified Public Accountant LLP (Special General Partnership) to perform internal audit and paid a total of RMB 200,000.00 in internal control audit fees.

IX. Particular about delisting after annual report disclosed

Applicable Not applicable

X. Bankruptcy reorganization

Applicable Not applicable

No bankruptcy reorganization for the Company in reporting period

XI. Significant lawsuits and arbitration of the Company

Applicable Not applicable

Lawsuits (arbitration)	Amount involved (in 10 thousand yuan)	Resulting in an accrual liability (Y/N)	Progress	Result and influence	Execution of judgment	Disclosure date	Disclosure index
As of 31 December 2025, other lawsuits that did not meet the disclosure standards for significant lawsuits	8,409.64	N	The Company actively makes use of the advantageous resources of internal legal affairs and external laws firm to follow up	After comprehensive analysis, the result of the cases involved in the lawsuits will not have a significant impact on the	It is actively advancing	-	-

mainly included disputes over sales contracts, loan contracts, construction contracts, legal service contracts, lease contracts, etc.			and deal with the lawsuit-related cases. At present, the Company is responding to and dealing with the cases effectively in accordance with relevant laws and regulations	Company			
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XII. Penalty and rectification

Applicable Not applicable

No penalty and rectification for the Company in reporting period.

XIII. Integrity of the Company, its controlling shareholder and actual controller

Applicable Not applicable

XIV. Major related transaction

1. Related transaction with routine operation concerned

Applicable Not applicable

The company had no related transaction with routine operation concerned at the end of the reporting period.

2. Assets or equity acquisition, and sales of assets and equity

Applicable Not applicable

Related parties	Related relationships	Type of related party transaction	Content of related party transaction	Pricing principles for related party transactions	Book value of transferred assets (10000 yuan)	Assessed value of transferred assets (10000 yuan)	Transfer price (10000 yuan)	Settlement method of related party transaction	Trading gains/losses (10000 yuan)	Disclosure date	Disclosure index
Shenzhen Zhenpin Group Co., Ltd	The subsidiary of the actual controller of the company, also controlled by the ultimate controller	Transaction related with equity transfer	Equity transfer	Market price	50.17	66.54	66.54	Bank transfer	116.32	-	-

	r									
Reasons for significant differences between transfer price and book value or assessed value (if any)	Appreciation of assessment									
The impact on the company's operating results and financial condition	No significant impact									
If the relevant transactions involve performance agreements, the achievement of performance during the reporting period	NA									

3. Related transaction of joint external investment

Applicable Not applicable

No related transaction of joint external investment occurred in the period.

4. Related credits and liabilities

Applicable Not applicable

No related credits and liabilities occurred in period

5. Contact with the related finance companies

Applicable Not applicable

There are no deposits, loans, credits or other financial businesses between the finance companies with associated relationship and related parties

6. Transactions between the finance company controlled by the Company and related parties

Applicable Not applicable

There are no deposits, loans, credits or other financial business between the finance companies controlled by the Company and related parties

7. Other major related transaction

Applicable Not applicable

No other major related transaction in the Period.

XV. Significant contract and implementation

1. Trusteeship, contract and leasing

(1) Trusteeship

Applicable Not applicable

No trusteeship for the Company in reporting period

(2) Contract

Applicable Not applicable

No contract for the Company in reporting period

(3) Leasing

Applicable Not applicable

No leasing in the Period

2. Major Guarantee

Applicable Not applicable

3. Entrusted cash asset management

(1) Entrusted financing

Applicable Not applicable

(2) Entrusted loans

Applicable Not applicable

No entrusted loans in the Period

4. Other material contracts

Applicable Not applicable

No other material contracts in the period.

XVI. Usage of Proceeds Raised

Applicable Not applicable

The Company had no proceeds raised for use during the reporting period.

XVII. Explanation on other significant events

Applicable Not applicable

1. On August 18, 2025, the Company's Board of Directors received resignation reports from Mr. Zhao Rubing, Ms. Bi Weimin and Mr. Liu Haifeng, independent directors of the Company. Having served as independent directors for six consecutive years, Mr. Zhao Rubing, Ms. Bi Weimin and Mr. Liu Haifeng applied to resign from their positions as independent directors of the 11th session of the Board of Directors of the Company and relevant positions in the special committees of the Board of Directors. They will not hold any other positions in the Company after their resignation. On the same day, the Company held the 18th meeting of the 11th session of the Board of Directors, which deliberated and approved the Proposal on Change of Independent Directors. The Company agreed to nominate Ms. Mei Yuexin, Mr. Zhang Sheng and Mr. Tao Ran as independent directors of the 11th session of the Board of Directors, to be submitted to the first extraordinary general meeting of the Company in 2025 for deliberation and approval. For details, please refer to the Announcement on Resignation and Change of

Independent Directors and the Announcement on Resolutions of the 18th Meeting of the 11th session of the Board of Directors, published on Securities Times, China Securities Journal, Shanghai Securities News and website CNINFO (www.cninfo.com.cn) on August 20, 2025.

2. On September 5, 2025, the Company held the first extraordinary general meeting in 2025, which deliberated and approved the Proposal on Change of Independent Directors by item. The Company agreed to elect Ms. Mei Yuexin, Mr. Zhang Sheng and Mr. Tao Ran as independent directors of the 11th session of the Board of Directors. For details, please refer to the Announcement on Resolutions of the First Extraordinary General Meeting in 2025, published on Securities Times, China Securities Journal, Shanghai Securities News and website CNINFO (www.cninfo.com.cn) on September 6, 2025.
3. On November 13, 2025, the Company held the second extraordinary general meeting in 2025, which considered and approved the Proposal on Revising the Articles of Association of SZCH. The Company agreed to cancel the Board of Supervisors. Ms. You Hongxia, Ms. Liu Xinqin (supervisors), Mr. Zheng Shengqiao and Mr. Zenghai Ma (employee supervisors) voluntarily resigned and will not hold any other positions in the Company after resignation. The statutory functions and powers of the Board of Supervisors shall be exercised by the Audit Committee of the Board of Directors. The Rules of Procedure of the Board of Supervisors shall be repealed accordingly, and the provisions involving the Board of Supervisors and supervisors in various management systems of the Company shall no longer apply.

XVIII. Significant event of subsidiaries of the Company

☉Applicable ●Not applicable

1. On March 25, 2025, the Company held the 13th meeting of the 11th session of the Board of Directors, which deliberated and approved the Proposal on Deliberating the Independent Legal Person Operation Project for the Management of Reserved Grain and Oil Business, and approved the project. For details, please refer to the Announcement on the Resolutions of the 13th Meeting of the 11th session of the Board of Directors published on Securities Times, China Securities Journal, Shanghai Securities News and website CNINFO (www.cninfo.com.cn) on March 26, 2025.

2. On April 28, 2025, the Company held the 14th meeting of the 11th session of the Board of Directors, which deliberated and approved the Proposal on the Investment Decision for the No. 2 Steel Structure Workshop of the Food Processing Project of Dongguan Shenliang Logistics Co., Ltd., and approved the relevant investment decision. For details, please refer to the Announcement on the Resolutions of the 14th Meeting of the 11th session of the Board of Directors published on Securities Times, China Securities Journal, Shanghai Securities News and website CNINFO (www.cninfo.com.cn) on April 29, 2025.

3. On June 17, 2025, the Company held the 16th meeting of the 11th session of the Board of Directors, which deliberated and approved the Proposal on the Investment Decision for the New Quality Productivity Technology Upgrade Project of Beverage Tea of Shenbao Huacheng. The Company approved the investment in the construction of the project by its wholly-owned subsidiary Shenbao Huacheng, with a total investment amount not exceeding RMB 18.37 million. For details, please refer to the Announcement on the Resolutions of the 16th Meeting of the 11th session of the Board of Directors published on Securities Times, China Securities Journal, Shanghai Securities News and website CNINFO (www.cninfo.com.cn) on June 18, 2025.

4. On September 17, 2025, the Company held the 20th meeting of the 11th session of the Board of Directors, which deliberated and approved the Proposal on SZCG Signing the Relocation Compensation Agreement for Phase I of the Xili High-Speed Rail Hub and Related Projects Land Consolidation Project and Other Relevant Documents with Xili Sub-district Office. The Company approved its wholly-owned subsidiary SZCG to sign the aforesaid agreement and other relevant documents with Xili Sub-district Office. The proposal will be submitted to the Company's general meeting of shareholders for deliberation and approval only after the property replacement plan involved in the demolition and compensation is approved. For details, please refer to the Announcement on the Resolutions of the 20th Meeting of the 11th session of the Board of Directors and the Announcement on SZCG Signing the Relocation Compensation Agreement for Phase I of the Xili High-Speed Rail Hub and Related Projects Land Consolidation Project

and Other Relevant Documents with Xili Sub-district Office published on Securities Times, China Securities Journal, Shanghai Securities News and website CNINFO (www.cninfo.com.cn) on September 18, 2025.

Section VI. Changes in Shares and Particulars about Shareholders

I. Changes in shares

1. Changes in shares

Unit: Share

	Before the Change		Increase/Decrease in the Change (+/-)					After the Change	
	Amount	Proportion	New shares issued	Bonus shares	Capitalization of public reserve	Others	Subtotal	Amount	Proportion
I. Restricted shares	684,569,567	59.40%	0	0	0	10,000	10,000	684,579,567	59.40%
1. State-owned shares	0	0.00%	0	0	0	0	0	0	0.00%
2. State-owned corporate shares	684,569,567	59.40%	0	0	0	0	0	684,569,567	59.40%
3. Other domestic shares	0	0.00%	0	0	0	10,000	10,000	10,000	0.00%
Including: Domestic legal person's shares	0	0.00%	0	0	0	0	0	0	0.00%
Domestic natural person's shares	0	0.00%	0	0	0	10,000	10,000	10,000	0.00%
4. Foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
Including: Foreign corporate shares	0	0.00%	0	0	0	0	0	0	0.00%
Overseas nature person's share	0	0.00%	0	0	0	0	0	0	0.00%
II. Unrestricted shares	467,965,687	40.60%	0	0	0	-10,000	-10,000	467,955,687	40.60%
1. RMB common shares	416,216,407	36.11%	0	0	0	-10,000	-10,000	416,206,407	36.11%
2. Domestic listed foreign shares	51,749,280	4.49%	0	0	0	0	0	51,749,280	4.49%
3. Foreign listed foreign shares	0	0.00%	0	0	0	0	0	0	0.00%
4. Other	0	0.00%	0	0	0	0	0	0	0.00%
III. Total shares	1,152,535,254	100.00%	0	0	0	0	0	1,152,535,254	100.00%

Reasons for changes in share

Applicable Not applicable

During the Reporting Period, Ms. You Hongxia, former supervisor of the Company, purchased 10,000 A-shares of the Company through the secondary market. Ms. You Hongxia resigned as supervisor on November 13, 2025. Pursuant to the applicable regulations, 100% of the shares held by her were locked up, resulting in an increase of 10,000 restricted shares and a decrease of 10,000 unrestricted shares of the Company at the end of the Reporting Period, while the total share capital of the Company remained unchanged.

Approval of changes in share

Applicable Not applicable

Ownership transfer of changes in share

Applicable Not applicable

Influence of changes in share on basic EPS, diluted EPS as well as other financial indexes of net assets per share attributable to common shareholders of the Company in latest year and period

Applicable Not applicable

Other information necessary to be disclosed in the viewpoint of the Company or that required to be disclosed by securities regulators

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

Unit: Share

Name of shareholder	Number of restricted shares at year- begin	Number of restricted shares increased during the period	Number of restricted shares lifted during the period	Number of restricted shares at the end of the period	Reason for share restriction	Date of share restriction lifting
You Hongxia	0	10,000	0	10,000	Lock-up due to resignation before the expiration of term of office	2027-05-04
Total	0	10,000	0	10,000	--	--

II. Securities issuance and listing

1. Security offering (without preferred stock) in the reporting period

Applicable Not applicable

2. Explanation on changes in total shares, shareholders structure, as well as assets and liability structure of the company

Applicable Not applicable

3. Existing internal staff shares

Applicable Not applicable

III. Particulars about shareholders and actual controller of the Company

1. Number of shareholders and particulars about shares holding

Unit: Share

Total common stock shareholders at the end of reporting period	41,592	Total common stock shareholders at the end of last month before annual report disclosed	41,786	Total preferred shareholders with voting rights recovered at the end of reporting period (if applicable) (refer to Note 8)	0	Total preferred shareholders with voting rights recovered at end of last month before annual report disclosed (if applicable) (refer to Note 8)	0	
Shareholding of shareholders holding more than 5% shares of the company or top ten shareholders (Excluding shares lent through refinancing)								
Name of Shareholders	Nature of shareholder	Proportion of shares held	Total shares held at the end of reporting period	Changes in reporting period	Quantity of restricted shares held	Quantity of unrestricted shares held	Information of shares pledged, tagged or frozen	
							State of share	Quantity
Shenzhen Agricultural Power Group Co., Ltd.	State-owned legal person	63.79%	735,237,253	0	669,184,735	66,052,518	NA	0
Shenzhen Agricultural Products Group Co., Ltd	State-owned legal person	8.23%	94,832,294	0	15,384,832	79,447,462	NA	0
Dongguan Fruit, Vegetable, and Non-staple Food Trading Market Co., Ltd	Domestic non-state-owned legal person	0.75%	8,698,216	0	0	8,698,216	NA	0
Hong Kong Securities Clearing Corporation Limited	Foreign legal person	0.49%	5,636,493	143,648	0	5,636,493	NA	0

Zhong Zhenxin	Domestic natural person	0.40%	4,609,900	1,314,400	0	4,609,900	NA	0
Sun Huiming	Domestic natural person	0.28%	3,236,352	0	0	3,236,352	NA	0
CMB - Southern CSI 1000 ETF	Other	0.26%	3,050,400	323,700	0	3,050,400	NA	0
Chen Jiuyang	Domestic natural person	0.26%	3,000,070	-297,000	0	3,000,070	NA	0
CMB-Huaxia CSI 1000 ETF	Other	0.17%	1,913,210	447,090	0	1,913,210	NA	0
Yan Gang	Domestic natural person	0.16%	1,864,500	1,864,500	0	1,864,500	NA	0
Strategy investors or general legal person becoming top 10 common shareholders due to rights issue (if applicable) (see note 3)	Nil							
Explanation on associated relationship among the aforesaid shareholders	Shenzhen SASAC directly holds 100% equity of Shenzhen Agricultural Power Group Co., Ltd., and holds 38.67% equity of Shenzhen Agricultural Products Group Co., Ltd. indirectly through Shenzhen Agricultural Power Group Co., Ltd.; The Company was not aware of any related relationship between other shareholders above, and whether they are parties acting in concert as defined by the Measures for the Administration of Acquisition of Listed Companies.							
Description of the above shareholders involved with delegating/entrusted voting rights and abstention from voting rights.	Nil							
Special note on the repurchase account among the top 10 shareholders (if applicable) (see note 10)	Nil							
Particular about top ten shareholders holding unrestricted shares (Excluding shares lent through refinancing, locked-up shares for senior executives)								
Shareholders' name	Quantity of unrestricted shares held at Period-end	Type of shares						
		Type	Quantity					
Shenzhen Agricultural Products Group Co., Ltd	79,447,462	RMB common shares	79,447,462					
Shenzhen Agricultural Power Group Co., Ltd.	66,052,518	RMB common shares	66,052,518					
Dongguan Fruit, Vegetable, and Non-staple Food Trading Market Co., Ltd	8,698,216	RMB common shares	8,698,216					
Hong Kong Securities Clearing Corporation Limited	5,636,493	RMB common shares	5,636,493					
Zhong Zhenxin	4,609,900	RMB common shares	4,609,900					
Sun Huiming	3,236,352	Domestically listed foreign shares	3,236,352					
CMB - Southern CSI 1000 ETF	3,050,400	RMB common shares	3,050,400					
Chen Jiuyang	3,000,070	RMB common shares	3,000,070					
CMB-Huaxia CSI 1000 ETF	1,913,210	RMB common shares	1,913,210					
Yan Gang	1,864,500	RMB common shares	1,864,500					
Explanation of the association or concerted action between the top 10 shareholders of non-	Shenzhen SASAC directly holds 100% equity of Shenzhen Agricultural Power Group Co., Ltd., and holds 38.67% equity of Shenzhen Agricultural Products Group Co., Ltd. indirectly through Shenzhen Agricultural Power Group Co., Ltd.; The Company was not aware of any related relationship between other shareholders above, and whether they are parties acting in concert as defined by the Measures for							

restricted and tradable shares, as well as between the top 10 shareholders of non-restricted and tradable shares and the top 10 shareholders	the Administration of Acquisition of Listed Companies.
Explanation on the participation of the top 10 ordinary shareholders in margin trading and securities lending business (if any) (see Note 4)	Nil

Shareholders with over 5% of shares, top 10 shareholders, and top 10 shareholders of un-restricted shares participate in the lending of shares through refinancing

Applicable Not applicable

The top 10 shareholders and the top 10 shareholders of un-restricted tradable shares have changed compared to the previous period due to the reasons of lending/returning of shares through refinancing

Applicable Not applicable

Whether top 10 common stock shareholders or top 10 common stock shareholders of un-restricted shares have a buy-back agreement dealing in reporting period or not?

Yes No

The top 10 common stock shareholders or top 10 common stock shareholders of un-restricted shares didn't have buy-back agreement dealing in reporting period.

2. Controlling shareholder of the Company

Nature of controlling shareholders: local state-owned holding

Type of controlling shareholders: legal person

Controlling shareholder	Legal person/person in charge of the unit	Date of establishment	Organization code	Main operation business
Shenzhen Agricultural Power Group Co., Ltd.	Huang Wei	Dec. 14, 2017	91440300MA5EWWPXX2	The general business projects are: food safety infrastructure construction (including the upgrading of the farmers' market, the upgrading of public places canteens, the construction of community cooked food centers, and the construction of agricultural product bases); safe food circulation and terminal sales; the establishment of food distribution channel platforms; Food industry investment and operation (Including the M & A investment of the core resources of the food industry chain and the cultivation of enterprises in the future direction); Domestic trade (excluding franchised, monopolized, and exclusively controlled commodities); engaging in import and export business (except for items prohibited by laws, administrative regulations, and the State Council, restricted items can only be operated after obtaining permission); online business activities (excluding restricted items). Licensed business items are food sales and supply business; emergency material

				production and operation; production, purchase and sale of I, II and III medical devices; pharmaceutical wholesale; ordinary freight, professional transportation, warehousing and logistics.
Equity of other domestic and foreign listed companies controlled and participated in by controlling shareholders during the reporting period	In addition to holding 63.79 % equity of the company, Shenzhen Agricultural Power Group Co., Ltd. holds 38.67 % equity of Agricultural Products.			

Changes of controlling shareholder in reporting period

Applicable Not applicable

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

3. Actual controller and persons acting in concert

Nature of actual controller: local state-owned assets management

Type of actual controller: legal person

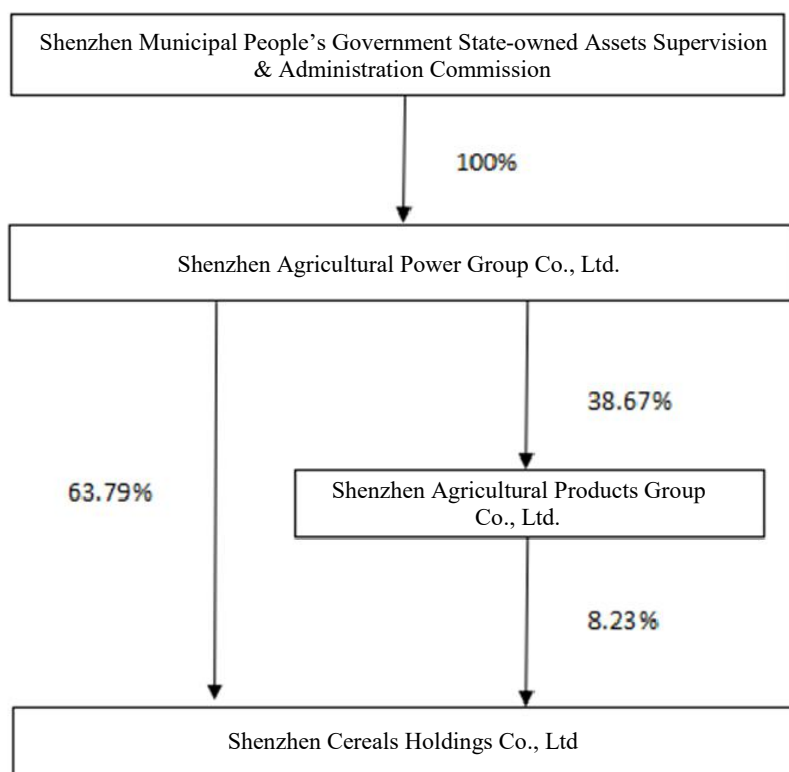
Actual controller	Legal person/person in charge of the unit	Date of establishment	Organization code	Main operation business
Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission	Yang Jun	2004-04-02	11440300K317280672	State-owned assets supervision and management
Equity of other domestic/foreign listed companies controlled by the actual controller in reporting period	-			

Changes of actual controller in reporting period

Applicable Not applicable

No changes of actual controllers of the Company in reporting period.

Property right and controlling relationship between the actual controller and the Company is as follow



The actual controller controlling the Company by entrust or other assets management

Applicable Not applicable

4. The total number of shares pledged by the controlling shareholder or the first majority shareholder and its persons acting in concert accounts for 80% of the shares held by them

Applicable Not applicable

5. Particulars about other legal person shareholders with over 10% shares held

Applicable Not applicable

6. Restriction on shareholding reduction of the controlling shareholder, actual controller, reorganizers, and other promising entities

Applicable Not applicable

IV. The specific implementation of shares buy-back during the reporting period

Implementation progress of shares buy-back

Applicable Not applicable

Progress in implementing centralized bidding trading to reduce holdings of repurchase shares

Applicable Not applicable

V. Preferred stocks

Applicable Not applicable

The Company had no preferred stock in the Period.

Section VII. Corporate Bonds

Applicable Not applicable

Section VIII. Financial Report

I. Audit Report

Type of audit opinion	Standard unqualified opinion
Signing date of audit report	2025-04-24
Name of audit institute	Grant Thornton Certified Public Accountant LLP (Special General Partnership)
Document serial of audit report	ZHTSH[2026]No.441A017665
Name of the CPA	Xie Jing, Shu Zhicheng

Text of Auditor's Report

ZHTSH[2026]No.441A017665

To all shareholders of SHENZHEN CEREALS HOLDINGS CO., LTD.:

1. Auditing opinions

We have audited the financial statement under the name of SHENZHEN CEREALS HOLDINGS CO., LTD. (hereinafter referred to as "SZCH"), including the consolidated and parent Company's balance sheet of December 31, 2025 and profit statement, and cash flow statement, and statement on changes of shareholders' equity for the year ended, and notes to the financial statements for the year ended.

In our opinion, the Company's financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises, and they fairly present the financial status of the Company and of its parent company as of December 31, 2025 and its operation results and cash flows for the year ended.

2. Basis of opinion

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

3. Key audit matters

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

The key audit matters identified in our audit are summarized as follows:

(i) Revenue recognition

For more details of the relevant information, please refer to Note III.27 and Note V.40 of financial statements.

1. Matter description

The main business of SZCH include grain and oil trade and processing, grain and oil warehousing logistics and service, food and beverage and tea processing, leasing and others. SZCH operating revenue for 2025 is 5,505,279,600.00 yuan and it is one of the key indexes of performance of SZCH, which has inherent risks in manipulation for achieving the predicted target, therefore, the identification of operating income will be listed as the key auditing event.

2. Audit response

The audit procedures we have implemented for this key audit matter mainly include:

- (1) Understand, evaluate, and test the design and operational effectiveness of internal control related to revenue;
- (2) Understand the business models and acceptance terms of different businesses, inspect the main sales contracts, identify the terms related to the transfer of commodity control rights, and evaluate whether the revenue recognition policy complies with the provisions of the Enterprise Accounting Standards;
- (3) Perform analytical review procedures on operating revenue, analyze changes in operating revenue, costs, and gross profit margin on a monthly and product basis, identify significant or abnormal fluctuations, understand the reasons for abnormal situations, and evaluate their reasonableness;
- (4) Search for basic information of major clients or newly added major clients through public channels, conduct on-site visits to major clients, enquire about transaction content, cooperation mode, transaction amount, acceptance terms, and related relationships, and verify the authenticity and commercial substance of their transactions, Focus on checking whether there are financing trades without real transactions;
- (5) Sample inspect supporting documents related to revenue confirmation, including sales contracts, sales invoices, outbound orders, transfer of ownership documents, proof of delivery, accounting vouchers, etc;
- (6) Sample to confirm the current sales revenue and the initial and final balances of accounts receivable and payable to major customers, new customers, etc.;
- (7) Conduct a cut-off test on the operating income close to the balance sheet date, evaluate whether the operating income is recorded in the appropriate accounting period.

(ii) Inventories and loss allowance of inventories

For more details of inventories and Loss allowance of inventories, please refer to Note III.13 and Note V. 7 of consolidated financial statements.

1. Matter description

As of December 31, 2025, the book value of inventory presented on the consolidated financial statements of SZCH was 4,098,243,300.00 yuan, and the loss allowance of inventories was 129,360,100.00 yuan, the carrying amount of inventories was 3,968,883,200.00 yuan, accounting for 53.83% of the total assets. Due to the significant amount of inventories, SZCH management (Hereinafter referred to as “management”) needed to make significant estimates and judgments when determining the decrease in value of inventories, including the consideration of government reserve such as grain & oil, food and vegetable oil which are affected by futures market, These important judgments have a significant impact on the valuation of inventories and loss allowance of inventories at period-end; therefore, we determined the inventories and loss allowance of inventories as key audit matters.

2. Audit response

The audit procedures we have implemented for this key audit matter mainly include:

- (1) Understand, evaluate, and test the design and operational effectiveness of internal control related to inventory;
- (2) Understand the business models of reserve grain and commodity grain, verify the matching between inventory structure and operating income, and analyze the rationality of inventory amounts;
- (3) Review the management’s model and method for estimating the net realizable value of inventory, as well as the relevant parameters used. For products that can obtain publicly available market sales prices, select a sample, independently query

publicly available market price information, and compare it with the estimated selling price.

- (4) Implement monitoring procedure for inventory, check its quantity and condition, and implement alternative procedures for fumigation warehouses;
- (5) Obtain the calculation table for loss allowance of inventories and inventory age list, execute inventory impairment testing procedures, and analyze whether the provision for inventory depreciation reserves is sufficient, conduct an analytical review of inventory with a longer inventory age based on the condition of the product, and analyze whether the provision for inventory depreciation is reasonable.

4. Other information

The management of SZCH (hereinafter referred to as “the management”) is responsible for other information which includes the information covered in the Company’s 2024 annual report excluding the financial statement and our audit report.

The audit opinion issued by us for the financial statement has not covered other information, for which we do not issue any form of assurance opinions.

Considering our audit on financial statements, we are liable to read other information, during which, we shall consider whether other information differs materially from the financial statements or that we understand during our audit, or whether there is any material misstatement.

Based on the works executed by us, we should report the fact if we find any material misstatement in other information. In this regards, we have nothing to report.

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

The management of SZCH is responsible for the preparation of the financial statements in accordance with the Accounting Standards for Enterprise to secure a fair presentation, and for the design, establishment and maintenance of the internal control necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

6. Responsibilities of the auditor for 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 audit 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 the CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with the CAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal

control.

- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- (4) Conclude on the appropriateness of the management’s use of the going concern assumption and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required by the CAS to draw users’ attention in audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify audit opinion. Our conclusions are based on the information obtained up to the date of audit report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, including the disclosures, structure and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express audit opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and relevant countermeasures (if applicable).

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in the auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in the auditor’s report because of the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Grant Thornton Certified Public Accountant LLP (Special General Partnership)	Chinese CPA (Partner)	
Beijing China	Chinese CPA April 24, 2026	

II. Financial Statement

Statement in Financial Notes are carried In RMB/CNY

1. Consolidated Balance Sheet

Prepared by SHENZHEN CEREALS HOLDINGS CO., LTD.

In RMB

Item	Ending balance	Opening balance
Current assets:		
Monetary funds	74,207,045.75	168,199,291.23
Settlement provisions	0.00	0.00
Capital lent	0.00	0.00
Tradable financial assets	0.00	0.00
Derivative financial assets	0.00	0.00
Note receivable	2,567,464.00	2,327,160.00
Account receivable	185,600,881.90	235,789,565.91
Receivable financing	0.00	0.00
Accounts paid in advance	84,431,038.91	9,776,028.70
Insurance receivable	0.00	0.00
Reinsurance receivables	0.00	0.00
Contract reserve of reinsurance receivable	0.00	0.00
Other account receivable	23,492,545.72	19,978,436.61
Including: Interest receivable	0.00	0.00
Dividend receivable	0.00	0.00
Buying back the sale of financial assets	0.00	0.00
Inventories	3,968,883,163.28	4,044,998,642.52
Including: Data resources	0.00	0.00
Contract assets	0.00	0.00
Assets held for sale	0.00	0.00
Non-current asset due within one year	0.00	0.00
Other current assets	75,503,746.14	113,243,285.26
Total current assets	4,414,685,885.70	4,594,312,410.23
Non-current assets:		
Loans and payments on behalf	0.00	0.00
Debt investment	0.00	0.00
Other debt investment	0.00	0.00
Long-term account receivable	0.00	0.00
Long-term equity investment	43,217,315.89	45,356,888.44
Investment in other equity instrument	0.00	0.00
Other non-current financial assets	57,500.00	57,500.00
Investment real estate	231,882,055.05	302,075,246.75
Fixed assets	1,993,966,742.36	2,009,520,283.95
Construction in progress	51,951,405.25	39,312,847.70
Productive biological asset	339,232.20	348,924.60
Oil and gas asset	0.00	0.00
Right-of-use assets	54,801,538.67	115,258,040.17
Intangible assets	436,587,991.47	523,370,792.77

Including: Data resources	0.00	0.00
Expense on Research and Development	0.00	0.00
Including: Data resources	0.00	0.00
Goodwill	0.00	0.00
Long-term expenses to be apportioned	21,176,604.93	26,013,188.68
Deferred income tax asset	57,185,401.86	52,903,106.75
Other non-current asset	66,490,675.94	6,021,277.97
Total non-current asset	2,957,656,463.62	3,120,238,097.78
Total assets	7,372,342,349.32	7,714,550,508.01
Current liabilities:		
Short-term loans	1,155,754,328.18	1,484,605,101.05
Loan from central bank	0.00	0.00
Capital borrowed	0.00	0.00
Trading financial liability	0.00	0.00
Derivative financial liability	0.00	0.00
Note payable	0.00	0.00
Account payable	345,768,271.72	392,787,099.23
Accounts received in advance	924,332.28	1,689,748.86
Contract liability	77,779,348.91	126,590,458.95
Selling financial asset of repurchase	0.00	0.00
Absorbing deposit and interbank deposit	0.00	0.00
Security trading of agency	0.00	0.00
Security sales of agency	0.00	0.00
Wage payable	143,150,859.26	181,550,514.63
Taxes payable	229,568,371.34	102,239,439.35
Other account payable	263,186,359.20	268,321,327.50
Including: Interest payable	0.00	0.00
Dividend payable	2,933,690.04	2,933,690.04
Commission charge and commission payable	0.00	0.00
Reinsurance payable	0.00	0.00
Liability held for sale	0.00	0.00
Non-current liabilities due within one year	26,385,962.57	42,927,367.21
Other current liabilities	4,373,517.22	8,042,645.47
Total current liabilities	2,246,891,350.68	2,608,753,702.25
Non-current liabilities:		
Insurance contract reserve	0.00	0.00
Long-term loans	0.00	0.00
Bonds payable	0.00	0.00
Including: Preferred stock	0.00	0.00
Perpetual capital securities	0.00	0.00
Lease liability	29,468,268.66	78,084,500.76
Long-term account payable	16,732,409.88	16,636,326.62
Long-term wages payable	0.00	0.00
Accrual liability	0.00	0.00
Deferred income	78,672,600.62	79,203,615.99
Deferred income tax liabilities	10,081,449.40	10,495,166.46
Other non-current liabilities	0.00	0.00
Total non-current liabilities	134,954,728.56	184,419,609.83
Total liabilities	2,381,846,079.24	2,793,173,312.08
Owner's equity:		
Share capital	1,152,535,254.00	1,152,535,254.00

Other equity instrument	0.00	0.00
Including: Preferred stock	0.00	0.00
Perpetual capital securities	0.00	0.00
Capital public reserve	1,271,908,217.34	1,271,908,217.34
Less: Inventory shares	0.00	0.00
Other comprehensive income	-726,271.56	-620,406.95
Reasonable reserve	0.00	1,152,617.76
Surplus public reserve	642,697,918.23	616,729,697.68
Provision of general risk	0.00	0.00
Retained profit	1,922,336,040.31	1,877,968,762.99
Total owner' s equity attributable to parent company	4,988,751,158.32	4,919,674,142.82
Minority interests	1,745,111.76	1,703,053.11
Total owner' s equity	4,990,496,270.08	4,921,377,195.93
Total liabilities and owner' s equity	7,372,342,349.32	7,714,550,508.01

Legal representative: Wang Zhikai

Person in charge of accounting works: Lu Yuhe

Person in charge of accounting institute: Lu Chengjun

2. Balance Sheet of Parent Company

In RMB

Item	Ending balance	Opening balance
Current assets:		
Monetary funds	6,139,365.54	103,158,696.39
Tradable financial assets	0.00	0.00
Derivative financial assets	0.00	0.00
Note receivable	0.00	0.00
Account receivable	25,752,680.48	116,938,612.94
Receivable financing	0.00	0.00
Accounts paid in advance	0.00	134,194.35
Other account receivable	2,964,238,623.06	2,123,872,937.65
Including: Interest receivable	0.00	0.00
Dividend receivable	0.00	0.00
Inventories	0.00	0.00
Including: Data resources	0.00	0.00
Contract assets	0.00	0.00
Assets held for sale	0.00	0.00
Non-current assets maturing within one year	0.00	0.00
Other current assets	165,952.53	110,478.30
Total current assets	2,996,296,621.61	2,344,214,919.63
Non-current assets:		
Debt investment	0.00	0.00
Other debt investment	0.00	0.00
Long-term receivables	0.00	0.00
Long-term equity investments	4,031,188,641.37	4,031,188,641.37
Investment in other equity instrument	0.00	0.00
Other non-current financial assets	0.00	0.00
Investment real estate	14,628,552.64	15,100,142.92
Fixed assets	29,063,623.01	30,997,299.26
Construction in progress	0.00	0.00
Productive biological assets	339,232.20	348,924.60
Oil and natural gas assets	0.00	0.00

