

Company Code: 600132

Abbreviation of the Company: Chongqing Brewery

# **CHONGQING BREWERY CO., LTD.**

## **ANNUAL REPORT 2022**

This document is a translated version of the Chinese version 2022 Annual Report (《重庆啤酒股份有限公司 2022 年年度报告》). In case of any ambiguities in Chinese and English texts, Chinese text shall prevail.

## IMPORTANT STATEMENTS

**I. The Board of Directors, Board of Supervisors, Directors, Supervisors and the Senior Management of the Company guarantee that the information presented in this report is free of any false records, misleading statements or material omissions, and shall bear individual and joint legal liabilities for the truthfulness, accuracy and completeness of its contents.**

**II. All Directors of the Company have attended the board meeting.**

**III. Pan-China Certified Public Accountants LLP has issued a standard unqualified audit report for the Company.**

**IV. João Miguel Ventura Rego Abecasis, Legal Representative of the Company, Chin Wee Hua, the person in charge of accounting work and Liu Liping, the person in charge of accounting department (accounting supervisor) hereby warrant that the financial statements in this annual report are true, accurate and complete.**

**V. The proposed profit distribution plan or the proposed plan of capitalization of capital reserves in the reporting period approved by the resolution of the Board of Directors**

The Company plans to distribute cash dividends to all shareholders based on the total share capital of 483,971,198 shares as of December 31, 2022. The total amount of cash dividends is CNY 1,258,325,114.80 (tax included). The cash dividends to be distributed is derived from the operating profit of daily operation and is a kind of ordinary dividends. The Company plans to distribute cash dividends of CNY 2.60 per share (tax included). After the implementation of the dividend distribution plan for 2022, the remaining undistributed profit in the consolidated statement of the Company is CNY 77.69 million, and the remaining undistributed profit in the statement of the parent company is CNY 302.83 million. The Company will not use capital reserve to increase share capital in 2022.

**VI. Statement on risks of forward-looking statement**

Applicable     Not applicable

The annual report involves forward-looking statement such as future plans, which does not form substantive promises to the investors by the Company. The investors shall pay attention to the investment risks.

**VII. Whether the controlling shareholders and their related parties occupy funds non-operationally**

No

**VIII. Whether there is guarantee provided to external entities in violation of the stipulated decision-making procedures**

No

**IX. Whether there are more than half of the directors who cannot guarantee the authenticity, accuracy and completeness of the annual report disclosed by the Company**

No

**X. Significant risk statements**

The Company has described the possible risks in detail in the report. Please refer to Section III “VI. Discussion and analysis on the future development of the Company”.

**XI. Others**

Applicable     Not applicable

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Documents Available for Inspection	Financial statements with the signatures and seal of the legal representative, the person in charge of accounting work and the person in charge of accounting department.
	Original audit report with the seal of the accounting firm as well as the signature and the seal of the certified public accountant.
	The originals of company documents and announcements disclosed publicly on the newspapers designated by CSRC during the reporting period.

## SECTION I DEFINITIONS

### I. Definitions

In the report, unless otherwise indicated in meanings, the following words have meanings as follows:

Interpretation of common terms		
CSRC	Refers to	China Securities Regulatory Commission
SSE	Refers to	Shanghai Stock Exchange
Company, the Company, the listed company	Refers to	Chongqing Brewery Co., Ltd.
Carlsberg Foundation	Refers to	Carlsberg Foundation
Carlsberg	Refers to	Carlsberg A/S
Carlsberg Breweries	Refers to	Carlsberg Breweries A/S
Carlsberg Brewery HK	Refers to	Carlsberg Brewery HongKong Limited
Carlsberg Consultancy	Refers to	Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.
Carlsberg Chongqing Brewery, Chongqing Jianiang	Refers to	Carlsberg Chongqing Brewery Co., Ltd., original Chongqing Jianiang Brewery Co., Ltd.
Major assets restructuring, MAR, the current restructuring	Refers to	Major assets purchase of Chongqing Brewery Co., Ltd. and the joint capital increase in the joint venture & related-party transaction
Asset Package A	Refers to	The collective name of 100% of equity in Carlsberg (China) Breweries and Trading Company Limited, 100% of equity in Carlsberg Beer Enterprise Management (Chongqing) Company Limited, 99% of equity in Carlsberg Brewery (Guangdong) Company Limited and 100% of equity in Kunming Huashi Brewery Company Limited held by Carlsberg Consultancy
Asset Package B	Refers to	The collective name of 100% of equity in Xinjiang Wusu Breweries Company Limited and 70% of equity in Ningxia Xixia Jianiang Brewery Company Limited held by Carlsberg Breweries

## SECTION II COMPANY BRIEF INTRODUCTION AND KEY FINANCIAL INDICATORS

### I. Company Information

Chinese Name of the Company	重庆啤酒股份有限公司
Chinese Abbreviation of the Company	重庆啤酒
English Name of the Company	Chongqing Brewery Co., Ltd.
English Abbreviation of the Company	CBC
Legal Representative of the Company	João Miguel Ventura Rego Abecasis

### II. Contact Person and Contact Information

	Board Secretary	Securities Affairs Representative
Name	Deng Wei	Li Xiaoyu
Contact Address	Floor 13, Kingold Century, No.62, Jinsui	Floor 13, Kingold Century, No.62, Jinsui

	Road, Tianhe District, Guangzhou City, Guangdong Province	Road, Tianhe District, Guangzhou City, Guangdong Province
Tel.	4001600132	4001600132
Fax	020-28016518	020-28016518
E-mail	CBCSMIR@carlsberg.asia	CBCSMIR@carlsberg.asia

### III. Basic Information

Company Registered Address	No. 9, Hengshan East Road, Dazhulin Sub-district, High and New Tech Industry Park, Northern New District, Chongqing
Company Business Address	Floor 13, Kingold Century Finance Center, No. 62, Jinsui Road, Tianhe District, Guangzhou City, Guangdong Province
Postal Code of Company Business Address	510623
Company Website	www.carlsbergchina.com.cn
E-mail	CBCSMIR@carlsberg.asia

### IV. Information Disclosure and Storage Location

Name and website of the media used by the Company for disclosure of annual report	<i>China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily</i>
Website of stock exchange used by the Company for disclosure of annual report	www.sse.com.cn
Storage location of annual report of the Company	Board Office of the Company

### V. Stock Profile of the Company

Stock Profile of the Company				
Type of Stock	Stock Exchange	Stock Abbreviation	Stock Code	Previous Stock Abbreviation
A-shares	Shanghai Stock Exchange	Chongqing Brewery	600132	None

### VI. Other Related Information

Accounting Firm (Domestic) Engaged by the Company	Name	Pan-China Certified Public Accountants LLP
	Business Address	Tower B, China Resources Building, No. 1366, Qianjiang Road, Shangcheng District, Hangzhou City, Zhejiang Province
	Name of Certified Public Accountants with Signatures	Huang Qiaomei, Zhao Xingming

### VII. Key Accounting Data and Financial Indicators in the Past Three Years

#### (I) Key Accounting Data

Monetary unit: RMB Yuan

Items	Year 2022	Year 2021	YoY growth rate (%)	Year 2020
Operating revenue	14,039,040,539.45	13,119,310,688.30	7.01	10,941,631,163.32
Net profit attributable to	1,263,604,930.09	1,166,243,415.91	8.35	1,076,838,516.18

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Items	Year 2022	Year 2021	YoY growth rate (%)	Year 2020
shareholders of the Company				
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	1,234,338,183.95	1,142,853,438.97	8.00	473,614,955.09
Net cash flows from operating activities	3,752,648,258.54	3,564,787,113.40	5.27	3,689,730,875.73
	December 31, 2022	December 31, 2021	YoY growth rate (%)	December 31, 2020
Net assets attributable to shareholders of the Company	2,056,155,782.63	1,754,545,104.23	17.19	585,289,188.94
Total assets	12,497,542,168.83	11,532,809,144.20	8.37	9,595,373,073.62

**(II) Key Financial Indicators**

Items	Year 2022	Year 2021	YoY growth rate (%)	Year 2020
Basic EPS (yuan/share)	2.61	2.41	8.35	2.23
Diluted EPS (yuan/share)	2.61	2.41	8.35	2.23
Basic EPS after deducting non-recurring profit or loss (yuan/share)	2.55	2.36	8.00	0.98
Weighted average ROE (%)	69.25	99.69	-30.44	45.55
Weighted average ROE after deducting non-recurring profit or loss (%)	67.65	97.69	-30.04	36.89

Remarks on key accounting data and financial indicators in the past three years

Applicable  Not applicable

**VIII. Difference in accounting data under domestic and foreign accounting standards****(I) Difference between the net profits and the net assets attributable to shareholders of the listed company in the financial reports disclosed simultaneously according to the international accounting standard and China accounting standard**

Applicable  Not applicable

**(II) Difference between the net profits and the net assets attributable to shareholders of the listed company in the financial reports disclosed simultaneously according to the foreign accounting standard and China accounting standard**

Applicable  Not applicable

**(III) Statement of differences between foreign and domestic accounting standards:**

Applicable  Not applicable

**IX. Key quarterly financial data in 2022**

Monetary unit: RMB Yuan

	First quarter (January-March)	Second quarter (April-June)	Third quarter (July-September)	Fourth quarter (October-December)

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Operating revenue	3,832,515,081.07	4,103,236,061.48	4,247,364,892.75	1,855,924,504.15
Net profit attributable to shareholders of the Company	340,584,126.98	386,990,647.80	454,728,429.61	81,301,725.70
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	334,829,313.37	380,916,164.92	445,285,432.32	73,307,273.34
Net cash flows from operating activities	1,131,694,376.54	1,567,537,555.56	1,503,308,149.18	-449,891,822.74

Remarks on differences between quarterly data and data disclosed in periodic report

Applicable  Not applicable

### X. Non-recurring profits or loss

Applicable  Not applicable

Monetary unit: RMB Yuan

Items	Year 2022	Note No. (if applicable)	Year 2021	Year 2020
Gains/ Losses on disposal of non-current assets	-2,686,096.87		-9,751,391.35	34,164,203.38
Government grants included in profit or loss (excluding those closely related to operating activities of the Company, satisfying government policies and regulations, and continuously enjoyed with certain quantity/quota based on certain standards)	56,173,947.41		49,841,416.83	69,735,729.36
Net profit on subsidiaries acquired through business combination under common control from the beginning of the period to the combination date				1,133,174,334.09
Gains or losses on changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, excluding those arising from hedging business related to operating activities	11,322,859.61		15,893,505.64	8,832,550.54
The reversed provision for impairment of receivables and contract assets based on impairment testing on an individual basis	368,172.05			
Other non-operating income or expenses	4,495,553.47		6,356,848.71	-14,500,100.54
Other profit or loss satisfying the definition of non-recurring profit or	1,802,741.69			



Items	Year 2022	Note No. (if applicable)	Year 2021	Year 2020
loss				
Less: Enterprise income tax affected	15,007,349.22		15,591,614.27	22,976,031.18
Non-controlling interest affected (after tax)	27,203,082.00		23,358,788.62	605,207,124.56
Total	29,266,746.14		23,389,976.94	603,223,561.09

Remarks on other profit or loss satisfying the definition of non-recurring profit or loss and remarks on defining non-recurring profit or loss listed in the “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss” as recurring profit or loss.

Applicable  Not applicable

#### XI. Items measured at fair value

Applicable  Not applicable

Monetary unit: RMB Yuan

Items	Opening balance	Closing balance	Increase/Decrease	Effect on current profit before tax
Held-for-trading financial assets	501,088,888.89		-501,088,888.89	11,322,859.61
Other equity instrument investments	13,210,379.78	14,303,331.73	1,092,951.95	344,606.28
Derivative financial assets		3,829,356.40	3,829,356.40	
Derivative financial liabilities		2,616,336.56	2,616,336.56	
Total	514,299,268.67	20,749,024.69	-493,550,243.98	11,667,465.89

#### XII. Others

Applicable  Not applicable

## SECTION III MANAGEMENT’S DISCUSSION AND ANALYSIS

### I. Discussion and Analysis on Business Situation

In 2022, external factors affected the Company’s production and sales in some of its key markets. While prioritizing the health and safety of employees, the Company took proactive measures to seize market opportunities, which yielded yet another growth in sales, revenue and profit, successfully concluding Sail 22 and laying a solid foundation for Sail 27.

In 2022, beer enterprises above designated size in China produced 35.687 million kiloliters of beer, up slightly by 1.1% year on year (Data source: National Bureau of Statistics; statistic). In 2022, the Company’s sales volume outperformed the industry level with a year-on-year growth of 2.4%.

(I) Brands. In 2022, the Company carried on Sail 22 with focused and extensive efforts. With diversified product mix and brands following the asset restructuring, and a brand portfolio featuring “International Premium Brands + Local Power Brands”, the Company has continued to drive product premiumization and innovate its sales model.

In terms of local brands, the Company continued to enhance its core competitiveness in key markets and drive premiumization growth through R&D and innovation. In the first quarter of 2022, the Chongqing brand launched Prime Brew in the premium price zone, which achieved expected growth and received positive market response. An

experience store in collaboration between the brand and "Hou Hot Pot" began soft opening on East Nanjing Road, Shanghai at the end of 2022, which will further boost the consumption scenario of "eating Chongqing hot pot and drinking Chongqing beer". It also represents the Company's attempt to integrate the two industries—advanced manufacturing industry and modern service industry.

The Wusu brand continued to strengthen its hardcore image. With Mr. Wu Jing as the new face of the brand, Wusu's national visibility heightened rapidly, accelerating its pace of expansion nationwide. In the mean time, the brand's product portfolio was further improved. The launch of Wusu Dark Lager and Wusu White Beer in the first quarter of 2022 effectively drove premiumization and captured new growth opportunities. Wusu Big Big Q started soft opening in Joy City, Shanghai at the end of 2022, using the concept of barbecue to create an offline experience scenario for customers to enjoy Wusu.

The Company has continued to invest in the Shancheng brand and bring the brand closer to consumers through channel marketing activities such as "Beer Open to Win". In 2022, Shancheng saw double-digit growth in the Chongqing region.

In respect of international brands, through its new spokespersons and a variety of marketing campaigns with attitude, Tuborg conveyed its "WHY NOT" brand attitude to young people, expanding its market nationwide and establishing itself as a young international brand. Tuborg Pure Draft accelerated growth, driving Tuborg's premiumization and establishing itself as another hit product alongside Tuborg Green.

Carlsberg saw sustained volume growth by continuing to engage with young consumers through art and innovation. During the Spring Festival 2022, Carlsberg worked with a world-renowned artist to launch a limited edition packaging to celebrate the Year of the Tiger, further promoting its brand image as youthful and premium. Capitalizing on the occasion of its 175th anniversary, Carlsberg launched limited special brews in June 2022, which quickly sold out. The brand then collaborated with artists to create 175th anniversary commemorative packaging based on the concept of "City Torrent: Flowing from Denmark to China", conveying the brand's pursuit of better while meeting consumers' needs for art and quality. Additionally, Carlsberg celebrated 30 years of its partnership with Liverpool FC by launching limited edition packs and marketing campaigns, which were well-received and drove consumer purchases.

Kronenbourg 1664 saw heightened brand visibility thanks to its positioning as a symbol of French elegance and the influence of its global brand spokesperson, Ms. Dilireba. The brand's "Good Taste with A Twist" positioning further took hold among consumers. 1664 Prestige, a beer brewed with French champagne yeast, was launched in 2022, further boosting French romance. The product was awarded the "Premium Selection White Beer New Arrival Award" by Hurun Report, making it the only award-winning beer in this category.

Somersby saw rapid growth in 2022. The launch of three new flavors—mango lime, watermelon, and elderflower lime—brought the total number of flavors on offer to five. Its brand awareness continued to grow thanks to a combination of diverse and effective marketing campaigns.

Craft brands continued to enhance their brand volume and visibility through personalized social media communication and campaigns. Among them, Jing-A held a Spring Festival Challenge on Douyin (The Chinese version of Tiktok), Grimbergen revitalized its image. Brooklyn created an American-style dining scene in partnership with Shake Shack, an Internet-famous hamburger brand, thereby attracting young consumers while expanding channels and encouraging product tryouts.

(II) Sales. The Company's position in core markets was strengthened with continued growth in revenue/hl.

The Big City Plan accelerated with the addition of 15 new big cities. Sub-premium and above products accounted for more than 80% of the total therein. Despite some big cities being affected by external factors, the overall growth of the Big City Plan was in line with the Company's expectation. Notably, the average growth rate of the newly added big cities was higher than that of the overall Big City Plan.

With respect to new retail, e-commerce has enabled brand resources to be maximized. Based on consolidated partnership with Tmall and JD.com, the Company achieved rapid growth by accelerating business expansion on Douyin and community group purchase. In addition, the Company innovated its marketing strategy by embracing

e-commerce as an important brand-building window. Focusing on effect-based media operations, audience operations, content operations and creation of platform marketing IP, the Company turned e-commerce events into brand events, which not only improved brand recognition and favorability, but also greatly increased the number of new users and conversions. O2O saw rapid growth in GMV, with business increase observed across catering&takeaway O2O, modern channel O2O and traditional channel O2O. The Company continued to attract new business partners by collaborating with different industries.

The Company achieved a record high market share in traditional channels by the end of the year. While strengthening its on-trade channel, the Company also increased its market share in the off-trade channel through various initiatives, including consumer events, promotional packs, portfolio displays, and improved in-store implementation standards.

The digitization of the Company's business processes and sales channels has been accelerated to drive more business opportunities.

(III) Supply chain. The Company further optimized its supply network layout. In 2022, Xichang Brewery and Korla Brewery completed capacity expansion, and Wanzhou Brewery resumed production, which effectively supported the growing market demand. With an additional investment of 462 million yuan, Foshan Brewery will be built into a new, modern brewery that is green, safe, advanced, and efficient.

Committing to providing consumers with higher quality beer, the Company held a taste evaluation competition. A number of metrics, including the optimization of fermentation process, yeast activity management, and improving carbon dioxide purity, were used to improve the result of taste evaluation and meet consumers' taste for high-quality beer. For the second year in a row, the Company won the most awards in the International Beer Challenge held by China Alcoholic Drinks Association, with 11 products awarded, including Chongqing Extra Malt, which was on the awarded list for the third time.

(IV) ESG. In 2022, the Company successfully completed all tasks under its sustainable development programme "Together Towards Zero" and launched the ESG programme "Together Towards Zero and Beyond (TTZAB)".

In terms of "ZERO Accidents Culture", the Company actively promoted risk assessments for high-risk operations, implemented work permit requirements and monitored construction sites. A three-level safety training system was introduced by the Company to enhance employee safety awareness and ability. In 2022, its total number of lost-time accidents decreased by 92% compared with 2018, effectively ensuring the safety of employees.

In terms of "ZERO Carbon Footprint", the Company's breweries have reduced CO<sub>2</sub> emissions by 75% per hectolitres (hl) of beer produced since 2015, exceeding the Group's target of a 50% reduction by 2022. This achievement is thanks to the use of 100% renewable electricity at the Company's breweries since 2020, as well as improvements in combined energy (thermal and electricity) efficiency. Between 2015 and 2022, the Company reduced a total of 230,000 tons of CO<sub>2</sub>, which is equivalent to planting more than 9,000 mu (an equivalent of around 600 hectares) of trees and taking more than 80,000 cars off the road for a year.

In terms of "ZERO Farming Footprint", the Company attached great importance to grains recycling. By leveraging the law of nature and ecosystemic approaches to maximize the potential of spent grains and waste yeast, and recycling by-products from brewing for agriculture and husbandry purposes, a harmony between the Company and nature was realized. In 2022, about 190,000 tons of spent grains and approximately 1.66 million tons of waste yeast were collected and recycled by the Company.

In terms of "ZERO Packaging Waste", the Company used glass bottles made from 60% recycled materials, along with labels made from eco-friendly ink and PVC-free materials, which minimized environmental pollution caused by materials. Also, more lightweight glass bottles were sourced during the procurement process, which reduced 10,000 tons of glass consumption and more than 3,000 tons of carbon emissions throughout the year.

In terms of "ZERO Water Waste", the Company's breweries have cut water consumption to 2.24 hectolitres (hl)/hl in 2022 from 3.87 hl/hl in 2015. That is a 42.12 % reduction, beating our 25% target for 2022. In general, its major breweries reduced their water use to 2.1 hl/hl in 2022, far lower than the industry average of 3.5 hl/hl. Water efficiency at Dazhulin Brewery in Chongqing was down to 1.77 hl/hl, reaching an industry-leading level globally.

In terms of “ZERO Irresponsible Drinking”, the Company participated in the National Responsible Drinking Awareness Week, and actively communicated responsible drinking messages through brand events such as the Tuborg Music Festival. In 2022, Chongqing and Tuborg spokespersons jointly advocated for responsible drinking, urging minors not to drink, and further spreading the idea of responsible drinking to over 4.5 million consumers.

## II. Information on the Company's Industry during the Reporting Period

The data of National Bureau of Statistics showed that the output of national above brewery enterprise was 35.687 million kiloliters in 2022, with year-on-year growth of 1.1%.

## III. Information on the Company's Business Conditions during the Reporting Period

The Company is mainly engaged in the business of manufacturing and sales of beer products.

In terms of operation mode, the Company implements regional management. In the link of purchase, it adopts the centralized purchase and scattered orders; in the link of supply, it organizes the production and inventory according to “determining production based on sales”, and in the link of sales, distributor agency dominates, and the direct marketing assist.

## IV. Analysis of Core Competitiveness during the Reporting Period

Applicable     Not applicable

The company is the operating platform in China of the world-leading Carlsberg Group Denmark. China is the largest market of Carlsberg Group in the world. According to the Sail 27 strategy towards 2027, "Keep Wining in China" is listed as one of the strategic priorities of Carlsberg Group to become a successful, professional and attractive beer company in China.

In terms of market channels, the company has a marketing network covering all provinces, regions and cities across the country. We have high-quality customer resources, strong brand advantages and stable sales channels in each dominant market area.

In terms of brand portfolio, the company can meet the diversified needs of consumers for high-quality beer relying on the strong brand portfolio of "International Premium Brands + Local Power Brands". International brands include Carlsberg, Tuborg, Kronenbourg 1664, Grimbergen, Brooklyn, Somersby, etc., and local brands include Wusu, Chongqing, Shancheng, Xixia, Dali, WFSM, Jing-A, etc.

In terms of supply chain network, the company possesses 26 breweries, forming a joint force for efficient operation by linkage in a wide area in the procurement, production, logistics and other links.

In terms of marketing and promotion, the company improves the efficiency of marketing and promotion by complementing the overall operation and brand with clearer brand image and richer marketing methods.

## V. Main operating conditions during the reporting period

In 2022, the Company sold 2.8566 million kiloliters of beer, an increase of 2.41% compared with 2.7894 million kiloliters in 2021. The operating revenue in 2022 was 14.039 billion yuan, an increase of 7.01% compared with 13.119 billion yuan in 2021. Net profit attributable to shareholders of the Company in 2022 amounted to 1.264 billion yuan, an increase of 8.35% compared with 1.166 billion yuan in 2021. Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss in 2022 amounted to 1.234 billion yuan, an increase of 8.00% compared with 1.143 billion yuan in 2021.

### (I) Main business analysis

#### 1. Analysis on changes in relevant items of income and cash flow statement

Monetary unit: RMB Yuan

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Items	Current period cumulative	Preceding period comparative	Percentage of change (%)
Operating revenue	14,039,040,539.45	13,119,310,688.30	7.01
Operation cost	6,952,428,993.91	6,436,358,227.59	8.02
Selling expenses	2,326,217,227.20	2,212,894,661.26	5.12
Administrative expenses	534,570,348.93	516,877,144.95	3.42
Financial expenses	-56,102,848.78	-15,880,844.25	253.27
R&D expenses	110,747,936.06	163,151,284.60	-32.12
Net cash flows from operating activities	3,752,648,258.54	3,564,787,113.40	5.27
Net cash flows from investing activities	-388,086,486.41	-1,151,748,524.33	-66.30
Net cash flows from financing activities	-2,133,485,949.36	-2,013,680,615.14	5.95

Remarks:

Changes in financial expenses is mainly due to the year-over-year increase in interest income.

Changes in R&D expenses is mainly due to the decrease in R&D input.

Changes in net cash flows from investing activities is mainly due to the withdrawal of unmatured structural deposit at the end of period of last year.

Remarks on significant changes in business type, profit composition or source in the current period.

Applicable     Not applicable

## 2. Revenue and cost analysis

Applicable     Not applicable

### (1). Information on main businesses by industry, product, region and sales model

Monetary unit: RMB Yuan

Information on main businesses by industry						
By industry	Operating revenue	Operating cost	Gross margin (%)	Increase or decrease in operating revenue compared with the last year (%)	Increase or decrease in operating cost compared with the last year (%)	Increase or decrease in gross margin compared with the last year (%)
Beer	13,696,216,606.60	6,702,990,258.86	51.06	6.71	7.35	-0.29 percentage point
Information on main businesses by product						
By product	Operating revenue	Operating cost	Gross margin (%)	Increase or decrease in operating revenue compared with the last year (%)	Increase or decrease in operating cost compared with the last year (%)	Increase or decrease in gross margin compared with the last year (%)

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International brand	4,873,186,731.33	2,275,681,882.60	53.30	7.93	11.26	-1.40 percentage points
Local brands	8,823,029,875.27	4,427,308,376.26	49.82	6.04	5.45	0.28 percentage point
Information on main businesses by region						
By region	Operating revenue	Operating cost	Gross margin (%)	Increase or decrease in operating revenue compared with the last year (%)	Increase or decrease in operating cost compared with the last year (%)	Increase or decrease in gross margin compared with the last year (%)
Northwestern region	3,979,442,915.78	2,191,358,850.08	44.93	-5.09	-1.84	-1.83 percentage points
Central region	5,905,954,274.57	3,025,074,418.25	48.78	11.10	11.21	-0.05 percentage point
Southern region	3,810,819,416.25	1,486,556,990.53	60.99	14.57	15.13	-0.19 percentage point
Information on main businesses by sales model						
Sales model	Operating revenue	Operating cost	Gross margin (%)	Increase or decrease in operating revenue compared with the last year (%)	Increase or decrease in operating cost compared with the last year (%)	Increase or decrease in gross margin compared with the last year (%)
Direct marketing (including group purchase)	67,790,493.66	31,085,716.59	54.14	-9.77	-9.29	-0.25 percentage point
Wholesale agency	13,628,426,112.94	6,671,904,542.27	51.04	6.80	7.44	-0.30 percentage point

Statement of main businesses by industry, product, region and sales model

Not applicable

**(2). Analytical statement of production and sales volume**

√ Applicable    □ Not applicable

Main	Unit	Production	Sales	Inventory	Increase or	Increase or	Increase or
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products		volume	volume	volume	decrease of production volume compared with that of last year (%)	decrease of sales volume compared with that of last year (%)	decrease of inventory volume compared with that of last year (%)
International brand	kl	764,498.79	774,106.28	88,951.65	4.94	6.18	29.41
Local brands	kl	2,017,694.30	2,082,511.24	197,665.82	0.13	1.08	12.29

Statement of production and sales volume

Not applicable

### (3). Performance of major purchase contract and major sales contract

Applicable     Not applicable

### (4). Cost analysis statement

Monetary unit: RMB Yuan

By industry							
By industry	Cost items	Amount of this period	Proportion of the amount in this period out of the total cost (%)	Amount of the same period in the last year	Proportion of the amount in the same period of last year out of the total cost (%)	Proportion of changes in the amount of this period compared with the same period of last year (%)	Statement of situation
Alcohol, beverage and refined tea manufacturing industry	Raw material cost	4,353,191,926.22	64.94	4,130,177,575.61	66.15	5.40	
Alcohol, beverage and refined tea manufacturing industry	Labor cost	581,342,607.96	8.67	592,464,471.79	9.49	-1.88	
Alcohol, beverage and refined tea manufacturing industry	Production costs	672,881,885.81	10.04	624,542,924.69	10.00	7.74	
Alcohol, beverage and refined tea	Others	1,095,573,838.87	16.34	896,764,387.39	14.36	22.17	

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manufacturing industry							
	Total	6,702,990,258.86	100.00	6,243,949,359.48	100.00	7.35	
By products							
By product	Cost items	Amount of this period	Proportion of the amount in this period out of the total cost (%)	Amount of the same period in the last year	Proportion of the amount in the same period of last year out of the total cost (%)	Proportion of changes in the amount of this period compared with the same period of last year (%)	Statement of situation
Beer	Raw material cost	4,353,191,926.22	64.94	4,130,177,575.61	66.15	5.40	
Beer	Labor cost	581,342,607.96	8.67	592,464,471.79	9.49	-1.88	
Beer	Production costs	672,881,885.81	10.04	624,542,924.69	10.00	7.74	
Beer	Others	1,095,573,838.87	16.34	896,764,387.39	14.36	22.17	
	Total	6,702,990,258.86	100.00	6,243,949,359.48	100.00	7.35	

Statement of cost analysis and other situation

None

**(5). The equity change of main subsidiaries during the reporting period caused change of the merge scope**

Applicable  Not applicable

**(6). Significant changes or adjustment of business, products or services of the Company in the reporting period**

Applicable  Not applicable

**(7). Information on major sales customers and suppliers**

**A. Information on main sales customers of the Company**

Applicable  Not applicable

The sales volume of top five customers is RMB 637.7931 million, accounting for 4.54% of the total annual sales; Where, the sales volume of related party in the sales volume of top five customers is RMB 0, accounting for 0% of the total annual sales.

The proportion of sales to a single customer during the reporting period exceeds 50% of the total amount; there are new customers among the top five customers or a few customers are heavily relied on

Applicable  Not applicable

**B. Information on main suppliers of the Company**

Applicable  Not applicable

The purchase amount of top five suppliers is RMB 1,266.98 million, accounting for 11.95% of the total annual purchase amount; wherein, the purchase amount of related party in the sales volume of top five suppliers is RMB 0, accounting for 0% of the total annual purchase amount.

The proportion of purchase to a single supplier during the reporting period exceeds 50% of the total amount; there



are new suppliers among the top five suppliers or a few suppliers are heavily relied on.

Applicable  Not applicable

Other remarks

None

### 3. Expenses

Applicable  Not applicable

The rise in selling expense is mainly due to increase of market advertising expense to drive the business development.

The rise in administration expense is Mainly due to annual wage adjustment and increase of IT expense to offset the decrease of intermediary fee.

### 4. R&D input

#### (1). Details on R&D input

Applicable  Not applicable

Monetary unit: RMB Yuan

Amount expensed in the current period	<b>110,747,936.06</b>
Amount capitalized in the current period	<b>0.00</b>
Total R&D input	<b>110,747,936.06</b>
% to total operating revenue	<b>0.79</b>
Proportion of R&D input capitalized (%)	0.00

#### (2). Information table of R&D personnel

Applicable  Not applicable

Number of the Company's R&D personnel	1,132
Percentage of the number of R&D personnel in the total number of personnel of the Company (%)	16.73
Educational background structure of R&D personnel	
Category of the educational background structure	Number of persons of the educational background structure
Doctoral candidate	0
Postgraduate	12
Undergraduate	167
Junior college	346
Senior high school and below	607
Age structure of R&D personnel	
Category of the age structure	Number of persons of the age structure
Below 30 years old (exclusive)	121
30-40 years old (including 30 years old but excluding 40 years old)	265
40-50 years old (including 40 years old but excluding 50 years old)	451
50-60 years old (including 50 years old but excluding	295

60 years old)	
60 years old and above	0

**(3). Statement of situation**

Applicable     Not applicable

**(4). Reasons for significant changes in the composition of R&D personnel and their effects on the Company's future development**

Applicable     Not applicable

**5. Cash flows**

Applicable     Not applicable

Net cash in operating activities: The net inflow increased by RMB 187.8611 million, mainly due to the increase in cash received due to sales of goods in this year compared to the same period of last year.

Net cash in investment activities: The net outflow is decreased by RMB 763.662 million, mainly due to withdrawal of unmaturing structural deposit at the end of period of last year.

Net cash in financing activities: The net inflow is increased by RMB 119.8053 million, mainly due to repayment of bank loan in the same period of last year, absence of related issues this year but more profit distribution than that in the same period of last year.

**(II) Statement of major changes in profits resulted from non-main business**

Applicable     Not applicable

**(III) Analysis on assets and liabilities**

Applicable     Not applicable

**1. Details on assets and liabilities**

Monetary unit: RMB Yuan

Items	Closing balance	% to total	December 31, 2021	% to total	Percentage of change (%)	Reasons for changes
Cash and bank balances	3,397,877,592.02	27.19	2,355,194,070.43	20.42	44.27	Improvement of operating performance and operating efficiency.
Held-for-trading financial assets			501,088,888.89	4.34	-100.00	Decrease in bank structured deposits.
Derivative financial assets	3,829,356.40	0.03				Mainly due to the new aluminum hedging business in the current period.
Accounts receivable	65,511,539.08	0.52	109,244,673.73	0.95	-40.03	Mainly due to the improvement in the credit management efficiency of accounts receivable.
Other receivables	17,619,026.18	0.14	11,830,136.29	0.10	48.93	Mainly due to the increase in land disposal fees receivable.
Other current assets	109,533,473.56	0.88	83,454,893.33	0.72	31.25	Mainly due to the increase in prepaid tax and input tax to be credited.
Construction in progress	395,295,204.91	3.16	162,076,985.24	1.41	143.89	Mainly due to the Foshan Factory Project.
Right-of-use assets	100,306,926.11	0.80	39,218,000.00	0.34	155.77	Mainly due to the new lease of office in Kingold Century Building in the current period.
Deferred tax assets	732,407,316.03	5.86	1,062,310,605.52	9.21	-31.06	Mainly due to changes in income tax rates.

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Other non-current assets	89,540,749.40	0.72	3,636,075.76	0.03	2,362.57	Mainly due to the prepayments for construction equipment of Foshan Factory Project.
Derivative financial liabilities	2,616,336.56	0.02				Mainly due to the new aluminum hedging business in the current period.
Tax payables	255,387,461.35	2.04	395,925,319.93	3.43	-35.50	Mainly due to the decrease in enterprise income tax payables.
Lease liabilities	77,928,597.87	0.62	16,951,000.00	0.15	359.73	Mainly due to the new lease of office in Kingold Century Building in the current period.

Other remarks

None

**2. Details on overseas assets**

Applicable  Not applicable

**3. Details on restrictions of main assets as of the end of the reporting period**

Applicable  Not applicable

**4. Other remarks**

Applicable  Not applicable

**(IV) Industry operational information analysis**

Applicable  Not applicable

Please refers to the analysis of the operating information of the alcohol manufacturing industry for details.

**Operational information analysis on the alcohol manufacturing industry****1 Basic information of the industry**

√ Applicable    □ Not applicable

Please refer to Section III “VI. Discussion and analysis on the future development of the Company” of this report for details.

**2 Capacity situation**

Existing capacity

√ Applicable    □ Not applicable

Unit: million kiloliter

Name of main factory	Design capacity	Actual capacity
Carlsberg (China) Brewery Industry and Trade Limited	50.00	32.00
Carlsberg Chongqing Brewery Co., Ltd.	40.00	35.00
Chongqing Brewery Yibin Co., Ltd.	35.00	32.00
Ningxia Xixia Jianiang Brewery Co., Ltd.	30.00	27.00
Jiulongpo Branch of Carlsberg Chongqing Brewery Co., Ltd.	28.00	18.00
Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd.	26.00	23.00
Xinjiang Wusu Beer Co., Ltd.	25.00	23.00
Kunming Huashi Brewery Co., Ltd.	25.00	24.00
Hechuan Branch of Carlsberg Chongqing Brewery Co., Ltd.	18.00	11.00
Carlsberg Brewery (Anhui) Co., Ltd.	16.00	15.00

**Capacity under construction**

√ Applicable    □ Not applicable

Monetary unit: RMB ten thousand Yuan

Name of capacity under construction	Planned investment amount	Investment amount during the reporting period	Cumulative investment amount
Foshan newly built capacity project	149,193	37,977	37,977
Xichang packaging expansion project	10,188	7,311	8,566
Tianmuhu capacity expansion project	3,291	1,780	2,886
Tiandao capacity expansion project	1,950	1,062	1,844
Wusu saccharification capacity expansion project	927	614	901
Expansion project of Korla Factory	11,589	3,740	3,740
Resumption of production project of Wanzhou Factory	4,200	3,795	3,795

Capacity calculation standard

√ Applicable    □ Not applicable

The capacity shall be comprehensively measured according to the time requirements of beer production process and the fixed assets allocation of the brewery.

**3 Closing inventory volume of the product**

√ Applicable    □ Not applicable

Unit: kl

Finished beer	Semi-finished beer (including basic beer)
286,617.48	153,398.08

Inventory impairment risk prompt

□ Applicable    √ Not applicable

**4 Product situation**

√ Applicable    □ Not applicable

Monetary unit: RMB ten thousand Yuan

Product grade	Output (kl)	Year-on-year (%)	Sales volume (kl)	Year-on-year (%)	Sales-output ratio (%)	Sales revenue	Year-on-year (%)	Major representative brands
Premium	677,535.72	4.24	673,604.06	1.82	99.42	494,699.91	5.67	Wusu, Carlsberg, Kronenbourg 1664
Mainstream	1,598,442.21	-1.05	1,656,412.19	2.60	103.63	704,420.75	7.56	Tuborg, Chongqing, Dali
Economic	506,215.16	5.89	526,601.27	2.57	104.03	170,501.00	6.25	Shancheng, Tianmuhu

Product grade division standard

√ Applicable    □ Not applicable

The product grade is divided according to the consumption price. If the consumption price is RMB 10 or above, it is premium; if the consumption price is RMB 6-10, it is mainstream; if the consumption price is below RMB 6, it is economic.

Product structure change and business strategy

√ Applicable    □ Not applicable

The company continued to promote the 6+6 brand strategy, actively coped with the influence of external adverse factors, and finally achieved the development of Carlsberg, Tuborg, Chongqing, Shancheng and other brand products in different regions through channel construction promotion, new retail and online sales channel expansion and other measures.

**5 Information on raw materials purchase****(1). Purchase model**

√ Applicable    □ Not applicable

The Company mainly adopts the purchase mode of centralized purchase and scattered orders.

**(2). Purchase amount**

√ Applicable    □ Not applicable

Monetary unit: RMB ten thousand Yuan

Categories of raw materials	Current purchase amount	Purchase amount of the last period	Proportion in the total purchase amount of the current period (%)
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Raw materials for brewing	154,047.40	137,031.00	29.48
Packaging materials	343,183.76	312,042.00	65.66
Energy	25,403.60	23,748.10	4.86
Total	522,634.76	472,821.10	100.00

## 6 Information on sales

### (1). Sales model

√ Applicable    □ Not applicable

The Company mainly adopts the sales model based on wholesale agency and supplemented by direct marketing.

### (2). Sales channel

√ Applicable    □ Not applicable

Monetary unit: RMB ten thousand Yuan

Channel type	Operating revenue of this period	Operating revenue of the last period	Sales volume of this period (kl)	Sales volume of the last period (kl)
Direct marketing (including group purchase)	6,779.05	7,513.39	7,325.31	7,807.26
Wholesale agency	1,362,842.61	1,276,019.43	2,849,292.21	2,781,614.96

### (3). Regional situation

√ Applicable    □ Not applicable

Monetary unit: RMB ten thousand Yuan

Region name	Operating revenue of this period	Operating revenue of the last period	Proportion of this period (%)	Sales volume of this period (kl)	Sales volume of the last period (kl)	Proportion of this period (%)
Northwestern region	397,944.29	419,298.92	29.06	786,139.91	891,921.00	27.52
Central region	590,595.43	531,610.82	43.12	1,346,071.46	1,221,355.09	47.12
Southern region	381,081.94	332,623.08	27.82	724,406.15	676,146.12	25.36

Region division standard

√ Applicable    □ Not applicable

According to the management area, the Company is divided into northwestern region, central region and southern region.

### (4). Information on distributors

√ Applicable    □ Not applicable

Unit: Nr.

Region name	The quantity of distributors at the end of the reporting period	Increased quantity during the reporting period	Decreased quantity during the reporting period
Northwestern region	1,248	453	421

Central region	1,329	216	536
Southern region	478	186	355

## Statement of situation

Applicable     Not applicable

## Information on management of distributors

Applicable     Not applicable

The Company attaches great importance to the capacity building of its distributors, leveraging its distributor network to implement market planning, channel operation strategies, product promotion strategies and other marketing strategies.

The Company enhances distribution management through its distributor excellence program. The program assesses distributors based on eight competency indicators, and gradually forms a hierarchical system of distributors with corresponding management policies and enablement resources. The Company has established a channel mode and distributor ability quadrants suitable for local development, scientifically and reasonably set sales regions and channel segmentations, and gradually improved channel planning, channel coverage and terminal control capabilities through strategic cooperation and daily operation systems based on the win-win and common development goals, according to different market stages and competitive environments. This approach aims to expand the strength of distributors and improve their operational efficiency.

**(5). Information on online sales**

Applicable     Not applicable

## Future online business strategy

Applicable     Not applicable

The company will make full use of its rich brand resources and accelerate its business expansion in social e-commerce, community group purchase and O2O on the basis of consolidating the cooperation with Tmall and JD.com, and will give full play to the role of social e-commerce in creating new products and brand building. Through in-depth cooperation with various business divisions, the community group purchase and EB2B channels will be further explored to become the most important supplement to the coverage of traditional offline channels and the new driving force for channel digitalization.

**7 Company revenue and cost analysis****(1). Disclosure of main business compositions of the Company by different types**

Applicable     Not applicable

Monetary unit: RMB Yuan

Division type	Operating revenue	Year-on-year (%)	Operating cost	Year-on-year (%)	Gross margin (%)	Year-on-year (%)
By product grade						
Premium	4,946,999,115.28	5.67	1,917,997,267.76	7.09	61.23	-0.51
Mainstream	7,044,207,509.66	7.56	3,783,748,057.04	7.38	46.29	0.09
Economic	1,705,009,981.66	6.25	1,001,244,934.06	7.73	41.28	-0.80
Subtotal	13,696,216,606.60	-	6,702,990,258.86	-	-	-
By sales channel						
Direct marketing (including group purchase)	67,790,493.66	-9.77	31,085,716.59	-9.29	54.14	-0.25
Wholesale agency	13,628,426,112.94	6.80	6,671,904,542.27	7.44	51.04	-0.30
Subtotal	13,696,216,606.60	-	6,702,990,258.86	-	-	-

By regional branch						
Northwestern region	3,979,442,915.78	-5.09	2,191,358,850.08	-1.84	44.93	-1.83
Central region	5,905,954,274.57	11.10	3,025,074,418.25	11.21	48.78	-0.05
Southern region	3,810,819,416.25	14.57	1,486,556,990.53	15.13	60.99	-0.19
Subtotal	13,696,216,606.60	-	6,702,990,258.86	-	-	-

Statement of situation

Applicable  Not applicable

## (2). Information on cost

Applicable  Not applicable

Monetary unit: RMB ten thousand Yuan

Cost items	Amount of this period	Amount of the last period	Proportion of the amount in this period out of the total cost (%)	Year-on-yea (%)
Raw material cost	435,319.19	413,017.76	64.94	5.40
Labor cost	58,134.26	59,246.45	8.67	-1.88
Production costs	67,288.19	62,454.29	10.04	7.74
Others	109,557.38	89,676.44	16.34	22.17
Total	670,299.03	624,394.94	100.00	7.35

Statement of situation

Applicable  Not applicable

## 8 Other situations

Applicable  Not applicable

### (V) Analysis of investment situation

#### Overall analysis of external equity investment

Applicable  Not applicable

#### 1. Major equity investment

Applicable  Not applicable

#### 2. Major non-equity investment

Applicable  Not applicable

#### 3. Financial assets measured at fair value

Applicable  Not applicable

Financial assets measured at fair value mainly include held-for-trading financial assets, derivative financial assets, equity investment instruments and derivative financial liabilities of the Company. Please refer to item VII 2, 3, 18 and 34 of Section X for details.

Details on security investment

Applicable  Not applicable

Details on privately fund investment



Applicable     Not applicable

Details on derivative investments

Applicable     Not applicable

Pursuant to the “Proposal on Conducting Aluminum Hedging by the Subsidiary of the Company” deliberated and approved by the Company’s First Extraordinary General Meeting of Shareholders in 2022 and the “Proposal on the Adjustment of Implementation Plan for Aluminum Hedging” deliberated and approved by the Company’s 2021 Annual General Meeting of Shareholders, the Company and its subsidiaries intend to, in legal compliance without affecting normal operations, invest in aluminum hedges at an appropriate time using self-owned funds of not more than USD 70.00 million. As of December 31, 2022, the Company’s position amounted to USD 28,145,570.00, which has not yet expired.

#### 4. Information on special progress of major assets restructuring and consolidation during the reporting period

Applicable     Not applicable

#### (VI) Sales of major assets and equity

Applicable     Not applicable

#### (VII) Analysis on major entities controlled or invested by the Company

Applicable     Not applicable

Monetary unit: RMB Yuan

Name of subsidiaries	Categories	Place of registration	Business nature	Registered capital	Business Scope	Holding proportion	Operating revenue	Operating profit	Net profit
Carlsberg Chongqing Brewery Co., Ltd.	Holding subsidiary	Chongqing	Beer industry	850,000,000.00	Production and sales of beer manufacturing and sales	51.42%	14,039,040,539.45	3,387,476,921.46	2,675,360,157.56

#### (VIII) Information on structural subjects controlled by the Company

Applicable     Not applicable

### VI. Discussion and analysis on the future development of the Company

#### (I) Industry structure and trend

Applicable     Not applicable

After reaching its sales peak in 2014, China’s beer industry has been continuously declining. Despite a slight increase in production in 2021 and 2022, the industry capacity has decreased by 27.7% compared with 2014. Against this backdrop, the landscape of China’s beer industry exhibits the following characteristics:

1. Competition remains fierce. The five major beer companies in China hold a total market share of more than 90%. As they continue to expand their businesses in their respective traditional dominant markets, they also face intense competition in local markets. In addition, niche brands and imported beers are directly competing with the big five in certain segments of the market.
2. Consumption upgrades. Consumers are placing more emphasis on brand, quality, consumption experience and health impact. Premiumization is no longer just a commonly held belief within the industry, but has become the main focus of industry competition, driving sustained growth in sales of mid-to-high-end beers.

3. Diversification. Consumer demand has gone beyond what the traditional mainstream beers can offer and become more diverse. Major brewers are increasingly focusing on craft & specialty beers, cider, alcohol-free brews and other related products.

4. High-quality development. In recent years, China's beer industry has embarked on the path of high-quality development by providing more premium beers to meet consumers' demand for higher quality beer. Despite the impact of external factors in recent years, major brewers have shown good resilience and achieved overall good top and bottom line performance.

With respect to industry trends, the Company's management remains confident that high-quality development is both the goal and the path for China's beer industry. In the new normal of economic development, beer enterprises can only achieve long-term steady growth if they adhere to a path of high-quality development.

## (II) Development strategy of the Company

Applicable     Not applicable

As a member of Carlsberg Group, the company conducts its business under the guidance of Carlsberg Sail 27 strategy. The Sail 27 strategy towards 2027 is built on the solid foundation of Sail 22 and aims to make the company a successful, professional, and attractive beer company in the markets in which it does business.

Sail 27 has five strategic priorities:

1. Portfolio choices: Step up in premium; Strengthen mainstream core beer; Accelerate AFB; Grow beyond beer;
2. Geographic priorities: Keep winning in China; Build more large profit strongholds; Accelerate high-potential markets;
3. Execution excellence: Build winning portfolios; Excel at point of purchase; Master digital connections; Manage supply chain E2E; Drive next generation data, process and technology;
4. Winning culture: Purpose and performance driven people; Together Towards Zero and Beyond; Live by our compass.
5. Finding our journey: freeing up resources, investing more in brands, allocating more investment to certain markets, strengthening investment in capacity building and the "Together Towards Zero and Beyond" plan, and mitigating the inflation.

In keeping with Carlsberg Group's purpose of brewing for a better today and tomorrow, the company is committed to addressing global challenges such as inequality, climate change and water scarcity through the sustainable development plan of "Together Towards Zero and Beyond", to achieve a series of goals, including "zero carbon footprint", "zero water waste", "zero farming footprint", "zero packaging waste", "zero irresponsible drinking" and "zero accidents culture".

## (III) Operating plan

Applicable     Not applicable

As of the disclosure date of this report, the Company is cautiously optimistic about macroeconomic outlook and beer industry prospects for 2023. It is expected that China's beer industry will enjoy a more favorable development environment in 2023 as the external environment gradually improves and pro-growth policies continue to be implemented. However, there remain challenges such as rising costs, intensifying competition, and consumption recovery not meeting expectations.

The Company expects a mid-to-high single digit revenue growth in 2023. To achieve this business objective, the Company will carry on Sail 27 with focused and extensive efforts. With diversified product mix and brands following the asset restructuring, and a brand portfolio featuring "International Premium Brands + Local Power Brands", the Company will continue to drive product premiumization and innovate its sales model. The Company will focus on the following aspects of work:

1. Brand. Local brands will continue to strengthen their local roots, develop distinct local features, expand product

portfolios, and keep driving premiumization. The Chongqing brand will keep exploring ways to interact with the Chongqing hotpot scene in new markets.

Dali and Tianmuhu will keep enhancing premiumization and market share. The Wind Flower Snow Moon brand will be revitalized to strengthen its differentiated brand positioning.

Wusu will continue to work with its spokesperson Mr. Wu Jing to enhance brand image and national visibility. The marketing campaign “WUSU Challenge” will be launched to increase interaction between the brand and young consumers. The campaign will invite influential figures of all walks of life to join the brand in initiating a challenge, aiming to attracting consumers who enjoy competitions and forming groups to participate in challenges with friends. Tuborg will continue to emphasize its “WHY NOT” brand attitude. Through a number of topical marketing campaigns, it will engage with young consumers across the country and create a cool, young and international brand image by exploring the field of music that young people enjoy. In respect of product portfolio, the Company will upgrade Tuborg Pure Draft to better serve various consumer segments and offer young people different brand experiences, meeting diverse consumer needs.

Carlsberg will continue to reinforce its two pillars of art and innovation, strengthen its differentiated brand strength, and upgrade its theme marketing in peak seasons. A number of marketing campaigns, including collaboration with artists, limited-edition packaging design, and offline immersive activities, will be used to build an international and premium brand image and meet the demands of young consumers for high-quality experience. This will also help accelerate the brand’s expansion in key markets and key channels.

Kronenbourg 1664, as a leading super-premium brand, will increment the brand by expanding its product portfolio in 2023. Its visual identity system will be revamped to highlight the brand’s iconic elements. Top celebrity endorsement will be leveraged to grow brand visibility. Offline French-style marketing campaigns will be launched, including the release of limited editions in collaboration with French fashion brands and Chinese trendy brands. Online marketing events will be reinforced, including social-scene-based content and recommendations, to appeal to young people, and offer a more diversified brand experience as the brand continues to scale new heights in the industry.

