

CSG HOLDING CO., LTD.

SEMI-ANNUAL REPORT 2023



Chairman of the Board:

CHEN LIN

August 2023

Section I. Important Notice, Content and Paraphrase

Board of Directors and the Supervisory Committee of CSG Holding Co., Ltd. (hereinafter referred to as the Company) and its directors, supervisors and senior executives hereby confirm that there are no any fictitious statements, misleading statements, or important omissions carried in this report, and shall take all responsibilities, individual and/or joint, for the facticity, accuracy and completeness of the whole contents.

Ms. Chen Lin, person in charge of the Company, Ms. Wang Wenxin, responsible person in charge of accounting and Ms. Wang Wenxin, principal of the financial department (accounting officer) confirm that the Financial Report enclosed in the semi-annual report of the Company is true, accurate and complete.

All directors were present at the meeting of the Board for deliberating the semi-annual report of the Company in person.

The future plans, development strategies and other forward-looking statements mentioned in this report do not constitute a material commitment of the Company to investors. Investors and relevant parties should pay attention to investment risks, and understand the differences between plans, forecasts and commitments.

The Company has described the risk factors and countermeasures of the Company's future development in detail in this report. Please refer to Section III. Management Discussion and Analysis.

The Company is required to comply with the disclosure requirements of "Non metallic Building Materials Related Business" in the "Self regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 3- Industry Information Disclosure (Revised in 2023)".

The Company has no plans of cash dividend distribution, bonus shares being sent or converting capital reserve into share capital.

This report is prepared both in Chinese and English. Should there be any inconsistency between the Chinese and English versions, the Chinese version shall prevail.

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Documents available for Reference

- I. Text of the financial report carrying the signatures and seals of the person in charge of the Company, the responsible person in charge of accounting and the principal of the financial department (accounting officer).
- II. All texts of the Company's documents and original public notices disclosed in the papers appointed by CSRC in the report period.

Paraphrase

Item	Refers to	Content
Company, the Company, CSG Group or the Group	Refers to	CSG Holding Co., Ltd.
Foresea Life	Refers to	Foresea Life Insurance Co., Ltd.
Flat glass	Refers to	Including float glass, photovoltaic glass
Ultra-thin electronic glass	Refers to	The electronic glass with thickness between 0.1~1.1mm
AG glass	Refers to	Anti-glare glass
AF glass	Refers to	Anti-fingerprint glass
AR glass	Refers to	Anti-reflection glass
Ice Kirin	Refers to	CSG's brand for multi-silver high-performance energy-saving glass
BIPV	Refers to	Building Integrated Photovoltaic

Section II. Company Profile & Financial Highlights

I. Company Profile

Short form of the stock	Southern Glass A、Southern Glass B	Stock code	000012、200012
Listing stock exchange	Shenzhen Stock Exchange		
Legal Chinese name of the Company	中国南玻集团股份有限公司		
Abbr. of legal Chinese name of the Company	南玻集团		
Legal English name of the Company	CSG Holding Co., Ltd.		
Abbr. of legal English name of the Company	CSG		
Legal Representative	Chen Lin		

II. Person/Way to contact

	Secretary of the Board	Representative of securities affairs
Name	Chen Chunyan	Xu Lei
Contact address	CSG Building, No.1 of the 6th Industrial Road, Shekou, Shenzhen, P. R.C.	CSG Building, No.1 of the 6th Industrial Road, Shekou, Shenzhen, P. R.C.
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E-mail	securities@csgholding.com	securities@csgholding.com

III. Other information

1. Way of contact

Whether registered address, office address and their postal codes, website address and email address of the Company changed in the report period or not

Applicable Not applicable

The registered address, office address and their postal codes, website address and email address of the Company did not change in the report period. More details can be found in Annual Report 2022.

2. Information disclosure and preparation place

Whether information disclosure and preparation place changed in the report period or not

Applicable Not applicable

The newspapers designated by the Company for information disclosure, the website designated by CSRC for disclosing semi-annual report and preparation place of semi-annual report did not change in the report period. More details can be found in Annual Report 2022.

3. Other relevant information

Whether other relevant information changed in the report period or not

Applicable Not applicable

IV. Main accounting data and financial indexes

Whether it has retroactive adjustment or re-statement on previous accounting data

Yes No

	The report period (Jan. to Jun.2023)	The same period of last year	Increase/decrease year-on-year
Operating income (RMB)	8,389,340,245	6,519,216,676	28.69%
Net profit attributable to shareholders of the listed company (RMB)	889,478,780	1,001,174,398	-11.16%
Net profit attributable to shareholders of the listed company after deducting non-recurring gains and losses (RMB)	838,238,768	887,594,820	-5.56%
Net cash flow arising from operating activities (RMB)	518,427,185	902,803,121	-42.58%
Basic earnings per share (RMB/Share)	0.29	0.33	-12.12%
Diluted earnings per share (RMB/Share)	0.29	0.33	-12.12%
Weighted average ROE	6.69%	8.61%	-1.92%
	End of this period	End of last year	Increase/decrease in this period-end over that of last year-end
Total assets (RMB)	27,266,235,266	25,904,013,306	5.26%
Net assets attributable to shareholders of the listed company (RMB)	13,753,871,984	12,854,883,706	6.99%

V. Difference of accounting data under domestic and overseas accounting standards

1. Differences of the net profit and net assets disclosed in financial report prepared under international and Chinese accounting standards

Applicable Not applicable

No such differences in the report period.

2. Difference of the net profit and net assets disclosed in financial report prepared under overseas and Chinese accounting standards

Applicable Not applicable

No such differences in the report period.

VI. Items and amounts of non-recurring gains and losses

Applicable Not applicable

Unit: RMB

Item	Amount	Note
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Gains/losses from the disposal of non-current asset (including the write-off that accrued for impairment of assets)	53,451	
Governmental subsidy reckoned into current gains/losses (not including the subsidy enjoyed in quota or ration according to national standards, which are closely relevant to enterprise's business)	48,576,899	
In addition to the effective hedging business related to the normal business of the company, the profit and loss from changes in fair value arising from holding trading financial assets and trading financial liabilities, as well as the investment income obtained from the disposal of trading financial assets, trading financial liabilities and available for sale financial assets	1,534,181	
Reversal of provision for impairment of receivables that have been individually tested for impairment	2,698,913	
Other non-operating income and expenditure except for the aforementioned items	8,503,373	
Less: Impact on income tax	8,958,077	
Impact on minority shareholders' equity (post-tax)	1,168,728	
Total	51,240,012	

Particulars about other gains and losses that meet the definition of non-recurring gains and losses:

Applicable Not applicable

It did not exist that other profit and loss items met the definition of non-recurring gains and losses.

Explanation of the non-recurring gains and losses listed in the *Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public - Non-recurring Gains and Losses* as recurring gains and losses

Applicable Not applicable

It did not exist that non-recurring profit and loss items listed in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Offering Securities to the Public - Non-recurring Profit and Loss* were defined as recurring profit and loss items in the report period.

Section III. Management Discussion and Analysis

I. Main business of the Company during the report period

(I) Main business of the Company

CSG is a leading domestic brand of energy-saving glass and a renowned brand of solar PV products and display devices. Its products and technologies are well-known at home and abroad. Its main business includes R&D, manufacturing and sales of high-quality photovoltaic glass, architectural glass, float glass, new materials and information display products such as ultra-thin electronic glass and display devices, as well as renewable energy products such as silicon materials, photovoltaic cells and modules, and it provides one-stop services for photovoltaic power station project development, construction, operation and maintenance, etc.

Photovoltaic glass business

In the field of photovoltaic glass, CSG has taken the lead in entering the field of photovoltaic glass manufacturing in China since 2005. Based on independent research and development, the Company has formed a full closed-loop production capacity from photovoltaic glass original sheet production to deep processing. As at June 2023, the Company has seven photovoltaic rolled glass kilns and complementary photovoltaic glass deep processing production lines in Dongguan, Wujiang, Fengyang and Xianning, with an annual output of about 2.72 million tons of photovoltaic rolled glass original sheets, and its products cover deep-processing products with a variety of thicknesses of 1.6-4 mm. The accumulation of more than ten years of photovoltaic glass production experience has enabled CSG to accumulate a solid foundation in key equipment and technologies such as kilns, calendering, and deep processing. These accumulated technologies and experience have been released in this round of the Company's photovoltaic glass production capacity enhancement.

The Company is firmly optimistic about the long-term development of the photovoltaic new energy industry, seizes the golden opportunity of industrial development, aims at the first echelon of the industry, and makes up for the shortcomings of the Group's photovoltaic glass business production capacity and large-scale layout. Its Fengyang No. 4 kiln has been successfully ignited in May 2023; and it is building, in an orderly manner as planned, two photovoltaic glass production kilns and complementary processing lines in Beihai, each with a daily melting capacity of 1,200 tons. As at June 2023, the production capacity scale of the Company had successfully ranked among the top in the industry. Under the background of carbon peaking and carbon neutrality, the photovoltaic glass business will become the new champion business of CSG.

Driven by the decreasing cost of photovoltaic power generation and the recovery of green economy across the world, among others, the global new installed photovoltaic capacity will continue to grow rapidly. However, the fast ramp-up of photovoltaic glass production is putting suppliers under great pressure, with strong demand, increased production, high production costs and low selling prices in the near term. With the rapid development of the global market and the optimization and adjustment of the domestic industrial structure, the industry will return to the track of healthy development.

Architectural glass business

As one of the largest high-end building energy-saving glass suppliers in China, CSG integrates R&D and design, technical consulting, production and manufacturing, and marketing and service in the architectural glass business. It always aims to "build

green energy-saving products and create quality life” and forms a CSG brand image with quality, service and continuous R&D as its core competitiveness, which is strongly competitive in foreign markets as well.

Currently, the Company has six deep processing bases of energy-saving glass in Tianjin, Dongguan, Xianning, Wujiang, Chengdu and Zhaoqing. Up to now, the Company has formed an annual production capacity of over 20 million square meters for coated insulating glass and over 60 million square meters for coated glass. Additionally, a new energy-saving glass production base is being built in Xi'an. As the new bases are completed and put into production step by step and the expansion capacity of existing bases is gradually released in the future, the product diversification and capacity scale of coated insulating glass and coated glass will see continuous and steady growth, which will serve as an adequate guarantee for the comprehensive and steady improvement of product competitiveness, market share and service.

CSG's architectural glass business adheres to the customized business strategy of trinity of technical service, marketing, R&D and manufacturing, relying on its own manufacturing and R&D strength, as well as the marketing and service network formed by domestic and overseas offices, to meet the personalized needs of domestic and foreign customers and construction projects. In 2017, CSG's low-E coated glass was awarded the title of Single Champion Product by the Ministry of Industry and Information Technology, and it passed the review again in 2020, which fully proves the leading position of CSG's architectural glass in the industry. The Company has the world's leading glass deep processing equipment and testing equipment, and its products cover all kinds of architectural and construction glass. The R&D and application level of the Company's coating technology keeps pace with the world, and its high-end product technology is internationally leading. Following the double silver coated glass products, the Company has successively developed “Ice Kirin” high-performance energy-saving glass and multi-function energy-saving glass products featuring further improved sunshade and heat insulation performance and energy-saving contribution. All deep processing bases of the Company are able to produce and process “Ice Kirin” high-performance energy-saving glass. Under the background of the “dual carbon” goals and the national green and energy-saving building requirements, the market demand for “Ice Kirin” glass has further expanded. After years of market testing and relying on the Company's advanced coating technology, its high performance and stability have been well received by the market, CSG's “Ice Kirin” products have become a benchmark in the domestic market, and high-quality, energy-saving, environmentally friendly LOW-E insulating glass continues to lead the domestic high-end market share. The Company has always adhered to the intelligent transformation and digital transformation as the key increment of the development of architectural glass business. It has continuously invested and accumulated rich experience in the research of production automation, intellectualization, information technology and equipment, and the efficiency improvement of intelligent upgrading and transformation of traditional equipment. With technological progress and process optimization, the Company has reduced production manpower consumption, material consumption and energy consumption, actively promoting the Company's transformation and upgrading to achieve intensive manufacturing and high-quality development.

The Company's quality management system for engineering and architectural glass has been respectively approved by organizations of UK AOQC and Australia QAS. The product quality which meets the national standards of the US, the UK and Australia enables CSG has an advantage in the international tendering and bidding. Since 1988, CSG's engineers and technicians have been continuously participating in the formulation and compilation of various national standards and industry standards. All kinds of high-quality engineering architectural glass provided by the Company are widely used in landmark buildings such as major city CBDs and transportation hubs at home and abroad, which are too numerous to mention. With safe, energy-saving and high-end quality, CSG glass is shortlisted for several landmark projects, including some representative projects such as the National Information and Finance Building, CZBank Head Office Building, Zhangjiang Gate Of Science, JD.COM Headquarters

Phase III, Diangu Finance Centre, Shenzhen·China Merchants Bank Headquarters Plaza (North Tower), and Guangzhou Knowledge Town Industrial Aggregation Centre, as well as some early projects using CSG products (Beijing Capital International Airport, Beijing Daxing International Airport, China National Convention Centre and the capital CBD area).

As the “14th Five-Year Plan” has proposed higher requirements for building energy conservation, CSG actively responded to the requirements of the policy on building energy conservation and building emission reduction by taking the lead in the R&D of energy-saving products. A series of energy-saving products that could meet higher standards for energy conservation were developed, such as the “Ice Kirin” glass series and the thermal insulation products. The Company also actively participated in the formulation and revision of a series of industry or group standards to promote the advancement of the construction industry toward the “dual carbon” goals. The development and production of the Company’s “Ice Kirin” glass series is an innovative and world-leading undertaking, which is of great significance to the facilitation of building energy conservation and the achievement of the “dual carbon” goals. As the national standard *General Code for Energy Conservation and Renewable Energy Application in Buildings* (GB55015-2021) released by the Ministry of Housing and Urban-Rural Development stipulates that the average design level of energy consumption in newly constructed residential buildings and public buildings shall be further reduced by 30% and 20% respectively, and the requirements for the heat transfer coefficient of energy-saving glass shall be further enhanced, the applications of low-E coated glass are expected to draw more attention and broader market demand for CSG’s “Ice Kirin” glass is expected to be seen. In order to reduce carbon emissions of buildings, CSG has developed a series of energy-saving products, building heat insulation products and BIPV products with higher energy efficiency. More than 20% of the architectural glass business comes from its new products per year. In order to meet the market demand for product innovation, CSG will continue to conduct innovation, so as to provide products with higher energy efficiency for the market.

Float glass business

In the field of float glass, CSG has 10 advanced float glass production lines in Dongguan, Chengdu, Langfang, Wujiang and Xianning. As one float glass production line in Xianning was halted for upgrading and transformation in the first half of 2023, there are nine production lines in operation as at June 2023. Its products that cover high-quality float glass and ultra-white float glass with various thicknesses and specifications of 1.6-25 mm are trusted by customers because of their quality. CSG float glass products are all high-end products that can be directly used for downstream deep processing, and the proportion of differentiated glass products with special specifications and special application scenarios such as ultra-white, ultra-thin, and ultra-thick is large, which are widely used in high-end building curtain walls, decoration and furniture, mirrors, car windshields, scanners and copiers, home appliance panels, display protection and other application fields with high requirements on glass quality. CSG has established long-term and stable business cooperation with many well-known processing enterprises.

The profit level of the float glass business is generally positively correlated with the level of real estate new construction and completion data, and is also affected by multiple factors such as current energy and raw material prices, product structure, and enterprise management level. Differentiated glass products have higher added value due to specific application scenarios, higher production process difficulties, stable demand, and relatively proactive pricing by manufacturers. To cope with the downward pressure of the market, the Company focuses on improving management efficiency, improving the level of lean production of conventional products, firmly implementing the differentiated competition strategy, carefully cultivating and developing differentiated product markets, and continuously increasing the proportion of high-value-added product sales, such as ultra-white products, so as to continuously consolidate and enhance the industry competitiveness of the Company’s float glass business.

In the first half of 2023, property construction starts dropped significantly compared with the same period in last year, the domestic architectural glass market demand continued to slow down, original sheet producers saw a declining current period inventory ratio, and the prices of float glass remained at low levels. Meanwhile, affected by the Russia-Ukraine conflict, inflation and other factors, the prices of raw materials and fuels were at high levels, and the profit level of float glass registered a drop compared with the same period in the previous year. However, under the macro background of “Steady Growth” of the national economy and the realization of “dual carbon” goals, customers in the downstream market are pursuing higher-quality products, and the demand for differentiated products and energy-saving products remains stable.

Electronic glass and display business

After more than a decade of hard work, CSG’s electronic glass business has always focused on increasing investment in R&D, breaking through high-end market barriers with independent intellectual property rights and independent innovation, and firmly following the development route of product upgrades and iterations to accelerate import substitution. In 2023, the Company’s electronic glass business continued to develop in a steady manner. Its four subsidiaries, Hebei Panel, Yichang Photoelectric, Qingyuan New Energy-Saving Materials and Xianning Photoelectric, continued to actively implement further market expansion and product upgrading in the application fields of intelligent electronic terminals, touch components, vehicle window glass, vehicle-mounted display, industrial control and commercial display, and smart home. Therefore, the market share and brand influence of the Company’s medium-alumina and high-alumina electronic glass products were improved steadily. Rich product structure, reliable delivery guarantee and strong technical innovation help the Company’s electronic glass business maintain its dominant position in the fierce market competition. In the first half of 2023, the Company’s high aluminium second generation (KK6-P) lithium aluminosilicate electronic glass products were put in mass production and delivered to new customers, marking that CSG’s electronic glass business has firmly established the supply chain system of domestic high-end customers. At the same time, the Company continued to promote product technology upgrading. Continual efforts were made to strengthen the development of new technologies and products, such as new high-aluminium glass products, so as to enhance customers’ recognition of the CSG brand. In addition, the Qingyuan CSG Phase II “One Kiln and Two Lines” project is operating well with more and more new application markets, which has enhanced the overall profitability of electronic glass and further consolidated and strengthened CSG’s competitive strength in the domestic electronic glass field. The ultra-thin electronic glass production line with a daily melting capacity of 110 tons invested by Hebei Panel Glass has entered the pre-commercialisation stage, and the complementary R&D centre has been put into use. At present, CSG electronic glass has fully covered electronic glass products in high, medium and low-end application scenarios and formed a more solid market competition foundation. CSG has long been committed to becoming the industry’s leading electronic glass material solution provider, and it will continue to develop glass-based protective materials with higher strength and competitiveness in the field of touch display, develop human-computer interaction interface materials meeting the requirements of material interconnection in the fields of smart home, vehicle display and advanced medical, and develop revolutionary alternative materials in the fields of new-energy vehicles and security.

In the touch display field, CSG has formed a complete touch industry chain from vacuum magnetron sputtering coating, 3A (AG, AR, and AF) cover plate processing and fine pattern lithography processing, to touch display modules. The main business includes optical coating materials, vehicle-mounted 3A cover plates and vehicle-mounted touch panels. Among them, the optical coating material segment includes the two business types of ITO conductive glass and ITO conductive film, and the products are positioned at middle and high-end customers at home and abroad and are concentrated in differentiated high-value-added ones.

The Company continued with the development of new products in new application fields in the first half of 2023. Currently, several products are in the stage of small-batch production.

Solar energy and other businesses

CSG is one of the enterprises that firstly enter the field of photovoltaic product manufacturing in China. After more than ten years of construction, operation, technological transformation and upgrading, CSG has created a complete industrial chain covering the investment and operation of high-purity crystalline silicon materials, silicon wafers, cells, modules and photovoltaic power stations. The business structure of the entire industry chain enables the Company to have a certain ability to resist risks, be sensitive to the industry, and be able to respond quickly to market changes in the industry. After years of technological accumulation in the photovoltaic sector, CSG has built three national-level scientific research and technology platforms (the “National and Local Joint Engineering Laboratory for Semiconductor Silicon Material Preparation Technology” recognized by the National Development and Reform Commission, “National Enterprise Technology Centre” and “CNAS Accredited Laboratory”, seven provincial-level scientific research and technology platforms (“Hubei Semiconductor Silicon Preparation Technology Project Laboratory” and “Hubei Enterprise Technology Centre” recognized by the Provincial Development and Reform Commission; “Hubei Silicon Material Engineering Technology Research Centre” recognized by the Provincial Department of Science and Technology, “Hubei Semiconductor Silicon Material Technology International Cooperation Base”, “Hubei Silicon Material Enterprise-School Joint Innovation Centre”, “Guangdong Solar Photovoltaic Cell and Component Engineering Technology Research Centre” and “Guangdong Enterprise Technology Centre”).

In the first half of 2023, the rapid release of the production capacity of the upstream high-purity crystalline silicon led to a decline in prices. Yichang CSG Polysilicon Co., Ltd., a subsidiary of the Solar Energy Business Department of CSG, fully implemented the strategic decisions and arrangements of the Group’s management, unswervingly carried out “technical transformation, quality improvement, cost reduction and efficiency enhancement for high-purity crystalline silicon production lines; and the silicon wafer business was swiftly upgraded to 182 mono-crystalline wafers to cater to the mainstream markets, which has resulted in good economic benefits. As a public listed company with extensive social influence and sense of social responsibility, CSG has always adhered to the concepts of energy conservation, environmental protection and people-oriented, and contributed to the construction of an environment-friendly, resource-saving and sustainable human future.

(II) Overview of operation during the report period

In recent years, CSG has made a forward-looking layout, firmly promoted the adjustment of its business structure during development, strengthened its competitive advantage in traditional energy-saving construction materials, further adjusted its product structure, increased the percentage of differentiated products, and accelerated the development of its new energy and new material industrial sectors. In the first half of 2023, the Company’s operating revenue totalled RMB 8.389 billion, increasing by 29% year-on-year; its net profit reached RMB 0.882 billion, decreasing by 13% year-on-year; and the net profit attributable to shareholders of the listed company was RMB 0.889 billion, decreasing by 11% year-on-year. To be specific, in the first half of 2023, the Company’s operating revenue and net profit in the glass business (photovoltaic glass, architectural glass and float glass) totalled RMB 6.335 billion and RMB 0.48 billion, respectively; its operating revenue and net profit in the electronic glass and display business stood at RMB 0.72 billion and RMB 15 million, respectively; and its solar energy and other businesses recorded operating revenue and a net profit of RMB 1.585 billion and RMB 0.356 billion, respectively.

Glass business segment

Photovoltaic glass: Given the rapidly increasing photovoltaic demand, the Company makes plans for photovoltaic glass production lines based on local needs to provide high-quality, high-performance photovoltaic glass products. For instance, the Company remains an industry leader in terms of production capacity, quality and comprehensive manufacturing yield of ultra-thin photovoltaic glass products below 2mm; and providing high-quality encapsulation materials for the promotion of lightweight double-glass photovoltaic modules, it has become an important and even strategic supplier to leading global module companies. In the face of the industry's rapid technological upgrading, the Company quickly adapts to market needs and strengthens technological innovation. And its efforts in the development of differentiated products and marketing have been fruitful. For example, the Company has independently developed high-transmittance double-coated photovoltaic glass, colourless double-coated photovoltaic glass, anti-glare photovoltaic glass, dust-proof photovoltaic glass and so on. These products meet the customers' regular performance requirements while greatly satisfying their specific needs in terms of high transmittance, aesthetics, anti-glare, cleaning, etc., representing a perfect combination of industrialisation and humanisation. Currently, these products are well received by major module manufacturers. Moving forward, the Company will continue to explore the photovoltaic glass industry, keep abreast of cutting-edge trends, increase investment in innovation, and contribute to the realisation of high-quality development of the industry. With the new production lines in Anhui and Xianning successively put into production, the Company's photovoltaic glass production capacity has been significantly increased, resulting in a considerable growth in the photovoltaic glass business.

Architectural glass: As the golden brand of CSG, the Company's architectural glass business has been equipped with quality, service and continuous R&D capabilities that match the brand. Focusing on the continuous improvement of the building energy-saving standards and high-rise building safety standards, the Company strengthens brand building and adheres to the customized business strategy integrating technical service, marketing, and R&D and manufacturing, to meet the personalized needs of domestic and foreign customers and construction projects. As the Company's share in the domestic high-end construction market continues to rise, it also maintains a leading position in market scale and profitability in the field of deep processing within the same industry.

The Company faced greater pressure in marketing in the first half of 2023 compared with the same period in last year due to the weak market recovery and the continued decline in the growth rate of property development investment. This, together with the continual risks of domestic real estate companies, the Company's liquidity pressure remained high. Moreover, as the Company strengthened risk control, operating revenue of the architectural glass business was affected to some degree, with a slight year-on-year increase. However, by refining the market layout, the Company continued to increase the signing of high-quality projects, which resulted in the drastic year-on-year increase of the order compounding degree. Meanwhile, it launched the band of "Ice Kirin" and gradually increased the proportion of "Ice Kirin" and other high-end products. It also enhanced cooperation in support projects for people's livelihood, continued to "Reduce Costs and Increase Efficiency", adopted lean operation, and leveraged the Group's industrial chain advantage. These efforts effectively offset the impacts of shrinking market demand and lower product prices.

Meanwhile, focusing on the future, the Company seizes the historic opportunity of the acceleration of green building construction, accelerates the completion of the layout of production capacity optimization and production expansion for all bases of architectural glass, as well as the construction of new bases, and improves the automation and informatization level of its production lines, continuously improving the efficiency of equipment production. As the Dongguan Base has completed the optimization and restructuring of its production lines, the Company now has a more diverse product portfolio. Meanwhile, relying on the

geographical advantage of the Greater Bay Area and the repositioned market goal of high-quality energy-saving glass products, it focused its business on the Guangdong-Hong Kong-Macao region and overseas markets. As CSG's first factory of intelligent production of architectural glass, Zhaoqing Base has achieved a steady growth in production capacity after two years of infrastructure construction and human-machine running-in. After the synergistic effect between the base and the Dongguan Base was formed, the goal of production capacity expansion and product complementation was achieved. Taking the advantage of the market demand in the Beijing-Tianjin-Hebei region and Northeast China, the Company's Tianjin Base has successfully released the production capacity of its production expansion projects, so as to make up for its insufficient production capacity. Relying on China's "Belt and Road" strategy, especially the New Asia-Europe Continental Bridge, the China-Kazakhstan Railway and other critical projects that pass through Northwest China, CSG takes this opportunity to accelerate the construction of its Xi'an Energy-saving Glass Base. As the new production line projects are gradually completed and put into operation, CSG's production capacity for architectural glass will be further released. This, in combination with the Company's product diversification to conform with the market demand, can lead to the continuous improvement of the market competitiveness and service capability of CSG regarding architectural glass, so as to increase the market share of its architectural glass business.

Float glass: In the first half of 2023, the domestic downstream demand for architectural glass continued to slow down, and float glass prices were at low levels. Meanwhile, profitability of float glass declined as a result of higher production costs caused by the rising prices of raw materials and fuels and other factors. In the face of the severe business environment, the Company firmly implemented the differentiated product strategy. Firstly, it produced and marketed more high value-added products, such as ultra-thick and large-size ones. Additionally, it continued to ramp up the production of ultra-white float glass with stronger sales as well. Also, by creating "Blue Diamond", a high-end brand of ultra-white glass series, the Company has become a leader in this market segment. The proportion of the Company's high-value-added differentiated products continues to increase, and the Company stays among the top in the segment of high-grade float glass. Through organizing centralised procurement of bulk raw materials and strategic reserve procurement during periods of low prices, pressure of rising procurement costs has been effectively offset. Besides, the Company strengthens the lean control of the whole production process to improve production efficiency and continues to reduce costs and increase efficiency.

Electronic glass and display business segment

CSG always recognizes R&D as the core of its electronic glass business and unremittingly adopts the development route of product upgrading with the aim of replacing imported products with homemade products. Four subsidiaries of the Company, namely, Hebei Panel, Yichang Photoelectric, Qingyuan New Energy-Saving Materials and Xianning Photoelectric, continued to actively implement product and market upgrading in various application fields, such as intelligent electronic terminals, touch control modules, vehicle window glass, vehicle-mounted displays, industrial automatic control displays & commercial displays, and smart home. In the first half of 2023, product competition in the electronic glass industry became more and more intense, domestic fellow manufacturers expanded their production capacity significantly, resulting in an oversupply, and the operating results of the Company's electronic glass business declined compared with the same period last year.

In terms of display, the Company's production and sales volumes declined in the first half of 2023 compared with the same period last year due to the shrinking global demand for consumer electronics and the popularity of in-cell touch technology.