Right-of-use assets	44,176,967.53	67,225,820.17
Intangible assets	22,264,239.66	21,988,398.89
Including: Data resources	0.00	0.00
Research and development costs	0.00	0.00
Including: Data resources	0.00	0.00
Goodwill	0.00	0.00
Long-term deferred expenses	2,757,815.67	3,403,734.80
Deferred income tax assets	10,701,819.97	10,774,610.43
Other non-current assets	916,053.25	2,497,360.73
Total non-current assets	4,156,036,945.30	4,183,524,933.17
Total assets	7,152,333,566.91	6,527,739,852.80
Current liabilities:		
Short-term borrowings	797,823,319.42	272,901,652.46
Trading financial liability	0.00	0.00
Derivative financial liability	0.00	0.00
Notes payable	0.00	0.00
Account payable	40,574,195.28	0.00
Accounts received in advance	0.00	0.00
Contract liability	0.00	0.00
Wage payable	37,125,576.25	49,395,879.48
Taxes payable	17,037,938.49	3,570,294.15
Other accounts payable	224,250,325.59	228,671,937.92
Including: Interest payable	0.00	0.00
Dividend payable	2,933,690.04	2,933,690.04
Liability held for sale	0.00	0.00
Non-current liabilities due within one year	22,849,507.90	22,332,687.31
Other current liabilities	0.00	0.00
Total current liabilities	1,139,660,862.93	576,872,451.32
Non-current liabilities:		
Long-term loans	0.00	0.00
Bonds payable	0.00	0.00
Including: Preferred stock	0.00	0.00
Perpetual capital securities	0.00	0.00
Lease liability	21,949,210.38	46,945,825.26
Long-term account payable	0.00	0.00
Long term employee compensation payable	0.00	0.00
Accrued liabilities	0.00	0.00
Deferred income	0.00	0.00
Deferred income tax liabilities	0.00	0.00
Other non-current liabilities	0.00	0.00
Total non-current liabilities	21,949,210.38	46,945,825.26
Total liabilities	1,161,610,073.31	623,818,276.58
Owners' equity:		
Share capital	1,152,535,254.00	1,152,535,254.00
Other equity instrument	0.00	0.00
Including: Preferred stock	0.00	0.00
Perpetual capital securities	0.00	0.00
Capital public reserve	3,018,298,284.55	3,018,298,284.55
Less: Inventory shares	0.00	0.00
Other comprehensive income	0.00	0.00
Special reserve	0.00	0.00
Surplus reserve	370,293,490.09	344,325,269.54
Retained profit	1,449,596,464.96	1,388,762,768.13

Total owner's equity	5,990,723,493.60	5,903,921,576.22
Total liabilities and owner's equity	7,152,333,566.91	6,527,739,852.80

3. Consolidated Profit Statement

In RMB

Item	2025	2024
I. Total operating income	5,505,279,622.35	5,375,089,846.91
Including: Operating revenue	5,505,279,622.35	5,375,089,846.91
Interest income	0.00	0.00
Insurance gained	0.00	0.00
Commission charge and commission income	0.00	0.00
II. Total operating cost	5,044,901,146.47	4,874,596,515.28
Including: Operating cost	4,623,410,073.54	4,479,001,434.83
Interest expense	0.00	0.00
Commission charge and commission expense	0.00	0.00
Cash surrender value	0.00	0.00
Net amount of expense of compensation	0.00	0.00
Net amount of withdrawal of insurance contract reserve	0.00	0.00
Bonus expense of guarantee slip	0.00	0.00
Reinsurance expense	0.00	0.00
Tax and extras	19,546,177.36	19,652,659.06
Sales expense	138,284,538.25	149,810,329.96
Administrative expense	206,252,622.49	168,245,200.59
R&D expense	24,962,654.98	25,208,644.43
Financial expense	32,445,079.85	32,678,246.41
Including: Interest expenses	32,969,675.94	33,986,936.32
Interest income	1,073,602.35	1,832,540.57
Add: Other income	59,416,884.80	12,340,535.46
Investment income (Loss is listed with "-")	-536,315.86	3,416,742.97
Including: Investment income on affiliated company and joint venture	-1,561,528.64	-3,992,524.74
The termination of income recognition for financial assets measured by amortized cost	0.00	0.00
Exchange income (Loss is listed with "-")	0.00	0.00
Net exposure hedging income (Loss is listed with "-")	0.00	0.00
Income from change of fair value (Loss is listed with "-")	0.00	0.00
Loss of credit impairment (Loss is listed with "-")	1,241,774.76	166,728.94
Losses of devaluation of asset (Loss is listed with "-")	-121,690,077.25	-102,359,076.35
Income from assets disposal (Loss is listed with "-")	18,960,030.78	5,281,839.25
III. Operating profit (Loss is listed with "-")	417,770,773.11	419,340,101.90
Add: Non-operating income	48,918,268.36	608,747.13
Less: Non-operating expense	883,565.29	603,979.68
IV. Total profit (Loss is listed with "-")	465,805,476.18	419,344,869.35
Less: Income tax expense	222,547,631.56	95,201,262.19

V. Net profit (Net loss is listed with “-”)	243,257,844.62	324,143,607.16
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with ‘-’)	243,257,844.62	324,143,607.16
2.termination of net profit (net loss listed with ‘-’)	0.00	0.00
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	243,215,785.97	325,309,578.52
2.Minority shareholders’ gains and losses	42,058.65	-1,165,971.36
VI. Net after-tax of other comprehensive income	-105,864.61	212,767.87
Net after-tax of other comprehensive income attributable to owners of parent company	-105,864.61	212,767.87
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss	0.00	0.00
1.Changes of the defined benefit plans that re-measured	0.00	0.00
2.Other comprehensive income under equity method that cannot be transfer to gain/loss	0.00	0.00
3.Change of fair value of investment in other equity instrument	0.00	0.00
4.Fair value change of enterprise's credit risk	0.00	0.00
5. Other	0.00	0.00
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	-105,864.61	212,767.87
1.Other comprehensive income under equity method that can transfer to gain/loss	0.00	0.00
2.Change of fair value of other debt investment	0.00	0.00
3.Amount of financial assets re-classify to other comprehensive income	0.00	0.00
4.Credit impairment provision for other debt investment	0.00	0.00
5.Cash flow hedging reserve	0.00	0.00
6.Translation differences arising on translation of foreign currency financial statements	-105,864.61	212,767.87
7.Other	0.00	0.00
Net after-tax of other comprehensive income attributable to minority shareholders	0.00	0.00
VII. Total comprehensive income	243,151,980.01	324,356,375.03
Total comprehensive income attributable to owners of parent Company	243,109,921.36	325,522,346.39
Total comprehensive income attributable to minority shareholders	42,058.65	-1,165,971.36
VIII. Earnings per share:		
(i) Basic earnings per share	0.2110	0.2823
(ii) Diluted earnings per share	0.2110	0.2823

As for the enterprise combined under the same control, the net profit achieved by the merged party before combination is 0 yuan and the net profit achieved by the merged party in last period is negative 0 yuan.

Legal representative: Wang Zhikai

Person in charge of accounting works: Lu Yuhe

Person in charge of accounting institute: Lu Chengjun

4. Profit Statement of Parent Company

In RMB

Item	2025	2024
I. Operating revenue	209,915,047.31	169,956,053.77
Less: Operating cost	79,960,368.08	2,808,669.32
Taxes and surcharge	609,051.83	548,323.11
Sales expenses	0.00	0.00
Administration expenses	103,754,102.15	87,567,563.48
R&D expenses	0.00	0.00
Financial expenses	-32,519,591.95	-41,291,103.22
Including: Interest expenses	14,743,882.36	4,609,336.81
Interest income	47,459,369.49	46,144,115.42
Add: Other income	107,105.12	185,224.01
Investment income (Loss is listed with “-”)	213,293,709.44	1,215,262,497.73
Including: Investment income on affiliated Company and joint venture	0.00	0.00
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)	0.00	0.00
Net exposure hedging income (Loss is listed with “-”)	0.00	0.00
Changing income of fair value (Loss is listed with “-”)	0.00	0.00
Loss of credit impairment (Loss is listed with “-”)	1,007,327.20	-5,530.90
Losses of devaluation of asset (Loss is listed with “-”)	0.00	0.00
Income on disposal of assets (Loss is listed with “-”)	0.00	0.00
II. Operating profit (Loss is listed with “-”)	272,519,258.96	1,335,764,791.92
Add: Non-operating income	1,408,979.93	0.00
Less: Non-operating expense	103,550.74	16,034.73
III. Total Profit (Loss is listed with “-”)	273,824,688.15	1,335,748,757.19
Less: Income tax	14,142,482.67	-514,555.82
IV. Net profit (Net loss is listed with “-”)	259,682,205.48	1,336,263,313.01
(i) continuous operating net profit (net loss listed with “-”)	259,682,205.48	1,336,263,313.01
(ii) termination of net profit (net loss listed with “-”)	0.00	0.00
V. Net after-tax of other comprehensive income	0.00	0.00
(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss	0.00	0.00
1.Changes of the defined benefit plans that re-measured	0.00	0.00
2.Other comprehensive income under equity method that cannot be transfer to gain/loss	0.00	0.00
3.Change of fair value of investment in other equity instrument	0.00	0.00
4.Fair value change of enterprise's credit risk	0.00	0.00
5. Other	0.00	0.00

(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	0.00	0.00
1. Other comprehensive income under equity method that can transfer to gain/loss	0.00	0.00
2. Change of fair value of other debt investment	0.00	0.00
3. Amount of financial assets re-classify to other comprehensive income	0.00	0.00
4. Credit impairment provision for other debt investment	0.00	0.00
5. Cash flow hedging reserve	0.00	0.00
6. Translation differences arising on translation of foreign currency financial statements	0.00	0.00
7. Other	0.00	0.00
VI. Total comprehensive income	259,682,205.48	1,336,263,313.01
VII. Earnings per share:		
(i) Basic earnings per share	0	0
(ii) Diluted earnings per share	0	0

5. Consolidated Cash Flow Statement

In RMB

Item	2025	2024
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	5,761,113,889.62	5,740,779,445.44
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank	0.00	0.00
Net increase of capital borrowed from other financial institution	0.00	0.00
Cash received from original insurance contract fee	0.00	0.00
Net cash received from reinsurance business	0.00	0.00
Net increase of insured savings and investment	0.00	0.00
Cash received from interest, commission charge and commission	0.00	0.00
Net increase of capital borrowed	0.00	0.00
Net increase of returned business capital	0.00	0.00
Net cash received by agents in sale and purchase of securities	0.00	0.00
Write-back of tax received	2,722,965.17	2,979,376.42
Other cash received concerning operating activities	479,860,256.07	265,985,560.00
Subtotal of cash inflow arising from operating activities	6,243,697,110.86	6,009,744,381.86
Cash paid for purchasing commodities and receiving labor service	4,147,634,955.92	5,403,858,690.85
Net increase of customer loans and advances	0.00	0.00
Net increase of deposits in central bank and interbank	0.00	0.00
Cash paid for original insurance	0.00	0.00

contract compensation		
Net increase of capital lent	0.00	0.00
Cash paid for interest, commission charge and commission	0.00	0.00
Cash paid for bonus of guarantee slip	0.00	0.00
Cash paid to/for staff and workers	344,851,787.18	340,520,836.42
Taxes paid	151,394,252.46	146,884,244.82
Other cash paid concerning operating activities	499,376,011.40	133,798,229.15
Subtotal of cash outflow arising from operating activities	5,143,257,006.96	6,025,062,001.24
Net cash flows arising from operating activities	1,100,440,103.90	-15,317,619.38
II. Cash flows arising from investing activities:		
Cash received from recovering investment	440,087.36	400,281,319.81
Cash received from investment income	0.00	6,078,274.34
Net cash received from disposal of fixed, intangible and other long-term assets	78,314,607.50	17,413,889.42
Net cash received from disposal of subsidiaries and other units	2,384,111.71	18,619,360.20
Other cash received concerning investing activities	0.00	0.00
Subtotal of cash inflow from investing activities	81,138,806.57	442,392,843.77
Cash paid for purchasing fixed, intangible and other long-term assets	115,194,556.43	95,475,079.77
Cash paid for investment	64,105.00	345,009,000.00
Net increase of mortgaged loans	0.00	0.00
Net cash received from subsidiaries and other units obtained	0.00	3,151,787.39
Other cash paid concerning investing activities	0.00	7,559,395.68
Subtotal of cash outflow from investing activities	115,258,661.43	451,195,262.84
Net cash flows arising from investing activities	-34,119,854.86	-8,802,419.07
III. Cash flows arising from financing activities:		
Cash received from absorbing investment	0.00	0.00
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	0.00	0.00
Cash received from loans	1,675,756,479.40	3,395,816,991.96
Other cash received concerning financing activities	5,249,428.86	0.00
Subtotal of cash inflow from financing activities	1,681,005,908.26	3,395,816,991.96
Cash paid for settling debts	2,604,050,302.98	3,140,732,951.95
Cash paid for dividend and profit distributing or interest paying	201,054,569.83	258,068,059.21
Including: Dividend and profit of minority shareholder paid by subsidiaries	0.00	0.00
Other cash paid concerning financing activities	31,120,836.59	50,811,877.40
Subtotal of cash outflow from financing activities	2,836,225,709.40	3,449,612,888.56
Net cash flows arising from financing activities	-1,155,219,801.14	-53,795,896.60
IV. Influence on cash and cash	-109,448.44	105,610.80

equivalents due to fluctuation in exchange rate		
V. Net increase of cash and cash equivalents	-89,009,000.54	-77,810,324.25
Add: Balance of cash and cash equivalents at the period -begin	158,935,342.85	236,745,667.10
VI. Balance of cash and cash equivalents at the period -end	69,926,342.31	158,935,342.85

6. Cash Flow Statement of Parent Company

In RMB

Item	2025	2024
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	885,612,227.88	733,933,422.20
Write-back of tax received	0.00	0.00
Other cash received concerning operating activities	3,743,412,424.42	4,010,769,222.83
Subtotal of cash inflow arising from operating activities	4,629,024,652.30	4,744,702,645.03
Cash paid for purchasing commodities and receiving labor service	53,662,007.49	421,487.00
Cash paid to/for staff and workers	88,699,306.22	65,491,681.47
Taxes paid	1,932,939.46	1,289,038.98
Other cash paid concerning operating activities	4,305,460,404.42	4,812,539,395.94
Subtotal of cash outflow arising from operating activities	4,449,754,657.59	4,879,741,603.39
Net cash flows arising from operating activities	179,269,994.71	-135,038,958.36
II. Cash flows arising from investing activities:		
Cash received from recovering investment	0.00	325,621,806.51
Cash received from investment income	13,293,709.44	14,422,758.19
Net cash received from disposal of fixed, intangible and other long-term assets	0.00	0.00
Net cash received from disposal of subsidiaries and other units	0.00	16,360,810.20
Other cash received concerning investing activities	0.00	0.00
Subtotal of cash inflow from investing activities	13,293,709.44	356,405,374.90
Cash paid for purchasing fixed, intangible and other long-term assets	5,852,509.49	7,590,134.57
Cash paid for investment	0.00	295,009,000.00
Net cash received from subsidiaries and other units obtained	0.00	3,151,787.39
Other cash paid concerning investing activities	0.00	0.00
Subtotal of cash outflow from investing activities	5,852,509.49	305,750,921.96
Net cash flows arising from investing activities	7,441,199.95	50,654,452.94
III. Cash flows arising from financing activities:		
Cash received from absorbing investment	0.00	0.00
Cash received from loans	753,433,412.24	1,635,652,509.73

Other cash received concerning financing activities	0.00	0.00
Subtotal of cash inflow from financing activities	753,433,412.24	1,635,652,509.73
Cash paid for settling debts	828,201,638.70	1,363,121,027.51
Cash paid for dividend and profit distributing or interest paying	186,596,883.95	234,609,740.44
Other cash paid concerning financing activities	22,361,441.85	0.00
Subtotal of cash outflow from financing activities	1,037,159,964.50	1,597,730,767.95
Net cash flows arising from financing activities	-283,726,552.26	37,921,741.78
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	-3,973.25	3,623.95
V. Net increase of cash and cash equivalents	-97,019,330.85	-46,459,139.69
Add: Balance of cash and cash equivalents at the period -begin	103,158,696.39	149,617,836.08
VI. Balance of cash and cash equivalents at the period -end	6,139,365.54	103,158,696.39

7. Consolidated Statement of Changes in Owners' Equity

Current period

In RMB

	2025														
	Owners' equity attributable to the parent Company													Minority interests	Total owners' equity
	Share capital	Other equity instrument			Capital reserve	Less : Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Provision of general risk	Retained profit	Other	Subtotal		
	Preferred stock	Perpetual capital securities	Other												
I. Balance at the end of the last year	1,152,535,254.00				1,271,908,217.34		-620,406.95	1,152,617.76	616,729,697.68		1,877,968,762.99		4,919,674,142.82	1,703,053.11	4,921,377,195.93
Add: Changes of accounting policy															
Error correction of the last period															
Other															
II. Balance at the beginning of this year	1,152,535,254.00				1,271,908,217.34		-620,406.95	1,152,617.76	616,729,697.68		1,877,968,762.99		4,919,674,142.82	1,703,053.11	4,921,377,195.93
III. Increase/Decrease in this							-105,864.61	1,152,617.76	25,968,220.55		44,367,277.32		69,077,015.50	42,058.65	69,119,074.15

year (Decrease is listed with “-”)														
(i) Total comprehensive income										243,215,785.97		243,109,921.36	42,058.65	243,151,980.01
(ii) Owners’ devoted and decreased capital														
1. Common shares invested by shareholders														
2. Capital invested by holders of other equity instruments														
3. Amount reckoned into owners equity with share-based payment														
4. Other														
(III) Profit distribution								25,968,220.55		- 198,848,508.65		- 172,880,288.10		- 172,880,288.10
1. Withdrawal of surplus reserves								25,968,220.55		- 25,968,220.55		0.00		
2. Withdrawal of general risk provisions														
3. Distribution for owners (or shareholders)										- 172,880,288.10		- 172,880,288.10		- 172,880,288.10
4. Other														
(IV) Carrying														

forward internal owners' equity														
1. Capital reserves converted to capital (share capital)														
2. Surplus reserves converted to capital (share capital)														
3. Remedying loss with surplus reserve														
4. Carry-over retained earnings from the defined benefit plans														
5. Carry-over retained earnings from other comprehensive income														
6. Other														
(V) Reasonable reserve								- 1,152,617.76 6					- 1,152,617.76	- 1,152,617.76
1. Withdrawal in the report period														
2. Usage in the report period								- 1,152,617.76 6					- 1,152,617.76	- 1,152,617.76
(VI) Others														
IV. Balance at the end of the report period	1,152,535,254.00			1,271,908,217.34		- 726,271.56	0.00	642,697,918.23	1,922,336,040.31	4,988,751,158.32		1,745,111.76	4,990,496,270.08	

Last period

In RMB

Item	2024														
	Owners' equity attributable to the parent Company												Minority interests	Total owners' equity	
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Provision of general risk	Retained profit	Other			Subtotal
Preferred stock		Perpetual capital securities	Other												
I. Balance at the end of the last year	1,152,535,254.00				1,276,151,523.07		-833,174.82	741,968.19	483,103,366.38		1,916,792,566.57		4,828,491,503.39	53,209,554.68	4,881,701,058.07
Add: Changes of accounting policy															
Error correction of the last period															
Other															
II. Balance at the beginning of this year	1,152,535,254.00				1,276,151,523.07		-833,174.82	741,968.19	483,103,366.38		1,916,792,566.57		4,828,491,503.39	53,209,554.68	4,881,701,058.07
III. Increase/Decrease in this year (Decrease is listed with "-")					-4,243,305.73		212,767.87	410,649.57	133,626,331.30		-38,823,803.58		91,182,639.43	-51,506,501.57	39,676,137.86
(i) Total comprehensive income							212,767.87				325,309,578.52		325,522,346.39	-1,165,971.36	324,356,375.03
(ii) Owners' devoted and decreased capital					-4,243,305.73								4,243,305.73	-50,340,530.21	-54,583,835.94
I. Common shares															

invested by shareholders																
2.Capital invested by holders of other equity instruments																
3. Amount reckoned into owners' equity with share-based payment																
4. Other					-	4,243,305.73						-	50,340,530.21	-	54,583,835.94	
(III) Profit distribution							133,626,331.30		-	364,133,382.10		-	230,507,050.80		-	230,507,050.80
1. Withdrawal of surplus reserves							133,626,331.30		-	133,626,331.30						
2. Withdrawal of general risk provisions																
3. Distribution for owners (or shareholders)									-	230,507,050.80		-	230,507,050.80		-	230,507,050.80
4. Other																
(IV) Carrying forward internal owners' equity																
1. Capital																

period															
(VI)Others															
IV. Balance at the end of the report period	1,152,535.00			1,271,908.34		-620,406.95	1,152,617.76	616,729.69		1,877,968.762.99		4,919,674.142.82	1,703,053.11	4,921,377.195.93	

8.Statement of Changes in Owners' Equity (Parent Company)

Current Period

In RMB

Item	2025												
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity	
		Preferred stock	Perpetual capital securities	Other									
I. Balance at the end of the last year	1,152,535,254.00				3,018,298,284.55					344,325,269.54	1,388,762,768.13		5,903,921,576.22
Add: Changes of accounting policy													
Error correction of the last period													
Other													
II. Balance at the beginning of this year	1,152,535,254.00				3,018,298,284.55					344,325,269.54	1,388,762,768.13		5,903,921,576.22
III. Increase / Decrease in this year (Decrease is listed with "-")										25,968,220.55	60,833,696.83		86,801,917.38
(i) Total comprehensive income											259,682,205.48		259,682,205.48
(ii) Owners' devoted and decreased capital													
1. Common shares invested by shareholder													

ders												
2.Capital invested by holders of other equity instruments												
3. Amount reckoned into owners equity with share-based payment												
4. Other												
(III) Profit distribution								25,968,20.55	-	198,848,508.65		-
1. Withdrawal of surplus reserves								25,968,20.55	-	25,968,20.55	0.00	
2. Distribution for owners (or shareholders)									-	172,880,288.10	0.00	-
3. Other												-
(IV) Carrying forward internal owners' equity												
1. Capital reserves converted to capital (share capital)												
2. Surplus reserves converted to capital (share capital)												
3. Remediating loss with surplus reserve												
4.Carry-over retained earnings from the defined benefit plans												
5.Carry-over retained earnings												

from other comprehensive income												
6. Other												
(V) Reasonable reserve												
1. Withdrawal in the report period												
2. Usage in the report period												
(VI) Others												
IV. Balance at the end of the report period	1,152,535,254.00				3,018,298,284.55				370,293,490.09	1,449,596,464.96		5,990,723,493.60

Last period

In RMB

Item	2024											
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity
		Preferred stock	Perpetual capital securities	Other								
I. Balance at the end of the last year	1,152,535,254.00				3,018,106,568.27				210,698,938.24	416,632,837.22		4,797,973,597.73
Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. Balance at the beginning of this year	1,152,535,254.00				3,018,106,568.27				210,698,938.24	416,632,837.22		4,797,973,597.73
III. Increase / Decrease in this year (Decrease is listed with "-")					191,716.28				133,626,331.30	972,129,930.91		1,105,947,978.49

(i) Total compreh ensive income										1,336,26 3,313.01		1,336,26 3,313.01
(ii) Owners' devoted and decrease d capital					191,716. 28							191,716. 28
1. Comm on shares invested by sharehol ders												
2. Capita l invested by holders of other equity instrume nts												
3. Amount reckone d into owners equity with share- based payment												
4. Other					191,716. 28							191,716. 28
(III) Profit distribut ion									133,626, 331.30	- 364,133, 382.10		- 230,507, 050.80
1. Withdra wal of surplus reserves									133,626, 331.30	- 133,626, 331.30		0.00
2. Distribu tion for owners (or sharehol ders)										- 230,5 07,05 0.80		- 230,5 07,05 0.80
3. Other												
(IV) Carryin g forward internal owners' equity												
1. Capital reserves convers ed to capital (share capital)												
2. Surplus reserves convers ed to capital (share capital)												

3. Remedy ing loss with surplus reserve												
4. Carry- over retained earnings from the defined benefit plans												
5. Carry- over retained earnings from other compreh ensive income												
6. Other (V) Reasona ble reserve												
1. Withdra wal in the report period												
2. Usage in the report period (VI)Oth ers												
IV. Balance at the end of the report period	1,152,53 5,254.00				3,018,29 8,284.55				344,325, 269.54	1,388,76 2,768.13		5,903,92 1,576.22

III. Basic information of Company

Shenzhen Cereals Holdings Co., Ltd. (formerly the Shenzhen Shenbao Industrial Co., Ltd., hereinafter referred to as “SZCH”, “Company” or “the Company”), formerly named Shenzhen Shenbao Canned Food Company, obtained approval (Document (1991) No.978) from Shenzhen Municipal People’s Government to change to the name as Shenzhen Shenbao Industrial Co., Ltd. on August 1991. Approved by the People’s Bank of China(Document (1991)No.126), the Company was listed on Shenzhen Stock Exchange. The Company belongs to the grain, oil, food and beverage industry.

As of December 31, 2023, the cumulative amount of shares issued by the Company was 1,152,535,254 shares with registered capital of 1,152,535,254.00 yuan. Registered address: Shenzhen, Guangdong Province; HQ of the Company: 8/F, Tower B, No.4 Building, Software Industry Base, South District, Science & Technology Park, Xuefu Rd., Yuehai Street, Nanshan District, Shenzhen.

Main business of the Company: wholesale and retail business, food processing and manufacturing business, leasing and business service business. The wholesale and retail business mainly involves the sales of grain and oil products such as rice, wheat, rice, corn, barley, sorghum, edible oil, etc., as well as fine tea, beverages and condiments. The food processing and manufacturing business mainly includes the processing of flour, rice, edible oil, tea and natural plant extracts, beverages, condiments, etc. The leasing and business service business provides grain, oil and food and beverage import and export trade, warehousing and storage, logistics and distribution, quality testing, information technology services, property leasing and management, commercial operation management

and other services for all kinds of customers upstream and downstream of the industrial chain.

The parent enterprise of the Company is Shenzhen Food Materials Group Co., Ltd and the actual controller of the Company is Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission

The financial statements and notes to financial statements has been approved by the 24th meeting of the 11th session of BOD of the company on April 24, 2026.

IV. Basis of preparation of financial statements

1. Basis of preparation

The financial statement are prepared in line with the Accounting Standards for Business Enterprise -Basic Standard issued by Ministry of Finance and specific accounting principle as well as the application guidance for the accounting principles for enterprise, interpretation to the accounting principles for enterprise and other related requirements (hereinafter referred to as Accounting Standards for Business Enterprise), combining the Information Disclosure Preparation Rules for Company Public Issuing Securities No.15-General Rules for Financial Report of the CSRC(Revised in 2023).

2. Going concern

The financial statement has been prepared on a going concern basis.

V. Major accounting policy and accounting estimate

Specific accounting policies and accounting estimate tips:

the company has determined fixed asset depreciation, intangible asset amortization, and revenue recognition policies based on its own production and operation characteristics. Specific accounting policies can be found in Note III.17, Note III. 21, Note III.22 and Note III.27.

1. Statement for observation of Accounting Standard for Business Enterprise

The financial statements prepared by the Company are in accordance to requirements of Accounting Standard for Business Enterprise issued by Ministry of Finance, which truly and completely reflect the financial status of the Company and parent company on December 31, 2025, as well as the consolidate and parent company's operational results and cash flow for year of 2025.

2. Accounting period

Calendar year is the accounting period for the Company, that is falls to the range starting from 1 January to 31 December.

3. Operating cycle

Operating cycle of the Company is 12 months

4. Standard currency

The Company and its subsidiaries take RMB as the standard currency for bookkeeping. Overseas subsidiaries select their accounting base currency based on the currency of the main economic environment in which they operate.

5. Method for determining importance criteria and selection criteria

Applicable Not applicable

Item	Importance criteria
Important accounts receivable with single provision for bad debt reserves	Amount \geq 10000000
Other accounts receivable with significant single provision for bad debt reserves	Amount \geq 10000000 •
Major construction in progress	Amount \geq 10,000,000
Significant investment activities	Amount \geq 10,000,000
Important joint venture or associated enterprise	Associated enterprises and joint ventures where the cost, carrying amount of long-term equity investments, or investment income therefrom is RMB 10 million or more; or where the share of the investee's net profit recognized in the current period accounts for 5% or more of the Company's consolidated net profit;
Other important events	Other items with a single amount exceeding 0.5% of the total assets.

6. Accounting treatment methods for business combinations under the same control and those not under the same control

(1) Merger of enterprises under the same control

For merge of business under the same control, the assets and liabilities of the merged party acquired by the merging party in the merger shall be measured at the carrying amount of the merged party in the final controlling party's consolidated financial statements on the merger date. The difference between the book value of the merger consideration (or the total face value of the issued shares) and the book value of the net assets obtained in the merger shall be adjusted to the capital reserve (share premium). If the capital reserve (share premium) is insufficient to offset, the retained earnings shall be adjusted.

Implementing enterprise mergers under the same control through multiple transactions and step-by-step implementation

The assets and liabilities of the merged party acquired by the merging party in the merger shall be measured at their carrying amounts in the consolidated financial statements of the ultimate controlling party on the merger date; The difference between the book value of the investments held before the merger and the book value of the newly paid consideration on the merger date, and the book value of the net assets obtained during the merger, is adjusted to the capital reserve (share premium). If the capital reserve is insufficient to offset, the retained earnings are adjusted. The long-term equity investment held by the merging party before obtaining control of the merged party shall be offset against the beginning retained earnings or current period gains/losses of the comparative financial period, respectively, in case the relevant gains/losses, other comprehensive income and other changes in shareholders' equity have been recognized within the period from the latter between the date of acquiring the original equity and the date when the merging party and the merged party are under the same ultimate control as the merging party to the merging date.

(2) Merger of enterprises not under the same control

For merge of enterprises not under the same control, the merger cost is the fair value of the assets paid, liabilities incurred or assumed, and equity securities issued on the acquisition date to obtain control over the acquired party. On the purchase date, the assets, liabilities, and contingent liabilities of the acquired party are recognized at fair value.

The difference between the merger cost and the fair value share of identifiable net assets obtained from the acquired party in the merger shall be recognized as goodwill and subsequently measured at cost minus accumulated impairment provisions; In case the merge cost is lower than the fair value of identifiable net assets obtained from the acquired party in the merge, the difference shall be recognized in the gains/losses of current period after review.

Implementing business mergers under different control through multiple transactions in stages

The merger cost is the sum of the consideration paid on the purchase date and the fair value of the equity of the acquired party held prior to the purchase date. For the equity of the purchased party already held before the purchase date, it shall be remeasured at its fair value on the purchase date, and the difference between the fair value and its book value shall be recognized in the current investment income; The changes in other comprehensive income and other shareholders' equity involved with the equity of the purchased party before purchase date shall be carried forward to the current income of the purchase date, not including other comprehensive income arising from changes in net liabilities or net assets if the invested entity remeasures the defined benefit plan, as well as other comprehensive income related to non-trading equity instrument investments that were originally designated to be measured at fair value with changes recognized in other comprehensive income.

(3) Treatment of transaction costs in enterprise merger

The intermediary fees for auditing, legal services, evaluation and consulting, as well as other related management expenses incurred for business mergers, are recognized in the current period's gains/losses when incurred. The transaction costs of equity or debt securities issued as consideration for the merger shall be included in the initial recognition amount of equity or debt securities.

7. Criteria for judging control and preparation methods for consolidated financial statements

(1) Criteria for judging control

The consolidation scope of the consolidated financial statements is determined based on control. Control refers to the company having the power over the invested entity, enjoying variable returns through participating in related activities of the invested entity, and having the ability to use the power over the invested entity to influence its return amount. When changes in relevant facts and circumstances result in changes in the relevant elements involved in the definition of control, the company will conduct reassessment.

When determining whether to include a structured entity in the scope of consolidation, the company takes into account all facts and circumstances, including evaluating the purpose and design of the establishment of the structured entity, identifying the types of variable returns, and evaluating whether to control the structured entity by participating in its related activities and assuming some or all of the variability of returns.

(2) Method of preparing consolidated financial statements

The consolidated financial statements are based on the financial statements of the Company and its subsidiaries, and are prepared by the Company based on other relevant information. When preparing consolidated financial statements, the accounting policies and period requirements of the Company and its subsidiaries are consistent, and significant transactions and balances between companies are offset.

During the reporting period, subsidiaries and businesses added due to merge of enterprises under the same control shall be deemed to be included in the scope of the company's consolidation from the date of being under the same ultimate control. The operating results and cash flows from the date of being under the same ultimate control shall be separately included in the consolidated income

statement and consolidated cash flow statement.

During the reporting period, the income, expenses, and profits of subsidiaries and businesses added due to merge of enterprises not under the same control from the purchase date to the end of the reporting period shall be included in the consolidated income statement, and their cash flows shall be included in the consolidated cash flow statement.

The portion of the shareholder's equity of the subsidiary that does not belong to the company shall be separately listed as minority shareholder's equity in the consolidated balance sheet under the shareholder's equity item; The shares belonging to minority interests in the current net gains and losses of subsidiaries are presented as minority interests under the net profit in the consolidated income statement. In case the losses assumed by the minority shareholders in the subsidiary exceed their share in the initial owner's equity of the subsidiary, the balance shall still offset against the decrease in the minority shareholder's equity.

(3) Purchase of minority shareholder equity in subsidiary companies

The difference between the cost of newly acquired long-term equity investments due to the purchase of minority equity and the net asset that should be continuously calculated from the date of purchase or merger based on the new shareholding ratio, as well as the difference between the disposal price obtained from partial disposal of equity investments in subsidiaries without losing control and the net asset that should be continuously calculated from the date of purchase or merger corresponding to the disposal of long-term equity investments, shall be adjusted to the capital reserve (share premium) in the consolidated balance sheet. If the capital reserve is insufficient to offset, retained earnings shall be adjusted.