Somersby will enhance brand visibility across the country through a new brand-themed video featuring Ms. Zhao Lusi, the brand’s new spokesperson. The video will highlight how the brand blends perfectly with various settings, including responsible drinking demonstration and camping. In addition, Somersby will also actively leverage the camping trend to penetrate into its target consumers’ daily life from online to offline. It will continue to raise brand awareness through diverse and efficient marketing campaigns.

Craft brands will continue to “break the circle” through creative marketing campaigns. Jing-A will boost its brand volume through crossover collaboration, Brooklyn will expand consumer groups and channels by launching brews with greater drinkability. Grimbergen will continue to build its premium image among young consumers by reviving its image.

2. Sales. In 2023, the Company will continue to follow the existing strategy to premiumize products in core market and consolidate market share of its core beer. The Company will continue to expand its Big City Plan while optimizing its product portfolio and strengthening its implementation in key markets. Additionally, the Company will continue to digitize its sales channels.

In key on-trade markets, the Company will use its multi-brand product portfolio strategy to capitalize on the recovery and growth of dining and entertainment sectors. The Company will actively expand a number of high-quality points of purchase, and develop effective products and packaging to boost the vibrancy and promotions of these points of purchase. Also, the Company will improve the capacity building of channel distributors to drive sales.

In terms of traditional retail, the Company will continue to drive growth from off-trade channels while maintaining sales growth from large business formats and on-trade channels. Also, the Company will further optimize channel management and implement refined strategies and toolkits tailored to different markets.

In respect of near field retail, in addition to convenience stores, community stores, small and medium-sized

community chain supermarkets and other small formats, there are also community group purchase and O2O. Community group purchase has effectively improved the distribution of the Company's various brands in traditional channels, while O2O has enhanced sales. For B2C e-commerce, the focus in 2023 is to accelerate the development of social media e-commerce channels such as Douyin, and play a more important role in new product creation and brand building.

The Company will build a more efficient and differentiated distributor management system, implementing refined management. At the same time, it will provide more diverse and differentiated training content for personnel at all levels within distributors, improve the learning system for distributors, and, in particular, strengthen direct communication with distributors by utilizing live streaming platforms. By setting up differentiated capacity building programs for distributors, management teams and sales staff, the operation and management capabilities of distributors will be improved.

3. Supply chain. The Company will further increase production capacity to supply products in close vicinity and improve logistics and transportation efficiency. The Company's bottle recycling network will be optimized to enhance bottle recycling rate. With respect to safety, the Company will continue to promote the ZERO Accidents culture, improving the quality of its three-level safety retraining, and strengthening work safety analysis and work permit implementation. The Company will launch the "Hundred-Person Plan" for taste evaluation to improve the ability of its breweries in taste assessment. Reclaimed water recycling will be introduced by the Company at over five breweries as part of its commitment to reducing water consumption. Additional measures will be taken to further cut carbon emissions, including the use of renewable electricity, heat loss reduction, installing biogas boilers, and adopting solar panels.

4. ESG. In 2022, Carlsberg Group released TTZAB, an enhanced ESG programme designed to further address global challenges such as inequality, climate change and water scarcity. TTZAB builds upon its current focus on "ZERO Carbon Footprint," "ZERO Water Waste," "ZERO Irresponsible Drinking," and "ZERO Accidents Culture" by adding "ZERO Farming Footprint" and "ZERO Packaging Waste." In 2023, we will continue to promote Carlsberg's TTZAB programme in the Company.

#### **(IV) Potential business risks**

Applicable     Not applicable

1. Rising costs. Costs of raw materials, packaging materials, energy, labor and other operating costs are still on the rise, while marketing expenses will keep increasing as a result of premiumization.
2. Intensifying competition. Some national beer enterprises and emerging niche beer brands may further penetrate and expand into the Company's market regions, intensifying competitions in mid-to-high-end markets.

#### **(V) Others**

Applicable     Not applicable

#### **VII. Statement of situation and cause that the Company does not disclose according to the criterion due to inapplicable criteria or special causes concerning the state secret and business secret**

Applicable     Not applicable

## **SECTION IV    CORPORATE GOVERNANCE**

### **I. Statement of the corporate governance**

Applicable     Not applicable

The Company continuously improved its corporate governance structure, established and improved its internal

management and control system, continued to carry out corporate governance activities, promoted the standardized operation of the Company and improved the level of corporate governance in strict accordance with the requirements of the *Company Law*, the *Securities Law*, the *Governance Code for Listed Companies*, and the *Rules for Listing on Shanghai Stock Exchange*, and other laws and regulations during the reporting period.

#### 1. About shareholders and the General Meeting of Shareholders

During the reporting period, the Company convened the Annual General Meeting of Shareholders once, and the Extraordinary General Meeting of Shareholders for 3 times. The Company adjusted and standardized the organizational behavior of the General Meeting of Shareholders, increased the efficiency of General Meeting of Shareholders, and ensured the shareholders, especially minority shareholders to exercise the rights of shareholders by law in strict accordance with the *Articles of Association* and *Precedural Rules of the General Meeting of Shareholders*.

#### 2. About Directors and the Board of Directors

The Company convened the Board Meeting for 11 times, Audit Committee meeting for 8 times, Nomination Committee meeting for 4 times, Strategy and Development Committee meeting for once, and Remuneration and Appraisal Committee meeting for 2 times during the reporting period. The Board of Directors performed relevant deliberation and decision-making procedures for major issues within the scope of its authority, and carefully implemented all resolutions made at the General Meeting of Shareholders in strict accordance with provisions of the *Articles of Association* and *Precedural Rules of the Board of Directors*. Each special committee is responsible for effectively promoting the standard operation and scientific decision-making of the Board of Directors by itself. During the reporting period, the Board of Directors completed the general election. The members of the Board of Directors have rich working experience in beer industry and knowledge in accounting, finance, law and other aspects, and are able to fully provide professional and constructive suggestions for the company's important decisions, carefully perform duties, and fully safeguard the interests of the Company and all shareholders.

#### 3. About Supervisors and the Board of Supervisors

The Company convened the Meeting of Board of Supervisors for 5 times during the reporting period. During the reporting period, the Board of Supervisors of the Company completed the general election. Each member of the Board of Supervisors strictly abided by provisions of the laws and regulations, the *Articles of Associations* and the *Procedural Rules of the Board of Supervisors* by actively performing their supervision duties in the Company's financial condition, related-party transactions, regular reports and performance of directors, senior management, etc., so as to maintain the interests of the Company and all shareholders.

#### 4. About relationship between the controlling shareholders and the listed company:

During the reporting period, the controlling shareholders of the company did not occupy non-operating funds with the listed company, and the listed company did not provide external guarantees for the controlling shareholders.

#### 5. About stakeholders

The Company fully respected and protected the legitimate interests and rights of banks and other creditors, employees, consumers, and suppliers, and actively carried out cooperation, coordinated and balanced the interests of relevant parties, and jointly promoted the sustainable, healthy and harmonious development of the Company in line with the principle of mutual benefit and good faith.

#### 6. Related party transactions

During the reporting period, the Company improved the internal control system, standardized the related-party transactions, and urged the controlling shareholders and actual controllers to perform commitment in strict accordance with the requirement of laws and regulations. The Company performed relevant decision-making procedures for related party transactions with related parties, and the independent director issued their objective and just independent opinions to ensure the justice and fairness of related party transactions not to damage the interests of investors, especially minority investors.

#### 7. About information disclosure and transparency

During the reporting period, the Company actively strengthened its contact with CSRC and Stock Exchange and

truly, accurately, completely and timely completed information disclosure of various regular reports and temporary announcement in strict accordance with the relevant provisions of the CSRC, the Stock Exchange and the Company's *Rules on Information Disclosure Management*, etc., so as to ensure that all shareholders, especially minority shareholders, could fairly and timely obtain the Company's information and assess risks.

#### 8. About management of investor relations

Board Office of the Company is responsible for management of the investor relationship by keeping the communication channel between the investors and the Company open through answering the investor hotline, receiving the investor visitors, attending the investor telephone conference, brokerage strategy meeting, or reverse roadshow, etc., so as to ensure that the investors could accurately and timely know the Company's information and exercise their legal rights. During the reporting period, the Company held four investor conference for regular reports all year round, and obtained the effective expansion of breadth and depth of communicating with investors.

#### 9. Management of inside information

The Company kept the Company's inside information confidential and implemented registration & filing of insiders in strict accordance with the requirements of CSRC and SSE, the *Insiders Registration Management System* and the *Rules for Internal Reporting of Key Information*. In addition, the company carried out relevant trainings to effectively prevent insider trading and other securities violations.

#### 10. Optimization of corporate governance system

During the reporting period, according to the demand for hedging business, the Company formulated the *Hedging Business Management System* and supporting rules to standardize the hedging business deliberation procedure, report system, risk control, etc.

Whether the Company's governance is significantly different from the laws, administrative regulations and the provisions of CSRC on governance of the listed company; If any, the reasons shall be given.

Applicable     Not applicable

## II. Special measures taken by the Company's controlling shareholders and actual controllers to ensure the independence of the Company's assets, personnel, finance, organization and business, etc., and solutions made to affect the Company's independence and their working progress and follow-up work plans

Applicable     Not applicable

Availability of the same or similar business engaged by the controlling shareholders, actual controllers and other units under its control as or to that of the Company, and the effect of horizontal competition or its significant changes on the Company, solutions taken, progress on solution and follow-up solution plan

Applicable     Not applicable

At the end of 2020, the Company completed major asset restructuring, all beer assets and businesses (excluding the listed company and its holding subsidiaries) in China Mainland controlled by Carlsberg was injected into the listed company. Carlsberg did not control any beer assets or business (excluding the listed company and its holding subsidiaries) in China Mainland, nor would it directly or indirectly engage in businesses which are in competition with the listed company through entities under its control.

At the same time, during the restructuring, Carlsberg and Carlsberg Breweries respectively made commitments as follows to avoid horizontal competition, (I) restated the obligation of avoiding horizontal competition that should be performed by the actual controllers and controlling shareholders of the listed company; (II) In order to fully avoid occurrence of future potential horizontal competition, Carlsberg and Carlsberg Breweries also made additional voluntary arrangements for the equity of subsidiaries not controlled by Carlsberg that was not included in restructuring and involved the beer assets and business in Chinese Mainland. Please refer to Section VI - "(I) Commitment matters of the Company's actual controllers, shareholders, related parties, purchasers, the Company

and other related parties during the reporting period or lasting to the reporting period”.

### III. Brief introduction of the General Meeting of Shareholders

Session number of meetings	Holding date	Query indexes on specified website for published resolutions	Date for disclosure of published resolutions	Resolutions made at the meeting
The First Extraordinary General Meeting of Shareholders in 2022	2022-03-14	www.sse.com.cn	2022-03-15	The detailed contents are shown in the <i>Announcement of Resolutions of the First Extraordinary General Meeting of Shareholders of Chongqing Brewery Co., Ltd. in 2022</i> (Announcement No.: 2022-007)
2021 Annual General Meeting of Shareholders	2022-05-25	www.sse.com.cn	2022-05-26	The detailed contents are shown in the <i>Announcement of Resolutions of the 2021 Annual General Meeting of Shareholders of Chongqing Brewery Co., Ltd.</i> (Announcement No.: 2022-020)
The Second Extraordinary General Meeting of Shareholders in 2022	2022-07-13	www.sse.com.cn	2022-07-14	The detailed contents are shown in the <i>Announcement of Resolutions of the Second Extraordinary General Meeting of Shareholders of Chongqing Brewery Co., Ltd. in 2022</i> (Announcement No.: 2022-031)
The Third Extraordinary General Meeting of Shareholders in 2022	2022-12-02	www.sse.com.cn	2022-12-03	The detailed contents are shown in the <i>Announcement of Resolutions of the Third Extraordinary General Meeting of Shareholders of Chongqing Brewery Co., Ltd. in 2022</i> (Announcement No.: 2022-056)

Preferred shareholders whose voting rights are restored request convening the Extraordinary General Meeting of Shareholders

Applicable     Not applicable

Statement of the General Meeting of Shareholders

Applicable     Not applicable

**IV. Information on directors, supervisors and senior executives****(I) Information on changes in shareholding and compensation of directors, supervisors and senior executives currently in office and quitted during the reporting period**

√ Applicable    □ Not applicable

Unit: Share

Name	Title (Note)	Gender	Age	Starting date of tenure	Ending date of tenure	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase or decrease of shares within the year	Reason for increase or decrease changes	Total pre-tax compensation acquired from the Company during the reporting period (RMB ten thousand)	Whether receiving compensation from related parties of the Company
João Miguel Ventura Rego Abecasis	Chairman of the Board of Directors	Male	51	December 2, 2022	May 25, 2025	0	0	0		0	Yes
Gavin Stuart Brockett	Director	Male	61	March 14, 2022	May 25, 2025	0	0	0		0	Yes
Andrew Douglas Emslie	Director	Male	44	July 13, 2022	May 25, 2025	0	0	0		0	Yes
Lee Chee Kong	Director, President	Male	51	Director: January 23, 2019 President: January 1, 2021	May 25, 2025	0	0	0		879.84	No
Chin Wee Hua	Director, Vice President	Male	51	Director: March 9, 2017 Vice president: January 1, 2021	May 25, 2025	0	0	0		391.28	No
Lv Yandong	Director	Male	48	May 6, 2016	May 25, 2025	0	0	0		297.74	No
Yuan Yinghong	Independent Director	Female	57	May 25, 2022	May 25, 2025	0	0	0		6.77	No
Sheng Xuejun	Independent Director	Male	53	May 25, 2022	May 25, 2025	0	0	0		6.77	No
Zhu Qianyu	Independent Director	Female	47	May 25, 2022	May 25, 2025	0	0	0		6.77	No
Kuang Qi	Chairman of the Board of Supervisors	Male	45	May 18, 2021	May 25, 2025	0	0	0		162.75	No
Huang Minlin	Supervisor	Male	43	May 4, 2018	May 25, 2025	0	0	0		202.82	No
Chen Changli	Employee Representative Supervisor	Male	59	May 6, 2016	May 25, 2025	1,171	1,171	0		204.14	No
Deng Wei	Board Secretary	Male	50	August 22, 2006	May 25, 2025	0	0	0		136.88	No
Leonard Cornelis Jorden Evers (quitted)	Chairman of the Board of Directors	Male	64	January 2, 2019	February 16, 2022	0	0	0		0	Yes
Ulrik Andersen (quitted)	Chairman of the Board of Directors	Male	58	February 16, 2022	June 9, 2022	0	0	0		0	Yes



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Ulrik Andersen (quitted)	Director	Male	59	January 13, 2021	November 15, 2022	0	0	0		0	Yes
Gong Yongde (Quitted due to expiration of the term of office)	Independent Director	Male	60	May 7, 2019	May 25, 2022	0	0	0		4.17	No
Dai Zhiwen (Quitted due to expiration of the term of office)	Independent Director	Male	51	May 7, 2019	May 25, 2022	0	0	0		4.17	No
Li Xianjun (Quitted due to expiration of the term of office)	Independent Director	Male	55	May 6, 2016	May 25, 2022	0	0	0		4.17	No
Total	/	/	/	/	/	1,171	1,171	0	/	2,308.27	/

Name	Main work experiences
João Miguel Ventura Rego Abecasis	51 years old. Portuguese. João obtained Business Management Degree from Universidade Católica Portuguesa in 1995. He has been with Carlsberg since 2011 as CCO and later CEO of Super Bock in Portugal and then in 2016 as VP for Challenger Markets in the Western Europe region. In 2017, he became Managing Director of French business Kronenbourg, and in 2019, he became Group Chief Commercial Officer and a member of Executive Committee. Before joining Carlsberg, João held a range of sales and marketing roles at Unilever. He has been serving as EVP Asia in Carlsberg Group since September 2022. He is currently the Chairman of the Company.
Gavin Stuart Brockett	61 years old. South African. He obtained the Bachelor's Degree in Commerce and Bachelor's Degree in Accounting from the University of the Witwatersrand (South Africa) respectively in 1983 and 1985 and qualified as a chartered accountant in 1988. He joined SABMiller in 1991 and successively held several senior financial leadership positions in South Africa and Europe, including the chief financial officer in Plzensky Pradroj (Czech Republic) and Birra Peroni (Italy). From 2010 to 2012, he held the VP Finance Asia role in Carlsberg, a period in the wine industry as the chief financial officer of Accolade Wines followed, and then a return to Carlsberg as the Chief Operating Officer of Carlsberg China in 2014. Most recently for Levi Strauss & Co he was the CFO of the Asia region from 2016 to 2017 and thereafter he served as the Senior Vice President and Global Controller for Levi Strauss & Co. in the United States until 2021. In January 2022, he rejoined Carlsberg to act as the VP Finance of Asia. He currently serves as the director of the Company.
Andrew Douglas Emslie	44 years old. British. He obtained a BA (Hons) degree in Accounting & Law from the University of Manchester, England in 2001. He completed the Legal Practice Course from the College of Law in Chester, England in 2002 and qualified as a Solicitor in England and Wales in 2004. Andrew has since worked for a number of leading international law firms in the UK, Australia and Asia with a focus on cross-border mergers & acquisitions and joint ventures. During his career, Andrew has held senior leadership positions as in-house counsel, based in Asia, with listed multinational companies, including Ensko, Maersk and Olam. Before Carlsberg, Andrew was Vice President of Legal at Olam International from June 2016 to July 2019. In August 2019, he joined Carlsberg and currently serves as Vice President and Asia Head of Legal & Compliance. He currently serves as the director of the Company.
Lee Chee Kong	51 years old. Malaysian. He graduated from University Utara Malaysia in Marketing. Before joining Carlsberg, he served as the President of Asia Region and Managing Director of China at HILDING ANDERS (SLUMBERLAND). Before that, he also worked as Managing Director of HEINZ China, and served managing roles in China and Asia Pacific Division at COLGATE-PALMOLIVE for a long time. Now he is the Director of the Company and President of the Company/Carlsberg China.
Chin Wee Hua	51 years old. Malaysian. He graduated from the University of Western Australia with Bachelor of Commerce degree, majoring in Accounting and Finance and also obtained the MBA degree from University of Leicester UK. He is a registered Australian Certified Public Accountant. From 2001 to 2008, he served as Finance Director in Alstom Asia Pacific (Malaysia) Sdn Bhd. From 2009 to 2014, he held position as Finance Director of Wuhan Boiler Company Limited. From 2015 to 2016,

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	he was Asia Finance Director in GE Grid Solutions Pte Ltd. Now he is the Director of the Company and VP Finance of the Company / Carlsberg China.
Lv Yandong	48 years old. Chinese. He obtained a master's degree of Mechanical and Electronic Engineering from Harbin Institute of Technology. He served as the Director of Supply Chain in Carlsberg Huizhou and the Deputy General Manager of CBC successively. Before joining Carlsberg, he had engaged in technical and management in Harbin Electronic and Machinery Co. Ltd., Guangzhou P & G and Pepsi successively. He served as the Director of Supply Chain in Carlsberg Huizhou and the Deputy General Manager of CBC successively. He is currently serving as the VP Supply Chain of Carlsberg China. Now he is the Director of the Company and VP Supply Chain of Carlsberg China.
Yuan Yinghong	57 years old. Chinese. She is a Bachelor of Management, Economics and Management, South China Normal. She has the professional qualifications of certified public accountant, certified internal auditor and the professional titles of accountant and auditor. She has over 30-year accounting experience and once served as deputy section chief of the Culture and Health Department and section chief of the Industry Department of the directly affiliated branch of the Guangdong Audit Office. She is the Deputy Secretary of Guangzhou Institute of Certified Public Accountants, Secretary of Industry Discipline Inspection Commission, and an expert in the evaluation expert database of SASAC of Guangdong Province. As present, she is concurrently serving as independent directors in Hao Lai Ke(603898.SH), GZ Hengyun A (000531.SZ), Winsun Bio (839729.BJ) and Jinhao Medical (872925.BJ). She is the independent director of the Company.
Sheng Xuejun	53 years old. Chinese. He is a visiting Scholar of University of Oxford in Britain, Post Doctor of University of Aix-Marseille in France and Senior Research Scholar of The University of New South Wales. "New Century Excellent Talent Support Plan" candidate of Ministry of Education, Distinguished Professor of Bayu Scholar and Chongqing "Hundred-Thousand-Ten Thousand Project Leading Talent". He ever served as the Vice Chairman of Academic Degree Committee of Southwest University of Political Science & Law, Dean of Economic Law School, and Deputy Chief Judge and Judge of the Second Court of Civil Trial of The Supreme People's Court. Now he is the Professor and Doctoral Supervisor of Southwest University of Political Science & Law, and Academic Leader of National Key Discipline Economic Law. He serves as Managing Director of Chinese Society of International Economic Law (CSIEL), Managing Director of China Banking Law Society, Managing Director of Institute of Securities Law of CLS, Director of China Association for Legal Education, Vice Chairman of Chongqing Civil Law and Economic Law Institute, and Legislation Review Expert of Chongqing Municipal People's Government as additional posts. Now he is the Independent Director of Chongqing Department Store (600279.SH) and Chongqing Iron & Steel (601005.SH). He is the independent director of the Company.
Zhu Qianyu	47 years old. Chinese. She is a Doctor of Huazhong University of Science and Technology School of Economics, Post Doctor of Finance Department at Guanghua School of Management of Peking University, and Visiting Scholar of Griffith University Business School in Australia. He serves as the Associate Professor and Master supervisor of Renmin University of China, Researcher of Institute of Rural Economy and Finance of Renmin University of China, Researcher of National Academy of Development and Strategy, Renmin University of China, and Project Training and Evaluation Expert of The World Bank and The National Rural Revitalization Administration. He is the Independent Director of CSG A (000012.SZ) and Kingfa (600413.SH) as additional posts at present. She is the independent director of the Company.
Kuang Qi	45 years old. Chinese. He graduated from Jinan University in 2000 with double bachelor's degree in Economics and Laws and obtained the Chinese legal profession qualification certificate. His previous work experiences include the Deputy Director of legal affairs of Amway (China) Daily-Use Commodity Co., Ltd. and legal consultant of Heinz (China) Investment Company Co., Ltd. Before joining Carlsberg, he acted as the senior legal consultant of Mead Johnson Nutrition (China) Co., Ltd. He is the Senior Legal Director and Chairman of the Board of Supervisors of the Company now.
Huang Minlin	43 years old. Chinese. He graduated from The Hong Kong University of Science and Technology with a Bachelor's Degree in Accounting and is a member of the Hong Kong Institute of Certified Public Accountants. He worked in KPMG Hong Kong as the Audit Manager from 2004 to 2010. He joined Carlsberg Asia in 2010 and successively served as the Regional Supply Chain Financial Director and regional Financial Director. He is currently the Senior Finance Director and Supervisor of the Company.
Chen Changli	59 years old. Chinese. He previously served as the packaging workshop director and deputy general manager of the Company and the deputy general manager of Chongqing

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	Brewery Group Company, etc. He is currently the Party secretary of the Company, the Chairman of the Trade Union and the supervisor acted by the staff representative of the Company.
Deng Wei	50 years old. Chinese. He owns the MBA Degree of the College of Business Administration of Chongqing University. From 1997 to 2000, he took part in sale and business team management work of Life Insurance Marketing Department of PING An Chongqing Branch; In October 2000, he joined Chongqing Brewery (Group) Co., Ltd., and was responsible for foreign acquisition and combination and integration of combination and acquisition enterprise together with assets management department and the team. From 2006 to present, he serves as Board Secretary of the Company.
Roland Arthur Lawrence (Quitted)	64 years old. Australian. He obtained the Master's Degree in Entrepreneurship from the University of Melbourne, Graduate Diploma in Business from Deakin University Australia, Graduate Diploma in Education Science and BA-Honours from the National University of Singapore, and the certification of CPA Australia (FCPA). He mainly worked in Coles Myer Group in Australia, served as General Manager of Financial Department of Coles Group and General Manager of Financial Department of Coles Supermarkets before 2008. He served as Senior Vice President and Chief Financial Officer of WalMart (China) from 2008 to 2011. After that, he joined Carlsberg Asia to act as the Vice President of Finance. In February 2022, he was retired from Carlsberg and thus resigned from the positions of Director & Chairman of the Company.
Leonard Cornelis Jorden Evers (Quitted)	58 years old. Dutch. He graduated from Erasmus University Rotterdam with the Master Degree of Business Administration in 1990. He had taken several management positions in Heineken since 1990, including the director & general manager of Heineken in Vietnam from 2013 to 2019 and the director & general manager in Asian-Pacific region in 2019, and was responsible for the operation of Heineken in Singapore, Malaysia, Papua New Guinea, Australia, New Zealand, Laos, Sri Lanka, Philippines, New Caledonia and Solomon Islands. On July 1, 2021, he joined Carlsberg Group and served as the executive vice president of Asia and the member of the Executive Committee of Carlsberg Group. In June 2022, due to personal reasons, he quitted Carlsberg, and resigned the post of Director and President of the Company.
Ulrik Andersen (Quitted)	59 years old, Danish. He obtained the Master of Law of University of Copenhagen in 1990, and obtained the Master of Law of University of Bristol England in 1998; He obtained the Danish legal profession qualification in 1992 to be a lawyer practicing in Denmark, and also practiced as a lawyer in the international law firms in London and Copenhagen. In 1998, he joined in Carlsberg Group, and was appointed as the General Counsel of Carlsberg Group in 2001. In November 2022, he resigned the post of Director of the Company due to adjustment on work content.
Gong Yongde (Quitted due to expiration of the term of office)	60 years old, Member of The National Committee of the 14th Chinese People's Political Consultative Conference, and Vice Chairman of Guangdong's Association for Promotion of Cooperation between Guangdong, Hong Kong & Macao and Entrepreneurs Union of Guangdong-Hong Kong-Macao Greater Bay Area. Mr. Gong graduated from the University of Liverpool England in 1984. He is the member of the Institute of Chartered Accountants in England and Wales and the senior member of the Hong Kong Institute of Certified Public Accountants, and he is also the senior member of the Tax Institute of Hong Kong and served as its chairman from 2007 to 2009. Mr. Gong became a partner of the Klynveld Peat Marwick Goerdeler ("KPMG") in 1997, the head of Chinese tax affairs in Hong Kong and Southern China in 2001, the chief partner of KPMG Shenzhen Institute in 2006 and the chief partner of KPMG South China in 2010. He served as the Vice Chairman of KPMG China from 2013 to 2017 and the Senior Consultant of KPMG from 2018 to 2019. Mr. Gong served as Independent Non-executive Director of ORIX (Asia) Co., Ltd. respectively from 2020; He has been serving as the member of the Board of Directors and the Audit Committee of Ebram International Online Dispute Resolution Center Limited and the independent non-executive director of Kingboard Laminates Holdings Limited respectively from May and June 2021. He was appointed as the independent non-executive director and chairman of A SPAC (HK) Acquisition Corp. and the independent non-executive director of SmarTone Telecommunications Holdings Ltd. In March 2022. He was an Independent Director of the 9th Board of Directors of the Company, and he quitted due to expiration of the term of office in May 2022.
Dai Zhiwen (Quitted due to expiration of the term of office)	51 years old, the Master of Tax Law from the New York University U.S., the Master of Law from the University of Virginia U.S. and the Bachelor of Laws from the Peking University, a lawyer practicing in China and has passed New York lawyer qualification test. He is currently the partner of Beijing AnJie Law Firm, and also serves as a member of Professional Committee on Legal Affairs of Private Equity and Equity Investment of Beijing Lawyers Association, and a member of International Business Research Society of Beijing Chaoyang Lawyers Association. He served as the Chinese Law Consultant of Hayth & Kerly Law Firm U.S., a lawyer of Zhong Lun Law

	Firm, legal adviser of Shell (China) Co., Ltd., a lawyer of Baker & McKenzie U.S., a lawyer of Morrison & Foerster U.S. and a partner of Llinks Law Offices and Zhong Lun Law Firm successively. He was an Independent Director of the 9th Board of Directors of the Company, and he quitted due to expiration of the term of office in May 2022.
Li Xianjun (Quitted due to expiration of the term of office)	55 years old, he obtained the Doctor of Economic from School of Economics, Jilin University. He is currently the director of Automotive Development Research Center of School of Vehicle and Mobility, Tsinghua University, director of Industrial System Engineering Discipline, doctoral supervisor with the research direction of competitive strategy and innovation strategy; He is also an adviser to the strategic investment committee of China North Industries Group Corporation Limited, and a member of the modern management branch of China Society of Automotive Engineers. He served as the director of Consulting Center of China Enterprise Confederation, General Manager of Zhongqi Gongyi Enterprise Management Consulting Company, the Executive Director of China Enterprise Directors Association, an independent director of Tianjin FAW XIALI Automobile Co., Ltd., the director of Automotive Development Research Center of Automotive Engineering Department of Tsinghua University, and the director of Advanced R&D Center, the director of Industrial System Engineering Discipline successively. He is a Visiting Scholar of the University of California-Berkeley, Haas School of Business. He provided strategic and management consulting services for more than 30 domestic and foreign enterprises, including the German Volkswagen headquarters, Ford Asia-Pacific, SAIC Motor, FAW Group, Haier Group, China National Petroleum Corporation and Nomura Japan. He was an Independent Director of the 9th Board of Directors of the Company, and he quitted due to expiration of the term of office in May 2022.

## Statement of other information

Applicable     Not applicable

**(II) Service of directors, supervisors and senior executives currently in office and quitted during the reporting period****1. Information on taking office at the shareholder units**

√ Applicable    □ Not applicable

Name of employees	Name of the shareholder unit	Title in shareholder units	Starting date of tenure	Ending date of tenure
João Miguel Ventura Rego Abecasis	Carlsberg Brewery Malaysia Berhad	Director	2022-10	
João Miguel Ventura Rego Abecasis	Lao Brewery Co., Ltd.	Director/Shareholder Representative	2022-10	2025-10
João Miguel Ventura Rego Abecasis	Carlsberg Brewery Hong Kong Limited	Director	2022-11	
João Miguel Ventura Rego Abecasis	Caretech Ltd.	Director	2022-11	
João Miguel Ventura Rego Abecasis	Carlsberg Vietnam Breweries Ltd.	Chairman	2023-01	2027-04
Gavin Stuart Brockett	Myanmar Carlsberg Co., Ltd.	Director	2022-01	
Gavin Stuart Brockett	Carlsberg Brewery Malaysia Berhad	Director	2022-02	
Gavin Stuart Brockett	Lao Brewery Co., Ltd.	Director	2022-04	
Andrew Douglas Emslie	CB Distribution Co., Ltd.	Director	2020-07	
Andrew Douglas Emslie	Carlsberg Indochina Ltd.	Director	2020-07	
Andrew Douglas Emslie	Myanmar Carlsberg Co., Ltd.	Director	2020-11	
Andrew Douglas Emslie	Paduak Holding Pte. Ltd.	Director	2020-12	
Andrew Douglas Emslie	Carlsberg Asia Pte. Ltd.	Director	2020-12	
Andrew Douglas Emslie	Lao Brewery Co., Ltd.	Director	2021-03	
Andrew Douglas Emslie	Carlsberg Vietnam Breweries Limited	Director	2021-04	
Andrew Douglas Emslie	Cambrew Ltd.	Director	2022-01	
Lee Chee Kong	Lanzhou Huanghe Jianiang Brewery Company Limited	Deputy Chairman	2019-07	

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Lee Chee Kong	Jiuquan West Brewery Co., Ltd.	Deputy Chairman	2019-07	
Lee Chee Kong	Qinghai Huanghe Jianiang Brewery Co., Ltd.	Deputy Chairman	2019-07	
Lee Chee Kong	Tianshui Huanghe Jianiang Brewery Co., Ltd.	Deputy Chairman	2019-07	
Lee Chee Kong	Capital Brewing Company Limited	Director	2019-02	
Lee Chee Kong	G-Shell Asia Pacific Limited	Director	2019-02	
Lee Chee Kong	Jing-A Brewing Company Limited	Director	2019-02	
Lee Chee Kong	Beijing Shouniang Jinmai Trading Co., Ltd.	Director	2019-02	
Lee Chee Kong	G-Shell Asia (Beijing) Catering Co., Ltd.	Director	2019-02	
Chin Wee Hua	Lanzhou Huanghe Jianiang Brewery Company Limited	Director	2017-06	
Chin Wee Hua	Jiuquan West Brewery Co., Ltd.	Director	2017-03	
Chin Wee Hua	Qinghai Huanghe Jianiang Brewery Co., Ltd.	Director	2017-06	
Chin Wee Hua	Tianshui Huanghe Jianiang Brewery Co., Ltd.	Director	2017-04	
Lv Yandong	Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.	Chairman	2020-12	
Kuang Qi	Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.	Supervisor	2021-12	
Kuang Qi	Beijing Shouniang Jinmai Trading Co., Ltd.	Supervisor	2022-01	
Kuang Qi	G-Shell Asia (Beijing) Catering Co., Ltd.	Supervisor	2022-01	
Roland Arthur Lawrence	Carlsberg Vietnam Breweries Limited	Director	2018-07	2022-02
Roland Arthur Lawrence	Carlsberg Brewery Hong Kong	Director	2013-06	2022-01
Roland Arthur Lawrence	Carlsberg Hong Kong Limited	Director	2013-03	2022-01
Roland Arthur Lawrence	Fine Sino Investment Limited	Director	2013-05	2022-02
Roland Arthur Lawrence	Carlsberg Brewery Malaysia Berhad	Director	2012-08	2022-02
Roland Arthur Lawrence	Gorkha Breweries Private Limited	Director	2012-09	2022-02
Roland Arthur Lawrence	Lao Brewery Co., Ltd.	Director	2013-03	2022-04
Roland Arthur Lawrence	Myanmar Carlsberg Co., Ltd.	Director	2014-06	2022-02
Roland Arthur Lawrence	MCCL Dis Co., Ltd.	Director	2016-02	2022-02
Roland Arthur Lawrence	Carlsberg Asia Pte Ltd.	Director	2018-11	2022-02

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Lawrence				
Roland Arthur Lawrence	Cambrew Limited	Director	2018-09	2022-02
Roland Arthur Lawrence	Angkor Beverage Co., Ltd.	Director	2018-09	2022-02
Roland Arthur Lawrence	Cambrew Pte Ltd.	Director	2019-01	2022-02
Roland Arthur Lawrence	Caretech Limited	Director	2019-02	2022-01
Leonard Cornelis Jordan Evers	Carlsberg Brewery Hong Kong Limited	Director	2021-08	2022-06
Leonard Cornelis Jordan Evers	Carlsberg Hong Kong Limited	Director	2021-08	2022-06
Leonard Cornelis Jordan Evers	Caretech Limited	Director	2021-08	2022-06
Leonard Cornelis Jordan Evers	Carlsberg Brewery Malaysia Berhad	Director	2021-07	2022-06
Leonard Cornelis Jordan Evers	Lao Brewery Co., Ltd.	Director	2021-09	2022-06
Ulrik Andersen	Carlsberg Insurance A / S	Director	2005-02	
Ulrik Andersen	Carlsberg Integrated Information Technology A / S	Director	2015-11	
Ulrik Andersen	Carlsberg Shared Services Sp.z.o.o.	Director	2007-01	
Ulrik Andersen	Carlsberg Chongqing Limited	Director	2009-01	
Ulrik Andersen	Carlsberg Ejendomme Holding A / S	Director	2009-12	
Ulrik Andersen	Carlsberg Finans A / S	Chairman	2004-03	
Ulrik Andersen	Carlsberg Central Office A/S	Chairman	2005-12	
Ulrik Andersen	Carlsberg Invest A / S	Director	2002-03	
Ulrik Andersen	Carlsberg International A/S	Chairman	2001-09	
Ulrik Andersen	Ejendomsaktieselskabet Tuborg Nord C	Director	2009-12	
Ulrik Andersen	Boliginteressentskabet Tuborg	Director	2015-12	
Ulrik Andersen	Carlsberg Supply Company AG	Director	2013-03	
Ulrik Andersen	Baltika Brewery LLC	Director	2013-03	

## 2. Information on taking office at other units

√ Applicable    □ Not applicable

Name of employees	Name of other units	Position held in other units	Starting date of tenure	Ending date of tenure
Yuan Yinghong	Guangzhou Institute of Certified Public Accountants	Deputy Secretary General and Secretary of Industry Discipline Inspection Commission	2001-08	
Yuan Yinghong	Guangzhu Holike Creative Home Co., Ltd.	Independent Director	2022-01	2023-08

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Yuan Yinghong	Guangzhou Hengyun Enterprises Holding Ltd.	Independent Director	2021-01	2024-03
Yuan Yinghong	Guangdong Winsun Pharm Co., Ltd.,	Independent Director	2020-04	2023-12
Yuan Yinghong	Huizhou Jinghao Medical Technology Co., Ltd.	Independent Director	2020-12	2023-12
Sheng Xuejun	Southwest University of Political Science & Law	Professor, Doctoral Supervisor	2010-01	
Sheng Xuejun	Southwest University of Political Science & Law	Dean of Institute of FinTech Law Research	2018-12	
Sheng Xuejun	Guilin Tourism Corporation Limited	Independent Director	2023-03	2026-03
Sheng Xuejun	Chongqing Department Store Co., Ltd.	Independent Director	2020-10	2023-10
Sheng Xuejun	Chongqing Iron & Steel Limited by Share Ltd.	Independent Director	2021-08	2024-06
Zhu Qianyu	Renmin University of China	Associate professor and master supervisor; Researcher of Rural Economy and Finance; Researcher of National Academy of Development and Strategy	2010-03	
Zhu Qianyu	CSG Holding Co., Ltd.	Independent Director	2019-04	2023-05
Zhu Qianyu	KINGFA SCI. & TECH. CO., LTD.	Independent Director	2021-01	2024-01
Gong Yongde	National Committee of CPPCC	Member	2018-02	
Gong Yongde	Supreme Genius Consulting Company Limited	Chairman	2019-08	
Gong Yongde	Sun Hung Kai Development (China) Limited	Tax advisor of China	2019-10	
Gong Yongde	ORIX ASIA LIMITED	Independent Director	2020-09	
Gong Yongde	eBRAM International Online Dispute Resolution Centre Limited	Director	2021-05	
Gong Yongde	Kingboard Laminates Holdings Limited	Independent Director	2021-06	
Gong Yongde	SmarTone Telecommunications Holdings Ltd.	Independent Director	2022-03	
Gong Yongde	ASPAC(HK)ACQUISITIONCORP.	Independent Director	2022-03	
Gong Yongde	Tax Institute of Hong Kong	Advisor	2019-09	
Dai Zhiwen	Beijing AnJie Law Firm	Partner		
Dai Zhiwen	Professional Committee on Legal Affairs of Private Equity and Equity Investment of Beijing Lawyers Association	Member		



Dai Zhiwen	International Business Research Society of Beijing Chaoyang Lawyers Association	Member		
Li Xianjun	Automotive Development Research Center of School of Vehicle and Mobility, Tsinghua University and Industrial System Engineering Discipline	Director, doctoral supervisor and researcher		
Li Xianjun	Strategic Investment Committee of China North Industries Group Corporation Limited	Advisor		
Li Xianjun	The modern management branch of SAE-China	Member		

### (III) Information on remuneration of directors, supervisors and senior executives

√ Applicable    □ Not applicable

Decision-making procedures on the remuneration of directors, supervisors and senior executives	During the reporting period, the allowance for independent directors was implemented in accordance with the provisions of the <i>Independent Director System of Chongqing Brewery Co., Ltd.</i> deliberated and approved by the General Meeting of Shareholders; The allowance for directors was proposed by the Remuneration and Appraisal Committee of the Board of Directors, submitted to the Board of Directors for deliberation and approval, and then was implemented with the approval of the General Meeting of Shareholders; The allowance for supervisors was deliberated and approved by the Board of Supervisors of the Company and then was implemented with the approval of the General Meeting of Shareholders. The remuneration of senior executives was implemented based on the <i>Administrative Measures for the Remuneration and Performance Appraisal of Senior Executives</i> proposed by the Remuneration and Appraisal Committee of the Board of Directors, with the deliberation and approval of the Board of Directors of the Company.
Basis of confirmation on the remuneration of directors, supervisors and senior executives	During the reporting period, the allowance for independent directors was implemented in accordance with the provisions of the <i>Independent Director System of Chongqing Brewery Co., Ltd.</i> deliberated and approved by the General Meeting of Shareholders; Except for independent directors, other directors and supervisors are not paid for their positions as directors or supervisors in the company. The remuneration for senior executives shall be based on the <i>Administrative Measures for the Remuneration and Performance Appraisal of Senior Executives</i> approved by the Board of Directors and the business performance of the current year determined in the <i>Audit Report</i> issued by the accounting firm, and be assessed and confirmed by the Remuneration and Appraisal Committee of the Board of Directors.
Information on compensation paid to	During the reporting period, the allowances for independent directors

directors, supervisors and senior executives	shall be paid by the Company monthly; The basic remuneration of senior executives was paid by the Company monthly. The performance remuneration was paid by the Company after the assessment by the Remuneration and Appraisal Committee of the Board of Directors.
Total compensation paid to all the directors, supervisors and senior executives at the end of the reporting period	23.0827 million

**(IV) Information on changes in directors, supervisors and senior executives of the Company**

Applicable     Not applicable

Name	Title held	Status of change	Reasons for change
João Miguel Ventura Rego Abecasis	Chairman	Elected	He became the member and Chairman of the tenth Board of Directors through by-election
Gavin Stuart Brockett	Director	Elected	He became the member of the ninth Board of Directors through by-election and the member of the tenth Board of Directors through general election
Andrew Douglas Emslie	Director	Elected	He became the member of the ninth Board of Directors through by-election
Roland Arthur Lawrence	Chairman	Quitted	Retired
Leonard Cornelis Jorden Evers	Chairman	Quitted	Personal reasons
Ulrik Andersen	Director	Quitted	Change of work contents
Gong Yongde	Independent Director	Quitted	Expiration of the term of office
Dai Zhiwen	Independent Director	Quitted	Expiration of the term of office
Li Xianjun	Independent Director	Quitted	Expiration of the term of office

**(V) Statement of the punishment from the securities regulatory institutions in last three years**

Applicable     Not applicable

**(VI) Others**

Applicable     Not applicable

**V. Information on the Board Meeting held during the reporting period**

Session number of meetings	Holding date	Resolutions made at the meeting
The twenty-third meeting of the ninth Board of Directors	2022-02-16	Please refer to “L No. 2022-004” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on February 17 <sup>th</sup> , 2022 for details.
The twenty-fourth meeting of the ninth Board of Directors	2022-03-14	Please refer to “L No. 2022-008” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on March 15 <sup>th</sup> , 2022 for details.
The twenty-fifth meeting of the ninth Board of Directors	2022-03-31	Please refer to “L No. 2022-010” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai

		Stock Exchange on April 2 <sup>nd</sup> , 2022 for details.
The twenty-sixth meeting of the ninth Board of Directors	2022-04-27	Please refer to “L No. 2022-015” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on April 27 <sup>th</sup> , 2022 for details.
The first Meeting of the tenth Board of Directors	2022-05-26	Please refer to “L No. 2022-021” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on May 27 <sup>th</sup> , 2022 for details.
The second Meeting of the tenth Board of Directors	2022-06-20	Please refer to “L No. 2022-026” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on June 21 <sup>st</sup> , 2022 for details.
The third meeting of the tenth Board of Directors	2022-08-10	Please refer to “L No. 2022-033” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on August 12 <sup>th</sup> , 2022 for details.
The fourth Meeting of the tenth Board of Directors	2022-08-16	Please refer to “L No. 2022-035” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on August 18 <sup>th</sup> , 2022 for details.
The fifth Meeting of the tenth Board of Directors	2022-10-26	Please refer to “L No. 2022-037” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on October 28 <sup>th</sup> , 2022 for details.
The sixth meeting of the tenth Board of Directors	2022-11-15	Please refer to “L No. 2022-042” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on November 16 <sup>th</sup> , 2022 for details.
The seventh Meeting of the tenth Board of Directors	2022-12-02	Please refer to “L No. 2022-047” Announcement disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on December 3 <sup>rd</sup> , 2022 for details.

## VI. Information on duty performance of directors

### (I) Information on directors attending the Board Meeting and General Meeting of Shareholders

Name of directors	Whether to be an independent director	Information on attendance at the Board Meeting						Information on attendance at the General Meeting of Shareholders
		Number of Board Meeting to be attended in this year	Number of personal attendance	Number of attendance by communication way	Number of entrusted attendance	Number of absence	Whether to fail to attend the meeting in person twice in a row	Number of attendance at the General Meeting of Shareholders
João Miguel Ventura Rego Abecasis	No	1	1	1	0	0	No	1
Gavin Stuart Brockett	No	10	10	10	0	0	No	3
Andrew Douglas	No	5	5	5	0	0	No	2

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Emslie								
LeeCheeKong	No	11	11	3	0	0	No	4
ChinWeeHua	No	11	11	1	0	0	No	4
Lv Yandong	No	11	11	4	0	0	No	4
Yuan Yinghong	Yes	7	7	3	0	0	No	3
Sheng Xuejun	Yes	7	7	7	0	0	No	3
Zhu Qianyu	Yes	7	7	7	0	0	No	2
Roland Arthur Lawrence (Quitted)	No	0	0	0	0	0	No	0
Leonard Cornelis Jorden Evers (Quitted)	No	5	5	5	0	0	No	2
Ulrik Andersen (Quitted)	No	9	9	9	0	0	No	3
Gong Yongde (Quitted due to expiration of the term of office)	Yes	4	4	4	0	0	No	1
Dai Zhiwen (Quitted due to expiration of the term of office)	Yes	4	4	4	0	0	No	1
Li Xianjun (Quitted due to expiration of the term of office)	Yes	4	4	4	0	0	No	2

Statement of failure to attend in person at the Board Meeting for two successive times

Applicable     Not applicable

Number of convening the Board Meeting within one year	11
Including: Number of convening site meeting	0
Number of convening meeting by communication way	1
Number of convening meeting by site combining with communication way	10

**(II) Information on objection to related issues of the Company raised by the directors**

Applicable     Not applicable

**(III) Others**

Applicable     Not applicable

**VII. Information on special committee under the Board of Directors**

Applicable     Not applicable

**(1). Information on members of special committee under the Board of Directors**

Category of special committee	Name of members
Audit Committee	Audit Committee of the ninth Board of Directors: Gong Yongde, Dai Zhiwen, Li Xianjun, Chin Wee Hua, Roland Arthur Lawrence (Gavin Stuart Brockett was appointed as Member after Roland Arthur Lawrence quitted) Audit Committee of the tenth Board of Directors: Yuan Yinghong, Sheng Xuejun, Zhu Qianyu, Chin Wee Hua, Gavin Stuart Brockett
Nomination Committee	Nomination Committee of the ninth Board of Directors: Dai Zhiwen, Li Xianjun, Ulrik Andersen Nomination Committee of the tenth Board of Directors: Sheng Xuejun, Zhu Qianyu, Ulrik Andersen (Andrew Douglas Emslie was appointed as Member after Ulrik Andersen quitted)
Remuneration and Appraisal Committee	Remuneration and Appraisal Committee of the ninth Board of Directors: Gong Yongde, Dai Zhiwen, Leonard Cornelis Jorden Evers Remuneration and Appraisal Committee of the tenth Board of Directors: Zhu Qianyu, Yuan Yinghong, Leonard Cornelis Jorden Evers (Gavin Stuart Brockett was appointed as Member after Leonard Cornelis Jorden Evers quitted, and João Miguel Ventura Rego Abecasis was appointed as Member upon adjustment)
Strategy Committee	Strategy Committee of the ninth Board of Directors: Lee Chee Kong, Chin Wee Hua, Lv Yandong, Gong Yongde, Roland Arthur Lawrence (Leonard Cornelis Jorden Evers was appointed as Member after Roland Arthur Lawrence quitted) Strategy Commission of the tenth Board of Directors: Lee Chee Kong, Chin Wee Hua, Lv Yandong, Leonard Cornelis Jorden Evers, Yuan Yinghong (Gavin Stuart Brockett was appointed as Member after Leonard Cornelis Jorden Evers quitted, and João Miguel Ventura Rego Abecasis was appointed as Member upon adjustment).

**(2). During the reporting period, the Audit Committee held meetings for 8 times**

Holding date	Meeting content	Major opinions and recommendations	Information on other performance of duties
2022-02-16	<i>Proposal on Conducting Aluminum Hedging by the Subsidiary of the Company</i> and <i>Proposal on the Investment of Short-Term Bank Financial Products by the Subsidiary of the Company</i> were deliberated and approved at the first meeting of the Audit Committee of the ninth Board of Directors in 2022.	The Audit Committee agreed to submit these proposals to the Board of Directors for deliberation and reminded the management team of noticing the risk management and control.	
2022-02-28	Pan-China Certified Public Accountants reported and communicated the major issues concerned and found at preliminary review stage of 2021 financial audit and internal control audit at the	The Audit Committee conducted a detailed understanding and communication of key audit matters, other important matters, and	

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	second meeting of the Audit Committee of the ninth Board of Directors in 2022.	internal control audits in the audit work, and paid special attention to the completion of performance commitments.	
2022-03-30	<i>Summary Reports on Financial Statements Audit and Internal Control Audit Performed by Pan-China Certified Public Accountants LLP for the Year of 2021; Proposal on Changes in Accounting Policy for the Year of 2021; CBC 2021 Annual Report and Executive Summary; CBC 2021 Final Account Report; Proposal on the Dividends Distribution Plan for the Year of 2021; Evaluation Report on the CBC Internal Control for the Year of 2021; Annual Performance Report of the Audit Committee of the 9th Board of Directors for the Year of 2021 and Proposal on the Appointment of Pan-China Certified Public Accountants LLP to be the Auditor of the Company's Financial Report and Internal Control for the Year of 2022</i> were deliberated and approved at the third meeting of the Audit Committee of the ninth Board of Directors in 2022.	The Audit Committee agreed to submit these proposals to the Board of Directors for deliberation.	The Audit Committee focused on the progress of tax planning project.
2022-04-27	<i>CBC 2022Q1 Report; Proposal on the Adjustment of Implementation Plan for Aluminum Hedging, and Proposal on the Adjustment of the Estimation of Daily Related Party Transactions of the Company for 2022</i> were deliberated and approved at the fourth meeting of the Audit Committee of the ninth Board of Directors in 2022.	The Audit Committee agreed to submit these proposals to the Board of Directors for deliberation.	The Audit Committee focused on the progress of tax planning project.
2022-06-20	<i>Proposal on the Adjustment of 1664 Blanc Royalty Rate</i> was deliberated and approved at the first meeting of the Audit Committee of the tenth Board of Directors in 2022.	The Audit Committee agreed to submit the proposal to the Board of Directors for deliberation.	
2022-08-16	<i>CBC 2022 Half Year Report</i> was deliberated and approved at the	The Audit Committee agreed to submit the	

	second meeting of the Audit Committee of the tenth Board of Directors in 2022.	proposal to the Board of Directors for deliberation.	
2022-10-26	<i>CBC 2022 Q3 Report</i> was deliberated and approved at the third meeting of the Audit Committee of the tenth Board of Directors in 2022.	The Audit Committee agreed to submit the proposal to the Board of Directors for deliberation.	
2022-11-15	<i>Proposal on the 2022 Interim Dividend Distribution Plan of Carlsberg Chongqing Brewery Company Limited; Proposal on the Estimation of Daily Related Party Transactions in 2023, and Proposal on the Investment of Short-Term Bank Financial Products in 2023</i> were deliberated and approved at the fourth meeting of the Audit Committee of the tenth Board of Directors in 2022.	The Audit Committee agreed to submit the proposal to the Board of Directors for deliberation.	