Solar energy and other businesses segment

The macroscopic background of the global consensus for “Green Development” and the domestic timetable of the dual carbon goals jointly promote a new high-speed development period of the photovoltaic industry after the affordable Internet access is comprehensively achieved. On the basis of objective analysis of its own industrial advantages and disadvantages, overall consideration of the market environment, industrial development trend and the Group’s overall industrial development plan, the Company plans to launch the project of 50,000 ton high-purity crystalline silicon in Haixi Prefecture, Qinghai Province, construction of which is accelerating. This project, upon completion, is expected to help further expand the Group’s solar energy business and enhance its overall competitiveness.

With respect to the marketing of high-purity crystalline silicon, the Company adopts two paths, namely, strategic long-term orders and flexible sales, to reduce operating risks and ensure stable and sustainable business development. In terms of the production of high-purity crystalline silicon, the Company continuously optimises the production process, as well as reduce costs and increase efficiency, resulting in significant improvement in product quality. Since the high-purity crystalline silicon production line was put into operation in February 2022, all devices have been running stably, and according to the operation and maintenance plan, the production line has now entered the stage of technical reform and upgrading.

As for the silicon wafer business, on the basis of consolidating the customer base of polycrystalline silicon wafer products, the Company has adopted the strategy of diversified operations to actively switch to the mainstream mono-crystalline market. It gives full play to its own advantages, aligns with the mainstream market, and enhances the ability of asset-based benefit creation. This is in line with the Company’s long-term development strategy. With regard to the module business, the production capacity of high-power, large-size modules has been put into use, with considerable improvement in order acquisition capability. The mono-crystalline 182 cell upgrading project has achieved mass production and successfully entered the mainstream cell market. By the first half of 2023, the Company’s cumulative photovoltaic power station capacity reached 139MW.

II. Core Competitiveness Analysis

CSG, one of the most competitive and influential large-scale enterprises in China's glass industry and new energy industry, is committed to the development of energy conservation renewable, and new material industry. After nearly 40 years of development and accumulation, the Company has gradually formed a comprehensive competitive advantage in terms of products and brands, technology research and development, industrial chain and layout, talent team, and green development.

1. Product and brand advantages

"CSG" is a famous brand of domestic energy-saving glass, ultra-thin electronic glass, display and solar photovoltaic products. Its products and technology are well-known at home and abroad. The trademarks "南玻" and "SG" held by the Company are both "Famous Trademark of China". The Company has been listed in the "Top 50 Building Materials Enterprises in China", "Top 100 Industry Leaders in Shenzhen" and "Preferred Brand of Architectural Glass" in Door and Window Curtain Wall Industry for many years. In 2018, "CSG" brand was recognized by the United Nations Industrial Development Organization as the fourth batch of "International Reputation Brand". CSG's low-E coated glass and ultra-thin electronic glass were awarded the title of Single Champion Product by the Ministry of Industry and Information Technology, and it is the only manufacturer in the domestic glass industry that has two single champion products at the same time. In 2022, the Company was awarded the titles of “Top 10 National Leading Enterprise in the Construction Material Industry with Technological Breakthroughs” and “Shenzhen Top 500 Enterprises for 2022” (ranking No. 96). In June 2023, the "Ice Kirin" glass product of "CSG" successfully landed on CCTV headquarters.

2. Technology research and development advantages

The Company has always valued technological R&D and adopted independent R&D as its foundation since its establishment. As of June 30, 2023, the Company has had a total of 19 national high-tech enterprises, 2 national-level single champion products in

the manufacturing industry, 1 national-level engineering laboratory, 1 national-level enterprise technology centre, 4 national enterprises with intellectual property advantages, 7 national-level specialized, sophisticated, distinctive, and innovative enterprises (“Little Giants”), 1 provincial-level academician workstation, 1 provincial-level doctoral workstation, 13 provincial-level enterprise technology centres, 6 provincial-level engineering technology research centres, 4 provincial-level demonstration enterprises for intellectual property construction, 7 provincial-level “Little Giants”, 1 provincial-level government quality award, 8 provincial-level scientific and technological progress awards, 3 provincial-level patent awards, 1 Shenzhen postdoctoral innovation practice base and 1 Shenzhen specialized, refined, and new small and medium-sized enterprise. As of June 30, 2023, the Company has applied for a total of 2,904 patents, including 1,204 invention patents, 1,687 utility model patents, and 13 design patents. Moreover, the Company has had a total of 2,116 authorized patents, including 424 invention patents, 1,679 utility model patents, and 13 design patents.

3. Industrial chain and layout advantages

The Company has three complete industrial chains of energy-saving glass, electronic glass and display, and solar photovoltaic glass. With the continuous improvement of the technological level of each process of the industrial chains, the Company’s industrial advantage becomes obvious; meanwhile, the Company possesses a complete industry layout, with production bases located in the Pearl River Delta in South China, Beijing-Tianjin-Hebei region in North China, the Yangtze River Delta in East China, the Chengdu-Chongqing region in Southwest China, the Hubei region in Central China, and the Shaanxi-Qinghai region in Northwest China.

4. Talent team advantages

The Company’s advantage in talent teams is mainly reflected in two aspects: On the one hand, the Company has established a strong R&D team and a powerful R&D system. Through the construction of the core technical team, continuous R&D investment, and abundant technical reserves, it has constituted an important technology and innovation support for the Company’s strategies. Meanwhile, it has established Industry-University-Research cooperation, actively cooperating with domestic colleges and universities which are in advantage in silicate materials industry, to accelerate the transformation of scientific research results, and to strengthen basic research; on the other hand, an excellent and stable management team is one of the most fundamental guarantees for the Company’s rapid and stable development. The Company has formed a good echelon training mechanism for professional managers. At present, the Company’s senior management team has comparative advantages in multiple aspects, such as academic background, professional quality, knowledge base, management philosophy and experience.

5. Green development advantages

With the continuous impetus of the “dual carbon” goals, the Company has taken active actions in various carbon-related fields. For example, the Company has widely conducted professional training on carbon emission management to improve the ability of relevant personnel to better cope with carbon-related affairs. Meanwhile, the Company has promoted product carbon footprint certification as a preparation for downstream market expansion of green and low-carbon products. Furthermore, Hebei CSG Glass Co., Ltd., a subsidiary of the Company and an outstanding and benchmark enterprise in the flat glass industry, recognized as a pilot enterprise for carbon peaking in the construction material industry, has made efforts to explore and implement the action plans and effective routes of carbon peaking in the industry. Relevant subsidiaries of the Company have actively gotten involved in the regional pilot market of carbon transactions to strive for a calculation method of carbon quota matching the real situation of the Company’s production. And prepare for the expansion of participants in the national carbon trading market in the future. As a pioneer of green development in the industry, the Company has won itself abundant room for development.

III. Main business analysis

Overview

Please refer to the relevant content of “I. Main business of the Company in the report period”.

Year-on-year changes of main financial data

Unit: RMB

	The report period	The corresponding period of last year	Increase /decrease year-on-year (%)	Reasons of change
Operating income	8,389,340,245	6,519,216,676	28.69%	
Operating costs	6,495,395,931	4,637,645,927	40.06%	Mainly due to the increase in revenue from the production of photovoltaic glass production lines, resulting in increased costs
Sales expenses	146,856,141	133,906,652	9.67%	
Administration expenses	340,252,772	318,635,812	6.78%	
Financial expenses	72,764,645	62,797,352	15.87%	
Income tax expenses	74,094,170	168,925,524	-56.14%	Mainly due to reasons such as a decrease in total profit
R&D investment	346,264,501	265,877,930	30.23%	Mainly due to increased research and development investment
Net cash flow arising from operating activities	518,427,185	902,803,121	-42.58%	Mainly due to an increase in cash payments for purchasing goods and receiving services
Net cash flow arising from investment activities	-1,682,063,852	-1,832,143,634	-8.19%	
Net cash flow arising from financing activities	-793,930,485	1,033,633,029	-176.81%	Mainly due to an increase in cash paid for debt repayment
Net increase in cash and cash equivalents	-1,954,758,111	107,488,197	-1,918.58%	Mainly due to a decrease in net cash flow from financing activities

Major changes on profit composition or profit resources in the report period

Applicable Not applicable

There was no major change in the Company's profit composition or profit resources during the report period.

Composition of operating income

Unit: RMB

	The report period		The corresponding period of last year		Increase/decrease y-o-y
	Amount	Ratio in operating income	Amount	Ratio in operating income	
Total of operating income	8,389,340,245	100%	6,519,216,676	100%	28.69%
According to industry					
Glass industry	6,335,187,971	75.51%	4,428,770,426	67.93%	43.05%
Electronic glass & Display industry	720,405,893	8.59%	809,915,769	12.42%	-11.05%
Solar energy and other industries	1,585,418,445	18.90%	1,433,641,147	21.99%	10.59%
Undistributed	220,156,296	2.62%	230,507,530	3.54%	-4.49%
Inter-segment offsets	-471,828,360	-5.62%	-383,618,196	-5.88%	22.99%
According to product					
Glass products	6,335,187,971	75.51%	4,428,770,426	67.93%	43.05%

Electronic glass & Display products	720,405,893	8.59%	809,915,769	12.42%	-11.05%
Solar energy and other products	1,585,418,445	18.90%	1,433,641,147	21.99%	10.59%
Undistributed	220,156,296	2.62%	230,507,530	3.54%	-4.49%
Inter-segment offsets	-471,828,360	-5.62%	-383,618,196	-5.88%	22.99%
According to region					
Mainland China	7,695,234,258	91.73%	6,019,026,588	92.33%	27.85%
Overseas	694,105,987	8.27%	500,190,088	7.67%	38.77%

List of the industries, products or regions exceed 10% of the operating income or operating profits of the Company

√ Applicable □ Not applicable

Unit: RMB

	Operating income	Operating cost	Gross profit ratio	Increase/decrease of operating income y-o-y	Increase/decrease of operating cost y-o-y	Increase/decrease of gross profit ratio y-o-y
According to industry						
Glass industry	6,335,187,971	5,065,507,031	20.04%	43.05%	65.51%	-10.85%
Solar energy and other industries	1,585,418,445	1,073,712,225	32.28%	10.59%	12.97%	-1.42%
According to product						
Glass products	6,335,187,971	5,065,507,031	20.04%	43.05%	65.51%	-10.85%
Solar energy and other products	1,585,418,445	1,073,712,225	32.28%	10.59%	12.97%	-1.42%
According to region						
Mainland China	7,695,234,258	5,932,244,234	22.91%	27.85%	40.07%	-6.73%

Under the circumstances that the statistical standards for the Company's main business data adjusted in the report period, the Company's main business data in the recent year is calculated based on adjusted statistical standards at the end of the report period

□ Applicable √ Not applicable

IV. Non-core business analysis

□ Applicable √ Not applicable

V. Assets and liabilities

1. Significant changes in assets composition

Unit: RMB

	End of the report period		End of last year		Increase or decrease in proportion	Explanation of significant changes
	Amount	Percentage to total assets	Amount	Percentage to total assets		
Cash at bank and on hand	2,659,317,147	9.75%	4,604,607,779	17.78%	-8.03%	Cash at bank and on hand decreased mainly due to the repayment of mature corporate bonds
Accounts receivable	1,618,049,955	5.93%	1,179,992,784	4.56%	1.37%	Accounts receivable increased mainly due to the increase in sales revenue from photovoltaic glass

Inventories	2,118,417,593	7.77%	1,783,941,982	6.89%	0.88%	
Investment properties	290,368,105	1.06%	290,368,105	1.12%	-0.06%	
Fixed assets	11,986,389,945	43.96%	11,243,236,175	43.40%	0.56%	
Construction in progress	2,622,639,485	9.62%	2,520,362,291	9.73%	-0.11%	
Right-of-use assets	9,589,272	0.04%	9,908,413	0.04%	0%	
Short-term borrowings	384,776,205	1.41%	345,000,000	1.33%	0.08%	
Contract liabilities	342,662,579	1.26%	418,051,975	1.61%	-0.35%	
Long-term borrowings	5,228,900,581	19.18%	4,353,589,980	16.81%	2.37%	
Lease liabilities	3,648,983	0.01%	3,564,330	0.01%	0%	
Non-current assets due within one year	80,000,000	0.29%	20,000,000	0.08%	0.21%	Non-current assets due within one year increased mainly due to the maturity within one year of previously purchased large-amount certificate of deposit
Notes receivable	731,429,485	2.68%	156,943,437	0.61%	2.07%	Notes receivable increased mainly due to the pledge of notes receivable
Intangible assets	2,395,648,014	8.79%	1,438,102,666	5.55%	3.24%	Intangible assets increased mainly due to the transfer of the prepayment for mining concession from other non-current assets to intangible assets as the mining concession certificate was obtained
Long-term prepaid expenses	6,568,159	0.02%	2,647,939	0.01%	0.01%	Long-term prepaid expenses increased mainly due to the increase in items to be amortized
Other non-current assets	1,125,121,631	4.13%	856,620,485	3.31%	0.82%	Other non-current assets increased mainly due to the increase in prepayment for engineering and equipment
Notes payable	1,359,373,689	4.99%	994,557,496	3.84%	1.15%	Notes payable increased mainly due to the increase in notes issued
Accounts payable	3,024,632,655	11.09%	2,033,542,627	7.85%	3.24%	Accounts payable increased mainly due to the increase in engineering and equipment payables
Employee benefits payable	300,681,897	1.10%	473,616,428	1.83%	-0.73%	Employee benefits payable decreased mainly due to the year-end bonuses for employees accrued in the previous year that were paid during the report period
Non-current liabilities due within one year	1,008,414,500	3.70%	2,481,433,006	9.58%	-5.88%	Non-current liabilities due within one year Current portion of non-current liabilities decreased mainly due to the repayment of mature corporate bonds
Other current liabilities	89,468,648	0.33%	50,407,240	0.19%	0.14%	Other current liabilities increased mainly due to the issuance of

						electronic debt obligation, etc.
Estimated Liabilities	7,569,501	0.03%	0	0%	0.03%	Estimated Liabilities increased mainly due to the increase in mine rehabilitation costs
Special reserve	210,519	0%	731,580	0%	0%	Special reserve decreased mainly due to the use of special reserve

2. Main overseas assets

Applicable Not applicable

3. Assets and liabilities at fair value

Applicable Not applicable

Unit: RMB

Item	Opening balance	Profit and loss from changes in fair value in the current period	Cumulative changes in fair value included in equity	Impairment accrued in the current period	Purchase amount for this period	Amount sold in this period	Other changes	Closing balance
Financial assets								
Investment real estate	290,368,105							290,368,105
Receivables financing	1,095,412,643						-264,422,940	830,989,703
Total of the above	1,385,780,748						-264,422,940	1,121,357,808
Financial liabilities	0							0

Other changes: nil

During the report period, whether the company's main asset measurement attributes changed significantly or not

Yes No

4. Limited asset rights as of the end of the report period

Unit: RMB

Item	Closing book value	Limited reason
Monetary funds	20,057,007	Restricted circulation of deposits, freezes, etc
Notes receivable	701,846,825	Limitation of pledge
Fixed assets	95,994,423	Limited financial leasing
Construction In Progress	25,571,588	Limited financial leasing
Total	843,469,843	

VI. Investment analysis**1. Overall situation** Applicable Not applicable

Investment in the report period (RMB)	Investment in the same period of last year (RMB)	Change range
1,735,645,765	3,850,076,802	-54.92%

2. The major equity investment obtained in the report period Applicable Not applicable

3. The major ongoing non-equity investment in the report period

√ Applicable □ Not applicable

Unit: RMB

Project name	Way of investment	Fixed asset investment or not	Industry involved	Amount invested during the report period	Accumulative amount actually invested by the end of the report period	Source of funds	Progress of project	Expected revenue	Accumulative revenue achieved by the end of the report period	Reasons for not achieving the planned progress and the expected revenue	Date of disclosure (if applicable)	Index of disclosure (if applicable)
Zhaoqing CSG High-grade Automotive Glass Production Line Project	Self-built	Yes	Manufacturing industry	41,115,387	133,691,077	Own funds and loans from financial institutions	The project is under construction.	58,000,000		No revenue as the project is still in the construction period.	13 December 2019	Announcement number: 2019-077
Anhui Fengyang Lightweight & High-permeability Panel for Solar Energy Equipment Manufacturing Base Project	Self-built	Yes	Manufacturing industry	431,748,265	3,016,549,340	Own funds and loans from financial institutions	Part of the project has been put into operation.	435,660,000		Part of the project is under construction, three production lines have been put into commercial operation, and the revenue thereof has been reflected in profits.	6 March 2020	Announcement number: 2020-010
Wujiang CSG Architectural New Architectural Glass Intelligent Manufacturing Plant Construction Project	Self-built	Yes	Manufacturing industry	2,111,163	81,281,850	Own funds and loans from financial institutions	The project is under construction.	50,490,000		No revenue as the project is still in the construction period.	24 June 2020	Announcement number: 2020-051
Xi'an CSG Energy-saving Glass Production Line Project	Self-built	Yes	Manufacturing industry	96,583,390	138,277,411	Own funds and loans from financial institutions	The project is under construction.	42,220,000		No revenue as the project is still in the construction period.	7 November 2020	Announcement number: 2020-070
Hebei Panel Glass Ultra-thin Electronic Glass Line Construction Project	Self-built	Yes	Manufacturing industry	31,090,053	288,407,666	Own funds and loans from financial institutions	The project is under debugging.	46,710,000		No revenue as the project is still in the debugging period.	27 March 2021	Announcement number: 2021-008

Xianning CSG 1200T/D Photovoltaic Packaging Material Production Line Project	Self-built	Yes	Manufacturing industry	139,002,442	865,998,807	Own funds and loans from financial institutions	The project has been put into operation.	128,350,000		The project has been completed, and the revenue thereof has been reflected in profits.	27 March 2021	Announcement number: 2021-008
CSG East China Headquarters Building	Self-built	Yes	Manufacturing industry	3,051,188	5,787,369	Own funds and loans from financial institutions	The project is under construction.	0		The project is in the construction period.	27 August 2021	Announcement number: 2021-039
Guangxi Beihai Photovoltaic Green Energy Industrial Park Project (Phase I)	Self-built	Yes	Manufacturing industry	165,909,420	199,123,173	Own funds and loans from financial institutions	The project is under construction.	557,640,000		No revenue as the project is still in the construction period.	10 September 2021	Announcement number: 2021-041
Hefei CSG Energy-saving Glass Intelligent Manufacturing Industry Base Project	Self-built	Yes	Manufacturing industry	1,196,423	3,204,661	Own funds and loans from financial institutions	The project is in the preparatory stage.	46,660,000		No revenue as the project is still in the preparatory period.	15 October 2021	Announcement number: 2021-043
Xianning CSG Energy-saving Glass Co., Ltd. Production Line Reconstruction and Expansion Construction Project	Self-built	Yes	Manufacturing industry	20,142,138	25,828,636	Own funds and loans from financial institutions	The project is under construction.	27,130,000		No revenue as the project is still in the construction period.	3 December 2021	Announcement number: 2021-051
Qingyuan CSG Phase I Upgrading and Technical Transformation Project	Self-built	Yes	Manufacturing industry	955,796	25,250,764	Own funds and loans from financial institutions	The project is under construction.	60,210,000		No revenue as the project is still in the construction period.	25 December 2021	Announcement number: 2021-053
Dongguan Solar G6/G7 Line Process and Equipment Upgrading Project	Self-built	Yes	Manufacturing industry	46,161,003	64,926,603	Own funds and loans from financial institutions	The project has been completed.	41,560,000		The project has been completed, and the revenue thereof has been reflected in profits.	29 March 2022	Announcement number: 2022-006
High-purity crystalline silicon project with an annual output of 50,000 tons in Haixi Prefecture, Qinghai Province	Self-built	Yes	Manufacturing industry	200,044,097	210,363,106	Own funds and loans from financial institutions	The project is under construction	863,280,000		No revenue as the project is still in the construction period.	23 June 2022	Announcement number: 2022-024
Xianning Float No. 2 Production Line (700 tons/day) Technology	Self-built	Yes	Manufacturing	33,637,313	33,637,313	Own funds and loans from	The project is under construction	38,350,000		No revenue as the project is still in the	9 November 2022	Announcement number:

Upgrade and Transformation Project			industry			financial institutions				construction period.		2022-061
Anhui Fengyang 37.6 MW Distributed Photovoltaic Power Generation Project	Self-built	Yes	Manufacturing industry	23,365	23,365	Own funds and loans from financial institutions	The project is under construction.	11,000,000		No revenue as the project is still in the construction period.	9 November 2022	Announcement number: 2022-061
Chengdu Float Three Sets of Standby Environmental Protection Facilities for Flue Gas Treatment Construction Project	Self-built	Yes	Manufacturing industry	13,196,353	13,805,346	Own funds and loans from financial institutions	The project is under construction.			No revenue as the project is still in the construction period.	9 November 2022	Announcement number: 2022-061
Total	--	--	--	1,225,967,796	5,106,156,487	--	--	2,407,260,000	--	--	--	--

4. Financial assets investment

(1) Securities investment

Applicable Not applicable

There was no securities investment during the report period.

(2) Derivative investment

Applicable Not applicable

There was no derivative investment during the report period.

5. Use of raised fund

Applicable Not applicable

There was no use of raised fund during the report period.

VII. Sale of major assets and equity

1. Sale of major assets

Applicable Not applicable

The Company did not sell major assets during the reporting period.

2. Sale of major equity

Applicable Not applicable

VIII. Analysis of main subsidiaries and joint-stock companies

Applicable Not applicable

Particular about main subsidiaries and joint -stock companies which have influence on the Company's net profit by over 10%

Unit: RMB

Name of company	Type	Main business	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Yichang CSG Polysilicon Co., Ltd.	Subsidiary	Production and sales of high-purity silicon material products	1,467.98 million	2,163,960,606	1,393,388,763	1,106,518,200	343,197,467	332,743,734
Anhui CSG New Energy Material Technology Co., Ltd.	Subsidiary	Production and sales of various special glass	1,450 million	4,717,556,767	1,487,068,609	1,328,780,623	70,649,003	56,617,322
Chengdu CSG Glass Co., Ltd.	Subsidiary	Development, manufacture and sales of various special glass	260 million	883,495,542	468,092,373	622,681,284	71,335,463	60,570,944

Wujiang CSG Glass Co., Ltd.	Subsidiary	Manufacture and sales of various special glass	565.04 million	1,701,492,950	836,402,267	937,803,854	65,636,263	55,890,194
Dongguan CSG Architectural Glass Co., Ltd.	Subsidiary	Deep processing of glass	240 million	1,017,190,441	546,990,813	529,368,852	73,114,325	63,100,414

Particulars about subsidiaries obtained or disposed in report period

Applicable Not applicable

Description of main holding and shareholding companies

Yichang CSG Polysilicon Co., Ltd. saw an increase in product sales and a year-on-year increase in performance; Anhui CSG New Energy Material Technology Co., Ltd.'s new production lines had been put into operation, and its performance increased year-on-year; Chengdu CSG Glass Co., Ltd.'s performance decreased year-on-year due to the impact of decreased product prices and rising price of raw materials and fuels ; Wujiang CSG Glass Co., Ltd. saw an increase in product sales and revenue year-on-year but its profits decreased year-on-year affected by the decrease in product prices and the increase in price of raw materials and fuels; Dongguan CSG Architectural Glass Co., Ltd. saw a year-on-year increase in performance due to the optimization of product structure and the improvement of operational level.

IX. Structured main bodies controlled by the Company

Applicable Not applicable

X. Risks the Company faces and countermeasures

In 2023, in the face of severe international and domestic political and economic development and the task of building a “Century CSG”, the Company will face the following risks and challenges:

① The international political environment still faces many uncertainties.

Affected by the complicated international political environment, domestic economy still faces many challenges and uncertainties. In 2023, the Company will continue to strengthen its attention to the market, timely adjust operation strategy according to market changes, and strive to achieve the annual core work objectives through steady operation.

② The glass business faces fierce competition among similar products, and pressure from rising price of raw materials and fuels such as heavy alkali and natural gas and increasingly high labour cost; the photovoltaic glass business faces the risk that the price game between the upstream silicon materials, silicon wafers and cells of photovoltaic modules may affect the market demand for photovoltaic glass, and the excessively rapid capacity expansion may lead to phased overcapacity; the float glass business faces the pressure of a demand slowdown in the downstream architectural glass market; the electronic glass business faces fierce competition among domestic similar products, oversupply in the domestic market as a result of fellow manufacturers’ vast production ramp-up, falling product prices, and increasing inventory, and also, the electronic glass and display business faces the risk of accelerated material technology upgrade due to the continuous rapid iterative upgrade of technology requirements in downstream application scenarios; the solar energy business faces the challenge of overcapacity and a rapid price decline in the industrial chain; with the continuous release of the production capacity of high-purity crystalline silicon, the prices of high-purity crystalline silicon register a decline with increasing uncertainties on the market; and a sharp decline is witnessed in the prices of upstream silicon materials and the downstream business is generally under pressure. To cope with aforesaid risks, the Company will take the following measures:

A. In the photovoltaic glass segment, externally, on top of quickly responding to market changes in combination with industry characteristics, the Company will pay closer attention to the demand-supply dynamics of raw materials, and timely and strategically prepare materials to reduce the impact of the price fluctuations of raw materials on the Company’s business performance. Also, it will optimize its product structure in alignment of market demand, and continuously promote lean management and differentiated

operation to further improve profitability. Internally, with “stable production, quality improvement and cost reduction” as the core, the Company is fully committed to the stability of the production process and the effective improvement of product quality, and will unswervingly and continuously promote cost reduction and efficiency enhancement, so as to strengthen the core competitiveness.

B. In the architectural glass segment, the Company will accelerate the pace of digital, networked and intelligent transformation of the manufacturing industry to reduce the consumption of manpower, materials and energy. The Company will strengthen the development of high-end market and overseas market, actively respond to market changes, continuously deepen market exploitation, refine market layout, increase the application of new products and new technologies, improve service capability, give full play to quality, technology and brand advantages, and at the same time, maintain the advantageous position of the Company through market-oriented extension of industrial chain.

C. In the float glass segment, the Company will strengthen its profitability and competitiveness through continuously promoting lean management and differentiated operation, as well as optimizing the product mix, etc.

D. In the electronic glass and display segment, the Company will continue to strengthen CSG’s brand presence for electronic glass, build a solid foundation for medium- and high-end products, enhance customer recognition and stabilise the high-end market share. In addition, it will further strengthen the R&D of new technologies, new products and new applications, constantly narrow the gap from international peers, maintain technical leading advantage in China, and at the same time, further intensify efforts to explore new market applications, broaden development directions in the industry and explore more applications on the market.

E. In the solar energy segment, the Company will strengthen the integration of resources across the industry chain, pay attention to the price trend, supply-demand relationship and terminal demands in upstream and downstream procurement and sales, increase R&D investment, strengthen operation management, and maintain corporate competitiveness in market segments; keep an eye on market changes, vigorously carry out cost reduction and efficiency increase activities, implement energy saving and consumption reduction measures, and timely upgrade and replace the equipment to improve production efficiency and ensure the Company’s benefits; expand industry scale and increase market share by investing in new production lines.

③ Risk of fluctuation of foreign exchange rate: At present, nearly 8.27% of the operating revenue of the Company is from overseas, and in the future, the Company will further develop overseas business. Therefore, the fluctuation of exchange rate will bring certain risk to the operation of the Company. To cope with such risk, the Company will settle exchange in a timely manner, and use safe and effective risk evading instrument and product to relatively lock exchange rate, thus reducing the risk caused by fluctuation of exchange rate.

Section IV. Corporate Governance

I. Particulars about Annual General Shareholders' Meeting and Extraordinary General Shareholders' Meeting held in the report period

1. Particulars about Shareholders' General Meeting in the report period

Meeting session	Type of meeting	Investor participation ratio	Date of the meeting	Disclosure date	Disclosure index
The First Extraordinary General Shareholders' Meeting of 2023	Extraordinary General Shareholders' Meeting	24.34%	March 16, 2023	March 17, 2023	Announcement on Resolutions of the First Extraordinary General Shareholders' Meeting of 2023 (Announcement No.: 2023-005)
Annual General Shareholders' Meeting of 2022	Annual General Shareholders' Meeting	24.92%	June 28, 2023	June 29, 2023	Announcement on Resolutions of Annual General Shareholders' Meeting of 2022 (Announcement No.: 2023-023)

2. Extraordinary General Shareholders' Meeting which is requested to convene by the preferred shareholders who have resumed the voting right

Applicable Not applicable

II. Changes in directors, supervisors and senior management of the company

Applicable Not applicable

Name	Position	Type	Date	Reason
Shen Yunqiao	Independent Director	Be elected	March 16, 2023	By election of independent director
Zhu Guilong	Independent Director	Leaving office	March 16, 2023	Resignation voluntarily

III. Profit distribution and conversion of capital reserves into equity capital in the report period

Applicable Not applicable

The Company had no plans of cash dividend distribution, bonus shares being sent or converting capital reserve into share capital for the first half of the year.