(4) Treatment of loss of control over subsidiaries

If control over the original subsidiary is lost due to the disposal of partial equity investments or other reasons, the remaining equity shall be remeasured at fair value on the date of loss of control; The difference between the sum of the consideration obtained from the disposal of equity and the fair value of the remaining equity, minus the sum of the book value of net asset book of the original subsidiary that should have been continuously calculated from the purchase date based on the original shareholding ratio and the goodwill, is recognized in the investment income for the period when control is lost.

Other comprehensive income related to equity investments in the original subsidiary should be accounted for on the same basis as the direct disposal of related assets or liabilities by the original subsidiary when control is lost. Other changes in owner's equity related to the original subsidiary and measured at equity method should be transferred to the current period's gains and losses when control is lost.

8. Classification of joint venture arrangements and accounting treatment methods for joint operations

Joint venture arrangement refers to an arrangement jointly controlled by two or more participating parties. The joint venture arrangements of the company are divided into joint operations and joint ventures.

(1) Joint operation

In joint operation, the company enjoys the assets related to the arrangement and assumes the liabilities related to the arrangement.

The company confirms the following items related to the share of interests in joint operations and conducts accounting treatment in accordance with the relevant accounting standards for enterprises:

- A. Recognize individually held assets and jointly held assets based on their respective shares;
- B. Recognize individual liabilities and jointly assume liabilities based on their respective shares;
- C. Recognize the income generated from the sale of its share of joint operating output;

D. Recognize the revenue generated from the sale of output in joint operations based on their share;

E. Recognize the expenses incurred separately, and the expenses incurred in joint operations based on their respective shares.

(2) Joint venture

In a joint venture, the company only has the right to the net assets arranged by it.

The company accounts for investments in joint ventures in accordance with the provisions of equity method accounting for long-term equity investments.

9. Recognition standards for cash and cash equivalents

Cash refers to the cash on hand and cash equivalents of deposits that can be used for payment at any time. Cash equivalent refers to the investment held by the Company with short maturity and strong liquidity that are easy to be converted into known amounts with little risk of change in cash value.

10. Foreign currency transactions and foreign currency statement translation

(1) Foreign currency transactions

The company conducts foreign currency business and converts the amount of the accounting currency at the exchange rate which is determined in a systematic and reasonable manner and is approximately the spot exchange rate on the date of transaction.

On the balance sheet date, foreign currency monetary items are converted with the spot exchange rate on the balance sheet date. The exchange difference arising from the difference between the spot exchange rate on the balance sheet date and the exchange rate for initial recognition or on the previous balance sheet date shall be recognized in the current period's gains and losses; For foreign currency non-monetary items measured at historical cost, the spot exchange rate on the transaction date shall still be used for translation; For foreign currency non-monetary items measured at fair value, the spot exchange rate on the date of fair value determination is adopted. The difference between the converted amount in the accounting currency and the original amount in the accounting currency is recognized in the gains and losses of current period or other comprehensive income based on the nature of the non-monetary item.

(2) Translation of foreign currency financial statements

At the balance sheet date, when translating the foreign currency financial statements of overseas subsidiaries, for the assets and liabilities items in the balance sheet, the spot exchange rate on the balance sheet date is used for translation. For the items of shareholders' equity, except for "retained profits", other items are translated at the spot exchange rate on the date of occurrence.

For the revenue and expense items in the income statement, the exchange rate determined by a reasonable method of the system and approximate to the spot exchange rate on the transaction date will be available for translation.

All items in the cash flow statement are translated at the exchange rate determined by a reasonable method of the system and approximate to the spot exchange rate on the date of cash flow occurrence. The impact amount of exchange rate fluctuations on cash is treated as an adjustment item, and is booked into the "Impact of Exchange Rate Fluctuations on Cash and Cash Equivalents" which is separately presented in the cash flow statement.

The difference arising from the translation of financial statements is presented in “Other Comprehensive Income” under the shareholders’ equity items in the balance sheet.

In case of disposing of an overseas operation and losing control rights, the translation difference of the foreign currency statements related to this overseas operation, which is presented under the items of owners' equity in the balance sheet, shall be transferred in full or in proportion to the gains/losses of the period of the disposal of such overseas operation.

11. Financial instrument

Financial instrument is the contract that forms the financial assets for an enterprise and forms the financial liability or equity instrument for other units.

(1) Recognition and de-recognition of financial instruments

The company recognizes the financial asset or liability when it becomes a party to a financial instrument contract.

Financial assets that meet one of the following conditions shall be derecognized:

- ① The contractual right to receive cash flows from the financial asset is terminated;
- ② The financial asset has been transferred and meets the conditions for derecognizing the transfer of financial assets as follows.

In case the current obligations of a financial liability have been fully or partially relieved, the financial liability or a portion thereof shall be derecognized. In case the company (debtor) signs an agreement with creditors to replace existing financial liabilities by assuming new financial liabilities, and the contractual terms of the new financial liabilities are substantially different from those of the existing financial liabilities, the existing financial liabilities shall be derecognized and the new financial liabilities shall be recognized simultaneously.

The financial assets bought or sold in conventional manners shall be recognized or derecognized on the trading day.

(2) Classification and initial measurement of financial assets

At the initial recognition, according to the business model of managing financial assets and the contractual cash flow characteristics of financial assets, the Company classifies the financial assets into the financial assets measured at amortized cost, the financial assets measured at fair value and whose changes are included in other comprehensive income, and the financial assets measured at fair value and whose changes are included in current profit or loss.

Financial assets are measured at fair value for initial recognition. For financial assets measured at fair value with changes recognized in the gains and losses of current period, the relevant transaction costs are directly recognized in the gains and losses of current period; For other categories of financial assets, relevant transaction costs are included in the initial recognition amount. The accounts receivable arising from the sale of products or provision of services, which do not include or consider significant financing components, shall be recognized at the expected amount of consideration that the company is entitled to receive for initial recognition.

Financial assets measured at amortized cost

The Company classifies the financial assets that meet the following conditions and are not designated as financial assets measured at fair value and whose changes are included in current profit or loss as financial assets measured at amortized cost:

- The group’s business model for managing the financial assets is to collect contractual cash flows; and
- The contractual terms of the financial assets stipulate that cash flow generated on a specific date will be only used to pay for the principal and interest based on the outstanding principal amount.

After initial recognition, such financial assets are measured at amortized cost with the effective interest method. Gains or losses

arising from financial assets which are measured at amortized cost and are not a component of any hedging relationship are included in current profit or loss when being terminated for recognition, amortized by effective interest method, or impaired.

Financial assets measured at fair value and whose changes are included in other comprehensive income

The Company classifies the financial assets that meet the following conditions and are not designated as financial assets measured at fair value and whose changes are included in current profit or loss as financial assets measured at fair value and whose changes are included in other comprehensive income:

- The Group's business model for managing the financial assets is targeted at both the collection of contractual cash flows and the sale of financial assets; and
- The contractual terms of the financial asset stipulate that the cash flow generated on a specific date is only used to pay for the principal and the interest based on the outstanding principal amount.

After initial recognition, such financial assets are subsequently measured at fair value. Interests, impairment losses or gains and exchange gains and losses calculated with the effective interest method are included in profit or loss for the period, and other gains or losses are included in other comprehensive income. At the time of derecognition, the accumulated gains or losses previously included in other comprehensive income shall be carried forward from other comprehensive income to current profit or loss.

Financial assets measured at fair value and whose changes are included in current profit or loss

Except for the above financial assets measured at amortized cost and measured at fair value and whose changes are included in other comprehensive income, the Company classifies all other financial assets as financial assets measured at fair value and whose changes are included in current profit or loss. In the initial recognition, in order to eliminate or significantly reduce accounting mismatch, the Company irreversibly designates part of the financial assets that should be measured at amortized cost or measured at fair value and whose changes are included in the other comprehensive income as the financial assets measured at fair value and whose changes are included in current profit or loss.

After the initial recognition, such financial assets are subsequently measured at fair value, and the gains or losses (including interests and dividend income) are included in the current profit and loss, unless the financial assets are part of the hedging relationship.

The business model of managing financial assets refers to how the company manages financial assets to generate cash flow. The business model determines whether the source of cash flow for the financial assets managed by the company is to receive contract cash flow, sell financial assets, or a combination of both. the company determines the business model for managing financial assets based on objective facts and specific business objectives determined by key management personnel.

The company evaluates the contractual cash flow characteristics of financial assets to determine whether the contractual cash flow generated by the relevant financial assets on a specific date is only for the payment of principal and interest based on the outstanding principal amount. Principal refers to the fair value of financial assets at initial recognition; Interest includes consideration for the time value of money, credit risk associated with outstanding principal amounts for a specific period, and other basic lending risks, costs, and profits. In addition, the company evaluates contract terms that may cause changes in the time distribution or amount of cash flows in financial asset contracts to determine whether they meet the requirements of the aforementioned contract cash flow characteristics.

Only when the company changes its business model for managing financial assets, all affected related financial assets shall be reclassified on the first day of the first reporting period after the change in business model. Otherwise, financial assets shall not be reclassified after initial recognition.

(3) Classification and measurement of financial liabilities

The financial liabilities of the company are classified at initial recognition as financial liabilities measured at fair value through gains and losses of current period, financial liabilities measured at amortized cost. For financial liabilities that are not classified as measured at fair value and whose changes are recognized in the gains and losses of current period, the relevant transaction costs are included in their initial recognition amount.

Financial liabilities measured at fair value through gains and losses

Financial liabilities measured at fair value through gains and losses include trading financial liabilities and financial liabilities designated at initial recognition as measured at fair value through profit or loss. For such financial liabilities, subsequent measurements are made at fair value, and gains or losses resulting from changes in fair value, as well as dividends and interest expenses related to such financial liabilities, are recognized in the gains and losses of current period.

Financial liabilities measured at amortized cost

Other financial liabilities are measured with effective interest rate method at amortized cost, and any gains or losses arising from derecognition or amortization are recognized in the gains and losses of current period.

The distinction between financial liabilities and equity instruments

Financial liabilities refer to liabilities that meet one of the following conditions:

- ① The contractual obligation to deliver cash or other financial assets to other parties.
- ② Contractual obligations to exchange financial assets or liabilities with other parties under potential adverse conditions.
- ③ Non-derivative instrument contracts that require or can be settled with the company's own equity instruments in the future, and the company will deliver a variable number of its own equity instruments according to this contract.
- ④ Derivative instrument contracts that require or can be settled with the company's own equity instruments in the future, except for derivative instrument contracts where a fixed amount of self-equity instruments is exchanged for a fixed amount of cash or other financial assets.

Equity instruments refer to contracts that prove ownership of the remaining equity in assets of a certain enterprise after deducting all liabilities.

If the company cannot unconditionally avoid fulfilling a contractual obligation by delivering cash or other financial assets, such contractual obligation meets the definition of financial liability.

If a financial instrument needs to be settled or can be settled with the company's own equity instruments, it is necessary to consider whether the company's own equity instruments used to settle the instrument are used as substitutes for cash or other financial assets, or to enable the holder of the instrument to enjoy the remaining equity in the assets after deducting all liabilities from the issuer. If it is the former, the instrument is the financial liability of the company; If it is the latter, the instrument is the equity instrument of the company.

(4) Derivative financial instruments and embedded derivative instruments

The derivative financial instruments of the company are initially measured at fair value on the date of signing the derivative transaction contract, and are subsequently measured at their fair value. The derivative financial instruments with a positive fair value are recognized as an asset, while those with a negative fair value are recognized as a liability. Any gains or losses arising from changes in fair value that do not comply with hedge accounting regulations are directly recognized in the gains and losses of current period.

For mixed instruments containing embedded derivative instruments, in case the main contract is a financial asset, the relevant provisions for financial asset classification shall apply to the mixed instruments as a whole. If the main contract is not a financial asset, and the mixed instrument is not measured at fair value through gains and losses, the embedded derivative instrument is not closely related to the main contract in terms of economic characteristics and risks, and has the same conditions as the embedded derivative instrument, and the separate instrument meets the definition of a derivative instrument, the embedded derivative instrument is separated from the mixed instrument and treated as a separate derivative financial instrument. If it is not possible to separately measure embedded derivative instruments at the time of acquisition or subsequent balance sheet dates, the mixed instrument as a whole shall be designated as a financial asset or liability measured at fair value with its changes recognized in the gains and losses of current period.

(5) Fair value of financial instruments

The method for determining the fair value of financial assets and financial liabilities can be found in Note III. 12 of the audit report.

(6) Impairment of financial assets

Based on expected credit losses, the company conducts impairment accounting treatment and recognizes loss provisions for the following items:

- Financial assets measured at amortized cost;
- Accounts receivable and debt instrument investments measured at fair value with changes recognized in other comprehensive income;
- Contract assets defined in Enterprise Accounting Standard No. 14- Revenue;
- Lease receivables;
- Financial guarantee contracts (excluding those measured at fair value through profit or loss, transfer of financial assets that do not meet the termination recognition conditions, or continued involvement in the transferred financial assets).

Measurement of expected credit losses

Expected credit loss refers to the weighted average of credit losses of financial instruments weighted by the risk of default. Credit loss refers to the present value of all cash shortages, which is the difference between all contractual cash flows receivable discounted at the original effective interest rate and expected cash flows received by the company.

Considering reasonable and evidence-based information regarding past events, current conditions, and predictions of future economic conditions, with the risk of default as the weight, the company calculates the probability weighted amount of the present value of the difference between the cash flows receivable under the contract and the expected cash flows to be received, and recognize the expected credit loss.

The company measures the expected credit losses of financial instruments at different stages separately. If the credit risk of financial instruments has not significantly increased since initial recognition, they are in the first stage, and the company measures the loss provision based on the expected credit losses within the next 12 months; If the credit risk of a financial instrument has significantly increased since initial recognition but has not yet experienced credit impairment, it is in the second stage and the company measures the provision for losses based on the expected credit losses of the instrument over its entire duration; If a financial instrument has experienced credit impairment since its initial recognition, it is in the third stage, and the company measures the provision for losses

based on the expected credit losses of the instrument over its entire duration.

For financial instruments with lower credit risk on the balance sheet date, the company assumes that their credit risk has not significantly increased since initial recognition and measures loss provisions based on expected credit losses over the next 12 months.

The expected credit loss for the entire expected duration of a financial instrument refers to the expected credit loss caused by all possible default events that may occur throughout the expected duration of the financial instrument. The expected credit loss within the next 12 months implies the expected credit loss that may occur due to a default event of a financial instrument within the next 12 months after the balance sheet date (within the expected duration in case the expected maturity of the financial instrument is less than 12 months), which is a part of the expected credit loss for the entire duration).

When measuring expected credit losses, the longest term that the company needs to consider is the longest contract term that the enterprise faces credit risk (including considering renewal options).

For financial instruments in the first and second stages, as well as those with lower credit risk, the company calculates interest income based on their book balance without deducting impairment provisions and actual interest rate. For financial instruments in the third stage, interest income is calculated based on their book balance minus the amortized cost of impairment provisions and the actual interest rate.

For receivables such as notes receivable, accounts receivable, and other receivables, if the credit risk characteristics of a certain customer are significantly different from those of other customers in the portfolio, or if there is a significant change in the credit risk characteristics of that customer, the company will make individual separate bad debt reserve for that receivable. Except for accounts receivable with individual bad debt reserve, the company classifies accounts receivable into portfolios based on credit risk characteristics and calculates bad debt reserve on the basis of portfolio.

Notes receivable, accounts receivable and contract assets

For notes receivable and accounts receivable, regardless of whether there are significant financing components, the company always measures its loss provision at an amount equivalent to the expected credit loss for the entire duration.

When it is unable to assess the expected credit losses of a single financial asset at a reasonable cost, the company categories accounts receivable and notes receivable into portfolios based on credit risk characteristics, calculates expected credit losses on the basis of portfolio, and determines the basis for portfolio and the method for measuring expected credit losses as follows:

A. Notes receivable

Accounts receivable portfolio 1: Bank acceptance bill

Accounts receivable portfolio 2: Commercial acceptance bill

B. Accounts receivable

Accounts receivable portfolio 1: Sales receivables portfolio

Accounts receivable portfolio 2: Specific object portfolio

For accounts receivable and contract assets classified into portfolio, the company, based on historical credit loss experience, combined with current conditions and predictions of future economic conditions, calculate the expected credit loss by default risk exposure and the expected credit loss rate for the entire duration

For accounts receivable classified into portfolio, the company, based on historical credit loss experience, combined with current conditions and predictions of future economic conditions, prepare a comparison table between the aging of accounts receivable and the expected credit loss rate for the entire duration, and calculate the expected credit loss. The aging of the accounts receivable is calculated since the recognition date of accounts receivable.

Other receivables

The company categories other receivables into several combinations based on credit risk characteristics, calculates expected credit losses on the basis of portfolio, and determines the basis for portfolio as follows:

Other accounts receivable portfolio 1: Expected portfolio of credit risk characteristics

Other accounts receivable portfolio 2: Specific object portfolio

For other receivables classified into portfolio, the company, based on historical credit loss experience, calculate the expected credit loss by default risk exposure and the expected credit loss rate over the next 12 months or the entire duration. The aging of the accounts receivable is calculated since the recognition date of other accounts receivable.

Debt investment and other debt investments

For debt investments and other debt investments, the company calculates expected credit losses based on the nature of the investment, various types of counterparties and risk exposure, default risk exposure, and expected credit loss rate for the next 12 months or the entire duration.

Assessment of significant increase in credit risk

The company compares the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date to determine the relative change in default risk during the expected duration of financial instruments, in order to evaluate whether the credit risk of financial instruments has significantly increased since initial recognition.

When determining whether credit risk has significantly increased since initial recognition, the company considers reasonable and evidence-based information, including forward-looking information, that can be obtained without unnecessary additional costs or efforts. The information considered by the company includes:

- The debtor fails to pay the principal and interest on the due date of the contract;
- Serious deterioration of external or internal credit ratings (if any) of financial instruments that have occurred or are expected to occur;
- Serious deterioration of the debtor's operating results that has occurred or is expected to occur;
- Existing or anticipated changes in technology, market, economy, or legal environment that will have a significant adverse impact on the debtor's ability to repay the company.

Based on the nature of financial instruments, the company evaluates whether credit risk significantly increases based on individual financial instruments or combinations of financial instruments. When performing assessment based on financial instruments portfolio, the company can classify financial instruments based on common credit risk characteristics, such as overdue information and credit risk ratings.

If the overdue period exceeds 30 days, the company determines that the credit risk of the financial instrument has significantly increased.

Financial assets that have experienced credit impairment

The company assesses on the balance sheet date whether financial assets measured at amortized cost and debt investments measured at fair value with changes recognized in other comprehensive income have experienced credit impairment. When one or more events that have an adverse impact on the expected future cash flows of a financial asset occur, the financial asset becomes a financial asset

that has experienced credit impairment. Evidence of credit impairment of financial assets includes the following observable information:

- The issuer or debtor encounters significant financial difficulties;
- The debtor violates the contract, such as paying interest or principal in default or overdue;
- Due to economic or contractual considerations related to the financial difficulties of the debtor, the company will not make any concessions to the debtor under any other circumstances;
- The debtor is likely to go bankrupt or undergo other financial restructuring;
- The financial difficulties of the issuer or debtor have led to the disappearance of the active market for the financial asset.

Reporting of provisions for expected credit losses

To reflect the changes in credit risk of financial instruments since initial recognition, the company remeasures expected credit losses on each balance sheet date. The consequent increase or reversal of loss provisions should be recognized as impairment losses or gains in the gains and losses of current period. For financial assets measured at amortized cost, the provision for losses shall offset the booking amount of the financial asset as stated in the balance sheet; For debt investments measured at fair value with changes recognized in other comprehensive income, the loss provision shall be recognized in other comprehensive income and does not offset the booking amount of the financial asset.

Write-off

If the company no longer reasonably expects the cash flow of the financial asset contract to be fully or partially recovered, the book amount of the financial asset shall be directly written down. This write down constitutes the derecognition of related financial assets. This situation usually occurs when the company determines that the debtor does not have assets or sources of income to generate sufficient cash flow to repay the amount to be written down. However, according to the company's procedures for recovering due payments, the financial assets that have been written down may still be affected by execution activities.

In case financial assets that have been written down are subsequently recovered, the reversed impairment losses shall be booked into the gains and losses of current period.

(7) Financial asset transfer

Financial asset transfer refers to the transfer or delivery of financial assets to another party (transferee) other than the issuer of the financial asset.

If the company has transferred almost all the risks and rewards of ownership of financial assets to the transferee, the financial asset shall be derecognized; If almost all risks and rewards related to ownership of financial assets are retained, the financial asset will not be derecognized.

In case the company neither transfers nor retains almost all the risks and rewards related to the ownership of financial assets, the following situations shall be handled separately: if the control over the financial asset is abandoned, the financial asset shall be derecognized and the resulting assets and liabilities shall be recognized; if the control over the financial asset is not abandoned, the relevant financial asset shall be recognized based on the continued involvement of the company in the transferred financial asset, and corresponding liabilities shall be recognized.

(8) Balance-out between the financial assets and liabilities

As the company has the legal right to balance out the financial liabilities by the net or liquidation of the financial assets, the balance-out sum between the financial assets and liabilities is listed in the balance sheet. In addition, the financial assets and liabilities are listed in the balance sheet without being balanced out.

12. Note receivable

13. Account receivable

14. Receivable financing

15. Other account receivable

16. Contract asset

17. Inventory

(1) Classification of inventory

Inventory includes raw materials, revolving material, goods in process, goods in transit and work in process-outsourced and so on.

(2) Valuation methods for delivery of inventory

The inventory of the company is valued at actual cost upon acquisition. The raw materials, and inventory goods are priced using the weighted average method or individual valuation method at the time of shipping.

(3) Determination basis and provision method for inventory depreciation reserves

On the balance sheet date, inventory is measured at the lower between cost and net realizable value. When its net realizable value is lower than cost, the inventory impairment provision is made.

The net realizable value is the amount obtained by subtracting the estimated cost to be incurred until completion, estimated sales expenses, and related taxes from the estimated selling price of inventory. When determining the net realizable value of inventory, it is based on conclusive evidence obtained, while considering the purpose of holding inventory and the impact of events after the balance sheet date.

The company usually makes inventory impairment provision based on individual inventory items.

On the balance sheet date, if the factors affecting the previous write-down of inventory value have disappeared, the inventory impairment provision shall be reversed within the originally provisioned amount.

(4) Inventory system

Inventory system is the perpetual inventory system.

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

Low-value consumables and packaging materials adopt the method of primary resale;

18.Asset held for sale

(1) Recognition criteria and accounting treatment for non-current assets or disposal groups classified as held-for-sale category

In case the company recovers the carrying value of a non-current asset or a disposal group mainly through selling (including non-monetary asset exchanges with commercial substance) rather than continuous use, such non-current asset or disposal group shall be classified as held-for-sale category.

The above-mentioned non-current assets do not include investment real estate measured subsequently at fair value, biological assets measured at the net amount of fair value minus selling expenses, assets formed from employee benefits, financial assets, deferred income tax assets, and rights arising from insurance contracts.

A disposal group refers to a group of assets that are disposed of as a whole through sale or other means in a single transaction, as well as the liabilities directly related to these assets that are transferred in the transaction. Under certain circumstances, a disposal group includes goodwill obtained in a business combination.

Non-current assets or disposal groups that meet the following conditions simultaneously shall be classified as held-for-sale category categories: In accordance with the practice of selling such assets or disposal groups in similar transactions, the non-current assets or disposal groups can be sold immediately in their current state; the sale is highly likely to occur, that is, a resolution has been made on a sales plan and a firm purchase commitment has been obtained, and it is expected that the sale will be completed within one year. In the case of losing control over a subsidiary due to reasons such as the sale of investment in the subsidiary, regardless of whether the company retains part of the equity investment after the sale, when the investment in the subsidiary to be sold meets the classification conditions for the held-for-sale category, the investment in the subsidiary as a whole shall be classified as the held-for-sale category in the individual financial statements, and all the assets and liabilities of the subsidiary shall be classified as the held-for-sale category in the consolidated financial statements.

When initially measuring or re-measuring a non-current asset or disposal group held-for-sale at the balance sheet date, the difference between the carrying value and the net amount of fair value minus selling expenses shall be recognized as an asset impairment loss. For the amount of asset impairment loss recognized for a disposal group held-for-sale, the carrying value of the goodwill in the disposal group shall be offset first, and then the carrying values of the various non-current assets in the disposal group shall be offset proportionally according to the proportion of their respective carrying values.

If the net amount of the fair value of a non-current asset or disposal group held-for-sale minus selling expenses increases at a subsequent balance sheet date, the previously written-down amount shall be restored and reversed within the amount of asset impairment loss recognized after being classified as held-for-sale category, and the reversed amount shall be included in the current gains/losses. The written-down carrying value of the goodwill shall not be reversed.

The non-current assets held-for-sale and the assets in the disposal group held-for-sale shall not be depreciated or amortized; the interest and other expenses of the liabilities in the disposal group held-for-sale shall continue to be recognized. For all or part of the investment in associated enterprise or joint venture classified as held-for-sale category, the equity method of accounting shall be suspended for the part classified as held-for-sale, and the retained part not classified as held-for-sale category shall continue to be accounted with the equity method; in case the company loses significant influence over the associated enterprise or joint venture due to sale, the equity method of accounting shall be suspended.

If a certain non-current asset or disposal group is classified as held-for-sale category but later no longer meets the classification conditions for held-for-sale category, the company shall stop classifying it as held-for-sale category and measure it at the lower of the following two amounts:

- ① The carrying value of the asset or disposal group before it was classified as held-for-sale category, adjusted according to the depreciation, amortization or impairment that should have been recognized assuming it had not been classified as held-for-sale category;
- ② The recoverable amount.

(2) Recognition criteria for discontinued operations

Discontinued operation refers to a separately distinguishable component that has been disposed of by the company or classified as held-for-sale category by the company and meets one of the following conditions:

- ① The component represents an independent major business or a separate major operating region.
- ② The component is part of a related plan for the disposal of an independent major business or a separate major operating region.
- ③ The component is a subsidiary acquired specifically for resale.

(3) Presentation

The company presents the non-current assets held-for-sale or the assets in the disposal group held-for-sale in the balance sheet in “Assets held-for-sale”, and presents the liabilities in the disposal group held-for-sale in “Liabilities held-for-sale”.

The company presents the gains/losses from continuing operations and the gains/losses from discontinued operations separately in the income statement. For non-current assets or disposal groups held-for-sale that do not meet the definition of discontinued operations, their impairment losses, reversal amounts and disposal gains/losses are presented as the gains/losses from continuing operations. The impairment losses, reversal amounts and other operating gains/losses as well as disposal gains/losses of discontinued operations are presented as gains/losses from discontinued operations.

A disposal group that is intended to be taken out of use rather than sold and meets the conditions of the relevant component in the definition of discontinued operations shall be presented as a discontinued operation as of the date of its cessation of use.

For the discontinued operations presented in the current period, in the current financial statements, the information that was originally presented as gains/losses from continuing operations is re-presented as gains/losses from discontinued operations for the comparable accounting period. If a discontinued operation no longer meets the classification conditions for the held-for-sale category, in the current financial statements, the information that was originally presented as gains/losses from discontinued operations is re-presented as gains/losses from continuing operations for the comparable accounting period.

19.Creditors’ investment

20.Other creditors’ investment

21.Long-term accounts receivable

22.Long-term equity investment

Long term equity investments include equity investments in subsidiaries, joint ventures, and associated enterprises. In the joint venture, the company is capable of exerting significant influence on the invested entity.

(1) Determination of initial investment cost

Long term equity investments formed from enterprise merge: For long-term equity investments obtained through merge of enterprise under the same control, the investment cost shall be determined based on the share of the book value of the the shareholders’ equity of the merged party in the consolidated financial statements of the final controller on the merger date; The long-term equity investment obtained through the merger of enterprises not under the same control shall be recognized as the investment cost of the long-term equity investment based on the merger cost.

Long-term equity investments obtained through other means: For the long-term equity investments obtained by paying cash, the actual purchase price paid shall be the initial investment cost; For long-term equity investments obtained through the issuance of equity securities, the fair value of the issued equity securities shall be the initial investment cost.

(2) Subsequent measurement and recognition methods of gains and losses

Investments in subsidiaries are measured with the cost method, unless the investment meets the conditions for holding for sale; Investments in associated enterprises and joint ventures are measured with equity method.

For the long-term equity investments measured with cost method, except for cash dividends or profits declared but not yet distributed in the actual payment or consideration received at the time of investment, the cash dividends or profits declared by the investee shall be recognized as investment income and booked into gains and losses in current period.

For long-term equity investments measured with the equity method, if the initial investment cost is greater than the fair value of identifiable net assets of the invested entity held at the time of investment, the investment cost of the long-term equity investment shall not be adjusted; If the initial investment cost is less than the fair value of the identifiable net assets of the invested entity held at the time of investment, the book value of the long-term equity investment shall be adjusted, and the difference shall be recognized in the gains and losses of the investment period.

When measured with equity method, investment income and other comprehensive income shall be recognized separately based on the share of net gains and losses and other comprehensive income that should be enjoyed or shared by the invested entity, and the book value of long-term equity investments shall be adjusted; The book value of long-term equity investments shall be reduced correspondingly in terms of the portion that should be enjoyed based on the profits or cash dividends declared by the invested entity; Other changes in shareholders' equity of the invested entity, except for net gains and losses, other comprehensive income, and profit distribution, shall adjust the book value of long-term equity investments and be booked into capital reserves (other capital reserves).

Based on the fair value of identifiable assets of the invested entity at the time of acquisition of the investment, the share of net gains and losses that should be enjoyed in the invested entity shall be adjusted according to the accounting policies and accounting periods of the company before recognition.

If significant influence or joint control can be exerted on the invested entity due to additional investment or other reasons, but does not constituting control, on the conversion date, the initial investment cost measured again with equity method shall be the sum of the fair value of the original equity and the additional investment cost. If the original equity is classified as a non-trading equity instrument investment measured at fair value with changes recognized in other comprehensive income, the cumulative fair value changes related that were originally recognized in other comprehensive income shall be transferred to retained income when the equity method is used for accounting.

If the joint control or significant impact on the invested entity is lost due to the disposal of some equity investments or other reasons, the remaining equity after disposal shall be subject to accounting treatment in accordance with Accounting Standards for Enterprises No. 22- Recognition and Measurement of Financial Instruments on the date of loss of joint control or significant impact, and the difference between fair value and book value shall be recognized in gains and losses in current period. Other comprehensive income recognized for equity investments with equity method shall be measured on the same basis as the direct disposal of relevant assets or liabilities by the invested entity when the equity method is terminated; Other changes in shareholders' equity related to the original equity investment are transferred to gains and losses in current period.

If control over the investee is lost due to the disposal of a portion of equity investment or other reasons, and the remaining equity after disposal can exercise joint control or significant influence over the investee, it shall be measured with equity method, and the remaining equity shall be deemed to be adjusted with the equity method from the time of acquisition; If the remaining equity after disposal cannot exercise joint control or have a significant impact on the invested entity, it shall be measured in accordance with the relevant provisions of Enterprise Accounting Standard No. 22- Recognition and Measurement of Financial Instruments. The difference between the fair value and the book value on the date of loss of control shall be recognized in gains and losses in current period.

If the shareholding ratio of the Company decreases due to capital increase by other investors, and the company loses control over the invested entity but is able to exercise joint control or exert significant influence on the invested entity, the Company shall recognize the rising net assets of the invested entity held by the company due to capital increase and share expansion according to the new shareholding ratio, and the difference between the original book value of the long-term equity investment corresponding to the

decrease in shareholding ratio that should be carried forward shall be included in the current gains and losses, and then it shall be adjusted in terms of the new shareholding ratio just as it is measured with equity method when the investment is obtained.

The unrealized internal transaction gains and losses between the Company and its associated enterprises and joint ventures shall be calculated in terms of the proportion of shareholding and recognized as investment gains and losses on the basis of offsetting. However, the unrealized internal transaction losses incurred by the Company and the invested entity, which is the impairment losses of the transferred assets, shall not be offset.

(3) Criteria of joint control and significant influence

Joint control is the Company's contractually agreed sharing of control over an arrangement, which relevant activities of such arrangement must be decided by unanimously agreement from parties who share control. When determining whether there is joint control, firstly judge whether all the participants or participant group have controlling over such arrangement as a group or not, and then judge whether the decision-making for such arrangement are agreed unanimity by the participants or not. If all participants or a group of participants must act together to determine the relevant activities of a certain arrangement, it is considered that all participants or a group of participants collectively control the arrangement; If there are two or more portfolios of participants to collectively control a certain arrangement, it does not constitute joint control. When determining whether there is joint control, the protective rights enjoyed are not considered.

Significant influence is the power of the Company to participate in the financial and operating policy decisions of an invested party, but to fail to control or joint control the formulation of such policies together with other parties. When determining whether significant influence can be exerted on the invested entity, the potential factors of voting power as current convertible bonds and current executable warrant of the invested party held by investors and other parties shall be considered.

When the company directly or indirectly owns more than 20% (inclusive) but less than 50% of the voting shares of the invested entity through its subsidiaries, it is generally considered to have a significant impact on the invested entity, unless there is clear evidence that it cannot participate in the production and operation decisions of the invested entity and does not form a significant impact; When the company owns less than 20% (exclusive) of the voting shares of the invested entity, it is generally not considered to have a significant impact on the invested entity, unless there is clear evidence that it can participate in the production and operation decisions of the invested unit and form a significant impact.

(4) Equity investments held-for-sale

In case all or part of the equity investments in associated enterprise or joint venture are classified as assets held-for-sale, the relevant accounting treatments are shown in Note III.14.

The remaining equity investments that have not been classified as assets held-for-sale will be accounted with the equity method.

If the equity investments in associated enterprise or joint venture that have been classified as assets held-for-sale no longer meet the classification conditions for assets held-for-sale, retrospective adjustment shall be made with the equity method starting from the date when they were classified as assets held-for-sale.

(5) Impairment testing methods and impairment provision methods

Refer to Note III. 23 of auditor's report for the method for making asset impairment for investments in subsidiaries, associated enterprises and joint ventures.

23. Investment real estate

Measurement model for investment real estate

Measured with cost method

Depreciation or amortization methods

Investment real estate refers to real estate held for the purpose of earning rent or capital appreciation, or both. The company's investment real estate includes leased land use rights, land use rights held and prepared for transfer after appreciation, and leased buildings.

The company's investment real estate is initially measured at cost at the time of acquisition and depreciated or amortized on a regular basis in accordance with relevant regulations for fixed or intangible assets.