**(3). During the reporting period, the Nomination Committee held 4 meetings.**

Holding date	Meeting content	Major opinions and recommendations	Information on other performance of duties
2022-02-16	<i>Proposal on the Nomination of Mr. Gavin Brockett as the Director of the ninth Board of Directors of the Company</i> was deliberated and approved at the first meeting of the Nomination Committee of the ninth Board of Directors in 2022.	The Nomination Committee considered that the candidate's qualification conforms to relevant provisions of the <i>Company Law</i> and the <i>Articles of Association</i> and agreed to submit the nomination to the Board of Directors for deliberation.	
2022-04-27	<i>Proposal on the Nominations of Director Candidates for the tenth Board of Directors</i> was deliberated and approved at the second meeting of the Nomination Committee of the ninth Board of Directors in 2022.	The Nomination Committee considered that the candidates' qualifications conform to relevant provisions of the <i>Company Law</i> and the <i>Articles of Association</i> and agreed to submit the nominations to the Board of Directors for deliberation.	
2022-06-20	<i>Proposal on the Nomination of Mr. Andrew Emslie as the Director of the Company</i> was deliberated and	The Nomination Committee considered that the candidate's	

	approved at the first meeting of the Nomination Committee of the tenth Board of Directors in 2022.	qualification conforms to relevant provisions of the <i>Company Law</i> and the <i>Articles of Association</i> and agreed to submit the nomination to the Board of Directors for deliberation.	
2022-11-15	<i>Proposal on the Nomination of Mr. João Abecasis as the Director of the tenth Board of Directors of the Company</i> was deliberated and approved at the second meeting of the Nomination Committee of the tenth Board of Directors in 2022.	The Nomination Committee considered that the candidate's qualification conforms to relevant provisions of the <i>Company Law</i> and the <i>Articles of Association</i> and agreed to submit the nomination to the Board of Directors for deliberation.	

**(4). During the reporting period, the Remuneration and Appraisal Committee held 2 meetings**

Holding date	Meeting content	Major opinions and recommendations	Information on other performance of duties
2022-03-30	<i>Proposal on the Annual Evaluation of the Performance and Remuneration of the Senior Management for the Year of 2021</i> was deliberated and approved at the first meeting of Remuneration and Appraisal Committee of the ninth Board of Directors in 2022.	The Remuneration and Appraisal Committee considered that the remuneration of the company's senior management in 2021 conforms to the provisions of <i>Administrative Measures for the Remuneration and Performance Appraisal of Senior Management</i> , and agreed to submit the proposal to the Board of Directors for deliberation.	
2022-08-16	<i>Proposal on the Amendment of Remuneration and Performance Appraisal Plan for Senior Management</i> was deliberated and approved at the first meeting of the Remuneration and Appraisal Committee of the tenth Board of Directors in 2022.	The Remuneration and Appraisal Committee agreed to submit the proposal to the Board of Directors for deliberation.	



**(5). During the reporting period, the Strategy Committee held 1 meeting.**

Holding date	Meeting content	Major opinions and recommendations	Information on other performance of duties
2022-03-30	<i>Proposal on the CBC Financial Budget for the Year of 2022</i> was deliberated and approved at the first meeting of Strategy Committee of the ninth Board of Directors in 2022.	The Strategy Committee agreed to the proposal.	

**(6). Specific circumstances with objections**

Applicable     Not applicable

**VIII. Statement of the Company's risks found by the Board of Supervisors**

Applicable     Not applicable

The Board of Supervisors has no objection to the supervisory matters during the reporting period.

**IX. Information on employees of parent company and main subsidiaries at the end of reporting period****(I) Information of employees**

Number of employees on active duty in the parent company	46 <input type="checkbox"/>
Number of employees on active duty in the main subsidiaries	6,719
Total number of employees on active duty	6,765
Number of retired employees of whom the cost shall be undertaken by the parent company and main subsidiary	4,271
Profession constitution	
Classification of profession constitution	Number of profession constitution
Production personnel	1,962
Sales personnel	2,988
Technical personnel	1,289
Financial personnel	256
Administrative personnel	88
Others	182
Total	6,765
Educational status	
Classification of educational status	Quantity (Person)
Postgraduate	177
Undergraduate	1,535
Junior college	2,250
Senior high school and below	2,803
Total	6,765

**(II) Remuneration policy**

Applicable     Not applicable

During the reporting period, the compensation policy for employees of the Company was based on the economic benefit and business performance of the Company. According to the Company's annual beer production and sales volume and profit situation, and considering the market remuneration situation, the salary growth ratio of all employees was determined. The year-end incentive assessment linked to the Company's performance was implemented to middle and above management personnel. KPI performance indicator assessment was implemented in the production workshop, which was combined with product quality, various consumption indicators and production efficiency. The salary of the Company's employees consisted of fixed salary, performance assessment salary and year-end dividend.

### (III) Training plan

Applicable    Not applicable

The Company has a perfect employee training mechanism, that is, it will make training plans according to business development needs every year, and organize to carry out trainings.

During the reporting period, the Company opened the leadership courses such as *3A Leadership - Synergy*, *3A Leadership - Daring to Take Responsibility*, *3A Leadership - Putting Into Practice*, *New Generation Management*, DDI copyright course *Improvement of Management Execution Ability*, *Incentive Deployment and Retaining Talents* and *Target Selection* for the ability improvement of the key talents and team manager, in which the targeted action learning project *Tiger Program* was held respectively for the sales director and manager levels and the *CE Basic Module Optimization - Organization Management* was held for the supply chain manager level; For the young talent ability building and development, the young talent item was upgraded, which was divided into three items of "Comprehensive Management Trainees", "Supply Chain Management Trainees" and "Special Sales Talents" as the talent reserves of the organization, and the training of courses such as *7 Habits of Highly-Efficiency Talents*, *Time Management* and *Role Transition of Professionals*, etc. was provided; For the ability improvement and development of all staff, such courses as *Financial Training for Non-Financial Manager - Basic Edition*, *Financial Training for Non-Financial Manager - Intermediate Edition*, *Situational Leadership II*, *Effective Coaching*, and *CarlsTalk* or other sharing were provided to help the Company's rapid development.

The sales team organized the theme training of *Eight Driving Forces*, *Eight Steps of Visiting*, *Sales Skill*, *Distributor Improvement*, *Shift Practical Operation Teaching of Enabling Sales Specialists*, *Taste and Art of Beer*, etc., to continue to build the ability of sales team; Launched more targeted training contents of *Terminal Development and Management of Catering*, *Terminal Development and Management of Entertainment*, *Joint Business Plan of Key Terminal*, etc.; At the same time, the *Win-Win Negotiation*, *Big Shot Sharing* and other training and sharing were provided to improve the negotiation ability of sales personnel and promote the completion of sales target.

In terms of the supply chain, the Company continued to deepen the lean production, enhanced the systematic and standard awareness of factory construction, launched *Training on Basic Awareness of Carlsberg Excellent System*, *Introduction of Four Supports of Carlsberg*, *Root Cause Analysis and Problem Solving*, *Sensory Taste Training* and *EHS Training*, and improved the work efficiency while promoting the standard awareness of the front-line employees.

### (IV) Information on labor outsourcing

Applicable    Not applicable

Sum of working hours of labor outsourcing	3,413,570h
Remuneration sum paid for labor outsourcing	RMB 160,581,100

## X. Profit distribution or the plan of capital reserve converted into share capital

### (I) Information on preparation, implementation or adjustment of cash dividends policy

Applicable    Not applicable

According to the Corporation Law of the People's Republic of China, Accounting Standards and Articles of Association, the Company propose below dividend distribution plan after considering the operation and shareholder's interest.

The Company plans to distribute cash dividends to all shareholders based on the total share capital of 483,971,198 shares as of December 31, 2022. The total amount of cash dividends is CNY 1,258,325,114.80 (tax included). The cash dividends to be distributed is derived from the operating profit of daily operation and is a kind of ordinary dividends. The Company plans to distribute cash dividends of CNY 2.60 per share (tax included). After the implementation of the dividend distribution plan for 2022, the remaining undistributed profit in the consolidated statement of the Company is CNY 77.69 million, and the remaining undistributed profit in the statement of the parent company is CNY 302.83 million. The Company will not use capital reserve to increase share capital in 2022.

## (II) Special statement of cash dividend policies

Applicable    Not applicable

Whether the provisions of the Articles of Association or the requirements of resolutions made at the General Meeting of Shareholders are met	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the dividend standards and proportion are specific and clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether independent directors fulfill their duties and exert their due roles	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders have the opportunities to fully express opinions and appeals and whether their legal rights and interests are protected fully	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## (III) During the reporting period, the Company profited and the parent company's profit for distribution to the shareholders was positive, but in case of no cash dividend distribution plan presented, the Company should, in details, disclose the cause, as well as the purpose and use plan of the undistributed profit

Applicable    Not applicable

## (IV) Information on profit distribution and capital accumulation fund transferred to capital stock during this reporting period

Applicable    Not applicable

Monetary unit: RMB Yuan

Number of distributed bonus share (s) every 10 shares (Share)	
Number of dividend payout every 10 shares (RMB) (tax-inclusive)	26.00
Number of increase by transferring every 10 shares (Share)	
Amount of cash dividends (tax-inclusive)	1,258,325,114.80
Net profits attributable to common shareholders of the listed company in consolidated statements in dividend-receiving year	1,263,604,930.09
Proportion (%) accounting for net profits attributable	99.58

to common shareholders of the listed company in consolidated statements (%)	
Amount of buy-back of share in cash to be included in the cash dividends	
Cumulative dividend amount (tax-inclusive)	1,258,325,114.80
Proportion of cumulative dividend amount to net profits attributable to common shareholders of the listed company in consolidated statements (%)	99.58

## **XI. Information on the Company's equity incentive plan, employee shareholding plan or other employee incentives and its influence**

### **(I) Incentive matters are already disclosed in the interim announcement and without progress or changes of subsequent execution**

Applicable     Not applicable

### **(II) Information on incentives not disclosed in the interim announcement or with subsequent progress**

Information on equity incentive

Applicable     Not applicable

Other remarks

Applicable     Not applicable

Information on employee shareholding plan

Applicable     Not applicable

Other incentive measures

Applicable     Not applicable

### **(III) Information on equity incentive awarded to directors and senior executives during the reporting period**

Applicable     Not applicable

### **(IV) Information on the establishment and implementation of the evaluation system and incentive mechanism for the senior executives during the reporting period**

Applicable     Not applicable

According to the need to establish a modern corporate system, the Company implemented the appointment system to senior executives, and established a fair and transparent performance evaluation and incentive mechanism for directors, supervisors and senior executives, to urge executives to fulfill the obligation of good faith and diligence, clarify their rights and responsibilities, and give play to the positivity and creativity of senior executives. The management team supervised the daily performance of senior executives in accordance with *Rules on the Work of General Manager* and *Company Financial Management System*. The Company conducted year-end evaluation to senior executives, and awards and punishments according to the business objectives set at the beginning of the year and the remuneration system for senior executives approved by the General Meeting of Shareholders.

## **XII. Information on establishment and implementation of internal control systems during the reporting period**

Applicable     Not applicable

The Company evaluates and revises the control process related to business in this year. During the reporting period, the Company provides training in risk and internal control policy for internal control staffs. The internal audit department is responsible for auditing special processes such as assets management process, personal information protection compliance process, distributor management process, commodity futures hedging process and human resource process.

Statement of great defects in internal control during the reporting period

Applicable     Not applicable

### **XIII. Information on management control on the subsidiaries during the reporting period**

Applicable     Not applicable

According to enterprise internal control system, the Company continuously evaluates the effectiveness of internal control of subsidiaries, and supervises the internal control through special process audit.

The Company has not purchased new subsidiaries during the reporting period.

### **XIV. Statement on relevant situation of internal control audit report**

Applicable     Not applicable

Pan-China Certified Public Accountants LLP engaged by the Company conducted an audit on the effectiveness of internal control related to financial reports of the Company and issued a standard unqualified audit report. *2022 Internal Control Audit Report* of the Company refers to the website of SSE.

Whether internal control audit report is disclosed: Yes

Type of internal control audit report opinion: Standard unqualified opinion

### **XV. Information on rectification of problems found by the listed company through special governance actions**

In strict accordance with the *List of Special Self-inspection of Governance for Listed Companies*, the Company analyzes carefully, and the major assets restructuring that the horizontal competition among controlling shareholders, actual controllers and listed companies founded in self-inspection having been completed at the end of December 2020 is solved thoroughly.

The circumstance with qualification of failure for cash dividend in 2020 was found in self-inspection, because the listed company should raise necessary fund for settling profit/loss of transitional period of reorganized and contributed assets and daily management expenditure with Carlsberg Chongqing Brewery (formerly known as “Chongqing Jianiang”), and after major assets restructuring was completed, the business of listed company has been totally injected into Carlsberg Chongqing Brewery without operating cash flow, and Carlsberg Chongqing Brewery could not pay dividend to the listed company temporarily due to negative profit available for distribution. Considering the robustness of company operation, adequacy of cash flow and long-term development, the Company didn’t distribute cash dividend in 2020. In 2021, the Company has distributed the cash dividend RMB 2.00 (tax-inclusive) per share, a total of RMB 968 million according to the provision and guideline of dividend of CSRC and SSE and company dividend policy.

In addition, the circumstance that the independent director of the listed company works on site for less than 10 working days due to external restrictions was found in self-inspection, and the listed company would provide each convenient condition to safeguard the duty performance of independent directors on site.

### **XVI. Others**

Applicable     Not applicable

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

## I. Environmental information

Whether the environmental protection mechanism has been established	Yes
Environmental protection fund (in unit of: RMB ten thousand) has been invested during the reporting period	i.e., RMB 17,260,000.

## (I) Statement of the environment protection of the Company belonging to the heavy pollution units as prescribed by the environment protection department and its major subsidiaries

√ Applicable    □ Not applicable

## 1. Pollution discharge information

√ Applicable    □ Not applicable

Company name	Name of major pollutants and characteristic pollutants	Discharge mode	Number of discharge outlet	Distribution information	Discharge concentration	Pollutant discharge standards implemented	Total amount of discharge	Total discharge amount approved	Excessive discharge information
Wanzhou Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	Northwest of the factory	COD: 101mg/l Ammonia nitrogen: 3.2mg/l	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard</i>	COD: 0.05454t Ammonia nitrogen: 0.01728t	COD: 22.91t Ammonia nitrogen: 4.3t	Non-exceeding
Carlsberg Chongqing Brewery Co., Ltd. (Mawang Township Factory)	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	Northeast corner of the factory	COD: 100.99mg/L Ammonia nitrogen: 15.94mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard</i>	COD: 17.325t Ammonia nitrogen: 2.687t	COD: 376.78t Ammonia nitrogen: 33.91t	Non-exceeding
Carlsberg Chongqing Brewery Co., Ltd. (Dazhulin Factory)	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	North in the factory	COD: 127.58mg/L Ammonia nitrogen: 1.39mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard</i> and GB31962-2015 <i>Wastewater Quality Standards for Discharge to Municipal Sewers</i>	COD: 10.321t Ammonia nitrogen: 0.181t	COD: 116.33t Ammonia nitrogen: 21.81t	Non-exceeding
Hechuan Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	North gate in the factory	COD: 200mg/L Ammonia nitrogen: 16.20mg/L	GB19821-2005 Pretreatment standards for beer enterprises <i>Discharge Standard of</i>	COD: 25.38t Ammonia nitrogen: 1.49t	COD: 66.26t Ammonia nitrogen: 5.96t	Non-exceeding

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						<i>Pollutants for Beer Industry</i>			
Liangping Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	Out of the gate of the factory	COD: 240.94 mg/L Ammonia nitrogen: 13.88 mg/L	GB19821-2005 Pretreatment standards for beer enterprises <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 27.25t Ammonia nitrogen: 1.57t	COD: 429.45t Ammonia nitrogen: 38.65t	Non-exceeding
Chongqing Brewery Yibin Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	South of the factory	COD: 99mg/L Ammonia nitrogen: 2.1mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 17.3t Ammonia nitrogen: 0.3t	COD: 145t Ammonia nitrogen: 29t	Non-exceeding
Chongqing Beer Panzhihua Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	West in the factory	COD: 110mg/L Ammonia nitrogen: 14.88 mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard</i>	COD: 1.1765t Ammonia nitrogen: 0.1734t	COD: 286.36t Ammonia nitrogen: 25.77t	Non-exceeding
Hunan Chongqing Brewery Grandmen Co., Ltd.	Wastewater	Be discharged into the urban pipe network after pretreatment and enter the urban sewage treatment station	1	West of the factory	COD: 166 mg/L Ammonia nitrogen: 0.98 mg/L	GB19821-2005 Pretreatment standards for beer enterprises <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 15.55t Ammonia nitrogen: 0.16t	COD: 55t Ammonia nitrogen: 21t	Non-exceeding
Yongzhou Branch of Hunan Chongqing Brewery Grandmen Co., Ltd.	Wastewater	Be discharged into the urban pipe network after pretreatment and enter the urban sewage treatment station	1	South of the factory	COD: 147 mg/L Ammonia nitrogen: 0.73 mg/L	GB19821-2005 Pretreatment standards for beer enterprises <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 1.834t Ammonia nitrogen: 0.344t	COD: 39t Ammonia nitrogen: 8t	Non-exceeding
Chongqing Brewery Group Chengdu Bock Beer Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	East of the factory	COD: 105 mg/L Ammonia nitrogen: 3.0 mg/L	GB19821-2005 Pretreatment standards for beer enterprises <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 10.8t Ammonia nitrogen: 0.25t	COD: 356t Ammonia nitrogen: 32t	Non-exceeding
Kunming Huashi Brewery Co.,	Wastewater	Discharge after qualified	1	Southwest of the factory	COD: 113.19mg/L Ammonia	GB19821-2005 <i>Discharge</i>	COD: 16.50t Ammonia	COD: 158.37t Ammonia	Non-exceeding

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Ltd.		treatment			nitrogen: 9.12mg/L	<i>Standard of Pollutants for Beer Industry pretreatment standard and GB31962-2015 Wastewater Quality Standards for Discharge to Municipal Sewers</i>	nitrogen: 1.33t	nitrogen: 11.88t	
Carlsberg (China) Brewery Industry and Trade Limited	Wastewater	Discharge after qualified treatment	1	Northwest of the factory	COD: 71.77mg/L Ammonia nitrogen: 2.09 mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard</i>	COD: 18.14t Ammonia nitrogen: 0.526t	COD: 312.59t Ammonia nitrogen: 29.23t	Non-exceeding
Carlsberg Brewery (Guangdong) Co., Ltd.	Wastewater	Discharge after qualified treatment	1	Northwest of the factory	COD: 52 mg/L Ammonia nitrogen: 9.9 mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry and DB44/26-2001 Discharge Limit of Water Pollutants</i>	COD: 11.2t Ammonia nitrogen: 2.14t	COD: 15.27t Ammonia nitrogen: 2.86t	Non-exceeding
Carlsberg Brewery (Jiangsu) Co., Ltd.	Wastewater	Discharge to municipal sewage treatment plant after being up to standard	1	West side of the factory	COD: 108 mg/L Ammonia nitrogen: 4.16 mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard</i>	COD: 13.811t Ammonia nitrogen: 0.79t	COD: 118.82t Ammonia nitrogen: 15.36t	Non-exceeding
Carlsberg Brewery (Anhui) Co., Ltd.	Wastewater	Discharge after qualified treatment	1	Northeast of the factory	COD: 62mg/L Ammonia nitrogen: 4.6mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 13t Ammonia nitrogen: 0.97t	COD: 53.23t Ammonia nitrogen: 3.44t	Non-exceeding
Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd.	Wastewater	Discharge to municipal sewage treatment plant after being up to standard	1	West side of the factory	COD: 262.86mg/L Ammonia nitrogen: 15.47mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 11.95t Ammonia nitrogen: 3.69t	COD: 71.7t Ammonia nitrogen: 5.4t	Non-exceeding
Xinjiang Wusu Beer Co., Ltd.	Wastewater	Discharge after qualified treatment	1	Northwest corner in the factory	COD: 105.12mg/L Ammonia nitrogen: 12.33mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard and GB31962-2015 Wastewater Quality</i>	COD: 22.5t Ammonia nitrogen: 2.42t	COD: 301t Ammonia nitrogen: 98t	Non-exceeding



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						<i>Standards for Discharge to Municipal Sewers</i>			
Xinjiang Wusu Brewery (Wusu) Co., Ltd.	Wastewater	Discharge after qualified treatment	1	Northwest corner in the factory	COD: 36mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard and GB31962-2015 Wastewater Quality Standards for Discharge to Municipal Sewers</i>	COD: 6.72t;	COD: 23.49 t Ammonia nitrogen: 2.35 t	Non-exceeding
Xinjiang Wusu Brewery (Yining) Co., Ltd.	Wastewater	Discharge after qualified treatment	1	Southeast of the factory	COD: 75.93mg/L Ammonia nitrogen: 0.635mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard and GB31962-2015 Wastewater Quality Standards for Discharge to Municipal Sewers</i>	COD: 3.606t Ammonia nitrogen: 1.2946t	COD: 18t Ammonia nitrogen: 11.025t	Non-exceeding
Xinjiang Wusu Brewery (Korla) Co., Ltd.	Wastewater	Be discharged into the urban pipe network after qualified treatment	1	Southwest of the factory	COD: 2000mg/L Ammonia nitrogen: 25mg/L	Negotiated discharge standard in modification list of GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 0.643t Ammonia nitrogen: 0.005t	COD: No total output requirement Ammonia nitrogen: No total output requirement	Non-exceeding
Xinjiang Wusu Brewery (Aksu) Co., Ltd.	Wastewater	Discharge after qualified treatment	1	West side of the factory	COD: 61mg/L Ammonia nitrogen: 2.89mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry pretreatment standard and GB31962-2015 Wastewater Quality Standards for Discharge to Municipal Sewers</i>	COD: 8.75t Ammonia nitrogen: 0.18t	COD: 28t Ammonia nitrogen: 5.25t	Non-exceeding
Ningxia Xixia	Wastewater	Discharge after	1	Southwest of the	COD: 68.2mg/L	GB19821-2005	COD: 13.113t	COD: 300t	Non-exceeding

Jianiang Brewery Co., Ltd.		qualified treatment		factory	Ammonia nitrogen: 2.7mg/L	<i>Discharge Standard of Pollutants for Beer Industry pretreatment standard and GB31962-2015 Wastewater Quality Standards for Discharge to Municipal Sewers</i>	Ammonia nitrogen: 0.579t	Ammonia nitrogen: 9t	
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## 2. Information on construction and operation of pollution prevention and control facilities

Applicable     Not applicable

In 2022, the Company's pollution control facilities operated stably, with all pollutants being discharged by meeting standards. All pollutants were qualified in the environmental protection inspection by environmental protection departments at all levels.

## 3. Information on environmental influence assessment of construction projects and other administrative licensing for environmental protection

Applicable     Not applicable

Carlsberg (Foshan) Co., Ltd. newly built the beer project with 500,000kl annual output, and obtained the approval (FHSF [2022] No. 98) of environmental impact statement on December 19, 2022;

Xinjiang Wusu Beer (Korla) Phase 3 Expansion Project was implemented, environmental impact assessment reply No. BHPJH [2022] No. 82;

## 4. Emergency plan for emergent environmental incidents

Applicable     Not applicable

The Company has attached importance to environmental emergency early warning and risk prevention and control, and has established complete environmental risk prevention and control measures. Each brewery of the Company has formulated the *Emergency Plan for Emergent Environmental Incidents* and *Environmental Risk Assessment Report*, and put them on filing in relevant environmental protection departments. The Company can correctly cope with local or regional environmental pollution accidents caused by emergency environmental pollution and ecological damage, and ensure that the field emergency treatment can be quickly and effectively carried out to protect the brewery and surrounding environment as well as the life and property of the people in residential areas and prevent emergency environmental pollution accidents.

## 5. Environmental self-monitoring scheme

Applicable     Not applicable

Each brewery of the Company has prepared the environmental protection self-monitoring scheme to conduct self-monitoring on various pollutant factors. The Company implements *Discharge Standard of Pollutants for Beer Industry* (GB19821-2005) and ISO14001 environmental management system and internal SHAPE system (environmental health and safety excellence assessment system).

## 6. Information on administrative penalties imposed for environmental problems during the reporting period

Applicable     Not applicable

**7. Other environmental information that shall be made public**

Applicable     Not applicable

**(II) Statement of environmental protection of companies other than key pollutant discharging units**

Applicable     Not applicable

Company name	Name of major pollutants and characteristic pollutants	Discharge mode	Number of discharge outlet	Distribution information	Discharge concentration	Pollutant discharge standards implemented	Total amount of discharge	Total discharge amount approved	Excessive discharge information
Chongqing Brewery Xichang Co., Ltd.	Wastewater	Discharge after qualified treatment	1	North and south of the factory	COD: 3500mg/L Ammonia nitrogen: 80 mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 3.76t Ammonia nitrogen: 0.49t	COD: 105t Ammonia nitrogen: 9.45t	Non-exceeding
Fuling Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Be discharged into the urban pipe network after pretreatment and enter the urban sewage treatment station	1	Out of the main entrance of the factory	COD: 30.652 mg/l Ammonia nitrogen: 0.515mg/l	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 0.728t Ammonia nitrogen: 0.0098t	COD: 143.18t Ammonia nitrogen: 12.89t	Non-exceeding
Shizhu Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Be discharged into the park pipe network after qualified treatment	1	Northwest corner in the factory	COD: 199mg/L Ammonia nitrogen: 1 mg/L	GB19821-2005 <i>Discharge Standard of Pollutants for Beer Industry</i>	COD: 26.62t Ammonia nitrogen: 0.185t	COD: 143.18t Ammonia nitrogen: 12.88t	Non-exceeding

**1. Information on administrative penalties imposed for environmental problems**

Applicable     Not applicable

**2. Disclosure of other environment information by referring to key pollutant discharging units**

Applicable     Not applicable

**3. Reasons for not disclosing other environmental information**

Applicable     Not applicable

**(III) Information favorable to ecological protection, pollution prevention and control, and environmental responsibility performance**

Applicable     Not applicable

The Company paid high attention to rational utilization of water resources, and achieved the goal of unit water consumption in 2022 set by the Group falling by 25% in advance.

Through lean production and management, we took a series of water saving measures, including water-saving transformation of bottle washer, packaged water reclamation project, water-saving vacuum pump and reclaimed water reuse project, and constantly reduced the unit water consumption. The water use efficiency reduced from 3.87HL/HL in 2015 to 2.24HL/HL in 2022, and the water consumption fell by 42%. The total water consumption in 2022 saved more than 2,070,000kl compared with that in 2015, equivalent to 8,000,000 standard swimming pools

of Olympic Games.

In 2022, the water saving efficiency of the Company won multiple honors:

1. In 2022, Carlsberg (China) Brewery Industry and Trade Limited won national “Water Efficiency Leader” honor.
2. Carlsberg Chongqing Brewery Co., Ltd. (Dazhulin Brewery) and Carlsberg Chongqing Brewery Co., Ltd. Liangping Branch (Liangping Brewery) subordinated to the Company won 2022 Chongqing level “Water Efficiency Leader”.
3. Carlsberg Chongqing Brewery Co., Ltd. (Dazhulin Brewery) was awarded as “Chongqing Level Water Saving Enterprise”.
4. Carlsberg Brewery (Guangdong) Co., Ltd. (Huizhou Brewery) won “Huizhou Water Saving Enterprise” title.

#### (IV) Measures taken for reducing carbon emissions during the reporting period and their effects

Whether to take carbon reduction measures	Yes
Reduce emission of carbon dioxide equivalent (in unit of: ton)	97,742
Type of carbon emission reduction measures (such as power generation with clean energy, carbon emission reduction technology in production process, research and development and production of new products contributive to carbon emission reduction)	Apply carbon emission reduction technology in production process and optimize the energy structure.

Specific description

√ Applicable    □ Not applicable

In order to reduce the carbon emission of beer production link, the Company actively takes the energy saving and emission reduction actions, and continues to increasing the energy saving and technological transformation of production technology and investment in energy structure optimization.

Through performance benchmarking management, good practical application and lean production, the Company continues to improve the energy use efficiency and reduce the carbon emission of factory production link. Meanwhile, it actively develops the energy saving and technological transformation products, including application of low-voltage dynamic boiling technology, comprehensive utilization of thermal energy, boiler efficiency promotion, energy saving and transformation of bottle washer and sterilization machine.

In contrast with that in 2018, the Company’s comprehensive energy consumption in 2022 reduced by 20%.

The Company actively explores the alternative solution of clean energy, and tries to replace the traditional fossil energy with marsh gas and other new energies. In addition, the Company devotes to promoting the use ratio of renewable electricity of brewing link. In 2022, the Company used 157,142MWH green power in the proportion of 100%, and realized 97,742t carbon emission reduction. In 2022, the carbon emission of brewing of beer/HL reduced by more than 75% compared with that in 2015, and a total of 230,000t carbon dioxide was decreased, equivalent to 9,300mu trees planted.

In order to reduce the carbon emission of logistics transportation link, the Company used electric forklift instead of diesel forklift in each brewery, and effectively reduced 2.24t carbon emission in contrast with that in 2021. While vigorously promoting the electrification of logistics fleet, the Company continues to propel the forklift battery replacement project, and replaces the traditional lead-acid battery with more eco-friendly lithium-ion battery. In addition, the Company cooperates with the logistics supplier, strictly monitors the use of fuel of logistics link, provides training for driver on fuel efficiency, and promotes the energy saving consciousness and environmental performance of suppliers.

In the cooling storage link, the Company positively coordinates with the requirement of “any new refrigerator must be used with LED lighting and eco-friendly refrigerant” proposed by the group, and purchases the new refrigerator used with eco-friendly refrigerant. In addition, while the Company uses the refrigerant free of Freon and energy

saving freezer to effectively reduce the emission of greenhouse gas generated by refrigerant while reducing 10% terminal energy consumption. The Company began to carry out energy saving freezer project from 2021, and purchased about 18,000 energy saving freezers every year.

## II. Information on social responsibility

### (I) Whether to disclose the social responsibility report, sustainable development report or ESG report alone

Applicable  Not applicable

For details, please refer to the 2022 Environmental, Social and Governance Report disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on the same day.

### (II) Information on social responsibility works

Applicable  Not applicable

External donation and public welfare project	Quantity / content	Statement of situation
Total input (RMB ten thousand)	29.8	Please refer to the following specification.
Including: Funds (RMB ten thousand)	29.8	
Material discount (RMB ten thousand)		
Number of people (Person)		

Specific description

Applicable  Not applicable

1. On September 2, 2022, the 19th “Chongqing Brewery” Charity Grant Awarding Ceremony held by Yibin Municipal Party Committee of the Communist Youth League and Chongqing Brewery Yibin Co., Ltd. was held, and a total of RMB 0.2 million charity grant was awarded to 60 freshmen on site.
2. In the league and student union work brand cultivation and construction activity of “One Brand for One University” of universities in Chongqing, Chongqing Brewery Co., Ltd. invested expenditure in construction of each “Top 10 league and student union work brands” supporting project, a total of RMB 0.098 million, benefiting thousands of people.

## III. Information on consolidating and expanding the achievements in poverty alleviation and rural revitalization

Applicable  Not applicable

Specific description

Applicable  Not applicable

## SECTION VI SIGNIFICANT EVENTS

### I. Fulfillment of commitments

**(I) The commitment matters of the Company's actual controllers, shareholders, related parties, purchasers, the Company and other related parties during the reporting period or lasting to the reporting period**

√ Applicable    □ Not applicable

Background of commitments	Types of commitments	Committing parties	Content of commitments	Time and duration of commitments	Whether there is a duration of the fulfillment	Whether timely and strict commitment is conducted	Specific reasons in case of failure of timely fulfillment	Plan for the next step in case of failure of timely fulfillment
Commitments related to major asset restructuring	Asset injection	Listed company	The listed company has the legal and complete ownership of the assets to be injected by Chongqing Brewery, and the listed company truly holds such assets, and is free from any events of holding them for others or for the benefit of others by entrustment or trust; there are no other rights such as mortgages or pledges on such assets, no other interest arrangements prohibiting or restricting transfer of such assets, nor any restrictions such as seizure, sealing up or freeze of such assets by law enforcement departments that restrict the rights on such assets or other circumstances that hinder the	Long-term	No	No	The 36 registered trademarks of Chongqing Brewery were seized on Dec. 2, 2020 due to litigations, including ten registered trademarks of the "Shancheng" series and 26 registered trademarks of the "Chongqing" series. On Dec. 9, 2020, the listed company obtained a ruling issued by the Chongqing No. 1	The listed company will continue to following up the trademark transfer procedures and update the progress after the completion of the transfer.

			<p>transfer of ownership; the ownership of such assets is clear, with no ownership disputes or potential disputes of any kind, and with no internal decision-making obstacles or substantive legal obstacles to the assignment or transfer of such assets. At the same time, the listed company guarantees that this situation will continue until the assets intended to be injected to Chongqing Brewery are transferred to Chongqing Jianiang.</p>				<p>Intermediate People’s Court, which ruled to unseal the seized assets of Chongqing Brewery.</p> <p>In order to ensure the normal use of such trademarks by Chongqing Jianiang before the change of registration of such trademarks to the name of Chongqing Jianiang (renamed as “Carlsberg Chongqing”), Chongqing Brewery signed a Trademark Licensing Contract with Chongqing Jianiang on Dec. 2, 2020, authorizing Chongqing Jianiang to use such trademarks during the period from the delivery date to the expiration date of such trademarks.</p>	
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							<p>In January 2021, the Company received the Civil Ruling Paper and other documents issued by the Chongqing No. 1 Intermediate People's Court, and according to the application for property preservation in the litigation filed by Chongqing Jiawei Beer Co. Ltd. to the Chongqing No. 1 Intermediate People's Court, the Company's trademarks seized in the litigation (hereinafter referred to as "Subsequently Restricted Trademarks") included 15 registered trademarks of the "Shancheng" series and 88 registered trademarks of the "Chongqing" series held by the listed</p>	
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							<p>company.</p> <p>The duration of seizure is three years (Jan. 4, 2021 –Jan. 3, 2024).</p> <p>In July 2022, the Company received the Enforcement Ruling Paper (No. 1 of Yu 01 ZB No. 528 (2020)) issued by the Chongqing No. 1 Intermediate People’s Court, which ruled to lift the seizure of the rights of the above-mentioned registered trademarks of the Company (including 15 registered trademarks of the “Shancheng” series and 88 registered trademarks of the “Chongqing” series) that were ruled in the Civil Ruling Paper (No. 2 of Yu 01 MC No. 988 (2020) and</p>	
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							<p>the Notice on Assisting the Enforcement (No. 1 of Yu 01 ZB No. 528 (2020)). In July 2022, the Company submitted a request to the State Intellectual Property Administration for resuming the review of the transfer application.</p> <p>These trademarks are not core trademarks required for production and operation, and most of them are protective trademarks.</p> <p>Considering that the listed company has authorized Chongqing Jianiang to use such trademarks until the expiration date of such trademarks, and such trademarks have been in the process of</p>
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							transfer, the above matters will not have a material adverse impact on the production and operation of the listed company, nor will they commit material breach of relevant commitments.	
Commitments related to major asset restructuring	Others	Carlsberg	<p>1. Carlsberg will ensure to maintain the independence of the listed company from Carlsberg and its affiliates in terms of business, assets, finance, personnel and institutions, will strictly abide by relevant regulations of CSRC on the independence of listed companies, and will not use the control of the listed company to violate the standard operating procedures of the listed company, interfere in the business decisions of the listed company, or damage the legitimate rights and interests of the listed company and other shareholders;</p> <p>2. The restructuring is conducive to improving the governance mechanism of the listed company,</p>	Long-term	No	Yes		

			<p>improving the integrity of the assets of the listed company, enhancing the independence of the listed company, and helping the listed company maintain independence in terms of personnel, procurement, production, sales and intellectual property rights, which is in line with the interests of the listed company and all its shareholders. After the completion of the restructuring, Carlsberg will give full play to the active role of a controlling shareholder and assist the listed company to further strengthen and improve the governance structure of the listed company.</p> <p>Carlsberg commits that, if it violates the above commitments and thus causes losses to the listed company, it will bear corresponding compensations according to law.</p>					
Commitments related to major asset restructuring	Others	Carlsberg Breweries	<p>1. Carlsberg Breweries will ensure to maintain the independence of the listed company from Carlsberg Breweries and its affiliates in terms of business, assets, finance, personnel and institutions, will strictly abide by relevant regulations</p>	Long-term	No	Yes		

			<p>of CSRC on the independence of listed companies, and will not use the control of the listed company to violate the standard operating procedures of the listed company, interfere in the business decisions of the listed company, or damage the legitimate rights and interests of the listed company and other shareholders;</p> <p>2. The restructuring is conducive to improving the governance mechanism of the listed company, improving the integrity of the assets of the listed company, enhancing the independence of the listed company, and helping the listed company maintain independence in terms of personnel, procurement, production, sales and intellectual property rights, which is in line with the interests of the listed company and all its shareholders. After the completion of the restructuring, Carlsberg Breweries will give full play to the active role of a controlling shareholder and assist the listed company to further strengthen and improve the governance structure of</p>					
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			<p>the listed company.</p> <p>Carlsberg Breweries also commits to urge Carlsberg Hong Kong and Carlsberg Chongqing to abide by and implement the above commitments to avoid harming the interests of the listed company and other shareholders.</p> <p>Carlsberg Breweries commits that, if it violates the above commitments and thus causes losses to the listed company, it will bear corresponding compensations according to law.</p>					
Commitments related to major asset restructuring	Resolution of related-party transactions	Carlsberg and Carlsberg Breweries	<p>During the period when the Carlsberg Foundation and Carlsberg Breweries control the listed company:</p> <p>1. After the completion of the restructuring, Carlsberg and Carlsberg Breweries will minimize and regulate related-party transactions between Carlsberg, Carlsberg Breweries and their affiliates and the listed company and enterprises controlled by the listed company in accordance with relevant laws and regulations;</p> <p>2. For unavoidable or reasonable related-party transactions, Carlsberg</p>	Long-term	No	Yes		

			<p>and Carlsberg Breweries commit to follow the principles of fairness, impartiality and openness of the market, sign agreements according to law, perform legal procedures, ensure the legality of the decision-making procedures of related-party transactions as well as the fairness and reasonableness of transaction prices and conditions and other terms of agreements, and not to harm the legitimate rights and interests of the listed company and other shareholders through related-party transactions.</p> <p>Carlsberg and Carlsberg Breweries commit that, if they violate the above commitments and thus cause losses to the listed company, they will bear corresponding compensations according to law.</p>					
Commitments related to major asset restructuring	Resolution of intra-industry competition	Carlsberg Consultancy	<p>It is confirmed that Xinjiang plants intended to be shut down have completely ceased operations, and Carlsberg Consultancy commits that such Xinjiang plants will not directly or indirectly engage in businesses competing with Chongqing Brewery Co. Ltd. (the listed company) and</p>	Long-term	No	Yes		

			<p>subsidiaries controlled by the listed company in China in the future. Carlsberg Consultancy commits that, if it violates the above commitments and thus causes losses to the listed company, it will bear corresponding compensations according to law.</p>					
<p>Commitments related to major asset restructuring</p>	<p>Resolution of intra-industry competition</p>	<p>Carlsberg and Carlsberg Breweries</p>	<p>During the period when the Carlsberg Foundation controls the listed company or when Carlsberg Breweries is the controlling shareholder of the listed company:</p> <p>1. From the date of completion of the restructuring, Carlsberg, Carlsberg Breweries and other enterprises controlled by them other than the listed company and subsidiaries controlled by the listed company shall not directly or indirectly engage in businesses competing with the listed company and subsidiaries controlled by it in mainland China.</p> <p>2. For equities of subsidiaries not controlled by Carlsberg and Carlsberg Breweries, which are not included in the scope of the restructuring and involve beer assets and businesses in mainland China, Carlsberg and Carlsberg Breweries</p>	<p>Long-term</p>	<p>No</p>	<p>Yes</p>		



			<p>commit as follows:</p> <p>(1) For companies not controlled by Carlsberg and Carlsberg Breweries, which are defined as Sino-foreign joint ventures as of the date of this letter (including Qinghai Huanghe Jianiang Beer Co. Ltd., Tianshui Huanghe Jianiang Beer Co. Ltd., Lanzhou Huanghe Jianiang Beer Co. Ltd., Jiuquan West Brewery Co. Ltd. and Tibet Lhasa Beer Co. Ltd.), a) if relevant joint venture parties agree in the future to acquire all or part of the equities directly and/or indirectly held by Carlsberg and Carlsberg Breweries in such companies on fair and reasonable terms, Carlsberg and Carlsberg Breweries commit to sell all or part of the equities held in such companies to the joint venture parties and not to increase their shareholding in such companies in the future, except as described in item c) below; b) if relevant joint venture parties agree in the future to sell all or part of the equities held by them in such companies to the listed company, and the business performance and asset quality of</p>					
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			<p>relevant companies are qualified for the injection into the listed company, Carlsberg and Carlsberg Breweries commit to sell all the equities held by them to the listed company on the same terms or inject the equities into the listed company in other feasible ways at the same time as the joint venture parties sell all or part of the equities held by them in such companies to the listed company; c) if relevant joint venture parties agree in the future to sell all or part of the equities held by them but do not agree to sell such equities to the listed company, and the business performance and asset quality of relevant companies are qualified for the injection into the listed company, Carlsberg and Carlsberg Breweries commit to exercise the pre-emptive right in respect of the above-mentioned equities intended to be sold as instructed by the listed company, and sell the equities of relevant companies (including the above-mentioned equities acquired through the exercise of the pre-emptive right and the equities</p>					
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			<p>originally held by Carlsberg and Carlsberg Breweries) to the listed company on the same terms (if relevant joint venture parties still hold part of the equities at that time, Carlsberg and Carlsberg Breweries will be subject to relevant joint venture parties' waiver of the exercise of the pre-emptive right and the procedures stipulated in the Articles of Association) or inject the equities into the listed company in other feasible ways upon completion of the purchase; d) Except as described in item c) above, Carlsberg and Carlsberg Breweries commit not to seek control of such companies in any way.</p> <p>(2) For the company not controlled by Carlsberg and Carlsberg Breweries, which is defined as a wholly foreign-owned enterprise as of the date of this letter (i.e. Jing-A Brewing Co. Ltd.), if Carlsberg and Carlsberg Breweries acquire direct and/or indirect control of the company in the future and the company's business performance and asset quality are qualified for the</p>					
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			<p>injection into the listed company, Carlsberg and Carlsberg Breweries commit to sell the equities directly and/or indirectly held by them in the company to the listed company or inject the equities into the listed company in other feasible ways; if the listed company decides to waive the purchase according to its business development needs and through the internal decision-making process, Carlsberg and Carlsberg Breweries commit to sell the equities directly and/or indirectly held by them in the company to an unrelated third party.</p> <p>The fulfillment of the above commitments shall be subject to the national laws, regulations and industry policies, the requirements of administrative approval, and the internal decision-making procedures of the listed company.</p> <p>3. If, after the completion of the restructuring, Carlsberg and Carlsberg Breweries (including wholly-owned enterprises, enterprises controlled by them and branches at all levels) obtain</p>					
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			<p>investment opportunities directly competing with the main businesses or main products of the listed company in mainland China, which the listed company intends to participate in and has the ability to operate and relevant third parties agree to provide to the listed company on reasonable terms, Carlsberg and Carlsberg Breweries commit to prompt the third party to negotiate in good faith with the listed company so as to enable the listed company to implement such investment opportunities.</p> <p>If the aforesaid future investment opportunities in mainland China do not directly compete with the main businesses or main products of the listed company, or the listed company does not intend to or temporarily does not have the ability to operate such investment opportunities, or a third party refuses to provide such opportunities to the listed company, Carlsberg and Carlsberg Breweries may make investment or acquisition under the premise of complying with the</p>					
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			<p>contents described in item 1 of this commitment letter.</p> <p>Carlsberg and Carlsberg Breweries also commit to urge Carlsberg Breweries Hong Kong Limited and Carlsberg Chongqing Ltd. to abide by and implement the above commitments so as to avoid harming the interests of the listed company and other shareholders.</p> <p>Carlsberg and Carlsberg Breweries commit that if they violate the above commitments and thus cause losses to the listed company, they will bear corresponding compensations according to law.</p>					
Commitments related to major asset restructuring	Others	All directors and senior management of the listed company	<p>The restructuring will greatly improve the profitability of the listed company, and it is expected that there will be no dilution of immediate returns after the restructuring, but it cannot completely rule out the possibility that its future profitability will be less than expected. To further reduce the risk of the possible dilution of immediate returns of the listed company, all directors and senior</p>	Long-term	No	Yes		

			<p>management of the listed company (individually and collectively referred to as “I”) hereby commit as follows:</p> <p>1. I hereby commit not to transfer benefits to other units or individuals free of charge or on unfair terms, nor to harm the interests of the listed company in any other ways.</p> <p>2. If I violate the above commitments and thus cause losses to the listed company or investors, I am willing to bear the liability of compensation to the listed company or investors according to law.</p>					
Commitments related to major asset restructuring	Others	Carlsberg Breweries	<p>The restructuring will greatly improve the profitability of the listed company, and it is expected that there will be no dilution of immediate returns after the restructuring, but it cannot completely rule out the possibility that its future profitability will be less than expected. To further reduce the risk of the possible dilution of immediate returns of the listed company, Carlsberg Breweries, as the controlling shareholder of the listed company, hereby commits</p>	Long-term	No	Yes		

			<p>that:</p> <ol style="list-style-type: none"> <li>1. It will not interfere in the operation and management activities of the listed company beyond its authority, and will not encroach on the interests of the listed company.</li> <li>2. In the restructuring, the listed company has signed the Profit Forecast and Compensation Agreement with effective conditions with relevant parties including Carlsberg Breweries, providing legally binding safeguards to avoid the dilution of immediate returns caused by the restructuring.</li> <li>3. If Carlsberg Breweries violates the above commitments and thus cause losses to the listed company or investors, Carlsberg Breweries is willing to bear the liability of compensation to the listed company or investors according to law.</li> </ol>					
Commitments related to major asset restructuring	Others	Carlsberg	The restructuring will greatly improve the profitability of the listed company, and it is expected that there will be no dilution of immediate returns after the restructuring, but it cannot completely rule out the possibility	Long-term	No	Yes		



			<p>that its future profitability will be less than expected. To further reduce the risk of the possible dilution of immediate returns of the listed company, Carlsberg hereby commits that:</p> <ol style="list-style-type: none"> <li>1. It will not interfere in the operation and management activities of the listed company beyond its authority, and will not encroach on the interests of the listed company.</li> <li>2. In the restructuring, the listed company has signed the Profit Forecast and Compensation Agreement with effective conditions with relevant parties, providing legally binding safeguards to avoid the dilution of immediate returns caused by the restructuring.</li> <li>3. If Carlsberg violates the above commitments and thus cause losses to the listed company or investors, Carlsberg is willing to bear the liability of compensation to the listed company or investors according to law.</li> </ol>					
Commitments related to major asset	Resolution of defects of land and other	Carlsberg Breweries	In case of defects in the ownership or related procedures of any buildings, structures, land use rights,	Long-term	No	Yes		

restructuring	property rights		<p>construction projects and production lines owned or rented by companies of Package B and/or subsidiaries controlled by them before the completion of the restructuring, resulting in the failure of normal use of the above-mentioned buildings, structures, land, construction projects or production lines by companies of Package B and/or subsidiaries controlled by them, or causing</p> <p>litigations/arbitrations/disputes between companies of Package B and/or subsidiaries controlled by them and other third parties as well as administrative penalties imposed by relevant competent authorities, Carlsberg Breweries commits to bear all losses, damages and expenses incurred to Chongqing Jianiang Beer Co. Ltd. and the listed company according to law, including but not limited to all losses and expenses incurred due to litigations or arbitrations, fines, suspension of production or business, searching for alternative venues and relocation.</p>					
Commitments	Resolution of	Carlsberg	In case of defects in the ownership or	Long-term	No	Yes		

<p>related to major asset restructuring</p>	<p>defects of land and other property rights</p>	<p>Consultancy</p>	<p>related procedures of any buildings, structures, land use rights, construction projects and production lines owned or rented by companies of Package A and/or subsidiaries controlled by them before the completion of the restructuring, resulting in the failure of normal use of the above-mentioned buildings, structures, land, construction projects or production lines by companies of Package A and/or subsidiaries controlled by them, or causing litigations/arbitrations/disputes between companies of Package A and/or subsidiaries controlled by them and other third parties as well as administrative penalties imposed by relevant competent authorities, Carlsberg Consultancy commits to bear all losses, damages and expenses incurred to Chongqing Jianiang Beer Co. Ltd. and the listed company according to law, including but not limited to all losses and expenses incurred due to litigations or arbitrations, fines, suspension of production or business, searching for</p>					
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			alternative venues and relocation.					
Commitments related to major asset restructuring	Others	Carlsberg Breweries	In case of defects in the payment of five social insurances and the housing fund made by companies of Package B and/or subsidiaries controlled by them before the completion of the restructuring, resulting in recovery or supplementary payment required by relevant government departments, or penalties imposed by relevant government departments or requirement of bearing any form of legal liability, thereby causing any losses, damages and expenses to Chongqing Jianiang Beer Co. Ltd. and the listed company, Carlsberg Breweries commits to bear the above losses and expenses according to law.	Long-term	No	Yes		
Commitments related to major asset restructuring	Others	Carlsberg Consultancy	In case of defects in the payment of five social insurances and the housing fund made by companies of Package A and/or subsidiaries controlled by them before the completion of the restructuring, resulting in recovery or supplementary payment required by relevant government departments, or	Long-term	No	Yes		

			penalties imposed by relevant government departments or requirement of bearing any form of legal liability, thereby causing any losses, damages and expenses to Chongqing Jianiang Beer Co. Ltd. and the listed company, Carlsberg Consultancy commits to bear the above losses and expenses according to law.					
Commitments related to major asset restructuring	Profit forecast and compensation	Carlsberg Hong Kong	Carlsberg Hong Kong commits that the net profits of the 48.58% of the equity of Chongqing Jianiang realized in 2020, 2021 and 2022, which are attributable to the owners of the parent company after deducting non-recurring profits and losses, will be no less than RMB48.9771 million, RMB58.9149 million and RMB62.1098 million. Upon the expiration of the performance commitment period, Chongqing Brewery shall engage an audit institution as provided in the Securities Law of the People's Republic of China to conduct an impairment test (hereinafter referred to as the "Impairment Test") on the underlying assets when issuing the	3 years	Yes	Yes		

			<p>annual financial report, and issue a special audit report within 30 business days after issuing the annual financial report for the last year of the performance commitment period. After the Impairment Test: the total amount of the compensation made after the impairment test of the 48.58% of the equity of Chongqing Jianiang and the compensation made for the performance commitment shall not exceed the transaction price of the transfer of the equity of Chongqing Jianiang (i.e. RMB 643.4421 million), and if the ending impairment amount of the 48.58% of the equity of Chongqing Jianiang is greater than the accumulated amount of the compensation made by Carlsberg Hong Kong for the transfer of the equity of Chongqing Jianiang during the performance commitment period, then, subject to the aforementioned provisions, Carlsberg Hong Kong shall compensate Chongqing Brewery for the difference in cash in accordance with provisions of the Profit Forecast</p>					
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			and Compensation Agreement.					
Commitments related to major asset restructuring	Profit forecast and compensation	Carlsberg Breweries and Carlsberg Consultancy	Carlsberg Breweries and Carlsberg Consultancy commit that the aggregated net profits of all the underlying companies involved in asset Package A and asset Package B realized in 2020, 2021 and 2022, which are attributable to the owners of the parent company after deducting non-recurring profits and losses, will be no less than RMB565.4003 million, RMB767.6368 million and RMB808.9071 million. Upon the expiration of the performance commitment period, Chongqing Brewery shall engage an audit institution as provided in the Securities Law of the People's Republic of China to conduct an impairment test (hereinafter referred to as the "Impairment Test") on the underlying assets when issuing the annual financial report, and issue a special audit report within 30 business days after issuing the annual financial report for the last year of the performance commitment period. After the	3 years	Yes	Yes		

			<p>Impairment Test: the total amount of the compensation made after the impairment test of asset Package A and asset Package B and the compensation made for the performance commitment shall not exceed the total transaction price of asset Package A and asset Package B (i.e. RMB7,169,984,224.04). If the ending impairment amount of asset Package A and asset Package B is greater than the accumulated amount of the capital increased in Chongqing Jianiang and the compensation for the purchase of asset Package B by Carlsberg Breweries and Carlsberg Consultancy during the performance commitment period, then, subject to the aforementioned provisions, Carlsberg Breweries and Carlsberg Consultancy shall compensate Chongqing Jianiang for the difference in cash in accordance with provisions of the Profit Forecast and Compensation Agreement.</p>					
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**(II) Realization of profit forecasts for the Company's assets or projects and its reasons if there are profit forecasts for assets or projects and the reporting period is still in the profit forecast period**

Realized     Not Realized     Not Applicable

In 2020, the Company completed the major asset restructuring. For the performance commitments of the underlying assets in 2020, 2021 and 2022 as agreed in the restructuring report, the Company engaged Pan-China Certified Public Accountants LLP to issue the Commitments Verification Report numbered PCCPACVR [2023] 8-151 and PCCPACVR [2023] 8-152. Details are as follows.