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

Applicable Not applicable

During the report period, the Company had no equity incentive plan, employee stock ownership plan or other employee incentive measures and their implementation.

Section V. Environment and Social Responsibility

I. Major environmental issues

Whether the listed company and its subsidiaries belong to the key pollutant discharge units announced by the environmental protection department

Yes No

The Company needs to comply with the disclosure requirements of non-metal building materials related industries in "Shenzhen Stock Exchange Listed Companies Self-discipline Supervision Guide No. 3 - Industry Information Disclosure".

Environmental protection related policies and industry standards

The Company implemented the Environmental Protection Law of the People's Republic of China, the Law of the People's Republic of China on the Prevention and Control of Air Pollution, the Law of the People's Republic of China on the Prevention and Control of Water Pollution, the Law of the People's Republic of China on the Prevention and Control of Noise Pollution, the Environmental Protection Tax Law of the People's Republic of China and other relevant environmental protection laws and regulations, and implemented the Emission Standard of Air Pollutants for Flat Glass Industry, Emission Standard of Air Pollutants for Electronic Glass Industry, Emission Standard of Air Pollutants for Glass Industry, the Integrated Emission Standard of Air Pollutants, the Sewage Integrated Emission Standards, the Environmental Noise Emission Standards at the Boundary of Industrial Enterprises and other national, industry and local pollutant discharge standards.

Administrative license for environmental protection

The construction projects of each subsidiary carried out environmental impact assessment work and obtain EIA approval in strict accordance with the requirements of the Environment Impact Assessment Law of the People's Republic of China and the Catalogue of Classified Management of Environmental Impact Assessment of Construction Projects. During the construction of the project, the construction of pollution prevention and control facilities shall be carried out in strict accordance with the requirements of the project "Three Simultaneous" and put into production and use at the same time as the main project. During the trial production period, the inspection and acceptance shall be organized in accordance with the relevant regulations on environmental protection acceptance of the completion of the construction project in order to ensure that the construction project completes the inspection and acceptance work before it is officially put into operation.

All subsidiaries have obtained the pollutant discharge permit within the validity period, and regularly submitted the implementation report of pollutant discharge permit.

Industry emission standards and specific conditions of pollutant emission involved in production and operation activities

Name of company or subsidiary	Type of main pollutants and characteristic pollutants	Name of main pollutants and characteristic pollutants	Way of emission	Number of exhaust vent	Exhaust vent distribution	Emission concentration/intensity	Emission standard of pollutants	Total emission	Approved total emission	Excessive emission
Xianning CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	44	Production plant area	$\leq 30\text{mg/m}^3$	Emission Standard of Air Pollutants for Flat Glass	Particulates: 8.84t	Particulates: 130.413t/a	N/A
		Soot				$\leq 25\text{ mg/m}^3$				
		SO ₂				$\leq 200\text{ mg/m}^3$				

		NOx				≤350 mg/m ³	Industry (GB26453-2011)	152.53t	1508.643t/a	
Chengdu CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	18	Production plant area	≤20mg/m ³	Emission Standard of Air Pollutants for Flat Glass Industry (GB26453-2011)	Particulates:7.53t	Particulates:142.114t/a	N/A
		Soot				≤20mg/m ³				
		SO ₂				≤200mg/m ³				
		NOx				≤350mg/m ³				
Hebei CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	16	Production plant area	≤10mg/m ³	Ultra Low Emission Standard of Air Pollutants for Flat Glass Industry (DB13/2168-2020)	Particulates:2.17459t	Particulates:19.92t/a	N/A
		Soot				≤10mg/m ³				
		SO ₂				≤50mg/m ³				
		NOx				≤200mg/m ³				
Wujiang CSG Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	39	Production plant area	≤15mg/m ³	Emission Standard of Air Pollutants for Flat Glass Industry (GB26453-2011)	Particulates:5.39t	Particulates:76.91t/a	N/A
		Soot				≤15mg/m ³				
		SO ₂				≤50 mg/m ³				
		NOx				≤150 mg/m ³				
Dongguan CSG Solar Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	22	Production plant area	≤20mg/m ³	Emission Standard of Air Pollutants for Flat Glass Industry (DB44-2159-2019)	Particulates:3.35t	Particulates:34.85t/a	N/A
		Soot				≤30mg/m ³				
		SO ₂				≤400 mg/m ³				
		NOx				≤550 mg/m ³				
Hebei Panel Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	9	Production plant area	≤30mg/m ³	Emission Standard of Air Pollutants for Electronic Glass Industry (GB29495-2013)	Particulates:0.219t	Particulates:8.2125t/a	N/A
		Soot				≤10 mg/m ³				
		SO ₂				≤50 mg/m ³				
		NOx				≤200mg/m ³				
Xianning CSG Photovoltaic Glass Co., Ltd.	Air pollutants	Dust	Continuous/intermittent	6	Production plant area	≤20mg/m ³	Emission Standard of Air Pollutants for Electronic Glass Industry (GB29495-2013)	Particulates:1.05t	Particulates:17.656t/a	N/A
		Soot				≤15 mg/m ³				
		SO ₂				≤10 mg/m ³				
		NOx				≤330 mg/m ³				
Dongguan CSG Architectural Glass Co., Ltd.	Water pollutants	pH	Intermittent	1	Sewage vent	6~9	Guangdong Province Water Pollutant Emission Limit (DB44/26-2001)	/	/	N/A
		COD				5 mg/L		0.648t	5.4t/a	
		Ammonia nitrogen				0.424mg/L		0.008136t	0.196t/a	
Tianjin CSG Energy-Saving Glass Co., Ltd.	Water pollutants	pH	Intermittent	2	Sewage vent	6~9	Sewage Integrated Emission Standards (Level 3 Standard DB12/356-2018)	/	/	N/A
		COD				16mg/L		4.87115t	500t/a	
		Ammonia nitrogen				0.178mg/L		0.696998t	45t/a	
Wujiang CSG East China	Water pollutants	pH	Intermittent	1	Sewage vent	6~9	Sewage Integrated Emission	/	/	N/A
		COD				≤500mg/L		3.9t	40.59t/a	

Architectural Glass Co., Ltd.		Ammonia nitrogen				≤45mg/L	Standards (GB8978-1996)	0.385t	1.0044t/a	
Dongguan CSG PV-tech Co., Ltd.	Water pollutants	COD	Intermittent	20	Sewage vent: Production plant area	≤70 mg/L	Guangdong Province Water Pollutant Emission Limit (DB44/26-2001)	0.72t	2.44t/a	N/A
		NOx				≤30mg/m ³	Pollutant Emission Standard for Battery Industry (GB30484-2013)	0.58t	33.15t/a	
	Air pollutants	VOC _s				VOC _s ≤30mg/m ³	VOC Emission Standard for Furniture Manufacturing Industry (DB44/814-2010)	0.67t	1.93t/a	
Yichang CSG Polysilicon Co., Ltd.	Water pollutants	COD	Intermittent	18	Sewage vent: Production plant area	≤70 mg/L	Sewage Integrated Emission Standards (GB8978-1996), Integrated Emission Standard of Air Pollutants (GB16297-1996)	15.467t	375.17t/a	N/A
		pH				6~9		/	/	
	Air pollutants	NOx				≤240mg/m ³		0.655t	38.28t/a	
		Particulates				≤240mg/m ³		2.697t	32.724t/a	

Treatment of pollutants

All subsidiaries have built pollution prevention and control facilities in accordance with the environmental impact assessment documents of construction projects and relevant specifications, and adopted air pollution control process such as electrostatic precipitator + SCR denitrification + semi-dry desulfurization + bag dust removal, ceramic filter cartridge desulfurization, denitrification and dust removal integration, bag dust removal and water treatment process such as neutralization + precipitation, fluidized bed, and biological oxidation, for which the technologies used were all in line with the requirements of the “Guidelines for Feasible Technologies for Pollution Prevention and Control in Glass Manufacturing Industry” and other documents. In the first half of 2023, the pollution control facilities were in good operation and the pollutants were discharged stably up to the standard. The air pollutant emission concentrations of most of the subsidiaries were lower than 50% of the emission standard and enjoyed the preferential policy of halving environmental tax. The pollutant emissions of many subsidiaries reached and implemented local ultra-low emission standards.

Emergency response plan system of environment incident

In accordance with the national requirements, all subsidiaries prepared environmental emergency response plans, organized expert evaluation and filed with the local environmental protection department as required, and conducted the emergency drill against environmental emergency as planned. No major environmental emergencies occurred in the first half of 2023.

Investment in environmental governance and protection and payment of environmental protection tax

All subsidiaries have built pollution control facilities in accordance with the requirements of environmental impact assessment, and maintained the stable operation of these facilities to ensure their simultaneous operation with production equipment. Considerable energy and funds are invested in pollution control every year to ensure the stable discharge of pollutants up to the standard, and reduce pollution emission as much as possible. Many subsidiaries have reached ultra-low emission standards. All subsidiaries have made regular emission declarations and paid environmental taxes to the local tax authorities in full and on time in accordance with the requirements of the Environmental Protection Tax Law.

Environmental self-monitoring scheme

The subsidiaries have built and operated on-line monitoring devices for waste water and exhaust gas in accordance with national laws and regulations, environmental impact assessment documents of construction projects and the requirements of their replies, regularly carried out comparison and review of the effectiveness of on-line monitoring facilities, and entrusted a third-party unit to carry out manual environmental monitoring to comprehensively monitor the pollutant discharge. The monitoring frequency is implemented in accordance with relevant monitoring technical guidelines or pollutant discharge permits.

Administrative penalties caused by environmental protection issues during the report period

Nil

Other environmental information that should be disclosed

Nil

Measures taken to reduce carbon emissions during the report period and their effects

Applicable Not applicable

The Company has continuously strengthened the comprehensive utilization and management of resources and energy, actively fulfilled the corporate social responsibility, taken various measures to save energy and reduce carbon emissions, making our own contributions to the national goal of “Carbon Peaking” and “Carbon Neutrality”. The Group’s Operation Department has specially established an energy management team, which was responsible for supervising the energy consumption management of various subsidiaries, and promoted the energy consumption per unit product and carbon emission per unit product of the Group’s various products to reach the advanced level in the industry. At present, the energy consumption level of most glass melting furnaces in the flat glass business of CSG has reached the advanced level stipulated by the national standard. At the same time, CSG has always paid attention to the utilization of waste heat in flat glass factories, and each production base has built waste heat boilers and waste heat power stations; CSG has also been actively developing photovoltaic power plants, most of which have photovoltaic power stations on the roofs of factories. In the first half of 2023, CSG Group’s waste heat power generation and photovoltaic power generation totalled about 240 million kWh, equivalent to reducing carbon dioxide emissions by more than 140,000 tons.

Other relevant environmental protection information

Nil

Environmental incidents in the listed company

In the first half of 2023, no environmental incidents occurred.

II. Social responsibility

In the first half of 2023, the Company focused on the following tasks in fulfilling its social responsibilities:

1. Prevent and eliminate occupational hazards and protect employees' health

CSG always adheres to the concept of "Safety First, Environmental Protection First and Green Development", The Group's Safety and Environmental Protection Department coordinates safety and environmental protection management work, establishes the Group's three-level control system of safety, environment. In the first half of 2022, the Company has a complete safety management structure and safety management system, strictly implements the safety production responsibility system of all employees, and all employees have signed the safety production responsibility statement.

The Company attaches great importance to the safety training of employees, strictly strengthens the three-level safety education and training of new employees and the continuing education of old employees, and organizes various special training according to the characteristics of employees' posts to improve their safety literacy and safety skills. The management of special equipment and special operations shall be strictly carried out, and special operators shall work with certificates. Special operations can only be carried out after approval and confirmation of safety measures. Regularly carry out emergency drills, strengthen the construction of emergency response capabilities, improve emergency response capabilities, eliminate hidden dangers in the bud, and resolutely defend the last line of defense. Each subsidiary has established a system for the extraction and use of production safety expenses, which is strictly in accordance with the requirements of relevant laws and regulations to extract and standardize the use of production safety expenses. The Company has also carried out various hidden dangers investigation of the headquarters and subsidiaries, accepted the supervision and inspection of local emergency management departments, and organized the rectification and improvement of various hidden dangers.

In addition, the Company attaches great importance to the standardization construction and operation of safety management. As of the end of June 2023, CSG has obtained safety standardization certificates for 18 subsidiaries, of which 6 subsidiaries have reached the second level of safety production standardization, 12 subsidiaries have reached the third level of safety production standardization, and a few other subsidiaries are also actively creating and applying.

2. Protect the environment and promote sustainable development

As of the first half of 2023, 6 subsidiaries of CSG have been rated as national-level "Green Factories". The Company continues to strengthen the comprehensive utilization and management of resources and energy, takes various measures to save energy, reduce emissions and reduce carbon, and makes contributions to the Country's goal of "Carbon peaking" and "Carbon neutrality". The Group's Operation Department The Group Operation Department has specially established an energy management team, which is responsible for supervising the energy consumption management of various subsidiaries, and promotes the energy consumption per unit product and carbon emission per unit product of the Group's various products to reach the advanced level in the industry. At present, the energy consumption level of most glass melting furnaces in the flat glass business of CSG has reached the advanced level stipulated by the national standard. The subsidiaries Wujiang CSG and Xianning CSG have been successively rated by the Ministry of Industry and Information Technology as "leaders" in energy efficiency in the flat glass industry. Hebei CSG is designated by the Ministry of Industry and Information Technology as the advanced benchmark "Test Field" of Carbon Peak. At the same time, CSG has always paid attention to the utilization of waste heat in flat glass factories, and each production base has built waste heat boilers and waste heat power plants; CSG is also actively developing photovoltaic power plants, most of which have photovoltaic power plants on the roofs of factories.

In the first half of 2023, the Group's waste heat power generation and photovoltaic power generation totaled about 240 million kWh, equivalent to reducing carbon dioxide emissions by more than 140,000 tons.

The subsidiary companies of the Group all construct pollution prevention and control facilities in accordance with the environmental impact assessment documents and relevant specifications of construction projects, ensuring synchronous operation with production facilities, and investing a large amount of energy and funds in pollution prevention and control every year. In the first half of 2023, the operation of pollution control facilities was good, and the discharge of pollutants was stable and up to standard. The air pollutant

emission concentrations of most of the subsidiaries were lower than 50% of the emission standard and enjoyed the preferential policy of halving environmental tax. The pollutant emissions of many subsidiaries reached and implemented local ultra-low emission standards. Meanwhile, the subsidiaries built and operated on-line monitoring devices for waste water and exhaust gas in accordance with national laws and regulations, environmental impact assessment documents of construction projects and the requirements of their replies, regularly carried out comparison and review of the effectiveness of on-line monitoring facilities, and entrusted a third-party unit to carry out manual environmental monitoring to comprehensively monitor the pollutant discharge. The monitoring frequency was implemented in accordance with relevant monitoring technical guidelines or pollutant discharge permits. In addition, in accordance with the national requirements, all subsidiaries prepared emergency environmental response plan for environment incident, organized and carried out expert evaluation and filed with the local environmental protection department as required, and conducted the emergency drill against environmental incidents as planned. And there were no major environmental incidents occurred in the first half of 2023.

3. Participate in public welfare undertakings and fulfill social responsibilities

The Company actively participates in social welfare activities, organizes employees to voluntarily participate in voluntary blood donation, supports community epidemic prevention and anti-epidemic work, etc., and fulfills corporate social responsibility. In the first half of 2023, the Company donated over RMB 200,000 in funds and materials to various sectors of society for charitable and public welfare activities such as the Red Cross and the Social Welfare Institute.

4. Adhere to independent research and development to provide better energy-saving products

The Company has always adhered to the business strategy of independent research and development and innovation leading. In the first half of 2023, the Company publicly announced 238 patents for the first time, including 139 authorized patents and 99 public invention applications. As of June 30, 2023, the Company had applied for a total of 2,904 patents, including 1,204 inventions, 1,687 utility model patents, and 13 designs; a total of 2,116 authorized patents, including 424 inventions, 1,679 utility models, and 13 designs, gathering the wisdom of CSG's people to improve the industrial science and technology.

5. Protect the rights and interests of shareholders and creditors

The Company maintains stable operation. In the first half of 2023, the Company achieved a revenue of 8.389 billion yuan, a year-on-year increase of 29%, and realized a net profit of 0.882 billion yuan, a year-on-year decrease of 13%. The net profit attributable to shareholders of the listed company was 0.889 billion yuan, a year-on-year decrease of 11%. The Company's equity distribution of 2022 had been completed, and the actual cash dividend amount (including tax) was RMB 460,603,816, accounting for 22.61% of the net profit attributable to shareholders of listed company in 2022, with continuing return to shareholders. In terms of creditor protection, the Company implemented a prudent financial policy, and all due loans were repaid on time, which protected the legitimate rights and interests of creditors.

6. Strengthen welfare security and protect the legitimate rights and interests of employees

The Company insists on standardizing the employment behavior, strictly implements the national and local social security mechanism, and purchases five insurances and one fund and other comprehensive welfare insurance for employees. It has a fair and unimpeded post promotion system and broaden the development channels of employees. It establishes and implements a statutory leave system for employees, and employees enjoy various statutory holidays and other paid holidays stipulated by the state. It actively organizes various employee cultural and sports activities, and employees also enjoy benefits such as employee canteens, employee physical examinations, subsidies and other benefits. It strengthens occupational health monitoring and management to ensure the physical and mental health of employees. It cares for employees in need. In the first half of 2023, the Company provided nearly RMB 100,000 in assistance to employees and their families, providing collective warmth when employees encountered personal difficulties.

7. Social honor recognition

While adhering to our original intention and giving back to society, the Company and its products have received recognition from all sectors of society. In nearly 40 years since its establishment, the Company's products have been widely used in many major and important place. The Company's Triple silver coated glass (Ice Kirin series) has been awarded the "Green Building Energy-saving

Recommended Product Certificate" and "Engineering Construction Recommended Product Certificate" due to its excellent product quality. It is recommended for use in the field of engineering construction and has been logged into the prime time of CCTV channel. Meanwhile, the subsidiary Dongguan Solar has obtained the first UL2809 certificate and CE safety certification in the domestic float glass industry. The Company has also been selected as one of the "Top 10 Preferred Brands for 2022 Real Estate Strategic Procurement" and "Top 10 Preferred Brands for 2022 China's Low Carbon Building Energy Efficient Glass Procurement", and has been awarded honorary titles such as "Top 50 Building Materials in China" and "Preferred Brand for Building Glass" for many consecutive years. It has won praise from all walks of life for its high-quality products and services.

Section VI. Important Events

I. Commitments completed by the actual controllers, the shareholders, the related parties, the purchasers and the Company during the report period and those that hadn't been completed execution by the end of the report period

Applicable Not applicable

During the report period, there were no commitments made by the Company's actual controller, shareholders, related parties, acquirers, the Company and other relevant parties that had been fulfilled within the report period and had not been fulfilled within the time limit by the end of the report period.

II. Particulars about non-operating fund of listed company occupied by controlling shareholder and other related parties

Applicable Not applicable

During the report period, there was no any non-operating fund of listed company occupied by controlling shareholder and other related parties.

III. Illegal external guarantee

Applicable Not applicable

During the report period, there was no illegal external guarantee.

IV. Engaging and dismissing of accounting firm

Whether the semi-annual report has been audited or not

Yes No

The semi-annual report of the Company has not been audited.

V. Explanation from Board of Directors and Supervisory Committee for "Non-standard audit report" of the period that issued by accounting firm

Applicable Not applicable

VI. Explanation from Board of Directors for "Non-standard audit report" of the previous year

Applicable Not applicable

VII. Issues related to bankruptcy and reorganization

Applicable Not applicable

VIII. Lawsuits

Significant lawsuits and arbitrations

Applicable Not applicable

Basic information	Amount involved (RMB 0,000)	Recognised as estimated liabilities or not	Progress	Result and impact	Judgement execution	Date of disclosure	Index of disclosure
Plaintiff: Zhongshan Runtian Investment Co., Ltd. Defendant: CSG Holding Co., Ltd. Case overview: The plaintiff filed a lawsuit with the court to confirm the resolutions of the General Meeting of Shareholders as invalid.	0	No	The first instance judgment had been passed. The plaintiff appealed ^{Note} .	The first instance judgment rejected the lawsuit request of the plaintiff Zhongshan Runtian Investment Co., Ltd.	Not applicable	1 October 2022	Announcements on Company Involved Lawsuits on http://www.cninfo.com.cn (Announcement No.: 2022-056)
						12 August 2023	Announcement on the Progress of Companies Involving Litigation on http://www.cninfo.com.cn (Announcement No.: 2023-026)
						25 August 2023	Announcement on the Progress of Companies Involving Litigation on http://www.cninfo.com.cn (Announcement No.: 2023-027)

Note: As of the date of disclosure of this report, the Company has not received the court's acceptance, response, evidence and related litigation notices.

Other lawsuits

Applicable Not applicable

IX. Penalty and rectification

Applicable Not applicable

X. Integrity of the Company and its controlling shareholders and actual controllers

Applicable Not applicable

The Company has no controlling shareholder and actual controller. According to the disclosure requirements, the Company's largest shareholder Foresea Life Insurance Co., Ltd., shareholder Zhongshan Runtian Investment Co., Ltd., shareholder Chengtai Group Co., Ltd. and Shareholder Shenzhen Guanlong Logistics Co., Ltd. shall disclose the corresponding information. The details are as follows:

i. Integrity of the Company

During the report period, it did not exist that the Company failed to perform the effective judgment of the court or owed comparatively large amount of debt which was overdue. The Company's integrity was good.

ii. The integrity of the Company's shareholders

1. According to the reply of the Company's largest shareholder, Foresea Life Insurance Co., Ltd.: As of June 30, 2023, it did not exist that Foresea Life Insurance Co., Ltd. failed to perform the effective judgment of the court or owed comparatively large amount of debt which was overdue.

2. According to the reply of the shareholder Zhongshan Runtian Investment Co., Ltd., the original content is as follows:

As of June 30, 2023, the cases executed by Zhongshan Runtian Investment Co., Ltd. (hereinafter referred to as "Zhongshan Runtian") are as follows:

(1) Due to the case of execution of notarising creditor's rights documents between Great Wall Guoxing Financial Leasing Co., Ltd. and 16 companies including Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Real Estate Co., Ltd. and Zhongshan Runtian Investment Co., Ltd., Great Wall Guoxing Financial Leasing Co., Ltd. applied to the court for compulsory execution. As the guarantor of the debt of RMB164 million, Zhongshan Runtian was jointly and severally liable for the debt, and its 5.57 million shares of Jonjee High-tech were used as collateral. At present, Great Wall Guoxing Financial Leasing Co., Ltd. has applied for compulsory execution and has frozen 5.57 million shares of Jonjee High-tech.

(2) Due to the case of notarising creditor's rights documents between Chongqing Xinyu Financial Leasing Co., Ltd. and the defendants Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Baoneng Automobile Co., Ltd., and Zhongshan Runtian, Chongqing Xinyu Financial Leasing Co., Ltd. applied to the court for compulsory execution. As the guarantor of the debt of RMB260 million, Zhongshan Runtian used its 67.65 million A shares of CSG as collateral. As of 29 June 2022, it has disposed of 55,628,900 A shares of CSG, with a total amount of RMB319,999,300.

(3) Due to the case of notarising creditor's rights documents between Guangdong Finance Trust Co., Ltd. and Zhongshan Runtian, Shenzhen Jushenghua Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Holdings (China) Co., Ltd., and Mr. Yao Zhenhua, Finance Trust applied to the court for compulsory execution. The 26,550,000 shares of Jonjee High-tech held by Zhongshan Runtian Investment Co., Ltd. have been sold on 13 September 2022, and the amount credited into the account was RMB793,755,369.22, which was approximately RMB90 million different from the debt amount of RMB882,199,570.79 submitted to the court by the execution applicant. As a result, the case remained unsettled.

(4) Due to the dispute over the financial loan contract between AVIC Trust Co., Ltd. and Zhongshan Runtian, Zhongshan Runtian, as the borrower of the debt principal of RMB1.05 billion, and Hefei Baohui Real Estate Co., Ltd., Hefei Baoneng Real Estate Development Co., Ltd., Shenzhen Jushenghua Co., Ltd., Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Chia Tai (Shenzhen) Development Co., Ltd. and Mr. Yao Zhenhua were jointly and severally liable for the debt. As of June 30, 2023, it has disposed a total of 10.182015 million shares of Jonjee High-tech ; among them, the first round of freezing of 2.125605 million shares by AVIC Trust Co., Ltd. and the judicial mark of 8.05641 million shares.

(5) Due to the case of execution of notarising creditor's rights documents between Chongqing International Trust Co., Ltd. and Shenzhen Jushenghua Co., Ltd., Zhongshan Runtian, Shenzhen Baoneng Investment Group Co., Ltd. and Mr. Yao Zhenhua, the court ruled to seal up and freeze the property of RMB541 million of Jushenghua, Baoneng Group and Yao Zhenhua, and to freeze the 22 million shares of Jonjee High-tech pledged by Zhongshan Runtian to Chongqing Trust. At present, Chongqing Trust has applied for compulsory execution. As of 2 February 2023, it has disposed of 21,025,100 shares of Jonjee High-tech, with a total amount of RMB617,383,579.06.

(6) Due to the case of the loan contract dispute between Zhongshan Runtian and Shanghai Pudong Development Bank Co., Ltd., the People's Court of Futian District, Shenzhen has issued an Execution Ruling, ruling that 12 million shares held by Zhongshan Runtian in "Jonjee High-tech", the entity subject to enforcement, shall be auctioned off and realised for the purpose of settling the debt. As the bidder failed to pay the final payment within the prescribed time, according to the Notification of Sale from the People's Court of

Futian District, Shenzhen issued on 16 February 2023, the aforesaid 12 million shares would be re-auctioned. On 22 March 2023, Shanghai Pudong Development Bank Co., Ltd. disposed of the 12 million shares held by Zhongshan Runtian in “Jonjee High-tech” by way of a judicial auction.

(7) Due to the case of the loan contract dispute between Zhongshan Runtian and Chongqing Trust Inc., Shenzhen Intermediate People’s Court has issued an execution notification demanding the disposal of 22 million shares held by Zhongshan Runtian in “Jonjee High-tech” at a realised price. On 17 January 2023, Chongqing Trust disposed of a total of 5.7 million shares held by Zhongshan Runtian by way of block trading.

(8) Due to the case of the loan contract dispute between Zhongshan Runtian and Bank of Communications Financial Leasing Co., Ltd., the Intermediate People’s Court of Zhongshan City, Guangdong Province has issued an execution ruling to auction off 8,329,457 shares held by Zhongshan Runtian in “Jonjee High-tech”. On 11 May 2023, Bank of Communications Financial Leasing Co., Ltd. disposed of the 8,329,457 shares held by Zhongshan Runtian in “Jonjee High-tech” by way of a judicial auction.

(9) Due to the case of the loan contract dispute between Zhongshan Runtian and Bohai Trust, the Intermediate People’s Court of Zhongshan City, Guangdong Province has issued an Execution Ruling, ruling the mandatory realisation of 13.7 million shares held by the entity subject to enforcement, Zhongshan Runtian, in “Jonjee High-tech”. From 25 to 26 May 2023, Bohai Trust disposed of a total of 12,444,353 shares held by Zhongshan Runtian in “Jonjee High-tech” by way of block trading.

As of June 30, 2023, the details of Zhongshan Runtian’s comparatively large amount of debt which was overdue are as follows:

Serial number	Borrower	Financial institution	Loan amount (RMB 0,000)	Credit enhancement plan	Start date of loan	Maturity date of loan
1	Zhongshan Runtian Investment Co., Ltd.	Essence Securities	4,239.28	Guarantee+Pledge	2018/12/27	2021/12/26
2	Zhongshan Runtian Investment Co., Ltd.	AVIC Trust	105,000.00	Guarantee+Pledge	2019/9/25	2021/10/31
3	Zhongshan Runtian Investment Co., Ltd.	Baotai Honghua Investment	90,500.00	Guarantee	2021/3/15	2021/12/31
Total			199,739.28			

As of June 30, 2023, Mr. Yao Zhenhua’s personal execution cases are as follows:

(1) Due to the case of dispute over notarising creditor’s rights documents between Ping An Trust Co., Ltd. and Shaoxing Baorui Real Estate Co., Ltd., Baoneng City Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Real Estate Co., Ltd., Shanghai Kaiyue Investment Co., Ltd. and Mr. Yao Zhenhua, which was applied for compulsory execution by Ping An Trust, Mr. Yao Zhenhua was jointly and severally liable for the principal and interest of the debt of RMB420 million.