For investment properties that are subsequently measured with cost model, the method for impairment of assets is shown in Note III.23.

The difference between the disposal income from sale, transfer, scrapping, or damage of investment real estate after deducting its book value and related taxes and fees is recognized in gains and losses in current period.

24. Fixed assets

(1) Recognition conditions

The company's fixed assets refer to tangible assets held for the production of goods, provision of services, rental or business management, with a useful life exceeding one accounting year.

Fixed assets can only be recognized when the economic benefits related to the fixed asset are likely to flow into the enterprise and the cost of the fixed asset can be reliably measured.

The company's fixed assets are initially measured at their actual cost at the time of acquisition.

Subsequent expenses related to fixed assets are recognized as fixed asset costs when the economic benefits related to them are likely to flow into the company and their costs can be reliably measured; The daily repair expenses of fixed assets that do not meet the subsequent expenditure conditions for capitalization of fixed assets shall be recognized in gains and losses in current period or in the cost of related assets according to the beneficiaries at the time of occurrence. For the replaced part, its book value shall be terminated.

(2) Depreciation method

Category	Method	Years of depreciation	Scrap value rate	Yearly depreciation rate
House and buildings				
Production buildings	Straight-line depreciation	20-35	5.00	4.75-2.71
Non-production buildings	Straight-line depreciation	20-40	5.00	4.75-2.38
Temporary dormitory and simple room etc.	Straight-line depreciation	5-15	5.00	19.00-6.33
Gas storage bin	Straight-line depreciation	20	5.00	4.75
Silo	Straight-line depreciation	50	5.00	1.90
Wharf and supporting facilities	Straight-line depreciation	50	5.00	1.90
Machinery equipment	Straight-line depreciation			
Other machinery equipment	Straight-line depreciation	10-20	5.00	9.50-4.75
Warehouse transmission equipment	Straight-line depreciation	20	5.00	4.75
Transport equipment	Straight-line depreciation	3-10	5.00	31.67-9.50

Electronic equipment and others	Straight-line depreciation	2-10	5.00	47.50-9.50
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Among them, for fixed assets with impairment provision, the cumulative amount of impairment provision of fixed assets should also be deducted to determine the depreciation rate.

(1) The methods for impairment testing of fixed assets and the methods for making impairment provision are described in Note III.23.

(2) At the end of each year, the company reviews the useful lives, estimated residual values and depreciation methods of its fixed assets.

If there is a difference between the expected useful life and the original estimate, the useful life of the fixed asset shall be adjusted; if there is a difference between the estimated residual value and the original estimate, the estimated residual value shall be adjusted.

(3) Disposal of fixed assets

When a fixed asset is disposed of, or it is expected that no economic benefits arise from its use or disposal, such fixed asset shall be de-recognized. The amount obtained from the disposal of fixed asset (including sales, transfers, scrapping or damage), after deducting its carrying value and relevant taxes and fees, shall be included in the current gains/losses.

25. Construction in progress

The cost of construction in progress of the company is determined based on actual project expenses, including necessary project expenses incurred during the construction period, borrowing costs that should be capitalized before the project reaches its intended usable state, and other related expenses.

Construction in progress is transferred to fixed assets when it reaches its intended usable state.

The method for impairment of assets for construction in progress can be found in Note III.24 of the auditor's report.

26. Borrowing expenses

(1) Recognition of the borrowing expenses capitalization

The borrowing costs incurred by the company, which can be directly attributed to the acquisition, construction or production of assets that meet the capitalization conditions, shall be capitalized and included in the relevant asset costs; Other borrowing costs are recognized as expenses based on their amount at the time of occurrence and included in the current profit and loss. The borrowing costs meeting the following conditions simultaneously shall be capitalized:

① Asset expenses have already occurred, including expenses incurred in the form of cash payments, transfer of non-cash assets, or assuming interest bearing debts for the purchase, construction, or production of assets that meet capitalization conditions;

② The borrowing costs have already been incurred;

③ The necessary purchase, construction or production activities to bring the assets to their intended usable or saleable state have already begun.

(2) During the capitalization period of borrowing costs

When assets purchased or produced by the company that meet capitalization conditions reach the intended usable or saleable state, the capitalization of borrowing costs shall be ceased. The borrowing costs incurred after the assets that meet the capitalization conditions reach their intended usable or saleable status are recognized as expenses based on their amount at the time of occurrence and recognized in gains and losses in current period.

If assets that meet the capitalization criteria experience abnormal interruptions during the purchase, construction, or production process, and the interruption lasts for more than three consecutive months, the capitalization of borrowing costs shall be suspended; The borrowing costs during the normal interruption period continue to be capitalized.

(3) The capitalization rate of borrowing costs and the calculation method of capitalization amount

The actual interest expenses incurred in the current period of specialized borrowing, minus the interest income obtained from depositing unused borrowing funds into banks or the investment income obtained from temporary investments, shall be capitalized; The capitalization amount of general borrowing is determined by multiplying the weighted average of the accumulated asset expenditures that exceed the portion of specialized borrowing by the capitalization rate of the general borrowing used. The capitalization rate is determined based on the weighted average interest rate of general borrowing.

During the capitalization period, all exchange differences on foreign currency borrowings shall be capitalized; The exchange difference of foreign currency general borrowings is recognized in gains and losses in current period.

27. Biological assets

(1) Criteria for determining biological assets

Biological assets refer to assets composed of living animals and plants. Biological assets that simultaneously meet the following conditions shall be recognized:

- ① Asset expenses have already occurred, including expenses incurred in the form of cash payments, transfer of non-cash assets, or assuming interest bearing debts for the purchase, construction, or production of assets that meet capitalization conditions;
- ② The borrowing costs have already been incurred;
- ③ The necessary purchase, construction or production activities to bring the assets to their intended usable or saleable state have already begun.

(2) Classification of biological assets

The biological assets of the company include productive biological assets.

① Productive biological assets

The biological assets of the company are productive biological assets. Productive biological assets refer to biological assets held for the purpose of producing agricultural products, providing services, or renting. Productive biological assets are initially measured at cost. Subsequent expenses incurred on productive biological assets after achieving the intended production and operation objectives are recognized in gains and losses in current period.

The management and feeding expenses incurred after the closure or achievement of the intended production and operation objectives of productive biological assets are presented in the current gains/losses.

The main productive biological assets of the company are tea trees. For productive biological assets that achieve the predetermined production and operation objectives, depreciation is made with the straight-line method. The useful life is determined as the remaining life of land use after deducting the immature period of tea trees (5 years), with a residual value rate of 5.00%. After deducting residual value from the estimated useful life of biological assets, the depreciation rate is determined as follows:

the company shall review the useful life, estimated net residual value, and depreciation method of productive biological assets at least at the end of the year. Any changes shall be treated as changes in accounting estimates.

The difference between the disposal income from the sale, inventory loss, death or damage of productive biological assets, after deducting their book value and related taxes and fees, is recognized in gains and losses in current period.

(3) Treatment of impairment of biological assets

If the net realizable value of consumable biological assets is lower than their book value, a impairment provision of biological assets shall be made in terms of the difference between the net realizable value and the book value, and shall be booked into gains and losses in current period. If the factors affecting the impairment of consumable biological assets have disappeared, the write-down amount should be restored and reversed within the original impairment provision, and the reversed amount should be recognized in gains and losses in current period.

The method for impairment of productive biological assets can be found in Note III. 23 of the auditor’s report.

No impairment provision is made for public welfare biological assets.

28. Oil and gas assets

29. Intangible assets

(1) Service life and its determination basis, estimated situation, amortization method or review procedure

The intangible assets of the company include land use rights, forest use rights, trademark use rights, store operation rights, software use rights, patents, and others.

Intangible assets are initially measured at cost and analyzed for their useful life upon acquisition. For intangible assets with a limited useful life, the amortization method that reflects the expected realization of economic benefits related to the asset shall be adopted from the time when the intangible asset is available for use, and shall be amortized within the expected useful life; If the expected implementation method cannot be reliably determined, the straight-line method shall be used for amortization; Intangible assets with uncertain useful lives are not amortized.

The amortization method for intangible assets with limited service life is as follows:

Estimation of the service life of intangible assets with limited service life

Item	Useful life	Basis	Amortization method	Note
Land use right	Amortized the actual rest of life after certificate of land use right obtained	Certificate of land use right	Straight-line method	
Forest tree use right	Service life arranged	Protocol agreement	Straight-line method	
Trademark use right	10 years	Actual situation of the Company	Straight-line method	
Shop management right	Service life arranged	Protocol agreement	Straight-line method	
Software use right	5-8 years	Protocol agreement	Straight-line method	
Patents and others	20 years	Actual situation of the Company	Straight-line method	

At the end of each fiscal year, the company reviews the useful life and amortization method of intangible assets with limited useful lives. If there are differences from previous estimates, the original estimates will be adjusted and treated as changes in accounting estimates.

If it is expected that a certain intangible asset will no longer bring future economic benefits to the enterprise on the balance sheet date, the book value of the intangible asset shall be fully transferred to the gains and profits of current period.

The impairment method for intangible assets can be found in Note III.23 of the auditor's report.

(2) The collection scope and related accounting treatment methods of R&D expenditure

The R&D expenses of the company are directly related to our R&D activities, including employee salaries, direct investment expenses, depreciation expenses and long-term deferred expenses, design expenses, equipment debugging expenses, intangible asset amortization expenses, and other expenses. The salaries of R&D personnel are allocated to R&D expenses based on project working hours. The sharing of equipment, production lines, and venues between R&D activities and other production and operation activities is allocated as R&D expenses based on the proportion of working hours and area.

The company distinguishes the expenses for internal R&D projects into research stage expenses and development stage expenses.

The expenses incurred during the research phase are recognized in the gains and profits of current period when incurred.

Expenditures during the development phase can only be capitalized if they meet the following conditions: completing the intangible asset to make it technically feasible for use or sale; Has the intention to complete the intangible asset and use or sell it; The ways in which intangible assets generate economic benefits, including the ability to prove that the products produced with the intangible asset or the intangible asset are marketable, and the ability to prove its usefulness if the intangible asset will be used internally; Have sufficient technical, financial, and other resources to support the development of the intangible asset and the ability to use or sell the intangible asset; The expenses attributable to the development stage of the intangible asset can be reliably measured. Development expenses that do not meet the above conditions are recognized in the gains and profits of current period.

After meeting the above conditions and conducting technical and economic feasibility studies, the company's R&D project enters the development stage after being approved.

The capitalized expenses during the development stage are listed as development expenses on the balance sheet and are converted into intangible assets from the date the project reaches its intended use.

30. Impairment of long-term assets

The impairment of assets such as long-term equity investments in subsidiaries, associated enterprises, and joint ventures, investment real estate, fixed assets, construction in progress, productive biological assets measured with cost models, right-of-use assets, intangible assets, and goodwill (excluding inventory, deferred income tax assets, and financial assets) shall be determined with the following method:

On the balance sheet date, it is determined whether there are any signs of possible impairment of assets. If there are signs of impairment, the company will estimate its recoverable amount and conduct impairment testing. Impairment tests are conducted annually for goodwill, intangible assets with uncertain useful lives, and intangible assets that have not yet reached a usable state, regardless of whether there are signs of impairment, resulting from business mergers.

The recoverable amount is determined based on the higher of the net amount after deducting disposal expenses from the fair value of the asset and the present value of the expected future cash flows of the asset. The company estimates its recoverable amount based on individual assets; If it is difficult to estimate the recoverable amount of a single asset, the recoverable amount of the asset group shall be determined based on the asset group to which the asset belongs. The recognition of an asset group is based on whether the main cash inflows generated by the asset group are independent of the cash inflows of other assets or asset groups.

When the recoverable amount of an asset or asset group is lower than its book value, the company will write down its book value to the recoverable amount, and the written down amount will be recognized in the gains and profits of current period, while making corresponding provisions for asset impairment.

As for the impairment test of goodwill, the book value of goodwill formed by enterprise merger shall be allocated to the relevant asset group in a reasonable manner from the date of purchase; If it is difficult to allocate to the relevant asset groups, allocate it to the relevant asset group portfolio. The relevant asset groups or asset group portfolio refer to asset groups or asset group portfolio that can benefit from the synergistic effects of enterprise mergers, and are not larger than the reporting branches determined by the company.

When conducting impairment testing, if there are signs of impairment in asset groups or asset group portfolios related to goodwill, the first step is to conduct impairment testing on asset groups or asset group portfolio that do not include goodwill, calculate the recoverable amount, and recognize the corresponding impairment losses. Then conduct impairment tests on asset groups or asset group combinations containing goodwill, and compare their book value with their recoverable amount. If the recoverable amount is lower than the book value, recognize impairment losses on goodwill.

Once asset impairment losses are recognized, they will not be reversed in future accounting periods.

31. Long term deferred expenses

The long-term deferred expenses incurred by the company are valued at actual cost and amortized on an average over the expected benefit period. For long-term deferred expenses that cannot benefit future accounting periods, their amortized value is fully recognized in the gains and profits of current period.

32. Contract liabilities

33. Employee compensation

(1)Scope of employee compensation

Employee compensation refers to all forms of consideration or compensation provided by an enterprise in exchange for services rendered by employees or for the termination of labor relationships. Employee compensation includes short-term compensation, post-employment benefits, termination benefits, and other long-term employee benefits. Benefits provided by an enterprise to an employee's spouse, children, dependents, next of kin of deceased employees, and other beneficiaries also fall within the scope of employee compensation.

Based on liquidity, employee compensation is presented separately in the balance sheet under "Employee benefits payable" and "Long-term employee benefits payable" .

(2)Short-term compensation

During the accounting period when the employees provide service to the company, the actual employee wages, bonuses, medical insurance premiums, work-related injury insurance premiums, maternity insurance premiums, and housing provident fund paid to employees according to prescribed standards and proportions are recognized as liabilities and included in the gains and profits of current period or related asset costs.

(3)Post employment benefits

The post employment welfare plan includes a defined contribution plan and a defined benefit plan. In the defined contribution plan, the company no longer bears further payment obligations after paying fixed fees to an independent fund; A defined benefit plan refers to a post employment welfare plan other than a defined contribution plan.

Defined contribution plans

Include basic pension insurance, unemployment insurance, and enterprise annuity plans.

During the accounting period when employees provide services, the amount of contributions calculated based on the defined contribution plan is recognized as liability and included in the gains or losses of current period or related asset costs.

Defined benefit plans

For defined benefit plans, the actuarial valuation is conducted by an independent actuary on the annual balance sheet date, and the cost of providing benefits is determined with the expected cumulative benefit unit method. The employee compensation cost resulting from the defined benefit plan set by the company includes the following components:

- ① Service costs, including current service costs, past service costs, and settlement gains or losses. Among them, the current service cost refers to the increase in the present value of obligations of the defined benefit plan caused by the provision of services by employees in the current period; The past service cost refers to the increase or decrease in the present value of the defined benefit plan obligations related to employee services in the previous period caused by the modification of the defined benefit plan.
- ② The net interest on net liabilities or net assets of a defined benefit plan, including interest income on assets of defined benefit plan, interest expenses on obligations of defined benefit plan, and interest affected by asset cap.
- ③ The changes resulting from remeasuring the net liabilities or net assets of the defined benefit plan.

Unless other accounting standards require or allow employee welfare costs to be included in asset costs, the company will include items ① and ② in the gains and profits of current period; The ③ is included in other comprehensive income and will not be reversed to profit or loss in subsequent accounting periods. When the original defined benefit plan is terminated, all the portion originally included in other comprehensive income will be carried over to undistributed profits within the scope of equity.

(4)Termination benefits

If the company provides termination benefits to employees, the employee compensation liability arising from termination benefits shall be recognized and included in the gains and profits of current period as soon as possible, when the company cannot unilaterally withdraw the termination benefits provided due to the termination of labor relations plan or layoff proposal; When the company confirms the costs or expenses related to restructuring involving payment of termination benefits.

For those who implement an internal retirement plan for employees, economic compensation before the official retirement date is considered as termination benefits. During the period from the date the employee stops providing services to the normal retirement date, the salary and social insurance premiums to be paid to the retired employee shall be included in the current profit and loss in a lump sum. Economic compensation after the official retirement date (such as normal pension) shall be treated as post employment benefits.

(5)Other long-term employee benefits

Other long-term employee benefits provided by the company to employees that meet the conditions for defined contribution plan shall be handled in accordance with the relevant provisions on setting up a defined contribution plan mentioned above. Those which meet conditions for defined benefit plan shall be treated in accordance with the relevant provisions on the set benefit plan mentioned above. However, “changes arising from remeasuring the net liabilities or net assets of the set benefit plan” in the relevant employee compensation shall be included in the current profit and loss or related asset cost.

34. Accrual liability

The Company will recognize the obligations related to contingencies as expected liabilities when they meet the following conditions:

- (1) The responsibility is a current responsibility undertaken by the Company;
- (2) Fulfilling of the responsibility may lead to financial benefit outflow;
- (3) The responsibility can be measured reliably for its value.

Accrual liabilities are initially measured based on the best estimate of the expenses required to fulfill current obligations, taking into account factors such as risk, uncertainty and time value of money related to contingencies. If the time value of currency has a significant impact, the best estimate is determined by discounting the relevant future cash outflows. The company reviews the book value of estimated liabilities on the balance sheet date and adjusts the book value to reflect the current best estimate.

If all or part of the expenses required to settle the confirmed accrual liabilities are expected to be compensated by a third party or other parties, the compensation amount can only be separately recognized as an asset when it is basically certain that it will be received. The confirmed compensation amount does not exceed the book value of the recognized liability.

35.Share-based payment

36. Other financial instrument of preferred stocks and perpetual bond

37. Revenue

Disclosure of accounting policies adopted for revenue recognition and measurement by business type

(1) General principles

The company recognizes revenue when the customer acquires control of the relevant goods or services in accordance with the contractual obligations.

If the contract contains two or more performance obligations, the company shall, on the commencement date of the contract, allocate the transaction price to each individual performance obligation based on the relative proportion of the individual selling price of the goods or services promised by each individual performance obligation, and measure revenue based on the transaction price allocated to each individual performance obligation.

If one of the following conditions is met, it is to fulfill the performance obligation within a certain period of time; Otherwise, it is to fulfil the performance obligation at a certain point of time:

- ①The customer obtains and consumes the economic benefits brought by the company's performance at the same time as the company fulfills its obligations.
- ②Customers are able to control the goods under construction during the fulfillment process of the company.
- ③ The goods produced by the company during the performance process have irreplaceable uses, and the company has the right to collect payments for the cumulative completed performance portion throughout the entire contract period.

For performance obligations performed during a certain period of time, the company recognizes revenue based on the progress of performance during that period. In case the progress of performance cannot be reasonably determined, when the costs already incurred by the company are expected to be compensated, revenue shall be recognized in terms of the amount of costs already incurred until the progress of performance can be reasonably determined.

For performance obligations performed at a certain point of time, the company recognizes revenue at the point when the customer obtains control of the relevant goods or services. When determining whether a customer has acquired control over goods or services,

the company will consider the following signs:

- ① The company has the current payment right for the goods or services, which means that the customer has a current payment obligation for the goods.
- ② The company has transferred the legal ownership of the product to the customer, that is, the customer already has legal ownership of the product.
- ③ The company has transferred the physical ownership of the product to the customer, which means the customer has already taken possession of the product.
- ④ The company has transferred the main risks and rewards of ownership of the product to the customer, that is, the customer has acquired the main risks and rewards of ownership of the product.
- ⑤ The customer has accepted the product or service.
- ⑥ Other signs indicating that the customer has obtained control over the product.

(2) Specific methods

① Grain and oil trade and processing business

The revenue from sales of goods is recognized after the goods sold domestically have been delivered and meet the relevant terms and conditions stipulated in the contract;

The revenue of export sales is recognized after the goods have been shipped and declared, and meet the relevant terms and conditions stipulated in the contract.

② Grain and oil storage logistics and services

Dynamic grain and oil reserves and rotation services: recognize income when relevant labor activities occur. Specifically, the income from grain and oil reserves is calculated and recognized monthly based on the actual amount of grain and oil reserves and the reserve prices specified in the Shenzhen Municipal Government Grain Reserve Cost Contract Operating Regulations and the Shenzhen Municipal Edible Vegetable Oil Government Reserve Cost Contract Operating Regulations.

The warehousing, logistics and transshipment business, including services such as warehousing, loading onto ships, direct pick-up, fumigation and transferring goods between warehouses, is recognized by calculating according to the charging time and method stipulated in the contract or agreement.

③ Food, beverage and tea processing

The company shall recognize revenue when it has delivered the products to the buyers as agreed in the contract and obtained the buyers' receipt confirmation, the buyers have obtained the control of the products, the payment has been received or the payment voucher has been obtained, and the relevant economic benefits are highly likely to flow in.

④ Leasing business

For property leasing services, the realization of revenue shall be recognized on the date when the lessee is due to pay the rent as specified in the transaction contract or agreement.

⑤ Other businesses

The revenue from property management services shall be recognized when the relevant labor services occur and the payment is

received simultaneously or the voucher for receiving the payment is obtained.

The revenue of other businesses shall be measured and recognized according to the charging time and method stipulated in the contract or agreement.

In case similar businesses adopt different business models, different revenue recognition methods and measurement methods will be involved.

38. Contract cost

The contract cost includes the incremental cost incurred to obtain the contract and the contract performance cost.

The incremental cost incurred to obtain the contract refers to the cost that the company would not have incurred without obtaining the contract (such as sales commission). The cost which is expected to be recovered will be recognized by the company as a contract acquisition cost and as an asset. Except for the expected incremental costs that can be recovered, other expenses incurred by the company to obtain the contract shall be booked in the gains and profits of current period.

If the cost incurred in fulfilling a contract does not fall within the scope of accounting standards for other enterprises such as inventory and meets the following conditions simultaneously, the company recognizes it as a contract performance cost as an asset:

- ① The cost is directly related to a current or expected contract, including direct labor, direct materials, manufacturing expenses (or similar expenses), costs clearly borne by the customer, and other costs incurred solely due to the contract;
- ② This cost increases the resources that the company will use in the future to fulfill its contractual obligations;
- ③ The cost is expected to be recovered.

The assets recognized for contract acquisition costs and the assets recognized for contract performance costs (hereinafter referred to as “assets related to contract costs”) are amortized on the same basis as the recognition of goods or services revenue related to the assets, and are booked in the gains and profits of current period. If the amortization period does not exceed one year, it shall be recognized in the current profit and loss when it occurs.

In case the book value of assets related to contract costs exceeds the difference between the following two items, the company makes impairment provisions for the excess and recognizes it as an asset impairment loss:

- ① The expected remaining consideration that the company can obtain for the transfer of goods or services related to the asset;
- ② The estimated cost to be incurred for the transfer of the relevant goods or services.

39. Government grant

Government grant is recognized when they meet the conditions attached to government grants and can be received.

Government grant as monetary assets shall be measured at the amount received or receivable. The government grants as non-monetary assets shall be measured at fair value; If the fair value cannot be reliably obtained, it shall be measured at a nominal amount of 1 yuan.

Asset-related government subsidies refer to government grants obtained by the company for the purchase, construction, or other formation of long-term assets; Others are income-related government grants.

For those whose targets are not clearly specified in government documents and form long-term assets, the government grant

corresponding to the asset value shall be regarded as asset-related government grants, and the remaining part shall be regarded as income-related government grants; In case it is difficult to make distinguishing, the government grants as a whole shall be regarded as income-related government grants.

Asset-related government grants are recognized as deferred income and booked in gains and losses in a reasonable and systematic manner over the useful life of the relevant assets. Income-related government subsidies which are used to compensate related costs or losses that have already occurred, shall be included in the gains and profits of current period; The income-related government subsidies which are used to compensate related costs or losses in future periods shall be recognized in deferred income and recognized in gains and losses of current period during the recognition period of related costs or losses. Government grants measured at nominal amounts are directly recognized in the gains and profits of current period. The company adopts a consistent approach for handling the same or similar government subsidy businesses.

Government grants related to daily activities are recognized in other income based on the essence of economic transactions. Government subsidies unrelated to daily activities are included in non- operating income.

When recognized government subsidies need to be returned, in case the book value of the relevant assets is offset at the initial recognition, the book value of the assets shall be adjusted; If there is a balance of related deferred income, it shall offset the book balance of related deferred income, and the excess shall be recognized in the gains and profits of current period; In other situations, it shall be directly included in the gains and profits of current period.

For the policy preferential loans and interest subsidies obtained by the company, in case the finance department allocates interest subsidy to the lending bank, the company will use the actual received loan amount as the book value of the loan, and calculate the relevant loan costs based on the loan principal and the policy preferential interest rate, in case the finance department directly allocates interest subsidy to the company, the company will offset the relevant borrowing costs with the corresponding interest subsidy.

40. Deferred income tax assets/deferred income tax liabilities

Income tax includes current income tax and deferred income tax. Except for adjustments to goodwill arising from enterprise merge or deferred income tax related to transactions or events directly recognized in shareholders' equity, they are all recognized as income tax expenses in gains and losses of current period.

The deferred income tax is recognized with the balance sheet liability method and in terms of the temporary difference between the book value of assets and liabilities on the balance sheet date and the tax basis.

All taxable temporary differences are recognized as related deferred income tax liabilities, unless the taxable temporary differences arise in the following transactions:

(1) The initial recognition of goodwill, or the initial recognition of assets or liabilities arising from transactions with the following characteristics: the transaction is not a business merger and does not affect accounting profits or taxable income at the time of the transaction (except for individual transactions where the initially recognized assets and liabilities result in equal taxable temporary differences and deductible temporary differences);

(2) For taxable temporary differences related to investments in subsidiaries, joint ventures, and associated enterprises, the timing of the reversal of such temporary differences can be controlled and it is likely that they will not be reversed in the foreseeable future.

For deductible temporary differences, deductible losses that can be carried forward to future years, and tax deductions, the company recognizes deferred tax assets arising from them to the extent of future taxable income that is likely to be obtained for offsetting deductible temporary differences, deductible losses, and tax deductions, unless the deductible temporary differences arise in the

following transactions:

(1) This transaction is not a enterprise merger, and it does not affect accounting profits or taxable income at the time of transaction (except for individual transactions where initially recognized assets and liabilities result in equal taxable temporary differences and deductible temporary differences);

(2) For deductible temporary differences related to investments in subsidiaries, joint ventures, and associated enterprises, if the following conditions are met simultaneously, the corresponding deferred income tax assets shall be recognized: temporary differences are likely to be reversed in the foreseeable future, and taxable income that can be used to offset deductible temporary differences is likely to be obtained in the future.

On the balance sheet date, the company measures deferred income tax assets and liabilities at the applicable tax rate during the expected period of asset recovery or liability settlement, and reflects the income tax impact of the expected method of asset recovery or liability settlement on the balance sheet date.

On the balance sheet date, the company reviews the book value of deferred income tax assets. If it is likely that sufficient taxable income will not be obtained in the future period to offset the benefits of deferred income tax assets, the book value of deferred income tax assets shall be written down. When it is highly possible to obtain sufficient taxable income, the written down amount shall be reversed.

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented at the net amount after offsetting when they simultaneously meet the following conditions:

(1) The taxpayer within the company has the legal right to settle current income tax assets and current income tax liabilities on a net basis;

(2) 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 taxpayer within the company.

41. Leasing

(1) The company as lessee

On the commencement date of the lease term, the Company recognizes the right-of-use assets and lease liabilities for all leases, except for simplified short-term lease and low value asset lease.

The accounting policies for the right-of-use assets can be found in Note III. 32 of the auditor's report.

The initial measurement of lease liabilities is based on the present value of lease payments that have not been paid on the start date of the lease term, calculated using the implicit interest rate of the lease. If the implicit interest rate of the lease cannot be determined, the incremental borrowing rate is used as the discount rate. The lease payment amount includes fixed payment amount and substantial fixed payment amount. If there is a lease incentive, the relevant amount of the lease incentive shall be deducted; Variable lease payments depending on index or ratio; The exercise price of the purchase option, provided that the lessee reasonably determines that the option will be exercised; The amount to be paid for exercising the option to terminate the lease, provided that the lease term reflects that the lessee will exercise the option to terminate the lease; And the expected amount to be paid based on the residual value of the guarantee provided by the lessee. Subsequently, the interest expense of the lease liability for each period of the lease term shall be calculated at a fixed periodic interest rate and included in the current profit and loss. Variable lease payments that are not included in the measurement of lease liabilities are recognized in the gains and profits of current period when they are actually incurred.

Short term leasing

Short term lease refers to a lease with a lease term not exceeding 12 months from the start date of the lease term, excluding leases with purchase options.

The company will recognize the lease payments for short-term leases in the relevant asset costs or current profit and loss with the straight-line method during each period of the lease term.

For short-term leasing, the company adopts the simplified treatment method mentioned above for the items that meet the short-term leasing conditions in the following asset types according to the category of leased assets.

Low value asset leasing

The low value asset leasing refers to leasing with lower value when a single leased asset is a brand new asset.

The company will record the lease payments for low value asset leases in the relevant asset costs or current profit and loss with the straight-line method during each period of the lease term.

For low value asset leasing, the company chooses to adopt the simplified treatment method mentioned above based on the specific situation of each lease.

Lease change

If there is a change in lease and the following conditions are met simultaneously, the company will treat the lease change as a separate lease for accounting treatment: ①The lease change expands the lease scope by adding the right to use one or more leased assets; ②The increased consideration is equivalent to the individual price for the expansion of the lease scope, adjusted according to the situation 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 shall reallocate the consideration of the contract after the change, redetermine the lease term, and remeasure the lease liability based on the present value of the lease payment amount after the change and the revised discount rate.

If the lease change results in a reduction in the lease scope or lease term, the company shall adjust the book value of the right-of-use assets accordingly, and record the relevant gains or losses from partial or complete termination of the lease in the gains and profits of current period.

If other lease changes result in the remeasurement of lease liabilities, the Company shall adjust the book value of the right of use assets accordingly.

(2) The company as a lessor

When the company acts as the lessor, leases that have substantially transferred all risks and rewards related to asset ownership are recognized as financing leases, while leases other than financing leases are recognized as operating leases.

Finance lease

In financial leasing, at the beginning of the lease term, the company uses the net lease investment as the book value of the receivable financing lease payments. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease payments that have not yet been received on the start date of the lease term discounted at the implicit interest rate of the lease. the company, as the lessor, calculates and recognizes interest income for each period of the lease term at a fixed periodic interest rate. The variable lease payments obtained by the company as the lessor, which are not included in the net lease investment measurement, are recognized in the gains and profits of current period when actually incurred.

The derecognition and impairment of receivable financing lease payments shall be accounted for in accordance with the provisions of Accounting Standards for Enterprises No. 22- Recognition and Measurement of Financial Instruments and Accounting Standards for Enterprises No. 23- Transfer of Financial Assets.

Operating lease

The rent of operating leases is recognized in the gains and profits of current period using the straight-line method for each period during the lease term. The initial direct expenses related to operating leases shall be capitalized, amortized over the lease term on the same basis as rental income recognition, and recognized in the gains and profits of current period in installments. The variable lease payments related to operating leases that are not included in the lease income are recognized in the gains and profits of current period when actually incurred.

Lease change

If there is a change in the operating lease, the company will treat it as a new lease for accounting treatment from the effective date of the change. The prepaid or receivable lease payments related to the lease before the change are considered as the new lease payments.

If there is a change in financing lease and the following conditions are met simultaneously, the company will treat the change as a separate lease for accounting treatment: ①The change expands the lease scope by adding the right to use one or more leased assets; ②The increased consideration is equivalent to the individual price for the expansion of the lease scope, adjusted according to the situation of the contract.

If there is a change in financing lease that has not been accounted for as a separate lease, the Company will treat the changed lease as follows: ① If the change takes effect on the lease commencement date, the lease will be classified as an operating lease. The Company will treat it as a new lease from the effective date of the lease change and use the net lease investment before the effective date of the lease change as the book value of the leased asset; ②If the change takes effect on the commencement date of the lease, the lease will be classified as a financing lease, and the company will conduct accounting treatment in accordance with the provisions of the Accounting Standards for Enterprises No. 22- Recognition and Measurement of Financial Instruments regarding the modification or renegotiation of contracts.