Monetary unit: RMB Ten Thousand Yuan

Items	Net profit after deducting non-recurring profit and loss committed in 2022	Net profit after deducting non-recurring profit and loss realized in 2022	Differences	Realization rate (%)
Asset Package A and Asset Package B	80,890.71	170,907.06	90,016.35	211.28
48.58% of equity of Chongqing Jianiang	6,210.98	16,830.97	10,619.99	270.99

**(III) Completion of performance commitments and its impact on goodwill impairment test**

Applicable     Not applicable

**II. Non-operational occupation of funds by controlling shareholders and other related parties during the reporting period**

Applicable     Not applicable

**III. Illegal guarantee situation**

Applicable     Not applicable

**IV. Statement of the Company's Board of Directors on the "Nonstandard Auditor's Report" provided by the Accounting Firm**

Applicable     Not applicable

**V. Analytical descriptions of the Company on the causes and influence of the Accounting Policy, Accounting Estimate Changes or Major Accounting Error Correction****(I) Analytical Descriptions of the Company on the Causes and Influence of the Accounting Policy and Accounting Estimate Changes**

Applicable     Not applicable

Please refer to Section X Financial Report "V. Important accounting policies and accounting estimates 44" of the report for details.

**(II) Analytical Descriptions of the Company on the Causes and Influence of Major Accounting Error Correction**

Applicable     Not applicable

**(III) Information on Communication with Former Certified Public Accountants**

Applicable     Not applicable

**(IV) Other remarks**

Applicable     Not applicable

**VI. Engagement and dismissal of accounting firms**

Monetary unit: RMB Ten Thousand Yuan

	Current engagement
Name of domestic accounting firms	Pan-China Certified Public Accountants LLP
Remuneration	180
Audit service period	10
Certified Public Accountants	Huang Qiaomei, Zhao Xingming
Certified Public Accountants' continuous years for audit services	4 years, 3 years

	Name	Remuneration
Accounting firm of internal control audit	Pan-China Certified Public Accountants LLP	120
Financial consultant		
Sponsor		

Remarks on engagement and dismissal of accounting firms

Applicable     Not applicable

Pursuant to the "Proposal on the Appointment of Pan-China Certified Public Accountants LLP to be the Auditor of the Company's Financial Report and Internal Control for the Year of 2022" deliberated and approved by the Company's 2021 Annual General Meeting of Shareholders, the Company intended to pay remuneration of 1.80 million yuan for annual audit and remuneration of 1.20 million yuan for internal control audit, totaling 3.00 million yuan, to Pan-China Certified Public Accountants LLP.

Remarks on the change of accounting firm during the audit period

Applicable     Not applicable

**VII. Information on facing delisting risk****(I) Reasons of being given delisting risk warning**

Applicable     Not applicable

**(II) Measures to be taken by the Company**

Applicable     Not applicable

**(III) Information on and reasons for termination of listing**

Applicable     Not applicable

**VIII. Relevant matters of bankruptcy reorganization**

Applicable     Not applicable

**IX. Major litigation and arbitration matters**

√ The Company has major litigation and arbitration matters in this year. □ The Company has no major litigation and arbitration matters in this year.

**(I) Litigation and arbitration matters already disclosed in the interim announcements and without subsequent progress**

√ Applicable □ Not applicable

Summary and types of the matters	Query index
<p>On September 27, 2020, Chongqing Jiawei, the shareholding subsidiary of the listed company, filed a lawsuit against contract dispute of the Company to Chongqing Municipal First Intermediate People's Court;</p> <p>On January 28, 2021, Chongqing Jiawei changed claim to RMB 822 million, and increased the joint defendants to 13;</p> <p>On March 30, 2021, Chongqing No. 1 Intermediate People's Court organized the first pretrial conference. Chongqing Jiawei submitted a new petition and a new defendant in court, with the claimed amount remaining unchanged. The pretrial conference didn't conduct a substantial trial of the case, but only checked the situation of each party and made a brief inquiry on the procedural issues of the case.</p> <p>The second pretrial conference was held on July 7, 2021, at which the parties issued preliminary defense opinions, submitted evidences and checked the original evidences.</p> <p>The third pretrial conference was held during the period from October 26 to 28, 2021.</p> <p>The hearing was held from March 7 to March 8, 2022;</p> <p>On May 31, 2022, Chongqing Jiawei applied for withdrawing prosecution, and Chongqing Municipal First Intermediate People's Court had ruled and approved it.</p>	<p>Please refer to "L No. 2020-043", "L No. 2021-005" and "L No. 2022-025" Announcements disclosed by the Company on the website (www.sse.com.cn) of Shanghai Stock Exchange on October 9, 2020, February 5, 2021 and June 14, 2022 for details.</p>

**(II) Information on litigation and arbitration matters not disclosed in the interim announcements or with subsequent progress**

√ Applicable    □ Not applicable

Monetary unit: RMB million Yuan

During the reporting period: Plaintiff (applicant)	Defendant (applied)	Party bearing joint liabilities	Type of litigation and arbitration	Basic information of the litigation (arbitration)	Amount involved in the litigation (arbitration)	Whether the litigation (arbitration) forms the expected liabilities and amounts	Information on litigation (arbitration) progress	Results of the litigation (arbitration) and impacts	Information on execution of adjudication of the litigation (arbitration)
Chongqing Jianiang Brewery Co., Ltd. (now renamed as Carlsberg Chongqing Brewery Co., Ltd.)	Chongqing Jiawei Brewery Co., Ltd.		Distributed profits	On March 5, 2021, Chongqing Jianiang, a holding subsidiary of the listed company, filed a litigation to Chongqing No. 5 Intermediate People's Court for Chongqing Jiawei, a joint-stock subsidiary of Chongqing Jianiang refusing to distribute the profits in 2019 and 2020. On June 11, 2021, Carlsberg Chongqing Brewery changed the amount of litigation to RMB 117 million.	116.5	No	The first hearing was held on May 7, 2021; The second hearing was held on July 15, 2021; The third hearing was held on October 20, 2021; On November 26, 2021, the Company received the ruling of the first instance for rejection of prosecution, but it refused to obey, so it instituted an appeal to Chongqing High People's Court; On January 6, 2023, it held a hearing in the second instance. Chongqing High People's Court made a final judgment for rejecting an appeal and affirming original judgment on February 28, 2023.	The final judgment of the case does not affect the normal right of continuing distribution of right, and the Company will take further measures to require to distribute the undistributed profit.	
Chongqing Brewery Co., Ltd.	Chongqing Jiawei Brewery Co., Ltd.		Contract disputes	On January 13, 2021, the listed company filed a litigation to the People's Court of Dadukou District, requiring Chongqing Jiawei to pay the sales expenses and interest on overdue payment from June to December 2020.	10.01	No	Chongqing Jiawei paid the principal amount of RMB 7,658,311.54 to the listed company on June 30, 2021. The listed company withdrew the claim for payment of the principal. On July 5, 2021, the Court made a first-instance judgment on the overdue interest payment and ordered Chongqing Jiawei to pay the overdue interest of RMB 52,983.99. The listed company disobeyed the judgment of the first instance and then instituted an appeal to Chongqing No. 5 Intermediate People's Court. On February 11, 2022, the	It was confirmed in the final judgment of this case that Chongqing Jiawei was obligated to pay sales expenses to the Company.	Chongqing Jiawei has paid overdue interests to the Company.

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							Company received the judgment of second instance, in which the appeal was rejected and the original judgment was held.		
Chongqing Jianiang Brewery Co., Ltd. (now renamed as Carlsberg Chongqing Brewery Co., Ltd.)	Chongqing Risun Industrial Group Co., Ltd.		Capital occupation	On March 12, 2021, Carlsberg Chongqing Brewery, a subsidiary controlled by the listed company, filed a lawsuit against Risun Group, a major shareholder of Chongqing Jiawei for its long-term illegal occupation of capital of Chongqing Jiawei not through the resolution procedures of Chongqing Jiawei, requiring the latter to refund the capital of RMB 700 million it occupied and interests to the third person Chongqing Jiawei.	711	No	On December 24, 2021, the Company received the ruling of the first instance for rejection of prosecution, but it refused to obey, so it instituted an appeal to Chongqing High People's Court; On August 26, 2022, the Company received the ruling of the last instance for withdrawal of the first instance, and instructed Chongqing No. 5 Intermediate People's Court to hear the case; On April 14, 2023, Chongqing No. 5 Intermediate People's Court held a hearing for the case and the Company changed claim to RMB 711 million.		

**(III) Other remarks**

Applicable     Not applicable

**X. Suspected violation of laws and regulations, penalty to and rectification of the listed company and its directors, supervisors, senior executives, controlling shareholders and actual controllers**

Applicable     Not applicable

**XI. Statement of the honesty condition of the Company and its controlling shareholders and actual controllers during the reporting period**

Applicable     Not applicable

**XII. Major related-party transactions****(I) Related-party transactions relevant to daily operation****1. Events already disclosed in the interim announcements with no progress or changes in subsequent implementation**

Applicable     Not applicable

Summary of the matters	Query index
<p>Pursuant to the “Proposal on the Estimation of Daily Related Party Transactions in 2022” deliberated and approved by the Company’s Third Extraordinary General Meeting of Shareholders in 2021 dated December 1, 2021, the amount of daily related party transactions in 2022 is expected to not exceed 326.372 million yuan.</p> <p>Later, due to the increase in the sales to or purchases from related parties in 2022, the amount of daily related party transactions for sales or purchases in 2022 is expected to increase by 40 million yuan pursuant to the “Proposal on the Adjustment of the Estimation of Daily Related Party Transactions of the Company for 2022” deliberated and approved by the Company’s 2021 Annual General Meeting of Shareholders dated May 26, 2022.</p> <p>Pursuant to the “Proposal on the Adjustment of 1664 Blanc Royalty Rate” deliberated and approved by the Company’s Second Extraordinary General Meeting of Shareholders in 2022 dated July 13, 2022, the license fees of daily related party transactions are expected to increase by 6.3 million yuan due to the adjustment of royalty rate of 1664 Blanc in the global market.</p>	<p>Please refer to the announcements of “L No. 2021-038”, “L No. 2022-018” and “L 2022-027” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on November 13, 2021, April 29, 2022 and June 21, 2022 respectively for details.</p>

**2. Events already disclosed in the interim announcements but with progress or changes in subsequent implementation**

Applicable     Not applicable

**3. Events not disclosed in the interim announcements**

Applicable     Not applicable

**(II) Related party transactions accrued from the assets or equity acquisition and sales****1. Events already disclosed in the interim announcements with no progress or changes in subsequent implementation**

Applicable     Not applicable

**2. Events already disclosed in the interim announcements but with progress or changes in subsequent implementation**

Applicable     Not applicable

**3. Events not disclosed in the interim announcements**

Applicable     Not applicable

**4. Where the performance is agreed, the achievements during the reporting period shall be disclosed**

Applicable     Not applicable

Please refer to (II) of Section VI "I. Fulfillment of commitments" of the report for details.

**(III) Major related-party transactions of joint investments abroad****1. Events already disclosed in the interim announcements with no progress or changes in subsequent implementation**

Applicable     Not applicable

**2. Events already disclosed in the interim announcements but with progress or changes in subsequent implementation**

Applicable     Not applicable

**3. Events not disclosed in the interim announcements**

Applicable     Not applicable

**(IV) Related party creditor's rights and debt****1. Events already disclosed in the interim announcements with no progress or changes in subsequent implementation**

Applicable     Not applicable

**2. Events already disclosed in the interim announcements but with progress or changes in subsequent implementation**

Applicable     Not applicable

**3. Events not disclosed in the interim announcements**

Applicable     Not applicable

**(V) Financial business between the Company and associated financial companies, and between financial companies controlled by the Company and its related party**

Applicable     Not applicable

**(VI) Others**

Applicable     Not applicable

**XIII. Information on major contracts and its performance****(I) Trusteeship, contracting and leasing matters****1. Information on trusteeship**

Applicable     Not applicable

**2. Information on contracting**

Applicable     Not applicable

**3. Information on leasing**

Applicable     Not applicable

**(II) Information on guarantee**

Applicable     Not applicable

**(III) Information on entrusting others with the management of cash assets****1. Information on entrusted wealth management****(1) Situation of overall entrusted financial management**

Applicable     Not applicable

Monetary unit: RMB Yuan

Type	Source of fund	Amount incurred	Undue balance	Overdue amount unrecovered
Bank financing	Self-owned funds	1,500,000,000	0	0

**Other situations**

Applicable     Not applicable

**(2) Information on single entrusted financial management**

Applicable     Not applicable



Monetary unit: RMB Yuan

Trustee	Types of entrusted finance management	Amount of entrusted finance management	Starting date of entrusted finance management	Ending date of entrusted finance management	Source of fund	Investment direction of funds	Remuneration determination method	Annualized rate of return	Expected revenue (if any)	Actual revenue or loss	Information on actual recovery	Whether go through legal procedures	Whether there is entrusted finance management plan in the future	Withdrawal amount of impairment provision (if any)
ANZ Bank (China) Co., Ltd. Shanghai Branch	Guaranteed RMB non-redeemable HIBOR daily interval cumulative structured investment	500,000,000	November 29, 2021	February 28, 2022	Revenue	Bank financing	Due principal and interest recovered in a lump-sum	2.45%	3,096,527.78	3,096,527.78	Withdraw	Yes	Yes	
Standard Chartered Bank (China) Limited	Interval cumulative structured deposits	500,000,000	January 10, 2022	April 11, 2022	Revenue	Bank financing	Due principal and interest recovered in a lump-sum	2.45%	3,054,109.60	3,054,109.60	Withdraw	Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Guaranteed RMB non-redeemable HIBOR daily interval cumulative structured investment	500,000,000	March 22, 2022	June 22, 2022	Revenue	Bank financing	Due principal and interest recovered in a lump-sum	2.45%	3,130,555.56	3,130,555.56	Withdraw	Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Guaranteed RMB non-redeemable HIBOR daily interval cumulative structured investment	500,000,000	June 22, 2022	September 22, 2022	Revenue	Bank financing	Due principal and interest recovered in a lump-sum	2.45%	3,130,555.56	3,130,555.56	Withdraw	Yes	Yes	

**Other situations**

Applicable     Not applicable

**(3) Impairment provision of entrusted financial management**

Applicable     Not applicable

**2. Information on entrusted loans****(1) Information on overall entrusted loans**

Applicable     Not applicable

**Other situations**

Applicable     Not applicable

**(2) Information on single entrusted loans**

Applicable     Not applicable

**Other situations**

Applicable     Not applicable

**(3) Depreciation provisions of entrusted loans**

Applicable     Not applicable

**3. Other situations**

Applicable     Not applicable

**(IV) Other material contracts**

Applicable     Not applicable

**XIV. Description on other major matters that will significantly affect the value judgment and investment decisions made by investors**

Applicable     Not applicable

## **SECTION VII    CHANGES IN SHARES AND INFORMATION ABOUT SHAREHOLDERS**

**I. Information on changes in share capital**

(I) Table of share change

**1. Table of share change**

During the reporting period, the sum of shares and share capital structure has no change.

**2. Statement of changes in share**

Applicable     Not applicable

**3. Impact of the changes in shares of financial indexes of the recent year and the latest period, such as earnings per share, net assets per share (if any)**

Applicable     Not applicable

**4. Other contents disclosed according to the requirements of the Company or the securities regulatory institutions**

Applicable     Not applicable

**(II) Information on changes in restricted shares**

Applicable     Not applicable

**II. Information on securities issuance and listing****(I) Information on issuance of securities as of the reporting period**

Applicable     Not applicable

Statement on the issuance of securities as of the reporting period (please specify separately for bonds with different interest rates during the duration):

Applicable     Not applicable

**(II) Information on changes in the Company's total shares and shareholder structure as well as in assets and liabilities structure**

Applicable     Not applicable

**(III) Information on existing internal staff shares**

Applicable     Not applicable

**III. Information on shareholders and actual controllers****(I) Total number of shareholders**

Total number of shareholders of common stocks as of the end of the reporting period (Nr.)	21,923
Total number of common shareholders at the end of the previous month before the annual report disclosure date (Nr.)	26,738
Total number of preferred shareholders with the voting rights recovered as of the end of reporting period (Nr.)	Not applicable
Total number (Nr.) of preferred shareholders with the voting right recovered at the end of the previous month before the disclosure date of annual report	Not applicable

**(II) Shareholding table of top ten shareholders and top ten shareholders of tradable shares (or shareholders without limited sales condition) as of the end of the reporting period**

Unit: Share

Information on shareholdings of top ten shareholders							
Name (full names) of shareholders	Increase or decrease during the	Quantity of shares held at the end of the period	Proportion (%)	Quantity of shares with limited sales	Information on pledge, mark or freeze		Nature of shareholders
					Share status	Quantity	

	reporting period			conditions			
Carlsberg Brewery Hong Kong Limited	0	205,882,718	42.54	0	None		Overseas legal person
CARLSBERGCHONGQINGLIMITED	0	84,500,000	17.46	0	None		Overseas legal person
Hong Kong Securities Clearing Company Limited	-113,609	41,393,158	8.55	0	Unknown		Overseas legal person
China Construction Bank Corporation – Yinhua Fuyu Theme Hybrid Securities Investment Fund	- 2,209,740	10,897,612	2.25	0	Unknown		Others
China Construction Bank Corporation – Huitianfu Consumption Industry Hybrid Securities Investment Fund	- 2,800,000	2,200,000	0.45	0	Unknown		Others
China Merchants Bank Company Co., Ltd. - Hongde Ruize Hybrid Securities Investment Fund	0	2,052,877	0.42	0	Unknown		Others
National Social Insurance Fund Portfolio 118	0	1,994,468	0.41	0	Unknown		Others
China Merchants Bank Company Co., Ltd. – Hongde Ruiyuan Three-year Holding Period Flexible Allocation Mixed Securities Investment Funds	1,887,202	1,887,702	0.39	0	Unknown		Others
China Construction Bank Corporation – Penghua Zhongzheng Liquor trading open-end index securities investment fund	399,994	1,788,499	0.37	0	Unknown		Others
China Construction Bank Corporation-Huashang Intelligent Life Flexible Configuration Hybrid Securities Investment Fund	1,637,174	1,637,174	0.34	0	Unknown		Others
Information on shareholdings status of top ten shareholders without limited sales conditions							
Name of shareholders	Quantity of circulation shares without limited sales conditions			Category and quantity of shares			
				Category	Quantity		
Carlsberg Brewery Hong Kong Limited	205,882,718			RMB common shares	205,882,718		
CARLSBERGCHONGQINGLIMITED	84,500,000			RMB common shares	84,500,000		
Hong Kong Securities Clearing Company Limited	41,393,158			RMB common shares	41,393,158		
China Construction Bank Corporation – Yinhua Fuyu Theme Hybrid Securities Investment Fund	10,897,612			RMB common shares	10,897,612		
China Construction Bank Corporation – Huitianfu Consumption Industry Hybrid Securities Investment Fund	2,200,000			RMB common shares	2,200,000		
China Merchants Bank Company Co., Ltd. - Hongde Ruize Hybrid Securities Investment Fund	2,052,877			RMB common shares	2,052,877		
National Social Insurance Fund Portfolio 118	1,994,468			RMB common shares	1,994,468		
China Merchants Bank Company Co., Ltd. – Hongde Ruiyuan Three-year Holding Period Flexible Allocation Mixed Securities Investment Funds	1,887,702			RMB common shares	1,887,702		
China Construction Bank Corporation – Penghua Zhongzheng Liquor trading open-end index securities investment fund	1,788,499			RMB common shares	1,788,499		
China Construction Bank Corporation-Huashang Intelligent Life Flexible Configuration Hybrid Securities Investment Fund	1,637,174			RMB common shares	1,637,174		
Statement of related relationships or concerted actions between above shareholders	Among the top ten shareholders without limited sales conditions, CARLSBERG CHONGQING LIMITED and Carlsberg Brewery HongKong Limited are both controlled by Carlsberg Brewery. China Merchants Bank Company Co., Ltd. - Hongde Ruize Hybrid Securities Investment Fund and China Merchants Bank Company Co., Ltd. – Hongde						

	Ruiyuan Three-year Holding Period Flexible Allocation Mixed Securities Investment Funds are both managed by Hongde Fund Management Co., Ltd. It is unknown if there is any related relationship between other shareholders or they are persons acting in concert.
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Number of shareholdings of top ten shareholders with limited sales conditions and limited sales conditions

Applicable  Not applicable

**(III) Strategic investor or general legal entity becoming top ten shareholders due to rights issue**

Applicable  Not applicable

**IV. Information on controlling shareholders and actual controllers**

**(I) Information on controlling shareholders**

**1 Legal person**

Applicable  Not applicable

Name	Carlsberg Breweries A/S
Principal or legal representative	Henrik Poulsen
Date of establishment	June 29, 2000
Main business	Brew, produce and sell beer in Denmark and foreign markets, provide process and technical services of beer business, and operate or participate in other industries related to beer business.

**2 Natural person**

Applicable  Not applicable

**3 No special statement on the situation of controlling shareholders of the Company**

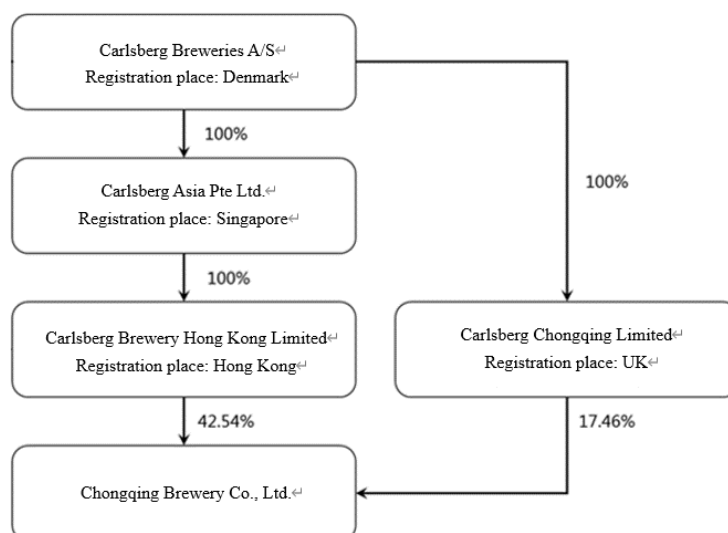
Applicable  Not applicable

**4 Statement on the situation of changes in controlling shareholders during the reporting period**

Applicable  Not applicable

**5 Block diagram of property right and control relationship between the Company and controlling shareholders**

Applicable  Not applicable



## (II) Situation of actual controllers

### 1 Legal person

Applicable     Not applicable

Name	Carlsberg Foundation
Principal or legal representative	Not applicable
Date of establishment	September 25, 1876
Main business	Cultivate and support the natural sciences, mathematics, philosophy, anthropology and sociology and provide funds.
Information on equities of other domestic and foreign listed holding and equity participation companies during the reporting period	Hold 29% equities of Carlsberg

### 2 Natural person

Applicable     Not applicable

### 3 Special statement for the situation that the Company has no actual controllers

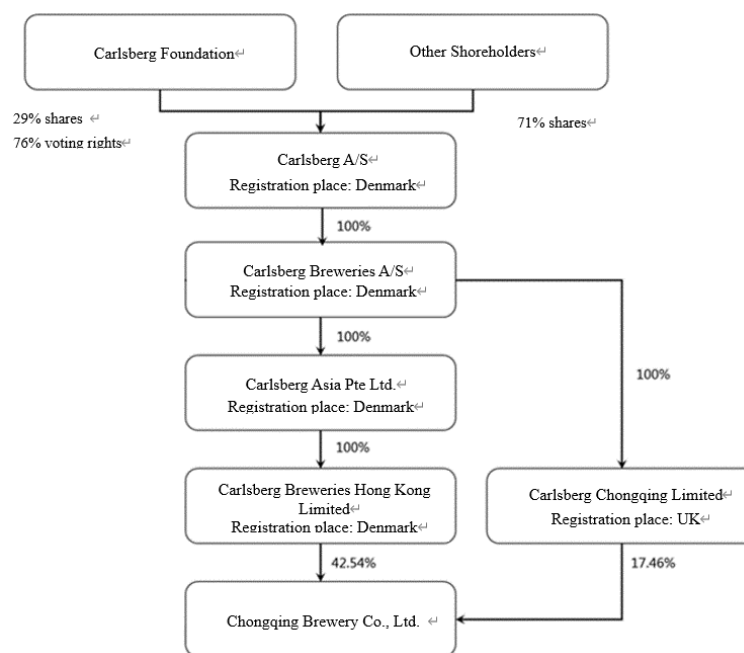
Applicable     Not applicable

### 4 Statement on change of the Company's controls during the reporting period

Applicable     Not applicable

### 5 Block diagram of property right and control relationship between the Company and the actual controller

Applicable     Not applicable



**6 The actual controllers control the Company by trust or other asset management methods**

Applicable  Not applicable

**(III) Other situation about controlling shareholders and actual controllers**

Applicable  Not applicable

**V. The cumulative shares pledged by the Company’s controlling shareholders or the first majority shareholder and other persons acting in concert with him/her accounted for more than 80% of the Company’s total shares**

Applicable  Not applicable

**VI. Other corporate shareholders holding more than 10% of shares**

Applicable  Not applicable

Monetary unit: RMB Yuan

Name of corporate shareholder	Principal or legal representative	Date of establishment	Organization code	Registered capital	Information on main businesses or management activities, etc.
CARLSBERG CHONGQING LIMITED	Not applicable	June 12, 1995	Not applicable	GBP 1	Hold and develop the shares and businesses held by CARLSBERG CHONGQING LIMITED in Asia-Pacific

					Region
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**VII. Statement on shareholding reduction restriction**

Applicable     Not applicable

**VIII. Information on implementation of share repurchase during the reporting period**

Applicable     Not applicable

**SECTION VIII INFORMATION ON PREFERRED STOCKS**

Applicable     Not applicable

**SECTION IX INFORMATION ON BONDS****I. Corporate bonds, enterprise bonds and debt financing instruments of non-financial business**

Applicable     Not applicable

**II. Information on convertible corporate bonds**

Applicable     Not applicable

**SECTION X FINANCIAL REPORT****I. Auditor's Report**

Applicable     Not applicable

**AUDITOR'S REPORT**

PCCPAAR [2023] No8-148.

To the Shareholders of Chongqing Brewery Co., Ltd.:

**I. Audit Opinion**

We have audited the accompanying financial statements of Chongqing Brewery Co., Ltd. (the "Company"), which comprise the consolidated and parent company balance sheets as at December 31, 2022, the consolidated and parent company income statements, the consolidated and parent company cash flow statements, and the consolidated and parent company statements of changes in equity for the year then ended, as well as notes to financial statements.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and of its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.



## II. Basis for Audit Opinion

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

## III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in 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 express a separate opinion on these matters.

### (I) Revenue recognition

#### 1. Key audit matters

Please refer to item V 38 and VII 61 of this section for details. In 2022, the operating revenue of the Company amounted to 14,039,040,539.45 yuan, of which, 13,696,216,606.60 yuan was from main operations. As operating revenue is one of the key performance indicators of the Company, there might be inherent risks that the Company's management (the "Management") adopts inappropriate revenue recognition to achieve specific goals or expectations, we have identified revenue recognition as a key audit matter.

#### 2. Responsive audit procedures

Our main audit procedures for revenue recognition are as follows:

- (1) We obtained understandings of key internal controls related to revenue recognition and sales rebate, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We checked sales contracts by sampling method, identified terms related to the point in time when the customer obtained the control over relevant goods, and assessed whether the revenue recognition policy was in compliance with regulations of China Accounting Standards for Business Enterprises;
- (3) We performed analysis procedure on operating revenue and gross margin, so as to identify whether there are significant or abnormal fluctuations and find out the reason of fluctuations;
- (4) We checked supporting documents related to revenue recognition by sampling method, including sales contracts, orders, delivery lists, discount record and approval sheets, sales invoices, client acceptance receipts, etc.;
- (5) We performed confirmation procedures on current sales amount from main customers by sampling method in combination with confirmation procedure of accounts receivable and contract liabilities;

(6) We performed cut-off tests on the revenue recognized around the balance sheet date, and assessed whether the revenue was recognized in the appropriate period; and

(7) We checked whether information related to operating revenue had been presented appropriately in the financial statements.

## (II) Impairment of goodwill

### 1. Key audit matters

Please refer to item V 30 and VII 28 of this section for details. As of December 31, 2022, the cost of goodwill amounted to 718,230,066.13 yuan, with provision for impairment of 19,037,610.07 yuan, and the carrying amount amounted to 699,192,456.06 yuan.

For asset group or asset group portfolio related to goodwill, if there is objective evidence indicating impairment loss, the Management performs impairment test on goodwill together with related asset group or asset group portfolio at the end of each period, and the recoverable amount of related asset group or asset group portfolio is determined based on the estimated present value of future cash flows. Key assumptions adopted in the impairment test include: revenue growth rate in detailed forecast period, growth rate in perpetual forecast period, gross margin, discount rate, etc. As the amount of goodwill is significant and impairment test involves significant judgment of the Management, we have identified impairment of goodwill as a key audit matter.

### 2. Responsive audit procedures

Our main audit procedures for impairment of goodwill are as follows:

(1) We obtained understandings of key internal controls related to impairment of goodwill, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of their operation;

(2) We reviewed the present value of future cash flows estimated by the Management in previous years and the actual operating results, and assessed the accuracy of the Management's historical estimations;

(3) We obtained understandings of and assessed the competency, professional quality and objectivity of external appraisers engaged by the Management;

(4) We assessed the reasonableness and consistency of impairment test method adopted by the Management;

(5) We assessed the reasonableness of key assumptions used in impairment test and reviewed whether relevant assumptions were consistent with overall economy environment, industry condition, management situation, historical experience, etc.;

(6) We tested the accuracy, completeness and relativity of data used by the Management in the impairment test and reviewed the internal consistency of related information in the impairment test;

(7) We tested whether the calculation of estimated present value of future cash flows was accurate; and

(8) We checked whether information related to impairment of goodwill had been presented appropriately in the financial statements.

#### **IV. Other Information**

The Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

#### **V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements**

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to 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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting 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.

#### **VI. Certified Public Accountant's Responsibilities for the Audit of the Financial Statements**

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

We exercise professional judgment and maintain professional skepticism throughout the audit performed in accordance with China Standards on Auditing. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud

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

(II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

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

(IV) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, 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.

(VI) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain sole responsibility for our audit opinion.

We communicate with those charged with governance regarding the planned audit scope, time schedule and significant audit findings, including any deficiencies in internal control of concern 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 our 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 our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Pan-China Certified Public Accountants LLP

Hangzhou · China

Chinese Certified Public Accountant: Huang Qiaomei  
(Engagement Partner)

Chinese Certified Public Accountant: Zhao Xingming

Date of Report: April 26, 2023

**II. Financial Statements****Consolidated balance sheet**

As at December 31, 2022

Prepared by: Chongqing Brewery Co., Ltd.

Monetary unit: RMB Yuan

Items	Note No.	December 31, 2022	December 31, 2021
<b>Current assets:</b>			
Cash and bank balances	1	3,397,877,592.02	2,355,194,070.43
Settlement funds			
Loans to other banks			
Held-for-trading financial assets	2		501,088,888.89
Derivative financial assets	3	3,829,356.40	
Notes receivable			
Accounts receivable	5	65,511,539.08	109,244,673.73
Receivables financing			
Advances paid	7	43,187,607.98	45,117,660.67
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance reserve receivable			
Other receivables	8	17,619,026.18	11,830,136.29
Including: Interest receivable			
Dividend receivable			
Financial assets under reverse repo			
Inventories	9	2,166,477,563.20	1,886,751,987.27
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	13	109,533,473.56	83,454,893.33
Total current assets		5,804,036,158.42	4,992,682,310.61
<b>Non-current assets:</b>			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	17	296,599,881.05	240,320,800.68
Other equity instrument investments	18	14,303,331.73	13,210,379.78
Other non-current financial assets			
Investment property			
Fixed assets	21	3,680,691,105.17	3,705,081,241.59
Construction in progress	22	395,295,204.91	162,076,985.24
Productive biological assets			
Oil & gas assets			
Right-of-use assets	25	100,306,926.11	39,218,000.00
Intangible assets	26	685,169,039.95	615,080,288.96
Development expenditures			
Goodwill	28	699,192,456.06	699,192,456.06
Long-term prepayments			
Deferred tax assets	30	732,407,316.03	1,062,310,605.52
Other non-current assets	31	89,540,749.40	3,636,075.76
Total non-current assets		6,693,506,010.41	6,540,126,833.59
Total assets		12,497,542,168.83	11,532,809,144.20

Items	Note No.	December 31, 2022	December 31, 2021
<b>Current liabilities:</b>			
Short-term borrowings			
Central bank loans			
Loans from other banks			
Held-for-trading financial liabilities			
Derivative financial liabilities	34	2,616,336.56	
Notes payable			
Accounts payable	36	2,497,671,747.37	2,212,689,178.11
Advances received			
Contract liabilities	38	1,614,042,546.14	1,732,741,425.80
Financial liabilities under repo			
Absorbing deposit and interbank deposit			
Deposit for agency security transaction			
Deposit for agency security underwriting			
Employee benefits payable	39	399,367,324.65	512,763,340.97
Tax payables	40	255,387,461.35	395,925,319.93
Other payables	41	3,490,319,176.38	2,971,960,641.25
Including: Interest payable			
Dividend payable			
Handling fee and commission payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	43	24,005,592.21	22,313,992.68
Other current liabilities	44	27,809,237.78	33,979,353.25
Total current liabilities		8,311,219,422.44	7,882,373,251.99
<b>Non-current liabilities:</b>			
Insurance policy reserve			
Long-term borrowings			
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	47	77,928,597.87	16,951,000.00
Long-term payables			
Long-term employee benefits payable	49	154,407,707.35	163,668,974.22
Provisions	50	31,657,899.75	31,862,723.02
Deferred income	51	256,611,695.14	254,683,905.82
Deferred tax liabilities	30	42,694,067.15	54,974,049.35
Other non-current liabilities			
Total non-current liabilities		563,299,967.26	522,140,652.41
Total liabilities		8,874,519,389.70	8,404,513,904.40
<b>Equity:</b>			
Share capital	53	483,971,198.00	483,971,198.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	55	7,728,100.00	2,075,145.00
Less: Treasury shares			
Other comprehensive income	57	-13,542,920.53	-13,838,109.84
Special reserve			

Items	Note No.	December 31, 2022	December 31, 2021
Surplus reserve	59	241,985,599.00	241,985,599.00
General risk reserve			
Undistributed profit	60	1,336,013,806.16	1,040,351,272.07
Total equity attributable to the parent company		2,056,155,782.63	1,754,545,104.23
Non-controlling interest		1,566,866,996.50	1,373,750,135.57
Total equity		3,623,022,779.13	3,128,295,239.80
Total liabilities & equity		12,497,542,168.83	11,532,809,144.20

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping

### Parent company balance sheet

As at December 31, 2022

Prepared by: Chongqing Brewery Co., Ltd.

Monetary unit: RMB Yuan

Items	Note No.	December 31, 2022	December 31, 2021
<b>Current assets:</b>			
Cash and bank balances		705,386,630.22	606,616,362.91
Held-for-trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing			
Advances paid			
Other receivables	2	4,353,422.01	216,585.47
Including: Interest receivable			
Dividend receivable			
Inventories			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		451,891.89	1,312,005.84
Total current assets		710,191,944.12	608,144,954.22
<b>Non-current assets:</b>			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	3	1,695,066,358.71	1,695,066,358.71
Other equity instrument investments			
Other non-current financial assets			
Investment property			
Fixed assets		597,383.01	1,452,968.55
Construction in progress			
Productive biological assets			
Oil & gas assets			
Right-of-use assets		3,612,273.62	
Intangible assets			5,263,493.45



Items	Note No.	December 31, 2022	December 31, 2021
Development expenditures			
Goodwill			
Long-term prepayments			
Deferred tax assets			
Other non-current assets			
Total non-current assets		1,699,276,015.34	1,701,782,820.71
Total assets		2,409,467,959.46	2,309,927,774.93
<b>Current liabilities:</b>			
Short-term borrowings			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable		1,970,831.46	8,307,002.70
Advances received			
Contract liabilities			
Employee benefits payable		16,766,079.43	17,413,484.57
Tax payables		992,135.97	588,351.37
Other payables		29,398,503.34	28,326,799.18
Including: Interest payable			
Dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year		345,803.89	
Other current liabilities			
Total current liabilities		49,473,354.09	54,635,637.82
<b>Non-current liabilities:</b>			
Long-term borrowings			
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		3,384,255.31	
Long-term payables			
Long-term employee benefits payable		58,798,007.24	59,116,000.00
Provisions			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		62,182,262.55	59,116,000.00
Total liabilities		111,655,616.64	113,751,637.82
<b>Equity:</b>			
Share capital		483,971,198.00	483,971,198.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		29,273,418.97	23,620,463.97
Less: Treasury shares			
Other comprehensive income		-18,577,000.00	-17,195,000.00
Special reserve			
Surplus reserve		241,985,599.00	241,985,599.00
Undistributed profit		1,561,159,126.85	1,463,793,876.14
Total equity		2,297,812,342.82	2,196,176,137.11
Total liabilities & equity		2,409,467,959.46	2,309,927,774.93

Legal representative: João Miguel Ventura Rego Abecasis  
 Person in charge of accounting work: Chin Wee Hua  
 Person in charge of accounting department: Liu Liping

### Consolidated income statement

For the year ended December 31, 2022

Monetary unit: RMB Yuan

Items	Note No.	Current period cumulative	Preceding period comparative
I. Total operating revenue		14,039,040,539.45	13,119,310,688.30
Including: Operating revenue	61	14,039,040,539.45	13,119,310,688.30
Interest income			
Premiums earned			
Revenue from handling charges and commission			
II. Total operating cost		10,788,719,947.64	10,205,460,291.83
Including: Operating cost	61	6,952,428,993.91	6,436,358,227.59
Interest expenses			
Handling charges and commission expenditures			
Surrender value			
Net payment of insurance claims			
Net provision of insurance policy reserve			
Premium bonus expenditures			
Reinsurance expenses			
Taxes and surcharges	62	920,858,290.32	892,059,817.68
Selling expenses	63	2,326,217,227.20	2,212,894,661.26
Administrative expenses	64	534,570,348.93	516,877,144.95
R&D expenses	65	110,747,936.06	163,151,284.60
Financial expenses	66	-56,102,848.78	-15,880,844.25
Including: Interest expenses		3,696,843.83	14,186,774.78
Interest income		65,718,589.46	36,050,785.69
Add: Other income	67	57,632,082.82	51,070,054.28
Investment income (or less: losses)	68	67,946,546.26	58,104,550.46
Including: Investment income from associates and joint ventures		56,279,080.37	43,299,933.71
Gains from derecognition of financial assets at amortized cost			
Gains on foreign exchange (or less: losses)			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)	70		1,088,888.89
Credit impairment loss	71	2,461,066.24	850,058.41
Assets impairment loss	72	-81,390,922.88	-79,260,753.58
Gains on asset disposal (or less: losses)	73	1,996,546.49	1,835,601.88
III. Operating profit (or less: losses)		3,298,965,910.74	2,947,538,796.81
Add: Non-operating income	74	7,148,130.08	8,498,314.32
Less: Non-operating expenses	75	7,335,219.97	14,957,096.30
IV. Profit before tax (or less: total loss)		3,298,778,820.85	2,941,080,014.83
Less: Income tax expenses	76	711,879,179.42	541,923,818.55

Items	Note No.	Current period cumulative	Preceding period comparative
V. Net profit (or less: net loss)		2,586,899,641.43	2,399,156,196.28
(I) Categorized by the continuity of operations			
1. Net profit from continuing operations (or less: net loss)		2,585,541,660.55	2,402,132,679.21
2. Net profit from discontinued operations (or less: net loss)		1,357,980.88	-2,976,482.93
(II) Categorized by the portion of equity ownership			
1. Net profit attributable to shareholders of parent company (or less: net loss)		1,263,604,930.09	1,166,243,415.91
2. Net profit attributable to non-controlling shareholders (or less: net loss)		1,323,294,711.34	1,232,912,780.37
VI. Other comprehensive income after tax	77	1,934,967.86	2,908,893.29
(I) Items attributable to the shareholders of the parent company	77	295,189.31	937,354.38
1. Not to be reclassified subsequently to profit or loss	77	-179,586.53	937,354.38
(1) Remeasurements of the net defined benefit plan	77	-601,083.45	560,629.38
(2) Items under equity method that will not be reclassified to profit or loss			
(3) Changes in fair value of other equity instrument investments	77	421,496.92	376,725.00
(4) Changes in fair value of own credit risk			
2. To be reclassified subsequently to profit or loss	77	474,775.84	
(1) Items under equity method that may be reclassified to profit or loss			
(2) Changes in fair value of other debt investments			
(3) Profit or loss from reclassification of financial assets into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedging reserve	77	474,775.84	
(6) Translation reserve			
(7) Others			
(II) Items attributable to non-controlling shareholders		1,639,778.55	1,971,538.91
VII. Total comprehensive income		2,588,834,609.29	2,402,065,089.57
(I) Items attributable to the shareholders of the parent company		1,263,900,119.40	1,167,180,770.29
(II) Items attributable to non-controlling shareholders		1,324,934,489.89	1,234,884,319.28
VIII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)		2.61	2.41
(II) Diluted EPS (yuan per share)		2.61	2.41

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping

**Parent company income statement**

For the year ended December 31, 2022

Monetary unit: RMB Yuan

Items	Note No.	Current period cumulative	Preceding period comparative
I. Operating revenue			
Less: Operating cost			
Taxes and surcharges		630,058.00	917,244.16
Selling expenses			
Administrative expenses		88,601,849.69	71,238,699.14
R&D expenses			
Financial expenses		3,240,694.54	7,209,408.01
Including: Interest expenses		7,534,478.52	6,535,672.37
Interest income		6,516,985.30	1,363,094.76
Add: Other income		226,665.56	471,630.02
Investment income (or less: losses)	5	1,155,407,400.00	858,714,000.00
Including: Investment income from associates and joint ventures			
Gains from derecognition of financial assets at amortized cost			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)			
Credit impairment loss		-217,728.25	-1,143.55
Assets impairment loss		-330.53	
Gains on asset disposal (or less: losses)		2,313,747.57	
II. Operating profit (or less: losses)		1,065,257,152.12	779,819,135.16
Add: Non-operating income		50,084.90	
Less: Non-operating expenses			6,935.03
III. Profit before tax (or less: total loss)		1,065,307,237.02	779,812,200.13
Less: Income tax expenses		-409.69	6,251,717.46
IV. Net profit (or less: net loss)		1,065,307,646.71	773,560,482.67
(I) Net profit from continuing operations (or less: net loss)		1,063,949,665.83	776,306,113.06
(II) Net profit from discontinued operations (or less: net loss)		1,357,980.88	-2,745,630.39
V. Other comprehensive income after tax		-1,382,000.00	-1,141,000.00
(I) Not to be reclassified subsequently to profit or loss		-1,382,000.00	-1,141,000.00
1. Remeasurements of the net defined benefit plan		-1,382,000.00	-1,141,000.00
2. Items under equity method that will not be reclassified to profit or loss			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of own credit risk			
(II) To be reclassified subsequently to profit or loss			
1. Items under equity method that may be reclassified to profit or loss			
2. Changes in fair value of other debt investments			
3. Profit or loss from reclassification of			

Items	Note No.	Current period cumulative	Preceding period comparative
financial assets into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve			
7. Others			
VI. Total comprehensive income		1,063,925,646.71	772,419,482.67
VII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)			
(II) Diluted EPS (yuan per share)			

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping

### Consolidated cash flow statement

For the year ended December 31, 2022

Monetary unit: RMB Yuan

Items	Note No.	Current period cumulative	Preceding period comparative
<b>I. Cash flows from operating activities:</b>			
Cash receipts from sale of goods or rendering of services		15,115,689,237.16	15,005,626,361.63
Net increase of client deposit and interbank deposit			
Net increase of central bank loans			
Net increase of loans from other financial institutions			
Cash receipts from original insurance contract premium			
Net cash receipts from reinsurance			
Net increase of policy-holder deposit and investment			
Cash receipts from interest, handling charges and commission			
Net increase of loans from others			
Net increase of repurchase			
Net cash receipts from agency security transaction			
Receipts of tax refund		63,437,941.07	
Other cash receipts related to operating activities	78 (1)	1,529,443,356.44	771,482,436.93
Subtotal of cash inflows from operating activities		16,708,570,534.67	15,777,108,798.56
Cash payments for goods purchased and services received		7,182,798,597.19	6,753,412,859.07
Net increase of loans and advances to clients			
Net increase of central bank deposit and interbank deposit			
Cash payments for insurance indemnities			

Items	Note No.	Current period cumulative	Preceding period comparative
of original insurance contracts			
Net increase of loans to others			
Cash payments for interest, handling charges and commission			
Cash payments for policy bonus			
Cash paid to employees		1,638,870,963.42	1,409,253,997.79
Cash payments for taxes		2,385,111,985.13	2,348,862,111.52
Other cash payments related to operating activities	78 (2)	1,749,140,730.39	1,700,792,716.78
Subtotal of cash outflows from operating activities		12,955,922,276.13	12,212,321,685.16
Net cash flows from operating activities		3,752,648,258.54	3,564,787,113.40
<b>II. Cash flows from investing activities:</b>			
Cash receipts from withdrawal of investments		1,512,411,748.50	1,514,402,576.10
Cash receipts from investment income		344,606.28	50,041,498.38
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets		11,975,166.19	9,143,987.03
Net cash receipts from the disposal of subsidiaries & other business units			
Other cash receipts related to investing activities			
Subtotal of cash inflows from investing activities		1,524,731,520.97	1,573,588,061.51
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets		912,818,007.38	725,336,585.84
Cash payments for investments		1,000,000,000.00	2,000,000,000.00
Net increase of pledged borrowings			
Net cash payments for the acquisition of subsidiaries & other business units			
Other cash payments related to investing activities			
Subtotal of cash outflows from investing activities		1,912,818,007.38	2,725,336,585.84
Net cash flows from investing activities		-388,086,486.41	-1,151,748,524.33
<b>III. Cash flows from financing activities:</b>			
Cash receipts from absorbing investments			
Including: Cash received by subsidiaries from non-controlling shareholders as investments			
Cash receipts from borrowings			
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities			
Cash payments for the repayment of borrowings			890,000,000.00
Cash payments for distribution of dividends or profits and for interest expenses		2,099,760,024.96	856,857,615.14

Items	Note No.	Current period cumulative	Preceding period comparative
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit		1,131,817,628.96	844,681,498.62
Other cash payments related to financing activities	78 (6)	33,725,924.40	266,823,000.00
Subtotal of cash outflows from financing activities		2,133,485,949.36	2,013,680,615.14
Net cash flows from financing activities		-2,133,485,949.36	-2,013,680,615.14
<b>IV. Effect of foreign exchange rate changes on cash &amp; cash equivalents</b>			
<b>V. Net increase in cash and cash equivalents</b>		1,231,075,822.77	399,357,973.93
Add: Opening balance of cash and cash equivalents		2,165,733,418.37	1,766,375,444.44
<b>VI. Closing balance of cash and cash equivalents</b>		3,396,809,241.14	2,165,733,418.37

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping

### Parent company cash flow statement

For the year ended December 31, 2022

Monetary unit: RMB Yuan

Items	Note No.	Current period cumulative	Preceding period comparative
<b>I. Cash flows from operating activities:</b>			
Cash receipts from sale of goods or rendering of services			
Receipts of tax refund		2,176,563.95	
Other cash receipts related to operating activities		43,233,880.87	14,838,249.87
Subtotal of cash inflows from operating activities		45,410,444.82	14,838,249.87
Cash payments for goods purchased and services received			
Cash paid to employees		54,988,880.90	47,333,466.40
Cash payments for taxes		3,110,071.44	20,140,570.51
Other cash payments related to operating activities		36,874,392.35	35,583,911.88
Subtotal of cash outflows from operating activities		94,973,344.69	103,057,948.79
Net cash flows from operating activities		-49,562,899.87	-88,219,698.92
<b>II. Cash flows from investing activities:</b>			
Cash receipts from withdrawal of investments			
Cash receipts from investment income		1,155,407,400.00	858,714,000.00
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets		5,481,653.12	
Net cash receipts from the disposal of			