(2) Due to the trust loan dispute between the National Trust and Shenzhen Xinao Trading Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Mr. Yao Zhenhua and others signed relevant guarantee contracts, ordering Shenzhen Xinao Trading Co., Ltd. to repay the loan principal of RMB290 million and related interest and lawsuit costs. Shenzhen Baoneng Investment Group Co., Ltd., Mr. Yao Zhenhua and others were jointly and severally liable for the debt.

(3) Due to the financial borrowing between Zhongrong International Trust Co., Ltd. and Baoneng Automobile Co., Ltd., it applied to the Beijing Third Intermediate People’s Court for compulsory execution for notarisation on the matter. Since Mr. Yao Zhenhua provided a guarantee for this loan business and signed the relevant notarised documents, he was jointly and severally liable for the debt of RMB1048 million.

(4) As Kunlun Trust Co., Ltd. applied to the court for compulsory execution of the notarising creditor’s rights documents with Shum Yip Logistics Group Co., Ltd., Baoneng Century Co., Ltd., Chia Tai (Shenzhen) Development Co., Ltd., Shenzhen Baoneng

Investment Group Co., Ltd., Baoneng Holdings (China) Co., Ltd., and Mr. Yao Zhenhua, Mr. Yao Zhenhua assumed joint and several guarantee liabilities for the debt of RMB1.31 billion.

(5) Due to the case of notarising creditor's rights documents between Guangzhou Xinhua City Development Industry Investment Enterprise (Limited Partnership) and the defendants Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd. and Mr. Yao Zhenhua, Mr. Yao Zhenhua, as the guarantor, signed the relevant notarial documents and assumed joint and several liabilities for the principal and interest of the creditor's rights of RMB600 million.

(6) Due to the dispute over the loan contract between Fuzhou Branch of Xiamen International Bank Co., Ltd. and Shenzhen Jushenghua Co., Ltd., Fuzhou Branch of Xiamen International Bank Co., Ltd. applied to Shenzhen Intermediate People's Court for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the loan principal of RMB2.16 billion, signed the corresponding Guarantee Contract and assumed joint and several liabilities for the debt.

(7) Due to the financial loan dispute between Guangdong Finance Trust Co., Ltd. and Zhongshan Runtian, Guangdong Finance Trust Co., Ltd. applied to Shenzhen Intermediate People's Court for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the loan, signed the corresponding Guarantee Contract and was jointly and severally liable for the debt of RMB720 million.

(8) Due to the financial debt dispute between China Railway Trust Co., Ltd. and Baoneng Automobile Group Co., Ltd. and Kunming Baojun Real Estate Co., Ltd., it applied to Chengdu Intermediate People's Court of Sichuan Province for compulsory execution. As the guarantor of the debt, Mr. Yao Zhenhua signed the corresponding Guarantee Contract and was jointly and severally liable for the debt of RMB2,063 million.

(9) Due to the financial debt dispute between China Railway Trust Co., Ltd. and Baoneng Automobile Group Co., Ltd. and Kunming Jianpeng Real Estate Development Co., Ltd., it applied to Chengdu Intermediate People's Court of Sichuan Province for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the debt, signed the corresponding Guarantee Contract and was jointly and severally liable for the debt of RMB836 million.

(10) Due to the case of notarising creditor's rights documents between Changan International Trust Co., Ltd. and Shenzhen Baoneng Investment Group Co., Ltd., Wuxi Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Changan Trust applied for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB925 million.

(11) Due to the case of notarising creditor's rights documents between Changan International Trust Co., Ltd. and Shenzhen Baoneng Investment Group Co., Ltd., Wuxi Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Changan Trust applied for compulsory execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB1,117 million.

(12) Due to the case of notarising creditor's rights documents between China Minsheng Trust Co., Ltd. and the defendants Shenzhen Baoneng Investment Group Co., Ltd., Hefei Baohui Real Estate Co., Ltd., Shenzhen Baoneng Enterprise Management Co., Ltd., Anhui Baoneng Land Co., Ltd., and Mr. Yao Zhenhua, Minsheng Trust applied for compulsory execution. As the guarantor of the debt, Mr. Yao Zhenhua was jointly and severally liable for the debt of RMB4,207 million.

(13) Due to the case of notarising creditor's rights documents between Shanghai Aijian Trust Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Chia Tai (Shenzhen) Development Co., Ltd., Hefei Baohui Real Estate Co., Ltd., Hefei Baoneng Real Estate Development Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Aijian Trust applied to the court for compulsory execution. As the guarantor of the debt, Mr. Yao Zhenhua was jointly and severally liable for the debt of RMB417 million.

- (14) Due to the dispute over the loan contract with Baoneng Automobile Group Co., Ltd., Chongqing International Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB2,186 million.
- (15) Due to the case of notarising creditor's rights documents between China Minsheng Trust Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Mr. Yao Zhenhua, Minsheng Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB496 million.
- (16) Due to the case of China Minsheng Trust Co., Ltd., Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd. and Mr. Yao Zhenhua, Minsheng Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB2,238 million.
- (17) Due to the financial loan contract dispute between AVIC Trust Co., Ltd. and Shenzhen Lingdao Auto Life Service Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., Shenzhen Shum Yip Logistics Group Co., Ltd., Tengchong Baoneng Real Estate Co., Ltd., Zhejiang Jintian Real Estate Development Co., Ltd., Tengchong Beihai Wetland Ecotourism Investment Co., Ltd., and Mr. Yao Zhenhua, AVIC Trust applied to the court for compulsory execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB984 million.
- (18) Due to the financial loan contract dispute between AVIC Trust Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., Baoneng Real Estate Co., Ltd., and Wuhu Baoneng Real Estate Co., Ltd., Baoneng City Co., Ltd., Tengchong Beihai Wetland Eco-Tourism Investment Co., Ltd., and Mr. Yao Zhenhua, AVIC Trust applied to the court for execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB563 million.
- (19) Due to the loan contract dispute between Shenzhen Branch of Ping An Bank Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Real Estate Co., Ltd., Shenzhen First Space Operation Management Co., Ltd., Mr. Yao Zhenhua and Baoneng City Co., Ltd., Shenzhen Branch applied to the court for execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB3,433 million.
- (20) Due to the execution of lawsuit costs of the loan contract dispute between Shenzhen Branch of Ping An Bank Co., Ltd. and Baoneng City Co., Ltd., Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Mr. Yao Zhenhua and Shenzhen Liujin Investment Co., Ltd., the Higher People's Court of Guangdong Province appointed Shenzhen Intermediate People's Court of Guangdong Province to execute the case. Mr. Yao Zhenhua, as the guarantor of the loan contract dispute, was jointly and severally liable for the lawsuit costs of RMB13,920,800 arising from the loan contract dispute.
- (21) Due to the loan contract dispute between Shenzhen Branch of Ping An Bank Co., Ltd. and Baoneng City Co., Ltd., Baoneng Real Estate Co., Ltd., Baoneng Holdings (China) Co., Ltd., Mr. Yao Zhenhua and Shenzhen Liujin Investment Co., Ltd., Shenzhen Branch of Ping An Bank Co., Ltd. applied to the court for execution. Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB5,562 million.
- (22) Due to the case of execution of notarising creditor's rights documents between Chongqing International Trust Co., Ltd. and Shenzhen Jushenghua Co., Ltd., Zhongshan Runtian, Shenzhen Baoneng Investment Group Co., Ltd., and Mr. Yao Zhenhua, Chongqing International Trust Co., Ltd. applied to the court for execution, and Mr. Yao Zhenhua, as the guarantor of the debt, was jointly and severally liable for the debt of RMB541 million.

(23) Due to the case that Tibet Bank Co., Ltd. sued Lhasa Baochuang Automobile Sales Co., Ltd., Mr. Yao Zhenhua, Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd., and Shenzhen Shum Yip Logistics Group Co., Ltd. were jointly and severally liable for the lawsuit costs of the loan contract dispute, which was executed by the Lhasa Intermediate People's Court of the Tibet Autonomous Region, Mr. Yao Zhenhua, as the guarantor of the loan contract dispute, was jointly and severally liable for the lawsuit costs of RMB4,186,700 arising from the loan contract dispute.

(24) Due to the case that Tibet Bank Co., Ltd. sued Lhasa Baochuang Automobile Sales Co., Ltd., Mr. Yao Zhenhua, Shenzhen Baoneng Investment Group Co., Ltd., Shenzhen Jushenghua Co., Ltd. and Shenzhen Shum Yip Logistics Group Co., Ltd. were jointly and severally liable for the debts arising from the loan contract dispute and were executed by Lhasa Intermediate People's Court of the Tibet Autonomous Region. Mr. Yao Zhenhua, as the guarantor of the loan contract dispute, was jointly and severally liable for the debt of RMB829 million arising from the loan contract dispute, which has been paid off.

(25) Due to the case that Chongqing International Trust Co., Ltd. sued Baoneng Automobile Group Co., Ltd., Nanjing Baoneng Urban Development Co., Ltd., Shenzhen Baoneng Investment Group Co., Ltd., Baoneng Holdings (China) Co., Ltd. and Yao Zhenhua, as the guarantor of the debt, Mr. Yao Zhenhua was executed by the Chongqing No. 5 Intermediate People's Court, and he was jointly and severally liable for the debt of RMB2,121 million.

Mr. Yao Zhenhua had no debt with comparatively large amount that had not been paid when due.

3. According to the reply of the shareholder Chengtai Group Co., Ltd.: As of June 30, 2023, Chengtai Group Co., Ltd. has not received relevant information on share freezing and lawsuit, and it had no debt with comparatively large amount that had not been paid when due.

4. According to the reply of the shareholder Shenzhen Guanlong Logistics Co., Ltd. : As of June 30, 2023, Shenzhen Guanlong Logistics Co., Ltd. has not received relevant information on share freezing and lawsuit, and it had no debt with comparatively large amount that had not been paid when due.

XI. Major related transaction

1. Related transaction with routine operation concerned

Applicable Not applicable

2. Related transaction with acquisition of assets or equity, sales of assets or equity concerned

Applicable Not applicable

3. Related transaction with jointly external investment concerned

Applicable Not applicable

4. Credits and liabilities with related parties

Applicable Not applicable

5. Transactions with related financial companies

Applicable Not applicable

6. Transactions with financial companies controlled by the company

Applicable Not applicable

7. Other major related transaction

Applicable Not applicable

XII. Significant contracts and their implementation**1. Trusteeship, contract and leasing****(1) Trusteeship**

Applicable Not applicable

(2) Contract

Applicable Not applicable

(3) Leasing

Applicable Not applicable

2. Major guarantees

Applicable Not applicable

Unit: RMB 0,000

External guarantees of the Company and its subsidiaries (excluding the guarantees for subsidiaries)										
Name of guarantee object	Date of disclosure of related announcement on guarantee amount	Guarantee amount	Actual date of guarantee	Actual amount of guarantee	Guarantee type	Collateral (if any)	Counter guarantee circumstance (if any)	Guaranty period	Complete implementation or not	Guarantee for related party or not
Total amount of approved external guarantees during the report period (A1)				0	Total actual amount of external guarantees during the report period (A2)					
							0			

Total amount of approved external guarantees at the end of the report period (A3)		0		Total balance of actual external guarantees at the end of the report period (A4)		0				
Guarantees of the Company for its subsidiaries										
Name of guarantee object	Date of disclosure of related announcement on guarantee amount	Guarantee amount	Actual date of guarantee	Actual amount of guarantee	Guarantee type	Collateral (if any)	Counter guarantee circumstance (if any)	Guarantee period	Complete implementation or not	Guarantee for related party or not
Xianning CSG Photovoltaic Glass Co., Ltd.	25 April 2022	6,000	26 May 2022	2,374	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Photovoltaic Glass Co., Ltd.	25 April 2022	5,000	25 November 2022	221	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Photovoltaic Glass Co., Ltd.	25 April 2022	3,500	9 March 2023	3,500	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Energy-Saving Glass Co., Ltd.	26 April 2023	5,000	10 July 2023	1,990	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Energy-Saving Glass Co., Ltd.	25 April 2022	8,600	17 March 2023	736	Joint liability guarantee	None	None	5 years	No	No
Xianning CSG Energy-Saving Glass Co., Ltd.	26 April 2023	5,000	9 May 2023	2,500	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Photovoltaic Glass Co., Ltd.	25 April 2022	1,800	15 March 2023	800	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Photovoltaic Glass Co., Ltd.	25 April 2022	608	4 July 2022	600	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Photovoltaic Glass Co., Ltd.	25 April 2022	600	16 August 2022	600	Joint liability guarantee	None	None	2 years	No	No
Yichang CSG Photovoltaic Glass Co., Ltd.	10 August 2021	1,824	17 December 2021	1,000	Joint liability guarantee	None	None	1 year	Yes	No
Dongguan CSG PV-tech Co., Ltd.	10 August 2021	3,000	29 November 2021	2,957	Joint liability guarantee	None	None	1 year	Yes	No
Hebei Panel Glass Co., Ltd.	25 April 2022	5,000	8 June 2022	500	Joint liability guarantee	None	None	1 year	No	No
Hebei Panel Glass Co., Ltd.	25 April 2022	2,500	16 May 2022	0	Joint liability guarantee	None	None	3 years	No	No
Hebei Panel Glass Co., Ltd.	30 October 2021	16,500	17 December 2021	11,358	Joint liability guarantee	None	None	5 years	No	No

Hebei CSG Glass Co., Ltd.	26 April 2023	3,000	8 May 2023	67	Joint liability guarantee	None	None	1 year	No	No
Hebei CSG Glass Co., Ltd.	26 April 2023	16,000	5 June 2023	3,088	Joint liability guarantee	None	None	1 year	No	No
Hebei CSG Glass Co., Ltd.	25 April 2022	2,500	16 May 2022	0	Joint liability guarantee	None	None	3 years	No	No
Dongguan CSG Architectural Glass Co., Ltd.	29 June 2021	5,000	13 September 2021	0	Joint liability guarantee	None	None	2 years	No	No
Dongguan CSG Architectural Glass Co., Ltd.	25 April 2022	10,000	6 January 2023	4,000	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	26 April 2023	7,000	14 July 2023	6,410	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	25 December 2021	15,000	25 March 2022	10,530	Joint liability guarantee	None	None	7 years	No	No
Xianning CSG Glass Co., Ltd.	26 April 2023	50,000	2 June 2023	26,130	Joint liability guarantee	None	None	7 years	No	No
Xianning CSG Glass Co., Ltd.	26 April 2023	20,000	2 June 2023	4,721	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	26 April 2023	12,000	9 June 2023	745	Joint liability guarantee	None	None	5 years	No	No
Xianning CSG Glass Co., Ltd.	29 June 2021	20,000	7 July 2021	14,890	Joint liability guarantee	None	None	5 years	No	No
Chengdu CSG Glass Co., Ltd.	25 December 2021	5,000	17 February 2022	3,000	Joint liability guarantee	None	None	1 year	Yes	No
Chengdu CSG Glass Co., Ltd.	25 April 2022	10,000	16 November 2022	1,000	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	25 April 2022	5,000	25 November 2022	100	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	25 April 2022	5,000	25 November 2022	0	Joint liability guarantee	None	None	3 years	No	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	25 December 2021	8,000	15 April 2022	4,200	Joint liability guarantee	None	None	1 year	Yes	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	26 April 2023	12,000	19 June 2023	8,000	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	19 February 2021	10,000	12 March 2021	7,770	Joint liability guarantee	None	None	4 years	No	No
Wujiang CSG Glass Co., Ltd.	25 April 2022	10,000	7 February 2023	5,780	Joint liability guarantee	None	None	1 year	No	No

Wujiang CSG Glass Co., Ltd.	25 April 2022	5,000	28 February 2023	2,143	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	25 April 2022	6,000	20 April 2023	0	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	25 April 2022	3,000	7 March 2023	0	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	25 April 2022	10,000	7 February 2023	3,000	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	25 April 2022	12,400	26 May 2022	3,566	Joint liability guarantee	None	None	5 years	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	25 April 2022	6,000	20 April 2023	0	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	25 April 2022	5,000	23 April 2023	1,908	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	25 April 2022	5,000	21 July 2022	4,999	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	25 April 2022	4,000	21 July 2022	1,379	Joint liability guarantee	None	None	5 years	No	No
Dongguan CSG Solar Glass Co., Ltd.	26 April 2023	33,000	30 June 2023	2,715	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	25 April 2022	8,000	7 June 2022	0	Joint liability guarantee	None	None	1 year	Yes	No
Dongguan CSG Solar Glass Co., Ltd.	25 April 2022	9,000	31 May 2022	5,090	Joint liability guarantee	None	None	4 years	No	No
Dongguan CSG Solar Glass Co., Ltd.	25 April 2022	6,000	11 August 2022	0	Joint liability guarantee	None	None	1 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	25 April 2022	6,330	18 October 2022	230	Joint liability guarantee	None	None	1 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	25 April 2022	10,000	6 January 2023	1,000	Joint liability guarantee	None	None	1 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	25 December 2021	5,000	2 December 2022	100	Joint liability guarantee	None	None	1 year	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	25 April 2022	37,400	4 August 2022	0	Joint liability guarantee	None	None	5 years	No	No
Qingyuan CSG Energy-Saving New Materials Co., Ltd.	25 April 2022	10,000	24 April 2023	4,230	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Display Co., Ltd.	25 April 2022	1,800	15 March 2023	640	Joint liability guarantee	None	None	1 year	No	No

Yichang CSG Display Co., Ltd.	25 April 2022	600	24 February 2023	600	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Display Co., Ltd.	25 April 2022	3,000	24 June 2022	2,700	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	25 April 2022	3,000	9 March 2023	2,732	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	25 April 2022	5,000	21 June 2022	3,680	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	19 February 2021	7,000	23 March 2021	5,171	Joint liability guarantee	None	None	4 years	No	No
Tianjin CSG Energy-Saving Glass Co., Ltd.	29 June 2021	2,000	26 November 2021	1,124	Joint liability guarantee	None	None	1 year	Yes	No
Anhui CSG New Energy Material Technology Co., Ltd.	10 August 2021	70,000	19 October 2021	45,102	Joint liability guarantee	None	None	6 years	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	10 August 2021	180,000	28 August 2021	117,717	Joint liability guarantee	None	None	7 years	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	25 April 2022	35,000	5 July 2022	26,150	Joint liability guarantee	None	None	3 years	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	25 April 2022	20,000	6 February 2023	7,400	Joint liability guarantee	None	None	3 years	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	26 April 2023	30,000	10 May 2023	4,011	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	25 December 2021	50,000	30 March 2022	25,795	Joint liability guarantee	None	None	9 years	No	No
Anhui CSG Silicon Valley Mingdu Mining Development Co., Ltd.	25 April 2022	24,000	21 July 2022	24,000	Joint liability guarantee	None	None	10 years	No	No
Anhui CSG Quartz Materials Co., Ltd.	29 June 2021	9,000	13 September 2021	6,696	Joint liability guarantee	None	None	5 years	No	No
Guangxi CSG New Energy Materials Tech Co., Ltd.	25 April 2022	30,000	11 June 2022	11,000	Joint liability guarantee	None	None	3 years	No	No
Guangxi CSG New Energy Materials Tech Co., Ltd.	25 April 2022	50,000	26 July 2022	2,000	Joint liability guarantee	None	None	8 years	No	No
Guangxi CSG New	25 April 2022	80,000	26 July 2022	15,021	Joint	None	None	8 years	No	No

Energy Materials Tech Co., Ltd.					liability guarantee					
Xi'an CSG Energy Saving Glass Technology Co., Ltd.	25 April 2022	34,400	27 March 2023	7,770	Joint liability guarantee	None	None	7 years	No	No
Zhaoqing CSG New Energy Technology Co., Ltd.	25 April 2022	1,530	6 April 2023	1,300	Joint liability guarantee	None	None	7 years	No	No
Anhui CSG Photovoltaic Energy Co., Ltd.	26 April 2023	10,040	27 April 2023	0	Joint liability guarantee	None	None	7 years	No	No
Zhanjiang CSG New Energy Co., Ltd.	25 April 2022	1,000	28 March 2023	1,000	Joint liability guarantee	None	None	5 years	No	No
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	25 April 2022	5,000	30 May 2022	0	Joint liability guarantee	None	None	3 years	No	No
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	22 September 2020	34,000	25 September 2020	23,475	Joint liability guarantee	None	None	5 years	No	No
Dongguan CSG Architectural Glass Co., Ltd.	25 April 2022	48,000	22 June 2022	2,276	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG Solar Glass Co., Ltd.	25 April 2022		22 June 2022	908	Joint liability guarantee	None	None	1 year	No	No
Dongguan CSG PV-tech Co., Ltd.	25 April 2022		22 June 2022	5,093	Joint liability guarantee	None	None	1 year	No	No
Anhui CSG New Energy Material Technology Co., Ltd.	25 April 2022		22 June 2022	1,518	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG Glass Co., Ltd.	25 April 2022		22 June 2022	0	Joint liability guarantee	None	None	1 year	No	No
Chengdu CSG Glass Co., Ltd.	25 April 2022		22 June 2022	0	Joint liability guarantee	None	None	1 year	No	No
Sichuan CSG Energy Conservation Glass Co., Ltd.	25 April 2022		22 June 2022	315	Joint liability guarantee	None	None	1 year	No	No
Yichang CSG Polysilicon Co., Ltd.	25 April 2022		1 March 2023	5,580	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Glass Co., Ltd.	25 April 2022		22 June 2022	143	Joint liability guarantee	None	None	1 year	No	No
Xianning CSG Energy-Saving Glass Co., Ltd.	25 April 2022		22 June 2022	303	Joint liability guarantee	None	None	1 year	No	No
Wujiang CSG East China Architectural Glass Co., Ltd.	25 April 2022		22 June 2022	2,316	Joint liability guarantee	None	None	1 year	No	No
Tianjin CSG Energy-Saving Glass Co.,	25 April 2022		22 June 2022	390	Joint liability	None	None	1 year	No	No

Ltd.					guarantee					
Zhaoqing CSG Energy-Saving Glass Co., Ltd.	25 April 2022		22 August 2022	2,603	Joint liability guarantee	None	None	1 year	No	No
Total amount of approved guarantees for subsidiaries during the report period (B1)		203,040		Total actual amount of guarantees for subsidiaries during the report period (B2)		114,496				
Total amount of approved guarantees for subsidiaries at the end of the report period (B3)		1,178,108		Total balance of actual guarantees for subsidiaries at the end of the report period (B4)		504,175				
Guarantees of subsidiaries for their subsidiaries										
Name of guarantee object	Date of disclosure of related announcement on guarantee amount	Guarantee amount	Actual date of guarantee	Actual amount of guarantee	Guarantee type	Collateral (if any)	Counter guarantee circumstance (if any)	Guarantee period	Complete implementation or not	Guarantee for related party or not
Total amount of approved guarantees for subsidiaries during the report period (C1)		0		Total actual amount of guarantees for subsidiaries during the report period (C2)		0				
Total amount of approved guarantees for subsidiaries at the end of the report period (C3)		0		Total balance of actual guarantees for subsidiaries at the end of the report period (C4)		0				
Total amount of the Company's guarantees (i.e., the sum of the first three items)										
Total amount of approved guarantees during the report period (A1+B1+C1)		203,040		Total actual amount of guarantees during the report period (A2+B2+C2)		114,496				
Total amount of approved guarantees at the end of the report period (A3+B3+C3)		1,178,108		Total actual balance of guarantees at the end of the report period (A4+B4+C4)		504,175				
The proportion of total actual amount of guarantees (i.e., A4+B4+C4) in the net assets of the Company				36.66%						
Including:										
Balance of guarantees provided for shareholders, actual controllers and its related parties (D)				0						
Balance of debt guarantees provided directly or indirectly for guaranteed objects with an asset-liability ratio exceeding 70% (E)				55,171						
The amount of guarantees exceeding 50% of the net assets (F)				0						
Total guarantee amount of the above three items (D+E+F)				55,171						
Explanation on guarantee responsibility incurred in the report period or evidence showing the description of the				Nil						

possible joint and several liabilities for repayment for the guarantee contracts not yet due (if any)	
Explanation on providing external guarantees in violation of prescribed procedures (if any)	Nil

Note: 1. The 2022 Annual General Meeting of the Company reviewed and passed the *Proposal for the 2023 Guarantee Plan*, and approved the Company and its subsidiaries to provide guarantees in a total amount of not exceeding RMB 21,832 million (including the effective and unexpired amount) for the 2023 credit lines from financial institutions to guaranteed entities within the scope of consolidated statements. Among them, the total amount of guarantees for all guaranteed entities with asset liability ratio of 70% or above shall not exceed the equivalent amount of RMB 920 million (including the effective and unexpired amount).

The Company's external guarantees are all provided for subsidiaries within the scope of consolidated statement. As of 30 June 2023, the actual guarantee balance was RMB 5,041.75 million (of which the actual guarantee balance with asset liability ratio of 70% or above was RMB 551.71 million), accounting for 39.22% of the parent company's net assets of RMB 12,854.88 million at the end of 2022, and 19.46% of the net assets of RMB 25,904.01 million. The Company has no overdue guarantee.

2. The Company's 2021 Annual General Meeting reviewed and passed the *Proposal on the Development of Asset Pool Business in 2022*. In order to achieve the overall management of the Company's assets such as bills and letters of credit, the General Meeting of Shareholders approved the Company and its subsidiaries to conduct asset pool business of no more than RMB 800 million. Under the premise of controllable risks, various guarantee methods such as maximum pledge, general pledge, deposit certificate pledge, bill pledge, and margin pledge can be adopted for business development. As of 30 June 2023, the actual pledge amount of the asset pool business was RMB 723.13 million, and the financing balance was RMB 722.72 million.

Explanation on compound guarantees: Nil

3. Entrusted Financing

Applicable Not applicable

4. Other material contracts

Applicable Not applicable

Name of signing entity on the Company's side	Name of counterparty	Subject matter	Contract signing date	Pricing principle	Transaction amount (RMB 0,000)	Related-party transaction or not	Association	Execution as of the end of the report period	Date of disclosure	Disclosure index
Wujiang CSG Glass Co., Ltd., and Dongguan CSG Solar Glass Co., Ltd.	LONGi Solar Technology Ltd., Zhejiang LONGi Solar Technology Ltd., Taizhou LONGi Solar Technology Ltd., Yinchuan LONGi Solar Technology Ltd., Chuzhou LONGi Solar Technology Ltd., Datong LONGi Solar Technology Ltd., LONGi (H.K.) Trading Limited, LONGi (KUCHING) SDN. BHD., Xianyang LONGi Solar Technology Ltd., Jiangsu LONGi Solar Technology Ltd.,	Photovoltaic glass	31 July 2020	Price negotiated on a monthly basis according to market conditions	-	No	Nil	In progress	3 August 2020	Announcement No.: 2020-060

	Jiaying LONGi Solar Technology Ltd., and Xi'an LONGi Green Building Technology Ltd.									
CSG Holding Co., Ltd.	Trina Solar Co., Ltd.	High-purity silicon	13 September 2022	Price of high-purity silicon negotiated on a monthly basis according to contractually agreed pricing principles	–	No	Nil	In progress	14 September 2022	Announcement No.: 2022-054
CSG Holding Co., Ltd.	Two certain customers	Solar grade primary polysilicon	27 October 2022	Price negotiated on a monthly basis according to contractually agreed pricing principles	–	No	Nil	In progress	29 October 2022	Announcement No.: 2022-060
CSG Holding Co., Ltd.	One certain customer	Solar grade primary polysilicon	17 April 2023	Price negotiated on a monthly basis according to contractually agreed pricing principles	–	No	Nil	Yet to be executed	19 April 2023	Announcement No.: 2023-011

Note: The above material contracts are long-term sales contracts signed between the Company and customers. A total supply volume is given in such a contract, the specific price is negotiated on a monthly basis, and the total contract amount is subject to the final transaction amount.