42. Other important accounting policy and estimation

43.Changes of important accounting policy and estimation

(1) Changes of important accounting policies

Applicable Not applicable

(2) Changes of important accounting estimation

Applicable Not applicable

(3) Implementation of new accounting standards adjustment for the first time starting from 2025, and implementation of relevant financial statement items at the beginning of the year for the first time

Applicable Not applicable

44.Others

VI. Tax

1. Type of tax and rate for main applicable tax

Taxes	Basis	Rate
VAT	Taxable value added (The taxable amount is calculated by multiplying the taxable sales amount by the applicable tax rate and deducting the input tax allowed for deduction in the current period)	13.00%, 9.00%,6.00%,5.00%,3.00%
Consumption tax	Actual paid turnover tax	7.00%,5.00%
Urban maintenance and construction tax	Actual paid turnover tax	3.00%
Enterprise income tax	Taxable income	25.00%
Property tax	For ad valorem taxes, 1.2% of the remaining value after deducting 20.00% from the original value of the property shall be calculated and paid; For levy based on rent, calculated and paid at 12.00% of rental income	1.20%,12.00%
Deed tax	When real estate property rights are transferred, a one-time payment shall be made to the property transferee at the agreed contract price	3.00%-5.00%

Rate of income tax for different taxpaying body:

Taxpaying body	Rate of income tax
Shenzhen Cereals Holdings Co., Ltd.	25.00
Shenzhen Cereals Group Co., Ltd (hereinafter referred to as “SZCG”)	25.00%, tax exemption for some businesses
Shenzhen Hualian Grain and Oil Trading Co., Ltd. (hereinafter referred to as “Hualian Cereals and Oil”)	25.00
Dongguan Shenliang Hualian Cereals and Oil Trading Co., Ltd (hereinafter referred to as “Dongguan Hualian”)	25.00
Shenzhen Shenliang Hongjun Catering Management Co., Ltd. (hereinafter referred to as “Shenliang Hongjun”)	25.00
Shenzhen Flour Co., Ltd (hereinafter referred to as “Shenzhen Flour”)	25.00%, tax exemption for some businesses
Shenliang Quality Inspection Co., Ltd. (hereinafter referred to as “Shenliang Quality Inspection”)	25.00
Hainan Shenliang Oil & Food Co., Ltd. (hereinafter referred to as “Hainan Oil & Food”)	20.00
Shenzhen Shenliang Doximi Business Co., Ltd. (hereinafter referred to as “Doximi”)	25.00
Shenzhen Shenliang Big Kitchen Food Supply Chain Co., Ltd (hereinafter referred to as “Big Kitchen”)	25.00
Shenzhen Shenliang Property Development Co., Ltd. (hereinafter referred to as “Shenliang Property Development”)	25.00
Shenzhen Shenliang Property Management Co., Ltd. (hereinafter referred to as “Shenliang Property Management”)	20.00
Dongguan Shenliang Logistics Co., Ltd. (hereinafter referred to as “Dongguan Logistics”)	25.00
Dongguan International Food Industrial Park Development Co., Ltd. (hereinafter referred to as “International Food”)	25.00
Dongguan Shenliang Oil & Food Trade Co., Ltd. (hereinafter referred to as “Dongguan Oil &”)	25.00

Food”)	
Shuangyashan Shenliang Cereals Base Co., Ltd. (hereinafter referred to as “Shuangyashan”)	25.00
Shenzhen Shenbao Huacheng Technology Co., Ltd. (hereinafter referred to as “Shenbao Huacheng”)	15.00
Wuyuan Ju Fang Yong Tea Industry Co., Ltd (hereinafter referred to as “Wuyuan Ju Fang Yong”)	15.00
Shenzhen Shenshenbao Investment Co., Ltd (hereinafter referred to as “Shenshenbao Investment”)	25.00
Shenzhen Shenshenbao Tea Culture Commercial Management Co., Ltd. (hereinafter referred to as “Shenbao Tea Culture”)	25.00
Hangzhou Fuhaitang Catering Management Chain Co., Ltd. (hereinafter referred to as “Fuhaitang Catering”)	25.00
Hangzhou Fuhaitang Tea Ecology Technology Co., Ltd (hereinafter referred to as “Fuhaitang Tea Ecology”)	25.00
Mount Wuyi Shenbao Rock Tea Co., Ltd. (hereinafter referred to as “Shenbao Rock Tea”)	25.00
Yunnan Shenbao Pu’er Tea Supply Chain Management Co., Ltd. (hereinafter referred to as “Pu’er Tea Supply Chain”)	25.00
Shenzhen Shenliang Food Co., Ltd. (hereinafter referred to as “Shenzhen Shenliang Food”)	25.00
Huizhou Shenliang Food Co., Ltd. (hereinafter referred to as “Huizhou Shenliang Food”)	20.00
Huizhou Shenbao Technology Co., Ltd. (hereinafter referred to as “Huizhou Shenbao”)	25.00
Shenliang Hongli Grain and Oil (Shenzhen) Co., Ltd (hereinafter referred to as “Shenliang Hongli”)	25.00
Xingye Food Co., Ltd. (hereinafter referred to as “Xingye Food”)	16.50
Shenzhen Shenliang Smart Warehousing Co., Ltd.(hereinafter referred to as “Smart Warehousing”)	25.00

2. Preferential taxation

1. VAT discounts and approval

According to the “Notice of the Ministry of Finance and the State Administration of Taxation on the Issues Concerning the VAT Collection and Exemption of Grain Enterprises (CSZ [1999] No. 198)” and “Shenzhen Tax Service, State Taxation Administration and Shenzhen Finance Bureau SGSF (SCF [1999] No.428)”, confirming that SZCG, the Company’s subsidiary, and its subsidiaries, are state-owned grain purchase and sale enterprises that undertake grain collection and storage tasks for Shenzhen, the grain sold is subject to tax-free declaration by rule and enjoys the exemption from VAT. In addition, according to the stipulation of the “Announcement of State Administration of Taxation on Relevant Management Matters After Clarifying the Cancellation of the Approval of Some VAT Preferential Policies” (SAT Announcement 2015 No. 38), the approval for exemption from VAT and the involved tax review and approval procedures for the state-owned grain enterprises that undertake grain collection and storage tasks, other grain enterprises that operate tax-free projects and enterprises that have edible vegetable oil sales business for government reserves are canceled and changed to record management. The taxpayer does not change the content of the record materials during the period of tax exemption can be put on a one-time record. In December 2013, SZCG obtained the notice of the VAT preferential record (SGSFJBM [2013] No.2956) from Shenzhen Futian State Administration of Taxation. In the case of no change in policy, this limited filing period started on January 1st, 2014. The VAT input tax amount of the preferential item was separately accounted for, and the input VAT calculation method cannot be changed within 36 months after the selection. As of December 31, 2024, the tax exemption policy has been in effect since its filing in 2014, and the company’s VAT input tax has not changed since it was accounted for separately in 2014, so the company continues to enjoy the tax preference.

2. Stamp duty, house property tax, and urban land use tax preferences

According to the stipulations of the Announcement of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of Tax Preferential Policies for Some National Reserve Commodity Reserves([2023]No48)”, and documents of Guangdong Province Department of Finance, Guangdong Provincial Taxation Bureau of the State Administration of Taxation and Guangdong Provincial Food and Material Reserve Bureau (YCSH [2020]No.2, confirming that the fund account

book of SZCG, the Company's subsidiary, and its direct depots is exempt from stamp duty, confirming that the written purchase and sale contracts of SZCG in the process of undertaking the commodity reserve business are exempt from stamp duty, and confirming that SZCG's house property and land used for the commodity reserve business are exempt from house property tax and urban land use tax. The execution time limit for this tax preference policy is from January 1, 2024 to December 31, 2027.

2. Enterprise income tax

① In accordance with the Notice of the Ministry of Finance and the State Taxation Administration on Enterprise Income Tax Treatment of Earmarked Financial Funds (CSH[2011] No. 70), government service income obtained by 深粮集团, a subsidiary of the Company, and its subsidiaries from performing government grain reserve business constitutes earmarked financial funds. Eligible income may be treated as non-taxable income and deducted from the total income in the calculation of taxable income. Expenses incurred from the expenditure of the aforementioned non-taxable income shall not be deducted in the calculation of taxable income. Depreciation and amortization calculated on assets formed from such expenditure shall not be deducted in the calculation of taxable income. Any portion of the financial funds treated as non-taxable income in accordance with the Notice that is not expended and not repaid to the finance department or other funding government authorities within five years (60 months) shall be included in the total taxable income in the sixth year following receipt of such funds. From January 1, 2025, all earmarked financial funds from government service income received by the Company are included in the current taxable income.

② On December 26, 2024, Shenbao Huacheng, a subsidiary of the Company, obtained the High-tech Enterprise Certificate (Certificate No.: GR202444206671) jointly issued by the Shenzhen Science and Technology Bureau, the Shenzhen Finance Bureau, and the Shenzhen Tax Service, State Taxation Administration, which is valid for three years. According to the relevant preferential policies of the state for high-tech enterprises, the qualified high-tech enterprises will pay corporate income tax at a reduced income tax rate of 15.00% within three years from the year of identification. Shenbao Huacheng will enjoy the preferential tax policy from 2024 to 2026.

③ On November 19, 2024, Wuyuan Ju Fang Yong, a subsidiary of the Company, obtained the High-tech Enterprise Certificate (Certificate No.: GR202436001138) jointly issued by the Science and Technology Department of Jiangxi Province, the Finance Department of Jiangxi Province, and the Jiangxi Provincial Tax Service, State Taxation Administration, which is valid for three years. According to the relevant preferential policies of the state for high-tech enterprises, qualified high-tech enterprises will pay corporate income tax at a reduced income tax rate of 15.00% within three years from the year of identification. Wuyuan Ju Fang Yong will enjoy the preferential tax policy from 2024 to 2026.

④ Shenzhen Flour, a subsidiary of the Company, is a flour primary processing enterprise, according to the stipulations of the "Notice on Issuing the Scope (Trial) of Primary Processing of Agricultural Products Applicable to the Corporate Income Tax Preferential Policy (CS[2008]No.149)" and the Supplementary Notice on the Scope of Primary Processing of Agricultural Products Applicable to the Corporate Income Tax Preferential Policy of the Ministry of Finance and the State Administration of Taxation (CS[2011]No.26), the wheat primary processing is exempt from income tax.

⑤ According to the Announcement on Relevant Tax and Fee Policies to Further Support the Development of Small and Micro Enterprises and Individual Industrial and Commercial Households (CSHZJ[2023]No.12), from January 1, 2023 to December 31, 2027, small and low-profit enterprises shall calculate taxable income at a reduced rate of 25% and pay enterprise income tax at a tax rate of 20%. The company's subsidiary Hainan Grain and Oil, Shenliang Property and Huizhou Shenliang are small and low-profit enterprises and in line with the preferential tax conditions.

3. Other

VII. Notes to main items of consolidated financial statements

1. Monetary funds

In RMB

Item	Ending balance	Opening balance
Cash on hand	6,237.19	9,442.96
Cash in bank	69,918,970.17	164,844,740.19
Other monetary fund	4,281,838.39	3,345,108.08
Deposits in financing companies	0.00	0.00
Total	74,207,045.75	168,199,291.23
Including: total amounts deposited overseas	3,817,186.95	3,949,901.14

Other explanation:

2. Tradable financial assets

In RMB

Item	Ending balance	Opening balance
Financial assets measured at fair value and with variation reckoned into current gains/losses	0.00	0.00
Including:		
Equity investment instrument	0.00	0.00
Including:		
Total	0.00	0.00

Other explanation:

3. Derivative financial assets

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

Other explanation:

4. Note receivable

(1) By category

In RMB

Item	Ending balance	Opening balance
Bank acceptance bill	2,567,464.00	2,327,160.00
Total	2,567,464.00	2,327,160.00

(2) Accrued bad debts reserve

In RMB

Category	Ending balance				Opening balance					
	Book value		Bad debts reserve		Book value	Book value		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrued ratio		Amount	Ratio	Amount	Accrued ratio	
Including:										
Notes receivable with bad debts reserve accrual on portfolio	2,567,464.00	100.00%			2,567,464.00					
Including:										
	2,567,464.00	100.00%			2,567,464.00					
Total	2,567,464.00	100.00%			2,567,464.00					

Bad debts reserve accrual on a single basis:

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual causes

Bad debts reserve accrual on portfolio:

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio

Explanation on the basis for determining portfolio:

If the bad debts reserve of account receivable is made on the basis of the general model of expected credit losses:

Applicable Not applicable

(3) Bad debts reserve accrual, collected or reversal in the period

Bad debts reserve accrual in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrual	Collected or reversal	Written-off	Other	

Including major amount bad debts reserve that collected or reversal in the period:

Applicable Not applicable

(4) Notes receivable already pledged by the Company at the end of the period

In RMB

Item	Amount pledged at period-end
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(5) Notes endorsed or discounted and undue on balance sheet date

Item	Ending derecognized amount	Ending not derecognized amount
Bank acceptance bill	11,720,000.00	
Total	11,720,000.00	

(6) Note receivable charged off in the period

In RMB

Item	Amount charged off
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Including major note receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on note receivable charged off:

5.Account receivable

(1) By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	185,690,803.12	237,689,963.04
1-2 years	3,037,867.95	4,395,809.28
2-3 years	3,589,291.31	812,823.91
Over 3 years	96,629,712.65	95,921,013.66
3-4 years	723,726.31	664,460.24
4-5 years	663,462.34	2,096,832.37
Over 5 years	95,242,524.00	93,159,721.05
Total	288,947,675.03	338,819,609.89

(2) Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debts reserve		Book value	Book balance		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrual ratio		Amount	Ratio	Amount	Accrual ratio	
Account receivable with bad debts reserve accrual on a single basis	99,944,508.82	34.59%	99,934,578.73	99.99%	9,930.09	100,008,783.63	29.52%	99,914,189.37	99.91%	94,594.26
Including:										
Account receivable with bad debts reserve accrual on portfolio	189,003,166.21	65.41%	3,412,214.40	1.81%	185,590,951.81	238,810,826.26	70.48%	3,115,854.61	2.63%	235,694,971.65
Including:										
Portfolio of sales receivable	157,172,501.15	54.39%	3,412,214.40	2.17%	153,760,286.75	118,311,513.69	34.92%	3,115,854.61	2.63%	115,195,659.08

Object-specific portfolio	31,830,665.06	11.02%			31,830,665.06	120,499,312.57	35.56%			120,499,312.57
Total	288,947,675.03	100.00%	103,346,793.13	35.77%	185,600,881.90	338,819,609.89	100.00%	103,030,043.98	30.41%	235,789,565.91

Bad debts reserve accrual on a single basis:99, 934, 578. 73

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual causes
Account receivable with bad debts reserve accrual on a single basis	100, 008, 783. 63	99, 914, 189. 37	99, 944, 508. 82	99, 934, 578. 73	99. 99	

Bad debts reserve accrual on portfolio: 3,412,214.40yuan

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio
Portfolio of sales receivable	157,172,501.15	3,412,214.40	2.17%
Object-specific portfolio	31,830,665.06		
Total	189,003,166.21	3,412,214.40	

Explanation on the basis for determining portfolio:

If the bad debts reserve of account receivable is made in accordance with the general model of expected credit losses:

Applicable Not applicable

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025 in the period				

Classification basis and bad debts reserve ratio for each stage

Description of significant changes in the book balance of accounts receivable with changes in impairment provision during the current period:

Applicable Not applicable

(3) Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Change in current period				Ending balance
		Accrued	Collected or reversal	Charged off	Other	
Bad debts reserve for accounts receivable	103,030,043.98	470,760.15	81,751.79		72,259.21	103,346,793.13
Total	103,030,043.98	470,760.15	81,751.79		72,259.21	103,346,793.13

Important bad debts reserve collected or reversal:

In RMB

Name	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio
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				of original bad debts reserve
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(4) Account receivable charged off in the period

In RMB

Item	Amount charged off
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Including major account receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on account receivable charged off:

(5) Top 5 receivables and contract assets at ending balance by arrears party

In RMB

Name	Ending balance of account receivable	Ending balance of contract assets	Ending balance of account receivable and contract assets	Ratio in total ending balance of account receivable and contract assets	Ending balance of bad debt reserve and impairment reserve of contract assets
First	22,933,824.80		22,933,824.80	7.94%	229,338.25
Second	17,181,822.06		17,181,822.06	5.95%	0.00
Third	13,997,821.50		13,997,821.50	4.84%	139,978.22
Fourth	12,497,358.60		12,497,358.60	4.33%	124,973.59
Fifth	10,910,581.00		10,910,581.00	3.78%	109,105.81
Total	77,521,407.96		77,521,407.96	26.84%	603,395.87

6.Contract asset

(1) Contract asset

In RMB

Item	Ending balance			Opening balance		
	Book balance	Bad debts reserve	Book value	Book balance	Bad debts reserve	Book value
Total			0.00			0.00

(2) Amount and reasons for significant changes in book value during the reporting period

In RMB

Item	Amount of change	Reason for change
------	------------------	-------------------

(3) Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book value		Bad debts reserve		Book value	Book value		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrued ratio		Amount	Ratio	Amount	Accrued ratio	
Including:										
Including:										

Bad debts reserve accrual on a single basis:

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual causes

Bad debts reserve accrual on portfolio:

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio

Explanation on the basis for determining portfolio:

If the bad debts reserve of account receivable is made on the basis of the general model of expected credit losses:

Applicable Not applicable

(4) Bad debts reserve accrued, collected or reversal

In RMB

Item	Accrued in the period	Collected or reversal in the period	Written-off in the period	Reason
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Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve
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Other explanation:

(5) Contract assets charged off during the reporting period

In RMB

Item	Amount charged off
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Including major contract assets charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on contract assets charged off:

Other explanation:

7.Account receivable financing

(1) Category of account receivable financing

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

(2) Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book value		Bad debts reserve		Book value	Book value		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrued ratio		Amount	Ratio	Amount	Accrued ratio	
Including:										
Including:										

Bad debts reserve accrual on a single basis:

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual causes

Bad debts reserve accrual on portfolio:

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio

Explanation on the basis for determining portfolio:

The bad debts reserve of account receivable is made on the basis of the general model of expected credit losses:

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025 in the period				

Classification basis and accrued ratio of bad debts reserve for each stage

Explanation on significant changes in the book balance of accounts receivable financing with changes in impairment provision in the current period:

(3) Bad debts reserve accrued, collected or reversal

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	
Bad debts reserve						
Total						

Important bad debts reserve collected or reversal

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve

Other explanation:

(4) Account receivable financing already pledged by the Company at period-end

In RMB

Item	Amount pledged at period-end
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(5) Account receivable financing endorsed or discounted and undue on balance sheet date

In RMB

Item	Amount derecognized at period-end	Amount not derecognized at period-end
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(6) Account receivable financing charged off in the period

In RMB

Item	Amount charged off
------	--------------------

Including major account receivable financing charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on account receivable financing charged off:

(7) Changes of account receivable financing and change of fair value in the period

(8) Other explanation

8. Other accounts receivable

In RMB

Item	Ending balance	Opening balance
Interest receivable	0.00	0.00
Dividend receivable	0.00	0.00
Other accounts receivable	23,492,545.72	19,978,436.61
Total	23,492,545.72	19,978,436.61

(1) Interest receivable

1) Category of interest receivable

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

2) Significant overdue interest

In RMB

Borrower	Ending balance	Overdue period	Overdue reason	Whether impairment has occurred and its judgment basis
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Other explanation:

3)Accrued bad debts reserve

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve
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Other explanation:

5) Interest receivable charged off in the period

In RMB

Item	Amount charged off
------	--------------------

Including major interest receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on interest receivable charged off:

Other explanations:

(2) Dividend receivable

1)Category of dividend receivable

In RMB

Item (or investee)	Ending balance	Opening balance
Total	0.00	0.00

2)Significant dividend receivable with aging over one year

In RMB

Item (or investee)	Ending balance	Aging	Reason for not received	Whether impairment has occurred and its judgment basis
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3)Accrued bad debts reserve

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve
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Other explanation:

5) Dividend receivable charged off in the period

In RMB

Item	Amount charged off
------	--------------------

Including major dividend receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
------------	--------	--------------------	------------------------	--------------------------	---------------------------------------

Explanation on dividend receivable charged off:

Other explanation:

(3) Other account receivable

1)By nature

In RMB

Nature	Ending book balance	Beginning book balance
Deposit and margin	17,012,035.14	16,410,289.56
Other intercourse funds	106,754,608.92	105,477,322.66
Total	123,766,644.06	121,887,612.22

2)By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	8,982,394.22	9,698,491.15
1-2 years	9,637,881.46	7,784,603.76
2-3 years	6,589,021.50	5,278,542.28
Over 3 years	98,557,346.88	99,125,975.03
3-4 years	2,834,609.30	2,121,384.83
4-5 years	2,104,472.35	737,000.59
Over five years	93,618,265.23	96,267,589.61
Total	123,766,644.06	121,887,612.22

3)Accrued bad debts reserve

☑Applicable ☐Not applicable

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debts reserve		Book value	Book balance		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accru al ratio		Amount	Ratio	Amount	Accru al ratio	
Other account receivable with bad debts reserve accrual on a single basis	101,489,238.23	82.00%	99,037,039.89	97.58%	2,452,198.34	100,150,753.95	82.17%	98,211,005.48	98.06%	18,038,688.14
Including:										
Other account receivable with bad debts reserve accrual on a single basis	101,489,238.23	82.00%	99,037,039.89	97.58%	2,452,198.34	100,150,753.95	82.17%	98,211,005.48	98.06%	18,038,688.14
Other account receivable with bad debts reserve accrual on portfolio	22,277,405.83	18.00%	1,237,058.45	5.55%	21,040,347.38	21,736,858.27	17.83%	3,698,170.13	17.01%	1,939,748.47
Including:										
Portfolio of expected credit loss	5,298,871.42	4.28%	1,237,058.45	23.35%	4,061,812.97	7,905,973.60	6.49%	3,166,581.16	40.05%	4,739,392.44
Object-specific portfolio	16,978,534.41	13.72%			16,978,534.41	13,830,884.67	11.34%	531,588.97	3.84%	13,299,295.70
Total	123,766,644.06	100.00%	100,274,098.34	81.02%	23,492,545.72	121,887,612.22	100.00%	101,909,175.61	83.61%	19,978,436.61

Bad debts reserve accrual on a single basis: 99,037,039.89 yuan

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual causes
Portfolio of expected credit loss	5,298,871.42	1,237,058.45	4,061,812.97	1,237,058.45	23.35%	
Object-specific portfolio	16,978,534.41		16,978,534.41			

Bad debts reserve accrual on portfolio: 1,237,058.45 yuan

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio
Portfolio of expected credit loss	5,298,871.42	1,237,058.45	23.35%
Object-specific portfolio	16,978,534.41		

Total	22,277,405.83	1,237,058.45	
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Explanation on the basis for determining portfolio:

If the bad debts reserve of other account receivable is made in accordance with the general model of expected credit losses:

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025 in the period				

Classification basis and bad debts reserve ratio for each stage

Changes in book balance with significant changes in impairment provision in the current period

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	
Bad debts reserve of other accounts receivable	101,909,175.61	-575,790.45	1,054,992.67		4,294.15	100,274,098.34
Total	101,909,175.61	-575,790.45	1,054,992.67		4,294.15	100,274,098.34

Important bad debts reserve collected or reversal:

In RMB

Name	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve

5) Other account receivable charged off in the period

In RMB

Item	Amount charged off

Including major other account receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)

Explanation on other account receivable charged off:

6)Top 5 other accounts receivable at ending balance by arrears party

In RMB

Enterprise	Nature	Ending balance	Aging	Proportion in total other receivables at ending balance (%)	Ending balance of bad debt reserve

First	Intercourse funds	23,615,502.46	Over five years	19.08%	21,187,644.18
Second	Intercourse funds	8,326,202.63	Over five years	6.73%	8,326,202.63
Third	Intercourse funds	8,285,803.57	Over five years	6.69%	8,285,803.57
Fourth	Intercourse funds	8,257,311.80	Over five years	6.67%	8,257,311.80
Fifth	Performance bond	7,558,936.58	1-2 years	6.11%	0.00
Total		56,043,757.04		45.28%	46,056,962.18

7)Those booked into other account receivables due to centralized fund management

In RMB

Other explanation:

9.Account paid in advance

(1) By aging

In RMB

Aging	Ending balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within 1 year	83,616,000.98	99.03%	7,575,700.47	77.49%
1-2 year	73,787.80	0.09%	1,614,572.15	16.52%
2-3 years	158,754.05	0.19%	367,510.00	3.76%
Over 3 years	582,496.08	0.69%	218,246.08	2.23%
Total	84,431,038.91		9,776,028.70	

Explanation on reasons for not timely settling important account paid in advance with aging over one year:

(2) Top 5 accounts paid in advance at ending balance by prepayment object

Prepaid objects	Ending balance	Proportion in total prepayment balance at the end of period (%)
First	73,117,445.60	86.60%
Second	4,117,930.35	4.88%
Third	1,476,635.22	1.75%
Fourth	807,082.80	0.96%
Fifth	500,714.00	0.59%
Total	80,019,807.97	94.78%

Other explanation:

10.Inventory

Whether the Company needs to comply with the disclosure requirements of the real estate industry or not?

No

(1) By category

In RMB

Item	Ending balance			Opening balance		
	Book balance	Inventories fall provision or contract performance costs impairment provision	Book value	Book balance	Inventories fall provision or contract performance costs impairment provision	Book value
Raw materials	71,233,125.89	13,935,531.10	57,297,594.79	80,869,593.40	14,029,193.74	66,840,399.66
Goods in process	29,052,810.30	373,605.59	28,679,204.71	26,297,439.74	0.00	26,297,439.74
Finished goods	3,945,666,033.12	107,552,367.87	3,838,113,665.25	3,990,325,129.27	87,793,814.10	3,902,531,315.17
Goods in transit	5,427,563.31		5,427,563.31	15,150,734.79	0.00	15,150,734.79
Low value consumables	8,862,548.98	2,109,973.12	6,752,575.86	6,304,862.83	2,190,627.19	4,114,235.64
Work in process-outsourced	5,388,642.06	5,388,642.06	0.00	5,388,642.06	5,388,642.06	0.00
Materials in transit	32,612,559.36	0.00	32,612,559.36	30,064,517.52	0.00	30,064,517.52
Total	4,098,243,283.02	129,360,119.74	3,968,883,163.28	4,154,400,919.61	109,402,277.09	4,044,998,642.52

(2) Data resource recognized as inventory

In total

Item	Data resource inventory outsourced	Data resource inventory self-processed	Data resource inventory acquired with other manners	Total
1. Ending book value				
2. Beginning book value				

(3) Inventories fall provision or impairment provision of contract performance costs

In RMB

Item	Opening balance	Current amount increased		Current amount decreased		Ending balance
		Accrual	Other	Reversal or write-off	Other	
Raw materials	14,029,193.74	8,999.77		102,662.41		13,935,531.10
Goods in process	0.00	373,605.59				373,605.59
Finished goods	87,793,814.10	121,396,059.73		101,637,505.96		107,552,367.87
Low value consumables	2,190,627.19	19,133.39		99,787.46		2,109,973.12
Work in process-outsourced	5,388,642.06					5,388,642.06
Total	109,402,277.09	121,797,798.48		101,839,955.83		129,360,119.74

Inventories fall provision accrued in terms of portfolio

In RMB

Portfolio name	Ending			Opening		
	Ending balance	Inventories fall provision	Accrued ratio of inventories fall provision	Opening balance	Inventories fall provision	Accrued ratio of inventories fall provision

Standard for inventories fall provision accrued in terms of portfolio

(4) Explanation on the capitalized amount of borrowing costs included in the ending balance of inventory

(5) Explanation on the current amortization amount of contract performance costs

11.Assets held for sale

						In RMB
Item	Ending book balance	Impairment provision	Ending book value	Fair value	Estimated disposal cost	Estimated disposal time

Other explanation:

12. Non-current asset due within one year

			In RMB
Item	Ending balance	Opening balance	
Total	0.00	0.00	

(1) Creditors' investment maturing within one year

Applicable Not applicable

(2) Other creditors' investment maturing within one year

Applicable Not applicable

13.Other current assets

			In RMB
Item	Ending balance	Opening balance	
Input tax to be deducted	73,822,826.88	111,305,418.60	
Prepayment of income taxes	499,623.76	1,424,165.18	
Prepaid and deferred expense	1,149,134.70	513,701.48	
Other	32,160.80	0.00	
Total	75,503,746.14	113,243,285.26	

Other explanation:

14.Creditors' investment

(1) Creditors' investment

							In RMB
Item	Ending balance			Opening balance			
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value	
Changes of impairment provision of creditors' investment in current period							

					In RMB
Item	Opening balance	Current increase	Current decrease	Ending balance	

(2) Important creditors' investment at period-end

In RMB

Item	Ending balance					Opening balance				
	Face value	Coupon rate	Actual rate	Maturity date	Overdue principal	Face value	Coupon rate	Actual rate	Maturity date	Overdue principal

(3) Accrual of impairment provision

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025 in the period				

Classification basis and accrued ratio of bad debts reserve for each stage

(4) Creditors' investment charged off in the period

In RMB

Item	Amount charged off
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Including major creditors' investment charged off:

Explanation on creditors' investment charged off:

Changes in book balance with significant changes in the current period's impairment provision

Applicable Not applicable

Other explanation:

15. Other creditors' investment

(1) Other creditors' investment

In RMB

Item	Opening balance	Accrual interest	Interest adjustment	Change of fair value in the period	Ending balance	Cost	Accumulated change of fair value	Accumulated impairment provision recognized in other comprehensive income	Note
Total	0.00				0.00				

Changes in impairment provision of other creditors' investments in the current period

In RMB

Item	Opening balance	Current increase	Current decrease	Ending balance
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(2) Other creditors' investment at year-end

In RMB

Other	Ending balance	Opening balance
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creditors' item	Face value	Coupon rate	Actual rate	Maturity date	Overdue principal	Face value	Coupon rate	Actual rate	Maturity date	Overdue principal
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(3) Accrual of impairment provision

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025 in the period				

Classification basis and accrued ratio of bad debts reserve for each stage

(4) Other creditors' investment charged off in the period

In RMB

Item	Amount charged off
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Including major other creditors' investment charged off:

Explanation on other creditors' investment charged off:

Changes in book balance with significant changes in the current period's impairment provision

Applicable Not applicable

Other explanation:

16. Other equity instrument investment

In RMB

Item	Ending balance	Opening balance	Gains recognized in other comprehensive income for the current period	Losses recognized in other comprehensive income for the current period	Accumulated gains recognized in other comprehensive income at the end of this period	Accumulated losses recognized in other comprehensive income at the end of this period	Dividend income recognized in this period	Reasons for designating fair value measurement with changes recognized in other comprehensive income
Total	0.00	0.00						

Other equity instrument investment derecognized in current period

In RMB

Item name	Accumulated gains carried forward to retained gains	Accumulated losses carried forward to retained gains	Reason for de-recognition
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Sub-item disclosure of current non-trading equity instrument investments

In RMB

Item	Dividends income	Accumulated gains	Accumulated losses	Amount of other comprehensive income transferred to retained	Reasons for designating fair value measurement with changes recognized in	Reasons for transferring other comprehensive income to retained
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				earnings	other comprehensive income	earnings
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Other explanation:

17. Long-term account receivable

(1) Long-term account receivable

In RMB

Item	Ending balance			Opening balance			Discount rate range
	Book balance	Bad debts reserve	Book value	Book balance	Bad debts reserve	Book value	
			0.00			0.00	

(2) Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debts reserve		Book value	Book balance		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrued ratio		Amount	Ratio	Amount	Accrued ratio	
Including:										
Including:										

Bad debts reserve accrual on a single basis:

In RMB

Name	Opening balance			Ending balance			
	Book balance	Bad debts reserve	Book value	Book balance	Bad debts reserve	Accrual ratio	Accrual causes

Bad debts reserve accrual on portfolio:

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio

Explanation on the basis for determining portfolio:

The bad debts reserve is made in accordance with the general model of expected credit losses:

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025 in the period				

Classification basis and accrued ratio of bad debts reserve for each stage

(3) Bad debts reserve accrued, collected or reversal

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve
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Other explanation:

(4) Long-term account receivable charged off in the period

In RMB

Item	Amount charged off
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Including major long-term account receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on long-term account receivable charged off:

18. Long-term equity investment

In RMB

Investee	Opening balance (book value)	Opening balance of impairment provision	Current changes (+/-)								Ending balance (book value)	Ending balance of impairment provision
			Additional investment	Capital reduction	Investment gains recognized under equity	Other comprehensive income adjustment	Other equity change	Cash dividend or profit announced to issued	Accrual of impairment provision	Other		
I. Joint venture												
II. Associated enterprise												
Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.	887,461.14			578,043.91	-309,417.23							0.00
Zhuhai Hengxing Feed Industrial Co., Ltd.	32,724,440.12				-1,388,030.30							31,336,409.82
Shenzhen Shenyuan Data Tech. Co., Ltd	11,744,987.18				135,918.89							11,880,906.07
Subtotal	45,356,888.44			578,043.91	-1,561,528.64							43,217,315.89
Total	45,356,888.44			578,043.91	-1,561,528.64							43,217,315.89

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

Other explanation:

19. Other non-current financial assets

In RMB

Item	Ending balance	Opening balance
Equity instrument investment	57,500.00	57,500.00
Total	57,500.00	57,500.00

Other explanation:

20. Investment real estate

(1) Measured by cost

Applicable Not applicable

In RMB

Item	House and building	Land use right	Construction in progress	Total
I. Original book value				
1. Opening balance	670,655,915.53			670,655,915.53
2. Current amount increased	0.00			0.00
(1) Outsourcing				
(2) Inventory/fixed assets/construction in process transfer-in				
(3) Increased by combination				
3. Current amount decreased	55,930,921.98			55,930,921.98
(1) Disposal				
(2) Other transfer-out	55,930,921.98			55,930,921.98
4. Ending balance	614,724,993.55			614,724,993.55
II. Accumulated depreciation and accumulated amortization				
1. Opening balance	368,580,668.78			368,580,668.78
2. Current amount increased	17,089,054.76			17,089,054.76
(1) Accrual or amortization	17,089,054.76			17,089,054.76
3. Current amount decreased	2,826,785.04			2,826,785.04
(1) Disposal				
(2) Other transfer-out	2,826,785.04			2,826,785.04
4. Ending balance	382,842,938.50			382,842,938.50
III. Impairment provision	0.00			0.00
1. Opening balance	0.00			0.00

2.Current amount increased	0.00			0.00
(1) Accrual				
3. Current amount decreased	0.00			0.00
(1) Disposal				
(2) Other transfer-out				
4.Ending balance	0.00			0.00
IV. Book value				
1.Ending book value	231,882,055.05			231,882,055.05
2. Opening book value	302,075,246.75			302,075,246.75

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

Other explanation:

(2) Measured at fair value

Applicable Not applicable

(3) Converted to investment real estate and measured at fair value

In RMB

Item	Accounts before conversion	Amount	Reason for conversion	Approval procedures	Impact on gains/losses	Impact on other comprehensive income
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(4) Investment real estate without property certificate completed

In RMB

Item	Book value	Reason for not obtaining the property rights certificate
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Other explanation:

21.Fixed assets

In RMB

Item	Ending balance	Opening balance
Fixed assets	1,993,966,742.36	2,009,520,283.95
Disposal of fixed assets	0.00	0.00
Total	1,993,966,742.36	2,009,520,283.95

(1) Fixed assets

In RMB

Item	House and buildings	Machinery equipment	Transport equipment	Electronic and other equipment	Total
I. Original book value:					
1. Opening balance	1,941,461,273.74	791,741,297.79	17,305,299.91	100,915,108.88	2,851,422,980.32
2. Current amount increased	95,261,430.86	34,403,700.68	51,607.85	6,768,944.24	136,485,683.63
(1) Purchase		7,416,311.38	51,607.85	3,283,335.28	10,751,254.51
(2) Construction in progress transfer-in	39,699,256.56	26,987,389.30		3,229,377.88	69,916,023.74
(3) Increased by combination					
(4) Other increase	55,562,174.30			256,231.08	55,818,405.38
3. Current amount decreased	145,916,288.38	13,744,884.79	3,001,602.79	5,370,972.83	168,033,748.79
(1) Disposal or scrap		3,493,058.17	1,345,245.56	3,633,286.97	8,471,590.70
(2) Other decrease	145,916,288.38	10,251,826.62	1,656,357.23	1,737,685.86	159,562,158.09
4. Ending balance	1,890,806,416.22	812,400,113.68	14,355,304.97	102,313,080.29	2,819,874,915.16
II. Accumulated depreciation					
1. Opening balance	395,620,432.09	352,024,780.44	14,857,378.46	76,831,770.85	839,334,361.84
2. Current amount increased	48,555,193.05	35,484,685.49	587,459.37	10,411,723.49	95,039,061.40
(1) Accrual	45,774,495.32	35,484,685.49	587,459.37	10,382,836.49	92,229,476.67
(2) Other increase	2,780,697.73	-	-	28,887.00	2,809,584.73
3. Current amount decreased	95,715,333.90	8,091,668.38	2,681,732.69	4,544,850.00	111,033,584.97
(1) Disposal or scrap	-	2,206,113.39	1,277,924.39	2,999,419.27	6,483,457.05
(2) Other decrease	95,715,333.90	5,885,554.99	1,403,808.30	1,545,430.73	104,550,127.92
4. Ending balance	348,460,291.24	379,417,797.55	12,763,105.14	82,698,644.34	823,339,838.27
III. Impairment provision			0.00		
1. Opening balance	0.00	2,558,444.66		9,889.87	2,568,334.53
2. Current amount increased	0.00	0.00	0.00	0.00	0.00
(1) Accrual					