Items	Note No.	Current period cumulative	Preceding period comparative
subsidiaries & other business units			
Other cash receipts related to investing activities			
Subtotal of cash inflows from investing activities		1,160,889,053.12	858,714,000.00
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets		526,883.95	
Cash payments for investments			55,481,532.85
Net cash payments for the acquisition of subsidiaries & other business units			
Other cash payments related to investing activities			
Subtotal of cash outflows from investing activities		526,883.95	55,481,532.85
Net cash flows from investing activities		1,160,362,169.17	803,232,467.15
<b>III. Cash flows from financing activities:</b>			
Cash receipts from absorbing investments			
Cash receipts from borrowings			
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities			
Cash payments for the repayment of borrowings			140,000,000.00
Cash payments for distribution of dividends or profits and for interest expenses		975,373,606.56	6,535,672.37
Other cash payments related to financing activities		215,250.32	
Subtotal of cash outflows from financing activities		975,588,856.88	146,535,672.37
Net cash flows from financing activities		-975,588,856.88	-146,535,672.37
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>			
<b>V. Net increase in cash and cash equivalents</b>			
Add: Opening balance of cash and cash equivalents		569,390,759.47	913,663.61
<b>VI. Closing balance of cash and cash equivalents</b>			
		704,601,171.89	569,390,759.47

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping



## Consolidated statement of changes in equity

For the year ended December 31, 2022

Monetary unit: RMB Yuan

Items	Current period cumulative														
	Equity attributable to parent company											Non-controlling interest	Total equity		
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit			Others	Subtotal
	Preferred shares	Perpetual bonds	Others												
I. Balance at the end of prior year	483,971,198.00				2,075,145.00		-13,838,109.84		241,985,599.00		1,040,351,272.07		1,754,545,104.23	1,373,750,135.57	3,128,295,239.80
Add: Cumulative changes of accounting policies															
Error correction of prior period															
Business combination under common control															
Others															
II. Balance at the beginning of current year	483,971,198.00				2,075,145.00		-13,838,109.84		241,985,599.00		1,040,351,272.07		1,754,545,104.23	1,373,750,135.57	3,128,295,239.80
III. Current period increase (or less: decrease)					5,652,955.00		295,189.31				295,662,534.09		301,610,678.40	193,116,860.93	494,727,539.33
(I) Total comprehensive income							295,189.31				1,263,604,930.09		1,263,900,119.40	1,324,934,489.89	2,588,834,609.29
(II) Capital contributed or withdrawn by shareholders					5,652,955.00								5,652,955.00		5,652,955.00
1. Ordinary shares contributed by shareholders															
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment included in equity					5,652,955.00								5,652,955.00		5,652,955.00
4. Others															
(III) Profit distribution											-967,942,396.00		-967,942,396.00	-1,131,817,628.96	-2,099,760,024.96
1. Appropriation of surplus reserve															
2. Appropriation of general risk reserve															
3. Appropriation of profit to shareholders											-967,942,396.00		-967,942,396.00	-1,131,817,628.96	-2,099,760,024.96
4. Others															
(IV) Internal carry-over within equity															
1. Transfer of capital reserve to capital															
2. Transfer of surplus reserve to capital															
3. Surplus reserve to cover losses															
4. Changes in defined benefit plan carried over to retained earnings															
5. Other comprehensive income carried over to retained earnings															
6. Others															
(V) Special reserve															
1. Appropriation of current period															
2. Application of current period															
(VI) Others															
IV. Balance at the end of current period	483,971,198.00				7,728,100.00		-13,542,920.53		241,985,599.00		1,336,013,806.16		2,056,155,782.63	1,566,866,996.50	3,623,022,779.13

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Items	Preceding period comparative															
	Equity attributable to parent company													Non-controlling interest	Total equity	
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal			
	Preferred shares	Perpetual bonds	Others													
I. Balance at the end of prior year	483,971,198.00						-14,775,464.22		241,985,599.00			-125,892,143.84		585,289,188.94	983,547,314.91	1,568,836,503.85
Add: Cumulative changes of accounting policies																
Error correction of prior period																
Business combination under common control																
Others																
II. Balance at the beginning of current year	483,971,198.00						-14,775,464.22		241,985,599.00			-125,892,143.84		585,289,188.94	983,547,314.91	1,568,836,503.85
III. Current period increase (or less: decrease)					2,075,145.00		937,354.38				1,166,243,415.91		1,169,255,915.29	390,202,820.66	1,559,458,735.95	
(I) Total comprehensive income							937,354.38				1,166,243,415.91		1,167,180,770.29	1,234,884,319.28	2,402,065,089.57	
(II) Capital contributed or withdrawn by shareholders					2,075,145.00								2,075,145.00		2,075,145.00	
1. Ordinary shares contributed by shareholders																
2. Capital contributed by holders of other equity instruments																
3. Amount of share-based payment included in equity					2,075,145.00								2,075,145.00		2,075,145.00	
4. Others																
(III) Profit distribution															-844,681,498.62	-844,681,498.62
1. Appropriation of surplus reserve																
2. Appropriation of general risk reserve																
3. Appropriation of profit to shareholders															-844,681,498.62	-844,681,498.62
4. Others																
(IV) Internal carry-over within equity																
1. Transfer of capital reserve to capital																
2. Transfer of surplus reserve to capital																
3. Surplus reserve to cover losses																
4. Changes in defined benefit plan carried over to retained earnings																
5. Other comprehensive income carried over to retained earnings																
6. Others																
(V) Special reserve																
1. Appropriation of current period																
2. Application of current period																
(VI) Others																
IV. Balance at the end of current period	483,971,198.00				2,075,145.00		-13,838,109.84		241,985,599.00			1,040,351,272.07		1,754,545,104.23	1,373,750,135.57	3,128,295,239.80

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping

## Parent company statement of changes in equity

For the year ended December 31, 2022

Monetary unit: RMB Yuan

Items	Current period cumulative										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior year	483,971,198.00				23,620,463.97		-17,195,000.00		241,985,599.00	1,463,793,876.14	2,196,176,137.11
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current year	483,971,198.00				23,620,463.97		-17,195,000.00		241,985,599.00	1,463,793,876.14	2,196,176,137.11
III. Current period increase (or less: decrease)					5,652,955.00		-1,382,000.00			97,365,250.71	101,636,205.71
(I) Total comprehensive income							-1,382,000.00			1,065,307,646.71	1,063,925,646.71
(II) Capital contributed or withdrawn by shareholders					5,652,955.00						5,652,955.00
1. Ordinary shares contributed by shareholders											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity					5,652,955.00						5,652,955.00
4. Others											
(III) Profit distribution										-967,942,396.00	-967,942,396.00
1. Appropriation of surplus reserve											
2. Appropriation of profit to shareholders										-967,942,396.00	-967,942,396.00
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Appropriation of current period											
2. Application of current period											
(VI) Others											
IV. Balance at the end of current period	483,971,198.00				29,273,418.97		-18,577,000.00		241,985,599.00	1,561,159,126.85	2,297,812,342.82

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Items	Preceding period comparative										
	Share capital	Share capital			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior year	483,971,198.00				21,545,318.97		-16,054,000.00		241,985,599.00	690,233,393.47	1,421,681,509.44
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current year	483,971,198.00				21,545,318.97		-16,054,000.00		241,985,599.00	690,233,393.47	1,421,681,509.44
III. Current period increase (or less: decrease)					2,075,145.00		-1,141,000.00			773,560,482.67	774,494,627.67
(I) Total comprehensive income							-1,141,000.00			773,560,482.67	772,419,482.67
(II) Capital contributed or withdrawn by shareholders					2,075,145.00						2,075,145.00
1. Ordinary shares contributed by shareholders											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity					2,075,145.00						2,075,145.00
4. Others											
(III) Profit distribution											
1. Appropriation of surplus reserve											
2. Appropriation of profit to shareholders											
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Appropriation of current period											
2. Application of current period											
(VI) Others											
IV. Balance at the end of current period	483,971,198.00				23,620,463.97		-17,195,000.00		241,985,599.00	1,463,793,876.14	2,196,176,137.11

Legal representative: João Miguel Ventura Rego Abecasis

Person in charge of accounting work: Chin Wee Hua

Person in charge of accounting department: Liu Liping

**III. Company profile****1. Overview**

Applicable     Not Applicable

Chongqing Brewery Co., Ltd. (the “Company”) was a limited liability company by shares transformed from Chongqing Brewery Plant and established by the sole initiator Chongqing Beer (Group) Co., Ltd. through private placement under the approval of Chongqing Economic System Reform Commission. The Company currently holds a business license with unified social credit code of 915000002028235667, with registered capital of 483.97 million yuan, total share of 483.97 million shares (each with par value of one yuan), all of which are unrestricted outstanding shares. The Company’s shares were listed on the Shanghai Stock Exchange in October 1997.

The Company belongs to the alcohol, beverage and refined tea manufacturing industry and is mainly engaged in production and sales of beer and non-alcoholic beverages (excluding restricted items); production and sales of beer equipment, packages, raw and auxiliary materials; general cargo transportation (excluding dangerous goods transportation).

The financial statements were approved and authorized for issue by the eighth meeting of the tenth of the Board of Directors dated April 26, 2023.

**2. Consolidation scope**

Applicable     Not Applicable

The Company has brought 22 subsidiaries including Carlsberg Chongqing Brewery Co., Ltd. into the consolidation scope. Please refer to item IX of this section for details.

**IV. Preparation basis of the financial statements****1. Preparation basis**

The financial statements have been prepared on the basis of going concern.

**2. Going concern**

Applicable     Not Applicable

The Company has no events or conditions that may cast significant doubts upon the Company’s ability to continue as a going concern within the 12 months after the balance sheet date.

**V. Significant accounting policies and estimates**

Notes to specific accounting policies and estimates:

Applicable     Not Applicable

Important note: The Company has set up accounting policies and estimates on transactions or events such as impairment of financial instruments, depreciation of fixed assets, depreciation of right-of-use assets, amortization of intangible assets, revenue recognition, etc., based on the Company’s actual production and operation features.

**1. Statement of compliance**

The financial statements have been prepared in accordance with the requirements of China Accounting Standards for Business Enterprises (CASBEs), and present truly and completely the financial position, financial performance and cash flows of the Company.

**2. Accounting period**

The accounting year of the Company runs from January 1 to December 31 under the Gregorian calendar.

**3. Operating cycle**

Applicable     Not Applicable

The Company has a relatively short operating cycle for its business, an asset or a liability is classified as current if it is expected to be realized or due within 12 months.

**4. Functional currency**

The Company's functional currency is Renminbi (RMB) Yuan.

**5. Accounting treatments of business combination under and not under common control**

Applicable     Not Applicable

**1. Accounting treatment of business combination under common control**

Assets and liabilities arising from business combination are measured at carrying amount of the combined party included in the consolidated financial statements of the ultimate controlling party at the combination date. Difference between carrying amount of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party and that of the combination consideration or total par value of shares issued is adjusted to capital reserve, if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

**2. Accounting treatment of business combination not under common control**

When combination cost is in excess of the fair value of identifiable net assets obtained from the acquiree at the acquisition date, the excess is recognized as goodwill; otherwise, the fair value of identifiable assets, liabilities and contingent liabilities, and the measurement of the combination cost are reviewed, then the difference is recognized in profit or loss.

**6. Compilation method of consolidated financial statements**

Applicable     Not Applicable

The parent company brings all its controlled subsidiaries into the consolidation scope. The consolidated financial statements are compiled by the parent company according to "CASBE 33 – Consolidated Financial Statements", based on relevant information and the financial statements of the parent company and its subsidiaries.

**7. Classification of joint arrangements and accounting treatment of joint operations**

Applicable     Not Applicable

**8. Recognition criteria of cash and cash equivalents**

Cash as presented in cash flow statement refers to cash on hand and deposit on demand for payment.

Cash equivalents refer to short-term, highly liquid investments that can be readily converted to cash and that are subject to an insignificant risk of changes in value.

**9. Foreign currency translation**

Applicable     Not Applicable

Transactions denominated in foreign currency are translated into yuan at the spot exchange rate at the transaction date at initial recognition. At the balance sheet date, monetary items denominated in foreign currency are translated at the spot exchange rate at the balance sheet date with difference, except for those arising from the principal and interest of exclusive borrowings eligible for capitalization, included in profit or loss; non-cash items carried at historical costs are translated at the spot exchange rate at the transaction date, with the RMB amounts unchanged; non-cash items carried at fair value in foreign currency are translated at the spot exchange rate at the date when the fair value was determined, with difference included in profit or loss or other comprehensive income.

**10. Financial instruments**

Applicable     Not Applicable

**1. Classification of financial assets and financial liabilities**

Financial assets are classified into the following three categories when initially recognized: (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

Financial liabilities are classified into the following four categories when initially recognized: (1) financial liabilities at fair value through profit or loss; (2) financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; (3) financial guarantee contracts not fall within the above categories (1) and (2), and commitments to provide a loan at a below-market interest rate, which do not fall within the above category (1); (4) financial liabilities at amortized cost.

**2. Recognition criteria, measurement method and derecognition condition of financial assets and financial liabilities****(1) Recognition criteria and measurement method of financial assets and financial liabilities**

When the Company becomes a party to a financial instrument contract, it is recognized as a financial asset or financial liability. The financial assets and financial liabilities initially recognized by the Company are measured at fair value; for the financial assets and liabilities at fair value through profit or loss, the transaction expenses thereof are directly included in profit or loss; for other categories of financial assets and financial liabilities, the transaction expenses thereof are included into the initially recognized amount. However, at initial recognition, for accounts receivable that do not contain a significant financing component or in circumstances where the Company does not consider the financing components in contracts within one year, they are measured at the transaction price in accordance with "CASBE 14 – Revenues".

**(2) Subsequent measurement of financial assets**

1) Financial assets measured at amortized cost

The Company measures its financial assets at the amortized costs using effective interest method. Gains or losses on financial assets that are measured at amortized cost and are not part of hedging relationships shall be included into profit or loss when the financial assets are derecognized, reclassified, amortized using effective interest method or recognized with impairment loss.

2) Debt instrument investments at fair value through other comprehensive income

The Company measures its debt instrument investments at fair value. Interests, impairment gains or losses, and gains and losses on foreign exchange that calculated using effective interest method shall be included into profit or loss, while other gains or losses are included into other comprehensive income. Accumulated gains or losses that initially recognized as other comprehensive income should be transferred out into profit or loss when the financial assets are derecognized.

3) Equity instrument investments at fair value through other comprehensive income

The Company measures its equity instrument investments at fair value. Dividends obtained (other than those as part of investment cost recovery) shall be included into profit or loss, while other gains or losses are included into other comprehensive income. Accumulated gains or losses that initially recognized as other comprehensive income should be transferred out into retained earnings when the financial assets are derecognized.

4) Financial assets at fair value through profit or loss

The Company measures its financial assets at fair value. Gains or losses arising from changes in fair value (including interests and dividends) shall be included into profit or loss, except for financial assets that are part of hedging relationships.

(3) Subsequent measurement of financial liabilities

1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include held-for-trading financial liabilities (including derivatives that are liabilities) and financial liabilities designated as at fair value through profit or loss. The Company measures such kind of liabilities at fair value. The amount of changes in the fair value of the financial liabilities that are attributable to changes in the Company's own credit risk shall be included into other comprehensive income, unless such treatment would create or enlarge accounting mismatches in profit or loss. Other gains or losses on those financial liabilities (including interests, changes in fair value that are attributable to reasons other than changes in the Company's own credit risk) shall be included into profit or loss, except for financial liabilities that are part of hedging relationships. Accumulated gains or losses that originally recognized as other comprehensive income should be transferred out into retained earnings when the financial liabilities are derecognized.

2) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies

The Company measures its financial liabilities in accordance with "CASBE 23 – Transfer of Financial Assets".

3) Financial guarantee contracts not fall within the above categories 1) and 2), and commitments to provide a loan at a below-market interest rate, which do not fall within the above category 1)

The Company measures its financial liabilities at the higher of: a. the amount of loss allowances in accordance with



impairment requirements of financial instruments; b. the amount initially recognized less the amount of accumulated amortization recognized in accordance with “CASBE 14 – Revenues”.

#### 4) Financial liabilities at amortized cost

The Company measures its financial liabilities at amortized cost using effective interest method. Gains or losses on financial liabilities that are measured at amortized cost and are not part of hedging relationships shall be included into profit or loss when the financial liabilities are derecognized and amortized using effective interest method.

#### (4) Derecognition of financial assets and financial liabilities

##### 1) Financial assets are derecognized when:

- a. the contractual rights to the cash flows from the financial assets expire; or
- b. the financial assets have been transferred and the transfer qualifies for derecognition in accordance with “CASBE 23 – Transfer of Financial Assets”.

2) Only when the underlying present obligations of a financial liability are relieved totally or partly may the financial liability be derecognized accordingly.

##### 3. Recognition criteria and measurement method of financial assets transfer

Where the Company has transferred substantially all of the risks and rewards related to the ownership of the financial asset, it derecognizes the financial asset, and any right or liability arising from such transfer is recognized independently as an asset or a liability. If it retained substantially all of the risks and rewards related to the ownership of the financial asset, it continues recognizing the financial asset. Where the Company does not transfer or retain substantially all of the risks and rewards related to the ownership of a financial asset, it is dealt with according to the circumstances as follows respectively: (1) if the Company does not retain its control over the financial asset, it derecognizes the financial asset, and any right or liability arising from such transfer is recognized independently as an asset or a liability; (2) if the Company retains its control over the financial asset, according to the extent of its continuing involvement in the transferred financial asset, it recognizes the related financial asset and recognizes the relevant liability accordingly.

If the transfer of an entire financial asset satisfies the conditions for derecognition, the difference between the amounts of the following two items is included in profit or loss: (1) the carrying amount of the transferred financial asset as of the date of derecognition; (2) the sum of consideration received from the transfer of the financial asset, and the accumulative amount of the changes of the fair value originally included in other comprehensive income proportionate to the transferred financial asset (financial assets transferred refer to debt instrument investments at fair value through other comprehensive income). If the transfer of financial asset partially satisfies the conditions to derecognition, the entire carrying amount of the transferred financial asset is, between the portion which is derecognized and the portion which is not, apportioned according to their respective relative fair value, and the difference between the amounts of the following two items is included into profit or loss: (1) the carrying amount of the portion which is derecognized; (2) the sum of consideration of the portion which is derecognized, and the portion of the accumulative amount of the changes in the fair value originally included in other comprehensive income which is corresponding to the portion which is derecognized (financial assets transferred refer to debt instrument investments at fair value through other comprehensive income).

#### 4. Fair value determination method of financial assets and liabilities

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data and information are available to measure fair value. The inputs to valuation techniques used to measure fair value are arranged in the following hierarchy and used accordingly:

(1) Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date;

(2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability, for example, interest rates and yield curves observable at commonly quoted intervals; market-corroborated inputs;

(3) Level 3 inputs are unobservable inputs for the asset or liability. Level 3 inputs include interest rate that is not observable and cannot be corroborated by observable market data at commonly quoted intervals, historical volatility, future cash flows to be paid to fulfill the disposal obligation assumed in business combination, financial forecast developed using the Company's own data, etc.

#### 5. Impairment of financial instruments

##### (1) Measurement and accounting treatment

The Company, on the basis of expected credit loss, recognizes loss allowances of financial assets at amortized cost, debt instrument investments at fair value through other comprehensive income, leases receivable, loan commitments other than financial liabilities at fair value through profit or loss, financial guarantee contracts not belong to financial liabilities at fair value through profit or loss or financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

Expected credit losses refer to the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss refers to the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Among which, purchased or originated credit-impaired financial assets are discounted at the credit-adjusted effective interest rate.

At the balance sheet date, the Company shall only recognize the cumulative changes in the lifetime expected credit losses since initial recognition as a loss allowance for purchased or originated credit-impaired financial assets.

For accounts receivable and contract assets resulting from transactions regulated in "CASBE 14 – Revenues", the Company chooses simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses.

For financial assets other than the above, on each balance sheet date, the Company shall assess whether the credit risk on the financial instrument has increased significantly since initial recognition. The Company shall measure the loss allowance for the financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition; otherwise, the Company shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit loss.

Considering reasonable and supportable forward-looking information, the Company compares the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition, so as to assess whether the credit risk on the financial instrument has increased significantly since initial recognition.

The Company may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have relatively low credit risk at the balance sheet date.

The Company shall estimate expected credit risk and measure expected credit losses on an individual or a collective basis. When the Company adopts the collective basis, financial instruments are grouped with similar credit risk features.

The Company shall remeasure expected credit loss on each balance sheet date, and increased or reversed amounts of loss allowance arising therefrom shall be included into profit or loss as impairment losses or gains. For a financial asset measured at amortized cost, the loss allowance reduces the carrying amount of such financial asset presented in the balance sheet; for a debt investment measured at fair value through other comprehensive income, the loss allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of such financial asset.

(2) Financial instruments with expected credit risk assessed on a collective basis and expected credit losses measured using three-stage model

Items	Basis for determination of portfolio	Method for measuring expected credit loss
Other receivables – Portfolio grouped with balances due from related parties within the consolidation scope	Related parties brought into the consolidation scope	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and 12-month or lifetime expected credit loss rate.
Other receivables – Portfolio grouped with ages	Ages	

(3) Accounts receivable with expected credit losses measured on a collective basis using simplified approach

1) Specific portfolios and method for measuring expected credit loss

Items	Basis for determination of portfolio	Method for measuring expected credit loss
Accounts receivable – Portfolio grouped with ages	Ages	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and lifetime expected credit loss rate of accounts receivable, so as to calculate expected credit loss.
Accounts receivable – Portfolio grouped with balances due from related parties within the consolidation scope	Related parties brought into the consolidation scope	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and lifetime expected credit loss rate.

2) Accounts receivable – comparison table of ages and lifetime expected credit loss rate of portfolio grouped with ages

Ages	Expected credit loss rate (%)
Within 1 year (inclusive, the same hereinafter)	5
1-2 years	10
2-3 years	30
3-4 years	50
4-5 years	80
Over 5 years	100

#### 6. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, the Company offsets a financial asset and a financial liability and presents the net amount in the balance sheet when, and only when, the Company: (1) currently has a legally enforceable right to set off the recognized amounts; and (2) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

For a transfer of a financial asset that does not qualify for derecognition, the Company does not offset the transferred asset and the associated liability.

#### 11. Notes receivable

##### Determination method and accounting treatment of expected credit loss of notes receivable

Applicable     Not Applicable

#### 12. Accounts receivable

##### Determination method and accounting treatment of expected credit loss of accounts receivable

Applicable     Not Applicable

Please refer to item V 10 of this section for details.

#### 13. Receivables financing

Applicable     Not Applicable

#### 14. Other receivables

##### Determination method and accounting treatment of expected credit loss of other receivables

Applicable     Not Applicable

Please refer to item V 10 of this section for details.

#### 15. Inventories

Applicable     Not Applicable

##### 1. Classification of inventories

Inventories include finished goods or goods held for sale in the ordinary course of business, work in process in the process of production, materials, supplies etc. to be consumed in the production process or in the rendering of services.

**2. Accounting method for dispatching inventories:**

Inventories dispatched from storage are accounted for with weighted average method at the end of each month.

**3. Basis for determining net realizable value and accrual method of provisions for inventory write-down**

At the balance sheet date, inventories (excluding packages lent out that expect to be irrecoverable. Please refer to item V 15.6 of this section for details on the accrual method of provisions for inventory write-down on these packages) are measured at the lower of cost and net realizable value; provisions for inventory write-down are made on the excess of its cost over the net realizable value. The net realizable value of inventories held for sale is determined based on the amount of the estimated selling price less the estimated selling expenses and relevant taxes and surcharges in the ordinary course of business; the net realizable value of inventories to be processed is determined based on the amount of the estimated selling price less the estimated costs of completion, selling expenses and relevant taxes and surcharges in the ordinary course of business; at the balance sheet date, when only part of the same item of inventories have agreed price, their net realizable value are determined separately and are compared with their costs to set the provision for inventory write-down to be made or reversed.

**4. Inventory system**

Perpetual inventory method is adopted.

**5. Amortization method of packages**

The recyclable beer bottles are included in the cost when losses incurred, and the turnover boxes and pallets are amortized over the expected useful life after deducting expected net residual value.

**6. Accounting method of packages lent out**

The Company recognizes deposits for packages lent out as other payables.

At the balance sheet date, based on the number of packages lent out in the current period, the number of irrecoverable packages is calculated at the current loss rate, which is estimated based on the market conditions and the historical recycling records. Provision for inventory write-down shall be made at the cost of irrecoverable packages, and allowances for other payables shall be accrued at the after-tax amount of non-refundable deposits, with the difference recognized as assets impairment loss through profit and loss.

The packages lent out will be accounted for as a sale when there is objective evidence indicating that the packages are irrecoverable, and the carrying amount (cost less provisions for write-down) and corresponding deposits payable (cost less allowances) will be carried forward.

**16. Contract assets****(1) Recognition method and criteria for contract assets**

Applicable     Not Applicable

**(2) Determination method and accounting treatment of expected credit loss of contract assets**

Applicable     Not Applicable

**17. Assets held for sale**

Applicable     Not Applicable

**18. Debt investments****(1) Determination method and accounting treatment of expected credit loss of debt investments**

Applicable     Not Applicable

**19. Other debt investments****(1) Determination method and accounting treatment of expected credit loss of other debt investments**

Applicable     Not Applicable

**20. Long-term receivables****(1) Determination method and accounting treatment of expected credit loss of long-term receivables**

Applicable     Not Applicable

**21. Long-term equity investments**

Applicable     Not Applicable

**1. Judgment of joint control and significant influence**

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of these policies.

**2. Determination of investment cost**

(1) For business combination under common control, if the consideration of the combining party is that it makes payment in cash, transfers non-cash assets, assumes its liabilities or issues equity securities, on the date of combination, it regards the share of the carrying amount of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party as the initial cost of the investment. The difference between the initial cost of the long-term equity investments and the carrying amount of the combination consideration paid or the par value of shares issued offsets capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When long-term equity investments are obtained through business combination under common control achieved in stages, the Company determines whether it is a “bundled transaction”. If it is a “bundled transaction”, stages as a whole are considered as one transaction in accounting treatment. If it is not a “bundled transaction”, on the date of combination, investment cost is initially recognized at the share of the carrying amount of net assets of the combined party included the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments at the acquisition date and the carrying amount of the previously held long-term equity investments plus the carrying amount of the consideration paid for the newly acquired equity is adjusted to capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

(2) For business combination not under common control, investment cost is initially recognized at the acquisition-date fair value of considerations paid.

When long-term equity investments are obtained through business combination not under common control achieved in stages, the Company determined whether they are stand-alone financial statements or consolidated financial statements in accounting treatment:

1) In the case of stand-alone financial statements, investment cost is initially recognized at the carrying amount of the previously held long-term equity investments plus the carrying amount of the consideration paid for the newly acquired equity.

2) In the case of consolidated financial statements, the Company determines whether it is a “bundled transaction”. If it is a “bundled transaction”, stages as a whole are considered as one transaction in accounting treatment. If it is not a “bundled transaction”, the carrying amount of the acquirer’s previously held equity interest in the acquiree is remeasured at the acquisition-date fair value, and the difference between the fair value and the carrying amount is recognized in investment income; when the acquirer’s previously held equity interest in the acquiree involves other comprehensive income under equity method, the related other comprehensive income is reclassified as income for the acquisition period, excluding other comprehensive income arising from changes in net liabilities or assets from remeasurement of defined benefit plan of the acquiree.

(3) Long-term equity investments obtained through ways other than business combination: the initial cost of a long-term equity investment obtained by making payment in cash is the purchase cost which is actually paid; that obtained on the basis of issuing equity securities is the fair value of the equity securities issued; that obtained through debt restructuring is determined according to “CASBE 12 – Debt Restructuring”; and that obtained through non-cash assets exchange is determined according to “CASBE 7 – Non-cash Assets Exchange”.

### 3. Subsequent measurement and recognition method of profit or loss

For a long-term equity investment with control relationship, it is accounted for with cost method; for a long-term equity investment with joint control or significant influence relationship, it is accounted for with equity method.

### 4. Disposal of a subsidiary in stages resulting in the Company’s loss of control

#### (1) Stand-alone financial statements

The difference between the carrying amount of the disposed equity and the consideration obtained thereof is recognized in profit or loss. If the disposal does not result in the Company’s loss of significant influence or joint control, the remained equity is accounted for with equity method; however, if the disposal results in the Company’s loss of control, joint control, or significant influence, the remained equity is accounted for according to “CASBE 22 – Financial Instruments: Recognition and Measurement”.

#### (2) Consolidated financial statements

1) Disposal of a subsidiary in stages not qualified as “bundled transaction” resulting in the Company’s loss of control Before the Company’s loss of control, the difference between the disposal consideration and the proportionate share of net assets in the disposed subsidiary from acquisition date or combination date to the disposal date is adjusted to capital reserve (capital premium), if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When the Company loses control, the remained equity is remeasured at the loss-of-control-date fair value. The aggregated value of disposal consideration and the fair value of the remained equity, less the share of net assets in the disposed subsidiary held before the disposal from the acquisition date or combination date to the disposal date is recognized in investment income in the period when the Company loses control over such subsidiary, and meanwhile goodwill is offset correspondingly. Other comprehensive income related to equity investments in former subsidiary is reclassified as investment income upon the Company's loss of control.

2) Disposal of a subsidiary in stages qualified as "bundled transaction" resulting in the Company's loss of control. In case of "bundled transaction", stages as a whole are considered as one transaction resulting in loss of control in accounting treatment. However, before the Company loses control, the difference between the disposal consideration at each stage and the proportionate share of net assets in the disposed subsidiary is recognized as other comprehensive income at the consolidated financial statements and reclassified as profit or loss in the period when the Company loses control over such subsidiary.

## 22. Investment property

Not Applicable

## 23. Fixed assets

### (1) Recognition principles

Applicable     Not Applicable

Fixed assets are tangible assets held for use in the production of goods or rendering of services, for rental to others, or for administrative purposes, and expected to be used during more than one accounting year. Fixed assets are recognized if, and only if, it is probable that future economic benefits associated with the assets will flow to the Company and the cost of the assets can be measured reliably.

### (2) Depreciation method

Applicable     Not Applicable

Categories	Depreciation method	Useful life (years)	Residual value proportion	Annual depreciation rate
Buildings and structures	Straight-line method	20-40	0%-10%	2.25%-5.00%
Machinery	Straight-line method	5-15	0%-10%	6.00%-20.00%
Transport facilities	Straight-line method	5-10	0%-10%	9.00%-20.00%
Other equipment	Straight-line method	3-12	0%-10%	7.50%-33.33%

### (3) Basis for identification, valuation and depreciation method of fixed assets leased in under finance leases

Applicable     Not Applicable

## 24. Construction in progress

Applicable     Not Applicable

1. Construction in progress is recognized if, and only if, it is probable that future economic benefits associated with



the item will flow to the Company, and the cost of the item can be measured reliably. Construction in progress is measured at the actual cost incurred to reach its designed usable conditions.

2. Construction in progress is transferred into fixed assets at its actual cost when it reaches the designed usable conditions. When the auditing of the construction in progress was not finished while reaching the designed usable conditions, it is transferred to fixed assets using estimated value first, and then adjusted accordingly when the actual cost is settled, but the accumulated depreciation is not to be adjusted retrospectively.

## 25. Borrowing costs

Applicable     Not Applicable

### 1. Recognition principle of borrowing costs capitalization

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of assets eligible for capitalization, it is capitalized and included in the costs of relevant assets; other borrowing costs are recognized as expenses on the basis of the actual amount incurred, and are included in profit or loss.

### 2. Borrowing costs capitalization period

(1) The borrowing costs are not capitalized unless the following requirements are all met: 1) the asset disbursements have already incurred; 2) the borrowing costs have already incurred; and 3) the acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.

(2) Suspension of capitalization: where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs is suspended; the borrowing costs incurred during such period are recognized as expenses, and are included in profit or loss, till the acquisition and construction or production of the asset restarts.

(3) Ceasing of capitalization: when the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs is ceased.

### 3. Capitalization rate and capitalized amount of borrowing costs

For borrowings exclusively for the acquisition and construction or production of assets eligible for capitalization, the to-be-capitalized amount of interests is determined in light of the actual interest expenses incurred (including amortization of premium or discount based on effective interest method) of the special borrowings in the current period less the interest income on the unused borrowings as a deposit in the bank or as a temporary investment; where a general borrowing is used for the acquisition and construction or production of assets eligible for capitalization, the Company calculates and determines the to-be-capitalized amount of interests on the general borrowing by multiplying the weighted average asset disbursement of the part of the accumulative asset disbursements less the general borrowing by the capitalization rate of the general borrowing used.

## 26. Biological assets

Applicable     Not Applicable

**27. Oil & gas assets**

Applicable     Not Applicable

**28. Right-of-use assets**

Applicable     Not Applicable

Please refer to item V 42 of this section for details.

**29. Intangible assets****(1) Pricing method, useful life, impairment test**

Applicable     Not Applicable

1. Intangible assets include land use right, trademark, software, etc. The initial measurement of intangible assets is based on its cost.

2. For intangible assets with finite useful lives, their amortization amounts are amortized within their useful lives systematically and reasonably, if it is unable to determine the expected realization pattern reliably, intangible assets are amortized by the straight-line method with details as follows:

Items	Amortization period (years)
Land use right	30.00-50.00
Trademark	10.00, 30.00, 28.33
software	3.00-10.00

Intangible assets with indefinite useful lives are not amortized, but their useful life is reviewed annually. Judgment basis for indefinite useful life is as follows:

Items	Judgment basis
Trademark	Since the life cycle of the product corresponding to the trademark cannot be determined and the validity period of trademark is more likely to be extended, its useful life is indefinite.

**(2) Accounting policies for expenditures on the research phase of an internal project**

Applicable     Not Applicable

Expenditures on the research phase of an internal project are recognized as profit or loss when they are incurred. An intangible asset arising from the development phase of an internal project is recognized if the Company can demonstrate all of the followings: (1) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (2) its intention to complete the intangible asset and use or sell it; (3) how the intangible asset will generate probable future economic benefits, among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; (4) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (5) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

**30. Impairment of long-term assets**

Applicable     Not Applicable

For long-term assets such as long-term equity investments, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, etc., if at the balance sheet date there is indication of impairment, the recoverable amount is to be estimated. For goodwill recognized in business combination and intangible assets with indefinite useful lives, no matter whether there is indication of impairment, impairment test is performed annually. Impairment test on goodwill is performed on related asset group or asset group portfolio.

When the recoverable amount of such long-term assets is lower than their carrying amount, the difference is recognized as provision for assets impairment through profit or loss.

**31. Long-term prepayments**

Applicable     Not Applicable

**32. Contract liabilities****(1) Recognition method**

Applicable     Not Applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance obligations and customers' payments. Contract assets and contract liabilities under the same contract shall offset each other and be presented on a net basis.

The Company presents an unconditional right to consideration (i.e., only the passage of time is required before the consideration is due) as a receivable, and presents a right to consideration in exchange for goods that it has transferred to a customer (which is conditional on something other than the passage of time) as a contract asset.

The Company presents an obligation to transfer goods to a customer for which the Company has received consideration (or the amount is due) from the customer as a contract liability.

**33. Employee benefits**

Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

**(1) Accounting treatment of short-term employee benefits**

Applicable     Not Applicable

The Company recognizes, in the accounting period in which an employee provides service, short-term employee benefits actually incurred as liabilities, with a corresponding charge to profit or loss or the cost of a relevant asset.

**(2) Accounting treatment of post-employment benefits**

Applicable     Not Applicable

The Company classifies post-employment benefit plans as either defined contribution plans or defined benefit plans.

(1) The Company recognizes in the accounting period in which an employee provides service the contribution payable to a defined contribution plan as a liability, with a corresponding charge to profit or loss or the cost of a

relevant asset.

(2) Accounting treatment by the Company for defined benefit plan usually involves the following steps:

1) In accordance with the projected unit credit method, using unbiased and mutually compatible actuarial assumptions to estimate related demographic variables and financial variables, measure the obligations under the defined benefit plan, and determine the periods to which the obligations are attributed. Meanwhile, the Company discounts obligations under the defined benefit plan to determine the present value of the defined benefit plan obligations and the current service cost;

2) When a defined benefit plan has assets, the Company recognizes the deficit or surplus by deducting the fair value of defined benefit plan assets from the present value of the defined benefit plan obligation as a net defined benefit plan liability or net defined benefit plan asset. When a defined benefit plan has a surplus, the Company measures the net defined benefit plan asset at the lower of the surplus in the defined benefit plan and the asset ceiling;

3) At the end of the period, the Company recognizes the following components of employee benefits cost arising from defined benefit plan: a. service cost; b. net interest on the net defined benefit plan liability (asset); and c. changes as a result of remeasurement of the net defined benefit liability (asset). Item a and item b are recognized in profit or loss or the cost of a relevant asset. Item c is recognized in other comprehensive income and is not to be reclassified subsequently to profit or loss. However, the Company may transfer those amounts recognized in other comprehensive income within equity.

### **(3) Accounting treatment of termination benefits**

Applicable     Not Applicable

Termination benefits provided to employees are recognized as an employee benefit liability for termination benefits, with a corresponding charge to profit or loss at the earlier of the following dates: (1) when the Company cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; or (2) when the Company recognizes cost or expenses related to a restructuring that involves the payment of termination benefits.

### **(4) Accounting treatment of other long-term employee benefits**

Applicable     Not Applicable

When other long-term employee benefits provided to the employees satisfied the conditions for classifying as a defined contribution plan, those benefits are accounted for in accordance with the requirements relating to defined contribution plan, while other benefits are accounted for in accordance with the requirements relating to defined benefit plan. The Company recognizes the cost of employee benefits arising from other long-term employee benefits as the followings: (1) service cost; (2) net interest on the net liability or net assets of other long-term employee benefits; and (3) changes as a result of remeasurement of the net liability or net assets of other long-term employee benefits. As a practical expedient, the net total of the aforesaid amounts is recognized in profit or loss or included in the cost of a relevant asset.

## **34. Lease liabilities**

Applicable     Not Applicable

Please refer to item V 42 of this section for details.

**35. Provisions**

Applicable     Not Applicable

1. Provisions are recognized when fulfilling the present obligations arising from contingencies such as providing guarantee for other parties, litigation, products quality guarantee, onerous contract, etc., may cause the outflow of the economic benefit and such obligations can be reliably measured.

2. The initial measurement of provisions is based on the best estimated expenditures required in fulfilling the present obligations, and its carrying amount is reviewed at the balance sheet date.

**36. Share-based payment**

Applicable     Not Applicable

1. Types of share-based payment

Share-based payment consists of equity-settled share-based payment and cash-settled share-based payment.

2. Accounting treatment for settlements, modifications and cancellations of share-based payment plans

(1) Equity-settled share-based payment

For equity-settled share-based payment transaction with employees, if the equity instruments granted vest immediately, the fair value of those equity instruments is measured at grant date and recognized as transaction cost or expense, with a corresponding adjustment in capital reserve; if the equity instruments granted do not vest until the counterparty completes a specified period of service or fulfils certain performance conditions, at the balance sheet date within the vesting period, the fair value of those equity instruments measured at grant date based on the best estimate of the number of equity instruments expected to vest is recognized as transaction cost or expense, with a corresponding adjustment in capital reserve.

For equity-settled share-based payment transaction with parties other than employees, if the fair value of the services received can be measured reliably, the fair value is measured at the date the Company receives the service; if the fair value of the services received cannot be measured reliably, but that of equity instruments can be measured reliably, the fair value of the equity instruments granted measured at the date the Company receives the service is referred to, and recognized as transaction cost or expense, with a corresponding increase in equity.

(2) Cash-settled share-based payment

For cash-settled share-based payment transactions with employees, if share appreciation rights vest immediately, the fair value of the liability incurred as the acquisition of services is measured at grant date and recognized as transaction cost or expense, with a corresponding increase in liabilities; if share appreciation rights do not vest until the employees have completed a specified period of service or fulfils certain performance conditions, the liability is measured, at each balance sheet date until settled, at the fair value of the share appreciation rights measured at grant date based on the best estimate of the number of share appreciation right expected to vest.

(3) Modifications and cancellations of share-based payment plan

If the modification increases the fair value of the equity instruments granted, the Company includes the incremental fair value granted in the measurement of the amount recognized for services received as consideration for the equity instruments granted; similarly, if the modification increases the number of equity instruments granted, the Company

includes the fair value of the additional equity instruments granted, in the measurement of the amount recognized for services received as consideration for the equity instruments granted; if the Company modifies the vesting conditions in a manner that is beneficial to the employee, the Company takes the modified vesting conditions into account.

If the modification reduces the fair value of the equity instruments granted, the Company does not take into account that decrease in fair value and continue to measure the amount recognized for services received as consideration for the equity instruments based on the grant date fair value of the equity instruments granted; if the modification reduces the number of equity instruments granted to an employee, that reduction is accounted for as a cancellation of that portion of the grant; if the Company modifies the vesting conditions in a manner that is not beneficial to the employee, the Company does not take the modified vesting conditions into account.

If the Company cancels or settles a grant of equity instruments during the vesting period (other than that cancelled when the vesting conditions are not satisfied), the Company accounts for the cancellation or settlement as an acceleration of vesting, and therefore recognizes immediately the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

### **37. Other financial instruments such as preferred shares and perpetual bonds**

Applicable     Not Applicable

### **38. Revenue**

#### **(1) Accounting policies for revenue recognition and measurement**

Applicable     Not Applicable

##### 1. Revenue recognition principles

At contract inception, the Company shall assess the contracts and shall identify each performance obligation in the contracts, and determine whether the performance obligation should be satisfied over time or at a point in time.

The Company satisfies a performance obligation over time if one of the following criteria is met, otherwise, the performance obligation is satisfied at a point in time: (1) the customer simultaneously receives and consumes the economic benefits provided by the Company's performance as the Company performs; (2) the customer can control goods as they are created by the Company's performance; (3) goods created during the Company's performance have irreplaceable uses and the Company has an enforceable right to the payments for performance completed to date during the whole contract period.

For each performance obligation satisfied over time, the Company shall recognize revenue over time by measuring the progress towards complete satisfaction of that performance obligation. In the circumstance that the progress cannot be measured reasonably, but the costs incurred in satisfying the performance obligation are expected to be recovered, the Company shall recognize revenue only to the extent of the costs incurred until it can reasonably measure the progress. For each performance obligation satisfied at a point in time, the Company shall recognize revenue at the time point that the customer obtains control of relevant goods or services. To determine whether the customer has obtained control of goods, the Company shall consider the following indications: (1) the Company has a present right to payments for the goods, i.e., the customer is presently obliged to pay for the goods; (2) the

Company has transferred the legal title of the goods to the customer, i.e., the customer has legal title to the goods; (3) the Company has transferred physical possession of the goods to the customer, i.e., the customer has physically possessed the goods; (4) the Company has transferred significant risks and rewards of ownership of the goods to the customer, i.e., the customer has obtained significant risks and rewards of ownership of the goods; (5) the customer has accepted the goods; (6) other evidence indicating the customer has obtained control over the goods.

## 2. Revenue measurement principle

(1) Revenue is measured at the amount of the transaction price that is allocated to each performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties and those expected to be refunded to the customer.

(2) If the consideration promised in a contract includes a variable amount, the Company shall confirm the best estimate of variable consideration at expected value or the most likely amount. However, the transaction price that includes the amount of variable consideration only to the extent that it is high probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(3) In the circumstance that the contract contains a significant financing component, the Company shall determine the transaction price based on the price that a customer would have paid for if the customer had paid cash for obtaining control over those goods or services. The difference between the transaction price and the amount of promised consideration is amortized under effective interest method over contractual period. The effects of a significant financing component shall not be considered if the Company expects, at the contract inception, that the period between when the customer obtains control over goods or services and when the customer pays consideration will be one year or less.

(4) For contracts containing two or more performance obligations, the Company shall determine the stand-alone selling price at contract inception of the distinct good underlying each performance obligation and allocate the transaction price to each performance obligation on a relative stand-alone selling price basis.

## 3. Revenue recognition method

The Company is mainly engaged in production and distribution of beer products. Revenue is recognized at the amount net of rebate after the distributor obtains the control over the products, i.e., the Company delivers the beer products to the distributor or its designated carrier based on contractual agreements.

### **(2) Differences in accounting policies for revenue recognition due to the adoption of different business models for similar businesses**

Applicable     Not Applicable

### **39. Contract costs**

Applicable     Not Applicable

Assets related to contract costs include costs of obtaining a contract and costs to fulfil a contract.

The Company recognizes as an asset the incremental costs of obtaining a contract if those costs are expected to be recovered. The costs of obtaining a contract shall be included into profit or loss when incurred if the amortization period of the asset is one year or less.

If the costs incurred in fulfilling a contract are not within the scope of standards related to inventories, fixed assets or intangible assets, etc., the Company shall recognize the costs to fulfil a contract as an asset if all the following criteria are satisfied:



1. The costs relate directly to a contract or to an anticipated contract, including direct labor, direct materials, manufacturing overhead cost (or similar cost), cost that are explicitly chargeable to the customer under the contract, and other costs that are only related to the contract;
2. The costs enhance resources of the Company that will be used in satisfying performance obligations in the future; and
3. The costs are expected to be recovered.

An asset related to contract costs shall be amortized on a systematic basis that is consistent with related goods or services, with amortization included into profit or loss.

The Company shall make provision for impairment and recognize an impairment loss to the extent that the carrying amount of an asset related to contract costs exceeds the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the asset relates less the costs expected to be incurred. The Company shall recognize a reversal of an impairment loss previously recognized in profit or loss when the impairment conditions no longer exist or have improved. The carrying amount of the asset after the reversal shall not exceed the amount that would have been determined on the reversal date if no provision for impairment had been made previously.

#### **40. Government grants**

Applicable     Not Applicable

1. Government grants shall be recognized if, and only if, the following conditions are all met: (1) the Company will comply with the conditions attaching to the grants; (2) the grants will be received. Monetary government grants are measured at the amount received or receivable. Non-monetary government grants are measured at fair value, and can be measured at nominal amount in the circumstance that fair value cannot be assessed.

#### 2. Government grants related to assets

Government grants related to assets are government grants with which the Company purchases, constructs or otherwise acquires long-term assets under requirements of government. In the circumstances that there is no specific government requirement, the Company shall determine based on the primary condition to acquire the grants, and government grants related to assets are government grants whose primary condition is to construct or otherwise acquire long-term assets. They offset carrying amount of relevant assets, or they are recognized as deferred income. If recognized as deferred income, they are included in profit or loss on a systematic basis over the useful lives of the relevant assets. Those measured at notional amount are directly included into profit or loss. For assets sold, transferred, disposed or damaged within the useful lives, balance of unamortized deferred income is transferred into profit or loss of the period in which the disposal occurred.

**3. Government grants related to income**

Government grants related to income are government grants other than those related to assets. For government grants that contain both parts related to assets and parts related to income, in which those two parts are blurred, they are thus collectively classified as government grants related to income. For government grants related to income used for compensating the related future cost, expenses or losses, they are recognized as deferred income and included in profit or loss or used to offset relevant cost during the period in which the relevant cost, expenses or losses are recognized; for government grants related to income used for compensating the related cost, expenses or losses incurred to the Company, they are directly included in profit or loss or used to offset relevant cost.

4. Government grants related to the ordinary course of business shall be included into other income or used to offset relevant cost based on business nature, while those not related to the ordinary course of business shall be included into non-operating income or expenses.

**5. Policy interest subvention**

(1) In the circumstance that government appropriates interest subvention to lending bank, who provides loans for the Company with a policy subsidised interest rate, borrowings are carried at the amount received, with relevant borrowings cost computed based on the principal and the policy subsidised interest rate.

(2) In the circumstance that government directly appropriates interest subvention to the Company, the subsidised interest shall offset relevant borrowing cost.

**41. Deferred tax assets/Deferred tax liabilities**

Applicable     Not Applicable

1. Deferred tax assets or deferred tax liabilities are calculated and recognized based on the difference between the carrying amount and tax base of assets and liabilities (and the difference of the carrying amount and tax base of items not recognized as assets and liabilities but with their tax base being able to be determined according to tax laws) and in accordance with the tax rate applicable to the period during which the assets are expected to be recovered or the liabilities are expected to be settled.

2. A deferred tax asset is recognized to the extent of the amount of the taxable income, which is most likely to obtain and which can be deducted from the deductible temporary difference. At the balance sheet date, if there is any exact evidence that it is probable that future taxable income will be available against which deductible temporary differences can be utilized, the deferred tax assets unrecognized in prior periods are recognized.

3. At the balance sheet date, the carrying amount of deferred tax assets is reviewed. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow the benefit of the deferred tax asset to be utilized. Such reduction is subsequently reversed to the extent that it becomes probable that sufficient taxable income will be available.

4. The income tax and deferred tax for the period are treated as income tax expenses or income through profit or loss, excluding those arising from the following circumstances: (1) business combination; and (2) the transactions or items directly recognized in equity.

## 42. Leases

### (1) Accounting treatment of operating lease

Applicable     Not Applicable

#### 1. The Company as lessee

At the commencement date, the Company recognizes a lease that has a lease term of 12 months or less as a short-term lease, which shall not contain a purchase option; the Company recognizes a lease as a lease of a low-value asset if the underlying asset is of low value when it is new. If the Company subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset.

For all short-term leases and leases of low-value assets, lease payments are recognized as cost or profit or loss with straight-line method over the lease term.

Apart from the above-mentioned short-term leases and leases of low-value assets with simplified approach, the Company recognizes right-of-use assets and lease liabilities at the commencement date.

#### (1) Right-of-use assets

The right-of-use asset is measured at cost and the cost shall comprise: 1) the amount of the initial measurement of the lease liabilities; 2) any lease payments made at or before the commencement date, less any lease incentives received; 3) any initial direct costs incurred by the lessee; and 4) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Company depreciates the right-of-use asset using the straight-line method. If it is reasonable to be certain that the ownership of the underlying asset can be acquired by the end of the lease term, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

#### (2) Lease liabilities

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate shall be used. Unrecognized financing expenses, calculated at the difference between the lease payment and its present value, are recognized as interest expenses over the lease term using the discount rate which has been used to determine the present value of lease payment and included in profit or loss. Variable lease payments not included in the measurement of lease liabilities are included in profit or loss in the periods in which they are incurred.

After the commencement date, if there is a change in the following items: (a) actual fixed payments; (b) amounts expected to be payable under residual value guarantees; (c) an index or a rate used to determine lease payments; (d) assessment result or exercise of purchase option, extension option or termination option, the Company remeasures the lease liability based on the present value of lease payments after changes, and adjusts the carrying amount of the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero but there shall be a further reduction in the lease liability, the remaining amount shall be recognized into profit or loss.