XIII. Statement on other important matters

√Applicable □ Not applicable

1. Ultra-short-term financing bills

On May 16, 2022, the Company's 2021 annual general meeting reviewed and approved the "Proposal on Application for Registration and Issuance of Medium-Term Notes and Ultra-short-term Financing Bills", which agreed that the Company would register and issue ultra-short-term financing bills with a registered amount of not more than 1 billion yuan, The Company can issue one or more times within the validity period of the registration according to the actual capital needs and the capital situation of the inter-bank market.

2. Medium-term notes

On May 16, 2022, the Company's 2021 annual general meeting reviewed and approved the "Proposal on Application for Registration and Issuance of Medium-term Notes and Ultra-short-term Financing Bills", which agreed that the Company would register and issue medium-term notes with a registered amount of not more than 2 billion yuan. Actual capital needs and inter-bank market capital status, can be issued one or more times within the validity period of registration.

3. Public issuance of corporate bonds

On March 2, 2017, the 2nd Extraordinary General Meeting of Shareholders in 2017 reviewed and approved “the Proposal on the Public Issuance of Corporate Bonds for Qualified Investors”. On February 27, 2019, the First Extraordinary General Meeting of Shareholders in 2019 The “Proposal on Extending the Validity Period of the Shareholders' Meeting for the Public Offering of Corporate Bonds to Qualified Investors” agreed to issue corporate bonds with a total issue of no more than RMB 2 billion and a term of no more than 10 years. On June 26, 2019, the Company received the “Approval of Approving CSG Holding Co., Ltd. to Issue Corporate Bonds to Qualified Investors” issued by China Securities Regulatory Commission (ZJXX [2019] No. 1140). On March 24,

2020 and March 25, 2020, the Company issued the first batch of corporate bonds with total amount of RMB 2 billion and valid term of 3 years at the issuance rate of 6%, and completed the redemption and delisting on March 27, 2023 (the original redemption date for this bond was March 25, 2023, but due to a statutory rest day, it was postponed to the first trading day thereafter).

4. Public offering of A-share convertible corporate bonds

On 11 July 2022, the Company's 2nd Extraordinary General Meeting of Shareholders in 2022 reviewed and approved relevant proposals on the Company's public offering of A-share convertible corporate bonds, and agreed to issue A-share convertible corporate bonds to raise a total amount not exceed RMB 2,800 million (inclusive), with a term of six years from the date of issuance. Due to factors such as changes in the capital market and the timing of financing, which resulted in immature application and issuance conditions, the Company did not make any substantial progress on the public offering of A-share convertible corporate bonds during the valid period as resolved. As of 11 July 2023, the Company's plan for the public offering of A-share convertible corporate bonds expired and automatically lapsed. For further information, see the *Announcement on the Expiry of the Plan for the Public Offering of A-share Convertible Corporate Bonds* (Announcement number: 2023-025) disclosed by the Company on <http://www.cninfo.com.cn> dated 12 July 2023.

5. Shareholding increase by Shenzhen Guanlong Logistics Co., Ltd.

On 17 March 2023, Shenzhen Guanlong Logistics Co., Ltd. (hereinafter referred to as "Guanlong Logistics") increased its shareholding in the Company by 160,000 shares (or 0.0052% of the Company's total share capital) by way of centralized bidding in the securities trading system of the Shenzhen Stock Exchange. On 23 March 2023, the Company disclosed the Announcement on Shareholder's Shareholding Increase & Subsequent Shareholding Increase Plan (Announcement number: 2023-006). According to the Announcement, Guanlong Logistics intended to increase its holding of unrestricted public A-shares by a percentage of no less than 5% and no more than 6.26% of the Company's total share capital by way of centralized bidding or block trading in the trading system of the Shenzhen Stock Exchange within six months after three trading days from the disclosure date of the announcement on the shareholding increase plan. As of 30 June 2023, Guanlong Logistics held 160,000 shares in the Company, with no progress on the shareholding increase plan for the time being.

6. The matter of the special fund of RMB 171 million for talent introduction

Regarding the special fund of RMB 171 million for talent introduction, the Company filed an infringement compensation lawsuit against Zeng Nan and others and Yichang Hongtai Real Estate Co., Ltd. on December 15, 2021, and Shenzhen Intermediate People's Court officially accepted it on January 28, 2022. The first trial of the case was completed in Shenzhen Intermediate People's Court on June 21, 2022, and is currently awaiting judgment.

7. Postponed re-election of the Board of Directors and the Supervisory Committee

The term of office of the ninth Board of Directors and Supervisory Committee of the Company expired on 21 May 2023, and re-election is progressing steadily as of now. According to Articles 96 and 138 of the *Articles of Association of CSG Holding Co., Ltd.*, if a new director/supervisor is not re-elected in time upon the expiry of the term of office of a director/supervisor, before the re-elected director/supervisor assumes his/her office, the former director/supervisor shall still perform the duties of a director/supervisor in accordance with the provisions of laws, administrative regulations, departmental rules and the Articles of Association. Therefore, the members of the ninth Board of Directors and Supervisory Committee are still performing their duties in a normal manner, and the re-election of the Board of Directors and the Supervisory Committee would not have any adverse impact on the Company's operation and governance.

XIV. Significant events of subsidiaries of the Company

Applicable Not applicable

Section VII. Changes in Shares and Particulars about Shareholders

I. Changes in Share Capital

1. Changes in Share Capital

Unit: Share

	Before the Change		Increase/Decrease in the Change (+, -)					After the Change	
	Amount	Proportion	New shares issued	Bonus shares	Capitalization of public reserve	Others	Subtotal	Amount	Proportion
I. Restricted shares	4,838,249	0.16%				-481,600	-481,600	4,356,649	0.14%
1. State-owned shares									
2. State-owned legal person's shares									
3. Other domestic shares	4,838,249	0.16%				-481,600	-481,600	4,356,649	0.14%
Including: Domestic legal person's shares									
Domestic natural person's shares	4,838,249	0.16%				-481,600	-481,600	4,356,649	0.14%
4. Foreign shares									
Including: Foreign legal person's shares									
Foreign natural person's shares									
II. Unrestricted shares	3,065,853,858	99.84%				481,600	481,600	3,066,335,458	99.86%
1. RMB Ordinary shares	1,956,484,798	63.71%				481,600	481,600	1,956,966,398	63.73%
2. Domestically listed foreign shares	1,109,369,060	36.13%						1,109,369,060	36.13%
3. Overseas listed foreign shares									
4. Others									
III. Total shares	3,070,692,107	100.00%				0	0	3,070,692,107	100.00%

Reason for equity changes

√Applicable □Not applicable

During the report period, China securities registration and clearing Co., Ltd. Adjusted the locked-up shares of senior management in accordance with regulations, and the Company's restricted shares and unrestricted shares changed accordingly.

Approval on equity changes

□Applicable √Not applicable

Transfer of ownership for equity changes

□Applicable √Not applicable

Implementation progress of share buyback

Applicable Not applicable

Implementation progress of share buyback reduction through centralized bidding

Applicable Not applicable

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

Applicable Not applicable

Other information necessary to be disclosed or need to be disclosed under requirement from security regulators

Applicable Not applicable

2. Changes of restricted shares

Applicable Not applicable

Unit: Share

Shareholder's name	Number of shares restricted at the beginning of the period	Number of shares released in the Period	Number of shares restricted increased in the Period	Number of shares restricted at the end of the Period	Reason for restriction	Released date
Chen Lin	1,217,299			1,217,299	Executive lockup stocks shares	Releasing of executive lockup stocks will be implemented according to relevant policies.
He Jin	673,200			673,200	Executive lockup stocks shares	Releasing of executive lockup stocks will be implemented according to relevant policies.
Wang Wenxin	115,950			115,950	Executive lockup stocks shares	Releasing of executive lockup stocks will be implemented according to relevant policies.
Chen Chunyan	36,953			36,953	Executive lockup stocks shares	Releasing of executive lockup stocks will be implemented according to relevant policies.
Wang Jian	1,012,000	253,000		759,000	Locked in shares after the departure of directors and executives	Releasing of director and executive lockup stocks will be implemented according to relevant policies.
Gao Changkun	375	375		0	Locked in shares after the departure of supervisors	Releasing of supervisor lockup stocks will be implemented according to relevant policies.

Lu Wenhui	912,973	228,225		684,748	Locked in shares after the departure of executives	Releasing of executive lockup stocks will be implemented according to relevant policies.
Yang Xinyu	869,499			869,499	Locked in shares after the departure of executives	Releasing of executive lockup stocks will be implemented according to relevant policies.
total	4,838,249	481,600		4,356,649	--	--

II. Issuance and listing of Securities

Applicable Not applicable

III. Amount of shareholders of the Company and particulars about shares holding

Unit: share

Total amount of shareholders at the end of the report period		163,666	Total amount of the preferred shareholders who have resumed the voting right at end of report period (if applicable)		0			
Shareholder with above 5% shares held or top ten shareholders								
Full name of Shareholders	Nature of shareholder	Proportion of shares held	Total shares held at the end of report period	Changes in report period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							Share status	Amount
Foresea Life Insurance Co., Ltd. – HailiNiannian	Domestic non state-owned legal person	15.19%	466,386,874			466,386,874		
Foresea Life Insurance Co., Ltd. – Universal Insurance Products	Domestic non state-owned legal person	3.86%	118,425,007			118,425,007		
Foresea Life Insurance Co., Ltd. – Own Fund	Domestic non state-owned legal person	2.11%	64,765,161			64,765,161		
China Galaxy International Securities (Hong Kong) Co., Limited	Foreign legal person	1.34%	41,034,578	-175,400		41,034,578		
China Merchants Securities (Hong Kong) Limited	Foreign legal person	1.12%	34,384,197	-2,919,794		34,384,197		
Hong Kong Securities Clearing Co., Ltd.	Foreign legal person	1.08%	33,043,205	11,409,160		33,043,205		
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 0051-ct001 Hu	Other	0.99%	30,418,859	-665,700		30,418,859		

VANGUARD EMERGING MARKETS STOCK INDEX FUND	Foreign legal person	0.64%	19,595,573	230,000		19,595,573		
Zhongshan Runtian Investment Co., Ltd.	Domestic non state-owned legal person	0.62%	18,983,447			18,983,447	Pledged	18,980,000
							Marked	18,980,000
							Frozen	3,447
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	Foreign legal person	0.57%	17,537,213			17,537,213		
Strategic investors or general legal person becomes top 10 shareholders due to shares issued (if applicable)	N/A							
Explanation on associated relationship among the aforesaid shareholders	As of the end of the report period, among shareholders as listed above, Foresea Life Insurance Co., Ltd.-HailiNiannian, Foresea Life Insurance Co., Ltd.-Universal Insurance Products, Foresea Life Insurance Co., Ltd.-Own Fund are all held by Foresea Life Insurance Co., Ltd. Shenzhen Jushenghua Co., Ltd., which holds 51% equity of Foresea Life Insurance Co., Ltd., holds 100% equity of Zhongshan Runtian Investment Co.,Ltd and Chengtai Group Co. Ltd., through Shenzhen Hualitong Investment Co., Ltd. Chengtai Group Co., Ltd. holds 40,187,904 shares through China Galaxy International Securities (Hong Kong) Co., Limited.							
Explanation of the above-mentioned shareholders involving entrusted/entrusted voting rights and abstention from voting right	N/A							
Special instructions on the existence of special repurchase account among the top 10 shareholders (if any)	N/A							
Particular about top ten shareholders with unrestricted shares held								
Shareholders' name	Amount of unrestricted shares held at year-end	Type of shares						
		Type	Amount					
Foresea Life Insurance Co., Ltd. – HailiNiannian	466,386,874	RMB ordinary shares	466,386,874					
Foresea Life Insurance Co., Ltd. – Universal Insurance Products	118,425,007	RMB ordinary shares	118,425,007					
Foresea Life Insurance Co., Ltd. – Own Fund	64,765,161	RMB ordinary shares	64,765,161					
China Galaxy International Securities (Hong Kong) Co., Limited	41,034,578	Domestically listed foreign shares	41,034,578					
China Merchants Securities (Hong Kong) Limited	34,384,197	Domestically listed foreign shares	34,384,197					
Hong Kong Securities Clearing Co., Ltd.	33,043,205	RMB ordinary shares	33,043,205					
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 0051-ct001 Hu	30,418,859	RMB ordinary shares	30,418,859					
VANGUARD EMERGING MARKETS STOCK INDEX FUND	19,595,573	Domestically listed foreign shares	19,595,573					
Zhongshan Runtian Investment Co., Ltd.	18,983,447	RMB ordinary shares	18,983,447					
VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	17,537,213	Domestically listed foreign shares	17,537,213					
Statement on associated relationship or consistent action among the above shareholders:	As of the end of the report period, among shareholders as listed above, Foresea Life Insurance Co., Ltd.-HailiNiannian, Foresea Life Insurance Co., Ltd.-Universal Insurance Products, Foresea Life Insurance Co., Ltd.-Own Fund are all held by Foresea Life Insurance Co., Ltd. Shenzhen Jushenghua Co., Ltd., which holds 51% equity of Foresea							

	Life Insurance Co., Ltd., holds 100% equity of Zhongshan Runtian Investment Co., Ltd and Chengtai Group Co. Ltd., through Shenzhen Hualitong Investment Co., Ltd. Chengtai Group Co., Ltd. holds 40,187,904 shares through China Galaxy International Securities (Hong Kong) Co., Limited.
Description of the top 10 ordinary shareholders participating in margin trading and securities lending business shareholders (if applicable)	N/A

Special note: On July 11, 2022, at the Company's Second Extraordinary General Meeting in 2022, Foresea Life Insurance Co., Ltd. voted in favor of all proposals, and Zhongshan Runtian Investment Co., Ltd. voted against all proposals, Chengtai Group Co., Ltd. voted against all the proposals with the shares held by China Galaxy International Securities (Hong Kong) Co., Limited; on August 3, 2022, at the Company's Third Extraordinary General Meeting in 2022, Foresea Life Insurance Co., Ltd. voted in favor of all proposals, and Zhongshan Runtian Investment Co., Ltd. voted against all proposals.

Whether the top ten shareholders or top ten shareholders with un-restricted shares carried out buy back deals in the report period

Yes No

The top ten shareholders or top ten shareholders with un-restricted shares did not carry out buy back deals in the report period.

IV. Changes in the shareholding of directors, supervisors and senior executives

Applicable Not applicable

Name	Title	Working status	Shares held at period-begin (Share)	Amount of shares increased in this period (Share)	Amount of shares decreased in this period (Share)	Shares held at period-end (Share)	Number of restricted shares granted at period-begin (Share)	Number of restricted shares granted in this period (shares)	Number of restricted shares granted at period-end (Share)
Shen Yunqiao	Independent Director	Incumbent	0	0	0	0	0	0	0
Total	--	--	0	0	0	0	0	0	0

V. Changes of controlling shareholder or actual controller

Changes of controlling shareholders in the report period

Applicable Not applicable

Changes of actual controller in the report period

Applicable Not applicable

Section VIII. Preferred Shares

Applicable Not applicable

Section IX. Bonds

Applicable Not applicable

Section X. Financial Report

I. Report of the auditors

Whether the Semi-annual Report has been audited or not

Yes No

The Company's Semi-annual Report has not been audited.

II. Financial statements

All amounts in the tables in the Notes to the Financial Statements are expressed in RMB.

1. Consolidated balance sheet

Prepared by: CSG Holding Co., Ltd.

30 June 2023

Unit: RMB

Item	30 June 2023	1 January 2023
Current assets:		
Cash at bank and on hand	2,659,317,147	4,604,607,779
Notes receivable	731,429,485	156,943,437
Accounts receivable	1,618,049,955	1,179,992,784
Receivables Financing	830,989,703	1,095,412,643
Advances to suppliers	230,228,115	183,629,823
Other receivables	193,416,864	193,847,322
Inventories	2,118,417,593	1,783,941,982
Non-current assets due within one year	80,000,000	20,000,000
Other current assets	138,475,480	108,248,545
Total current assets	8,600,324,342	9,326,624,315
Non-current assets:		
Investment properties	290,368,105	290,368,105
Fixed assets	11,986,389,945	11,243,236,175
Construction in progress	2,622,639,485	2,520,362,291
Right-of-use assets	9,589,272	9,908,413
Intangible assets	2,395,648,014	1,438,102,666
Development expenditure	54,503,705	46,755,816
Goodwill	8,593,352	7,897,352
Long-term prepaid expenses	6,568,159	2,647,939
Deferred tax assets	166,489,256	161,489,749
Other non-current assets	1,125,121,631	856,620,485
Total non-current assets	18,665,910,924	16,577,388,991
Total assets	27,266,235,266	25,904,013,306
Current liabilities:		

Short-term borrowings	384,776,205	345,000,000
Notes payable	1,359,373,689	994,557,496
Accounts payable	3,024,632,655	2,033,542,627
Contract liabilities	342,662,579	418,051,975
Employee benefits payable	300,681,897	473,616,428
Taxes payable	150,987,570	161,134,638
Other payables	463,757,844	537,065,184
Including: interest payable	7,275,176	99,945,325
Current portion of non-current liabilities	1,008,414,500	2,481,433,006
Other current liabilities	89,468,648	50,407,240
Total current liabilities	7,124,755,587	7,494,808,594
Non-current liabilities:		
Long-term borrowings	5,228,900,581	4,353,589,980
Lease liabilities	3,648,983	3,564,330
Long-term payables	109,425,563	129,236,878
Provisions	7,569,501	
Deferred income	428,796,377	449,875,380
Deferred tax liabilities	92,060,465	97,266,841
Total non-current liabilities	5,870,401,470	5,033,533,409
Total liabilities	12,995,157,057	12,528,342,003
Shareholders' equity:		
Share capital	3,070,692,107	3,070,692,107
Capital surplus	596,997,085	596,997,085
Other comprehensive income	180,891,037	170,860,478
Special reserve	210,519	731,580
Surplus reserve	1,228,634,001	1,228,634,001
Undistributed profits	8,676,447,235	7,786,968,455
Total equity attributable to shareholders of parent company	13,753,871,984	12,854,883,706
Minority interests	517,206,225	520,787,597
Total shareholders' equity	14,271,078,209	13,375,671,303
Total liabilities and shareholders' equity	27,266,235,266	25,904,013,306

Legal representative: Chen Lin Principal in charge of accounting: Wang Wenxin Head of accounting department: Wang Wenxin

2. Balance sheet of the parent company

Prepared by: CSG Holding Co., Ltd.

30 June 2023

Unit: RMB

Item	30 June 2023	1 January 2023
Current assets:		
Cash at bank and on hand	1,523,830,141	2,598,503,883
Notes receivable	10,000,000	49,194,385
Accounts receivable	35,178,427	23,994,936
Receivables Financing	10,000,000	123,469,960
Advances to suppliers	1,295,479	1,571,283
Other receivables	2,749,872,404	2,369,431,782
Including: Dividends receivable	129,077,200	375,057,800
Non-current assets due within one year	80,000,000	20,000,000
Total current assets	4,410,176,451	5,186,166,229
Non-current assets:		
Long-term equity investments	8,837,769,867	7,838,487,027
Fixed assets	9,000,302	7,876,626
Intangible assets	7,429,274	5,946,174
Long-term prepaid expenses	570,915	189,806
Other non-current assets	4,291,162	83,297,124
Total non-current assets	8,859,061,520	7,935,796,757
TOTAL ASSETS	13,269,237,971	13,121,962,986
Current liabilities:		
Short-term borrowings	100,000,000	200,000,000
Notes payable	217,090,273	19,496,400
Accounts payable	816,708	661,058
Contract liabilities	669	3,097
Employee benefits payable	20,410,807	63,906,834
Taxes payable	4,674,019	15,374,554
Other payables	1,996,303,479	2,126,409,980
Including: interest payable	1,712,638	95,445,534
Current portion of non-current liabilities	645,586,000	2,332,402,522
Other current liabilities	87	403
Total current liabilities	2,984,882,042	4,758,254,848
Non-current liabilities:		
Long-term borrowings	1,412,091,000	1,231,134,000
Deferred income	171,937,500	172,125,000
Total non-current liabilities	1,584,028,500	1,403,259,000
Total liabilities	4,568,910,542	6,161,513,848
Shareholders' equity:		

Share capital	3,070,692,107	3,070,692,107
Capital surplus	741,824,399	741,824,399
Surplus reserve	1,243,179,361	1,243,179,361
Undistributed profits	3,644,631,562	1,904,753,271
Total shareholders' equity	8,700,327,429	6,960,449,138
Total liabilities and shareholders' equity	13,269,237,971	13,121,962,986

Legal representative: Chen Lin Principal in charge of accounting: Wang Wenxin Head of accounting department: Wang Wenxin

3. Consolidated income statement

Prepared by: CSG Holding Co., Ltd.

Unit: RMB

Item	H1 2023	H1 2022
I. Total business income	8,389,340,245	6,519,216,676
Including: operating income	8,389,340,245	6,519,216,676
II. Total operating costs	7,477,912,994	5,480,144,295
Including: operating costs	6,495,395,931	4,637,645,927
Taxes and surcharges	76,379,004	61,280,622
Selling and distribution expenses	146,856,141	133,906,652
General and administrative expenses	340,252,772	318,635,812
Research and development expenses	346,264,501	265,877,930
Financial expenses	72,764,645	62,797,352
Including: interest expenses	113,306,203	91,984,604
Interest income	45,500,449	30,756,704
Add: Other Income	47,203,839	99,302,552
Investment income (Loss is listed with "-")	-4,083,180	16,413,695
Credit impairment loss (Loss is listed with "-")	-7,601,224	-1,492,222
Asset impairment loss (Loss is listed with "-")	24,908	1,456
Income on disposal assets (Loss is listed with "-")	53,451	12,745,461
III. Operating profit (Loss is listed with "-")	947,025,045	1,166,043,323
Add: Non-operating revenue	9,453,333	15,132,978
Less: Non-operating expenses	486,800	3,660,070
IV. Total profit (Loss is listed with "-")	955,991,578	1,177,516,231
Less: Income tax expenses	74,094,170	168,925,524
V. Net profit (Net loss is listed with "-")	881,897,408	1,008,590,707
(1) Classified by continuous operation:		
1. Net income from continuing operations (Net loss is listed with "-")	881,897,408	1,008,590,707
2. Net income from discontinued operations (Net loss is listed with "-")		
(2) Classified by equity ownership:		
1. Attributable to shareholders of parent company	889,478,780	1,001,174,398
2. Minority interests	-7,581,372	7,416,309

VI. Other comprehensive income net after tax	10,030,559	6,167,540
Other comprehensive income net after tax attributable to shareholders of parent company	10,030,559	6,167,540
(1) Other comprehensive income not to be reclassified into profit and loss		
(2) Other comprehensive income to be reclassified into profit and loss	10,030,559	6,167,540
1. Translation differences arising on translation of foreign currency financial statement	10,030,559	6,167,540
Other comprehensive income net after tax attributable to minority interests		
VII. Total comprehensive income	891,927,967	1,014,758,247
Total comprehensive income attributable to shareholders of the parent company	899,509,339	1,007,341,938
shareholders of parent company		
Total comprehensive income attributable to minority shareholders	-7,581,372	7,416,309
minority interests		
VIII. Earnings per share		
(1) Basic earnings per share	0.29	0.33
(2) Diluted earnings per share	0.29	0.33

Legal representative: Chen Lin Principal in charge of accounting: Wang Wenxin Head of accounting department: Wang Wenxin

4. Income statement of the parent company

Prepared by: CSG Holding Co., Ltd.

Unit: RMB

Item	H1 2023	H1 2022
I. Operating income	219,825,718	230,198,412
Less: operating costs		15,015,892
Taxes and surcharges	1,405,865	1,508,969
Selling and distribution expenses	10,326,349	1,500,585
General and administrative expenses	137,413,753	158,605,939
Research and development expenses	290,120	
Financial expenses	15,872,574	54,002,083
Including: interest expenses	61,444,973	84,259,999
Interest income	41,530,076	28,380,771
Add: Other Income	3,002,974	5,677,313
Investment income (Loss is listed with "-")	1,682,067,333	665,374,823
Credit impairment loss (Loss is listed with "-")	459,771	-85,084
Asset impairment loss (Loss is listed with "-")		
Income on disposal assets (Loss is listed with "-")		2,477,876
II. Operating profit (Loss is listed with "-")	1,740,047,135	673,009,872
Add: Non-operating revenue	1,770	
Less: Non-operating expenses	170,614	1,459,583
III. Total profit (Loss is listed with "-")	1,739,878,291	671,550,289

Less: Income tax expenses		
IV. Net profit (Net loss is listed with “-”)	1,739,878,291	671,550,289
(1) Net income from continuing operations (Net loss is listed with “-”)	1,739,878,291	671,550,289
(2) Net income from discontinued operations (Net loss is listed with “-”)		
V. Other comprehensive income net after tax		
VI. Total comprehensive income	1,739,878,291	671,550,289
VII. Earnings per share		

Legal representative: Chen Lin Principal in charge of accounting: Wang Wenxin Head of accounting department: Wang Wenxin

5. Consolidated statement of cash flows

Prepared by: CSG Holding Co., Ltd.

Unit: RMB

Item	H1 2023	H1 2022
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	8,167,102,471	6,933,269,669
Refund of taxes and surcharges	129,649,279	209,272,049
Cash received relating to other operating activities	235,147,053	87,236,568
Sub-total of cash inflows from operating activities	8,531,898,803	7,229,778,286
Cash paid for goods and services	6,164,275,159	4,720,858,626
Cash paid to and on behalf of employees	1,161,324,786	967,549,535
Payments of taxes and surcharges	481,706,537	434,697,790
Cash paid relating to other operating activities	206,165,136	203,869,214
Sub-total of cash outflows from operating activities	8,013,471,618	6,326,975,165
Net cash flows from/(used in) operating activities	518,427,185	902,803,121
II. Cash flows from investing activities:		
Cash received from returns on investments	20,000,000	1,988,760,000
Cash received from returns on invest income	775,676	15,609,996
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	176,747	13,563,172
Cash received relating to other investing activities	32,629,490	
Sub-total of cash inflows from operating activities	53,581,913	2,017,933,168
Cash paid to acquire fixed assets, intangible assets and other long-term asset	1,714,949,765	1,632,778,700
Cash paid to acquire investments	20,000,000	2,198,160,000
Net cash paid to acquire subsidiaries and other business units	696,000	
Cash paid relating to other investing activities		19,138,102
Sub-total of cash outflows from operating activities	1,735,645,765	3,850,076,802
Net cash flows (used in)/from investing activities	-1,682,063,852	-1,832,143,634
III. Cash flows from financing activities:		
Cash received from investors	4,000,000	
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	4,000,000	

Cash received from borrowings	1,792,403,638	2,277,155,766
Cash received relating to other financing activities	12,000,000	206,753
Sub-total of cash inflows from operating activities	1,808,403,638	2,277,362,519
Cash repayments of borrowings	2,351,598,051	428,340,521
Cash payments for interest expenses and distribution of dividends or profits	227,681,798	791,223,957
Cash payments relating to other financing activities	23,054,274	24,165,012
Sub-total of cash outflows from operating activities	2,602,334,123	1,243,729,490
Net cash flows (used in)/from financing activities	-793,930,485	1,033,633,029
IV. Effect of foreign exchange rate changes on cash	2,809,041	3,195,681
V. Net increase/(decrease) in cash and cash equivalents	-1,954,758,111	107,488,197
Add: Cash and cash equivalents at beginning of period	4,594,018,251	2,756,477,572
VI. Cash and cash equivalents at end of period	2,639,260,140	2,863,965,769

Legal representative: Chen Lin Principal in charge of accounting: Wang Wenxin Head of accounting department: Wang Wenxin

6. Statement of cash flows of the parent company

Prepared by: CSG Holding Co., Ltd.