1					
3.Current amount decreased	0.00	0.00	0.00	0.00	0.00
(1) Disposal or scrap					
4.Ending balance	0.00	2,558,444.66	0.00	9,889.87	2,568,334.53
IV. Book value					
1.Ending book value	1,542,346,124.98	430,423,871.47	1,592,199.83	19,604,546.08	1,993,966,742.36
2. Opening book value	1,545,840,841.65	437,158,072.69	2,447,921.45	24,073,448.16	2,009,520,283.95

(2) Temporarily idle fixed assets

In RMB

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Note
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(3) Fixed assets leased out by operation

In RMB

Item	Ending book value
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(4) Fix assets without property certification held

In RMB

Item	Book value	Reasons for without the property certification
Office building	13,769,735.24	Remaining issues, currently being followed
No. 1 Grain and Oil Headquarters	78,533,292.79	The joint inspection has not been completed temporarily

Other explanation:

(5) Impairment testing of fixed assets

Applicable Not applicable

(6) Disposal of fixed assets

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

Other explanation:

22. Construction in progress

In RMB

Item	Ending balance	Opening balance
Construction in progress	51,951,405.25	39,312,847.70
Total	51,951,405.25	39,312,847.70

(1) Construction in progress

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Grain warehousing and wharf supporting project				23,185,559.25	0.00	23,185,559.25
Berth no.3 construction project	29,296,847.97	0.00	29,296,847.97			
Factory building construction project	4,266,057.79		4,266,057.79			
Lifting equipment construction project for berths No.1 and No.2	892,543.31		892,543.31			
Industrial park CDE warehouses and wharf supporting project				6,281,644.10		6,281,644.10
Other	22,396,529.56	4,900,573.38	17,495,956.18	14,746,217.73	4,900,573.38	9,845,644.35
Total	56,851,978.63	4,900,573.38	51,951,405.25	44,213,421.08	4,900,573.38	39,312,847.70

(2) Changes of major construction in progress

In RMB

Item	Budget	Opening balance	Current amount increased	Transfer-in fixed assets	Other decreased in the Period	Ending balance	Proportion of project investment in budget	Progress	Accumulated capitalization of interest	Including: amount of capitalization of interest in Period	Interest capitalization rate in Period	Capital resources
Berth no.3	185,184,073.19		29,296,352.75			29,296,352.75	15.82%	15.82%				Others

const ructi on proje ct												
Ping hu Ware hous e Reno vatio n	35,000,000.00	3,942,246.16	15,822,276.43	18,591,905.21		1,172,617.38	96.65%	96.65%				
Dong guan Grai n Stora ge and Whar f Supp ortin g Facil ities Proje ct	1,242,000.00	23,185,559.25	21,029,062.40	38,612,329.35	5,602,292.30		100.00%	100.00%				
Total	1,462,184,073.19	27,127,805.41	66,147,691.58	57,204,234.56	5,602,292.30	30,468,970.13						

(3) Impairment provision of construction in progress

In RMB

Item	Opening balance	Current increase	Current decrease	Ending balance	Reason for accrual
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Other explanation:

(4) Impairment testing of construction in progress

Applicable Not applicable

(5) Engineering material

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value

Other explanation:

23.Productive biological asset

(1) Measured at cost

☒Applicable ☐Not applicable

In RMB

Item	Plant	Livestock	Forestry	Fisheries	Total
I. Original book value					
1. Opening balance	416,771.28				416,771.28
2. Current amount increased					
(1) Outsourcing					
(2) Self-cultivate					
3. Current amount decreased					
(1) Disposal					
(2) Other					
4. Ending balance	416,771.28				416,771.28
II. Accumulated depreciation					
1. Opening balance	67,846.68				67,846.68
2. Current amount increased	9,692.40				9,692.40
(1) Accrual	9,692.40				9,692.40
3. Current amount decreased					
(1) Disposal					
(2) Other					
4. Ending balance	77,539.08				77,539.08
III. Impairment provision					
1. Opening balance					
2. Current amount increased					
(1) Accrual					
3. Current amount decreased					
(1) Disposal					
(2) Other					
4. Ending balance					
IV. Book value					
1. Ending book value	339,232.20				339,232.20
2. Opening book value	348,924.60				348,924.60

(2) Impairment testing of productive biological asset measured at cost model

Applicable Not applicable

(3) Productive biological asset measured at fair value

Applicable Not applicable

24. Oil and gas asset

Applicable Not applicable

25. Right-of-use asset

(1) On right-of-use asset

In RMB

Item	House and building	Land use rights	Total
I. Original book value			
1. Opening balance	195,429,902.49	2,875,969.39	198,305,871.88
2. Current amount increased	9,716,866.47		9,716,866.47
(1) Lease	9,716,866.47		9,716,866.47
3. Current amount decreased	126,057,465.55		126,057,465.55
Other decrease	126,057,465.55		126,057,465.55
4. Ending balance	79,089,303.41	2,875,969.39	81,965,272.80
II. Accumulated depreciation			
1. Opening balance	82,054,858.58	992,973.13	83,047,831.71
2. Current amount increased	27,474,738.49	256,434.67	27,731,173.16
(1) Accrual	27,474,738.49	256,434.67	27,731,173.16
3. Current amount decreased	83,615,270.74		83,615,270.74
(1) Disposal			
(2) Other decrease	83,615,270.74		83,615,270.74
4. Ending balance	25,914,326.33	1,249,407.80	27,163,734.13
III. Impairment provision			
1. Opening balance			
2. Current amount increased			
(1) Accrual			
3. Current amount decreased			
(1) Disposal			
4. Ending balance			
IV. Book value			
1. Ending book value	53,174,977.08	1,626,561.59	54,801,538.67
2. Opening book value	113,375,043.91	1,882,996.26	115,258,040.17

(2) Impairment testing of right-of-use assets

□Applicable ☒Not applicable

Other explanation:

26.Intangible assets

(1) Intangible assets

In RMB

Item	Land use right	Patent	Non-patent technology	Shop use rights	Software usage rights	Forest use rights	Trademark rights	Total
I. Original book value								
1. Opening balance	587,907,374.86	54,891,301.41		3,610,487.37	116,819,200.84	22,859,104.98	98,073.32	786,185,542.78
2. Current amount increased					9,238,338.97			9,238,338.97
(1) Purchase					2,954,717.35			2,954,717.35
(2) Internal R&D								
(3) Increased by combination								
(4) Other increase					6,283,621.62			6,283,621.62
3. Current amount decreased	87,427,104.56				5,961,294.86			93,388,399.42
(1) Disposal	86,122,268.56							86,122,268.56
(2) Other decrease	1,304,836.00				5,961,294.86			7,266,130.86
4. Ending balance	500,480,270.30	54,891,301.41		3,610,487.37	120,096,244.95	22,859,104.98	98,073.32	702,035,482.33
II. Accumulated depreciation								
1. Opening balance	144,678,876.08	32,459,698.26		1,675,382.19	69,123,935.16	9,229,847.16	93,727.62	257,261,466.47
2. Current amount increased	13,077,682.54	1,653,961.68		97,520.27	15,187,347.42	774,906.10	3,126.70	30,794,544.71
(1) Accrual	13,077,682.54	1,653,961.68		97,520.27	15,187,347.42	774,906.10	3,126.70	30,794,544.71
(2) Other increase								
3. Current amount decreased	26,220,795.07				1,941,008.79			28,161,803.86
(1) Disposal	25,624,945.47							25,624,945.47

(3) Other decrease	595,849.60				1,941,008.79			2,536,858.39
4. Ending balance	131,535,763.55	34,113,659.94		1,772,902.46	82,370,273.79	10,004,753.26	96,854.32	259,894,207.32
III. Impairment provision								
1. Opening balance		5,553,283.54						5,553,283.54
2. Current amount increased								
(1) Accrual								
3. Current amount decreased								
(1) Disposal								
4. Ending balance		5,553,283.54						5,553,283.54
IV. Book value								
1. Ending book value	368,944,506.75	15,224,357.93		1,837,584.91	37,725,971.16	12,854,351.72	1,219.00	436,587,991.47
2. Opening book value	443,228,498.78	16,878,319.61		1,935,105.18	47,695,265.68	13,629,257.82	4,345.70	523,370,792.77

Ratio of the intangible assets formed by internal R&D in balance of intangible assets at period-end

(2) Data resource recognized as intangible assets

Applicable Not applicable

(3) Land use rights without certificate of ownership

In RMB

Item	Book value	Reasons for without the property certification
Land use right	7,849,990.00	Still in progress

Other explanation:

(4) Impairment testing of intangible assets

Applicable Not applicable

27. Goodwill

(1) Original book value of goodwill

In RMB

Investee or matters forming goodwill	Opening balance	Current increased		Current decreased		Ending balance
		Formed by business combination		Disposal		

Total					
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(2) Impairment provision of goodwill

In RMB

Investee or matters forming goodwill	Opening balance	Current increased		Current decreased		Ending balance
		Accrual		Disposal		
Total						

(3) Related information of asset group or asset group portfolio where goodwill is included

Name	Component and basis of asset group or asset group portfolio	Operation segment and basis	Consistent with previous years(Y/N)?
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Changes in asset group or asset group portfolio

Name	Component before change	Component after change	Objective fact and basis leading to change
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Other explanation

(4) Specific method of determining the recoverable amount

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

(5) Completion of performance commitments and corresponding impairment of goodwill

When goodwill is formed, there is a performance commitment and the reporting period or the previous period is within the performance commitment period

Applicable Not applicable

Other explanation:

28.Long-term expenses to be apportioned

In RMB

Item	Opening balance	Current amount increased	Current amortization	Other decreased	Ending balance
Decoration fee	5,869,803.29	1,222,826.12	2,648,703.90	53,525.46	4,390,400.05
Improvement expenditure for fix assets	17,166,598.90	3,347,270.58	4,937,095.15	976,490.52	14,600,283.81
Other	2,976,786.49	54,520.00	784,469.65	60,915.77	2,185,921.07
Total	26,013,188.68	4,624,616.70	8,370,268.70	1,090,931.75	21,176,604.93

Other explanation:

29. Deferred income tax asset /Deferred income tax liabilities

(1) Deferred income tax assets not offset

In RMB

Item	Ending balance		Opening balance	
	Deductible temporary differences	Deferred income tax asset	Deductible temporary differences	Deferred income tax asset
Impairment provision for assets	99,386,125.59	24,284,726.94	78,886,233.43	19,113,818.29
Unrealized profits in internal transactions	1,511,260.27	226,689.05	1,955,326.35	293,298.96
Credit impairment loss	129,373,347.11	31,926,345.31	131,272,060.28	32,427,392.41
Lease liabilities	57,798,738.00	14,449,684.50	72,583,919.01	18,145,979.75
Total	288,069,470.97	70,887,445.80	284,697,539.07	69,980,489.41

(2) Deferred income tax liability not offset

In RMB

Item	Ending balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Asset evaluation appreciation of enterprise combination under different control	40,325,797.60	10,081,449.40	41,980,665.84	10,495,166.46
Right-of-use asset	54,808,175.81	13,702,043.94	68,309,530.63	17,077,382.66
Total	95,133,973.41	23,783,493.34	110,290,196.47	27,572,549.12

(3) Deferred income tax assets and deferred income tax liabilities listed as net amount after offsetting

In RMB

Item	Offsetting between the deferred income tax assets and liabilities	Ending balance of deferred income tax assets or liabilities after offsetting	Trade-off between the deferred income tax assets and liabilities at period-begin	Opening balance of deferred income tax assets or liabilities after offsetting
Deferred income tax asset	13,702,043.94	57,185,401.86	17,077,382.66	52,903,106.75
Deferred income tax liabilities	13,702,043.94	10,081,449.40	17,077,382.66	10,495,166.46

(4) Details of unrecognized deferred income tax assets

In RMB

Item	Ending balance	Opening balance
Deductible temporary differences	27,474,738.49	256,434.67
Deductible loss	27,474,738.49	256,434.67
Total	27,474,738.49	256,434.67

(5) Deductible losses of unrecognized deferred income tax assets expiring in following years

In RMB

Year	Ending balance	Opening balance	Note
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2025		59,047,529.92	
2026	19,484,453.96	24,075,232.20	
2027	15,031,259.32	37,011,114.59	
2028	85,404,328.21	95,247,245.53	
2029	59,406,260.42	81,843,220.20	
2030	38,491,553.46	1,592,707.06	
2031	7,114,166.80	11,566,491.62	
2032	5,673,197.69	6,231,412.69	
2033	7,780,257.86	2,672,397.80	
2034	7,396,405.74		
Total	245,781,883.46	319,287,351.61	

Other explanation:

30. Other non-current asset

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Shuguang Grain Warehouse	51,100,263.93		51,100,263.93			
Property to be relocated	12,868,260.22		12,868,260.22	3,523,917.24		3,523,917.24
Prepaid for engineer	1,919,383.97		1,919,383.97	2,497,360.73		2,497,360.73
Prepaid for system	602,767.82		602,767.82			
Total	66,490,675.94	-	66,490,675.94	6,021,277.97		6,021,277.97

Other explanation:

The Company's Shuguang Grain Depot was included in the scope of Phase I of the Land Readjustment Project for the Xili High-speed Railway Hub and Related Works due to government reasons. In September 2025, the Xili Sub-district Office of Nanshan District, Shenzhen, and the Company entered into the Relocation Compensation Agreement for Phase I of the Xili High-speed Railway Hub and Related Works Readjustment Project. As of the date of the audit report, this matter is still in progress.

31. Assets with restricted ownership or use rights

In RMB

Item	Ending				Beginning			
	Book balance	Book value	Restriction type	Restriction status	Book balance	Book value	Restriction type	Restriction status
Monetary fund	4,280,703.44	4,280,703.44	Letter of credit margin, litigation preservation		9,263,948.38	9,263,948.38	Letter of credit margin, litigation preservation	
Total	4,280,703.44	4,280,703.44			9,263,948.38	9,263,948.38		

Other explanation:

32.Short-term loans

(1) By category

In RMB

Item	Ending balance	Opening balance
Loan in credit	1,155,754,328.18	1,484,605,101.05
Total	1,155,754,328.18	1,484,605,101.05

Explanation on category of short-term loans:

(2) Overdue and unpaid short-term loans

The overdue and unpaid short-term loans was 0.00 yuan at period-end, including follow major amount:

In RMB

Borrower	Ending balance	Loan rate	Overdue time	Overdue interest
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Other explanation:

33. Tradable financial liability

Item	Ending balance	Opening balance
Including:		
Including:		

Other explanation:

34.Derivative financial liability

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

Other explanation:

35. Note payable

In RMB

Category	Ending balance	Opening balance
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Notes expiring at year-end not repaid was 0.00 yuan.

36. Account payable

(1) Account payable

In RMB

Item	Ending balance	Opening balance
Trade accounts payable	246,567,085.98	279,249,140.30

Account payable for engineering and equipment	55,607,350.97	69,278,292.34
Pinghu Warehouse Rental Fee	3,019,639.49	2,600,723.24
Other	49,892,928.38	2,600,723.24
Total	345,768,271.72	392,787,099.23

(2) Major accounts payable with aging over one year or overdue major accounts payable

In RMB

Item	Ending balance	Reason for not repaying or carry-over
Shenzhen Municipal Engineering Corporation	14,976,465.35	The project has been completed, but not settled, and the payment node stipulated in the contract has not been reached.
Guangdong Henghui Construction Co., Ltd.	14,404,674.30	Partial projects are unsettled
Total	29,381,139.65	

Other explanation:

(3) Does the Company have any overdue and unpaid payables to small and medium-sized enterprises?

Is the enterprise classified as a large-scale enterprise?

Yes No

37. Other account payable

In RMB

Item	Ending balance	Opening balance
Interest payable	0.00	0.00
Dividend payable	2,933,690.04	2,933,690.04
Other account payable	260,522,669.16	265,387,637.46
Total	263,186,359.20	268,321,327.50

(1) Interest payable

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

Important overdue and unpaid interest situation:

In RMB

Borrower	Overdue amount	Overdue reason

Other explanation:

(2) Dividend payable

In RMB

Item	Ending balance	Opening balance
Shenzhen Investment Management Company	2,690,970.14	2,690,970.14
Untrusted shares	242,719.90	242,719.90
Total	2,933,690.04	2,933,690.04

Other explanations, including important dividends payable that have not been paid for more than one year, should disclose the

reasons for non payment:

(3) Other account payable

1)By nature

In RMB

Item	Ending balance	Opening balance
Accounts receivable and other expenses	192,976,382.72	181,075,520.70
Deposit and margin	54,313,673.64	71,419,422.77
Engineering quality assurance deposit and final payment	1,079,444.38	439,888.55
Accrued expenses	11,883,168.42	12,452,805.44
Total	260,252,669.16	265,387,637.46

2)Significant other account payable with aging over 1 year or overdue significant other account payable

In RMB

Item	Ending balance	Reason for not repaying or carry-over
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Other explanation:

38.Accounts received in advance

(1) Accounts received in advance

In RMB

Item	Ending balance	Opening balance
Lease payment received in advance	361,950.00	1,120,604.23
Other	562,382.28	569,144.63
Total	924,332.28	1,689,748.86

(2) Significant accounts received in advance with aging over one year or overdue significant accounts received in advance

In RMB

Item	Ending balance	Reason for not repaying or carry-over
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In RMB

Item	Change in amount	Reason for change
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39.Contract liabilities

In RMB

Item	Ending balance	Opening balance
Advance on sales	77,779,348.91	126,590,458.95
Total	77,779,348.91	126,590,458.95

Significant contract liabilities with aging over 1 year

In RMB

Item	Ending balance	Reason for not repaying or carry-over
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Amount and reasons for important changes in book value in the period

In RMB

Item	Change in amount	Reason for change
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40. Wage payable

(1) Wage payable

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
I. Short-term compensation	173,956,857.94	278,926,518.46	315,058,620.87	137,824,755.53
II. After-service welfare-defined contribution plans	6,866,982.09	38,021,317.57	40,288,870.53	4,599,429.13
III. Dismissed welfare	726,674.60	433,123.19	433,123.19	726,674.60
Total	181,550,514.63	317,380,959.22	355,780,614.59	143,150,859.26

(2) Short-term compensation

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
1. Wage, bonus, allowance and subsidy	166,282,245.23	232,997,780.56	268,443,855.24	130,836,170.55
2. Employees' welfare	368,527.83	4,988,071.92	4,763,022.26	593,577.49
3. Social insurance charges	382,704.75	7,810,112.08	7,797,414.56	395,402.27
Including: medical insurance premium	347,882.18	6,668,540.52	6,655,420.79	361,001.91
Industrial injury insurance premiums	6,129.88	615,612.59	616,539.85	5,202.62
Maternity insurance premiums	28,692.69	525,958.97	525,453.92	29,197.74
4. Housing public reserve	51,276.78	19,862,129.10	19,786,832.28	126,573.60
5. Trade union fee and education fee	6,725,952.35	5,113,235.31	6,057,812.90	5,781,374.76
Non-monetary welfare	141,151.00	8,155,189.49	8,209,683.63	86,656.86

Other short-term compensation	5,000.00	-	-	5,000.00
Total	173,956,857.94	278,926,518.46	315,058,620.87	137,824,755.53

(3) Defined contribution plans

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
1. Basic endowment insurance premiums	56,501.10	20,726,553.30	20,691,288.17	91,766.23
2. Unemployment insurance premiums	-	993,354.55	988,615.19	4,739.36
3. Enterprise annuity	6,810,480.99	16,301,409.72	18,608,967.17	4,502,923.54
Total	6,866,982.09	38,021,317.57	40,288,870.53	4,599,429.13

Other explanation:

41. Taxes payable

In RMB

Item	Ending balance	Opening balance
VAT	2,185,699.76	2,133,176.38
Enterprise income tax	223,830,634.62	95,215,697.77
Personal income tax	1,026,973.43	1,450,305.23
Urban maintenance and construction tax	119,906.94	113,475.35
Property tax	1,336,335.07	1,350,095.44
Stamp tax	835,850.04	1,089,799.33
Educational surtax	91,940.30	81,630.62
Use tax of land	138,387.07	138,387.07
Other	2,644.11	666,872.16
Total	229,568,371.34	102,239,439.35

Other explanation:

42. Liability held for sale

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

Other explanation:

43. Non-current liabilities due within one year

In RMB

Item	Ending balance	Opening balance
Lease liabilities due within one year	26,385,962.57	42,927,367.21
Total	26,385,962.57	42,927,367.21

Other explanation:

44. Other current liabilities

In RMB

Item	Ending balance	Opening balance
Deferred output tax	4,373,517.22	8,042,645.47
Total	4,373,517.22	8,042,645.47

Changes of short-term bonds payable:

In RMB

Bonds	Face value	Issuance date	Bonds term	Amount issued	Opening balance	Issued in the period	Accrual interest by face value	Premium and discount amortization	Paid in the period		Ending balance	Breach contract or not(Y/N)?
Total												

Other explanation:

45. Long-term loan

(1) Category of long-term loan

In RMB

Item	Ending balance	Opening balance
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Explanation on category of long-term loans:

Other explanation, including interest rate range:

46. Bonds payable

(1) Bonds payable

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

(2) Changes of bonds payable (not including preferred stock, perpetual capital securities and other financial instruments classified as financial liability)

In RMB

Bonds	Face value	Coupon rate	Issuance date	Bonds term	Amount issued	Opening balance	Issued in the period	Accrual interest by face value	Premium and discount amortization	Paid in the period		Ending balance	Breach contract or not(Y/N)?
Total													

(3) Description of convertible bonds

(4) Other financial instruments classified as financial liability

Basic information of the outstanding preferred stock and perpetual capital securities at period-end

Changes of outstanding preferred stock and perpetual capital securities at period-end

In RMB

Outstanding financial instrument	Period-beginning		Current increased		Current decreased		Period-e	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value

Explanation on the basis for classifying other financial instrument into financial liability

Other explanation

47. Lease liability

In RMB

Item	Ending balance	Opening balance
Lease payments	57,694,189.71	126,474,987.95
Unrecognized financing charges	-1,839,958.48	-5,463,119.98
Minus: lease liabilities due within one year	-26,385,962.57	-42,927,367.21
Total	29,468,268.66	78,084,500.76

Other explanation:

48. Long-term account payable

Item	Ending balance	Opening balance
Special account payable	16,732,409.88	16,636,326.62
Total	16,732,409.88	16,636,326.62

In RMB

(1) By nature

In RMB

Item	Ending balance	Opening balance
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Other explanation:

(2) Special account payable

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance	Causes
Depreciation funds for fixed assets of government reserve grain depots	16,421,849.53	96,083.26		16,517,932.79	
Special funding for research in the grain public welfare industry	207,477.09			207,477.09	
Grain and oil market monitoring and early warning subsidy	7,000.00			7,000.00	
Total	16,636,326.62	96,083.26		16,732,409.88	

Other explanation:

49. Long-term wage payable

(1) Long-term wage payable

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

(2) Changes of defined benefit plans

Present value of the defined benefit plans:

In RMB

Item	Current Period	Last Period
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Scheme assets:

In RMB

Item	Current Period	Last Period
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Net liability (assets) of the defined benefit plans

In RMB

Item	Current Period	Last Period
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Content of defined benefit plans and relevant risks, impact on future cash flow of the Company as well as times and uncertainty:

Major actuarial assumption and sensitivity analysis of defined benefit plans:

Other explanation:

50. Accrual liabilities

In RMB

Item	Ending balance	Opening balance	Causes
Total	0.00	0.00	

Other explanation, including relevant important assumptions and estimation:

51. Deferred income

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance	Causes
Government grant	79,203,615.99	7,513,100.00	8,044,115.37	78,672,600.62	
Total	79,203,615.99	7,513,100.00	8,044,115.37	78,672,600.62	--

Other explanation:

52. Other non-current liabilities

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

Other explanation:

53. Share capital

In RMB

	Opening balance	Current increased (decreased) +/-					Ending balance
		New shares issued	Bonus shares	Shares converted from public reserve	Other	Subtotal	
Total shares	1,152,535,254.00						1,152,535,254.00

Other explanation:

54. Other equity instrument

(1) Basic information of the outstanding preferred stock and perpetual capital securities at period-end

(2) Changes of outstanding preferred stock and perpetual capital securities at period-end

In RMB

Outstanding financial instrument	Period-beginning		Current increased		Current decreased		Period-end	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value
Total		0.00						0.00

Explanation on changes in other equity instrument, reasons for changes and relevant accounting treatment basis:

Other explanation:

55. Capital reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Capital premium (Share capital premium)	1,263,011,835.48			1,263,011,835.48
Other capital reserve	8,896,381.86			8,896,381.86
Total	1,271,908,217.34			1,271,908,217.34

Other instructions, including changes in the current period, reasons for changes:

56. Treasury stock

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Total	0.00			0.00

Other explanation, including changes and reason for changes:

57. Other comprehensive income

In RMB

Item	Opening balance	Current Period						Ending balance
		Account before income tax in the period	Less: written in other comprehensive income in previous period and carried forward to gains/losses in current period	Less: written in other comprehensive income in previous period and carried forward to retained earnings in current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax	

II. Other comprehensive income re-classified into gains/losses	620,406.95					-105,864.61		-	726,271.56
Exchange differences on translation of foreign currency financial statements	620,406.95					-105,864.61		-	726,271.56
Total of other comprehensive income	620,406.95					-105,864.61		-	726,271.56

Other explanation, including the active part of the hedging gains/losses of cash flow transfer to initial reorganization adjustment for the arbitrated items:

58. Reasonable reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Work safety fee	1,152,617.76		1,152,617.76	0.00
Total	1,152,617.76		1,152,617.76	0.00

Other explanation, including changes in current period and reason for changes:

59. Surplus public reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Statutory surplus reserves	616,729,697.68	25,968,220.55		642,697,918.23
Total	616,729,697.68	25,968,220.55		642,697,918.23

Other explanation, including changes in current period and reasons for changes:

60. Retained profit

In RMB

Item	Current period	Last period
Retained profit at last period-end before adjustment	1,877,968,762.99	1,916,792,566.57
Retained profit at period-beginning after adjustment	1,877,968,762.99	1,916,792,566.57
Add: net profit attributable to shareholder of parent company	243,215,785.97	325,309,578.52
Less: withdrawal of legal surplus reserve	25,968,220.55	133,626,331.30
Common stock dividends payable	172,880,288.10	230,507,050.80
Retained profit at period-end	1,922,336,040.31	1,877,968,762.99

Details about adjusting the retained profits at the beginning of the period:

- 1) Due to the retroactive adjustments to Accounting Standards for Business Enterprises and its relevant new regulations, the retained profit at the beginning of the period was affected by 0.00 yuan.
- 2) Due to changes in accounting policies, the retained profit at the beginning of the period was affected by 0.00 yuan.
- 3) Due to major accounting error correction, the retained profit at the beginning of the period was affected by 0.00 yuan.
- 4) Due to changes in merge scope caused by the same control, the retained profits at the beginning of the period was affected by 0.00 yuan.

5) Due to other adjustments, the retained profits at the beginning of the period was affected by 0.00 yuan.

Description on the details of using capital surplus to make up for losses:

61. Operating revenue and operating cost

In RMB

Item	Current period		Last period	
	Income	Cost	Income	Cost
Main business	5,497,942,871.63	4,619,914,898.74	5,371,493,401.89	4,477,833,978.58
Other business	7,336,750.72	3,495,174.80	3,596,445.02	1,167,456.25
Total	5,505,279,622.35	4,623,410,073.54	5,375,089,846.91	4,479,001,434.83

Whether the lowest among the audited total profits and the net profit before and after deduction of non-recurring gains/ losses is negative or not?

Yes No

Information on breakdown of operation income and cost:

In RMB

Category	Branch 1		Branch 2				Total	
	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost
Business types								
Including:								
Classification by business area								
Including:								
Market or customer type								
Including:								
Contract types								
Including:								
Classification by time of goods transfer								
Including:								
Classification by contract duration								
Including:								
Classification by sales channel								
Including:								
Total								

Information relating to performance obligations:

Item	Time for	Important	Nature of the	Is it the main	Expected	Types of quality
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	performance obligations	payment terms	goods promised to transfer by the company	responsible person?	refunds to customers borne by the company	assurance provided by the company and related obligations
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Other explanations

Information related to the transaction price allocated to the remaining performance obligations:

At the end of this reporting period, the contract has been signed, but the income corresponding to unfulfilled or incomplete performance obligations is 77,779,348.91 yuan, which is expected to be recognized in the year of 2026.

Related information of contract variable price:

Significant contract changes or significant transaction price adjustments

In RMB

Other explanation:	Item	Accounting treatment method	Impact on income
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62. Tax and surcharge

In RMB

Item	Current period	Last period
Urban maintenance and construction tax	1,251,637.11	1,221,674.64
Education surcharge	988,000.52	944,426.67
Property tax	13,285,255.45	13,228,693.85
Use tax of land	1,729,101.13	1,860,162.47
Vehicle and vessel use tax	18,447.28	21,598.24
Stamp duty	2,255,913.62	2,363,400.05
Other	17,822.25	12,703.14
Total	19,546,177.36	19,652,659.06

Other explanation:

63. Administration expenses

In RMB

Item	Current period	Last period
Labor and social security benefits	138,545,607.32	92,027,598.27
Depreciation and amortization of long-term assets	40,065,454.48	43,892,426.93
Office expenses	6,926,393.10	7,832,785.01
Intermediary agency fees	4,830,127.46	4,537,569.50
Communication expense	1,921,919.54	2,163,612.00
Vehicle usage fee	876,589.01	1,694,972.94
Travelling expense	2,090,358.79	1,130,140.38
Rental	873,279.88	713,648.91
Repairing expense	420,488.08	624,504.35
Low-value consumable	311.03	505,314.41
Business hospitality	355,529.68	409,836.76
Relocation and shutdown costs	23,903.00	37,526.60
Other	9,322,661.12	12,675,264.53
Total	206,252,622.49	168,245,200.59

Other explanation:

64.Sales expense

In RMB

Item	Current period	Last period
Labor and social security benefits	99,375,448.52	99,897,664.20
Depreciation and amortization of long-term assets	5,335,256.64	9,900,670.84
Office expenses	5,347,325.54	10,845,695.36
Sales service fee	9,527,498.45	7,295,139.32
Storage and loading/unloading fees	4,791.71	1,298,777.88
Low value consumables and other loss expenses	4,401,679.45	3,722,408.10
Travel expenses	3,125,891.37	2,556,940.10
Business hospitality	817,153.75	1,098,538.42
Advertising expenses	293,650.78	274,794.60
Rental	743,315.66	514,723.11
Property insurance premium	722,159.77	1,199,180.50
Logistics and transportation costs	610,556.01	702,660.09
Vehicle use fee	527,032.61	284,432.28
Other	7,452,777.99	10,218,705.16
Total	138,284,538.25	149,810,329.96

Other explanation:

65.R&D expenses

In RMB

Item	Current period	Last period
Labor and social security benefits	13,312,238.00	12,077,363.97
Direct investment	4,481,904.08	7,521,427.97
Depreciation and amortization	3,217,929.48	3,063,811.07
Entrusted R&D expense	0.00	80,188.68
Travel expense	733,780.72	847,673.24
Inspection and debugging expense	974,920.80	929,050.82
Other expenses	2,241,881.90	689,128.68
Total	24,962,654.98	25,208,644.43

Other explanation:

66.Financial expense

In RMB

Item	Current period	Last period
Interest expenses	32,969,675.94	33,986,936.32
Interest income	-1,073,602.35	-1,832,540.57
Exchange gains/losses	-26,631.77	75,332.11
Handling fee and others	575,638.03	448,518.55
Total	32,445,079.85	32,678,246.41

Other explanation:

67.Other income

In RMB

Sources	Current period	Last period
Government grant	57,883,182.09	10,243,944.62

Input tax deduction	1,197,133.26	1,579,562.14
Handling fees for withholding personal income tax	325,554.54	454,718.47
Other	11,014.91	62,310.23
Total	59,416,884.80	12,340,535.46

68.Net exposure hedge gains

In RMB

Item	Current period	Last period
Total	0.00	0.00

Other explanation:

69.Income of fair value changes

In RMB

Sources	Current period	Last period
Total	0.00	0.00

Other explanation:

70.Investment income

In RMB

Item	Current period	Last period
Long-term equity investment income measured with equity method	-1,561,528.65	-3,992,524.74
Investment income from the disposal of long-term equity investment	1,025,212.79	2,890,749.95
Investment income from the disposal of tradable financial assets		2,123,849.30
Income from financial products		2,394,668.46
Total	-536,315.86	3,416,742.97

Other explanation:

71.Credit impairment loss

In RMB

Item	Current period	Last period
Loss of bad debt of accounts receivable	-389,008.36	-417,686.25
Loss of bad debt of other accounts receivable	1,630,783.12	643,505.99
Loss of bad debts of accounts prepaid	0.00	-59,090.80
Total	1,241,774.76	166,728.94

Other explanation:

72.Asset impairment loss

In RMB

Item	Current period	Last period
I. Inventory depreciation loss and impairment loss of contract performance cost	-121,690,077.25	-102,204,026.35

VI. Impairment losses of construction in progress		-155,050.00
Total	-121,690,077.25	-102,359,076.35

Other explanation:

73.Income from disposal of assets

In RMB

Sources	Current period	Last period
Income from the disposal of fixed assets (losses shall be filled in with “-”)	3,148,837.05	41,906.80
Income from the disposal of intangible assets (losses shall be filled in with “-”)	15,811,193.73	5,239,932.45
Total	18,960,030.78	5,281,839.25

74.Non-operation income

In RMB

Item	Current period	Last period	Amount included in the current non-recurring gains/losses
Government grants		16,500.00	
Gains from inventory surplus	6,762.35	3,081.80	6,762.35
Liquidated damages compensation income	664,722.00	246,085.99	664,722.00
Other	2,945,850.33	328,634.72	2,945,850.33
Gains from damage and scrapping of non-current assets	46,593.68	14,444.62	46,593.68
Relocation Signing Incentive	45,254,340.00		45,254,340.00
Total	48,918,268.36	608,747.13	48,918,268.36

Other explanation:

75.Non-operating expenditure

In RMB

Item	Current period	Last period	Amount included in current non-recurring gains/ losses
External donations	100,000.00	21,613.38	100,000.00
Penalty expenses and liquidated damages	39,647.74	13,907.66	39,647.74
Loss of scrap from inventory	55,822.13	176,715.04	55,822.13
Loss from damage and scrapping of non-current assets	157,452.63	142,968.10	157,452.63
Other	530,642.79	248,775.50	530,642.79
Total	883,565.29	603,979.68	883,565.29

Other explanation:

76.Income tax expense

(1) Income tax expense

In RMB

Item	Current period	Last period
Current income tax expenses	227,804,384.58	96,132,421.18

Deferred income tax expenses	-5,256,753.02	-931,158.99
Total	222,547,631.56	95,201,262.19

(2) Adjustment process of accounting profit and income tax expenses

Item	In RMB	
	Current period	
Total profit	465,805,476.18	
Income tax expenses calculated by statutory/applicable tax rate	116,451,369.05	
Impact from different tax rate applicable with subsidiaries	-686,235.14	
Effect of adjusting income tax in the previous period	1,395.20	
Impact of non-taxable income	-28,247,730.50	
Impact of cost, expenses and losses unable to be deducted	15,141,765.94	
Impact of the use of a previously unrecognized deferred income tax asset on deductible losses	-32,296,101.21	
Impact of unrecognized deferred income tax assets in current period on deductible temporary differences or deductible losses	10,869,709.12	
Tax influence of additional deduction of R&D expenditure (filled in with “-”)	-1,883,295.80	
Share of Profit or Loss of Joint Ventures and Associates Accounted for Using the Equity Method	246,461.04	
Other	142,950,293.86	
Income tax expenses	222,547,631.56	

Other explanation:

77. Other comprehensive income

Refer to notes for details.