## 2. The Company as lessor

At the commencement date, the Company classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, it is classified as an operating lease.

### (1) Operating lease

Lease receipts are recognized as lease income with straight-line method over the lease term. Initial direct costs incurred shall be capitalized, amortized on the same basis as the recognition of lease income, and included into profit or loss by installments. Variable lease payments related to operating lease which are not included in the lease payment are charged as profit or loss in the periods in which they are incurred.

### (2) Finance lease

At the commencement date, the Company recognizes the finance lease payment receivable based on the net investment in the lease (sum of the present value of unguaranteed residual value and lease receipts that are not received at the commencement date, discounted by the interest rate implicit in the lease), and derecognizes assets held under the finance lease. The Company calculates and recognizes interest income using the interest rate implicit in the lease over the lease term.

Variable lease payments not included in the measurement of the net investment in the lease are charged as profit or loss in the periods in which they are incurred.

### (2) Accounting treatment of finance lease

Applicable     Not Applicable

### (3) Determination method and accounting treatment of leases under the revised lease standard

Applicable     Not Applicable

Please refer to item V 42 (1) of this section for details.

## 43. Other significant accounting policies and estimates

Applicable     Not Applicable

### 1. Segment reporting

Operating segments are determined based on the structure of the Company's internal organization, management requirements and internal reporting system. An operating segment is a component of the Company:

- (1) that engages in business activities from which it may earn revenues and incur expenses;
- (2) whose financial performance is regularly reviewed by the Management to make decisions about resource to be allocated to the segment and to assess its performance; and
- (3) for which accounting information regarding financial position, financial performance and cash flows is available through analysis.

### 2. Recognition criteria and accounting treatment of discontinued operations

A component of the Company that has been disposed of, or is classified as held for sale and can be clearly distinguished is recognized as a discontinued operation when it fulfills any of the following conditions:

- (1) it represents a separate major line of business or a separate geographical area of operations;

(2) it is part of a related plan to dispose of a separate major line of business or a separate geographical area of operations; or

(3) it is a subsidiary acquired exclusively with a review to resale.

Please refer to item XVI 5 of this section for details.

### 3. Basis of the adoption of hedge accounting and its accounting treatment

(1) Hedge includes cash flow hedge.

(2) A hedging relationship qualifies for hedge accounting if all of the following conditions are met: 1) the hedging relationship consists only of eligible hedging instruments and eligible hedged instruments; 2) at the inception of the hedge there is formal designation of hedging instruments and hedged item, and documentation of the hedging relationship and the Company's risk management objective and strategy for undertaking the hedge; 3) the hedging relationship meets the hedging effectiveness requirements.

The Company recognizes that the hedging relationship meets effectiveness requirements if the all of the followings are simultaneously satisfied: a. there is an economic relationship between the hedged item and the hedging instruments; b. the effect of credit risk does not dominate the value changes that result from that economic relationship between the hedged item and the hedging instruments; and c. the hedge ratio of the hedging relationship is the same as the ratio of the quantity of the hedged item that the Company actually hedges and the number of hedging instruments that the Company actually uses to hedge that quantity of hedged item, but does not reflect an imbalance between the weightings of the hedged item and the hedging instrument.

The Company shall assess whether a hedging relationship meets the hedge effectiveness requirements at inception and on an ongoing basis. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the hedging relationship shall be rebalanced.

### (3) Hedge accounting

#### Cash flow hedges

1) The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognized in other comprehensive income as cash flow hedge reserve, while the ineffective portion shall be recognized in profit or loss. The cash flow hedge reserve shall be recognized at the lower of the following (in absolute amounts): (i) the cumulative gain or loss on the hedging instrument from inception of the hedge; and (ii) the cumulative change in present value of the expected future cash flows of the hedged item from inception of the hedge.

2) If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Company shall transfer out the amount of cash flow hedge reserve previously recognized in other comprehensive income, and include it in the initial cost of the asset or the liability.

3) For other cash flow hedges, the amount of cash flow hedge reserve previously recognized in other comprehensive

income shall be transferred out into profit or loss in the same period the hedged forecast sale affects profit or loss.

#### 44. Significant changes in accounting policies and estimates

##### (1) Significant changes in accounting policies

Applicable     Not Applicable

Other remarks

1. The Company has adopted the regulations about accounting for sales of products or by-products produced by fixed assets before intended use or during the R&D process as stipulated the “Interpretation of China Accounting Standards for Business Enterprises No. 15” issued by the Ministry of Finance since January 1, 2022. Such change in accounting policies has no impact on the Company’s financial statements.

2. The Company has adopted the regulations about judgment on onerous contracts in the “Interpretation of China Accounting Standards for Business Enterprises No. 15” issued by the Ministry of Finance since January 1, 2022. Such change in accounting policies has no impact on the Company’s financial statements.

3. The Company has adopted the regulations about accounting for income tax consequences of dividends on a financial instrument classified by the issuer as an equity instrument in the “Interpretation of China Accounting Standards for Business Enterprises No. 16” issued by the Ministry of Finance since November 30, 2022. Such change in accounting policies has no impact on the Company’s financial statements.

4. The Company has adopted the regulations about accounting for modifications of share-based payment transactions from cash-settled to equity-settled in the “Interpretation of China Accounting Standards for Business Enterprises No. 16” issued by the Ministry of Finance since November 30, 2022. Such change in accounting policies has no impact on the Company’s financial statements.

##### (2) Significant changes in accounting estimates

Applicable     Not Applicable

##### (3) The adjustments on the financial statements of the beginning of the earliest period in which the Company adopts the revised standards or interpretations since 2022

Applicable     Not Applicable

#### 45. Others

Applicable     Not Applicable

## VI. Taxes

### 1. Main taxes and tax rates

Details

Applicable     Not Applicable

Taxes	Tax bases	Tax rates
Value-added tax (VAT)	Under general calculation method, the output tax calculated based on the revenue from sales of goods or rendering of services in accordance with the tax law, net of the input tax that is allowed to be deducted	13%, 9%, 6%, 5% (simplified levy rate)

	in the current period; under simplified calculation method, VAT is calculated according to the sales volume and the simplified levy rate	
Consumption tax	Consumption tax is calculated based on a percentage of taxable sale income, or a rate of volume of sale	220 yuan per ton, 250 yuan per ton, or 10%
Property tax	For housing property levied on the basis of price, housing property tax is levied at the rate of 1.2% of the balance after deducting 20% or 30% of the cost; for housing property levied on the basis of rent, housing property tax is levied at the rate of 12% of lease income.	1.2%, 12%
Land use tax	Land use tax is levied by multiplying the taxable land area actually occupied by the applicable tax amount	2.5-16 yuan per square meter
Urban maintenance and construction tax	Turnover tax actually paid plus exempt-credit tax amount	5%, 7%
Education surcharge	Turnover tax actually paid plus exempt-credit tax amount	3%
Local education surcharge	Turnover tax actually paid plus exempt-credit tax amount	2%
Enterprise income tax [Note]	Taxable income	15%, 25%

Different enterprise income tax rates applicable to different taxpayers

√ Applicable    □ Not Applicable

Taxpayers	Income tax rate
Carlsberg (China) Breweries and Trading Co., Ltd. headquarters and its Chengdu Branch, Xinjiang Branch and Wusu Branch	15%
Ningxia Xixia Jianiang Brewery Co., Ltd.	15%
Xinjiang Wusu Brewery Co., Ltd.	15%
Xinjiang Wusu Beer Trading Co., Ltd.	15%
Xinjiang Wusu Brewery (Korla) Co., Ltd.	15%
Xinjiang Wusu Brewery (Yining) Co., Ltd.	15%
Xinjiang Wusu Brewery (Aksu) Co., Ltd.	15%
Xinjiang Wusu Brewery (Wusu) Co., Ltd.	15%
Liangping Branch, Hechuan Branch, Fuling Branch and Shizhu Branch of Carlsberg Chongqing Brewery Co., Ltd.	15%
Taxpayers other than the above-mentioned	25%

## 2. Tax preferential policies

√ Applicable    □ Not Applicable

Note: Pursuant to the “Announcement on Continuing the Enterprise Income Tax Policy for the Western Development” (Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission [2020] No. 23), from January 1, 2021 to December 31, 2030, enterprises incorporated in western region belonging to encouraged industries are subject to a reduced rate of 15% for enterprise income tax. The Company’s subsidiaries including Carlsberg (China) Breweries and Trading Co., Ltd. headquarters and its Chengdu Branch, Xinjiang Branch and Wusu Branch, Ningxia Xixia Jianiang Brewery Co., Ltd., Xinjiang

Wusu Brewery Co., Ltd., Xinjiang Wusu Beer Trading Co., Ltd., Xinjiang Wusu Brewery (Korla) Co., Ltd., Xinjiang Wusu Brewery (Yining) Co., Ltd., Xinjiang Wusu Brewery (Aksu) Co., Ltd., Xinjiang Wusu Brewery (Wusu) Co., Ltd., and Liangping Branch, Hechuan Branch, Fuling Branch and Shizhu Branch of Carlsberg Chongqing Brewery Co., Ltd. are entitled to enjoy such preferential policy and subject to a reduced rate of 15%.

### 3. Others

Applicable  Not Applicable

## VII. Notes to items of consolidated financial statements

### 1. Cash and bank balances

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Cash on hand		
Cash in bank	3,396,809,241.14	2,354,382,608.97
Accrued interest on seven-day notice deposits	1,068,350.88	811,461.46
Other cash and bank balances		
Total	3,397,877,592.02	2,355,194,070.43
Including: Deposited overseas		
Deposited in finance company		

Other remarks

#### (1) Centralized fund management

Pursuant to the agreement on centralized fund management and multi-party entrusted loans entered into between the Company and BNP Paribas (China) Limited, parent and primary bank accounts were under the name of the subsidiary Carlsberg Chongqing Brewery Co., Ltd., and the Company managed its funds and the funds of its affiliated entities in a centralized manner.

#### (2) Other remarks

Closing balance of interest accrued on seven-day notice deposits of 1,068,350.88 yuan was not considered as cash and cash equivalents and was excluded from cash and cash equivalents.

### 2. Held-for-trading financial assets

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Financial assets at fair value through profit or loss		501,088,888.89
Including:		
Others		501,088,888.89
Financial assets designated as at fair value through profit or loss		
Including:		
Total		501,088,888.89



Other remarks

 Applicable     Not Applicable**3. Derivative financial assets** Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Floating gains or losses on hedging instruments	3,829,356.40	
Total	3,829,356.40	

Other remarks

Please refer to item VII 83 of this section for details on floating gains or losses on hedging instruments.

#### 4. Notes receivable

##### (1) Details on categories

Applicable  Not Applicable

##### (2) Pledged notes at the balance sheet date

Applicable  Not Applicable

##### (3) Endorsed or discounted but undue notes at the balance sheet date

Applicable  Not Applicable

##### (4) Notes receivable transferred to accounts receivable due to non-performance of issuer

Applicable  Not Applicable

##### (5) Details on categories of provision accrual methods

Applicable  Not Applicable

Notes receivable with provision for bad debts made on an individual basis

Applicable  Not Applicable

Notes receivable with provision for bad debts made on a collective basis

Applicable  Not Applicable

For provision for bad debts made using three-stage model, please disclose relevant information referring to the disclosures in item VII 8 of this section

Applicable  Not Applicable

##### (6) Provision for bad debts

Applicable  Not Applicable

##### (7) Notes receivable actually written off in the current period

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

#### 5. Accounts receivable

##### (1) Aging analysis

Applicable  Not Applicable

Monetary unit: RMB Yuan

Ages	Closing book balance
Within 1 year	
Including:	
Within 1 year	67,487,568.33
Subtotal	67,487,568.33
1-2 years	1,607,789.12

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Ages	Closing book balance
2-3 years	
Over 3 years	
3-4 years	
4-5 years	
Over 5 years	643,612.77
Total	69,738,970.22

**(2) Details on categories of provision accrual methods**

Applicable    Not Applicable

Monetary unit: RMB Yuan

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	Provision proportion (%)		Amount	% to total	Amount	Provision proportion (%)	
Receivables with provision made on an individual basis	694,834.92	1.00	694,834.92	100.00		919,846.69	0.79	919,846.69	100.00	
Including:										
Receivables with provision made on a collective basis	69,044,135.30	99.00	3,532,596.22	5.12	65,511,539.08	115,462,616.79	99.21	6,217,943.06	5.39	109,244,673.73
Including:										
Total	69,738,970.22	100.00	4,227,431.14	6.06	65,511,539.08	116,382,463.48	100.00	7,137,789.75	6.13	109,244,673.73

## Accounts receivable with provision made on an individual basis

Applicable    Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance			
	Book balance	Provision for bad debts	Provision proportion (%)	Reasons for provision made
Ningbo New Daliangshan Co., Ltd.	643,612.77	643,612.77	100.00	There is significant uncertainty in recoverability.
Uni-President Supermarket (Shanghai) Convenience Co., Ltd.	51,222.15	51,222.15	100.00	There is significant uncertainty in recoverability.
Total	694,834.92	694,834.92	100.00	/

## Remarks on accounts receivable with provision made on an individual basis

Applicable    Not Applicable

## Accounts receivable with provision made on a collective basis

Applicable    Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance		
	Accounts receivable	Provision for bad debts	Provision proportion (%)
Portfolio grouped with ages	69,044,135.30	3,532,596.22	5.12
Total	69,044,135.30	3,532,596.22	5.12

## Determination basis for provision for bad debts made on a collective basis

Applicable    Not Applicable

For provision for bad debts made using three-stage model, please disclose relevant information referring to the disclosures in item VII 8 of this section.

Applicable    Not Applicable

**(3) Provision for bad debts**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Categories	Opening balance	Current period movements				Closing balance
		Accrual	Recovery or reversal	Write-off	Other movements	
Receivables with provision made on an individual basis	919,846.69	51,222.15	-189,172.05	-87,061.87		694,834.92
Receivables with provision made on a collective basis	6,217,943.06	-2,957,209.16	271,862.32			3,532,596.22
Total	7,137,789.75	-2,905,987.01	82,690.27	-87,061.87		4,227,431.14

Significant provision for bad debts recovered or reversed in the current period

□ Applicable    √ Not Applicable

**(4) Accounts receivable actually written off in the current period**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Amount written off
Accounts receivable actually written off	87,061.87

Significant accounts receivable written off

□ Applicable    √ Not Applicable

Remarks on accounts receivable written off

□ Applicable    √ Not Applicable

**(5) Details of the top 5 debtors with largest balances**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Debtors	Closing balance	Proportion to the total balance of accounts receivable (%)	Provision for bad debts
Carlsberg Brewery Hong Kong Limited	19,081,927.98	27.36	954,096.40
Fujian Yonghui Logistics Co., Ltd.	11,156,654.96	16.00	557,832.75
Wal-Mart (China) Investment Co., Ltd.	7,327,908.12	10.51	366,395.41
Shanghai Hualian Lawson Co., Ltd.	3,176,599.40	4.55	158,829.97
Chongqing Firm New Century Department Store Chain Operation Co., Ltd.	3,135,908.76	4.50	156,795.44
Total	43,878,999.22	62.92	2,193,949.97

Other remarks

None.

**(6) Accounts receivable derecognized due to financial assets transfer**

□ Applicable    √ Not Applicable

**(7) Assets and liabilities arising from transferred but still involved accounts receivable**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**6. Receivables financing**

Applicable     Not Applicable

**7. Advances paid****(1) Aging analysis**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Ages	Closing balance		Opening balance	
	Amount	% to total	Amount	% to total
Within 1 year	43,187,607.98	100.00	45,117,660.67	100.00
1-2 years				
2-3 years				
Over 3 years				
Total	43,187,607.98	100.00	45,117,660.67	100.00

Reasons for unsettlement on advances paid with age over one year and significant amount

None.

**(2) Details of the top 5 debtors with largest balances**

Applicable     Not Applicable

Debtors	Closing balance	Proportion to the total balance of advances paid (%)
PICC Property and Casualty Company Limited	10,339,677.02	23.94
Xinjiang Gas Group Co., Ltd.	6,813,687.39	15.78
Guangdong Nanyou Foreign Service Co., Ltd.	3,474,907.45	8.05
Yibin Xuzhou District Lianfa Natural Gas Co., Ltd.	2,921,429.40	6.76
Tianchang Natural Gas Co., Ltd.	2,131,742.00	4.94
Total	25,681,443.26	59.47

Other remarks

None.

Other remarks

Applicable     Not Applicable

**8. Other receivables****Details**

Applicable     Not Applicable

Monetary unit: RMB Yuan

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Items	Closing balance	Opening balance
Interest receivable		
Dividend receivable		
Other receivables	17,619,026.18	11,830,136.29
Total	17,619,026.18	11,830,136.29

Other remarks

Applicable     Not Applicable

### Interest receivable

#### (1) Details on categories

Applicable     Not Applicable

#### (2) Significant overdue interest

Applicable     Not Applicable

#### (3) Provision for bad debts

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

#### (4) Dividend receivable

Applicable     Not Applicable

#### (5) Significant dividend receivable with age over one year

Applicable     Not Applicable

#### (6) Provision for bad debts

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**Other receivables****(7) Aging analysis**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Ages	Closing book balance
Within 1 year	
Including:	
Within 1 year	17,022,182.33
Subtotal	17,022,182.33
1-2 years	667,625.60
2-3 years	1,047,436.44
Over 3 years	
3-4 years	411,793.61
4-5 years	38,971.40
Over 5 years	4,285,161.44
Total	23,473,170.82

**(8) Other receivables categorized by nature**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Nature of receivables	Closing book balance	Opening book balance
Advances paid on behalf of others	2,505,830.80	4,409,060.81
Deposits	9,982,565.46	7,526,579.68
Receivable from disposal of land use right	4,300,000.00	
Advances to staff	119,085.67	871,263.70
Others	6,565,688.89	5,119,778.54
Total	23,473,170.82	17,926,682.73

**(9) Provision for bad debts**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Opening balance	521,752.34	159,881.49	5,414,912.61	6,096,546.44
Opening balance in the current period				
--Transferred to stage 2	-33,381.28	33,381.28		
--Transferred to stage 3		-104,743.64	104,743.64	
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	357,841.77	-21,756.58	477,007.63	813,092.82
Provision recovered in the current period			179,000.00	179,000.00
Provision reversed in the current period				

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Provision written off in the current period			876,494.62	876,494.62
Other changes				
Closing balance	846,212.83	66,762.55	4,941,169.26	5,854,144.64

Remarks on significant changes in book balance of other receivables with changes in provision for bad debts

Applicable  Not Applicable

Determination basis for provision for bad debts made in the current period and whether credit risk has increased significantly

Applicable  Not Applicable

**(10) Provision for bad debts**

Applicable  Not Applicable

**(11) Other receivables actually written off in the current period**

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Amount written off
Other receivables actually written off	876,494.62

Significant other receivables written off in the current period

Applicable  Not Applicable

Remarks on other receivables written off

Applicable  Not Applicable

**(12) Details of the top 5 debtors with largest balances**

Applicable  Not Applicable

Monetary unit: RMB Yuan

Debtors	Nature of receivables	Closing balance	Ages	Proportion to the total balance of other receivables (%)	Provision for bad debts
Chongqing Hongye Asset Management Co., Ltd.	Receivable from disposal of land use right	4,300,000.00	Within 1 year	18.32	215,000.00
Kingold Group Co., Ltd. [Note]	Deposits	2,432,858.34	Within 1 year	10.36	121,642.92
Chongqing Kaiyuan Oil and Gas Co., Ltd.	Deposits	1,866,700.00	Over 5 years	7.95	1,866,700.00
Guangzhou Minghe Industrial Co., Ltd.	Deposits	1,321,335.50	Within 1 year, 1-2 years, 2-3 years, over 5 years	5.63	230,205.31
Shizhu Tujia	Advances	1,142,263.17	Within 1 year	4.87	59,323.31



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Debtors	Nature of receivables	Closing balance	Ages	Proportion to the total balance of other receivables (%)	Provision for bad debts
Autonomous County Economic Information Commission and others	on behalf of others		year, 1-2 years		
Total	/	11,063,157.01	/	47.13	2,492,871.54

Note: It includes its wholly-owned subsidiary Guangzhou Kingold Property Co., Ltd.

**(13) Other receivables related to government grants**

Applicable  Not Applicable

**(14) Other receivables derecognized due to financial assets transfer**

Applicable  Not Applicable

**(15) Assets and liabilities arising from transferred but still involved other receivables**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**9. Inventories****(1) Details on categories**

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance			Opening balance		
	Book balance	Provision for inventory write-down/cost to fulfill a contract	Carrying amount	Book balance	Provision for inventory write-down/cost to fulfill a contract	Carrying amount
Raw materials	411,432,771.44	21,407,056.92	390,025,714.52	323,914,555.68	20,033,044.46	303,881,511.22
Packages	1,495,101,158.54	517,763,281.67	977,337,876.87	1,451,121,567.65	510,740,040.60	940,381,527.05
Work in process	95,329,587.61		95,329,587.61	81,166,867.10		81,166,867.10
Finished goods	706,598,387.34	2,814,003.14	703,784,384.20	562,948,411.37	1,626,329.47	561,322,081.90
Revolving materials						
Consumptive biological assets						
Costs to fulfill a contract						
Total	2,708,461,904.93	541,984,341.73	2,166,477,563.20	2,419,151,401.80	532,399,414.53	1,886,751,987.27

**(2) Provision for inventory write-down/cost to fulfill a contract**

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase		Decrease		Closing balance
		Accrual	Others	Reversal or write-off	Others	
Raw materials	20,033,044.46	1,886,156.47		512,144.01		21,407,056.92
Work in process						
Goods on hand	1,626,329.47	2,814,003.14		1,626,329.47		2,814,003.14
Revolving materials						
Consumptive biological assets						
Cost to fulfill a contract						

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Items	Opening balance	Increase		Decrease		Closing balance
		Accrual	Others	Reversal or write-off	Others	
Idle packages	89,677,873.48	867,413.12		12,532,520.99		78,012,765.61
Packages lent out which expected to be irrecoverable [Note]	421,062,167.12	168,539,240.83		149,850,891.89		439,750,516.06
Total	532,399,414.53	174,106,813.56		164,521,886.36		541,984,341.73

Note: For packages lent out which were expected to be irrecoverable, the Company made provision for inventory write-down of 168,539,240.83 yuan, and accrued allowances for other payables assessed based on affected after-tax amount of deposits free from return of 95,258,194.29 yuan, with the difference of 73,281,046.54 yuan recognized as assets impairment loss; packages lent out are accounted for as a sale when there is objective evidence indicating that the packages are irrecoverable, and the Company wrote off provision for inventory write-down of 149,850,891.89 yuan, and wrote off allowances for other payables assessed based on affected after-tax amount of deposits free from return of 81,480,455.10 yuan, with the difference of 68,370,436.79 yuan recognized as operating cost. Please refer to item VII 41 of this section for details on accrual and write-off of allowances.

Determination basis of net realizable value and reasons for the reversal or write-off of provision for inventory write-down

Items	Determination basis of net realizable value	Reasons for reversal of or write-off provision for inventory write-down
Raw materials	Estimated selling price of raw materials less relevant taxes and surcharges; estimated selling price of relevant finished goods less cost to be incurred upon completion, estimated selling expenses, and relevant taxes and surcharges	Such inventories were used or sold.
Idle packages	Estimated selling price of disposal waste less relevant taxes and surcharges	Such inventories were sold or scrapped.
Packages lent out which expected to be irrecoverable	For packages lent out which expected to be irrecoverable, the Company made provision for inventory write-down based on the carrying amount, and accrued allowances for other payables assessed based on affected after-tax amount of deposits free from return, with the difference recognized as assets impairment loss	There is objective evidence indicating that the packages lent out would not be returned.
Work in process	Estimated selling price less cost to be incurred upon completion, estimated selling expenses, and relevant taxes and surcharges	Such inventories were used or sold.
Finished goods	Estimated selling price less estimated selling expenses and relevant taxes and surcharges	Such inventories were sold.

Other remarks

Items	Inventory age	Closing book balance	Provision for write-down
Finished beer	Within 1 year	706,598,387.34	2,814,003.14
Semi-finished beer (including basic beer)	Within 1 year	95,329,587.61	
Subtotal		801,927,974.95	2,814,003.14

**(3) Remarks on the capitalized amount of borrowing costs**

Applicable     Not Applicable

**(4) Remarks on the amortization of cost to fulfill a contract**

Applicable     Not Applicable

Other remarks

Applicable  Not Applicable

## 10. Contract assets

### (1) Details

Applicable  Not Applicable

### (2) Reasons for significant changes in carrying amount of contract assets

Applicable  Not Applicable

### (3) Details on provision for impairment of contract assets

Applicable  Not Applicable

For provision for bad debts made using three-stage model, please disclose relevant information referring to the disclosures in item VII 8 of this section

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

## 11. Assets held for sale

Applicable  Not Applicable

## 12. Non-current assets due within one year

Applicable  Not Applicable

Significant debt investments and other debt investments at the balance sheet date

Applicable  Not Applicable

Other remarks

## 13. Other current assets

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Cost to obtain a contract		
Cost of goods expected to be returned		
Input VAT to be credited and prepaid taxes	109,533,473.56	83,454,893.33
Total	109,533,473.56	83,454,893.33

Other remarks

None.

**14. Debt investments****(1) Details**

Applicable     Not Applicable

**(2) Significant debt investments at the balance sheet date**

Applicable     Not Applicable

**(3) Provision for impairment**

Applicable     Not Applicable

Determination basis for provision for impairment made in the current period and whether credit risk has increased significantly

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**15. Other debt investments****(1) Details**

Applicable     Not Applicable

**(2) Significant other debt investments at the balance sheet date**

Applicable     Not Applicable

**(3) Provision for impairment**

Applicable     Not Applicable

Determination basis for provision for impairment made in the current period and whether credit risk has increased significantly

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**16. Long-term receivables****(1) Details**

Applicable     Not Applicable

**(2) Provision for bad debts**

Applicable     Not Applicable

Determination basis for provision for bad debts made in the current period and whether credit risk has increased significantly

Applicable     Not Applicable

**(3) Long-term receivables derecognized due to financial assets transfer**

Applicable     Not Applicable

**(4) Assets and liabilities arising from transferred but still involved long-term receivables**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**17. Long-term equity investments**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Investees	Opening balance	Increase/Decrease								Closing balance	Closing balance provision impairment
		Investments increased	Investments decreased	Investment income recognized under equity method	Adjustment in other comprehensive income	Changes in other equity	Cash dividend/Profit declared for distribution	Provision for impairment	Others		
<b>I. Joint ventures</b>											
Subtotal											
<b>II. Associates</b>											
Chongqing Jiawei Beer Co., Ltd.	240,320,800.68			56,279,080.37							296,599,881.05
Subtotal	240,320,800.68			56,279,080.37							296,599,881.05
Total	240,320,800.68			56,279,080.37							296,599,881.05

Other remarks

None.

**18. Other equity instrument investments****(1) Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Bank of Guizhou Co., Ltd.	14,303,331.73	13,210,379.78
Total	14,303,331.73	13,210,379.78

**(2) Details on non-trading equity instrument investments**

□ Applicable    √ Not Applicable

Other remarks

√ Applicable    □ Not Applicable

As the Company invested Bank of Guizhou Co., Ltd. not for trading, such investment was designated as an equity instrument investment at fair value through other comprehensive income.

**19. Other non-current financial assets**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Financial assets classified as at fair value through profit or loss		
Including: Cost of investment in Xinjiang Guozhiming	1,000,000.00	1,000,000.00
Changes in fair value of investment in Xinjiang Guozhiming [Note]	-1,000,000.00	-1,000,000.00
Total		

Other remarks

√ Applicable    □ Not Applicable

Note: As the investee ceased operation in previous years and was not a public interest entity, provision for impairment was fully made on the investment.

**20. Investment property**

Method for measuring investment property

Not Applicable

**21. Fixed assets****Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Fixed assets	3,680,691,105.17	3,705,081,241.59
Disposal of fixed assets		
Total	3,680,691,105.17	3,705,081,241.59

Other remarks

Applicable     Not Applicable

### Fixed assets

#### (1) Details

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Buildings and structures	Machinery	Transport facilities	Other equipment	Total
<b>I. Cost</b>					
1. Opening balance	2,516,361,746.98	4,672,361,961.93	35,316,912.00	267,776,173.35	7,491,816,794.26
2. Increase	75,756,671.21	261,809,489.59	207,831.52	63,124,317.39	400,898,309.71
(1) Acquisition		3,135,131.11	207,831.52	25,870,461.72	29,213,424.35
(2) Transferred in from construction in progress	75,756,671.21	258,674,358.48		37,253,855.67	371,684,885.36
(3) Business combination					
3. Decrease	4,697,467.07	73,729,521.26	3,664,495.45	20,885,465.08	102,976,948.86
(1) Disposal/ Scrapping	4,697,467.07	73,729,521.26	3,664,495.45	20,885,465.08	102,976,948.86
4. Closing balance	2,587,420,951.12	4,860,441,930.26	31,860,248.07	310,015,025.66	7,789,738,155.11
<b>II. Accumulated depreciation</b>					
1. Opening balance	827,195,222.62	2,623,543,756.18	28,884,533.57	166,242,412.43	3,645,865,924.80
2. Increase	94,201,980.19	282,604,728.58	1,612,731.80	35,596,814.10	414,016,254.67
(1) Accrual	94,201,980.19	282,604,728.58	1,612,731.80	35,596,814.10	414,016,254.67
3. Decrease	2,340,032.09	58,987,958.06	3,336,414.38	19,258,913.11	83,923,317.64
(1) Disposal/ Scrapping	2,340,032.09	58,987,958.06	3,336,414.38	19,258,913.11	83,923,317.64
4. Closing balance	919,057,170.72	2,847,160,526.70	27,160,850.99	182,580,313.42	3,975,958,861.83
<b>III. Provision for impairment</b>					
1. Opening balance	80,408,777.64	55,237,669.65	95,641.46	5,127,539.12	140,869,627.87
2. Increase	8,941.53	620,078.82	16,136.73	1,437,412.94	2,082,570.02
(1) Accrual	8,941.53	620,078.82	16,136.73	1,437,412.94	2,082,570.02
3. Decrease	1,508,512.62	7,546,564.00	63,089.24	745,843.92	9,864,009.78
(1) Disposal/ Scrapping	1,508,512.62	7,546,564.00	63,089.24	745,843.92	9,864,009.78
4. Closing balance	78,909,206.55	48,311,184.47	48,688.95	5,819,108.14	133,088,188.11
<b>IV. Carrying amount</b>					
1. Closing balance	1,589,454,573.85	1,964,970,219.09	4,650,708.13	121,615,604.10	3,680,691,105.17
2. Opening balance	1,608,757,746.72	1,993,580,536.10	6,336,736.97	96,406,221.80	3,705,081,241.59

#### (2) Fixed assets temporarily idle

Applicable     Not Applicable

#### (3) Fixed assets leased in under finance leases

Applicable     Not Applicable

#### (4) Fixed assets leased out under operating leases

Applicable     Not Applicable

**(5) Fixed assets with certificate of titles being unsettled**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Carrying amount	Reasons for unsettlement
Buildings and structures etc.	55,966,680.15	In progress
Subtotal	55,966,680.15	

Other remarks

Applicable     Not Applicable

**Disposal of fixed assets**

Applicable     Not Applicable

**22. Construction in progress****Details**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Construction in progress	395,295,204.91	162,076,985.24
Construction materials		
Total	395,295,204.91	162,076,985.24

Other remarks

Applicable     Not Applicable

**Construction in progress****(1) Details**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
New brewery project with an annual output of 500,000 kiloliters in Foshan	202,505,414.75		202,505,414.75			
Smart Core Project	43,309,341.19		43,309,341.19	15,996,259.89		15,996,259.89
Capacity expansion and transformation project with an annual output of 150,000 kiloliters in Korla	37,397,502.22		37,397,502.22			
Production resumption project in Wanzhou	20,428,646.40		20,428,646.40			
Relocation project of ammonia refrigeration system of Kunming Huashi	10,468,200.65		10,468,200.65			
Product traceability system engineering	6,527,103.08		6,527,103.08	10,730,403.33		10,730,403.33
China Carlsberg Analysis Platform	4,670,773.22		4,670,773.22	7,000,000.00		7,000,000.00



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Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
FBI detection equipment	4,223,929.00		4,223,929.00			
Sales optimization software system	4,068,629.12		4,068,629.12	5,546,558.29		5,546,558.29
Carlsberg Tax Management Platform	1,898,041.37		1,898,041.37			
Technical transformation and capacity expansion project of Xichang	1,872,699.36		1,872,699.36	12,548,056.23		12,548,056.23
Transformation and upgrading of bottle depalletizer	1,780,655.08		1,780,655.08	1,104,943.35		1,104,943.35
Refrigeration system transformation	834,726.67		834,726.67	5,725,047.18		5,725,047.18
Tiandao production line transformation project				16,464,709.35		16,464,709.35
Yibin Transformation project of bottled beer production line of Pure Draft				11,348,660.23		11,348,660.23
Tianmuhu brewing capacity improvement project				11,059,081.27		11,059,081.27
Transformation of carbon dioxide recovery system				7,119,917.69		7,119,917.69
Saccharification production capacity improvement project of Wusu				2,870,000.00		2,870,000.00
Huizhou production line transformation project				2,495,977.87		2,495,977.87
Sporadic engineering	55,309,542.80		55,309,542.80	52,067,370.56		52,067,370.56
Total	395,295,204.91		395,295,204.91	162,076,985.24		162,076,985.24

**(2) Changes in significant projects**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Projects	Budgets	Opening balance	Increase	Transferred to fixed assets	Other decreases	Closing balance	Accumulated input to budget (%)	Completion percentage (%)	Accumulated amount of borrowing cost capitalization	Including: Amount of borrowing cost capitalization in the current period	Annual capitalization rate (%)	Fund source
New brewery project with an annual output of 500,000 kiloliters in Foshan	1,401,772,000.00		202,505,414.75			202,505,414.75	14.45	14.45				Self-raised
Smart Core Project	99,811,000.00	15,996,259.89	27,313,081.30			43,309,341.19	43.40	43.40				Self-raised
Capacity expansion and transformation project with an annual output of 150,000 kiloliters in Korla	115,890,000.00		37,397,502.22			37,397,502.22	32.27	32.27				Self-raised
Production resumption project in Wanzhou	42,000,000.00		37,946,687.81	17,518,041.41		20,428,646.40	90.35	90.35				Self-raised
Relocation project of ammonia refrigeration system of Kunming Huashi	16,300,000.00		10,468,200.65			10,468,200.65	64.22	64.22				Self-raised
Product traceability system engineering		10,730,403.33	11,031,099.46	4,535,632.62	10,698,767.09	6,527,103.08						Self-raised
China Carlsberg Analysis Platform		7,000,000.00	4,588,887.31		6,918,114.09	4,670,773.22						Self-raised
FBI detection equipment			5,483,929.00	1,260,000.00		4,223,929.00						Self-raised
Sales optimization software system		5,546,558.29	4,098,724.04		5,576,653.21	4,068,629.12						Self-raised
Carlsberg Tax Management Platform			2,955,412.95		1,057,371.58	1,898,041.37						Self-raised
Technical transformation and capacity expansion project of Xichang	101,877,795.00	12,548,056.23	73,111,021.28	83,786,378.15		1,872,699.36	84.08	84.08				Self-raised
Transformation and upgrading of bottle depalletizer		1,104,943.35	1,801,455.08	1,125,743.35		1,780,655.08						Self-raised
Refrigeration system transformation		5,725,047.18	1,061,390.97	5,951,711.48		834,726.67						Self-raised
Tiandao production line transformation project		16,464,709.35	11,851,248.01	28,315,957.36								Self-raised
Yibin transformation project of bottled beer production line of Pure Draft	32,417,467.00	11,348,660.23	19,568,806.78	30,917,467.01			100.00	100.00				Self-raised
Tianmu brewing capacity improvement project	32,907,709.00	11,059,081.27	17,795,089.08	28,854,170.35			100.00	100.00				Self-raised
Transformation of carbon dioxide recovery system		7,119,917.69	2,916,903.10	9,950,980.08	85,840.71							Self-raised
Saccharification production	9,266,000.00	2,870,000.00	6,143,407.49	9,013,407.49			100.00	100.00				Self-raised

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Projects	Budgets	Opening balance	Increase	Transferred to fixed assets	Other decreases	Closing balance	Accumulated input to budget (%)	Completion percentage (%)	Accumulated amount of borrowing cost capitalization	Including: Amount of borrowing cost capitalization in the current period	Annual capitalization rate (%)	Fund source
capacity improvement project of Wusu												
Huizhou production line transformation project		2,495,977.87	2,648,200.80	5,144,178.67								Self-raised
Sporadic engineering		52,067,370.56	168,593,601.94	145,311,217.39	20,040,212.31	55,309,542.80						Self-raised
Total	1,852,241,971.00	162,076,985.24	649,280,064.02	371,684,885.36	44,376,958.99	395,295,204.91	/	/			/	/

**(3) Provisions for impairment of construction in progress**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**Construction materials****(4) Details**

Applicable     Not Applicable

**23. Productive biological assets****(1) Measured at cost**

Applicable     Not Applicable

**(2) Measured at fair value**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**24. Oil and gas assets**

Applicable     Not Applicable

**25. Right-of-use assets**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Buildings and structures	Machinery	Transport facilities	Other equipment	Total
<b>I. Cost</b>					
1. Opening balance	27,915,000.00	5,490,000.00		29,736,000.00	63,141,000.00
2. Increase	78,976,277.97	2,990,000.00		23,332,000.00	105,298,277.97
(1) Leased in	78,976,277.97	2,990,000.00		23,332,000.00	105,298,277.97
3. Decrease	22,424,000.00	2,840,000.00		13,303,000.00	38,567,000.00
(1) Disposal	22,424,000.00	2,840,000.00		13,303,000.00	38,567,000.00
4. Closing balance	84,467,277.97	5,640,000.00		39,765,000.00	129,872,277.97
<b>II. Accumulated depreciation</b>					
1. Opening balance	12,736,000.00	1,764,000.00		9,423,000.00	23,923,000.00
2. Increase	16,466,351.86	2,323,000.00		12,820,000.00	31,609,351.86
(1) Accrual	16,466,351.86	2,323,000.00		12,820,000.00	31,609,351.86
3. Decrease	15,443,000.00	1,101,000.00		9,423,000.00	25,967,000.00
(1) Disposal	15,443,000.00	1,101,000.00		9,423,000.00	25,967,000.00
4. Closing balance	13,759,351.86	2,986,000.00		12,820,000.00	29,565,351.86
<b>III. Provision for impairment</b>					
1. Opening balance					
2. Increase					
(1) Accrual					

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Items	Buildings and structures	Machinery	Transport facilities	Other equipment	Total
3. Decrease					
(1) Disposal					
4. Closing balance					
IV. Carrying amount					
1. Closing balance	70,707,926.11	2,654,000.00		26,945,000.00	100,306,926.11
2. Opening balance	15,179,000.00	3,726,000.00		20,313,000.00	39,218,000.00

Other remarks

None.

**26. Intangible assets****(1) Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Land use right	Trademark	Patent right	Non-patented technology	Software	Total
<b>I. Cost</b>						
1. Opening balance	631,444,174.90	369,674,547.00			165,923,612.46	1,167,042,334.36
2. Increase	90,228,000.00				45,704,098.05	135,932,098.05
(1) Acquisition	90,228,000.00				1,327,139.06	91,555,139.06
(2) Internal research and development						
(3) Business combination						
(4) Transferred in from construction in progress					44,376,958.99	44,376,958.99
3. Decrease	7,193,840.00				905,681.97	8,099,521.97
(1) Disposal	7,193,840.00				905,681.97	8,099,521.97
4. Closing balance	714,478,334.90	369,674,547.00			210,722,028.54	1,294,874,910.44
<b>II. Accumulated amortization</b>						
1. Opening balance	168,406,556.06	192,279,166.74			99,880,846.39	460,566,569.19
2. Increase	13,298,437.00	9,665,734.56			36,422,066.94	59,386,238.50
(1) Accrual	13,298,437.00	9,665,734.56			36,422,066.94	59,386,238.50
3. Decrease	2,002,284.93				99,862.07	2,102,147.00
(1) Disposal	2,002,284.93				99,862.07	2,102,147.00
4. Closing balance	179,702,708.13	201,944,901.30			136,203,051.26	517,850,660.69
<b>III. Provision for impairment</b>						
1. Opening balance	3,905,124.59	87,200,600.00			289,751.62	91,395,476.21
2. Increase					459,733.59	459,733.59
(1) Accrual					459,733.59	459,733.59
3. Decrease						
(1) Disposal						
4. Closing balance	3,905,124.59	87,200,600.00			749,485.21	91,855,209.80
<b>IV. Carrying amount</b>						
1. Closing balance	530,870,502.18	80,529,045.70			73,769,492.07	685,169,039.95
2. Opening balance	459,132,494.25	90,194,780.26			65,753,014.45	615,080,288.96

**(2) Land use right with certificate of titles being unsettled**

□ Applicable    √ Not Applicable

Other remarks

□ Applicable    √ Not Applicable

**27. Development expenditures**

□ Applicable    √ Not Applicable

**28. Goodwill****(1) Cost**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Investees or events resulting in goodwill	Opening balance	Increase		Decrease		Closing balance
		Business combination	Others	Disposal	Others	
Xinjiang Wusu Brewery Co., Ltd. [Note]	639,141,956.06					639,141,956.06
Carlsberg (China) Breweries and Trading Co., Ltd. [Note]	48,826,000.00					48,826,000.00
Ningxia Xixia Jianiang Brewery Co., Ltd. [Note]	11,224,500.00					11,224,500.00
Carlsberg Chongqing Brewery Co., Ltd. [Note]	19,037,610.07					19,037,610.07
Total	718,230,066.13					718,230,066.13

Note: It refers to the goodwill arising from business combinations not under common control conducted by the ultimate controlling party or entities controlled by the ultimate controlling party.

**(2) Provision for impairment**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Investees or events resulting in goodwill	Opening balance	Increase		Decrease		Closing balance
		Accrual	Others	Disposal	Others	
Carlsberg Chongqing Brewery Co., Ltd.	19,037,610.07					19,037,610.07
Total	19,037,610.07					19,037,610.07

**(3) Related information of asset group or asset group portfolios which include goodwill**

√ Applicable    □ Not Applicable

Composition of asset group or asset group portfolios	Xinjiang Wusu Brewery Co., Ltd.	Carlsberg (China) Breweries and Trading Co., Ltd.
Carrying amount of asset group or asset group portfolios	518,027,684.08	1,021,395,523.02
Carrying amount of goodwill allocated to the asset group or asset group portfolios and the allocation method	The carrying amount of goodwill allocated to the asset group or asset group portfolios amounted to 983,295,317.02 yuan based on the difference between the fair value of identifiable net assets and the consideration paid at the acquisition date.	The carrying amount of goodwill allocated to the asset group or asset group portfolios amounted to 48,826,000.00 yuan based on the difference between the fair value of identifiable net assets and the consideration paid at the acquisition date.
Carrying amount of asset group or asset group portfolios that include goodwill	1,501,323,001.10	1,070,221,523.02
Whether asset group or asset group portfolios are consistent with those at acquisition date or at goodwill impairment testing date in previous years	Yes	Yes

(Continued)

Composition of asset group or asset group portfolios	Ningxia Xixia Jianiang Brewery Co., Ltd.	Carlsberg Chongqing Brewery Co., Ltd.
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Carrying amount of asset group or asset group portfolios	240,903,969.33	962,966,909.69
Carrying amount of goodwill allocated to the asset group or asset group portfolios and the allocation method	The carrying amount of goodwill allocated to the asset group or asset group portfolios amounted to 16,035,000.00 yuan based on the difference between the fair value of identifiable net assets and the consideration paid at the acquisition date.	The carrying amount of goodwill allocated to the asset group or asset group portfolios amounted to 0.00 yuan based on the difference between the fair value of identifiable net assets and the consideration paid at the acquisition date.
Carrying amount of asset group or asset group portfolios that include goodwill	256,938,969.33	962,966,909.69
Whether asset group or asset group portfolios are consistent with those at acquisition date or at goodwill impairment testing date in previous years	Yes	Yes

**(4) Impairment test process, key parameters (e.g., forecast period growth rate, steady period growth rate, profit rate, discount rate, forecast period, etc. used when estimating the present value of future cash flows, if applicable), and determination method of goodwill impairment loss**

Applicable     Not Applicable

a. Xinjiang Wusu Brewery Co., Ltd.

The recoverable amount of asset group or asset group portfolios which include goodwill is computed based on the present value of estimated future cash flows, which is based on the estimated annual cash flows for an explicit forecast period of 5 years approved by the Company (the “forecast period”), and the pre-tax discount rate used in estimating the annual cash flows is 15.67% (2021: 15.27%). The operating profit after the forecast period is basically consistent with the operating profit in the last year of the forecast period. Other key data used in the impairment test include: annual compound growth rate of operating revenue of 2.65% (2021: 5.14%) and budgeted gross margin of 42%-46% (2021: 40%-41%). Such key data are determined by the Company based on its experience and its prediction towards market development. The discount rate used by the Company is the pre-tax interest rate that reveals the time value of currency under the current market situation and special risks of certain asset group.

The aforementioned estimation of the recoverable amount of goodwill suggests that the goodwill is not impaired.

b. Carlsberg (China) Breweries and Trading Co., Ltd.

The recoverable amount of asset group or asset group portfolios which include goodwill is computed based on the present value of estimated future cash flows, which is based on the estimated annual cash flows for an explicit forecast period of 5 years approved by the Company, and the pre-tax discount rate used in estimating the annual cash flows is 15.67% (2021: 15.27%). The operating profit after the forecast period is basically consistent with the operating profit in the last year of the forecast period. Other key data used in the impairment test include: annual compound growth rate of operating revenue of -0.81% (2021: 2.65%) and budgeted gross margin of 43%-44% (2021: 46%-49%). Such key data are determined by the Company based on its experience and its prediction towards market development. The discount rate used by the Company is the pre-tax interest rate that reveals the time value of currency under the current market situation and special risks of certain asset group.

The aforementioned estimation of the recoverable amount of goodwill suggests that the goodwill is not impaired.

c. Ningxia Xixia Jianiang Brewery Co., Ltd.

The recoverable amount of asset group or asset group portfolios which include goodwill is computed based on the present value of estimated future cash flows, which is based on the estimated annual cash flows for an explicit



forecast period of 5 years approved by the Company, and the pre-tax discount rate used in estimating the annual cash flows is 15.67% (2021: 15.27%). The operating profit after the forecast period is basically consistent with the operating profit in the last year of the forecast period. Other key data used in the impairment test include: annual compound growth rate of operating revenue of 3.94% (2021: 3.63%) and budgeted gross margin of 43-44% (2021: 44%). Such key data are determined by the Company based on its experience and its prediction towards market development. The discount rate used by the Company is the pre-tax interest rate that reveals the time value of currency under the current market situation and special risks of certain asset group.

The aforementioned estimation of the recoverable amount of goodwill suggests that the goodwill is not impaired.

d. Carlsberg Chongqing Brewery Co., Ltd.

In April 2012, the Company acquired Carlsberg Chongqing Brewery Co., Ltd., and recognized the goodwill at the difference between the fair value of identifiable net assets and the consideration paid at the acquisition date. Pursuant to the “Proposal on Accrual of Provision for Impairment of Assets” deliberated and approved by the ninth meeting of the seventh Board of Directors held in 2013, the Company performed impairment test on relevant assets group portfolios that included goodwill, and made provision for impairment of goodwill of 19,037,610.07 yuan at the difference between the recoverable amount of relevant asset group portfolios and the carrying amount.

#### (5) Effect of goodwill impairment test

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

#### 29. Long-term prepayments

Applicable     Not Applicable

#### 30. Deferred tax assets and deferred tax liabilities

##### (1) Deferred tax assets before offset

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Provision for impairment of assets	333,287,740.30	67,535,763.71	338,385,920.45	84,596,479.57
Unrealized profit from internal transactions	21,219,368.92	3,182,905.34		
Deductible losses	27,198,996.20	4,079,849.43	20,482,192.92	5,120,548.23
Employee benefits payable	259,582,897.27	52,761,793.01	476,942,171.41	119,235,542.85
Long-term employee benefits payable	66,552,094.92	11,594,710.98	69,434,974.22	17,358,743.57
Accrued expenses and contract assets	2,866,021,252.10	546,199,869.87	3,158,734,165.77	789,683,541.30

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Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Fixed assets	7,416,061.45	1,798,655.78	2,850,538.37	712,634.59
Intangible assets	23,044,686.80	3,952,404.00	21,136,658.46	5,284,164.62
Provisions	31,657,899.75	4,900,580.66	31,862,723.02	7,965,680.76
Other non-current financial assets	1,000,000.00	150,000.00	1,000,000.00	250,000.00
Deferred income	147,635,624.68	36,250,783.25	128,413,080.14	32,103,270.03
Total	3,784,616,622.39	732,407,316.03	4,249,242,424.76	1,062,310,605.52

**(2) Deferred tax liabilities before offset**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
Assets appraisal appreciation due to business combination not under common control	60,713,990.24	9,107,098.54	69,387,140.24	17,346,785.05
Changes in fair value of other debt investments				
Changes in fair value of other equity instrument investments	13,303,331.73	3,325,832.94	12,210,379.78	3,052,594.95
One-time deduction on fixed assets of less than 5 million yuan	149,706,704.25	26,985,487.80	126,298,677.32	31,574,669.35
Intangible assets	12,000,000.00	3,000,000.00	12,000,000.00	3,000,000.00
Cash flow hedging instruments	1,213,019.84	275,647.87		
Total	236,937,046.06	42,694,067.15	219,896,197.34	54,974,049.35

**(3) Deferred tax assets or liabilities presented by net amount after offset**

□ Applicable    √ Not Applicable

**(4) Details of unrecognized deferred tax assets**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Deductible temporary difference	191,072,887.28	91,407,055.40
Deductible losses	320,552,816.05	216,715,687.90
Total	511,625,703.33	308,122,743.30

**(5) Maturity years of deductible losses of unrecognized deferred tax assets**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Maturity years	Closing balance	Opening balance	Remarks
Year 2022		12,865,456.04	
Year 2023	23,393,028.65	23,445,548.14	

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Year 2024	17,917,412.10	17,917,412.10	
Year 2025	20,863,693.25	20,863,693.25	
Year 2026	126,994,927.34	141,623,578.37	
Year 2027	131,383,754.71		
Total	320,552,816.05	216,715,687.90	/

Other remarks

 Applicable     Not Applicable
**31. Other non-current assets**
 Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Cost to obtain a contract						
Cost to fulfill a contract						
Cost of goods expected to be returned						
Contract assets						
Prepayments for acquisition of non-current assets	89,540,749.40		89,540,749.40	3,636,075.76		3,636,075.76
Total	89,540,749.40		89,540,749.40	3,636,075.76		3,636,075.76

Other remarks

None.