Unit: RMB

Item	H1 2023	H1 2022
I. Cash flows from operating activities:		
Cash received from sales of goods or rendering of services	346,331,261	191,082,575
Cash received relating to other operating activities	207,913,289	39,349,241
Sub-total of cash inflows from operating activities	554,244,550	230,431,816
Cash paid for goods and services	59,456,484	
Cash paid to and on behalf of employees	182,805,295	179,110,652
Payments of taxes and surcharges	22,354,669	7,463,566
Cash paid relating to other operating activities	17,475,295	16,953,909
Sub-total of cash outflows	282,091,743	203,528,127
Net cash flows from/(used in) operating activities	272,152,807	26,903,689
II. Cash flows from investing activities:		
Cash received from returns on investments	20,000,000	1,988,760,000
Cash received from returns on invest income	1,931,308,828	664,571,124
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	2,000	2,477,876
Sub-total of cash inflows	1,951,310,828	2,655,809,000
Cash paid to acquire fixed assets, intangible assets and other long-term assets	5,775,984	3,611,833
Cash paid to acquire investments	999,282,840	2,835,444,015
Sub-total of cash outflows	1,005,058,824	2,839,055,848
Net cash flows (used in)/from investing activities	946,252,004	-183,246,848
III. Cash flows from financing activities:		
Cash received from borrowings	610,000,000	900,000,000
Cash received relating to other financing activities		379,666,653
Sub-total of cash inflows	610,000,000	1,279,666,653
Cash repayments of borrowings	2,216,543,000	310,000,000
Cash payments for interest expenses and distribution of dividends or profits	154,494,391	756,638,060
Cash paid relating to other financing activities	532,071,876	1,017,256
Sub-total of cash outflows	2,903,109,267	1,067,655,316
Net cash flows (used in)/from financing activities	-2,293,109,267	212,011,337
IV. Effect of foreign exchange rate changes on cash	18,222	1,808,472
V. Net increase/(decrease) in cash and cash equivalents	-1,074,686,234	57,476,650
Add: Cash and cash equivalents at beginning of period	2,595,003,883	1,960,395,527
VI. Cash and cash equivalents at end of period	1,520,317,649	2,017,872,177

Legal representative: Chen Lin Principal in charge of accounting: Wang Wenxin Head of accounting department: Wang Wenxin

7. Consolidated statement of changes in owner's equity

Prepared by: CSG Holding Co., Ltd.

H1 2023

Unit: RMB

Item	H1 2023								
	Equity attributable to shareholders of parent company							Minority interests	Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total		
I. Balance at the end of the last year	3,070,692,107	596,997,085	170,860,478	731,580	1,228,634,001	7,786,968,455	12,854,883,706	520,787,597	13,375,671,303
II. Balance at the beginning of the period	3,070,692,107	596,997,085	170,860,478	731,580	1,228,634,001	7,786,968,455	12,854,883,706	520,787,597	13,375,671,303
III. Movements for the period (Decrease is listed with “-”)			10,030,559	-521,061		889,478,780	898,988,278	-3,581,372	895,406,906
(1) Total comprehensive income			10,030,559			889,478,780	899,509,339	-7,581,372	891,927,967
(2) Capital increase or decrease from shareholder								4,000,000	4,000,000
1. Ordinary shares contributed by the owner								4,000,000	4,000,000
(3) Profit distribution									
(4) Internal carry-forward of owners' equity									
(5) Special reserve				-521,061			-521,061		-521,061
1. Special reserve appropriate				5,038,984			5,038,984		5,038,984
2. Special reserve used				5,560,045			5,560,045		5,560,045
(6) Others									
IV. Balance at the end of the period	3,070,692,107	596,997,085	180,891,037	210,519	1,228,634,001	8,676,447,235	13,753,871,984	517,206,225	14,271,078,209

7. Consolidated statement of changes in owner's equity (Continued)

Prepared by: CSG Holding Co., Ltd.
H1 2022

Unit: RMB

Item	H1 2022								
	Equity attributable to shareholders of parent company							Minority interests	Total shareholders' equity
	Share capital	Capital surplus	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Sub-total		
I. Balance at the end of the last year	3,070,692,107	596,997,085	159,200,530	7,296,397	1,144,887,510	6,450,587,417	11,429,661,046	436,813,189	11,866,474,235
II. Balance at the beginning of the period	3,070,692,107	596,997,085	159,200,530	7,296,397	1,144,887,510	6,450,587,417	11,429,661,046	436,813,189	11,866,474,235
III. Movements for the period (Decrease is listed with “-”)			6,167,540	-5,443,694		387,035,977	387,759,823	7,416,309	395,176,132
(1) Total comprehensive income			6,167,540			1,001,174,398	1,007,341,938	7,416,309	1,014,758,247
(2) Capital increase or decrease from shareholder									
(3) Profit distribution						-614,138,421	-614,138,421		-614,138,421
1. Distributed to owners (or shareholders)						-614,138,421	-614,138,421		-614,138,421
(4) Internal carry-forward of owners' equity									
(5) Special reserve				-5,443,694			-5,443,694		-5,443,694
1. Special reserve appropriate				4,853,948			4,853,948		4,853,948
2. Special reserve used				10,297,642			10,297,642		10,297,642
(5) Others									
IV. Balance at the end of the period	3,070,692,107	596,997,085	165,368,070	1,852,703	1,144,887,510	6,837,623,394	11,817,420,869	444,229,498	12,261,650,367

Legal representative: Chen Lin

Principal in charge of accounting: Wang Wenxin

Head of accounting department: Wang Wenxin

8. Statement of changes in owners' equity of the parent company

Prepared by: CSG Holding Co., Ltd.

H1 2023

Unit: RMB

Item	H1 2023				
	Share capital	Capital surplus	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Balance at the end of the last year	3,070,692,107	741,824,399	1,243,179,361	1,904,753,271	6,960,449,138
II. Balance at the beginning of the period	3,070,692,107	741,824,399	1,243,179,361	1,904,753,271	6,960,449,138
III. Movements for the period (Decrease is listed with "-")				1,739,878,291	1,739,878,291
(1) Total comprehensive income				1,739,878,291	1,739,878,291
(2) Capital increase or decrease from shareholder					
(3) Profit distribution					
(4) Internal carry-forward of owners' equity					
(5) Special reserve					
(6) Others					
IV. Balance at the end of the period	3,070,692,107	741,824,399	1,243,179,361	3,644,631,562	8,700,327,429

8. Statement of changes in owners' equity of the parent company (Continued)

Prepared by: CSG Holding Co., Ltd.

H1 2022

Unit: RMB

Item	H1 2022				
	Share capital	Capital surplus	Surplus reserve	Undistributed profits	Total shareholders' equity
I. Balance at the end of the last year	3,070,692,107	741,824,399	1,159,432,870	1,765,173,270	6,737,122,646
II. Balance at the beginning of the period	3,070,692,107	741,824,399	1,159,432,870	1,765,173,270	6,737,122,646
III. Movements for the period (Decrease is listed with "-")				57,411,868	57,411,868
(1) Total comprehensive income				671,550,289	671,550,289
(2) Capital increase or decrease from shareholder					
(3) Profit distribution				-614,138,421	-614,138,421
1. Distributed to owners (or shareholders)				-614,138,421	-614,138,421
(4) Internal carry-forward of owners' equity					
(5) Special reserve					
(6) Others					
IV. Balance at the end of the period	3,070,692,107	741,824,399	1,159,432,870	1,822,585,138	6,794,534,514

Legal representative: Chen Lin

Principal in charge of accounting: Wang Wenxin

Head of accounting department: Wang Wenxin

III、GENERAL INFORMATION

CSG Holding Co., Ltd. (the “Company”) was incorporated in September 1984, known as China South Glass Company, as a joint venture enterprise by Hong Kong China Merchants Shipping Co.,LTD (香港招商局轮船股份有限公司), Shenzhen Building Materials Industry Corporation (深圳建筑材料工业集团公司), China North Industries Corporation (中国北方工业深圳公司) and Guangdong International Trust and Investment Corporation (广东国际信托投资公司). The Company was registered in Shenzhen, Guangdong Province of the People's Republic of China and its headquarters is located in Shenzhen, Guangdong Province of the People's Republic of China. The Company issued RMB-denominated ordinary shares (“A-share”) and foreign shares (“B-share”) publicly in October 1991 and January 1992 respectively, and was listed on Shenzhen Stock Exchange on February 1992. As at 30 June 2023, the registered capital was RMB3,070,692,107, with nominal value of RMB1 per share.

The Company and its subsidiaries (collectively referred to as the “Group”) are mainly engaged in the manufacture and sales of flat glass, specialised glass, engineering glass, energy saving glass, silicon related materials, polycrystalline silicon and solar components and electronic-grade display device glass and the construction and operation of photovoltaic plant etc.

The financial statements were authorised for issue by the Board of Directors on 25 August 2023.

Details on the majors subsidiaries included in the consolidated scope in current year were stated in Note.

IV、BASIS OF PREPARATION OF FINANCIAL STATEMENTS

1、Basis of preparation of financial statements

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises - Basic Standard, and the specific accounting standards and other relevant regulations issued by the Ministry of Finance on 15 February 2006 and in subsequent periods (hereafter collectively referred to as “the Accounting Standard for Business Enterprises” or “CAS”), and Information Disclosure Rule No. 15 for Companies with Public Traded Securities - Financial Reporting General Provision issued by China Security Regulatory Commission.

2、Going concern

The present financial report has been prepared on the basis of going concern assumptions.

V、SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

The Group determines its specific accounting policies and accounting estimates to manufacturing and operation feature. It mainly reflected in expected credit impairment losses of receivables was measured, inventory costing method, Depreciation of fixed assets and amortization of intangible assets, criteria for determining capitalised development expenditure, and timing for revenue recognition.

Please see the key judgements adopted by the Group in applying important accounting policies.

1、Statement of compliance with the Accounting Standards for Business Enterprises

The financial statements of the Company for the six months ended 30 June 2023 are in compliance with the Accounting Standards for Business Enterprises, and truly and completely present the financial position of the consolidated and the Company as at 30 June 2023 and their financial performance, cash flows for the six months then ended.

2、Accounting year

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

3、Operating cycle

The Company's operating cycle starts on 1 January and ends on 31 December.

4、Recording currency

The recording currency is Renminbi (RMB).

5、Accounting treatment of business combinations under the common control and under non- common control

(a) Business combinations involving enterprises under common control

The consideration paid and net assets obtained by the absorbing party in a business combination are measured at book value. If the merged party was acquired by the ultimate controlling party from a third party in the previous year, the assets and liabilities of the merged party (including the goodwill formed by the ultimate controlling party's acquisition of the merged party). The difference between book value of the net assets obtained from the combination and book value of the consideration paid for the combination is treated as an adjustment to capital surplus (share premium). If the capital surplus (share premium) is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings. Costs directly attributable to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issue of equity or debt securities for the business combination are included in the initially recognised amounts of the equity or debt securities.

(b) Business combinations involving enterprises under non-common control

The cost of combination and identifiable net assets obtained by the acquirer in a business combination are measured at fair value at the acquisition date. Where the cost of the combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; where the cost of combination is lower than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period. Costs directly attributable to the combination are included in profit or loss in the period in which they are incurred. Transaction costs associated with the issue of equity or debt securities for the business combination are included in the initially recognised amounts of the equity or debt securities.

6、Methodology for the preparation of consolidated financial statement

The consolidated financial statements comprise the financial statements of the Company and all of its subsidiaries.

Subsidiaries are consolidated from the date on which the Group obtains control and are de-consolidated from the date that such control ceases. For a subsidiary that is acquired in a business combination involving enterprises under common control, it is included in the consolidated financial statements from the date when it, together with the Company, comes under common control of the ultimate controlling party. The portion of the net profits realised before the combination date is presented separately in the consolidated income statement.

In preparing the consolidated financial statements, where the accounting policies and the accounting periods of the Company and subsidiaries are inconsistent, the financial statements of the subsidiaries are adjusted in accordance with the accounting policies and the accounting period of the Company. For subsidiaries acquired from business combinations involving enterprises not under common control, the individual financial statements of the subsidiaries are adjusted based on the fair value of the identifiable net assets at the acquisition date.

All significant intra-group balances, transactions and unrealised profits are eliminated in the consolidated financial statements. The portion of subsidiaries' equity and the portion of a subsidiaries' net profits and losses and comprehensive incomes for the period not attributable to Company are recognised as minority interests and presented separately in the consolidated financial statements under equity, net profits and total comprehensive income respectively. Unrealised profits and losses resulting from the sales of assets by the Company to its subsidiaries are fully eliminated against net profit attributable to shareholders of the parent company. Unrealised profits and losses resulting from the sales of assets by a subsidiary to the Company are eliminated and allocated between net profit attributable to shareholders of the parent company and non-controlling interests in accordance with the allocation proportion of the parent company in the subsidiary. Unrealised profits and losses resulting from the sales of assets by one subsidiary to another are eliminated and allocated between net profit attributable to shareholders of the parent company and non-controlling interests in accordance with the allocation proportion of the parent in the subsidiary.

After the control over the subsidiary has been gained, whole or partial minority equities of the subsidiary owned by minority shareholders are acquired from the subsidiary's minority shareholders. In the consolidated financial statements, the subsidiary's assets and liabilities are reflected with amount based on continuous calculation starting from the acquisition date or consolidation date. Capital surplus is adjusted according to the difference between newly increased long-term equity investment arising from acquisition of minority equity and the share of net assets calculated based on current shareholding ratio that the parent company is entitled to. The share is subject to continuous calculation starting from the acquisition date or consolidation date. If the capital surplus (capital premium or share capital premium) is not sufficient to absorb the difference, the remaining balance is adjusted against retained earnings.

If the accounting treatment of a transaction which considers the Group as an accounting entity is different from that considers the Company or its subsidiaries as an accounting entity, it is adjusted from the perspective of the Group.

7、Standards for determining cash and cash equivalents

Cash and cash equivalents refer to cash in hand, deposits that can be used for payment at any time, and investments with short holding periods, strong liquidity, easy conversion into known amounts of cash, and low risk of value changes.

8、Foreign currency transactions and translation of foreign currency statement

(a) Foreign currency transaction

Foreign currency transactions are translated into RMB using the exchange rates prevailing at the dates of the transactions.

On the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rates on the balance sheet date. Exchange differences arising from these translations are recognised in profit or loss or other comprehensive income for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for the acquisition or construction of qualifying assets, which are capitalised as part of the cost of those assets. Non-monetary items denominated in foreign currencies that are measured at historical costs are translated at the balance sheet date using the spot exchange rates at the date of the transactions. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

(b) Translation of foreign currency financial statements

The asset and liability items in the balance sheets for overseas operations are translated at the spot exchange rates on the balance sheet date. Among the shareholders' equity items, the items other than "undistributed profits" are translated at the spot exchange rates of the transaction dates. The income and expense items in the income statements of overseas operations are translated at the spot exchange rates of the transaction dates. The differences arising from the above translation are presented separately in other comprehensive income items in the shareholders' equity. The cash flows of overseas operations are translated at the spot exchange rates on the dates of the cash flows. The effect of exchange rate changes on cash is presented separately in the cash flow statement.

9、Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. A financial asset or a financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument.

(a) Financial assets

(i) Classification and measurement

Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, financial assets are classified as: (1) financial assets at amortised cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

The financial assets are measured at fair value at initial recognition. Related transaction costs that are attributable to the acquisition of the financial assets are included in the initially recognised amounts, except for the financial assets at fair value through profit or loss, the related transaction costs of which are recognised directly in profit or loss for the current period. Accounts receivable or notes receivable arising from sales of products or rendering of services (excluding or without regard to significant financing components) are initially recognised at the consideration that is entitled to be charged by the Group as expected.

Debt instruments

The debt instruments held by the Group refer to the instruments that meet the definition of financial liabilities from the perspective of the issuer, and are measured in the following ways.

Measured at amortised cost

The objective of the Group's business model is to hold the financial assets to collect the contractual cash flows, and the contractual cash flow characteristics are consistent with a basic lending arrangement, which gives rise on specified dates to the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The interest income of such financial assets is recognised using the effective interest method. Such financial assets mainly include cash at bank and on hand, accounts receivable, other receivables, debt investments and long-term receivables. The Group presents debt investments and long-term receivables maturing within one year (inclusive) from the balance sheet date as non-current assets maturing within one year; Debt investments with a maturity of one year (inclusive) at the time of acquisition are listed as other current assets.

Financial assets at fair value through other comprehensive income:

The objective of the Group's business model is to hold the financial assets to collect the contractual cash flows and selling as target, and the contractual cash flow characteristics are consistent with a basic lending arrangement. Such financial assets are measured at fair value and their changes are included in other comprehensive income, but impairment losses or gains, exchange gains and losses, and interest income calculated by the effective interest rate method are all included in the current profit and loss. Such financial assets mainly comprise receivable financing and other financial debt investment. Other financial debt investment that are due within one year (inclusive) as from the balance sheet date are included in the current portion as other current assets.

Measured at fair value through profit or loss:

Debt instruments held by the Group that are not divided into those at amortised cost, or those measured at fair value through other comprehensive income, are measured at fair value through profit or loss and included in financial assets held for trading. At initial recognition, the Group designates a portion of financial assets as at fair value through profit or loss to eliminate or significantly reduce an accounting mismatch. Financial assets that are due within one year (inclusive) as from the balance sheet date and are expected to be held over one year are included in other non-current financial assets.

Equity instruments

Investments in equity instruments, over which the Group has no control, joint control or significant influence, are measured at fair value through profit or loss under financial assets held for trading; investments in equity instruments expected to be held over one year as from the balance sheet date are included in other non-current financial assets.

In addition, a portion of certain investments in equity instruments not held for trading are designated as financial assets at fair value through other comprehensive income under other investments in equity instruments. The relevant dividend income of such financial assets is recognised in profit or loss for the current period.

(ii) Impairment

The Group confirms the loss provision based on expected credit losses for financial assets measured at amortised cost, debt instrument investments at fair value through other comprehensive income, and financial guarantee contracts, based on expected credit losses (ECL) and recognizes allowances for losses.

Giving consideration to reasonable and supportable information on past events, current conditions and forecasts of future economic conditions, as well as the default risk weight, the expected credit loss was confirmed.

On each balance sheet date, the expected credit losses of financial instruments at different stages are measured respectively. 12-month ECL provision is recognised for financial instruments in Stage 1 that have not had a significant increase in credit risk since initial recognition; lifetime ECL provision is recognised for financial instruments in Stage 2 that have had a significant increase in credit risk yet without credit impairment since initial recognition; and lifetime ECL provision is recognised for financial instruments in Stage 3 that have had credit impairment since initial recognition.

For the financial instruments with lower credit risk on the balance sheet date, the Group assumes there is no significant increase in credit risk since initial recognition and recognises the 12-month ECL provision.

For the financial instruments in Stage 1, Stage 2 and with lower credit risk, the Group calculates the interest income by applying the effective interest rate to the gross carrying amount (before deduction of the impairment provision). For the financial instrument in Stage 3, the interest income is calculated by applying the effective interest rate to the amortised cost (after deduction of the impairment provision from the gross carrying amount).

For notes and accounts receivables and factoring receivables arising from daily business activities such as selling commodities and providing labor services, the Group recognises the lifetime expected credit loss provision regardless of whether there exists a significant financing component.

In case the expected credit losses of an individually assessed financial asset cannot be evaluated with reasonable cost, the Group divides the receivables into certain groupings based on credit risk characteristics, and calculates the expected credit losses for the groupings. Basis for determined groupings and method for provision are as follows:

Class	Item	Method
Notes receivables Portfolio 1	Bank acceptance Notes	Expected credit loss method
Notes receivables Portfolio 2	Trade acceptance Notes	Expected credit loss method
Accounts receivables Portfolio 1	Receivables non-related third party	Expected credit loss method
Accounts receivables Portfolio 2	Receivables related party	Expected credit loss method
Receivables Financing Portfolio 1	Bank acceptance Notes	Expected credit loss method
Other receivables Portfolio 1	Receivables non-related third party	Expected credit loss method
Other receivables Portfolio 2	Receivables related party	Expected credit loss method

For notes and accounts receivables and receivable financing arising from daily business activities such as selling commodities and providing labor services, the Group refers to historical credit loss experience, combined with current conditions and predictions of future economic conditions. In addition to notes receivable, factoring receivables and other receivables classified as a combination, the Group refers to historical credit loss experience, combines current conditions and predictions of future economic conditions, and passes default risk exposure and future 12 The expected credit loss rate within a month or the entire duration is calculated as the expected credit loss.

The Group recognises the loss provision made or reversed into profit or loss for the current period. For debt instruments that are held at fair value and whose changes are included in other comprehensive income, the Group adjusts other comprehensive income while accounting for impairment losses or gains in the current profit or loss.

(iii) Derecognition

A financial asset is derecognised when any of the below criteria is met: (1) the contractual rights to receive the cash flows from the financial asset expire; (2) the financial asset has been transferred and the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee; or (3) the financial asset has been transferred and the Group has not retained control of the financial asset, although the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset.

(b) Financial liabilities

Financial liabilities are classified as financial liabilities at amortised cost and financial liabilities at fair value through profit or loss at initial recognition.

The Group's financial liabilities are mainly comprise financial liabilities at amortised cost, including bills payable, accounts payable, and other payables. This type of financial liability is initially measured at its fair value after deducting transaction costs, and is subsequently measured using the actual interest rate method. If the maturity is less than one year (including one year), it is listed as current liabilities; Those with a maturity of less than one year (including one year) are listed as current liabilities; those with a maturity of more than one year but due within one year (including one year) from the balance sheet date are listed as non-current liabilities due within one year. The rest are listed as non-current liabilities.

A financial liability is derecognised or partly derecognised when the underlying present obligation is discharged or partly discharged. The difference between the carrying amount of the derecognised part of the financial liability and the consideration paid is recognised in profit or loss for the current period.

(c) Determination of fair value of financial instruments

The fair value of a financial instrument that is traded in an active market is determined at the quoted price in the active market. The fair value of a financial instrument that is not traded in an active market is determined by using a valuation technique. In valuation, the Group adopts valuation techniques applicable in the current situation and supported by adequate available data and other information, selects inputs with the same characteristics as those of assets or liabilities considered in relevant transactions of assets or liabilities by market participants, and gives priority to the use of relevant observable inputs. When relevant observable inputs are not available or feasible, unobservable inputs are adopted.

10、Inventories

(a) Classification

Inventories refer to manufacturing sector, including raw materials, work in progress, finished goods and turnover materials, and are measured at the lower of cost and net realisable value.

(b) Issued Inventory costing method

Cost is determined using the weighted average method. The cost of finished goods and work in progress comprise raw materials, direct labour and systematically allocated production overhead based on the normal production capacity.

(c) Amortisation methods of low value consumables and packaging materials

Turnover materials include low value consumables and packaging materials, which are expensed when issued.

(d)The determination of net realisable value and the method of provision for decline in the value of inventories

Provision for decline in the value of inventories is determined at the excess amount of book values of the inventories over their net realisable value. Net realisable value is determined based on the estimated selling price in the ordinary course of business, less the estimated costs to completion and estimated costs necessary to make the sale and related taxes.

(e) The Group adopts the perpetual inventory system.

11、 Assets classified as held for sale

A non-current asset or a disposal group is classified as held for sale when all of the following conditions are satisfied: (1) the non-current asset or the disposal group is available for immediate sale in its present condition subject to terms that are traditionally and customary for sales; (2) the Group has made a resolution and obtained appropriate approval for disposal of the non-current asset or the disposal group, and the transfer is to be completed within one year.

Non-current assets (except for financial assets, investment properties at fair value and deferred tax assets) that meet the recognition criteria for held for sale are recognised at the amount equal to the lower of the fair value less costs to sell and book value. The difference between fair value less costs to sell and carrying amount, should be presented as impairment loss.

Such non-current assets and assets included in disposal groups as classified as held for sale are accounted for as current assets; while liabilities included in disposal groups classified as held for sale are accounted for as current liabilities, and are presented separately in the balance sheet.

A discontinued operation is a component of the Group that either has been disposed of or is classified as held for sale, and is separately identifiable operationally and for financial reporting purposes, and satisfies one of the following conditions: (1) represents a separate major line of business or geographical area of operations; (2) is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; and (3) is a subsidiary acquired exclusively with a view to resale.

The discontinued operation profits on income statement presentation have included the profits and loss of operation and disposal.

12、 Long-term equity investments

Long-term equity investments comprise the Company's long-term equity investments in its subsidiaries, and the Group's long-term equity investments in its associates.

Subsidiaries are the investees over which the Company is able to exercise control. Associates are the investees that the Group has significant influence on their financial and operating policies.

Investments in subsidiaries are measured using the cost method in the Company's financial statements, and adjusted by using the equity method when preparing the consolidated financial statements. Investments in associates are accounted for using the equity method.

(a) Initial recognition of investment cost

For long-term equity investments formed in business combination: when obtained from business combinations involving entities under common control, the long-term equity investment is stated at carrying amount of equity for the combined parties at the time

of merger; when the long-term equity investment obtained from business combinations involving entities not under common control, the investment is measured at combination cost.

For long-term equity investments not formed in business combination: the one paid by cash is initially measured at actual purchase price; the long-term investment obtained by issuing equity securities is stated at fair value of equity securities as initial investment cost.

(b) Subsequent measurement and recognition of related profit or loss

For long-term equity investments accounted for using the cost method, they are measured at the initial investment costs, and cash dividends or profit distribution declared by the investees are recognised as investment income in profit or loss.

For long-term equity investments accounted for using the equity method, where the initial investment cost of a long-term equity investment exceeds the Group's share of the fair value of the investee's identifiable net assets at the acquisition date, the long-term equity investment is measured at the initial investment cost; where the initial investment cost is less than the Group's share of the fair value of the investee's identifiable net assets at the acquisition date, the difference is included in profit or loss and the cost of the long-term equity investment is adjusted upwards accordingly.

Under the equity method, the Group recognises the investment income according to its share of net profit or loss of the investee. The Group discontinues recognising its share of the net losses of an investee after book values of the long-term equity investment together with any long-term interests that in substance form part of the investor's net investment in the investee are reduced to zero. However, if the Group has obligations for additional losses and the criteria with respect to recognition of provisions under the accounting standards on contingencies are satisfied, the Group continues recognising the investment losses and the provisions. For changes in owners' equity of the investee other than those arising from its net profit or loss, its proportionate share is directly recorded into capital surplus, provided that the proportion of the shareholding of the Group in the investee remains unchanged. Book value of the investment is reduced by the Group's share of the profit distribution or cash dividends declared by an investee. The unrealised profits or losses arising from the intra-group transactions amongst the Group and its investees are eliminated in proportion to the Group's equity interest in the investees, and then based on which the investment gains or losses are recognised. Any losses resulting from transactions between the Group and its investees attributable to asset impairment losses are not eliminated.

(c) Basis for determining existence of control, jointly control or significant influence over investees

The term "control" refers to the power in the investees, to obtain variable returns by participating in the related business activities of the investees, and the ability to affect the returns by exercising its power over the investees.

The term "significant influence" refers to the power to participate in the formulation of financial and operating policies of an enterprise, but not the power to control, or jointly control, the formulation of such policies with other parties.

(d) Impairment of long-term equity investments

Book value of long-term equity investments in subsidiaries and associates is reduced to the recoverable amount when the recoverable amount is less than book value.

13. Investment property

Investment property includes leased land use rights, land use rights held and provided for to transfer after appreciation and leased building and construction.

Investment properties are initially measured at acquisition cost. The cost of outsourcing Investment property includes the purchase price, relevant taxes and other expenditures that can be directly attributable to the asset; the cost of self-built Investment property is determined by the construction of the asset. The composition of the necessary expenditures incurred before the usable state.

Investment property adopts the fair value model for subsequent measurement without depreciation or amortization. On the balance sheet date, the book value of the investment properties are initially measured at acquisition cost is adjusted based on the fair value of the investment properties are initially measured at acquisition cost. The difference between the fair value and the original book value will be calculated into the current profit and loss.

When the use of an Investment property is changed to self-use, the investment property is converted into fixed assets or intangible assets from the date of change, and the book value and fair value of the fixed assets and intangible assets are determined based on the fair value of the investment property on the conversion date. The difference with the original book value of the investment property is included in the current profit and loss. When the purpose of self-use real estate is changed to earning rent or capital appreciation, from the date of change, the fixed assets or intangible assets are converted into investment properties are initially measured at acquisition cost, and the fair value on the day of conversion is used as the book value of the investment properties are initially measured at acquisition cost, and the fair value on the day of conversion. If the value is less than the original book value of fixed assets and intangible assets, the difference is included in the current profit and loss. If the fair value on the day of conversion is greater than the original book value of fixed assets and intangible assets, the difference is included in other comprehensive income.

When an investment property is disposed of or permanently withdrawn from use and it is expected that no economic benefits can be obtained from its disposal, the confirmation of the investment real estate shall be terminated. The disposal income from the sale, transfer, scrapping or destruction of investment real estate shall deduct its book value and relevant taxes and shall be included in the current profits and losses. If there is an amount included in other comprehensive income on the original conversion date, it will also be carried forward and included in the current profit and loss.

14、 Fixed assets

(1) Recognition and initial measurement

Fixed assets comprise buildings, machinery and equipment, motor vehicles and others.