78. Items of cash flow statement

(1) Cash received with operating activities concerned

Cash received with other operating activities concerned

Item	In RMB	
	Current period	Last period
Intercourse funds and deposit	373,903,177.93	255,222,055.70
Government grants	51,352,166.72	6,582,472.32
Interest income	1,073,602.35	1,446,480.80
Other	53,531,309.07	2,734,551.18
Total	479,860,256.07	265,985,560.00

Note of cash paid with other operating activities concerned:

Cash paid with other operating activities concerned

Item	In RMB	
	Current period	Last period
Intercourse funds and deposit	391,163,419.69	12,814,346.92
Daily operating expenses	103,691,367.23	116,004,859.92
Other	4,521,224.48	4,979,022.31
Total	499,376,011.40	133,798,229.15

Note of cash paid with other operating activities concerned:

(2) Cash with investment activities concerned

Cash received with other investment activities concerned

In RMB

Item	Current period	Last period
Total	0.00	0.00

Significant cash received with investment activities concerned:

In RMB

Item	Current period	Last period
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Explanation on cash received with other investment activities concerned:

Cash paid with other investment activities concerned

In RMB

Item	Current period	Last period
Net cash flow from the disposal of subsidiaries		7,559,395.68
Total	0.00	7,559,395.68

Significant cash paid with investment activities concerned

In RMB

Item	Current period	Last period
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Cash paid with other operating activities concerned

(3) Cash with financing activities concerned

Cash received with other financing activities concerned

In RMB

Item	Current period	Last period
Letter of credit deposit	5,249,428.86	
Total	5,249,428.86	0.00

Note of cash received with other financing activities concerned:

Cash paid with other financing activities concerned

In RMB

Item	Current period	Last period
Operating lease paid	31,120,836.59	21,955,877.40
Purchase of minority shareholder equity		28,856,000.00
Total	31,120,836.59	50,811,877.40

Explanation on cash paid with other financing activities concerned:

Changes in liabilities arising from financing activities

Applicable Not applicable

Item	Beginning balance	Increase during the period		Decrease during the period		Ending balance
		Cash changes	Non-cash changes	Cash changes	Non-cash changes	
Short-term borrowings	1,484,605,101.05	1,675,756,479.40	599,443,050.71	2,604,050,302.98		1,155,754,328.18
Lease liabilities	121,011,867.97		1,496,489.81	33,854,821.91	32,799,304.64	55,854,231.23
Total	1,605,616,969.02	1,675,756,479.40	600,939,540.52	2,637,905,124.89	32,799,304.64	1,211,608,559.41

(4) Cash flow listed at net amount

Item	Relevant facts	Basis for being listed at net amount	Financial impact
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(5) Significant activities and financial impacts that do not involve current cash inflow and outflow but affect the financial condition of the company or may affect the cash flow of the company in the future

79. Supplementary information of cash flow statement

(1) Supplementary information of cash flow statement

In RMB

Supplementary information	Current amount	Last amount
1. Net profit adjusted to cash flow of operation activities:		
Net profit	243,257,844.62	324,143,607.16
Add: Impairment provision of assets	121,690,077.25	103,280,186.26
Depreciation of fixed assets, consumption of oil assets and depreciation of productive biology assets	109,318,531.43	132,209,130.59
Depreciation of right-of-use assets	27,731,173.16	5,228,150.97
Amortization of intangible assets	30,794,544.71	32,504,390.74
Amortization of long-term deferred expenses	8,370,268.70	7,307,115.11
Loss from the disposal of fixed assets, intangible assets and other long-term assets (income is listed with "-")	-18,960,030.78	-5,294,363.80
Losses on scrapping of fixed assets (income is listed with "-")	110,858.95	50,779.47
Loss from change of fair value (income is listed with "-")	-	0.00
Financial expenses (income is listed with "-")	32,943,044.17	76,139,497.95
Investment loss (income is listed with "-")	536,315.86	-14,559,424.88
Decrease of deferred income tax assets (increase is listed with "-")	-1,467,697.24	-419,064.89
Increase of deferred income tax asset ((increase is listed with "-")	-3,789,055.78	-413,717.40
Decrease of inventory (increase is listed with "-")	157,997,592.42	761,631,627.99
Decrease of operating receivable accounts (increase is listed with "-")	1,560,904,864.65	1,167,426,765.77
Increase of operating payable accounts (decrease is listed with "-")	-1,167,756,453.46	-2,605,796,038.83
Other	-1,241,774.76	978,008.60
Net cash flow from operating activities	1,100,440,103.90	-15,317,619.38
2. Material investment and financing not involved in cash flow		
Conversion of debt into capital		
Convertible company bonds due within one year		
Financing lease of fixed assets		
3. Net change of cash and cash equivalents:		
Ending balance of cash	69,926,342.31	158,935,342.85

Less: opening balance of cash	158,935,342.85	236,745,667.10
Add: ending balance of cash equivalents	0.00	0.00
Less: opening balance of cash equivalents	0.00	0.00
Net increase of cash and cash equivalents	-89,009,000.54	-77,810,324.25

(2) Net cash paid for obtaining subsidiary in the Period

In RMB

	Amount
Including:	
Including	
Including:	

Other explanation:

(3) Net cash received by disposing subsidiaries in the Period

In RMB

	Amount
Cash and cash equivalents received in the current period from disposal of subsidiaries in the current period	665,400.00
Including: Shenzhen Zhenshihui Cold Chain Distribution Co., Ltd.	665,400.00
Add: Cash and cash equivalents received in the current period from disposal of subsidiaries in prior periods	1,718,711.71
Including: Zhenpin Market Operation Technology Co., Ltd.	1,718,711.71
Including:	
Net cash received from disposal of subsidiaries	2,384,111.71

Other explanation:

(4) Component of cash and cash equivalents

In RMB

Item	Ending balance	Opening balance
I. Cash	69,920,105.12	158,935,342.85
Including: Cash on hand	6,237.19	9,442.96
Bank deposit available for payment at any time	69,926,342.31	158,925,899.89
II. Cash equivalents	0.00	0.00
III. Ending balance of cash and cash equivalents	69,926,342.31	158,935,342.85

(5) Items with restricted application scope still belong to cash and cash equivalents

In RMB

Item	Current amount	Last amount	Reason for still belonging to cash and cash equivalents
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(6) Monetary funds not belonging to cash and cash equivalents

In RMB

Item	Current amount	Last amount	Reason for not belonging to cash and cash equivalents
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Other explanation:

(7) Explanation on other significant activities

80. Notes of changes of owners' equity

Explain the name and adjusted amount in "Other" that have been adjusted to the ending balance of the previous year

81. Foreign currency monetary items

(1) Foreign currency monetary items

In RMB

Item	Ending foreign currency balance	Convert rate	Ending RMB balance converted
Monetary fund			5,280,436.18
Including: USD	186,980.43	7.0288	1,314,248.04
EURO			
HKD	4,391,165.09	0.90322	3,966,188.14
Account receivable			4,466,226.06
Including: USD	594,099.78	7.0288	4,059,761.42
EURO			
HKD	450,049.12	0.90322	406,464.64
Long-term borrow			
Including: USD			
EURO			
HKD			

Other explanation:

(2) Explanation on overseas operating entities, including disclosure of their main overseas operating location, accounting currency, and selection criteria for important overseas operating entities. If the accounting currency changes, the reasons should also be disclosed.

Applicable Not applicable

82. Lease

(1) The company as leaser

Applicable Not applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable Not applicable

Simplified rental fees for short-term leases and low value asset leases

Applicable Not applicable

Item	Current amount
Short-term leases	56,720,290.37
Total	56,720,290.37

Circumstances involving sale-leaseback transactions

(2) The company as leasee

Operating lease with the company as leasee

Applicable Not applicable

In RMB

Item	Lease income	Including: income related to variable lease payments not included in lease payments
Lease income	129,983,008.12	
Total	129,983,008.12	

Financing lease with the company as lessor

Applicable Not applicable

Annual lease payments not discounted in the next five years

Applicable Not applicable

Adjustment table for lease payment not discounted and net lease investments

(3) Recognize gains/losses from financing lease as producer or dealer

Applicable Not applicable

83.Data resource

84.Others

VIII. R&D expenditure

In RMB

Item	Current period	Last period
Labor and social security benefits	13,312,238.00	12,077,363.97
Direct investment	4,481,904.08	7,521,427.97
Depreciation and amortization	3,217,929.48	3,063,811.07
Entrusted R&D expense	0.00	80,188.68
Travel expense	733,780.72	847,673.24
Inspection and debugging expense	974,920.80	929,050.82
Other expenses	2,241,881.90	689,128.68
Total	24,962,654.98	25,208,644.43

1.R&D items that meet capitalization conditions

In RMB

Item	Opening balance	Current increase			Current decrease			Ending balance
		Internal development expenditure	Other		Recognized as intangible assets	Carried forward to current gains/losses		

Total								

Major capitalized R&D items

Items	R&D progress	Estimated completion time	Expected way of generating economic benefits	Starting point of capitalization	Specific basis for starting capitalization
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Impairment provision for R&D expenditure

In RMB

Item	Opening balance	Current increase	Current decrease	Ending balance	Impairment test
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2. Important outsourced projects under research

Item	Expected way of generating economic benefits	The criteria and specific basis for determining capitalization or expensing
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Other explanation:

IX. Changes in consolidation range

1. Enterprise combination not under the same control

(1) Enterprise combination not under the same control

In RMB

Acquiree	Time point to acquire equity	Cost to acquire equity	Ratio of equity acquired	Way to acquire equity	Purchasing date	Standard to determine the purchasing date	Income of acquiree from purchasing date to period-end	Net profit of acquiree from purchasing date to period-end	Cash flow of acquiree from purchasing date to period-end
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Other explanation:

(2) Combination cost and goodwill

In RMB

Consolidation cost	
--Cash	
--Fair value of non-cash assets	
--Fair value of debts issued or assumed	
--Fair value of equity securities issued	
-- Fair value of contingent consideration	
--Fair value of the equity prior to the purchasing date	
--Other	
Total combination cost	
Less: shares of fair value of identifiable net assets acquired	
Portion of goodwill/combination cost less than the shares of fair value of identifiable net assets acquired	

Explanation on the method for determining the fair value of combination costs

Explanation on contingent considerations and their changes:

Main reasons for the formation of large goodwill

Other explanation:

(3) Identifiable assets and liabilities of the acquiree on purchasing date

In RMB

	Fair value on purchasing date	Book value on purchasing date
Assets:		
Monetary funds		
Accounts receivable		
Inventory		
Fixed assets		
Intangible assets		
Liability:		
Loan		
Accounts payable		
Deferred tax liabilities		
Net assets		
Less: minority interests		
Net assets acquired		

Determination method for fair value of the identifiable assets and liabilities:

Contingent liabilities assumed by the acquiree in enterprise combination:

Other explanation:

(4) Gains/losses arising from the equity held before purchasing date which are re-measured at fair value

Did there exist any business combination achieved through multiple transactions in which control was obtained during the reporting period?

Yes No

(5) Explanation on failing to reasonably determine the combination consideration or the fair value of identifiable assets and liabilities of the acquiree on the purchasing date or at the combination period-end

(6) Other explanation

2. Business combination under the same control

(1) Business combination under the same control in the Period

In RMB

A	Ratio of	Basis of	Com	Standard to	Income of the acquiree	Net profit of the acquiree	Income of the	Net profit of the
acq	equity	enterprise	binat	determine	from the acquiree	from the acquiree	acquiree during	acquiree during
ui	acquired in	combination	ion	the	from the combination	from the combination	the comparison	the comparison
re	combination	under the same	date	combination	period-begin to the	period-begin to the	period	period
e	n	control		date	combination date	combination date		

(2) Combination cost

In RMB

Combination cost	
--Cash	
-- Book value of non-cash assets	
-- Book value of debts issued or assumed	

-- Face value of equity securities issued	
--Contingent consideration	

Explanation on contingent consideration and its changes:

Other explanation:

(3) Book value of the assets and liabilities of the acquiree on combination date

In RMB

	Combination date	Ending balance of last period
Assets:		
Monetary funds		
Account receivable		
Inventory		
Fixed assets		
Intangible assets		
Liabilities:		
Loan		
Account payable		
Net assets		4,039,399.55
Less: minority interests		
Net assets acquired		4,039,399.55

Contingent liability of the combined party assumed by the Company during combination:

Other explanation:

3. Reverse purchase

Basic transaction information, basis of counter purchase, whether making up business due to the assets and liability reserved by listed company and basis, determination of combination cost, amount and calculation on adjusted equity by equity transaction:

4. Disposal of subsidiaries

Whether there is any situation where a single disposal of investment in a subsidiary result in loss of control or not?

Yes No

In RMB

Subsidiary name	Disposal price at the time of loss of control	Proportion of disposal at the time of loss of control	Disposal methods at the time of losing control	Time of losing control	Basis for determining the time of losing control	The difference between the disposal price and the share of the subsidiary's net assets in the consolidated financial statements corresponding to the disposal of investment	The proportion of remaining equity on the date of loss of control	On the date of loss of control, the book value of the remaining equity in the consolidated financial statement	Fair value of remaining equity in the consolidated financial statement on the date of loss of control	Gains/losses arising from re-measurement of remaining equity at fair value	Method and main assumptions for determining the fair value of remaining equity in the consolidated financial statement on the date of loss of control	The amount of other comprehensive income related to equity investments in subsidiaries transferred to investment gains/losses or retained earnings
Shenzhen Shenlian	665,400.00	100.00%	Sell	2025.02.28	As stipulated/agreed in the agreement	44,412.93	0.00%					

g Cold Chain Logistics Co., Ltd.												
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Other explanation:

Whether there is any situation where investments in subsidiaries are disposed by steps through multiple transactions and control is lost in the current period or not?

Yes No

5. Other reasons for changes in consolidation range

Consolidation scope changes caused by other reasons (e.g, establish new subsidiaries, liquidate subsidiaries) and the related circumstances:

6.Other

X. Equity in other entities

1. Equity in subsidiaries

(1) Membership of enterprise group

Subsidiary	Registered capital	Main place of operation	Registration place	Business nature	Shareholding ratio		Acquisition way
					Directly	Indirectly	
SZCG	1,530,000,000.00	Shenzhen City	Shenzhen City	Grain & oil trading	100.00%		Combine under the same control
Hualian Grain & Oil	100,000,000.00	Shenzhen City	Shenzhen City	Grain & oil trading		100.00%	Combine under the same control
Shenzhen Flour	30,000,000.00	Shenzhen City	Shenzhen City	Flour processing		100.00%	Combine under the same control
Shenliang Quality Inspection	8,000,000.00	Shenzhen City	Shenzhen City	Inspection		100.00%	Combine under the same control
Hainan Grain and Oil	10,000,000.00	Haikou City	Haikou City	Feed production		100.00%	Combine under the same control
Doximi	10,000,000.00	Shenzhen City	Shenzhen City	E-commerce		100.00%	Combine under the same control
Big Kitchen	10,000,000.00	Shenzhen City	Shenzhen City	Sales and processing of grain,oil and relevant products		100.00%	Combine under the same control
Shenliang Property	9,500,000.00	Shenzhen City	Shenzhen City	Property development and management		100.00%	Combine under the same control
International Food	221,000,000.00	Dongguan City	Dongguan City	Port operation, food production		100.00%	Combine under the same control
Dongguan Grain and Oil	100,000,000.00	Dongguan City	Dongguan City	Food production		100.00%	Combine under the same control
Dongguan Logistics	298,000,000.00	Dongguan City	Dongguan City	Storage, logistics	49.00%	51.00%	Combine under the same control
Shuangyashan	100,000,000.00	Shuangyashan City	Shuangyashan City	Construction of food base and development of related complementary facilities		100.00%	Combine under the same control
Shenliang Hongjun	30,000,000.00	Shenzhen City	Shenzhen City	Catering		51.00%	Establishment
Dongguan Hualian	10,000,000.00	Dongguan City	Dongguan City	Grain and oil trade		100.00%	Establishment
Shenliang Property Management	5,000,000.00	Shenzhen City	Shenzhen City	Property management		100.00%	Establishment
Shenbao Huacheng	207,451,300.00	Shenzhen City	Shenzhen City	Manufacturing	100.00%		Establishment
Wuyuan Ju Fang Yong	290,000,000.00	Shangrao City	Shangrao City	Manufacturing		100.00%	Establishment
Huizhou Shenbao	60,000,000.00	Huizhou City	Huizhou City	Comprehensive businesses	100.00%		Establishment
Shenshenbao Investment	50,000,000.00	Shenzhen City	Shenzhen City	Investment management	100.00%		Establishment

Shenbao Tea Culture	15,000,000.00	Shenzhen City	Shenzhen City	Commercial trade		100.00%	Establishment
Shenliang Hongli	50,000,000.00	Hangzhou City	Hangzhou City	Grain and oil wholesale	100.00%		Establishment
Fuhaitang Catering	1,000,000.00	Hangzhou City	Hangzhou City	Catering		100.00%	Establishment
Fuhaitang Ecology Technology	2,000,000.00	Hangzhou City	Hangzhou City	Tea planting, production and sales		100.00%	Business combination not under the same control
Shenbao Rock Tea	20,700,000.00	Wuyishan City	Wuyishan City	Manufacturing		100.00%	Establishment
Pu'er Tea Supply Chain	20,000,000.00	Pu'er City	Pu'er City	Wholesale business		100.00%	Establishment
Shenliang Food	30,150,000.00	Pu'er City	Pu'er City	Manufacturing	100.00%		Establishment
Huizhou Shenliang Food	5,000,000.00	Huizhou City	Shenzhen City	Wholesale business		100.00%	Establishment
Xingye Food	500,000.00	Hong Kong, China	Hong Kong, China	Wholesale business	100.00%		Business combination under the same control
Smart Warehousing	10,000,000.00	Shenzhen City	Shenzhen City	Loading, unloading, handling and warehousing		100.00%	Establishment

Explanation on shareholding ratio in subsidiaries different from ratio of voting right:

Explanation on the basis for controlling the investee with half or below voting rights held and without controlling the investee, or explanation on the basis for not controlling the investee with over half voting rights:

Explanation on the basis for controlling the important structured entities included in the consolidation scope:

Basis for determining whether the company is an agent or consignor:

Other explanation:

(2) Important non-wholly-owned subsidiary

In RMB

Subsidiary	Shareholding ratio of minority shareholders	Gains/losses attributable to minority in the Period	Dividend announced to distribute for minority in the Period	Ending equity of minority
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Explanation on the situation where the shareholding ratio of minority shareholders is different from the voting right ratio of minority shareholders:

Other explanation:

(3) Main financial information of the important non-wholly-owned subsidiaries

In RMB

Subsidiary	Ending balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities

In RMB

Subsidiary	Current Period				Last Period			
	Operating revenue	Net profit	Total comprehensive income	Cash flow from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flow from operating activities

Other explanation:

(4) Significant restrictions on the use of enterprise group assets and the repayment of debts of the enterprise group

(5) Financial or other support offered to the structured entities included in consolidated financial statements

Other explanation:

2. Transactions where the share of owner's equity in a subsidiary changes while the subsidiary is still controlled

(1) Explanation on changes in the share of owner's equity in subsidiary

(2) Impact of such transaction on equity of minority interests and owners' equity attributable to parent company

In RMB

Purchase cost/disposal consideration	
--Cash	
--Fair value of non-cash assets	
Total of purchase cost/disposal consideration	
Less: Subsidiary's share of net assets calculated in terms of the proportion of acquired/disposed equity	
Difference	
Including: Adjust capital reserve	
Adjust surplus reserve	
Adjust undistributed profit	

Other explanation

3. Equity in joint venture and associated enterprise

(1) Important joint venture or associated enterprise

Joint venture/Associated enterprise	Main place of operation	Registration place	Business nature	Shareholding ratio		Accounting treatment on investment in joint venture and associated enterprise
				Directly	Indirectly	
Zhuhai Hengxing Feed Industrial Co., Ltd.	Zhuhai	Zhuhai	Aquatic fee and animal fee		40.00%	Equity method
Shenzhen Shenyuan Data Technology Co., Ltd	Shenzhen	Shenzhen	IT Services		40.00%	Equity method

Description on situation where the shareholding ratio in joint ventures or associated enterprises is different from the ratio of voting rights:

Description on the basis for holding less than 20% of voting rights but having significant influence, or holding 20% or more of voting rights but having no significant influence.

(2) Main financial information of important joint venture

In RMB

	Ending balance/Current period		Opening balance/Last period	
Current assets				
Including: cash and cash equivalents				
Non-current assets				
Total assets				
Current liabilities				
Non-current liabilities				
Total liabilities				
Minority interests				
Shareholders' equity attributable to parent company				
Share of net assets calculated in terms of shareholding ratio				
Adjustment items				
--Goodwill				
--Unrealized profit of internal trading				
-- Other				
Book value of equity investment in joint venture				
Fair value of the equity investment in joint ventures with public offers concerned				
Operating revenue				
Financial expenses				
Income tax expenses				
Net profit				
Net profit of discontinuing operation				
Other comprehensive income				
Total comprehensive income				
Dividends received from joint venture in the period				

Other explanation

(3) Main financial information of important associated enterprises

In RMB

	Ending balance/Current period		Opening balance/Last period	
	Zhuhai Hengxing Feed Industrial Co., Ltd.	Shenzhen Shenyuan Data Technology Co., Ltd	Zhuhai Hengxing Feed Industrial Co., Ltd.	Shenzhen Shenyuan Data Technology Co., Ltd
Current assets	177,733,923.64	32,313,337.52	178,447,054.01	30,423,052.48
Non-current assets	17,712,966.01	177,189.62	20,408,430.87	248,223.69
Total assets	195,446,889.65	32,490,527.14	198,855,484.88	30,671,276.17
Current liabilities	92,333,577.10	2,778,722.14	89,109,413.45	1,299,268.40
Non-current liabilities	27,086,580.88	-	28,373,574.24	-
Total liabilities	119,420,157.98	2,778,722.14	117,482,987.69	1,299,268.40
Net asset	76,026,731.67	29,711,805.00	81,372,497.19	29,372,007.77

Minority interests				
Equity attributable to shareholder of parent company	76,026,731.67	29,711,805.00	81,372,497.19	29,372,007.77
Share of net assets measured in terms of shareholding	30,410,692.67	11,884,722.00	32,548,998.88	11,748,803.11
Adjustment	-925,717.15	-3,815.93	175,441.24	-3,815.93
--Goodwill				
--Unrealized profit of internal trading				
-- Other	-925,717.15	-3,815.93	175,441.24	-3,815.93
Book value of equity investment in associated enterprise	31,336,409.82	11,880,906.07	32,724,440.12	11,744,987.18
Fair value of the equity investment of associated enterprise with public offers concerned				
Operating revenue	302,288,237.41	20,264,967.99	316,639,653.00	20,245,700.80
Net profit	-5,607,523.39	339,797.23	-3,241,833.61	147,024.43
Net profit of discontinuing operation				
Other comprehensive income				
Total comprehensive income	-5,607,523.39	339,797.23	-3,241,833.61	147,024.43
Dividends received from associated enterprise in the year				

Other explanation:

(4) Summary of financial information of unimportant joint ventures and associated enterprises

In RMB

	Ending balance/Current Period	Opening balance/Last Period
Joint venture:		
Amount calculated in terms of shareholding ratio		
Associated enterprise:		
Total carrying amount of investments		887,461.14
Total amount calculated in terms of shareholding ratio		
Net profit		-700,262.67
Other comprehensive income		-
Total comprehensive income		-700,262.67

Other explanation

(5) Major limitation on capital transfer ability to the Company from joint ventures or associated enterprises

(6) Excess loss occurred in joint venture or associated enterprise

In RMB

Joint venture/Associated enterprise	Accumulated derecognized losses	Derecognized losses not recognized in the Period (or net profit enjoyed in the Period)	Accumulated derecognized losses at period-end
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Other explanation

(7) Unrecognized commitment related to joint venture investment

(8) Intangible liabilities related to joint venture or associated enterprise investment

4. Major joint operation

Name	Main place of operation	Registration place	Business nature	Shareholding ratio/ shares enjoyed	
				Directly	In-directly

Explanation on situation where shareholding ratio or shares enjoyed in joint operation is different from voting right ratio in joint operation:

Explanation on the classification basis of joint operation in case the entity of joint operation is the separate entity:

Other explanation:

5. Equity in structured entities not included in the scope of consolidated financial statements

Explanation:

6. Other

XI. Government grant

1. Government grant recognized at period-ending in terms of amount receivable

Applicable Not applicable

Reasons for not receiving the expected amount of government grants at the expected time point

Applicable Not applicable

2.Liabilities involved with government grant

Applicable Not applicable

In RMB

Item	Opening balance	Current increase in government grant	Amount booked into non-business income in current period	Amount carried forward to other income	Other changes in current period	Ending balance	Asset/income related
Deferred income	79,203,615.99	7,513,100.00		8,044,115.37		78,672,600.62	Asset related

3. Government grant booked into current gains/losses

Applicable Not applicable

In RMB

Accounting title	Current period	Last period
Other revenue	57,883,182.09	10,243,944.62

Other explanation:

XII. Risk related with financial instrument

1. Various risks arising from financial instruments

The company's main financial instruments include monetary funds, notes receivable, accounts receivable, other receivables, other current assets, trading financial assets, other non-current financial assets, accounts payable, other payables, short-term borrowings, non-current liabilities due within one year, and lease liabilities. The detailed information of various financial instruments has been disclosed in the relevant notes. The risks associated with these financial instruments, as well as the risk management policies adopted by the company to reduce these risks, are described below. The management of the company manages and monitors these risk exposures to ensure that the aforementioned risks are controlled within a limited range.

(1) Risk management objectives and policies

The main risks caused by the company's financial instruments are credit risk, liquidity risk, and market risk (including exchange rate risk, interest rate risk, and commodity price risk).

The goal of the company's risk management is to strike an appropriate balance between risk and return, striving to reduce the adverse impact of financial risks on our financial performance. Based on this risk management objective, the company has developed a risk management policy to identify and analyze the risks we face, set appropriate acceptable levels of risks, and design corresponding internal control procedures to monitor our risk level. The company will regularly review these risk management policies and related internal control systems to adapt to market conditions or changes in our business activities. The internal audit department of the company also regularly or randomly checks whether the implementation of the internal control system complies with risk management policies.

The board of directors is responsible for planning and establishing the company's risk management structure, formulating the company's risk management policies and related guidelines, and supervising the implementation of risk management measures. The company has developed risk management policies to identify and analyze the risks we face. These risk management policies clearly define specific risks and cover various aspects such as market risk, credit risk, and liquidity risk management. The company regularly evaluates changes in the market environment and our business activities to determine whether to update our risk management policies and systems. The risk management of the company is carried out by relevant departments in accordance with the policies approved by the board of directors. These departments identify, evaluate, and mitigate related risks through close cooperation with other business departments of the company.

The company diversifies investment and business portfolio appropriately to diversify financial instrument risks, and reduces risks concentrated in a single industry, specific regions, or specific counterparties by formulating corresponding risk management policies.

1) Credit risk

Credit risk refers to the risk of a financial loss caused by the counter party's failure to fulfill its contractual obligations.

Credit risks of the Company arises mainly from monetary funds, note receivable, account receivable, other receivable.

The company's bank deposits are mainly deposited in state-owned banks and other large and medium-sized listed banks, and we anticipate that there is no significant credit risk associated with bank deposits.

For notes receivable, accounts receivable, and other receivables, the company has established relevant policies to control credit risk exposure. The company evaluates the credit qualifications of customers based on their financial status, credit records, and other factors such as current market conditions, and sets corresponding credit periods. The company will regularly monitor customer credit records. For customers with poor credit records, we will use written reminders, shorten or cancel credit periods, etc. to ensure that our overall credit risk is within a controllable range.

The debtors of the company's accounts receivable are customers distributed across different industries and regions. the company continuously conducts credit assessments on the financial condition of accounts receivable and purchases credit guarantee insurance when appropriate.

The maximum credit risk exposure that the company is exposed to is the carrying amount of each financial asset on the balance sheet. the company has not provided any other guarantees that may expose the company to credit risk.

Among the accounts receivable of the company, the accounts receivable of the top five customers account for 27.65% of the total accounts receivable of the company (2024:47.26%) ; Among the other receivables of the company, the other receivables of the top five companies with outstanding amounts account for 45.28% of the total other receivables of the company (2024: 45.75%).

On the balance sheet date, the book value of the company's debt investments is listed as follows according to the items in the financial statements:

2) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds encountered by the company when fulfilling its obligations to settle cash or other financial assets.

When managing liquidity risk, the company maintains cash and cash equivalents that the management deems sufficient and monitors them to meet the company's operational needs and reduce the impact of cash flow fluctuations. The management of the company monitors the use of bank loans and ensures compliance with loan agreements. Simultaneously obtain commitments from major financial institutions to provide sufficient reserve funds to meet both short-term and long-term funding needs.

the company raises operating funds through funds generated from business operations and bank loans. At the end of the period, the unused bank loan amount of the company was 1,011,461,7300.00 yuan (as of the end of last year: 8,798,534,600.00 yuan).

At the end of current period, the financial liabilities and off-balance sheet guarantee items held by the company were analyzed based on the maturity period of undiscounted remaining contract cash flows (in 10000 yuan):

Item	Current ending balance			
	Within 1 year	1-3 years	Over 3 years	Total
Financial liabilities:				
Short-term borrowing	115,575.43			115,575.43
Accounts payable	34,576.83			34,576.83
Other accounts payable	26,025.27			26,025.27
Non-current liabilities maturing within one year	2,739.47			2,638.60
Other current liabilities(not including deferred income)	437.35			437.35
Lease liabilities		2,925.28	104.67	5,769.42
Total of financial liabilities or contingent liabilities	179,354.35	2,925.28	104.67	185,022.90

At the end of last period, the financial liabilities and off-balance sheet guarantee items held by the company were analyzed based on the maturity period of undiscounted remaining contract cash flows (in 10000 yuan):

Item	Last ending balance			
	Within 1 year	1-3 years	Over 3 years	Total
Financial liabilities:				
Short-term borrowing	148,460.51			148,460.51
Accounts payable	39,278.71			39,278.71
Other accounts payable	26,963.35			26,963.35
Non-current liabilities maturing within one year	4,292.74			4,292.74
Other current liabilities(not including deferred income)	804.26			804.26
Lease liabilities	-	4,838.35	2,970.10	7,808.45
Total of financial liabilities or contingent liabilities	219,799.57	4,838.35	2,970.10	227,608.02

The amount of financial liabilities disclosed in the above table represents undiscounted contract cash flows, which may differ from the carrying amount in the balance sheet.

The maximum guarantee amount of a signed guarantee contract does not represent the amount to be paid.

3) Market risk

The market risk of financial instruments refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to market price changes, including interest rate risk, exchange rate risk, and other price risks.

Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates. Interest rate risk can arise from both confirmed interest-bearing financial instruments and unconfirmed financial instruments (such as certain loan commitments).

Financial liabilities with floating rate expose the company to cash flow interest rate risk, while financial liabilities with fixed rate expose the company to fair value interest rate risk. The company determines the relative ratio of fixed and floating rate contracts based on the market environment at that time, and maintains an appropriate combination of fixed and floating rate instruments through regular review and supervision.

The company closely monitors the impact of interest rate changes on our interest rate risk. The company currently does not adopt an interest rate hedging policy. But the management is responsible for monitoring interest rate risk and will consider hedging significant interest rate risks when necessary. An increase in interest rates will increase the cost of new interest-bearing debt and the interest expenses on floating interest-bearing debt that the company has not yet paid off, and will have a significant adverse impact on the company's financial performance. Management will make timely adjustments based on the latest market conditions, which may involve arranging interest rate swaps to reduce interest rate risk.

The interest-bearing financial instruments held by the company are as follows (unit: 10000 yuan):

Item	Current amount	Last amount
Financial instrument with fixed rate		
Financial liability	115,575.43	148,460.51

Item	Current amount	Last amount
Including: short-term borrowing	115,575.43	148,460.51
Total	115,575.43	148,460.51

(4) Exchange rate risk

Exchange rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates. Exchange rate risk may arise from financial instruments denominated in foreign currencies other than the accounting base currency.