**32. Short-term borrowings****(1) Details on categories**
 Applicable     Not Applicable
**(2) Overdue short-term borrowings**
 Applicable     Not Applicable

Significant overdue short-term borrowings

 Applicable     Not Applicable

Other remarks

 Applicable     Not Applicable
**33. Held-for-trading financial liabilities**
 Applicable     Not Applicable
**34. Derivative financial liabilities**
 Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Floating gains or losses on hedging instruments	2,616,336.56	
Total	2,616,336.56	

Other remarks:

Please refer to item VII 83 of this section for details on floating gains or losses on hedging instruments.

**35. Notes payable****(1) Details** Applicable  Not Applicable**36. Accounts payable****(1) Details** Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Payments for acquisition of materials and receiving of services	2,096,313,903.90	1,837,217,983.60
Payments for engineering equipment	401,357,843.47	375,471,194.51
Total	2,497,671,747.37	2,212,689,178.11

**(2) Significant accounts payable with age over one year** Applicable  Not Applicable

Other remarks

 Applicable  Not Applicable**37. Advances received****(1) Details** Applicable  Not Applicable**(2) Significant advances received with age over one year** Applicable  Not Applicable

Other remarks

 Applicable  Not Applicable**38. Contract liabilities****(1) Details** Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Contract liabilities of distributors	1,614,042,546.14	1,732,741,425.80
Total	1,614,042,546.14	1,732,741,425.80

**(2) Reasons for significant changes in carrying amount of contract assets**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**39. Employee benefits payable****(1) Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase	Decrease	Closing balance
I. Short-term employee benefits	440,872,950.84	1,382,915,950.93	1,503,402,634.69	320,386,267.08
II. Post-employment benefits - defined contribution plan	34,300,299.10	120,032,669.85	109,770,266.91	44,562,702.04
III. Termination benefits	37,590,091.03	10,079,863.07	13,251,598.57	34,418,355.53
IV. Other benefits due within one year				
Total	512,763,340.97	1,513,028,483.85	1,626,424,500.17	399,367,324.65

**(2) Details of short-term employee benefits**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase	Decrease	Closing balance
I. Wage, bonus, allowance and subsidy	422,171,500.48	1,185,176,943.47	1,307,150,526.19	300,197,917.76
II. Employee welfare fund		31,094,554.19	31,094,554.19	
III. Social insurance premium	7,311,339.41	68,685,543.66	67,333,097.86	8,663,785.21
Including: Medicare premium	6,571,835.99	58,317,441.52	56,679,019.94	8,210,257.57
Occupational injuries premium	739,503.42	9,544,082.66	9,830,058.44	453,527.64
Maternity premium		824,019.48	824,019.48	
IV. Housing provident fund	6,948,453.85	68,587,097.75	69,288,104.24	6,247,447.36
V. Trade union fund and employee education fund	4,441,657.10	29,371,811.86	28,536,352.21	5,277,116.75
VI. Short-term paid leave				
VII. Short-term profit-sharing plan				
Total	440,872,950.84	1,382,915,950.93	1,503,402,634.69	320,386,267.08

**(3) Details of defined contribution plan**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase	Decrease	Closing balance
1. Basic endowment insurance premium	32,530,830.28	116,981,082.67	106,123,475.62	43,388,437.33
2. Unemployment insurance premium	1,769,468.82	3,051,587.18	3,646,791.29	1,174,264.71
3. Company annuity payment				
Total	34,300,299.10	120,032,669.85	109,770,266.91	44,562,702.04

Other remarks

□ Applicable    √ Not Applicable

**40. Tax payables**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
VAT	21,855,504.85	12,956,089.40
Consumption tax	80,493,196.43	30,892,567.28
Business tax		
Corporate income tax	131,669,002.41	340,441,532.09
Individual income tax	4,552,442.76	3,973,489.86
Urban maintenance and construction tax	6,854,142.51	3,031,860.79
Education surcharge	5,902,977.40	2,353,609.31
Property tax	902,167.35	730,610.13
Land use tax	852,494.98	702,608.48
Others	2,305,532.66	842,952.59
Total	255,387,461.35	395,925,319.93

Other remarks

None.

**41. Other payables****Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Interest payable		
Dividend payable		
Other payables	3,490,319,176.38	2,971,960,641.25
Total	3,490,319,176.38	2,971,960,641.25

Other remarks

□ Applicable    √ Not Applicable

**Interest payable****(1) Details on categories**

□ Applicable    √ Not Applicable

**Dividend payable****(2) Details on categories**

□ Applicable    √ Not Applicable

**Other payables****(1) Other receivables categorized by nature**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Accrued expenses	1,746,070,547.86	1,592,251,360.17
Deposits for packages	941,202,663.23	789,959,811.32
Allowances for deposits for packages	-334,503,946.84	-320,726,207.65

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Items	Closing balance	Opening balance
Other deposits	1,081,788,522.34	852,384,592.98
Trademark licensing fees payable	40,319,315.43	34,110,233.83
Others	15,442,074.36	23,980,850.60
Total	3,490,319,176.38	2,971,960,641.25

**(2) Significant other payables with age over one year**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

Accrual and write-off of allowances for deposits

Items	Opening balance	Accrual	Reversal or write-off	Closing balance
Allowances for deposits for packages	320,726,207.65	95,258,194.29	81,480,455.10	334,503,946.84
Subtotal	320,726,207.65	95,258,194.29	81,480,455.10	334,503,946.84

**42. Liabilities held for sale**

Applicable     Not Applicable

**43. Non-current liabilities due within one year**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Long-term borrowings due within one year		
Bonds payable due within one year		
Long-term payables due within one year		
Lease liabilities due within one year	24,005,592.21	22,313,992.68
Total	24,005,592.21	22,313,992.68

Other remarks

**44. Other current liabilities**

Details

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Short-term bonds payable		
Payables for returned goods		
Output VAT to be recognized	27,809,237.78	33,979,353.25
Total	27,809,237.78	33,979,353.25



Increase or decrease of short-term bonds payable

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

#### **45. Long-term borrowings**

##### **(1) Details on categories**

Applicable     Not Applicable

Other remarks on interest rate range, etc.

Applicable     Not Applicable

#### **46. Bonds payable**

##### **(1) Details**

Applicable     Not Applicable

##### **(2) Current period movements (not including other financial instruments such as preferred shares/perpetual bonds classified as financial liabilities)**

Applicable     Not Applicable

##### **(3) Converting conditions and time of convertible bonds**

Applicable     Not Applicable

##### **(4) Other financial instruments classified as financial liabilities**

Basic information of other financial instruments such as preferred shares or perpetual bonds outstanding at the balance sheet date

Applicable     Not Applicable

Current period movements of financial instruments such as preferred shares or perpetual bonds outstanding at the balance sheet date

Applicable     Not Applicable

Other remarks on financial instruments classified as financial liabilities

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**47. Lease liabilities**√ Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Lease liabilities	77,928,597.87	16,951,000.00
Total	77,928,597.87	16,951,000.00

Other remarks

None.

**48. Long-term payables****Details** Applicable    √ Not Applicable

Other remarks

 Applicable    √ Not Applicable**Long-term payables****(1) Long-term payables categorized by nature** Applicable    √ Not Applicable**Special payables****(2) Special payables categorized by nature** Applicable    √ Not Applicable**49. Long-term employee benefits payable**√ Applicable     Not Applicable**(1) Details**√ Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
I. Termination benefits - Net defined benefit liability	145,921,476.85	153,743,974.22
II. Dismissal benefits		
III. Other long-term employee benefits	8,486,230.50	9,925,000.00
Total	154,407,707.35	163,668,974.22

**(2) Movements in defined benefit plan**

Present value of obligations in defined benefit plan

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
I. Opening balance	153,743,974.22	164,376,908.47
II. Components of defined benefit costs recognized in profit or loss	-683,415.60	4,739,291.62
1. Current service cost	2,674,640.27	1,493,541.92
2. Past service cost	-8,091,055.87	-2,160,250.30
3. Gains and losses on settlements		
4. Net interest expense or income	4,733,000.00	5,406,000.00
III. Components of defined benefit costs recognized in other comprehensive income	2,862,000.00	-5,673,342.76
1. Actuarial gains and losses	2,862,000.00	-5,673,342.76
IV. Other movements	-10,001,081.77	-9,698,883.11
1. Consideration paid at settlement		
2. Benefit paid	-10,001,081.77	-9,698,883.11
V. Closing balance	145,921,476.85	153,743,974.22

Plan assets

□ Applicable    √ Not Applicable

Net defined benefit liabilities (assets)

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
I. Opening balance	153,743,974.22	164,376,908.47
II. Components of defined benefit costs recognized in profit or loss	-683,415.60	4,739,291.62
III. Components of defined benefit costs recognized in other comprehensive income	2,862,000.00	-5,673,342.76
IV. Other movements	-10,001,081.77	-9,698,883.11
V. Closing balance	145,921,476.85	153,743,974.22

Contents and risks of defined benefit plan, and effect on amount, timing and uncertainty of future cash flows

√ Applicable    □ Not Applicable

The Company provides the following supplementary post-retirement benefits for existing and future retirees: a. supplementary pension benefits paid to certain existing and future retirees on a monthly or annual basis until their death, which would not be adjusted in the future; b. old age allowance paid to certain existing and future retirees on a monthly basis from the age of 70 until their death, which would not be adjusted in the future; c. one-time funeral benefits paid to existing and future retirees upon their death, which would not be adjusted in the future; d. basic medical insurance premium and critical illness medical premium paid on behalf of existing and future retirees until their death or expiry of minimum payment period (25 years for males and 20 years for females), which would be adjusted according to local policies; e. heating expenses paid to existing and future retirees until their death, which would be adjusted according to local policies; f. retirement allowance and family worker allowance paid to certain existing retirees until their death, which would not be adjusted in the future; and g. one-time incentives for one-child family paid to certain future retirees upon their retirement, which would not be adjusted in the future.

Remarks on significant actuarial assumptions and sensitivity analysis results of defined benefit plan

Applicable     Not Applicable

Items	Closing balance	Opening balance
Discount rate	Post-retirement benefits: 3.00%; other long-term employee benefits: 2.50%	Post-retirement benefits: 3.25%; other long-term employee benefits: 2.50%
Death rate	China Life Insurance Mortality Table (2010-2013)	China Life Insurance Mortality Table (2010-2013)
Estimated growth rate of employee benefits	0, 1.6%, 3%, 6%, 7%, 8%, 10%	0, 6%, 7%, 8%, 10%

The Company entrusted Towers Watson Management and Consulting (Shenzhen) Co., Ltd. to perform actuarial evaluation on the present value of the above defined benefit plan, with an actuarial evaluation report issued thereon.

Other remarks

Applicable     Not Applicable

Other long-term employee benefits refer to long-term paid leaves.

## 50. Provisions

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Closing balance	Reasons for balance
Guarantee provided for other entities			
Pending lawsuits	31,862,723.02	31,657,899.75	
Including: Glass bottle lawsuit	25,714,843.21	25,511,559.35	[Note 1]
Labor lawsuit	6,030,000.00	6,030,000.00	[Note 2]
Others	117,879.81	116,340.40	
Products quality guarantee			
Restructuring obligations			
Onerous contract to be implemented			
Payables for returned goods			
Others			

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Items	Opening balance	Closing balance	Reasons for balance
Total	31,862,723.02	31,657,899.75	/

Other remarks on significant assumption on material provisions and estimates

Note 1: Pursuant to the “Glass Beer Bottle Sales Contract” entered into between Xinjiang Wusu Brewery (Wusu) Co., Ltd. and Gaomi Shengtai Glass Products Co., Ltd. (the “Gaomi Company”) dated April 10, 2013, Gaomi Company produced and supply special glass beer bottles to Xinjiang Wusu Brewery (Wusu) Co., Ltd. In 2015, Xinjiang Wusu Brewery (Wusu) Co., Ltd. checked the glass beer bottles and found quality problems, and then refused to accept the bottles and did not make payments. In response, Gaomi Company brought a lawsuit against Xinjiang Wusu Brewery Co., Ltd. and Xinjiang Wusu Brewery (Wusu) Co., Ltd. to the Intermediate People’s Court of Xinjiang Autonomous Region in the same year. At the first instance, the court judged that Xinjiang Wusu Brewery (Wusu) Co., Ltd. should pay 19,214,843.21 yuan to Gaomi Company. Gaomi Company refused to accept the first-instance judgment and appealed to the Higher People’s Court of Xinjiang Autonomous Region on July 22, 2016, and subsequently obtained the final judgment of the Higher People’s Court of the Autonomous Region on January 17, 2017, which ruled that Xinjiang Wusu Brewery (Wusu) Co., Ltd. should pay the above-mentioned goods payment to Gaomi Company. Gaomi Company refused to accept the final judgment and planned to apply for a trial supervision procedure through the Supreme People’s Procuratorate. Xinjiang Wusu Brewery (Wusu) Co., Ltd. accrued provisions of 19,214,843.21 yuan based on the possible liquidated damages, compensation and litigation fees according to the first-instance judgment. As Gaomi Company appealed to the People’s Court of Wusu City and the People’s Court of Toutunhe District, Urumqi City on September 22, 2016 and November 20, 2021, respectively, for the losses arising from production line suspension caused by the glass beer bottle lawsuit, Xinjiang Wusu Brewery (Wusu) Co., Ltd. accrued provisions totaling 6,500,000.00 yuan based on the possible compensation and litigation fees. As of December 31, 2022, litigation costs incurred totaled 203,283.86 yuan, while the final amount to be paid is still pending.

Note 2: Carlsberg (China) Breweries and Trading Co., Ltd. Guangzhou Branch had a labor lawsuit with its employees, and it accrued provisions for salaries of 5,230,000.00 yuan, which was calculated at 52,000.00 yuan per month from August 2013 to the resumption date in December 2020, and provisions of 800,000.00 yuan based on the estimated legal service fees, totaling 6,030,000.00 yuan.

**51. Deferred income**

Details

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase	Decrease	Closing balance	Reasons for balance
Government grants	254,683,905.82	30,040,700.00	28,112,910.68	256,611,695.14	
Total	254,683,905.82	30,040,700.00	28,112,910.68	256,611,695.14	/

Details of government grants

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase	Amount included into non-operating income	Amount included into other income	Other movements	Closing balance	Related to assets/ income
Compensation for factory relocation and resettlement in Dali City – Carlsberg (China) Breweries and Trading Co., Ltd.	107,522,700.44			6,870,646.71		100,652,053.73	Related to assets
Subsidies for relocation and reconstruction – Chongqing Beer Yibin Co., Ltd.	94,913,050.05			9,457,528.12		85,455,521.93	Related to assets
Special subsidies for industrial development – Hunan Chongqing Beer Guoren Co., Ltd.	9,979,771.45	6,936,000.00		1,728,106.23		15,187,665.22	Related to assets
Subsidies for equipment investments – Carlsberg Brewery (Anhui) Co., Ltd.	8,103,038.91			665,493.16		7,437,545.75	Related to assets
Special subsidies for canning projects – Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd.	7,779,924.73			707,103.28		7,072,821.45	Related to assets
Compensation for relocation and construction of production sites – Carlsberg Brewery (Anhui) Co., Ltd.	5,676,666.43			1,820,000.04		3,856,666.39	Related to assets
Subsidies for relocation and reconstruction – Chongqing Brewery Co., Ltd. Sixth Factory	4,212,000.00			1,512,000.00		2,700,000.00	Related to assets
Special subsidies for sewage treatment – Carlsberg Chongqing Brewery Co., Ltd. Shizhu Branch	2,220,000.00			518,000.00		1,702,000.00	Related to assets
Subsidies for key energy conservation and pollution control projects in Tacheng Prefecture – Xinjiang Wusu Brewery Co., Ltd.	1,456,741.35			432,475.67		1,024,265.68	Related to assets
Government subsidies		12,840,000.00		757,874.09		12,082,125.91	Related to

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Items	Opening balance	Increase	Amount included into non-operating income	Amount included into other income	Other movements	Closing balance	Related to assets/ income
for canning line of Yibin Xuzhou Chuangyi Industrial Investment Co., Ltd. – Chongqing Beer Yibin Co., Ltd.							assets
The first batch of subsidies for industrial technical transformation in Chongqing Liang Jiang New Area – Carlsberg Chongqing Brewery Co., Ltd.		3,720,000.00		69,232.87		3,650,767.13	Related to assets
Subsidies for retrofit of boiler burners – Carlsberg Brewery (Jiangsu) Co., Ltd.		2,780,000.00		133,597.80		2,646,402.20	Related to assets
Special funds for the development of advanced manufacturing industries at the municipal level in Yancheng City – Carlsberg Brewery (Jiangsu) Co., Ltd.		1,953,000.00		66,802.90		1,886,197.10	Related to assets
Other subsidies	12,820,012.46	1,811,700.00		3,374,049.81		11,257,662.65	Related to assets
Subtotal	254,683,905.82	30,040,700.00		28,112,910.68		256,611,695.14	

Other remarks

Applicable     Not Applicable

Please refer to item VII 84 of this section for details on government grants included in profit or loss.

## 52. Other non-current liabilities

Applicable     Not Applicable

**53. Share capital**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

	Opening balance	Movements					Closing balance
		Issue of new shares	Bonus shares	Reserve transferred to shares	Others	Subtotal	
Total shares	483,971,198.00						483,971,198.00

Other remarks

None.

**54. Other equity instruments****(1) Basic information of other financial instruments such as preferred shares or perpetual bonds outstanding as of the balance sheet date**

□ Applicable    √ Not Applicable

**(2) Current period movements of financial instruments such as preferred shares or perpetual bonds outstanding at the balance sheet date**

□ Applicable    √ Not Applicable

Current period movements and reasons for the movements, and basis for relevant accounting treatments

□ Applicable    √ Not Applicable

Other remarks

□ Applicable    √ Not Applicable

**55. Capital reserve**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Opening balance	Increase	Decrease	Closing balance
Share/capital premium				
Other capital reserve	2,075,145.00	5,652,955.00		7,728,100.00
Total	2,075,145.00	5,652,955.00		7,728,100.00

Other remarks on current period movements and reasons for the movements etc.

Increase in the current year was due to the recognition of equity incentives offered by Carlsberg Group to senior management free of charge.

**56. Treasury shares**

□ Applicable    √ Not Applicable

**57. Other comprehensive income (OCI)**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan



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Items	Opening balance	Current period cumulative						Closing balance
		Pre-tax amount occurred for the current period	Less: OCI previously recognized but transferred to profit or loss in the current period	Less: OCI previously recognized but transferred to retained earnings in the current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to non-controlling shareholders after tax	
I. Items not to be reclassified subsequently to profit or loss	-13,838,109.84	-1,769,048.05			-2,766,643.94	-179,586.53	1,177,182.42	-14,017,696.37
Including: Remeasurements of the defined benefit plan	-18,547,042.80	-2,862,000.00			-3,039,881.93	-601,083.45	778,965.38	-19,148,126.25
OCI not to be transferred to profit or loss under equity method								
Changes in fair value of other equity instrument investments	4,708,932.96	1,092,951.95			273,237.99	421,496.92	398,217.04	5,130,429.88
Changes in fair value of the Company's own credit risk								
II. Items to be reclassified subsequently to profit or loss		1,213,019.84			275,647.87	474,775.84	462,596.13	474,775.84
Including: OCI to be transferred to profit or loss under equity method								
Changes in fair value of other debt investments								
OCI arising from financial assets reclassification								
Provision for credit impairment loss of other debt investments								
Cash flow hedging reserves		1,213,019.84			275,647.87	474,775.84	462,596.13	474,775.84
Translation reserves								
Total	-13,838,109.84	-556,028.21			-2,490,996.07	295,189.31	1,639,778.55	-13,542,920.53

Other remarks on reconciliation of the effective portion of gains and losses on cash flow hedging into the initially recognized amount of the hedged items, etc.

None.

### 58. Special reserve

Applicable  Not Applicable

### 59. Surplus reserve

Applicable  Not Applicable

Monetary unit: RMB Yuan

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Items	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	241,985,599.00			241,985,599.00
Discretionary surplus reserve				
Reserve fund				
Enterprise development fund				
Others				
Total	241,985,599.00			241,985,599.00

Remarks on surplus reserve, including current period movements and reasons for the movements

None.

## 60. Undistributed profit

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Balance before adjustment at the end of preceding period	1,040,351,272.07	-125,892,143.84
Add: Increase due to adjustment (or less: decrease)		
Opening balance after adjustment	1,040,351,272.07	-125,892,143.84
Add: Net profit attributable to shareholders of the parent company	1,263,604,930.09	1,166,243,415.91
Less: Appropriation of statutory surplus reserve		
Appropriation of discretionary surplus reserve		
Appropriation of general risk reserve		
Dividend payable on ordinary shares	967,942,396.00	
Dividend on ordinary share converted to share capital		
Closing balance	1,336,013,806.16	1,040,351,272.07

**61. Operating revenue and operating cost****(1) Details**

√ Applicable    □ Not Applicable

## 1) Details

Monetary unit: RMB Yuan

Items	Current period cumulative		Preceding period comparative	
	Revenue	Cost	Revenue	Cost
Main operations	13,696,216,606.60	6,702,990,258.86	12,835,328,224.79	6,243,949,359.48
Other operations	342,823,932.85	249,438,735.05	283,982,463.51	192,408,868.11
Total	14,039,040,539.45	6,952,428,993.91	13,119,310,688.30	6,436,358,227.59
Including: Revenue from contracts with customers	14,039,040,539.45	6,952,428,993.91	13,119,310,688.30	6,436,358,227.59

## 2) Details of the top 5 debtors with largest balances

Debtors	Operating revenue	% to total
Customer 1	143,572,480.25	1.02
Customer 2	135,897,893.72	0.97
Customer 3	125,545,391.33	0.89
Customer 4	122,549,857.80	0.87
Customer 5	110,227,439.36	0.79
Subtotal	637,793,062.46	4.54

## 3) Breakdown of revenue

## (a) Breakdown of revenue from contracts with customers by goods or services

Items	Current period cumulative		Preceding period comparative	
	Revenue	Cost	Revenue	Cost
Beer	13,696,216,606.60	6,702,990,258.86	12,835,328,224.79	6,243,949,359.48
Sale of packages, waste materials, etc.	342,823,932.85	249,438,735.05	283,982,463.51	192,408,868.11
Subtotal	14,039,040,539.45	6,952,428,993.91	13,119,310,688.30	6,436,358,227.59

## (b) Breakdown of revenue from contracts with customers by operating regions

Please refer to item XVI 6 of this section for details.

## (c) Breakdown of revenue from contracts with customers by time of transferring goods or rendering services

Items	Current period cumulative	Preceding period comparative
Recognized at a point in time	14,039,040,539.45	13,119,310,688.30
Subtotal	14,039,040,539.45	13,119,310,688.30

**(2) Details of revenue from contracts**

□ Applicable    √ Not Applicable

Remarks on revenue from contracts

□ Applicable    √ Not Applicable

**(3) Remarks on performance obligation**

□ Applicable    √ Not Applicable

**(4) Remarks on transaction price allocated to the remaining performance obligations**

Applicable     Not Applicable

Other remarks

None.

**62. Taxes and surcharges**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Consumption tax	688,784,854.98	672,943,471.94
Business tax		
Urban maintenance and construction tax	100,780,231.87	95,889,678.04
Education surcharge	77,533,745.75	73,213,504.82
Resources tax		
Property tax	19,376,483.61	18,211,683.26
Land use tax	20,351,805.44	19,453,314.65
Vehicle and vessel use tax		
Stamp duty	11,906,396.07	10,058,239.32
Others	2,124,772.60	2,289,925.65
Total	920,858,290.32	892,059,817.68

Other remarks

None.

**63. Selling expenses**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Advertisement and marketing expenses	1,133,302,573.74	1,057,800,129.44
Employee benefits	725,946,110.37	725,297,746.38
Trademark licensing expenses	216,678,340.71	206,246,268.68
Travelling expenses	60,294,791.93	63,497,707.42
Depreciation	47,135,522.24	40,075,065.10
Rental expenses	26,917,139.50	17,153,270.75
Depreciation of right-of-use assets	19,475,000.00	17,122,000.00
Amortization of intangible assets	17,959,828.76	9,596,774.09
Others	78,507,919.95	76,105,699.40
Total	2,326,217,227.20	2,212,894,661.26

Other remarks

None.

**64. Administrative expenses**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Employee benefits	258,726,828.28	239,233,635.37
Office expenses and intermediary service expenses	97,126,555.74	131,436,004.90
IT-related expenses	55,075,964.45	32,871,429.47
Amortization of intangible assets	25,339,748.16	20,107,555.83
Depreciation expenses	17,070,233.80	15,512,008.46
Security and fire prevention expenses	9,753,934.63	10,199,451.50
Depreciation of right-of-use assets	9,722,351.86	4,561,000.00
Pollution discharge fees	8,560,050.43	8,002,665.31
Travelling expenses	6,833,691.74	13,783,572.33
Share-based payments	6,701,520.00	5,825,704.81
Water and electricity expenses	4,941,871.28	3,822,258.23
Others	34,717,598.56	31,521,858.74
<b>Total</b>	<b>534,570,348.93</b>	<b>516,877,144.95</b>

Other remarks

None.

**65. R&D expenses**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Employee benefits	53,300,332.47	71,824,082.90
Raw materials and revolving materials used	25,842,587.49	41,033,310.74
Power expenses	19,579,951.98	28,620,167.99
Depreciation expenses	9,119,195.96	12,007,674.07
Other expenses	2,905,868.16	9,666,048.90
<b>Total</b>	<b>110,747,936.06</b>	<b>163,151,284.60</b>

Other remarks

None.

**66. Financial expenses**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Interest expenses	3,696,843.83	14,186,774.78
Less: Interest income	65,718,589.46	36,050,785.69
Exchange gain or loss	275,744.53	-88,519.77
Handling charges	691,152.32	408,686.43
Others [Note]	4,952,000.00	5,663,000.00
<b>Total</b>	<b>-56,102,848.78</b>	<b>-15,880,844.25</b>

Other remarks

Note: It refers to interest expenses on net defined benefit liabilities of 4,733,000.00 yuan and interest expenses on net long-term employee benefits liabilities of 219,000.00 yuan.

### 67. Other income

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Government grants related to assets [Note]	28,112,910.68	26,018,705.97
Government grants related to income [Note]	28,061,036.73	23,822,710.86
Refund of handling fees for withholding individual income tax	1,458,135.41	1,228,637.45
Total	57,632,082.82	51,070,054.28

Other remarks

Please refer to item VII 84 of this section for details on government grants included in other income.

### 68. Investment income

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Investment income from long-term equity investments under equity method	56,279,080.37	43,299,933.71
Investment income from disposal of long-term equity investments		
Investment income from held-for-trading financial assets		
Dividend income from other equity instrument investments	344,606.28	402,040.66
Interest income from debt investments		
Interest income from other debt investments		
Investment income from disposal of held-for-trading financial assets	11,322,859.61	14,402,576.09
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investments		
Investment income from disposal of other debt investments		
Income from debt restructuring		
Total	67,946,546.26	58,104,550.46

Other remarks

(1) Investment income from long-term equity investments under equity method

Investees	Current period cumulative	Preceding period comparative
Chongqing Jiawei Beer Co., Ltd.	56,279,080.37	43,299,933.71
Subtotal	56,279,080.37	43,299,933.71

(2) There are no significant restrictions on remittance of investments.

#### 69. Gains on net exposure to hedging risk

Applicable  Not Applicable

#### 70. Gains on changes in fair value

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Held-for-trading financial assets		1,088,888.89
Including: Gains on changes in fair value of derivative financial instruments		
Including: Gains on changes in fair value of financial assets classified as at fair value through profit or loss		1,088,888.89
Held-for-trading financial liabilities		
Investment property at fair value		
Total		1,088,888.89

Other remarks

None.

#### 71. Credit impairment loss

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Impairment loss of debt investments		
Impairment loss of other debt investments		
Bad debts of long-term receivables		
Impairment loss of contract assets		
Bad debts	2,461,066.24	850,058.41
Total	2,461,066.24	850,058.41

Other remarks

None.

#### 72. Assets impairment loss

Applicable  Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
I. Bad debts		
II. Inventory write-down loss and	-78,848,619.27	-74,796,238.85

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impairment loss of cost to fulfill a contract		
III. Impairment loss of long-term equity investments		
IV. Impairment loss of investment property		
V. Impairment loss of fixed assets	-2,082,570.02	-4,464,514.73
VI. Impairment loss of construction materials		
VII. Impairment loss of construction in progress		
VIII. Impairment loss of productive biological assets		
IX. Impairment loss of oil and gas assets		
X. Impairment loss of intangible assets	-459,733.59	
XI. Impairment loss of goodwill		
XII. Others		
Total	-81,390,922.88	-79,260,753.58

Other remarks

None.

### 73. Gains on asset disposal

Applicable    Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Gains on asset disposal	1,996,546.49	1,835,601.88
Total	1,996,546.49	1,835,601.88

Other remarks

None.



**74. Non-operating income**

Details

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative	Amount included in non-recurring profit or loss
Gains on disposal of non-current assets	1,735,091.73	1,756,146.51	1,735,091.73
Including: Gains on disposal of fixed assets	1,735,091.73	1,756,146.51	1,735,091.73
Gains on disposal of intangible assets			
Gains on exchange of non-cash assets			
Receiving of donations			
Government grants			
Others	5,413,038.35	6,742,167.81	5,413,038.35
Total	7,148,130.08	8,498,314.32	7,148,130.08

Government grants included in profit or loss

□ Applicable    √ Not Applicable

Other remarks

□ Applicable    √ Not Applicable

**75. Non-operating expenses**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative	Amount included in non-recurring profit or loss
Losses on disposal of non-current assets	6,417,735.09	13,343,139.74	6,417,735.09
Including: Losses on disposal of fixed assets	6,417,735.09	13,343,139.74	6,417,735.09
Losses on disposal of intangible assets			
Losses on exchange of non-cash assets			
Donation expenses	500,000.00	1,289,648.91	500,000.00
Others	417,484.88	324,307.65	417,484.88
Total	7,335,219.97	14,957,096.30	7,335,219.97

Other remarks

None.

**76. Income tax expenses****(1) Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Current period income tax expenses	391,764,876.06	749,065,499.32
Deferred income tax expenses	320,114,303.36	-207,141,680.77
Total	711,879,179.42	541,923,818.55

**(2) Reconciliation of accounting profit to income tax expenses**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative
Profit before tax	3,298,778,820.85
Income tax expenses based on statutory/applicable tax rate	824,694,705.21
Effect of different tax rate applicable to subsidiaries	-187,719,508.51
Effect of prior income tax reconciliation	4,927,674.04
Effect of non-taxable income	-14,155,921.66
Effect of non-deductible costs, expenses and losses	4,432,374.65
Effect of utilization of deductible losses not previously recognized as deferred tax assets	-2,333,500.35
Effect of deducible temporary differences or deductible losses not recognized as deferred tax assets in the current period	63,901,985.49
Effect of recognition of temporary difference or deductible losses not previously recognized as deferred tax assets	-6,577,121.38
Extra deduction of R&D expenses	-23,140,217.65
Effect of tax rate change on income tax expenses at the beginning of the current period	47,848,709.58
Income tax expenses	711,879,179.42

Other remarks

□ Applicable    √ Not Applicable

**77. Other comprehensive income**

√ Applicable    □ Not Applicable

Please refer to item VII 57 of this section for details on other comprehensive income, net of income tax.

**78. Notes to items of the cash flow statement****(1) Other cash receipts related to operating activities**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Cash receipts from security deposits	901,054,848.48	465,657,551.36
Cash receipts from deposits for packaging	287,427,527.49	189,286,058.05
Recovery of frozen funds [Note]	188,649,190.60	
Cash receipts from government grants, refund of handling fees for withholding individual income tax, etc.	59,559,872.14	39,813,120.31
Cash receipts from interest income	65,461,700.04	38,001,722.62
Recovery of balances paid on behalf of Chongqing Jiawei Beer Co., Ltd.		7,658,311.54
Others	27,290,217.69	31,065,673.05
Total	1,529,443,356.44	771,482,436.93

Remarks on other cash receipts related to operating activities:

Note: It includes frozen funds of 186,476,348.17 yuan. Chongqing Jiawei Beer Co., Ltd. filed a lawsuit against the Company for disputes over exclusive sales agreements with a claim amount of 822.15 million yuan. In May 2022, Chongqing Jiawei Beer Co., Ltd. applied to Chongqing First Intermediate People's Court to withdraw the lawsuit. The Company received the "Civil Verdict" numbered (2020) Yu 01 Min Chu 988 from Chongqing First Intermediate People's Court on June 10, 2022, and recovered the frozen funds in the case.

**(2) Other cash payments related to operating activities**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Cash payments for advertising and marketing expenses	1,220,453,332.37	1,177,469,311.69
Cash payments for trademark licensing fees	210,352,345.55	202,753,682.80
Cash payments for office expenses and other service fees	163,966,792.66	160,354,966.08
Cash payments for business travelling expenses	66,448,364.12	77,442,370.69
Cash payments for service fees of external warehouses	18,228,836.96	18,266,373.22
Cash payments for leases	14,518,941.78	14,701,914.18
Others	55,172,116.95	49,804,098.12
Total	1,749,140,730.39	1,700,792,716.78

Remarks on other cash payments related to operating activities:

None.

**(3) Other cash receipts related to investing activities**

□ Applicable    √ Not Applicable

**(4) Other cash payments related to investing activities**

Applicable     Not Applicable

**(5) Other cash receipts related to financing activities**

Applicable     Not Applicable

**(6) Other cash payments related to financing activities**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Cash payments for lease liabilities	33,725,924.40	23,923,000.00
Repayment of borrowings from Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.		242,900,000.00
Total	33,725,924.40	266,823,000.00

Remarks on other cash payments related to financing activities:

None.

**79. Supplementary information to the cash flow statement****(1) Supplementary information to the cash flow statement**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Supplementary information	Current period cumulative	Preceding period comparative
<b>1. Reconciliation of net profit to cash flows from operating activities:</b>		
Net profit	2,586,899,641.43	2,399,156,196.28
Add: Provision for assets impairment	81,390,922.88	79,260,753.58
Provision for credit impairment loss	-2,461,066.24	-850,058.41
Depreciation of fixed assets, oil and gas assets, productive biological assets	414,016,254.67	383,388,734.84
Amortization of right-of-use assets	31,609,351.86	23,923,000.00
Amortization of intangible assets	58,784,718.50	44,515,699.29
Amortization of long-term prepayments		
Losses on disposal of fixed assets, intangible assets and other long-term assets (Less: gains)	-1,996,546.49	-1,835,601.88
Fixed assets retirement loss (Less: gains)	4,682,643.36	11,586,993.23
Losses on changes in fair value (Less: gains)		-1,088,888.89
Financial expenses (Less: gains)	3,696,843.83	14,186,774.78
Investment losses (Less: gains)	-67,946,546.26	-58,104,550.46
Decrease of deferred tax assets (Less: increase)	329,903,289.49	-221,548,732.39
Increase of deferred tax liabilities (Less: decrease)	-12,828,868.06	18,148,358.35
Decrease of inventories (Less: increase)	-453,832,389.49	-634,848,749.82
Decrease of operating receivables (Less: increase)	23,260,578.28	-125,138,355.65
Increase of operating payables (Less: decrease)	757,469,430.78	1,634,035,540.55

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Supplementary information	Current period cumulative	Preceding period comparative
Others		
Net cash flows from operating activities	3,752,648,258.54	3,564,787,113.40
<b>2. Significant investing and financing activities not related to cash receipts and payments:</b>		
Conversion of debt into capital		
Convertible bonds due within one year		
Fixed assets leased in under finance leases		
<b>3. Net changes in cash and cash equivalents:</b>		
Cash at the end of the period	3,396,809,241.14	2,165,733,418.37
Less: Cash at the beginning of the period	2,165,733,418.37	1,766,375,444.44
Add: Cash equivalents at the end of the period		
Less: Cash equivalents at the beginning of the period		
Net increase of cash and cash equivalents	1,231,075,822.77	399,357,973.93

**(2) Net cash payments for the acquisition of subsidiaries**

Applicable     Not Applicable

**(3) Net cash receipts from the disposal of subsidiaries**

Applicable     Not Applicable

**(4) Composition of cash and cash equivalents**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
I. Cash	3,396,809,241.14	2,165,733,418.37
Including: Cash on hand		
Cash in bank on demand for payment	3,396,809,241.14	2,165,733,418.37
Other cash and bank balances on demand for payment		
Central bank deposit on demand for payment		
Deposit in other banks		
Loans to other banks		
II. Cash equivalents		
Including: Bond investments maturing within three months		
III. Cash and cash equivalents at the end of the period	3,396,809,241.14	2,165,733,418.37
Including: Cash and cash equivalents of parent company or subsidiaries with use restrictions		

Other remarks:

Applicable     Not Applicable

## 1. Cash receipts from withdrawal of investments

Items	Current period cumulative	Preceding period comparative
Structured deposits	1,512,411,748.50	1,514,402,576.10
Total	1,512,411,748.50	1,514,402,576.10

## 2. Cash payments for investments

Items	Current period cumulative	Preceding period comparative
Structured deposits	1,000,000,000.00	2,000,000,000.00
Total	1,000,000,000.00	2,000,000,000.00

**80. Notes to items of statement of changes in equity**

Remarks on “Others” with balances at the end of prior year adjusted and the adjusted amount:

Applicable     Not Applicable

**81. Assets with title or use right restrictions**

Applicable     Not Applicable

**82. Monetary items in foreign currencies****(1) Monetary items in foreign currencies**

Applicable     Not Applicable

**(2) Remarks on overseas operations. For significant overseas operating entities, their main operating places, functional currencies and adoption basis shall be disclosed. Reasons for any changes in functional currency shall also be disclosed.**

Applicable     Not Applicable

**83. Hedging**

Applicable     Not Applicable

Qualitative and quantitative information of hedging items disclosed by hedging categories, related hedging instruments and hedged risks

**(1) Overview of cash flow hedges**

The purchase price of aluminum, one of the significant packaging materials for beer production, has fluctuated considerably due to the influence of macroeconomy in recent years. In order to ensure the relative stability of product costs and achieve stable operation, the Company analyzed the expected aluminum purchase transactions, based on which the Company carried out hedges by futures, options, swaps and other derivative instruments. The Company formulated the “Management System for Hedges” to regulate approval authority, operation process, risk control and other aspects of hedges.

**(2) Qualitative analysis on cash flow hedges**

The approval procedures of hedges carried out by the Company using self-owned funds comply with relevant national laws and regulations, and regulations of the “Management System for Hedges”. Hedges operated to avoid fluctuations in price of aluminum were conducive to controlling business risks and improving the Company’s capability to withstand the fluctuations in the market.

(3) Quantitative analysis on cash flow hedges

Categories	Hedging instruments	Hedged risks	Hedge effectiveness	
			Current period cumulative	Accumulated amount at the end of the period (hedging reserve)
Cash flow hedges	Commodity swaps	Fluctuation in price of aluminum	1,213,019.84	1,213,019.84

## 84. Government grants

### (1) Basic information of government grants

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Categories	Amount	Presented under	Amount included into profit or loss
Government grants related to assets	256,611,695.14	Deferred income	28,112,910.68
Government grants related to income	28,061,036.73	Other income	28,061,036.73

### (2) Return of government grants

□ Applicable    √ Not Applicable

Other remarks:

#### (a) Government grants related to assets

Gross method

Items	Opening balance of deferred income	Increase	Amortization	Closing balance of deferred income	Amortization presented under	Remarks
Compensation for factory relocation and resettlement in Dali City – Carlsberg (China) Breweries and Trading Co., Ltd.	107,522,700.44		6,870,646.71	100,652,053.73	Other income	Related to assets
Subsidies for relocation and reconstruction – Chongqing Beer Yibin Co., Ltd.	94,913,050.05		9,457,528.12	85,455,521.93	Other income	Related to assets
Special subsidies for industrial development – Hunan Chongqing Beer Guoren Co., Ltd.	9,979,771.45	6,936,000.00	1,728,106.23	15,187,665.22	Other income	Related to assets
Subsidies for equipment investments – Carlsberg Brewery (Anhui) Co., Ltd.	8,103,038.91		665,493.16	7,437,545.75	Other income	Related to assets
Special subsidies for canning projects – Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd.	7,779,924.73		707,103.28	7,072,821.45	Other income	Related to assets
Compensation for relocation and construction of production sites – Carlsberg Brewery (Anhui) Co., Ltd.	5,676,666.43		1,820,000.04	3,856,666.39	Other income	Related to assets

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Items	Opening balance of deferred income	Increase	Amortization	Closing balance of deferred income	Amortization presented under	Remarks
Subsidies for relocation and reconstruction – Chongqing Brewery Co., Ltd. Sixth Factory	4,212,000.00		1,512,000.00	2,700,000.00	Other income	Related to assets
Special subsidies for sewage treatment – Carlsberg Chongqing Brewery Co., Ltd. Shizhu Branch	2,220,000.00		518,000.00	1,702,000.00	Other income	Related to assets
Subsidies for key energy conservation and pollution control projects in Tacheng Prefecture – Xinjiang Wusu Brewery Co., Ltd.	1,456,741.35		432,475.67	1,024,265.68	Other income	Related to assets
Government subsidies for canning line of Yibin Xuzhou Chuangyi Industrial Investment Co., Ltd. – Chongqing Beer Yibin Co., Ltd.		12,840,000.00	757,874.09	12,082,125.91	Other income	Related to assets
The first batch of subsidies for industrial technical transformation in Chongqing Liang Jiang New Area – Carlsberg Chongqing Brewery Co., Ltd.		3,720,000.00	69,232.87	3,650,767.13	Other income	Related to assets
Subsidies for retrofit of boiler burners – Carlsberg Brewery (Jiangsu) Co., Ltd.		2,780,000.00	133,597.80	2,646,402.20	Other income	Related to assets
Special funds for the development of advanced manufacturing industries at the municipal level in Yancheng City – Carlsberg Brewery (Jiangsu) Co., Ltd.		1,953,000.00	66,802.90	1,886,197.10	Other income	Related to assets
Other subsidies	12,820,012.46	1,811,700.00	3,374,049.81	11,257,662.65	Other income	Related to assets
Subtotal	254,683,905.82	30,040,700.00	28,112,910.68	256,611,695.14	Other income	Related to assets

## (b) Government grants related to income and used to compensate incurred relevant costs, expenses or losses

Items	Amount	Presented under	Remarks
The first batch of industrial supporting funds of 2021 from Finance Bureau of Huangpu District, Shanghai	6,300,000.00	Other income	Related to income
Awards for steady growth of industrial economy of 2021 from Management Committee of Dali Economic and Technological Development Zone	5,000,000.00	Other income	Related to income
Special funds for the development of small and medium-sized enterprises “digitization, cyberization and intellectualization” transformation pilot demonstration projects of 2021 from Department of Industry and Information Technology of Yunnan Province	2,000,000.00	Other income	Related to income
Awards for top 10 green food enterprises in Yunnan Province of 2022 from Department of Industry	2,000,000.00	Other income	Related to income



Items	Amount	Presented under	Remarks
and Information Technology of Yunnan Province			
Awards for top 30 enterprises with comprehensive strength in Tianchang City	1,861,000.00	Other income	Related to income
Comprehensive contribution awards for commerce and trade enterprises in Chengdu City of 2022	1,208,400.00	Other income	Related to income
Other subsidies	9,691,636.73	Other income	Related to income
Subtotal	28,061,036.73		

(c) Amount of government grants included into profit or loss in the current period is 56,173,947.41 yuan.

### 85. Others

Applicable     Not Applicable

### VIII. Changes in the consolidation scope

#### 1. Business combination not under common control

Applicable     Not Applicable

#### 2. Business combination under common control

Applicable     Not Applicable

#### 3. Reverse purchase

Applicable     Not Applicable

**4. Disposal of subsidiaries**

One-time disposal leading to loss of control over a subsidiary

Applicable     Not Applicable

Other remarks:

Applicable     Not Applicable

**5. Changes in the consolidation scope due to other reasons**

Remarks on changes in the consolidation scope due to other reasons (e.g. establishment/liquidation of subsidiaries, etc.) and relevant conditions:

Applicable     Not Applicable

Monetary unit: RMB Yuan

Companies	Equity acquisition method	Equity acquisition date	Capital contribution	Capital contribution proportion
Carlsberg Brewery (Foshan) Co., Ltd.	Investment and establishment	1/19/2022	10,000,000.00	100.00%
Xinjiang Wusu Beer Trading Co., Ltd.	Investment and establishment	1/11/2022	30,000,000.00	100.00%

**6. Others**

Applicable     Not Applicable

**IX. Interest in other entities****1. Interest in subsidiaries****(1) Composition of the group**

√ Applicable    □ Not Applicable

Subsidiaries	Main operating place	Place of registration	Business nature	Holding proportion (%)		Acquisition method
				Direct	Indirect	
Carlsberg Chongqing Brewery Co., Ltd. [Note 1]	Yubei District, Chongqing City	Yubei District, Chongqing City	Beer industry	51.42		Business combination not under common control
Hunan Chongqing Beer Guoren Co., Ltd. [Note 2]	Economic Development Zone, Lixian, Hunan	Economic Development Zone, Lixian, Hunan	Beer industry			Investment and establishment
Chongqing Beer Panzhihua Co., Ltd. [Note 2]	Heshiba, Panzhihua City	Heshiba, Panzhihua City	Beer industry			Business combination under common control
Chongqing Beer Group Chengdu Boke Beer Co., Ltd. [Note 2]	Huashi Village, Deyuan Town, Pidu District, Chengdu City	Huashi Village, Deyuan Town, Pidu District, Chengdu City	Beer industry			Business combination not under common control
Chongqing Beer Yibin Co., Ltd. [Note 2]	Shao'e Street, Baixi Town, Yibin County, Yibin City	Shao'e Street, Baixi Town, Yibin County, Yibin City	Beer industry			Business combination not under common control
Chongqing Beer Xichang Co., Ltd. [Note 3]	Anning Town, Xichang City	Anning Town, Xichang City	Beer industry			Investment and establishment
Carlsberg Beer Enterprise Management (Chongqing) Co., Ltd. [Note 2]	Chongqing City	Chongqing City	Beer industry			Business combination under common control
Kunming Huashi Brewery Co., Ltd. [Note 2]	Kunming City, Yunnan Province	Kunming City, Yunnan Province	Beer industry			Business combination under common control
Carlsberg (China) Breweries and Trading Co., Ltd. [Note 2]	Dali City, Dali Bai Autonomous Prefecture, Yunnan Province	Dali City, Dali Bai Autonomous Prefecture, Yunnan Province	Beer industry			Business combination under common control
Xinjiang Wusu Brewery Co., Ltd. [Note 2]	Urumqi, Xinjiang	Urumqi, Xinjiang	Beer industry			Business combination under common control
Carlsberg Brewery (Guangdong) Co., Ltd. [Note 2]	Huizhou City, Guangdong Province	Huizhou City, Guangdong Province	Beer industry			Business combination under common control
Ningxia Xixia Jianiang Brewery Co., Ltd. [Note 2]	Yinchuan City	Yinchuan City	Beer industry			Business combination under common

Subsidiaries	Main operating place	Place of registration	Business nature	Holding proportion (%)		Acquisition method
				Direct	Indirect	
						control
Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd. [Note 4]	Liyang City	Liyang City	Beer industry			Business combination under common control
Carlsberg Brewery (Anhui) Co., Ltd. [Note 4]	Economic Development Zone, Tianchang City, Anhui Province	Economic Development Zone, Tianchang City, Anhui Province	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Korla) Co., Ltd. [Note 5]	Korla, Bayingolin Mongol Autonomous Prefecture, Xinjiang	Korla, Bayingolin Mongol Autonomous Prefecture, Xinjiang	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Yining) Co., Ltd. [Note 5]	Yining City, Ili Kazakh Autonomous Prefecture, Xinjiang	Yining City, Ili Kazakh Autonomous Prefecture, Xinjiang	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Aksu) Co., Ltd. [Note 5]	Aksu Prefecture, Xinjiang	Aksu Prefecture, Xinjiang	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Wusu) Co., Ltd. [Note 5]	Wusu City, Tacheng Prefecture, Xinjiang	Wusu City, Tacheng Prefecture, Xinjiang	Beer industry			Business combination under common control
Xinjiang Wusu Beer Trading Co., Ltd. [Note 5]	Urumqi, Xinjiang	Urumqi, Xinjiang	Beer industry			Investment and establishment
Carlsberg Brewery (Jiangsu) Co., Ltd. [Note 2]	Yancheng City, Jiangsu Province	Yancheng City, Jiangsu Province	Beer industry			Investment and establishment
Carlsberg Enterprise Management Consulting Co., Ltd. [Note 2]	Tianhe District, Guangzhou City	Tianhe District, Guangzhou City	Beer industry			Investment and establishment
Carlsberg Brewery (Foshan) Co., Ltd. [Note 2]	Foshan City, Guangdong Province	Foshan City, Guangdong Province	Beer industry			Investment and establishment

Remarks on inconsistency between holding proportion and voting right proportion in subsidiaries

Note 1: The Company and Guangzhou Carlsberg Consultancy and Management Services Co., Ltd. holds 51.42% and 48.58% of equity of Carlsberg Chongqing Brewery Co., Ltd. respectively.

Note 2: The Company's holding subsidiary Carlsberg Chongqing Brewery Co., Ltd. holds 98.75% of equity of Hunan Chongqing Beer Guoren Co., Ltd., 100.00% of equity of Chongqing Beer Panzhihua Co., Ltd., 100.00% of equity of Chongqing Beer Group Chengdu Boke Beer Co., Ltd., 100.00% of equity of Chongqing Beer Yibin Co.,

Ltd., 100.00% of equity of Carlsberg Beer Enterprise Management (Chongqing) Co., Ltd., 100.00% of equity of Kunming Huashi Brewery Co., Ltd., 100.00% of equity of Carlsberg (China) Breweries and Trading Co., Ltd., 100.00% of equity of Xinjiang Wusu Brewery Co., Ltd., 99.00% of equity of Carlsberg Brewery (Guangdong) Co., Ltd., 70.00% of equity of Ningxia Xixia Jianiang Brewery Co., Ltd., 100.00% of equity of Carlsberg Brewery (Jiangsu) Co., Ltd., 100.00% of equity of Carlsberg Enterprise Management Consulting Co., Ltd. and 100.00% of equity of Carlsberg Brewery (Foshan) Co., Ltd.

Note 3: Chongqing Beer Panzhihua Co., Ltd. holds 100.00% of equity of Chongqing Beer Xichang Co., Ltd.

Note 4: Carlsberg Beer Enterprise Management (Chongqing) Co., Ltd. holds 100% of equity of Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd. and 75% of equity of Carlsberg Brewery (Anhui) Co., Ltd.

Note 5: Xinjiang Wusu Brewery Co., Ltd. holds 100% of equity of Xinjiang Wusu Brewery (Korla) Co., Ltd., Xinjiang Wusu Brewery (Yining) Co., Ltd., Xinjiang Wusu Brewery (Aksu) Co., Ltd., Xinjiang Wusu Brewery (Wusu) Co., Ltd. and Xinjiang Wusu Beer Trading Co., Ltd.