Fixed assets are recognised when it is probable that the related economic benefits will probably flow to the Group and the costs can be reliably measured. Fixed assets purchased or constructed by the Group are initially measured at cost at the acquisition date.

Subsequent expenditures incurred for a fixed asset are included in the cost of the fixed asset when it is probable that the associated economic benefits will flow to the Group and the related cost can be reliably measured. Book value of the replaced part is derecognised. All the other subsequent expenditures are recognised in profit or loss in the period in which they are incurred.

(2) Depreciation methods

Fixed assets are depreciated using the life average method to allocate the cost of the assets to their estimated residual values over their estimated useful lives. For the fixed assets that have been provided for impairment loss, the related depreciation charge is prospectively determined based upon the adjusted carrying amounts over their remaining useful lives.

The estimated useful lives, the estimated net residual values expressed as a percentage of cost and the annual depreciation rates of fixed assets are as follows:

Type	Depreciation methods	Estimated useful lives	Estimated net residual value	Annual depreciation rate
Buildings	The life average method	20 to 35 years	5%	2.71% to 4.75%
Machinery and equipment	The life average method	8 to 20 years	5%	4.75% to 11.88%
Transportation and others	The life average method	5 to 8 years	0%	12.50% to 20%

The estimated useful life, the estimated net residual value of a fixed asset and the depreciation method applied to the asset are reviewed, and adjusted as appropriate at each year-end.

(3) Book value of a fixed asset is reduced to the recoverable amount when the recoverable amount is below book value.

(4) Disposal

A fixed asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The amount of proceeds from disposals on sale, transfer, retirement or damage of a fixed asset net of its carrying amount and related taxes and expenses is recognised in profit or loss for the current period.

15、 Construction in progress

Construction in progress is recorded at actual cost. Actual cost comprises construction cost, installation cost, borrowing costs eligible for capitalised condition and necessary expenditures incurred for its intended use.

Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month.

Book value of construction in progress is reduced to the recoverable amount when the recoverable amount is below book value.

16、 Borrowing costs

The borrowing costs that are directly attributable to the acquisition and construction of an asset that needs a substantially long period of time for its intended use commence to be capitalised and recorded as part of the cost of the asset when expenditures for the asset and borrowing costs have been incurred, and the activities relating to the acquisition and construction that are necessary to prepare the asset for its intended use have commenced. The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use and the borrowing costs incurred thereafter are recognised in profit or loss for the current period. Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

For the specific borrowings obtained for the acquisition or construction of an asset qualifying for capitalisation, the amount of borrowing costs eligible for capitalisation is determined by deducting any interest income earned from depositing the unused

specific borrowings in the banks or any investment income arising on the temporary investment of those borrowings during the capitalisation period.

For the general borrowings obtained for the acquisition or construction of an asset qualifying for capitalisation, the amount of borrowing costs eligible for capitalisation is determined by applying the weighted average effective interest rate of general borrowings, to the weighted average of the excess amount of cumulative expenditures on the asset over the amount of specific borrowings. The effective interest rate is the rate at which the estimated future cash flows during the period of expected duration of the borrowings or applicable shorter period are discounted to the initial amount of the borrowings.

17、 Intangible assets

(1) Valuation method, service life, impairment test

Intangible assets, mainly including land use rights, patents and proprietary technologies, exploitation rights and others, are measured at cost.

(a) Land use rights

Land use rights are amortised on the straight-line basis over their approved use period of 30 to 70 years. If the acquisition costs of the land use rights and the buildings located thereon cannot be reasonably allocated between the land use rights and the buildings, all of the acquisition costs are recognised as fixed assets.

(b) Patents and proprietary technologies

Patents are amortised on a straight-line basis over the estimated use life.

(c) Exploitation rights

Exploitation rights are amortised on a straight-line basis over permitted exploitation periods or the beneficial life on the exploitation certificate.

(d) Periodical review of useful life and amortisation method

For an intangible asset with a finite useful life, review of its useful life and amortisation method is performed at each year-end, with adjustment made as appropriate.

(e) Impairment of intangible assets

Book value of intangible assets is reduced to the recoverable amount when the recoverable amount is below book value.

(2) Internal Research and development expenditure accounting policy

The expenditure on an internal research and development project is classified into expenditure on the research phase and expenditure on the development phase based on its nature and whether there is material uncertainty that the research and development activities can form an intangible asset at end of the project.

Expenditure on the research phase related to planned survey, evaluation and selection for research on manufacturing technique is recognised in profit or loss in the period in which it is incurred. Prior to mass production, expenditure on the development phase related to the design and testing phase in regards to the final application of manufacturing technique is capitalised only if all of the following conditions are satisfied:

- the development of manufacturing technique has been fully demonstrated by technical team;
- management has approved the budget for the development of manufacturing technique;
- there are research and analysis of pre-market research explaining that products manufactured with such technique are capable of marketing;
- There is sufficient technique and capital to support the development of manufacturing technology and subsequent mass production; and the expenditure on manufacturing technology development can be reliably gathered.

Other development expenditures that do not meet the conditions above are recognised in profit or loss in the period in which they are incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period. Capitalised expenditure on the development phase is presented as development costs in the balance sheet and transferred to intangible assets at the date that the asset is ready for its intended use.

18、 Impairment of long-term assets

Fixed assets, construction in progress, intangible assets with finite useful lives and long-term equity investments in joint ventures and associates are tested for impairment if there is any indication that the assets may be impaired on the balance sheet date; intangible assets not ready for their intended use are tested at least annually for impairment, irrespective of whether there is any indication that they may be impaired. If the result of the impairment test indicates that the recoverable amount of an asset is less than its carrying amount, a provision for impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognised on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

Goodwill that is separately presented in the financial statements is tested at least annually for impairment, irrespective of whether there is any indication that it may be impaired. In conducting the test, book value of goodwill is allocated to the related asset groups or groups of asset groups which are expected to benefit from the synergies of the business combination. If the result of the test indicates that the recoverable amount of an asset group or group of asset groups, including the allocated goodwill, is lower than its book value, the corresponding impairment loss is recognised. The impairment loss is first deducted from book value of goodwill that is allocated to the asset group or group of asset groups, and then deducted from book values of other assets within the asset groups or groups of asset groups in proportion to book values of assets other than goodwill.

Once the above asset impairment loss is recognised, it will not be reversed for the value recovered in the subsequent periods.

19、 Long-term prepaid expenses

Long-term prepaid expenses include the expenditures that have been incurred but should be recognised as expenses over more than one year in the current and subsequent periods. Long-term prepaid expenses are amortised on the straight-line basis over the expected beneficial period and are presented at actual expenditure net of accumulated amortisation.

20、Employee benefits

Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits provided in various forms of consideration in exchange for service rendered by employees or compensations for the termination of employment relationship.

(1) Short-term employee benefits

Short-term employee benefits include wages or salaries, bonuses, allowances and subsidies, staff welfare, medical care, work injury insurance, maternity insurance, housing funds, labour union funds, employee education funds and paid short-term leave, etc. The employee benefit liabilities are recognised in the accounting period in which the service is rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets. Employee benefits which are non-monetary benefits shall be measured at fair value.

(2) Post-employment benefits

The Group classifies post-employment benefit plans as either defined contribution plans or defined benefit plans. Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into a separate fund and will have no obligation to pay further contributions; and defined benefit plans are post-employment benefit plans other than defined contribution plans. During the reporting period, the Group's post-employment benefits mainly include basic pensions and unemployment insurance, both of which belong to the defined contribution plans.

(3) Basic pensions

The Group's employees participate in the basic pension plan set up and administered by local authorities of Ministry of Human Resource and Social Security. Monthly payments of premiums on the basic pensions are calculated according to prescribed bases and percentage by the relevant local authorities. When employees retire, local labour and social security institutions have a duty to pay the basic pension insurance to them. The amounts based on the above calculations are recognised as liabilities in the accounting period in which the service has been rendered by the employees, with a corresponding charge to the profit or loss for the current period or the cost of relevant assets.

(4) Termination benefits

The Group provides compensation for terminating the employment relationship with employees before the end of the employment contracts or as an offer to encourage employees to accept voluntary redundancy before the end of the employment contracts. The Group recognises a liability arising from compensation for termination of the employment relationship with employees, with a corresponding charge to profit or loss at the earlier of the following dates: 1) when the Group cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; 2) when the Group recognises costs or expenses related to the restructuring that involves the payment of termination benefits.

The termination benefits expected to be paid within one year since the balance sheet date are classified as current liabilities.

21、Provisions

Business restructuring, provisions for product warranties, loss contracts etc. are recognised when the Group has a present obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be measured reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors surrounding a contingency, such as the risks, uncertainties and the time value of money, are taken into account as a whole in reaching the best estimate of a provision. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows. The increase in the discounted amount of the provision arising from passage of time is recognised as interest expense.

Book value of provision is reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The provisions expected to be paid within one year since the balance sheet date are classified as current liabilities.

22、Share-based payments

Share-based payments are divided into equity-settled and cash-settled payments. The term "equity-settled share-based payment" refers to a transaction in which an enterprise grants shares or other equity instruments as a consideration in return for services.

Equity-settled share-based payment The Group's stock option plan is the equity-settled share-based payment in exchange of employees' services and is measured at the fair value of the equity instruments at grant date. The equity instruments are exercisable after services in vesting period are completed or specified performance conditions are met. In the vesting period, the services obtained in current period are included in relevant cost and expenses at the fair value of the equity instruments at grant date based on the best estimate of the number of exercisable equity instruments, and capital surplus is increased accordingly. The Group makes the best estimate of the number of vesting equity instruments based on the latest obtained changes in the number of vested employees, whether the required performance conditions are met, and other follow-up information. If the subsequent information indicates the number of exercisable equity instruments differs from the previous estimate, an adjustment is made and, on the exercise date, the estimate is revised to equal the number of actual vested equity instruments.

In the period at which performance conditions and term of service are met, the relevant cost and expenses of equity-settled payment should be recognized, and capital surplus is increased accordingly. Before the exercise date, the accruing amounts of equity-settled payments on balance sheet date reflect the part of expired waiting period and optimal estimation for the number of the Company final vested equity instruments.

If the non-market conditions and term of service are not met so that share-based payment fail to exercise, the costs and expenses on this portion should not be recognized. If the share-based payment agreement sets out the market conditions and term of non-vesting, as long as performance conditions and term of service are met, it should be regard as exercisable right, no matter the market conditions and non-vesting conditions are meet or not.

If the terms of equity-settled payment are modified, at least the service is confirmed in accordance with the unmodified terms. In addition, the increase of the fair value of the authorized equity instruments, or the beneficial changes to the employees on the modification date, the increase of service are confirmed. If the equity-settled payment is cancelled, the cancellation date shall be deemed as an expedited exercise, and the unconfirmed amount shall be confirmed immediately. If the employee or other party is

able to choose to meet the non-vesting conditions but not satisfied in the waiting period, equity-settled payment should be cancelled. But if a new equity instrument is granted, and the new equity instrument is confirmed to replace the old equity instrument which is canceled in the authorization date of the new equity instrument, the new equity instrument should be disposed by using the same conditions and terms of the old equity instrument for modifications.

23、 Revenue

The Group recognises revenue at the consideration that the Group is entitled to charge as expected when the Group has fulfilled the performance obligations in the contract, that is, the customer obtains control over relevant goods or services.

a. Sales of goods

The Group mainly sells flat and engineering glass, products related to solar energy, and electronic glass and displays. For domestic sales, the Group delivers the products to a certain place specified in the contract. When the buyer takes over the goods, the Group recognises revenue. For export sales, the Group recognises the revenue when it finished clearing goods for export and deliver the goods on board the vessel, or when the goods are delivered to a certain place specified in the contract. The credit period granted by the Group to customers is determined based on the customer's credit risk characteristics, consistent with industry practices, and there is no major financing component. The Group's obligation to transfer goods to customers for consideration received or receivable from customers is listed as contract liabilities.

Revenue is presented as the net amount after deducting sales discounts and sales returns.

b. Rendering of services

The Group provides external consulting, loading, unloading, transportation and processing labor services, and recognizes revenue within a period of time based on the progress of the completed labor. The progress of the completed labor is determined according to the proportion of the cost incurred to the estimated total cost. On the balance sheet date, the Group re-estimates the progress of completed labor services so that it can reflect changes in contract performance.

When the Group recognizes revenue based on the performance progress of the completed labor services, the portion for which the Group has obtained the unconditional right to receive payments is recognized as accounts receivable, and the remaining portion is recognized as contract assets, and the Company measures the loss reserve of accounts receivable and contract assets, according to the expected credit loss; If the contract price received or receivable by the Group exceeds the completed progress, the excess is recognized as contract liabilities. The Group presents the contract assets and contract liabilities under the same contract as a net amount.

24、 Government grants

Government grants are transfers of monetary or non-monetary assets from the government to the Group at nil consideration, including tax refund and financial subsidies, etc.

A government grant is recognised when there is a reasonable assurance that the grants will be received and the Group will comply with all attached conditions. Monetary government grants are measured at the amounts received or receivable. Non-monetary government grant are measured at fair value, if the fair value cannot be reliably obtained, it is measured at nominal amount.

The government grants related to assets refer to government grant obtained by enterprises and used for purchase and construction of long-term assets or formation of long-term asset in other ways. The government grants related to income refer to grants other than those related to assets.

For government grants related to income, where the grant is a compensation for related expenses or losses to be incurred by the Group in the subsequent periods, the grant is recognised as deferred income, and included in profit or loss over the periods in which the related costs are recognised; where the grant is a compensation for related expenses or losses already incurred by the Group, the grant is recognised immediately in profit or loss for the current period. The company use the same method of presentation for similar government grants.

The ordinary activity government grants should be counted into operating profits; the government grants which not belong ordinary activities should be counted into non-operating income.

25、Deferred tax assets and deferred tax liabilities

Deferred tax assets and deferred tax liabilities are calculated and recognised based on the differences arising between the tax bases of assets and liabilities and their carrying amounts (temporary differences). Deferred tax asset is recognised for the deductible losses that can be carried forward to subsequent years for deduction of the taxable profit in accordance with the tax laws. No deferred tax liability is recognised for a temporary difference arising from the initial recognition of goodwill. No deferred tax asset or deferred tax liability is recognised for the temporary differences resulting from the initial recognition of assets or liabilities due to a transaction other than a business combination, which affects neither accounting profit nor taxable profit (or deductible loss). At the balance sheet date, deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised for deductible temporary differences, deductible losses and tax credits to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, deductible losses and tax credits can be utilised.

Deferred tax liabilities are recognised for temporary differences arising from investments in subsidiaries and associates, except where the Group is able to control the timing of reversal of the temporary difference, and it is probable that the temporary difference will not reverse in the foreseeable future. When it is probable that the temporary differences arising from investments in subsidiaries and associates will be reversed in the foreseeable future and that the taxable profit will be available in the future against which the temporary differences can be utilised, the corresponding deferred tax assets are recognised.

Deferred tax assets and liabilities that meet the following conditions at the same time are listed as the net amount after offset:

- Deferred income tax assets and deferred income tax liabilities are related to the same tax payer within the Group and the same taxation authority; and
- That tax entity within the Group has a legally enforceable right to offset current tax assets against current tax liabilities.

26、Leases

A leasing is a contract in which the lessor cedes the right to use an asset to the lessee for a certain period of time in return for consideration.

(a) The Group acts as the lessee

The Company recognizes the right-of-use assets on the commencement date of the lease term and recognizes the lease liabilities at the present value of the outstanding lease payments. The lease payments include fixed payments, as well as payments where there is reasonable certainty that a purchase option will be exercised or a lease option will be terminated. The variable rent determined based on a certain percentage of sales is not included in the lease payment, and is included in the current profit and loss when it actually occurs. The Group will list the lease liabilities paid within one year (inclusive) from the balance sheet date as non-current liabilities due within one year

On the commencement date, the Company shall initially measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise the amount of the initial measurement of the lease liability and any lease payments made at or before the commencement date, and any initial direct costs incurred by the lessee etc, less any lease incentives received, If ownership of the leased asset transfers to the Group at the end of the lease term, depreciation is calculated using the estimated useful life of the asset. Otherwise, the right-of-use assets are depreciated over the shorter of the lease term and the estimated useful lives of the assets. Where the carrying amount of an asset or a cash generating unit exceeds its recoverable amount, the asset or cash generating unit is considered impaired and is written down to its recoverable amount.

A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less, and has a low-value asset leases. The Group does not recognize the right-of-use assets and lease liabilities. The Group recognizes lease payments on short-term leases and leases of low-value assets in the related asset costs or profit or loss on a straight-line basis over the lease term.

The Group accounts for a lease modification as a separate lease if both:(1) the modification increases the scope of the lease by adding the right to use one or more underlying assets; (2) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification the Group remeasures the lease liability by discounting the revised lease payments using a revised discount rate. Decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The Group recognizes in profit or loss any gain or loss relating to the partial or full termination of the lease. Other lease modifications will remeasure lease liabilities, and the group will make a corresponding adjustment to the right-of-use asset book value.

(b) The Group acts as the lessor

A lease that transfers substantially all the risks and rewards associated with the ownership of the leased asset is a finance lease. Other leases are operating leases.

(i) Operating lease

When the Company operates leased buildings, machinery and equipment, and means of transport, the rental income from operating leases shall be recognized in accordance with the straight-line method during the lease term. The Company will include variable

rent determined based on a percentage of sales in rental income when it actually incurs. For any modification to an operating lease, the Group treats it as a new lease from the effective date of the modification, and the received or receivable lease payments related to the lease prior to the modification are treated as lease payments of the new lease.

(ii) Finance lease

On the beginning date of the lease term, the Company recognizes the finance lease receivables for finance leases and derecognizes related assets. The Company presents the finance lease receivables as long-term receivables, and the finance lease receivables received within one year (including one year) from the balance sheet date are presented as non-current assets due within one year.

27、 Critical accounting policies and accounting estimates

The Group continually Estimates the critical accounting estimates and key assumptions applied based on historical experience and other factors, including expectations of future events that are believed to be reasonable.

The critical accounting estimates and key assumptions that have a significant risk of possibly causing a material adjustment to book values of assets and liabilities within the next accounting year are outlined below:

(a) Income tax

The Group is subject to Income tax in numerous jurisdictions. There are some transactions and events for which the ultimate tax determination is uncertain during the ordinary course of business. Significant judgement is required from the Group in determining the provision for Income tax in each of these jurisdictions. Where the final identified outcome of these tax matters is different from the initially-recorded amount, such difference will impact the income tax expenses and deferred income tax in the period in which such determination is finally made.

(b) Deferred income tax

Estimates on deferred tax assets are based on estimates on amount of taxable income and applicable tax rate for every year. Realisation of deferred income tax are subject to sufficient taxable income that are possible to be obtained by the Group in the future. Change of the future tax rate as well as the reversed time of temporary difference might have effects on tax expense (income) and the balance of deferred tax assets or liabilities. Those estimates may also cause significant adjustment on deferred tax.

(c) Impairment of long-term assets (excluding goodwill)

Long-term assets on the balance sheet date should be subject to impairment testing if there are any indications of impairment. Management determines whether the long-term assets impaired or not by evaluating and analysing following aspects: (1) whether the event affecting assets impairment occurs; (2) whether the expected obtainable present value of future cash flows is lower than the asset's carrying amount by continually using the assets or disposal; and (3) whether the assumptions used in expected obtainable present value of future cash flows are appropriate.

Various assumptions, including the discount rate and growth rate applied in the method of present value of future cash flow, are required in evaluating the recoverable amount of assets. If these assumptions cannot be conformed, the recoverable amount should be modified, and the long-term assets may be impaired accordingly.

(d) The useful life of fixed assets

Management estimates the useful life of fixed assets, based on historical experiences on using fixed assets that have similar properties and functions. When there are differences between actually useful life and previously estimation, management will adjust estimation to useful life of fixed assets. The fixed assets would be written off or written down when fixed assets been disposed or became redundant. Thus, the estimated result based on existing experience may be different from the actual result of the next accounting period, which may cause major adjustment to book value of fixed assets on balance sheet.

(e) Goodwill impairment

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, and future cash flow from each CGU or CGUs is forecasted and discounted with appropriate discount rate.

28、 Significant changes in accounting policies and accounting estimates

(1) Significant changes in accounting policies

Applicable Not applicable

Contents and reasons of changes in accounting estimates	Approval procedure	Remark
On 30 November 2022, the Ministry of Finance issued "Interpretation No. 16 of the Accounting Standards for Business Enterprises" (Finance and Accounting [2021] No. 31) (hereinafter referred to as "Interpretation No. 16"), which regulates the accounting treatment for the income tax impact of dividends related to financial instruments classified as equity instruments by the issuer and the accounting treatment for the modification of cash settled share-based payments to equity settled share-based payments by enterprises shall be implemented from the date of promulgation; The accounting treatment for deferred income tax related to assets and liabilities arising from individual transactions that are not exempt from initial recognition will be implemented from 1 January 2023.	It was reviewed and approved the "Proposal on Changes in Accounting Policies" by the board of directors on 24 April 2023.	The adoption of Interpretation No. 16 did not have a significant impact on the financial condition and operating results of the Company.

(2) Significant changes in accounting estimates

Applicable Not applicable

(3) Adjustments to the opening financial statement items in 2023 when a new accounting standard is first adopted

Applicable Not applicable

29、 Others

(1) Safety production costs

According to relevant regulations of the Ministry of Finance and National Administration of Work Safety, a subsidiary of the Group which is engaged in producing and selling polysilicon appropriates safety production costs on following basis:

(a) 4.5% for revenue below RMB10 million (inclusive) of the year;

- (b) 2.25% for the revenue between RMB10 million to RMB100 million (inclusive) of the year;
(c) 0.55% for the revenue between RMB100 million to RMB1 billion (inclusive) of the year;
(d) 0.2% for the revenue above RMB1 billion of the year.

The safety production costs are mainly used for the overhaul, renewal and maintenance of safety facilities. The safety production costs are charged to costs of related products or profit or loss when appropriated, and safety production costs in equity account are credited correspondingly. When using the special reserve, if the expenditures are expenses in nature, the expenses incurred are offset against the special reserve directly when incurred. If the expenditures are capital expenditures, when projects are completed and transferred to fixed assets, the special reserve should be offset against the cost of fixed assets, and a corresponding accumulated depreciation are recognised. The fixed assets are no longer be depreciated in future.

(2) Segment information

The Group identifies operating segments based on the internal organisation structure, management requirements and internal reporting system, and discloses segment information of reportable segments which is determined on the basis of operating segments.

An operating segment is a component of the Group that satisfies all of the following conditions: (1) the component is able to earn revenue and incur expenses from its ordinary activities; (2) whose operating results are regularly reviewed by the Group's management to make decisions about resources to be allocated to the segment and to assess its performance, and (3) for which the information on financial position, operating results and cash flows is available to the Group. If two or more operating segments have similar economic characteristics and satisfy certain conditions, they are aggregated into one single operating segment.

VI, TAXATION

1, The main categories and rates of taxes applicable to the Group are set out below:

Category	Taxable basis	Tax rate
Enterprise income tax	Taxable income	0%-25%
Value-added tax ("VAT")	Taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the applicable tax rate less deductible VAT input of the current period)	3%-13%
City maintenance and construction tax	VAT paid	1%-7%
Educational surcharge	VAT paid	5%

2, Tax incentives

The main tax incentives the Group is entitled to are as follows:

Tianjin CSG Energy-Saving Glass Co., Ltd. ("Tianjin Energy Conservation") passed review on a high and new tech enterprise in 2021 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2021.

Dongguan CSG Architectural Glass Co., Ltd. (“Dongguan CSG”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Wujiang CSG East China Architectural Glass Co., Ltd. (“Wujiang CSG Engineering”) passed review on a high and new tech enterprise in 2020 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2020. As the company is currently going through the 2023 review of its high-tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Dongguan CSG Solar Glass Co., Ltd. (“Dongguan CSG Solar”) passed review on a high and new tech enterprise in 2020 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2020. As the company is currently going through the 2023 review of its high-tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Yichang CSG Polysilicon Co., Ltd. (“Yichang CSG Polysilicon”) passed review on a high and new tech enterprise in 2020 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2020. As the company is currently going through the 2023 review of its high-tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Dongguan CSG PV-tech Co., Ltd. (“Dongguan CSG PV-tech”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Hebei Shichuang Glass Co., Ltd. (“Hebei Shichuang”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Wujiang CSG Glass Co., Ltd. (“Wujiang CSG”) passed review on a high and new tech enterprise in 2020, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2020. As the company is currently going through the 2023 review of its high-tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Xianning CSG Glass Co Ltd. (“Xianning CSG”) passed review on a high and new tech enterprise in 2020, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2020. As the company is currently going through the 2023 review of its high-tech enterprise certificate, the income tax rate of 15% was provisionally adopted for the report period.

Xianning CSG Energy-Saving Glass Co., Ltd. (“Xianning CSG Energy-Saving”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021.

Yichang CSG Photoelectric Glass Co., Ltd. (“Yichang CSG Photoelectric”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021.

Yichang CSG Display Co., Ltd (“Yichang CSG Display”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021.

Qingyuan CSG New Energy-Saving Materials Co., Ltd. (“Qingyuan CSG Energy-Saving”) passed review on a high and new tech enterprise in 2022, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2022.

Hebei CSG Glass Co Ltd. (“Hebei CSG”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021.

Shenzhen CSG Applied Technology Co Ltd. (“Shenzhen Technology”) passed review on a high and new tech enterprise in 2021, and obtained the Certificate of High and New Tech Enterprise, and the period of validity was three years. It applies to 15% tax rate for three years since 2021.

Xianning CSG Photoelectric Glass Co., Ltd. (“Xianning Photoelectric”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Dongguan CSG Crystal Yuxin Materials Co., Ltd. (“Dongguan Jing Yu Company”) passed review on a high and new tech enterprise in 2021 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2021.

Zhaoqing CSG Energy Saving Glass Co., Ltd. (hereinafter referred to as “Zhaoqing Energy Saving Company”) passed review on a high and new tech enterprise in 2022 and obtained the Certificate of High and New Tech Enterprise, the period of validity is three years. It applies to 15% tax rate for three years since 2022.

Sichuan CSG Energy Conservation Glass Co., Ltd. (“Sichuan CSG Energy Conservation”) obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Chengdu CSG Glass Co., Ltd. (“Chengdu CSG”) obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Xi'an CSG Energy Saving Glass Technology Co., Ltd. (hereinafter referred to as “Xi'an Energy Saving Company”) obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Guangxi CSG New Energy Materials Technology Co., Ltd. (hereinafter referred to as “Guangxi New Energy Materials Company”) obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Qinghai CSG Risheng New Energy Technology Co., Ltd. (hereinafter referred to as "Qinghai New Energy Company") obtains enterprise income tax preferential treatment for Western Development, and temporarily calculates enterprise income tax at a tax rate of 15% for current year.

Zhaoqing CSG New Energy Technology Co., Ltd. (hereinafter referred to as "Zhaoqing New Energy Company"), Anhui CSG Photovoltaic Energy Co., Ltd. ("Anhui PV Energy"), Xianning CSG PV Energy Co., Ltd. ("Xianning PV Energy"), and Zhanjiang CSG New Energy Co., Ltd. ("Zhanjiang PV Energy") are public infrastructure project specially supported by the state in accordance with the Article 87 in Implementing Regulations of the Law of the People's Republic of China on Enterprise Income Tax, and can enjoy the tax preferential policy of "three-year exemptions and three-year halves", that is, starting from the tax year when the first revenue from production and operation occurs, the enterprise income tax is exempted from the first to the third year, while half of the enterprise income tax is collected for the following three years.

3、Others

Some subsidiaries of the Group have used the "exempt, credit, refund" method on goods exported and the refund rate is 0%-13%.