The exchange rate risk mainly lies in the impact of foreign exchange rate fluctuations on the company's financial position and cash flows. In addition to the subsidiaries established in Hong Kong holding assets denominated in Hong Kong dollars as the settlement currency, the company has only a small amount of investment business in the Hong Kong market. The proportion of the company's foreign currency-denominated assets and liabilities in the overall assets and liabilities is not significant. Therefore, the company believes that the exchange rate risk it faces is not significant.

The company closely monitors the impact of exchange rate changes on its exchange rate risk. Currently, the company has not taken any measures to avoid exchange rate risks. However, the management is responsible for monitoring exchange rate risks and will consider hedging significant exchange rate risks when necessary.

(2) Capital management

The goal of the company's capital management policy is to ensure that we can continue to operate, provide returns to shareholders, and benefit other stakeholders while maintaining the optimal capital structure to reduce capital costs.

In order to maintain or adjust its capital structure, the company may adjust its financing methods, adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and other equity instruments, or sell assets to reduce debt.

The company monitors its capital structure based on the asset liability ratio (total liabilities divided by total assets). At the end of the current period, the company's asset liability ratio was 32.31% (36.21% at the end of the last period).

2.Hedge

(1) Risk management for hedge business

Applicable Not applicable

(2) The company conducted eligible hedging business and applied hedging accounting

In RMB

Item	Book value related to hedged items and hedging instruments	Adjustment of accumulated fair value hedging included in the recognized book value of hedged items	Sources of hedge effectiveness and hedge ineffectiveness	Impact of hedge accounting on the company's financial statements
Type of hedge risk				
Type of hedge				

Other explanation

(3) The company carried out hedging business for risk management and expected to achieve risk management goals but has not applied hedge accounting

Applicable Not applicable

3.Financial assets

(1) By transfer manner

Applicable Not applicable

(2) Financial assets derecognized due to transfer

Applicable Not applicable

(3) Financial assets which are transferred and involved continuously

Applicable Not applicable

Other explanation

XIII. Disclosure of fair value

1. Ending fair value of the assets and liabilities measured at fair value

In RMB

Item	Ending fair value			
	First-order	Second-order	Third-order	Total
I. Sustaining measured at fair value	--	--	--	--
Other non-current financial assets			57,500.00	57,500.00
II. Non-sustaining measured at fair value	--	--	--	--

2. Basis for recognizing the market price of items sustaining and non-sustaining measured at fair value on first-order

3.Valuation technique, qualitative and quantitative information on major parameters for items sustaining and non-sustaining measured at fair value on second-order

4.Valuation technique, qualitative and quantitative information on major parameters for items sustaining and non-sustaining measured at fair value on third-order

Content	Ending fair value	Valuation technology	Unobservable input value
Equity instrument investment			
Non-listed equity investment	57,500.00	Market method	Investment cost

5.Adjustment information and sensitivity analysis of unobservable parameters for items sustaining and non-sustaining measured at fair value on third-order

6. Reasons for conversion and policies for conversion time point of items sustaining measured at fair value in case there is conversion between all levels

7. Changes of valuation technique in the Period and reasons

8. Financial assets and liabilities not measured at fair value

The financial assets and financial liabilities measured at amortization cost of the company mainly include: monetary funds, notes receivable, accounts receivable, other receivables, short-term borrowings, accounts payable, other payables, etc. The book value of financial assets and financial liabilities not measured at fair value differs very little from their fair value.

9. Other

XIV. Related party and related transactions

1. Parent company

Parent company	Registration place	Business nature	Registered capital	Ratio of shareholding on the Company	Ratio of voting right on the Company
Shenzhen Agricultural Power Group Co., Ltd.	Shenzhen	Food distribution platform and safety infrastructure construction, domestic trade, industrial investment and operation, etc	5,000 million yuan	63.79%	72.02%

Explanation on parent company of the Company

The ultimate controller of the Company is Shenzhen Municipal People’s Government State-owned Assets Supervision & Administration Commission

Other explanation:

2. Subsidiaries of the Company

For more details of subsidiaries of the Company, please refer to “Note VII.1”.

3. Joint venture and associated enterprise of the Company

For more details of important joint venture and associated enterprise of the Company, please refer to “Note VII (7)”.

Other joint venture and associated enterprise that have related transaction with the Company in the Period or that have balance with the Company arising from transaction in last period are described as follows:

Joint venture/Associated enterprise	Relationship with the enterprise
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Other explanation

4.Other related parties

Other related parties	Relationship between other related parties and the company
Shenzhen Agricultural Products Group Co., Ltd	Shareholder of the company

Shenzhen Food Group Co., Ltd	Shareholder of the company
Shenzhen Shennong Kitchen Co., Ltd.	Holding subsidiary of parent company
Xi'an Moer Agricultural Products Co., Ltd	Holding subsidiary of parent company
Shenzhen Zhenchu Supply Chain Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Zhanjiang Changshan (Shenzhen) Ecological Aquaculture Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Cabbage Technology Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Medical Materials Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Guangxi Higreen Agricultural Products International Logistics Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Zhanjiang Haitian Aquatic Feed Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Shenyuan Data Tech. Co., Ltd	Associated enterprise of the company
Changzhou Shenbao Chacang E-business Co., Ltd.	Associated enterprise of the company
Shenzhen Shenliang Cold Transport Co., Ltd.	Associated enterprise of the company
Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.	Associated enterprise of the company
Shenzhen Shichumingmen Catering Management Co., Ltd.	Associated enterprise of the company
Shenzhen Higreen International Agricultural Products Logistic Management Co., Ltd	Shareholding subsidiary of Shenzhen Agricultural Products Group Co., Ltd
Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Ningxia Higreen International Agricultural Products Logistic Management Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Zhunshihui Cold Chain Distribution Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Guangming Higreen Agricultural Products Industry Development Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Shennong Revitalization Rural Industry Development Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Huaiji County Shennong Modern Agriculture Development Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Hunan Higreen Supply Chain Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Zhenpin Market Operation Technology Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Huizhou Higreen Agricultural Products International Logistics Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Shenliang Cold Chain Logistics Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Zhenpin Group Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Agricultural Power Group Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Futian Agricultural Products Wholesale Market Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Yueyang Higreen International Agricultural Products Market Development Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Agricultural Science and Technology Innovation Group Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Tianjin Higreen Agricultural Products Logistics Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party

Danzhou City Shennong Modern Agricultural Development Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Agricultural Products Small Loan Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Southern Agricultural Products Logistics Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Shenyuan Data Tech. Co., Ltd	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Changsha Mawangdui Agricultural Products Co., Ltd.	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission	Subsidiary of the Company's shareholders, controlled by the ultimate controlling party
Directors, Manager, Chief Financial Officer and Secretary of the Board	Key management

Other explanation:

5. Related transaction

(1) Goods purchasing, labor service providing and receiving

Goods purchasing/labor service receiving

In RMB

Related party	Related transaction content	Current Period	Approved transaction limit	Whether more than the transaction limit (Y/N)	Last Period
Shenzhen Shenyuan Data Tech. Co., Ltd	Information software development	9,902,560.74	9,902,560.74	N	8,670,750.00
Shenzhen Shennong Kitchen Co., Ltd	Procurement of goods	6,251,795.69	6,251,795.69	N	2,844,421.97
Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	Procurement of goods	564,174.29	564,174.29	N	
Ningxia Higreen International Agricultural Products Logistic Management Co., Ltd	Procurement of goods	561,513.07	561,513.07	N	
Shenzhen Zhunshihui Cold Chain Distribution Co., Ltd.	Transportation service	352,923.38	352,923.38	N	
Shenzhen Guangming Higreen Agricultural Products Industry Development Co., Ltd	Transportation service	279,031.93	279,031.93	N	
Shenzhen	Transportation service	118,242.72	118,242.72	N	

Shennong Revitalization Rural Industry Development Co., Ltd.					
Huaiji County Shennong Modern Agriculture Development Co., Ltd	Transportation service	114,638.53	114,638.53	N	
Xi'an Moer Agricultural Products Co., Ltd	Transportation service	102,741.63	102,741.63	N	17,286.56
Hunan Higreen Supply Chain Co., Ltd	Transportation service	78,057.71	78,057.71	N	
Zhenpin Market Operation Technology Co., Ltd.	Transportation service	72,053.40	72,053.40	N	
Huizhou Higreen Agricultural Products International Logistics Co., Ltd.	Transportation service	42,328.76	42,328.76	N	
Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd.	Transportation service	16,371.67	16,371.67	N	
Xi'an Moer Agricultural Products Co., Ltd	Transportation service			N	73,260.00

Goods sold/labor service providing

In RMB

Related party	Content of related transaction content	Current period	Last period
Hunan Higreen Supply Chain Co., Ltd	Product sales	2,355,398.17	
Shenzhen Shennong Kitchen Co., Ltd	Product sales	975,120.95	301,419.38
Xi'an Moer Agricultural Products Co., Ltd	Product sales	615,653.10	38,867.25
Shenzhen Zhenpin Group Co., Ltd	Product sales	529,079.75	429,377.89
Shenzhen Zhenchu Supply Chain Co., Ltd.	Grain and oil sales, transportation service	406,038.50	1,066,771.53
.Huizhou Higreen Agricultural Products International Logistics Co., Ltd.	Product sales	317,361.95	533,883.17
Shenzhen Agricultural Power Group Co., Ltd.	Product sales	152,665.87	
Shenzhen Higreen International Agricultural Products Logistic	Product sales	69,237.73	50,499.00

Management Co., Ltd			
Shenzhen Zhunshihui Cold Chain Distribution Co., Ltd.	Service providing	68,067.62	
Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd.	Related party transactions related to daily operations	66,466.69	
Changzhou Shenbao Chacang E-business Co., Ltd.	Service providing	60,000.00	
Shenzhen Shennong Revitalization Rural Industry Development Co., Ltd.	Product sales	48,506.95	
Shenzhen Guangming Higreen Agricultural Products Industry Development Co., Ltd	Product sales	35,237.91	99,980.00
Shenzhen Futian Agricultural Products Wholesale Market Co., Ltd.	Product sales	30,299.15	
Zhanjiang Changshan (Shenzhen) Ecological Aquaculture Co., Ltd	Property management service	30,188.68	
Shenzhen Cabbage Technology Co., Ltd	Product sales	26,021.59	10,364.60
Yueyang Higreen International Agricultural Products Market Development Co., Ltd.	Product sales	20,729.20	
Shenzhen Zhunshihui Cold Chain Distribution Co., Ltd.	Product sales	17,083.34	
Shenzhen Medical Materials Co., Ltd.	Product sales	12,955.75	
Shenzhen Agricultural Products Group Co., Ltd	Product sales	9,634.02	25,560.85
Shenzhen Agricultural Science and Technology Innovation Group Co., Ltd	Related party transactions related to daily operations	6,900.00	35,815.00
Changzhou Shenbao Chacang E-business Co., Ltd.	Product sales	6,333.00	28,301.89
Tianjin Higreen Agricultural Products Logistics Co., Ltd	Product sales	5,182.30	
Danzhou City Shennong Modern Agricultural Development Co., Ltd.	Product sales	5,095.74	
Zhenpin Market Operation Technology Co., Ltd.	Property management service	4,528.32	
Shenzhen Agricultural Products Small Loan Co., Ltd	Product sales	4,318.58	282.36
Huaiji County Shennong Modern Agriculture Development Co., Ltd	Product sales	2,591.15	
Shenzhen Agricultural Power Group Co., Ltd.	Service providing	1,780.00	24,540.51
Guangxi Higreen Agricultural Products International Logistics Co., Ltd.	Product sales	1,080.31	25,911.50
Shenzhen Shenliang Cold Transport Co., Ltd.	Grain sales, warehousing services, tea sales		98,874.41
Chengdu Agricultural	Product sales		75,823.00

Products Center Wholesale Market Co., Ltd.			
Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.	Products sales, property management service		16,322.90
Shenzhen Southern Agricultural Products Logistics Co., Ltd.	Product sales		2,591.15

Explanation on goods purchasing, labor service providing and receiving

The related sales of the company are priced on the basis of open bidding and fair market prices. The related procurement of the company is priced on the basis of open bidding and fair market prices.

(2) Related trusteeship management/contract & entrust management/outsourcing

Trusteeship management/contract:

In RMB

Client/Contract issuer	Trustee/Contractor	Type of trusteeship management/contract asset	Start date of trusteeship management/contract	End date of trusteeship management/contract	Pricing basis for earnings of trusteeship management/contract	Earnings of trusteeship management/contract recognized in current period
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Related trusteeship management/contract:

Entrusted management/outsourcing:

In RMB

Client/contract issuer	Trustee/Contractor	Type of entrusted/outsourced assets	Start date of entrusted/outsourced	End date of entrusted/outsourced	Pricing basis of entrust/outsourcing expense	Entrust/outsourcing expense recognized in current period
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Related management/ outsourcing:

(3) Related lease

The company acts as the lessor:

In RMB

Lessee	Assets type	Lease income recognized in current period	Lease income recognized in last period
Shenzhen Shenyuan Data Technology Co., ltd.	Lease of houses	368,457.16	407,339.97
Zhenpin Market Operation Technology Co., Ltd.	Lease of houses		13,609.00

The company acts as the lessee:

In RMB

Lessor	Assets type	Simplified rental fees for short-term leases and low value asset leases (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Interest expense on lease liabilities assumed		Increased right-of-use assets	
		Current period	Last period	Current period	Last period	Current period	Last period	Current period	Last period	Current period	Last period
Shenzhen Agricultural Power Group Co., Ltd.	Lease of houses					155,400.00	105,600.00				
Shenzhen	Lease	31,542.00	31,542.00			31,542.00	31,542.00				

Higreen International Agricultural Products Logistic Management Co., Ltd	of houses										
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Explanation on related lease

(4) Related guarantee

The Company acts as the guarantor

In RMB

Guaranteed party	Guarantee amount	Guarantee start date	Guarantee expiry date	Whether the guarantee has been fulfilled
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The Company acts as the guaranteed party

In RMB

Guarantor	Guarantee amount	Guarantee start date	Guarantee expiry date	Whether the guarantee has been fulfilled
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Explanation on related guarantee:

(5) Related party's borrowed funds

In RMB

Related party	Borrowing amount	Start date	Expiry date	Note
Borrowing				
Lending				

(6) Assets transfer and debt reorganization of related party

In RMB

Related party	Content of related transaction	Current period	Last period
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(7) Remuneration of key executives

In RMB

Item	Current period	Last period
Remuneration of key executives	8,384,900.00	9,899,300.00

(8) Other related transaction

6. Accounts receivable from /payable to related parties

(1) Accounts receivable from related parties

In RMB

Item	Related party	Ending balance		Opening balance	
		Book balance	Bad debts reserve	Book balance	Bad debts reserve
Account receivable	Hunan Higreen Supply Chain Co., Ltd	2,699,056.00	26,990.56	104,884.00	1,048.84
Account receivable	Xi'an Moer Agricultural Products Co., Ltd	654,696.00	6,546.96		
Account receivable	Shenzhen Zhenpin Group Co., Ltd			36,784.00	

Account receivable	Huizhou Higreen Agricultural Products International Logistics Co., Ltd.	237,960.30	2,379.60	204.00	2.04
Account receivable	Shenzhen Shennong Kitchen Co., Ltd.	126,145.65	1,407.65	128,645.65	424.37
Account receivable	Shenzhen Agricultural Power Group Co., Ltd.	84,880.00	848.80	52,172.00	580.28
Account receivable	Shenzhen Zhenchu Supply Chain Co., Ltd.	45,720.00	457.20	92,854.00	928.54
Account receivable	Shenzhen Guangming Higreen Agricultural Products Industry Development Co., Ltd	27,744.00	277.44		
Account receivable	Tianjin Higreen Agricultural Products Logistics Co., Ltd	29,280.00	2,400.96	23,424.00	234.24
Account receivable	Yueyang Higreen International Agricultural Products Market Development Co., Ltd.	23,424.00	234.24		
Account receivable	Shenzhen Higreen International Agricultural Products Logistic Management Co., Ltd	75,033.94	750.34		
Account receivable	Shenzhen Shennong Revitalization Rural Industry Development Co., Ltd.	2,676.30	26.76		
Account receivable	Shenzhen Agricultural Products Group Co., Ltd	44.00	-	436.00	
Account receivable	Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd.	31,885.20	318.85	46,769.40	467.69
Account receivable	Shenzhen Agricultural Science and Technology Innovation Group Co., Ltd			9,900.00	99.00
Account receivable	Huaiji County Shennong Modern Agriculture Development Co., Ltd			104.00	1.04
Account receivable	Shenzhen Agricultural Products Small Loan Co., Ltd			5,856.00	58.56
Account receivable	Guangxi Higreen Agricultural Products International Logistics Co., Ltd.			29,280.00	292.80
Other account receivable	Changzhou Shenbao Chacang E-business Co., Ltd.	23,615,502.46	21,187,644.18	24,138,742.46	22,187,944.18
Other account receivable	Shenzhen Shichumingmen Catering Management Co., Ltd.	1,908,202.67	1,908,202.67	1,908,202.67	1,908,202.67
Other account receivable	Shenzhen Higreen International Agricultural	50,000.00		50,000.00	

	Products Logistic Management Co., Ltd				
Other account receivable	Zhanjiang Changshan (Shenzhen) Ecological Aquaculture Co., Ltd	5,520.00	5,520.00	5,520.00	5,520.00
Other account receivable	Shenzhen Shenyuan Data Tech. Co., Ltd	153,584.90		248,742.14	
Other account receivable	Changsha Mawangdui Agricultural Products Co., Ltd.	5,000.00		5,000.00	
Other account receivable	Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	19,000.00		4,000.00	
Other account receivable	Tianjin Higreen Agricultural Products Logistics Co., Ltd	3,000.00		3,000.00	
Other account receivable	Shenzhen Agricultural Power Group Co., Ltd.	26,400.00	-	26,400.00	-
Other account receivable	Shenzhen Zhenpin Group Co., Ltd			1,718,711.71	17,187.12

(2) Accounts payable to related parties

In RMB

Item	Related party	Ending book balance	Opening book balance
Account payable	Ningxia Higreen International Agricultural Products Logistic Management Co., Ltd	11,532.00	967.00
Account payable	Shenzhen Shennong Revitalization Rural Industry Development Co., Ltd.	5,289.50	40,880.51
Account payable	Hunan Higreen Supply Chain Co., Ltd	3,038.00	2,545.20
Account payable	Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	2,160.00	
Account payable	Xi'an Moer Agricultural Products Co., Ltd	641.00	9,444.00
Account payable	Other subtotal	1,264.53	
Account payable	Shenzhen Shenyuan Data Tech. Co., Ltd		16,350.00
Account payable	Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd.		31,680.00
Account payable	Huaiji County Shennong Modern Agriculture Development Co., Ltd		24,804.00
Account payable	Shenzhen Municipal People' s Government State-owned Assets Supervision & Administration Commission	40,574,195.28	41,658,943.35
Other account payable	Shenzhen Shenyuan Data Tech. Co., Ltd	2,396,937.66	65,400.00
Other account payable	Shenzhen Shennong Kitchen Co., Ltd.	275,000.00	
Other account payable	Zhanjiang Haitian Aquatic Feed Co., Ltd	20,000.00	20,000.00
Other account payable	Shenzhen Agricultural Power Group Co., Ltd.	146,162,941.72	146,162,941.72

Other account payable	Shenzhen Shennong Kitchen Co., Ltd.		296,063.14
Other account payable	Shenzhen Shennong Kitchen Co., Ltd.	16,459.00	

7. Related party commitment

8. Other

XV. Share-based payment

1. Overall situation of share-based payment

Applicable Not applicable

2. Share-based payment settled by equity

Applicable Not applicable

3. Share-based payment settled by cash

Applicable Not applicable

4.Share-based payment expense in current period

Applicable Not applicable

5. Modification and termination of share-based payment

Nil

6. Other

Nil

XVI. Commitment or contingency

1. Important commitments

Important commitments on balance sheet date

As of December 31, 2025, there were no commitments that the company should disclose

2.Contingency

(1) Contingency on balance sheet date

(1) Contingent liabilities arising from pending litigation and arbitration and their financial impact

SN	Plaintiff	Defendant	Cause	Court	Target ('0000 yuan)	Progress
1	Guangdong Yongshen Construction Engineering Co., Ltd	International Food Industrial Park	Construction engineering contract dispute lawsuit	The First People's Court of Dongguan City, Guangdong Province,	2,175.59	Pending

In December 2025, Guangdong Yongshen Construction Engineering Co., Ltd filed a lawsuit requesting the International Food Industrial Park to pay a total of RMB 21.7559 million, including the high-quality project bonus, work safety and civilized construction award, additional project funds for increased steel reinforcement quantity, safety and civilized construction fees, as well as legal fees and guarantee fees.

The first-instance hearing of this case was held at The First People's Court of Dongguan City in January 2026. The case is currently under trial, and no judgment has been received to date.

As of now, the company is unable to determine the financial impact of potential liabilities, and estimated liabilities for this pending lawsuit have not been recognized.

(2) Other contingencies

As of December 31, 2024, there are no other contingencies that the company should disclose.

(2) If the Company has no important contingency need to disclosed, explain reasons

The Company has no important contingency that need to disclose.

3.Other

XVII. Events after balance sheet date

1. Important non-adjustment matters

In RMB

Item	Content	Impact on financial status and operation results	Reasons of failing to estimate the impact
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2.Profit distribution

3. Sales return

4. Other events after balance sheet date

As of Dec. 31, 2025, the Company has no other post - balance sheet events that should be disclosed.

XVIII. Other important events

1. Previous accounting errors correction

(1) Retrospective restatement

In RMB

Content of accounting error correction	Procedures	Items impact during every comparative period	Accumulated impact
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(2) Prospective application

Content of accounting error correction	Approval procedure	Reasons for adopting the prospective applicable method
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2. Debt restructuring

3. Assets exchange

(1) Exchange of non-monetary assets

(2) Other assets exchange

4. Pension plan

5. Discontinuing operation

In RMB

Item	Revenue	Expenses	Total profit	Income tax expenses	Net profit	Profit of discontinuing operation attributable to owners of parent company
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Other explanation

6. Branch

(1) Recognition basis and accounting policy for reportable branch

(2) Financial information for reportable branch

In RMB

Item	Offset between branches	Total
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(3) Explain reasons in case the Company has no branches, or is unable to disclose total assets and liabilities of segments

(4) Other explanation

7. Other major transaction and events makes influence on investor's decision

8. Other

XIX. Notes to main items of financial statements of parent company

1. Account receivable

(1) By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	25,750,909.96	116,870,897.62
	25,750,909.96	116,870,897.62
1-2 years		73,272.00
Over 3 years	37,305.68	37,305.68
Over 5 years	37,305.68	37,305.68
Total	25,788,215.64	116,981,475.30

(2)Accrued bad debts reserve

In RMB

Category	Ending balance				Book value	Opening balance				Book value
	Book value		Bad debts reserve			Book value		Bad debts reserve		
	Amount	Ratio	Amount	Accrued ratio		Amount	Ratio	Amount	Accrued ratio	
Account receivable with bad debts reserve accrual on a single basis	28,453.08	0.11%	28,453.08	100.00%						
Including:										
Account receivable with bad debts reserve accrual on portfolio	25,759,762.56	99.89%	7,082.08	0.03%	25,752,680.48	116,953,022.22	99.98%	14,409.28	0.01%	116,938,612.94
Including:										
Portfolio of sales receivable	8,852.60	0.03%	7,082.08	80.00%	1,770.52	82,124.60	0.07%	14,409.28	17.55%	67,715.32
Object-specific portfolio	25,750,909.96	99.86%			25,750,909.96	116,870,897.62	99.91%			116,870,897.62
Total	25,788,215.64	100.00%	35,535.16	0.14%	25,752,680.48	116,981,475.30	100.00%	42,862.36	0.04%	116,938,612.94

Accrual of bad debts reserve on single item: 28453.08 yuan

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual reason
Accrual of bad debts reserve on a single basis	28,453.08	28,453.08	28,453.08	28,453.08	100.00%	Reasonably provision according to

						enterprise accounting standards
Total	28,453.08	28,453.08	28,453.08	28,453.08		

Make bad debts reserve in terms of portfolio: RMB7082.08 yuan

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio
Portfolio of sales receivable	8,852.60	7,082.08	80.00%
Object-specific portfolio	25,750,909.96	0.00	0.00%
Total	25,759,762.56	7,082.08	

Explanation on the basis to determine such portfolio:

Bad debts reserve accrual on portfolio

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio

Explanation on the basis to determine such portfolio:

If the bad debts reserve of account receivable is made in accordance with the general model of expected credit losses:

Applicable Not applicable

(3)Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	
Bad debts reserve of account receivable	42,862.36	-7,327.20				35,535.16
Total	42,862.36	-7,327.20				35,535.16

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve

(4) Account receivable charged off in the period

In RMB

Item	Amount charged off

Including major account receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)

Explanation on account receivable charged off:

(5)Top five receivables and contract assets at ending balance by arrears party

In RMB

Enterprise	Ending balance of account	Ending balance of contract	Ending balance of	Ratio in total ending balance of account	Ending balance of bad debt reserves for account receivable

	receivable	assets	account receivable and contract assets	receivables and contract assets	and impairment provision of contract assets
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2.Other account receivable

In RMB

Item	Ending balance	Opening balance
Interest receivable	0.00	0.00
Dividends receivable	0.00	0.00
Other account receivable	2,964,238,623.06	2,123,872,937.65
Total	2,964,238,623.06	2,123,872,937.65

(1) Interest receivable

1) By category

In RMB

Item	Ending balance	Opening balance
Total	0.00	0.00

2) Important overdue interest

Borrower	Ending balance	Overdue time	Overdue causes	Whether impairment occurs and its judgment basis
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Other explanation:

3)Accrued bad debts reserve

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Charged off	Other	

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve
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Other explanation:

(5) Interest receivable charged off in the period

In RMB

Item	Amount charged off
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Including major interest receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on interest receivable charged off:

Other explanation:

(2) Dividend receivable

1) Category

In RMB

Item (or the invested entity)	Ending balance	Opening balance
Total	0.00	0.00

2) Important dividend receivable with aging over one year

In RMB

Item (or investee)	Ending balance	Account aging	Reasons for not collection	Whether impairment occurs and its judgment basis
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3) Accrued bad debts reserve

Applicable Not applicable

4) Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Charged off	Other	

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve
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Other explanation:

5) Dividend receivable charged off in the period

In RMB

Item	Amount charged off
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Including major dividend receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)
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Explanation on those charged off:

Other explanation:

(3)Other account receivable

1)By nature

In RMB

Nature	Ending book balance	Beginning book balance
Margin and deposit	7,791,342.21	5,210,066.16
Other intercourse funds	2,983,277,015.89	2,146,492,606.53
Total	2,991,068,358.10	2,151,702,672.69

2)By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	2,956,794,948.32	770,755,999.84
	2,956,794,948.32	770,755,999.84
1-2 year	9,897,832.02	162,272,693.15
2-3 years		1,193,798,401.94
Over 3 years	24,375,577.76	24,875,577.76
Over 5 years	24,375,577.76	24,875,577.76
Total	2,991,068,358.10	2,151,702,672.69

3)Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debts reserve		Book value	Book balance		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrual ratio		Amount	Ratio	Amount	Accrual ratio	
Including:										
Including:										

Bad debts reserve is made on the basis of the general model of expected credit losses:

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2025	213,468.15		27,616,266.89	27,829,735.04
Balance on Jan. 1, 2025 in the period				
Current reversal	37,004.40		962,995.60	1,000,000.00
Balance on Dec. 31, 2025	176,463.75		26,653,271.29	26,829,735.04

Classification basis and bad debts reserve ratio for each stage

Changes in book balance with significant changes in the current period's provision for losses

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Charged off	Other	
Bad debts reserve of other account receivable	27,829,735.04		1,000,000.00			26,829,735.04
Total	27,829,735.04		1,000,000.00			26,829,735.04

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio of original bad debts reserve

5) Other account receivable charged off in the period

In RMB

Item	Amount charged off

Including major other account receivable charged off:

In RMB

Enterprise	Nature	Amount charged off	Reason for charged off	Procedure of charged off	Resulted by related transaction (Y/N)

Explanation on other account receivable charged off:

6) Top 5 accounts receivable at ending balance by arrears party

In RMB

Enterprise	Nature	Ending balance	Aging	Proportion in total other receivables at ending balance (%)	Ending balance of bad debt reserve

7)Those booked into other accounts receivables due to centralized fund management

In RMB

Other explanation:

3.Long-term equity investment

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in subsidiary	4,036,688,641.37	5,500,000.00	4,031,188,641.37	4,036,688,641.37	5,500,000.00	4,031,188,641.37
Total	4,036,688,641.37	5,500,000.00	4,031,188,641.37	4,036,688,641.37	5,500,000.00	4,031,188,641.37

(1) Investment in subsidiaries

In RMB

Investee	Opening balance (book value)	Opening balance of impairment provision	Current changes (+/-)				Ending balance (book value)	Ending balance of impairment provision
			Additional investment	Capital reduction	Accrual of impairment provision	Other		
Shenzhen Cereals Group Co., Ltd	3,291,415,036.82						3,291,415,036.82	
Dongguan Shenliang Logistics Co., Ltd.	321,680,000.00						321,680,000.00	
Huizhou Shenbao Technology Co., Ltd.	60,000,000.00						60,000,000.00	
Shenzhen Shenbao Huacheng Technology Co., Ltd.	223,228,545.91						223,228,545.91	
Shenzhen Shenshenbao Investment Co., Ltd	50,000,000.00						50,000,000.00	
Shenzhen Shenliang Food Co., Ltd.	80,520,842.36	5,500,000.00					80,520,842.36	5,500,000.00
Xingye Food	4,344,216.28						4,344,216.28	
Total	4,031,188,641.37	5,500,000.00					4,031,188,641.37	5,500,000.00

(2) Investment in associated enterprises and joint venture

In RMB

Investee	Opening balance (book value)	Opening balance of impairment provision	Current changes (+/-)								Ending balance (book value)	Ending balance of impairment provision
			Additional investment	Capital reduction	Investment gains recognized under equity	Other comprehensive income adjustment	Other equity change	Cash dividend or profit announced to issued	Accrual of impairment provision	Other		
I. Joint venture												
II. Associated enterprise												

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

(3) Other explanation

4. Operating revenue and operating cost

In RMB

Item	Current period		Last period	
	Revenue	Cost	Revenue	Cost
Main business	209,782,091.19	79,488,777.80	169,747,663.69	2,337,079.04
Other business	132,956.12	471,590.28	208,390.08	471,590.28
Total	209,915,047.31	79,960,368.08	169,956,053.77	2,808,669.32

Breakdown information of operating income and operating costs:

In RMB

Contract category	Branch 1		Branch 2				Total	
	Revenue	Cost	Revenue	Cost	Revenue	Cost	Revenue	Cost
Business type								
Including:								
Classification by business area								
Including:								
Market or customer type								
Including:								
Contract types								
Including:								
Classification by time of goods transfer								
Including:								
Classification by contract duration								
Including:								
Classification by sales channel								
Including:								
Total								

Information related to performing obligations:

Item	Time for performance obligations	Important payment terms	Nature of the goods promised to transfer by the company	Is it the main responsible person?	The expected refunds to customers borne by the company	The types of quality assurance provided by the company and related obligations

Other explanation

Information related to the transaction price apportioned to the remaining performance obligations:

The amount of income corresponding to performing obligations that have been signed at the end of this reporting period but have not yet been fulfilled or have not done with fulfillment is 0.00 yuan, among them, 0.00 yuan of revenue is expected to be recognized in the year

Significant contract changes or significant transaction price adjustments

Item	Accounting treatment method	Impact on income
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Other explanation:

5. Investment income

In RMB

Item	Current Period	Last Period
Investment income of long-term equity investment measured with cost method	213,293,709.44	1,209,380,685.39
Investment income from the disposal of long-term equity investment		1,567,130.20
Investment income during the holding period of tradable financial assets		2,190,832.84
Investment income from the disposal of tradable financial assets		2,123,849.30
Total	213,293,709.44	1,215,262,497.73

6. Others

XX. Supplementary information

1. Current non-recurring gains/losses

Applicable Not applicable

In RMB

Item	Amount	Note
Gains/losses from the disposal of non-current asset (including the written-off of accrued impairment provision of assets)	19,858,457.99	
Governmental subsidies reckoned into current gains/losses (except for those with normal operation business concerned, and conform to the national policies & regulations and are enjoyed according to certain standard, and having a continuous impact on the company's gains/losses)	51,731,273.31	It mainly refers to the relocation compensation received by the Company from Shuguang Grain Depot.
Gains/losses arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains/losses from the disposal of financial assets and financial liabilities, except for effective hedging business related to the normal operation of the company.		
Gains/losses of assets delegation on others' investment or management		
Reversal of impairment provision of accounts receivable which are treated with separate depreciation test	1,017,988.27	--

Other gains/losses that conform to the definition of non-recurring gains/losses:

Applicable Not applicable

The Company does not have other gains/losses that conform to the definition of non-recurring gains/losses.

Information on the definition of non-recurring gains/losses listed in the Q&A Announcement No.1 on Information Disclosure for Companies Offering Their Securities to the Public --- Non-recurring Gains/Losses as Recurring Gains/Losses

Applicable Not applicable

2. ROE and earnings per share

Profits during reporting period	Weighted average ROE	Earnings per share	
		Basic earnings per share (RMB/Share)	Diluted earnings per share (RMB/Share)
Net profits attributable to common stock stockholders of the Company	4.91%	0.2110	0.2110
Net profits attributable to common stock stockholders of the Company after deducting non-recurring gains/ losses	3.00%	0.1288	0.1288

3. Difference of the accounting data under accounting rules in and out of China

(1) Difference of the net profit and net assets disclosed in financial report, under both IAS (International Accounting Standards) and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

In RMB

	Net profit		Net asset	
	Current amount	Last amount	Ending balance	Opening balance
Under Chinese GAPP	243,215,785.97	325,309,578.52	4,988,751,158.32	4,919,674,142.82
Items and amount adjusted under IAS				
			1,067,000.00	1,067,000.00
Under IAS	243,215,785.97	325,309,578.52	4,989,818,158.32	4,920,741,142.82

(2) Difference of the net profit and net assets disclosed in financial report, under both foreign accounting rules and Chinese GAAP (Generally Accepted Accounting Principles)

Applicable Not applicable

(3) Explanation on data differences under the accounting standards in and out of China; as for the differences adjustment audited by foreign auditing institute, listed name of the institute

4. Other