Basis for the control of an investee while holding its half or less than half voting rights, and the non-control of an investee while holding its more than half voting rights:

None.

Basis for control of significant structured entities brought into the consolidation scope:

None.

Basis for determining an entity being acting as an agent or a principal:

None.

Other remarks:

None.

**(2) Significant not wholly-owned subsidiaries**

Applicable  Not Applicable

Monetary unit: RMB ten thousand Yuan

Subsidiaries	Holding proportion of non-controlling shareholders	Non-controlling shareholders' profit or loss	Dividend declared to non-controlling shareholders	Closing balance of non-controlling interest
Carlsberg Chongqing Brewery Co., Ltd.	48.58%	1,323,294,711.34	1,131,817,628.96	1,566,866,996.50

Remarks on inconsistency between holding proportion and voting right proportion of non-controlling shareholders in subsidiaries:

Applicable  Not Applicable

Other remarks:

Applicable  Not Applicable

**(3) Main financial information of significant not wholly-owned subsidiaries**

Applicable  Not Applicable

Monetary unit: RMB Yuan

Subsidiaries	Closing 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
Carlsberg Chongqing Brewery Co., Ltd.	509,469.16	672,102.18	1,181,571.34	826,259.35	50,111.77	876,371.12	438,979.66	656,677.51	1,095,657.17	783,299.69	46,302.47	829,602.15

Subsidiaries	Current period cumulative				Preceding period comparative			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Carlsberg Chongqing Brewery Co., Ltd.	1,403,904.05	267,536.02	267,867.71	380,964.24	1,311,931.07	248,267.05	248,639.24	363,374.17

Other remarks:

None.

**(4) Significant restriction on use of the group assets and liquidation of the group liabilities**

Applicable  Not Applicable

**(5) Financial or other support provided for structured entities brought into the consolidation scope**

Applicable  Not Applicable

Other remarks:

Applicable     Not Applicable

## 2. Transactions resulting in changes in subsidiaries' equity but without losing control

Applicable     Not Applicable

## 3. Interest in joint ventures or associates

Applicable     Not Applicable

### (1) Significant joint ventures or associates

Applicable     Not Applicable

Monetary unit: RMB Yuan

Joint ventures or associates	Main operating place	Place of registration	Business nature	Holding proportion (%)		Accounting treatment on investments in joint ventures or associates
				Direct	Indirect	
Chongqing Jiawei Beer Co., Ltd. [Note]	Chongqing Jianqiao Industrial Park	Chongqing Jianqiao Industrial Park	Production and sales of beers		33.00	Equity method

Remarks on inconsistency between holding proportion and voting right proportion in joint ventures or associates:

Note: The Company's holding subsidiary Carlsberg Chongqing Brewery Co., Ltd. holds 33.00% of equity of Chongqing Jiawei Beer Co., Ltd.

Basis for significant influence over an entity on which the Company held less than 20% voting rights or insignificant influence over an entity on which the Company held more than 20% voting rights:

None.

### (2) Main financial information of significant joint ventures

Applicable     Not Applicable

**(3) Main financial information of significant associates**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

	Closing balance/ Current period cumulative Chongqing Jiawei Beer Co., Ltd.	Opening balance/ Preceding period comparative Chongqing Jiawei Beer Co., Ltd.
Current assets	1,082,719,631.91	899,166,258.08
Including: Cash and cash equivalents	273,748,191.82	94,040,591.53
Non-current assets	174,783,077.23	181,392,172.33
Total assets	1,257,502,709.14	1,080,558,430.41
Current liabilities	268,511,026.17	273,267,286.83
Non-current liabilities	90,204,164.62	79,046,293.02
Total liabilities	358,715,190.79	352,313,579.85
Non-controlling interest		
Equity attributable to shareholders of parent company	898,787,518.35	728,244,850.56
Proportionate share in net assets	296,599,881.05	240,320,800.68
Adjustments		
-- Goodwill		
-- Unrealized profit in internal transactions		
-- Others		
Carrying amount of investments in associates	296,599,881.05	240,320,800.68
Fair value of equity investments in associates in association with quoted price		
Operating revenue	508,334,306.85	451,322,972.02
Financial expenses	2,554,696.04	7,665,090.71
Income tax expenses	29,643,912.52	23,836,340.09
Net profit	170,542,667.79	131,211,920.34
Net profit of discontinued operations		
Other comprehensive income		
Total comprehensive income	170,542,667.79	131,211,920.34
Dividend received from associates in the current period		49,639,457.72

Other remarks

None.

**(4) Aggregated financial information of insignificant joint ventures and associates**

□ Applicable    √ Not Applicable

**(5) Significant restrictions on remittance of fund from joint ventures or associates to the Company**

□ Applicable    √ Not Applicable



**(6) Excess losses incurred by joint ventures or associates**

Applicable     Not Applicable

**(7) Unrecognized commitments related to investments in joint ventures**

Applicable     Not Applicable

**(8) Contingent liabilities related to investments in joint ventures or associates**

Applicable     Not Applicable

**4. Significant joint operations**

Applicable     Not Applicable

**5. Interest in unconsolidated structured entities**

Remarks on unconsolidated structured entities:

Applicable     Not Applicable

**6. Others**

Applicable     Not Applicable

**X. Risks related to financial instruments**

Applicable     Not Applicable

In risk management, the Company aims to seek the appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Company's financial performance, so as to maximize the profits of shareholders and other equity investors. Based on such risk management objectives, the Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits on a timely and reliable basis.

The Company has exposure to the following risks from its use of financial instruments, which mainly include: credit risk, liquidity risk, and market risk. The Management has deliberated and approved policies concerning such risks, and details are:

**(I) Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

**1. Credit risk management practice****(1) Evaluation method of credit risk**

At each balance sheet date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When assessing whether the credit risk has increased significantly since initial recognition, the Company takes into account reasonable and supportable information, which is available without undue cost or effort, including qualitative and quantitative analysis based on historical data, external credit risk

rating, and forward-looking information. The Company determines the changes in default risk of financial instruments during the estimated lifetime through comparison of the default risk at the balance sheet date and the initial recognition date, on an individual basis or a collective basis.

The Company considers the credit risk on a financial instrument has increased significantly when one or more of the following qualitative and quantitative standards are met:

- 1) Quantitative standard mainly relates to the scenario in which, at the balance sheet date, the probability of default in the remaining lifetime has risen by more than a certain percentage compared with the initial recognition;
- 2) Qualitative standard mainly relates to significant adverse changes in the debtor's operation or financial position, present or expected changes in technology, market, economy or legal environment that will have significant adverse impact on the debtor's repayment ability;

#### (2) Definition of default and credit-impaired assets

A financial instrument is defined as defaulted when one or more following events have occurred, of which the standard is consistent with that for credit-impairment:

- 1) significant financial difficulty of the debtor;
- 2) a breach of binding clause of contract;
- 3) it is very likely that the debtor will enter bankruptcy or other financial reorganization;
- 4) the creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the creditor would not otherwise consider.

#### 2. Measurement of expected credit losses

The key factors in the measurement of expected credit loss include the probability of default, loss given default, and exposure to default risk. The Company develops a model of the probability of default, loss given default, and exposure to default risk on the basis of quantitative analysis of historical data (e.g. counterparty rating, guarantee measures and collateral type, payment method, etc.) and forward-looking information.

3. Please refer to item VII 5 and 8 of this section for details on the reconciliation table of opening balance and closing balance of provision for losses of financial instrument.

#### 4. Exposure to credit risk and concentration of credit risk

The Company's credit risk is primarily attributable to cash and bank balances and receivables. In order to control such risks, the Company has taken the following measures:

##### (1) Cash and bank balances

The Company deposits its bank balances and other cash and bank balances in financial institutions with relatively high credit levels, hence, its credit risk is relatively low.

##### (2) Receivables

The Company performs credit assessment on customers using credit settlement on a continuous basis. The Company selects credible and well-reputed customers based on credit assessment result, and conducts ongoing monitoring on balance of receivables, to avoid significant risks in bad debts.

As the Company only conducts business with credible and well-reputed third parties, collateral is not required from

customers. The Company manages credit risk aggregated by customers. As of December 31, 2022, the Company held no collateral or other credit enhancement on balance of receivables due to the short settlement period between the Company and distributors and the effective collection of payments.

The maximum amount of exposure to credit risk of the Company is the carrying amount of each financial asset at the balance sheet.

## (II) Liquidity risk

Liquidity risk is the risk that the Company may encounter deficiency of funds in meeting obligations associated with cash or other financial assets settlement, which is possibly attributable to failure in selling financial assets at fair value on a timely basis, or failure in collecting liabilities from counterparties of contracts, or early redemption of debts, or failure in achieving estimated cash flows.

In order to control such risk, the Company utilizes financing tools such as credit terms with suppliers, etc. and adopts short-term financing methods to maintain a balance between financing sustainability and flexibility.

### Financial liabilities classified based on remaining time period till maturity

Items	Closing balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Accounts payable	2,497,671,747.37	2,497,671,747.37	2,497,671,747.37		
Other payables	3,490,319,176.38	3,490,319,176.38	3,490,319,176.38		
Non-current liabilities due within one year	24,005,592.21	24,005,592.21	24,005,592.21		
Lease liabilities	77,928,597.87	98,843,891.74		45,796,146.66	53,047,745.08
Subtotal	6,089,925,113.83	6,110,840,407.70	6,011,996,515.96	45,796,146.66	53,047,745.08

(Continued)

Items	December 31, 2021				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Accounts payable	2,212,689,178.11	2,212,689,178.11	2,212,689,178.11		
Other payables	2,971,960,641.25	2,971,960,641.25	2,971,960,641.25		
Non-current liabilities due within one year	22,313,992.68	22,313,992.68	22,313,992.68		
Lease liabilities	16,951,000.00	18,324,143.06		18,324,143.06	
Subtotal	5,223,914,812.04	5,225,287,955.10	5,206,963,812.04	18,324,143.06	

## (III) Market risk

Market risk is the risk that the Company may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market price. Market risk mainly includes interest risk and foreign currency risk.

### 1. Interest risk

Interest risk is the risk that an enterprise may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market interest. The Company's fair value interest risks arise from fixed-rate financial

instruments, while the cash flow interest risks arise from floating-rate financial instruments. The Company determines the proportion of fixed-rate financial instruments and floating-rate financial instruments based on the market environment, and maintains a proper financial instruments portfolio through regular review and monitoring.

## 2. Foreign currency risk

Foreign currency risk is the risk arising from changes in fair value or future cash flows of financial instrument resulted from changes in exchange rate. The Company is operated in mainland China, whose main activities are denominated in RMB, hence, the Company bears insignificant market risk arising from foreign exchange changes.

## XI. Fair value disclosure

### 1. Details of fair value of assets and liabilities at fair value at the balance sheet date

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Fair value as at the balance sheet date			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
<b>I. Recurring fair value measurement</b>				
(I) Held-for-trading financial assets	3,829,356.40			3,829,356.40
1. Financial assets measured as at fair value through profit or loss				
(1) Debt instrument investments				
(2) Equity instrument investments				
(3) Derivative financial assets				
2. Financial assets designated as at fair value through profit or loss				
(1) Debt instrument investments				
(2) Equity instrument investments				
3. Derivative financial assets	3,829,356.40			3,829,356.40
(II) Other debt investments				
(III) Other equity instrument investments		14,303,331.73		14,303,331.73
(IV) Investment property				
1. Land use right held for lease				
2. Buildings for lease				
3. Land use right held for transfer after appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				

Items	Fair value as at the balance sheet date			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
<b>Total assets at recurring fair value measurement</b>	3,829,356.40	14,303,331.73		18,132,688.13
(VI) Held-for-trading liabilities	2,616,336.56			2,616,336.56
1. Financial liabilities measured as at fair value through profit or loss				
Including: Held-for-trading bonds issued				
Derivative financial liabilities				
Others				
2. Financial liabilities designated as at fair value through profit or loss				
3. Derivative financial liabilities	2,616,336.56			2,616,336.56
<b>Total liabilities at recurring fair value measurement</b>	2,616,336.56			2,616,336.56
<b>II. Non-recurring fair value measurement</b>				
(I) Assets held for sale				
<b>Total assets at non-recurring fair value measurement</b>				
<b>Total liabilities at non-recurring fair value measurement</b>				

## 2. Basis for determining level 1 fair value at recurring and non-recurring fair measurement

Applicable    Not Applicable

The amounts of derivative financial assets and derivative financial liabilities were determined based on the bank statements provided by the financial institutions.

## 3. Qualitative and quantitative information of valuation technique(s) and key input(s) for level 2 fair value at recurring and non-recurring fair measurement

Applicable    Not Applicable

The Company took level 2 inputs as the fair value as the shares of Bank of Guizhou Co., Ltd. (“Guizhou Bank”) held by the Company cannot be publicly transferred in H-share market. The fair value per share of equity investment in Guizhou Bank as at December 31, 2022 was measured based on the net assets per share of Guizhou Bank as at June 30, 2022 disclosed in the latest interim report under certain discount method.

**4. Qualitative and quantitative information of valuation technique(s) and key input(s) for level 3 fair value at recurring and non-recurring fair measurement**

Applicable     Not Applicable

The Company's other non-current financial assets refer to equity investments in Xinjiang Guozhiming Packaging Co., Ltd., which has been closed in previous year and was a non-public interest entity. The Management has made full provisions for impairment on the entity in previous year due to its high going concern risk.

**5. Items for level 3 recurring fair value measurement, a reconciliation from the opening balances to the closing balances, and sensitive analysis on unobservable inputs**

Applicable     Not Applicable

**6. Items at recurring fair value measurement with inter-level transfer, and reasons and policies for determining inter-level transfer time**

Applicable     Not Applicable

**7. Changes in valuation techniques in the current period and reasons for changes**

Applicable     Not Applicable

**8. Fair value of financial assets and liabilities not at fair value**

Applicable     Not Applicable

**9. Others**

Applicable     Not Applicable

**XII. Related party relationships and transactions**

**1. Parent company of the Company**

Applicable     Not Applicable

Remarks on parent company of the Company

Carlsberg Foundation is the Company's actual controller and controls the Company's controlling shareholder Carlsberg Breweries A/S, which holds 42.54% and 17.46% of the Company's equity through Carlsberg Brewery Hong Kong Limited and Carlsberg Chongqing Limited respectively.

The Company's ultimate controlling party is Carlsberg Foundation.

Other remarks:

None.

**2. Subsidiaries of the Company**

Please refer to relevant items for details on the Company's subsidiaries.

Applicable     Not Applicable

Please refer to item IX of this section on the Company's subsidiaries.

### 3. Joint ventures and associates of the Company

Please refer to relevant items for details on the Company's significant joint ventures and associates.

Applicable    Not Applicable

Please refer to section IX of this section on the Company's significant joint ventures and associates.

Details of other joint ventures or associates carrying out related party transactions with the Company in the current period or in preceding period but with balance in the current period are as follows:

Applicable    Not Applicable

Joint ventures or associates	Relationships with the Company
Chongqing Jiawei Beer Co., Ltd.	Associate

Other remarks

Applicable    Not Applicable

### 4. Other related parties of the Company

Applicable    Not Applicable

Related parties	Relationships with the Company
Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.	Under common control of the Company's ultimate controlling party
Carlsberg Trading (Shenzhen) Co., Ltd.	Under common control of the Company's ultimate controlling party
Beijing Shouniang Golden Wheat Trading Co., Ltd.	Associate of the Company's controlling shareholder
Jinbei Asia Pacific (Beijing) Catering Co., Ltd.	Associate of the Company's controlling shareholder
Carlsberg Marketing Sdn Bhd	Under common control of the Company's ultimate controlling party
Carlsberg Supply Company AG	Under common control of the Company's ultimate controlling party
Cambrew Limited	Under common control of the Company's ultimate controlling party
Carlsberg Italia S.p.A.	Under common control of the Company's ultimate controlling party
Carlsberg Breweries A/S	Under common control of the Company's ultimate controlling party
Carlsberg Brewery Hong Kong Limited	Under common control of the Company's ultimate controlling party
Carlsberg Singapore Pte Ltd	Under common control of the Company's ultimate controlling party
The Brooklyn Brewery Corp.	Under common control of the Company's ultimate controlling party

Other remarks

None.

**5. Related party transactions****(1) Purchase and sale of goods, rendering and receiving of services**

Purchase of goods and receiving of services

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Related parties	Content of transaction	Current period cumulative	Preceding period comparative
Chongqing Jiawei Beer Co., Ltd.	Purchase of goods [Note]	501,780,646.32	445,729,419.05
Beijing Shouniang Golden Wheat Trading Co., Ltd.	Purchase of goods	141,965.77	109,657.64
Carlsberg Supply Company AG	Purchase of goods	70,774.58	3,191,513.50
The Brooklyn Brewery Corp.	Purchase of goods		417,691.74
Carlsberg Breweries A/S	Purchase of beers, materials, etc.		113,506.35
Carlsberg Italia S.p.A.	Purchase of goods		7,558.22
Chongqing Jiawei Beer Co., Ltd.	Purchase of materials, etc.	116,982.08	46,349.76
Total		502,110,368.75	449,615,696.26

Note: Please refer to item XII 5 (8) of this section for details on exclusive sales of purchase of beers.

Sale of goods and rendering of services

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Related parties	Content of transaction	Current period cumulative	Preceding period comparative
Carlsberg Brewery Hong Kong Limited	Sales of goods, etc.	70,168,212.54	41,673,663.03
Carlsberg Singapore Pte Ltd	Sales of goods	2,448,717.98	1,879,390.12
Cambrew Limited	Sales of goods	1,309,978.37	588,578.91
Jinbei Asia Pacific (Beijing) Catering Co., Ltd.	Sales of goods	699,577.16	177,463.65
Chongqing Jiawei Beer Co., Ltd.	Sales of goods	264,948.96	380,485.24
Carlsberg Marketing Sdn Bhd	Sales of goods	192,183.86	108,501.43
Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.	Sales of goods		7,513.24
Total		75,083,618.87	44,815,595.62

Remarks on purchase and sale of goods, rendering and receiving of services

√ Applicable    □ Not Applicable

Note: The transaction amounts presented in item XII 5 of this section were tax-excluded amounts.

**(2) Related party trust/contracting and consignment/outsourcing**

The Company's trust/contracting:

□ Applicable    √ Not Applicable

Remarks on related party trust/contracting

□ Applicable    √ Not Applicable

The Company's consignment/outsourcing



Applicable     Not Applicable

Remarks on related party consignment/outsourcing

Applicable     Not Applicable

**(3) Related party leases**

The Company as the lessor:

Applicable     Not Applicable

The Company as the lessee:

Applicable     Not Applicable

Remarks on related party leases

Applicable     Not Applicable

**(4) Related party guarantees**

The Company as the guarantor

 Applicable  Not Applicable

The Company as the guaranteed party

 Applicable  Not Applicable

Remarks on related party guarantees

 Applicable  Not Applicable**(5) Call loans between related parties** Applicable  Not Applicable**(6) Assets transfer and debt restructuring of the related parties** Applicable  Not Applicable**(7) Key management's emoluments** Applicable  Not Applicable

Monetary unit: RMB Ten Thousand Yuan

Items	Current period cumulative	Preceding period comparative
Key management's emoluments	2,308.27	3,294.32

**(8) Other related party transactions** Applicable  Not Applicable

1.Related party licensing

(1) The Company as the licensee

Related parties	Current period cumulative	Preceding period comparative
Carlsberg Breweries A/S [Note 1]	215,460,314.92	205,059,715.65
Beijing Shouniang Golden Wheat Trading Co., Ltd. [Note 2]	1,218,025.79	1,177,235.45
Total	216,678,340.71	206,236,951.10

Note 1: Carlsberg Breweries A/S granted the Company a license to use trademarks including Carlsberg, Tuborg, Carlsberg LIGHT, Carlsberg chill, Kronenbourg 1664, Jolly Shandy, OMERSBY, etc., with the licensing period as same as the registration validity period of licensed trademarks agreed in trademark licensing contract and its appendix. It was agreed by both parties that trademark licensing fees should be calculated based on the Company's net sales revenue from the production and sales of products with licensed trademark in the calendar year. Details of rate of licensing fees are as follows: 4% for Tuborg, 5% for Carlsberg, Jolly Shandy and SOMERSBY, 6% for Kronenbourg 1664 (excluding Blanc series products), and 6% from January 1, 2022 to May 31, 2022 and 7% from June 1, 2022 for Blanc series products.

Note 2: Beijing Shouniang Golden Wheat Trading Co., Ltd. granted the Company a license to use the trademark of

JingA, with the licensing period as same as the registration validity period of licensed trademarks agreed in trademark licensing contract and its appendix. It was agreed by both parties that trademark licensing fees should be calculated at 6% of Company's net sales revenue from the production and sales of products with licensed trademark in the calendar year.

(2) The Company as the licensor

Related parties	Current period cumulative	Preceding period comparative
Carlsberg Brewery Hong Kong Limited [Note ]	11,676.51	
Total	11,676.51	

Note: The Company granted Carlsberg Brewery Hong Kong Limited a license to use the trademark of Wusu Beer, with the licensing period as same as the registration validity period of licensed trademarks agreed in trademark licensing contract and its appendix. It was agreed by both parties that trademark licensing fees should be calculated based on the Company's net sales revenue from the production and sales of products with licensed trademark in the calendar year. Details of rate of licensing fees are as follows: 1.25% from January 1, 2022 to December 31, 2022; 2.50% from January 1, 2023 to December 31, 2023; and 3.75% from January 1, 2024.

2. Related party exclusive sales agreements

Pursuant to the Framework Agreement on Exclusive Sales of Products entered into between the Company and Chongqing Jiawei Beer Co., Ltd. ("Jiawei Beer") in January 2009, Jiawei Beer would exclusively produce beers with trademark of Shancheng and sell all of the beers produced to the Company within the term of the agreement. Based on Jiawei Beer's annual production capacity of 0.15 million kiloliters of beers in the current period and market demand, and the actual production and sales volume of 80,000 kiloliters in 2008, the Company agreed that the sales volume of beers from Jiawei Beer would increase by 14,000 kiloliters each year from 2009 to 2013, ensuring that the sales volume would reach 0.15 million kiloliters in 2013 and keep up with the increase in the total production and sales volume of the Company's beer enterprises in Jiulongpo District and North New District of Chongqing from 2014. The selling prices of beers from Jiawei Beer should be determined in accordance with the ex-factory prices of beers in the Company's beer enterprises in Jiulongpo District and North New District of Chongqing with the same variety, specification and market, and the average price of beers from Jiawei Beer per kiloliter should be the same as that produced by the Company's beer enterprises in Jiulongpo District and North New District of Chongqing. In the meantime, Jiawei Beer should pay for the selling expenses in accordance with the quantity of beers sold by the Company. It was agreed that, from 2014, Jiawei Beer should pay the selling expenses at 100.00 yuan per kiloliter for the part of beers with sales volume less than 0.15 million kiloliters (inclusive), and pay the selling expenses in accordance with the average selling expenses per kiloliter of beers in the Company's beer enterprises in Jiulongpo District and North New District of Chongqing for the part exceeding 0.15 million kiloliters. The validity period of the agreement is 20 years. The matters related to exclusive sales of beers mentioned above have been deliberated and approved in the Company's First Extraordinary General Meeting of Shareholders in 2009.

Due to the disputes from both parties on performance of terms related to price in the exclusive sales agreement and the accumulated difference in exclusive sales of beers and under approval of the seventh meeting of the eighth Board of Directors, the Company signed a supplementary agreement of "Framework Agreement on Exclusive Sales of

Products” with Jiawei Beer on December 28, 2016 to ensure the sound cooperation in future. The main contents of the supplementary agreement are as follows:

- (1) Adjustment on the calculation method of sales volume and net revenue from beers agreed in the exclusive sales agreement: both parties agreed to involve the sales volume of Hechan Branch in 2015 in the calculation of the growth rate of sales volume and the average net revenue from beers from January 2016 due to the overlap of sales areas.
- (2) Clarification on the solutions for difference in volume and price: both parties agreed that the Company should adjust the volume of beers purchased from Jiawei Beer or pay compensation in cash at the price of beers per kiloliter agreed by both parties when there is difference in volume or price during the performance of the exclusive sales agreement.
- (3) Clarification on settlement in the original way: both parties agreed that the settlement should be carried out in accordance with the exclusive sales agreement, and jointly engaged a third-party intermediary agency to conduct a special audit on the average price and volume of beers of both parties in the previous year, which should be taken as the basis for the final settlement of the year.
- (4) Compensation on difference in price: both parties agreed that within 3 years from January 1, 2016, the difference in price should be treated as follows: for difference in price between the higher average net revenue from beers of the Company and that of Jiawei Beer in the first year (2016), if the difference is less than or equivalent to 4% of the average net revenue from beers of Jiawei Beer in 2016, the Company would not compensate Jiawei Beer; otherwise, the Company would compensate Jiawei Beer for the portion exceeding 4%; if the difference in the second year (2017) is less than or equivalent to 2% of the average net revenue from beers of Jiawei Beer in 2017, the Company would not compensate Jiawei Beer; otherwise, the Company would compensate Jiawei Beer for the portion exceeding 2%; if the difference in the third year (2018) is less than or equivalent to 1% of the average net revenue from beers of Jiawei Beer in 2018, the Company would not compensate Jiawei Beer; otherwise, the Company would compensate Jiawei Beer for the portion exceeding 1%.
- (5) New products and usage of brands: in order to ensure that the average net revenue from beers per kiloliter of Jiawei Beer is as same as that of the Company, the Company agreed that Jiawei Beer could produce products with the trademarks of “Tuborg”, “Chongqing Pure Draft”, etc. under the premise of meeting the corresponding production standards of products, and the products should be exclusively sold by the Company.

It is confirmed by both parties that the supplementary agreement would come into effect from the date of signing by both parties, and would be implemented retrospectively from January 1, 2016. In the meantime, it is agreed in the supplementary agreement that the Company should pay settlement fees of 30.00 million yuan to Jiawei Beer within one month after the effective date of the agreement. Except for the settlement fees, Jiawei Beer could not require the Company to bear any liabilities for breach of “Framework Agreement on Exclusive Sales of Products” before the effective date of the supplementary agreement.

In 2021, the Company actually sold beers of 114,487.60 kiloliters with the trademarks of “Shancheng”, “Chongqing” and “Tuborg” totaling 445.73 million yuan (tax exclusive) and Jiawei Beer should pay selling expenses of 17.17 million yuan. In 2022, the Company actually sold beers of 129,325.12 kiloliters with the trademarks of “Shancheng”,

“Chongqing” and “Tuborg” totaling 501.78 million yuan (tax exclusive) and Jiawei Beer should pay selling expenses of 19.40 million yuan.

## 6. Balances due to or from related parties

### (1) Balances due from related parties

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Related parties	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable					
	Carlsberg Brewery Hong Kong Limited	19,081,927.98	954,096.40	11,855,371.25	592,768.56
	Carlsberg Singapore Pte Ltd	254,903.41	12,745.17	327,566.65	16,378.33
	Cambrew Limited	241,204.80	12,060.24		
	Carlsberg Marketing Sdn Bhd	80,782.66	4,039.13	34,078.51	1,703.93
	Jinbei Asia Pacific (Beijing) Catering Co., Ltd.	72,877.63	3,643.88	35,908.94	1,795.45
Subtotal		19,731,696.48	986,584.82	12,252,925.35	612,646.27
Other receivables					
	Chongqing Jiawei Beer Co., Ltd.	73,455.50	3,672.78		
	Carlsberg Brewery Hong Kong Limited	11,676.51	583.83		
Subtotal		85,132.01	4,256.61		

### (2) Balances due to related parties

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Related parties	Closing book balance	Opening book balance
Accounts payable			
	Carlsberg Supply Company AG	515,042.71	507,182.14
	Chongqing Jiawei Beer Co., Ltd.		7,034,063.35
	Beijing Shouniang Golden Wheat Trading Co., Ltd.		12,083.58
Subtotal		515,042.71	7,553,329.07
Other payables			
	Carlsberg Breweries A/S	40,124,834.90	33,636,178.62
	Beijing Shouniang Golden Wheat Trading Co., Ltd.	194,480.53	1,182,327.83
	Carlsberg Trading (Shenzhen) Co., Ltd.		27,692.30
Subtotal		40,319,315.43	34,846,198.75

## 7. Related party commitments

□ Applicable    √ Not Applicable

**8. Others**

Applicable     Not Applicable

**XIII. Share-based payment****1. Overall information**

Applicable     Not Applicable

**2. Equity-settled share-based payment**

Applicable     Not Applicable

**3. Cash-settled share-based payment**

Applicable     Not Applicable

Monetary unit: RMB Yuan

Determination method for the fair value of liabilities incurred by the Company and to be settled in shares or other equity instruments	
Accumulated amount of liabilities incurred due to cash-settled share-based payment	15,049,013.31
Total expenses incurred due to cash-settled share-based payment	1,048,565.00

## Other remarks

Note: Pursuant to the regulations of “Annual Plan of Long-term Incentive Plan from 2018 to 2020 of Carlsberg Group”, “Annual Plan of Long-term Incentive Plan from 2019 to 2021 of Carlsberg Group” and “Annual Plan of Long-term Incentive Plan from 2020 to 2022 of Carlsberg Group” (the “Annual Plans”), eligible executives at the level of vice president and above are entitled to join the Annual Plans. The vesting period of each Annual Plan is 3 years, and executives joined the Annual Plans could obtained a certain amount of Carlsberg B shares for free if they have reached the pre-set performance conditions and other relevant exercise conditions, and are still engaged by Carlsberg Group after the vesting period. The Company would settle in cash after the exercise conditions are met.

**4. Modifications and cancellations of share-based payment**

Applicable     Not Applicable

**5. Others**

Applicable     Not Applicable

**XIV. Commitments and contingencies****1. Significant commitments**

Applicable     Not Applicable

Significant commitments, their nature and amount at the balance sheet date

Please refer to item XII 5 (8) of this section for details on beer produced by Jiawei Beer and shall be exclusively sold by the Company.

Except for the aforementioned events, the Company has no other significant commitments to be disclosed as of the balance sheet date.

## 2. Contingencies

### (1) Significant contingencies at the balance sheet date

Applicable     Not Applicable

When the Company undertakes the exclusive sales of the beer produced by Jiawei Beer, the two parties shall settle the difference in sales volume and price. As of December 31 2022, the Company has estimated the cost of making up the net difference in sales volume and price based on the performance of the agreement, with final settlement not yet made. Please refer to item XII 5 (8) of this section for details.

Except for the aforementioned events, the Company has no other significant contingencies to be disclosed as of the balance sheet date.

### (2) Remarks shall also be given if the Company has no significant contingencies to be disclosed.

Applicable     Not Applicable

### (3) Others

Applicable     Not Applicable

## XV. Events after the balance sheet date

### 1. Significant non-adjusting events

Applicable     Not Applicable

### 2. Profit distribution

Applicable     Not Applicable

Monetary unit: RMB Yuan

Profit or dividend planned to be distributed	1,258,325,114.80
Profit or dividend approved to be distributed	

Pursuant to the profit distribution plan of 2022 proposed at the eighth meeting of the tenth Board of Directors held on April 26, 2023, the Company intends to distribute cash dividend of 2.60 yuan (tax inclusive) per share out of profits available for distribution as of December 31, 2022. The proposal needs to be submitted to the Annual General Meeting of Shareholders for deliberation and approval.

### 3. Sales return

Applicable     Not Applicable

### 4. Other remarks

Applicable     Not Applicable



**XVI. Other significant events**

**1. Corrections of prior period errors**

**(1) Retroactive restatement method**

Applicable     Not Applicable

**(2) Prospective application method**

Applicable     Not Applicable

**2. Debt restructuring**

Applicable     Not Applicable

**3. Assets exchange**

**(1) Non-cash assets exchange**

Applicable     Not Applicable

**(2) Other assets exchange**

Applicable     Not Applicable

**4. Annuity plan**

Applicable     Not Applicable

**5. Discontinued operations**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Revenue	Expenses	Total profit	Income tax expenses	Net profit	Profit of discontinued operations attributable to shareholders of the parent company
Shutting down plants		554,141.24	1,357,571.19	-409.69	1,357,980.88	1,357,980.88

Other remarks

**(1) Net profit from discontinued operations**

Items	Current period cumulative	Preceding period comparative
Operating revenue		
Less: Operating cost		
Taxes and surcharges	345,765.84	948,095.15
Administrative expenses	550,975.31	372,521.37
Financial expenses	3,165.93	-184,133.06
Add: Other income		27,531.80
Gains on asset disposal	2,257,478.27	
Operating profit	1,357,571.19	-1,108,951.66
Less: Non-operating expenses		7,009.93
Profit before tax of discontinued operations	1,357,571.19	-1,115,961.59
Less: Income tax of discontinued operations	-409.69	1,860,521.34
Net profit of discontinued operations	1,357,980.88	-2,976,482.93
Add: Assets impairment loss recognized in the current period		
Add: Net gains or losses from disposal of discontinued operations (after tax)		
Including: Total gains or losses from disposal		
Less: Income tax expenses (or add: revenues)		
Total	1,357,980.88	-2,976,482.93
Including: Attributable to shareholders of parent company	1,357,980.88	-2,862,850.96

## (2) Cash flows of discontinued operations

Items	Current period cumulative			Preceding period comparative		
	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities	Net cash flows from operating activities	Net cash flows from investing activities	Net cash flows from financing activities
Chongqing Brewery Co., Ltd. Qianjiang Branch	33,382.55			-934.07		
Chongqing Brewery Co., Ltd. Wanzhou Branch	5,472.33			8,747.66		
Chongqing Brewery Co., Ltd. Sixth Factory	-5.01			-1,089.71		
Hunan Chongqing Beer Guoren Co., Ltd. Changde Branch				-60,614.45		
Total	38,849.87			-53,890.57		

**6. Segment information****(1) Identification basis and accounting policies for reportable segments**

Applicable    Not Applicable

Reportable segments are identified according to the structure of the Company's internal organization, management requirements and internal reporting system, and based on regional segments. Assessments are respectively performed on the operating performance of southern region, northwest region and central region. Assets and liabilities shared by different segments are allocated among segments proportionate to their respective sizes.

**(2) Financial information of reportable segments**

Applicable    Not Applicable

Monetary unit: RMB Ten Thousand Yuan

Items	Southern region	Northwest region	Central region	Inter-segment offsetting	Total
Operating revenue	478,189.87	412,678.78	717,718.17	204,682.76	1,403,904.05
Including: Revenue from contracts with customers	478,189.87	412,678.78	717,718.17	204,682.76	1,403,904.05
Operating cost	242,609.92	216,871.32	417,217.26	181,455.60	695,242.90
Total assets	524,319.94	364,725.98	1,056,791.47	696,083.18	1,249,754.22
Total liabilities	345,358.91	190,713.33	737,580.41	386,200.70	887,451.94

**(3) Reasons shall be given if the Company has no reportable segment or cannot disclose the total assets and liabilities of each reportable segment.**

Applicable    Not Applicable

**(4) Other remarks**

Applicable    Not Applicable

**7. Other significant transactions and events that may be influential for investors in decision-making**

Applicable    Not Applicable

Pursuant to the “Proposal on Conducting Aluminum Hedging by the Subsidiary of the Company” deliberated and approved by the Company’s First Extraordinary General Meeting of Shareholders in 2022 and the “Proposal on the Adjustment of Implementation Plan for Aluminum Hedging” deliberated and approved by the Company’s 2021 Annual General Meeting of Shareholders, the Company and its subsidiaries intend to, in legal compliance without affecting normal operations, invest in aluminum hedges at an appropriate time using self-owned funds of not more than USD 70.00 million. As of December 31, 2022, the Company’s position amounted to USD 28,145,570.00, which has not yet expired.

## 8. Others

√ Applicable    □ Not Applicable

### (I) Leases

#### 1. The Company as lessee

(1) Please refer to item VII 25 of this section for details on right-of-use assets.

(2) Please refer to item V 42 of this section for details on the Company’s accounting policies on short-term leases and leases for which the underlying asset is of low value. The amounts of short-term leases and low-value asset leases included into profit or loss are as follows:

Items	Current period cumulative	Preceding period comparative
Expense relating to short-term leases	29,041,574.10	21,958,008.93
Total	29,041,574.10	21,958,008.93

#### (3) Profit or loss and cash flows related to leases

Items	Current period cumulative	Preceding period comparative
Interest expenses on lease liabilities	3,696,843.83	2,010,658.26
Total cash outflows related to leases	48,244,866.18	38,624,914.18

(4) Please refer to item X of this section for details on maturity analysis of lease liabilities and related liquidity risk management.

#### (5) Nature of lease activities

Type of leased assets	Quantity	Lease term	Whether hold the extension option
Buildings and structures	58.00	1-10 years	No
Machinery	12.00	1-5 years	No
Transport facilities	225.00	2 years	No

### (II) Commitments on the performance of major asset restructuring

Pursuant to the relevant agreement on the Company’s major asset restructuring, Carlsberg Brewery Hong Kong Limited (“Carlsberg Hong Kong”) promises that the net profit of Carlsberg Chongqing Brewery Co., Ltd. which is attributable to the parent company after deducting non-recurring profit or loss in 2020, 2021 and 2022 would not be less than 48.98 million yuan, 58.91 million yuan and 62.11 million yuan respectively. If the actual performance is lower than the above commitment amount, Carlsberg Hong Kong will compensate the Company in cash. Carlsberg

Breweries A/S and Guangzhou Carlsberg Consultancy and Management Services Co., Ltd. promise that the total net profit of the target companies involved in Asset Package A and Asset Package B which is attributable to the parent company after deducting non-recurring profit or loss in 2020, 2021 and 2022 will not be less than 56.54 million yuan, 76.76 million yuan and 80.89 million yuan respectively. If the actual performance is lower than the above commitment amount, Carlsberg Breweries A/S and Guangzhou Carlsberg Consultancy and Management Services Co., Ltd. will compensate Carlsberg Chongqing Brewery Co., Ltd. in cash.

In 2022, the actual performance of Carlsberg Chongqing Brewery Co., Ltd. and the total actual performance of Asset Package A and Asset Package B were all higher than the above commitment amount.

At the same time, upon the expiration of the performance commitment period, the Company conducted an impairment test on the value of Carlsberg Chongqing Brewery Co., Ltd., Asset Package A and Asset Package B, and engaged an appraisal agency to evaluate their value. According to the evaluation results, Carlsberg Chongqing Brewery Co., Ltd., Asset Package A and Asset Package B were not impaired.

### (III) Major investments

Approved by the Fourth Extraordinary General Meeting of Shareholders in 2021, the subsidiary Carlsberg Chongqing Brewery Co., Ltd. and Xi'nan Subdistrict Office of Sanshui District, Foshan City entered into the "Letter of Intent for Investment in Beer Production Base Project", agreeing that Carlsberg Chongqing Brewery Co., Ltd. plans to build a production base with an annual production capacity of 500,000 kiloliters of beer in Sanshui District, Foshan City, Guangdong Province, with a fixed assets investment of about 1.03 billion yuan. The two parties also agreed on the investment intensity, development progress and economic contributions. Under the approval of the fifth meeting of the tenth Board of Directors, in order to meet the needs of building intelligent and green wineries, reduce the long-term operating costs and improve the stability of product quality, the Company increased the total investment of the project to 1.492 billion yuan. As of the balance sheet date, the cumulative investment of the project totaled 0.38 billion yuan.

**XVII. Notes to items of parent company financial statements****1. Accounts receivable****(1) Age analysis**

Applicable     Not Applicable

**(2) Details on categories of provision accrual methods**

Applicable     Not Applicable

Provision made on an individual basis

Applicable     Not Applicable

Provision made on a collective basis

Applicable     Not Applicable

For provision for bad debts made using three-stage model, please disclose relevant information referring to the disclosures in item VII 8 of this section

Applicable     Not Applicable

**(3) Provision for bad debts**

Applicable     Not Applicable

Significant provisions collected or reversed in the current period

Applicable     Not Applicable

**(4) Accounts receivable actually written off in the current period**

Applicable     Not Applicable

Significant accounts receivable written off in the current period

Applicable     Not Applicable

**(5) Details of the top 5 debtors with largest balances**

Applicable     Not Applicable

**(6) Accounts receivable derecognized due to financial assets transfer**

Applicable     Not Applicable

**(7) Assets and liabilities arising from transferred but still involved accounts receivable**

Applicable     Not Applicable

Other remarks

Applicable     Not Applicable

**2. Other receivables****Details**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance	Opening balance
Interest receivable		
Dividend receivable		
Other receivables	4,353,422.01	216,585.47
Total	4,353,422.01	216,585.47

Other remarks

□ Applicable    √ Not Applicable

**Interest receivable****(1) Details on categories**

□ Applicable    √ Not Applicable

**(2) Significant overdue interest**

□ Applicable    √ Not Applicable

**(3) Provision for bad debts**

□ Applicable    √ Not Applicable

Other remarks

□ Applicable    √ Not Applicable

**Dividend receivable****(4) Details**

□ Applicable    √ Not Applicable

**(5) Significant balance with age over one year**

□ Applicable    √ Not Applicable

**(6) Provision for bad debts**

□ Applicable    √ Not Applicable

Other remarks

□ Applicable    √ Not Applicable

**Other receivables****(1) Age analysis**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Ages	Closing book balance
Within 1 year	
Including:	
Within 1 year	4,582,549.49
Subtotal	4,582,549.49
1-2 years	

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Ages	Closing book balance
2-3 years	
Over 3 years	
3-4 years	
4-5 years	
Over 5 years	
Total	4,582,549.49

**(2) Other receivables categorized by nature**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Nature of receivables	Closing book balance	Opening book balance
Land disposal fees receivable	4,300,000.00	
Security deposits	209,093.99	
Petty cash		227,684.70
Others	73,455.50	300.00
Total	4,582,549.49	227,984.70

**(3) Changes in provision for bad debts**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Balances at January 1, 2022	11,399.23			11,399.23
Balances at January 1, 2022 in the current period				
--Transferred to stage 2				
--Transferred to stage 3				
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	217,728.25			217,728.25
Provision recovered in the current period				
Provision reversed in the current period				
Provision written off in the current period				
Other changes				
Balances at December 31, 2022	229,127.48			229,127.48



Remarks on significant changes in book balance of other receivables with changes in provision for bad debts

Applicable  Not Applicable

Determination basis for provision for credit impairment made in the current period and whether credit risk has increased significantly

Applicable  Not Applicable

**(4) Provision for bad debts**

Applicable  Not Applicable

**(5) Other receivables actually written off in the current period**

Applicable  Not Applicable

**(6) Details of the top 5 debtors with largest balances**

Applicable  Not Applicable

Monetary unit: RMB Yuan

Debtors	Nature of receivables	Closing balance	Ages	Proportion to the total balance of other receivables (%)	Provision for bad debts
Chongqing Hongye Asset Management Co., Ltd.	Land disposal fees receivable	4,300,000.00	Within 1 year	93.83	215,000.00
Kingold Group Co., Ltd. [Note]	Security deposits	133,673.79	Within 1 year	2.92	6,683.69
Guangzhou Minghe Industrial Co., Ltd.	Security deposits	75,420.20	Within 1 year	1.65	3,771.01
Chongqing Jiawei Beer Co., Ltd.	Others	73,455.50	Within 1 year	1.60	3,672.78
Total	/	4,582,549.49	/	100.00	229,127.48

Note: It includes its wholly-owned subsidiary Guangzhou Kingold Property Co., Ltd.

**(7) Other receivables related to government grants**

Applicable  Not Applicable

**(8) Other receivables derecognized due to financial assets transfer**

Applicable  Not Applicable

**(9) Assets and liabilities arising from transferred but still involved other receivables**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**3. Long-term equity investments**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Investments in subsidiaries	1,714,103,968.78	19,037,610.07	1,695,066,358.71	1,714,103,968.78	19,037,610.07	1,695,066,358.71
Investments in associates and joint ventures						
Total	1,714,103,968.78	19,037,610.07	1,695,066,358.71	1,714,103,968.78	19,037,610.07	1,695,066,358.71

**(1) Investments in subsidiaries**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Investees	Opening balance	Increase	Decrease	Closing balance	Provision for impairment made in the current period	Closing balance of provision for impairment
Carlsberg Chongqing Brewery Co., Ltd.	1,714,103,968.78			1,714,103,968.78		19,037,610.07
Total	1,714,103,968.78			1,714,103,968.78		19,037,610.07

**(2) Investments in associates and joint ventures**

□ Applicable    √ Not Applicable

Other remarks

None.

**4. Operating revenue/Operating cost****(1) Details**

□ Applicable    √ Not Applicable

**(2) Revenue from contracts**

□ Applicable    √ Not Applicable

**(3) Remarks on performance obligations**

□ Applicable    √ Not Applicable

**(4) Remarks on transaction price allocated to the remaining performance obligations**

□ Applicable    √ Not Applicable

Other remarks

None.

**5. Investment income**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Current period cumulative	Preceding period comparative
Investment income from long-term equity investments under cost method	1,155,407,400.00	858,714,000.00
Investment income from long-term equity investments under equity method		
Gains on disposal of long-term equity investments		
Investment income from held-for-trading financial assets		
Dividend income from other equity instrument investments		
Interest income from debt investments		
Interest income from other debt investments		
Investment income from disposal of held-for-trading financial assets		
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investments		
Investment income from disposal of other debt investments		
Income from debt restructuring		
Total	1,155,407,400.00	858,714,000.00

Other remarks

Note: Pursuant to the resolution and approval of the Company's Third Extraordinary General Meeting of Shareholders in 2022, Carlsberg Chongqing Brewery Co., Ltd. distributed dividend of 2.25 billion yuan to the Company and Guangzhou Carlsberg Consultancy and Management Services Co., Ltd. based on its accumulated undistributed profits from January to October in 2022.

**6. Others**

□ Applicable    √ Not Applicable

**XVIII. Other supplementary information****1. Schedule of non-recurring profit or loss**

√ Applicable    □ Not Applicable

Monetary unit: RMB Yuan

Items	Amount	Remarks
Gains on disposal of non-current assets	-2,686,096.87	
Tax refund, credit or exemption approved beyond the power of authorities or without formal documents		
Government grants included in profit or loss (excluding those closely related to operating activities of the Company and continuously enjoyed with certain quantity/quota based on	56,173,947.41	

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Items	Amount	Remarks
certain national standards)		
Fund possession charge from non-financial entities and included in profit or loss		
Gains on acquisition of subsidiaries, joint ventures and associates due to the surplus of acquisition-date fair value of net identifiable assets in acquiree over the acquisition cost		
Gains on non-cash assets exchange		
Gains on assets consigned to the third party for investment or management		
Assets impairment loss incurred due to force majeure such as natural disasters		
Gains on debt restructuring		
Entity restructuring expenses, such as staffing and integrating expenses		
Gains on transactions with unfair value		
Net profit on subsidiaries acquired through business combination under common control from the beginning of the period to the combination date		
Contingent gains on non-operating activities		
Gains or losses on changes in fair value of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities and derivative financial liabilities, and investment income from disposal of held-for-trading financial assets, derivative financial assets, held-for-trading financial liabilities, derivative financial liabilities and other debt investments, excluding those arising from hedging business related to operating activities	11,322,859.61	
The reversed provision for impairment of receivables and contract assets based on impairment testing on an individual basis	368,172.05	
Gains on designated loans		
Gains on changes in fair value of investment properties with subsequent measurement at the fair value mode		
Gains on reconciliation of current period profit or loss following legal and regulative requirements on taxation, accounting, etc.		
Management charges for consigned operations		
Other non-operating income or expenses	4,495,553.47	
Other profit or loss satisfying the definition of non-recurring profit or loss	1,802,741.69	
Less: Enterprise income tax affected	15,007,349.22	
Non-controlling interest affected (after tax)	27,203,082.00	
Total	29,266,746.14	

Remarks on other profit or loss satisfying the definition of non-recurring profit or loss and remarks on defining non-recurring profit or loss listed in the “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss” as recurring profit or loss

Applicable     Not Applicable

**2. ROE and EPS**

√ Applicable □ Not Applicable

Profit of the reporting period	Weighted average ROE (%)	EPS (yuan/share)	
		Basic EPS	Diluted EPS
Net profit attributable to shareholders of ordinary shares	69.25	2.61	2.61
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	67.65	2.55	2.55

## (1) Calculation process of weighted average ROE

Items	Symbols	Current period cumulative	
Net profit attributable to shareholders of ordinary shares	A	1,263,604,930.09	
Non-recurring profit or loss	B	29,266,746.14	
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	C=A-B	1,234,338,183.95	
Opening balance of net assets attributable to shareholders of ordinary shares	D	1,754,545,104.23	
Net assets attributable to shareholders of ordinary shares increased due to offering of new shares or conversion of debts into shares	E		
Number of months counting from the next month when the net assets were increased to the end of the reporting period	F		
Net assets attributable to shareholders of ordinary shares decreased due to share repurchase or cash dividends appropriation	G	967,942,396.00	
Number of months counting from the next month when the net assets were decreased to the end of the reporting period	H	7.00	
Others	Net increase in capital reserve arising from share-based payment	I1	5,652,955.00
	Number of months counting from the next month when the net assets were increased or decreased to the end of the reporting period	J1	6.00
	Net increase in other comprehensive income	I2	295,189.31
	Number of months counting from the next month when the net assets were increased or decreased to the end of the reporting period	J2	6.00
Number of months in the reporting period	K	12.00	
Weighted average net assets	$L = D + A/2 + E \times F/K - G \times H/K + I \times J/K$	1,824,688,577.10	
Weighted average ROE	$M = A/L$	69.25%	
Weighted average ROE after deducting non-recurring profit or loss	$N = C/L$	67.65%	

## (2) Calculation process of basic EPS and diluted EPS

## a. Calculation process of basic EPS

Items	Symbols	Current period cumulative
Net profit attributable to shareholders of ordinary shares	A	1,263,604,930.09

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Items	Symbols	Current period cumulative
Non-recurring profit or loss	B	29,266,746.14
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	C=A-B	1,234,338,183.95
Opening balance of total shares	D	483,971,198.00
Number of shares increased due to conversion of reserve to share capital or share dividend appropriation	E	
Number of shares increased due to offering of new shares or conversion of debts into shares	F	
Number of months counting from the next month when the shares were increased to the end of the reporting period	G	
Number of shares decreased due to share repurchase	H	
Number of months counting from the next month when the shares were decreased to the end of the reporting period	I	
Number of shares decreased in the reporting period	J	
Number of months in the reporting period	K	
Weighted average of outstanding ordinary shares	$L=D+E+F \times G/K - H \times I/K - J$	483,971,198.00
Basic EPS	$M=A/L$	2.61
Basic EPS after deducting non-recurring profit or loss	$N=C/L$	2.55

## b. Calculation process of diluted EPS

Calculation process of diluted EPS is the same as that of basic EPS.

### 3. Financial data variance between financial reporting prepared under domestic and abroad accounting standards

Applicable     Not Applicable

### 4. Others

Applicable     Not Applicable

Chairman of the Board of Directors: João Miguel Ventura Rego Abecasis

Date of approval for issuance: April 26<sup>th</sup>, 2023

### Revision

Applicable     Not Applicable