VII、NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1、Cash at bank and on hand

Unit: RMB

Item	30 June 2023	1 January 2023
Cash at bank	2,391,660,140	3,242,318,251
Other currency funds	267,657,007	1,362,289,528
Total	2,659,317,147	4,604,607,779
Including: Total overseas deposits	37,863,509	52,079,105
The total amount of cash and cash equivalents that are restricted to use due to mortgage, pledge or freezing etc.	20,057,007	10,589,528

2、Notes receivable

(1) Notes receivable listed by category

Unit: RMB

Item	30 June 2023	1 January 2023
Bank acceptance	722,005,152	156,943,437
Trade acceptance	9,424,333	
Total	731,429,485	156,943,437

Unit: RMB

Category	30 June 2023					1 January 2023				
	Carrying amount		Provision for bad debts		Book value	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	

Credit loss provision accrued by item										
Credit loss provision accrued by portfolio	731,429,485	100%			731,429,485	156,943,437	100%			156,943,437
Total	731,429,485	100%			731,429,485	156,943,437	100%			156,943,437

(2) Notes receivables that the Company has pledged at the end of the period

Unit: RMB

Item	Pledged amount
Bank acceptance	701,846,825
Total	701,846,825

(3) Endorsed or discounted notes receivable have not yet matured on the balance sheet

None

(4) Notes transferred to accounts receivable due to default of the issue at the end of period

None

3、Accounts receivable

(1) Details on categories

Unit: RMB

Category	30 June 2023					1 January 2023				
	Carrying amount		Provision for bad debts		Book value	Carrying amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Provision Proportion		Amount	Proportion	Amount	Provision Proportion	
Separate provision for bad debts	190,449,756	11%	155,613,729	82%	34,836,027	196,468,864	14%	157,019,809	80%	39,449,055
Portfolio provision for bad debts	1,615,517,932	89%	32,304,004	2%	1,583,213,928	1,163,820,132	86%	23,276,403	2%	1,140,543,729
Total	1,805,967,688	100%	187,917,733	10%	1,618,049,955	1,360,288,996	100%	180,296,212	13%	1,179,992,784

Provision for bad debts made on an individual basis:

Unit: RMB

Name	30 June 2023			Reason for provision
	Carrying amount	Provision for bad debts	Provision Proportion	
Separate provision for bad debts	190,449,756	155,613,729	82%	Mainly due to the inability to honor commercial acceptance bills issued by Evergrande and its subsidiaries that have been endorsed by customers, and the transfer of accounts receivable from bills receivable, as well as partial or full provision for bad debt reserves due to business disputes or deterioration of customer operations.
Total	190,449,756	155,613,729	82%	

Provision for bad debts made on the basis of portfolio:

Unit: RMB

Type(s)	30 June 2023		
	Carrying amount	Provision for bad debts	Proportion (%)
Portfolio 1	1,615,517,932	32,304,004	2%
Total	1,615,517,932	32,304,004	2%

Disclosure by ages

Unit: RMB

Aging	30 June 2023
Within 1 year(including 1 year)	1,519,933,746
1 to 2 years	68,361,980
2 to 3 years	154,358,206
Over 3 years	63,313,756
Total	1,805,967,688

(2) Provisions made, collected or reversed in current period

Provision for bad debts made in current period:

Unit: RMB

Type(s)	1 January 2023	Amount of change in current period				30 June 2023
		Accrual	Recovery or reversal	Write-off	Other	
Provision for bad debts for accounts receivable	180,296,212	21,722,891	14,101,370			187,917,733
Total	180,296,212	21,722,891	14,101,370			187,917,733

(3) Accounts receivable details of the top 5 closing balances by debtors

Unit: RMB

Name	Accounts receivable closing balance	Percentage in total accounts receivable balance	Provision for bad debts closing balance
Total balances for the five largest	610,509,283	34%	12,210,186

accounts receivable			
Total	610,509,283	34%	12,210,186

4、Receivables Financing

Unit: RMB

Item	30 June 2023	1 January 2023
Bank acceptance	830,989,703	1,095,412,643
Total	830,989,703	1,095,412,643

5、Advances to suppliers

(1) Listing by ages

Unit: RMB

Aging	30 June 2023		1 January 2023	
	Amount	Proportion	Amount	Proportion
Within 1 year (including 1 year)	210,648,897	92%	182,578,314	100%
1 to 2 years	19,050,500	8%	377,211	
2 to 3 years	8,220		153,800	
Over 3 years	520,498		520,498	
Total	230,228,115	100%	183,629,823	100%

(2) Advance payment of the top 5 closing balances by prepayment objects

Unit: RMB

Item	Advance payment closing balance	Percentage in total advances to suppliers balance
Total balances for the five largest advances to suppliers	122,624,311	53%

6、Other receivables

Unit: RMB

Item	30 June 2023	1 January 2023
Other receivables	193,416,864	193,847,322
Total	193,416,864	193,847,322

(1) Other receivables

1) Other receivables categorized by nature

Unit: RMB

Nature	30 June 2023	1 January 2023
Receivables from special fund for talent	171,000,000	171,000,000
Payments made on behalf of other parties	40,075,441	49,075,321
Advances to suppliers	10,366,164	10,366,164

Refundable deposits	22,677,268	16,456,690
Petty cash	1,981,083	963,222
Others	13,402,205	12,091,519
Total	259,502,161	259,952,916

2) Provision for bad debts

Unit: RMB

Provision for bad debt	Stage 1	Stage 2	Stage 3	Total
	Expected credit loss in the next 12 months	Expected credit loss for the whole period (no credit impairment)	Expected credit loss for the whole period (with credit impairment)	
Amount on 1 January 2023	1,331,355		64,774,239	66,105,594
Carrying amount on 1 January 2023 that in this period:				
Provision for the period	205,339			205,339
Reverse for the period	225,636			225,636
Amount on 30 June 2023	1,311,058		64,774,239	66,085,297

3) Disclosure by ages

Unit: RMB

Aging	30 June 2023
Within 1 year (including 1 year)	24,822,358
1 to 2 years	27,937,872
2 to 3 years	6,852,372
Over 3 years	199,889,559
3 to 4 years	811,012
4 to 5 years	2,369,390
Over 5 years	196,709,157
Total	259,502,161

4) Provisions made, collected or reversed in current period

Provision for bad debts made in current period:

Unit: RMB

Type	1 January 2023	Movement in current period				30 June 2023
		Accrual	Withdrawal or reversal	Write-off	Others	
Bad debt provision	66,105,594	205,339	225,636			66,085,297
Total	66,105,594	205,339	225,636			66,085,297

5) Other receivables details of the top 5 closing balances by debtors

Unit: RMB

Name	Nature of business	30 June 2023	Ageing	Percentage in total other receivables balance	Provision for bad debts
Company A	Independent third party	171,000,000	Over 5 years	66%	51,300,000
Governmental department B	Independent third party	14,000,000	1 to 2 years	5%	280,000
Governmental department C	Independent third party	11,556,004	Over 5 years	4%	231,120
Company D	Independent third party	10,366,164	Over 5 years	4%	10,366,164
Governmental department E	Independent third party	10,000,000	1 to 2 years	4%	200,000
Total		216,922,168		83%	62,377,284

7、Inventories

(1) Inventory classification

Unit: RMB

Item	30 June 2023			1 January 2023		
	Carrying amount	Provision for decline in the value of inventories or provision for impairment of contractual performance costs	Book value	Carrying amount	Provision for decline in the value of inventories or provision for impairment of contractual performance costs	Book value
Raw materials	578,404,128	957,713	577,446,415	646,622,778	9,065,792	637,556,986
Work in progress	32,852,655		32,852,655	31,745,770		31,745,770
Finished goods	1,425,442,033	1,456,266	1,423,985,767	1,067,004,894	20,645,880	1,046,359,014
Turnover materials	84,292,770	160,014	84,132,756	68,702,610	422,398	68,280,212
Total	2,120,991,586	2,573,993	2,118,417,593	1,814,076,052	30,134,070	1,783,941,982

(2) Provision for inventories and provision for impairment of contractual performance costs

Unit: RMB

Item	1 January 2023	Increase in current period		Decrease in current period		30 June 2023
		Provision	Others	Reversal or write-off	Others	
Raw materials	9,065,792			8,108,079		957,713
Finished goods	20,645,880			19,189,614		1,456,266

Turnover materials	422,398			262,384		160,014
Total	30,134,070			27,560,077		2,573,993

8、Non-current assets due within one year

Unit: RMB

Item	30 June 2023	1 January 2023
Fixed-term deposit in bank due within one year	80,000,000	20,000,000
Total	80,000,000	20,000,000

9、Other current assets

Unit: RMB

Item	30 June 2023	1 January 2023
VAT to be offset	72,654,028	45,198,116
Enterprise income tax prepaid	31,825,260	30,407,477
VAT input to be recognised	13,992,098	32,642,483
Term deposits	20,000,000	
Others	4,094	469
Total	138,475,480	108,248,545

10、Investment properties

(1) Investment properties measured using the fair value model

Applicable Not applicable

Unit: RMB

Item	House, building and related land use rights
I. 1 January 2023	290,368,105
II. Movement in the current period	
III. 30 June 2023	290,368,105

11、Fixed assets

Unit: RMB

Item	30 June 2023	1 January 2023
Fixed assets	11,986,389,945	11,243,236,175
Total	11,986,389,945	11,243,236,175

(1) List of fixed assets

Unit: RMB

Item	Buildings	Machinery and equipment	Motor vehicles and others	Total
I. Original book value:				

1. 1 January 2023	5,305,705,728	14,283,099,277	294,024,553	19,882,829,558
2. Increase in current period	593,737,978	1,508,241,039	48,088,269	2,150,067,286
(1) Acquisition	1,317,463	23,933,500	12,350,297	37,601,260
(2) Transfers from construction in progress	591,204,701	1,478,778,979	30,882,596	2,100,866,276
(3) Others	1,215,814	5,528,560	4,855,376	11,599,750
3. Decrease in current period	43,697,038	1,081,830,604	7,402,047	1,132,929,689
(1) Disposal or retirement		7,692,659	5,339,946	13,032,605
(2) Transfer to construction in progress	42,521,910	1,063,743,559	769,912	1,107,035,381
(3) Others	1,175,128	10,394,386	1,292,189	12,861,703
4. 30 June 2023	5,855,746,668	14,709,509,712	334,710,775	20,899,967,155
II. Accumulative depreciation				
1. 1 January 2023	1,214,780,507	5,985,207,126	245,329,297	7,445,316,930
2. Increase in current period	93,408,343	439,528,151	20,332,786	553,269,280
(1) Provision	93,232,275	439,498,494	17,423,856	550,154,625
(2) Others	176,068	29,657	2,908,930	3,114,655
3. Decrease in current period		241,327,850	5,693,504	247,021,354
(1) Disposal or retirement		6,955,109	5,333,702	12,288,811
(2) Transfer to construction in progress		230,549,231	70,354	230,619,585
(3) Others		3,823,510	289,448	4,112,958
4. 30 June 2023	1,308,188,850	6,183,407,427	259,968,579	7,751,564,856
III. Impairment provision				
1. 1 January 2023	152,839,987	1,040,644,542	791,924	1,194,276,453
2. Increase in current period		67,111,087	178,678	67,289,765
(1) Provision				
(2) Transfers from construction in progress		67,111,087	178,678	67,289,765
3. Decrease in current period	42,521,910	57,031,954		99,553,864
(1) Disposal or retirement		481,306		481,306
(2) Transfer to construction in progress	42,521,910	56,550,648		99,072,558
4. 30 June 2023	110,318,077	1,050,723,675	970,602	1,162,012,354
IV. Book value				
1. 30 June 2023	4,437,239,741	7,475,378,610	73,771,594	11,986,389,945
2. 1 January 2023	3,938,085,234	7,257,247,609	47,903,332	11,243,236,175

(2) Fixed assets without ownership certificate

Unit: RMB

Item	Carrying amount	Reasons for not yet obtaining certificates of title
Buildings	1,816,139,589	Have submitted the required documents and are in the process of application, or

		the related land use right certificate pending
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12、Construction in progress

Unit: RMB

Item	30 June 2023	1 January 2023
Construction in progress	2,622,639,485	2,520,362,291
Total	2,622,639,485	2,520,362,291

(1) Details of construction in progress

Unit: RMB

Item	30 June 2023			1 January 2023		
	Carrying amount	Provision for impairment loss	Book value	Carrying amount	Provision for impairment loss	Book value
Anhui Fengyang Solar Equipment Lightweight High Tongue Plate Manufacturing Base Project	522,882,011		522,882,011	917,798,737		917,798,737
Xianning Nanblass 1200T / D Ton Photovoltaic Packaging Material Production Line Project	1,347,042		1,347,042	721,820,302		721,820,302
Hebei window ultra-thin electronic glass second line construction project	263,216,331		263,216,331	256,034,845		256,034,845
Qingyuan South Blass Technology Reform Project	226,614,841	94,897,536	131,717,305	225,748,578	94,897,536	130,851,042
450MWPERC Battery Technology Upgrade Project	186,866,743	184,998,076	1,868,667	186,866,743	184,998,076	1,868,667
Wujiang Project New Engineering Glass Intelligent Manufacturing Factory Construction Project	73,902,384		73,902,384	72,885,336		72,885,336
Xi'an South Glass Energy Saving Glass Production Line Project	138,277,411		138,277,411	41,694,021		41,694,021
Zhaoqing CSG high-end automobile glass production line project	77,092,563		77,092,563	40,439,362		40,439,362
Guangxi Beihai Photovoltaic Green Energy Industry Park (Phase I) Project	199,123,173		199,123,173	33,213,753		33,213,753

Item	30 June 2023			1 January 2023		
	Carrying amount	Provision for impairment loss	Book value	Carrying amount	Provision for impairment loss	Book value
Zhaoqing CSG high-end energy-saving glass production line project	5,110,114		5,110,114	14,799,352		14,799,352
New 50000 ton/year high-purity crystalline silicon project in Haixi Prefecture, Qinghai Province	210,126,656		210,126,656	10,319,009		10,319,009
Chengdu Float three sets of flue gas treatment backup environmental protection facilities construction project	13,805,346		13,805,346	608,993		608,993
Technological upgrading project of Xianning Float Line 2 (700t/d)	53,110,650		53,110,650			
Yichang Polysilicon 1,200t/month high-purity crystalline silicon technology reform project	833,856,781	94,291,477	739,565,304	152,254		152,254
Dongguan Solar G6/G7 Line Process and Equipment Upgrading and Renovation Project				37,794,114		37,794,114
Others	196,275,610	4,781,082	191,494,528	307,372,271	67,289,767	240,082,504
Total	3,001,607,656	378,968,171	2,622,639,485	2,867,547,670	347,185,379	2,520,362,291

(2) Movement of significant projects of construction in progress

Unit: RMB

Project name	Budget	1 January 2023	Increase in current period	Transfer to fixed assets in current period	Other decreases in current period	30 June 2023	Proportion between engineering input and budget	Engineering progress	Amount of borrowing costs capitalised	Including: Amount of borrowing costs capitalised in current period	Capitalisation rate for current period	Source of fund
Anhui Fengyang Solar Equipment Lightweight High Tongue Plate Manufacturing Base Project	3,739,020,000	917,798,737	431,748,265	826,664,991		522,882,011	77%	100%	43,865,185	9,980,672	3.13%	Internal fund and bank loan
Xianning Nanblass 1200T / D Ton Photovoltaic Packaging Material Production Line Project	905,571,798	721,820,302	139,002,442	850,743,979	8,731,723	1,347,042	96%	100%	13,945,275	-6,505,468	3.60%	Internal fund and bank loan
Hebei window ultra-thin electronic glass second line construction project	324,646,330	256,034,845	31,090,053	23,908,567		263,216,331	89%	89%	4,863,391	2,382,495	4.28%	Internal fund and bank loan
Qingyuan South Blass Technology Reform Project	534,870,000	225,748,578	955,796	89,533		226,614,841	4%	4%				Internal fund and bank loan
450MWPERC Battery Technology Upgrade Project	100,990,000	186,866,743				186,866,743	1%	3%				Internal fund

Project name	Budget	1 January 2023	Increase in current period	Transfer to fixed assets in current period	Other decreases in current period	30 June 2023	Proportion between engineering input and budget	Engineering progress	Amount of borrowing costs capitalised	Including: Amount of borrowing costs capitalised in current period	Capitalisation rate for current period	Source of fund
Wujiang Project New Engineering Glass Intelligent Manufacturing Factory Construction Project	179,140,610	72,885,336	2,111,163	1,094,115		73,902,384	45%	58%	2,124,479	669,327	3.80%	Internal fund and bank loan
Xi'an South Glass Energy Saving Glass Production Line Project	494,000,000	41,694,021	96,583,390			138,277,411	28%	28%	287,688	287,688	3.60%	Internal fund and bank loan
Zhaoqing CSG high-end automobile glass production line project	609,830,000	40,439,362	41,115,387	4,462,186		77,092,563	24%	24%				Internal fund and bank loan
Guangxi Beihai Photovoltaic Green Energy Industry Park (Phase I) Project	4,942,051,800	33,213,753	165,909,420			199,123,173	4%	4%	1,364,414	1,312,048	1.76%	Internal fund and bank loan
Zhaoqing CSG high-end energy-saving glass production line project	500,000,000	14,799,352	5,884,509	2,996,027	12,577,720	5,110,114	87%	100%	5,780,897	52,702	3.80%	Internal fund and bank loan

Project name	Budget	1 January 2023	Increase in current period	Transfer to fixed assets in current period	Other decreases in current period	30 June 2023	Proportion between engineering input and budget	Engineering progress	Amount of borrowing costs capitalised	Including: Amount of borrowing costs capitalised in current period	Capitalisation rate for current period	Source of fund
New 50000 ton/year high-purity crystalline silicon project in Haixi Prefecture, Qinghai Province	4,498,192,210	10,319,009	200,044,097	236,450		210,126,656	5%	5%				Internal fund and bank loan
Chengdu Float three sets of flue gas treatment backup environmental protection facilities construction project	59,600,000	608,993	13,196,353			13,805,346	23%	23%				Internal fund and bank loan
Technological upgrading project of Xianning Float Line 2 (700t/d)	190,848,683		59,420,281		6,309,631	53,110,650	21%	21%	14,403	14,403	4.35%	Internal fund and bank loan
Yichang Polysilicon 1,200t/month high-purity crystalline silicon technology reform project	35,970,000	152,254	833,709,867	5,340		833,856,781	66%	66%				Internal fund
Dongguan Solar G6/G7 Line Process and Equipment Upgrading and Renovation Project	61,330,000	37,794,114	46,161,003	83,955,117			100%	100%	199,673	139,845	3.90%	Internal fund and bank loan

Project name	Budget	1 January 2023	Increase in current period	Transfer to fixed assets in current period	Other decreases in current period	30 June 2023	Proportion between engineering input and budget	Engineering progress	Amount of borrowing costs capitalised	Including: Amount of borrowing costs capitalised in current period	Capitalisation rate for current period	Source of fund
Others	1,658,144,495	307,372,271	198,268,985	306,709,971	2,655,675	196,275,610			6,183,061	102,636		Internal fund and bank loan
Total	18,834,205,926	2,867,547,670	2,265,201,011	2,100,866,276	30,274,749	3,001,607,656			78,628,466	8,436,348		

13、Right-of-use assets

Unit: RMB

Item	Land leases	Total
I. Original book value:		
1. 1 January 2023	11,790,434	11,790,434
2. Increase in current period		
3. Decrease in current period		
4. 30 June 2023	11,790,434	11,790,434
II. Accumulative depreciation		
1. 1 January 2023	1,882,021	1,882,021
2. Increase in current period	319,141	319,141
3. Decrease in current period		
4. 30 June 2023	2,201,162	2,201,162
III. Impairment provisions		
IV. Carrying amount		
1. 30 June 2023	9,589,272	9,589,272
2. 1 January 2023	9,908,413	9,908,413

14、Intangible assets

(1) Details of intangible assets

Unit: RMB

Item	Land use rights	Patents and proprietary technologies	Exploitation rights	Others	Total
I. Original book value:					
1. 1 January 2023	1,425,431,642	502,074,878	5,351,751	54,579,056	1,987,437,327
2. Increase in current period	44,382,500	3,229,822	938,531,942	14,880,561	1,001,024,825
(1) Acquisition	44,382,500		938,531,942	2,302,841	985,217,283
(2) Transfers from development expenditure		3,229,822			3,229,822
(3) Others				12,577,720	12,577,720
3. Decrease in current period					
(1) Others					
4. 30 June 2023	1,469,814,142	505,304,700	943,883,693	69,459,617	2,988,462,152
II. Accumulative amortization					
1. 1 January 2023	258,193,337	227,328,706	4,775,067	45,827,071	536,124,181
2. Increase in current period	17,435,942	18,500,378	4,960,928	2,582,229	43,479,477

(1) Provision	17,435,942	18,500,378	4,960,928	2,582,229	43,479,477
3. Decrease in current period					
(1) Others					
4. 30 June 2023	275,629,279	245,829,084	9,735,995	48,409,300	579,603,658
III. Provision for impairment					
1. 1 January 2023		13,201,347		9,133	13,210,480
2. Increase in current period					
3. Decrease in current period					
4. 30 June 2023		13,201,347		9,133	13,210,480
IV. Book value					
1. 30 June 2023	1,194,184,863	246,274,269	934,147,698	21,041,184	2,395,648,014
2. 1 January 2023	1,167,238,305	261,544,825	576,684	8,742,852	1,438,102,666

(2) Land use rights without ownership certificate

Unit: RMB

Item	Carrying amount	Reasons for not yet obtaining certificates of title
Land use rights	4,139,483	The management of the Company believes that there is no substantive legal obstacle to obtaining the relevant land use certificate, and it will not have a significant adverse impact on the operation of the Group.

15. Development expenditure

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period		30 June 2023
		Internal development expenditure	Recognised as intangible assets	Recognised as expenses	
Development expenditure	46,755,816	10,977,711	3,229,822		54,503,705
Total	46,755,816	10,977,711	3,229,822		54,503,705

16. Goodwill

(1) Original carrying amount of goodwill

Unit: RMB

Name of invested unit or items forming goodwill	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
Tianjin CSG Architectural Glass Co., Ltd	3,039,946			3,039,946
Xianning CSG	4,857,406			4,857,406

Photoelectric				
Shenzhen CSG Display	389,494,804			389,494,804
Guangdong Licheng Construction Engineering Co., Ltd.		696,000		696,000
Total	397,392,156	696,000		398,088,156

(2) Provision for impairment of goodwill

Unit: RMB

Name of invested unit or matters forming goodwill	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
Shenzhen CSG Display	389,494,804			389,494,804
Total	389,494,804			389,494,804

17、Long-term prepaid expenses

Unit: RMB

Item	1 January 2023	Increase in current period	Amortized amounts in current period	Other decreases	30 June 2023
Various prepaid expenses	2,647,939	5,798,547	1,878,327		6,568,159
Total	2,647,939	5,798,547	1,878,327		6,568,159

18、Deferred tax assets and liabilities

(1) Deferred income tax assets before offsetting

Unit: RMB

Item	30 June 2023		1 January 2023	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for asset impairments	738,273,925	113,123,393	740,627,003	112,511,365
Deductible losses	379,522,985	65,298,553	362,029,963	65,461,019
Government grants	163,371,710	25,941,951	160,233,122	25,185,546
Accrued expenses	4,570,068	685,510	8,584,847	1,287,727
Depreciation of fixed assets, etc.	106,446,120	15,985,249	100,859,773	15,955,296
Total	1,392,184,808	221,034,656	1,372,334,708	220,400,953

(2) Deferred income tax liabilities before offsetting

Unit: RMB

Item	30 June 2023	1 January 2023
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	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Depreciation of fixed assets	600,158,758	91,321,123	663,136,097	100,893,303
Changes in the fair value of investment real estate	368,564,944	55,284,742	368,564,944	55,284,742
Total	968,723,702	146,605,865	1,031,701,041	156,178,045

(3) Deferred income tax assets or liabilities presented with net amount after offsetting

Unit: RMB

Item	Offset amount of closing deferred tax assets and liabilities	Closing deferred tax assets or liabilities after offsetting	Offset amount of opening deferred tax assets and liabilities	Opening deferred tax assets or liabilities after offsetting
Deferred tax assets	54,545,400	166,489,256	58,911,204	161,489,749
Deferred tax liabilities	54,545,400	92,060,465	58,911,204	97,266,841

(4) Detail about unrecognized deferred income tax assets

Unit: RMB

Item	30 June 2023	1 January 2023
Deductible losses etc	1,453,735,298	1,713,248,298
Total	1,453,735,298	1,713,248,298

(5) Deductible losses of unconfirmed deferred income tax assets shall expire in the following years

Unit: RMB

Year	30 June 2023	1 January 2023	Notes
2023	86,893,698	146,238,837	
2024	178,208,832	178,208,832	
2025	657,255,317	745,942,821	
2026	524,185,763	642,332,904	
2027	524,904	524,904	
2028	6,666,784		
Total	1,453,735,298	1,713,248,298	

19、Other non-current assets

Unit: RMB

Item	30 June 2023			1 January 2023		
	Carrying amount	Impairment provision	Book value	Carrying amount	Impairment provision	Book value
Prepayment for equipment and project	1,048,111,631		1,048,111,631	194,410,485		194,410,485
Prepayment for	6,510,000		6,510,000	24,210,000		24,210,000

lease of land use rights						
Fixed deposits				80,000,000		80,000,000
Prepaid mining rights	70,500,000		70,500,000	558,000,000		558,000,000
Total	1,125,121,631		1,125,121,631	856,620,485		856,620,485

20、Short-term borrowings

(1) Classification of short-term borrowings

Unit: RMB

Item	30 June 2023	1 January 2023
Guaranteed loan	280,776,205	144,000,000
Credit loan	104,000,000	201,000,000
Total	384,776,205	345,000,000

21、Notes payable

Unit: RMB

Type	30 June 2023	1 January 2023
Trade acceptance	206,528,235	290,779,095
Bank acceptance	1,152,845,454	703,778,401
Total	1,359,373,689	994,557,496

22、Accounts payable

(1) Accounts payable listed

Unit: RMB

Item	30 June 2023	1 January 2023
Materials payable	1,048,261,509	813,677,642
Equipment payable	658,969,024	483,253,256
Construction expenses payable	1,108,347,387	576,821,441
Freight payable	117,036,311	88,104,366
Utilities payable	80,500,474	64,738,721
Others	11,517,950	6,947,201
Total	3,024,632,655	2,033,542,627

(2) Significant accounts payable aged more than one year

Unit: RMB

Item	30 June 2023	Reasons
Engineering and equipment payments, etc	196,983,225	Due to the unfinished final accounts of related projects, they have not been settled yet
Total	196,983,225	

23、Contract liabilities

Unit: RMB

Item	30 June 2023	1 January 2023
Contract liabilities	342,662,579	418,051,975
Total	342,662,579	418,051,975

24、Employee benefits payable**(1) Presentation of employee benefits payable**

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
I. Short-term employee benefits payable	464,930,939	991,800,917	1,164,043,450	292,688,406
II. Defined contribution plans payable	8,685,489	88,228,590	88,920,588	7,993,491
III. Termination benefits		1,473,347	1,473,347	
Total	473,616,428	1,081,502,854	1,254,437,385	300,681,897

(2) Presentation of short-term benefits

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
1. Wages and salaries, bonus, allowances and subsidies	438,423,328	915,764,507	1,088,074,170	266,113,665
2. Social security contributions	1,583,272	38,936,496	39,956,077	563,691
Including: Medical insurance	957,621	33,522,537	34,431,136	49,022
Work injury insurance	559,430	4,047,416	4,092,177	514,669
Maternity insurance	66,221	1,366,543	1,432,764	
3. Housing funds	891,279	26,277,832	24,987,729	2,181,382
4. Labour union funds and employee education funds	24,033,060	10,822,082	11,025,474	23,829,668
Total	464,930,939	991,800,917	1,164,043,450	292,688,406

(3) Defined benefit plans

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
1. Basic pensions	8,403,902	85,097,313	85,755,917	7,745,298
2. Unemployment insurance	281,587	3,131,277	3,164,671	248,193
Total	8,685,489	88,228,590	88,920,588	7,993,491

25、Taxes payable

Unit: RMB

Item	30 June 2023	1 January 2023
Enterprise income tax payable	73,092,705	38,330,878
VAT payable	45,427,700	91,809,300
Individual income tax payable	5,259,962	7,688,833
City maintenance and construction tax payable	3,268,464	6,755,889
Educational surcharge payable	2,661,955	4,953,777
Housing property tax payable	12,146,395	4,877,079
Environmental tax payable	1,377,003	1,252,845
Others	7,753,386	5,466,037
Total	150,987,570	161,134,638

26、Other payables

Unit: RMB

Item	30 June 2023	1 January 2023
Other payables	456,482,668	437,119,859
Interest payable	7,275,176	99,945,325
Total	463,757,844	537,065,184

(1) Interest payable

Unit: RMB

Item	30 June 2023	1 January 2023
Interest of long-term borrowings	6,824,896	5,754,599
Interest of corporate bonds		92,258,065
Interest of short-term borrowings	450,280	1,932,661
Total	7,275,176	99,945,325

(2) Other payables**1) Disclosure of other payables by nature**

Unit: RMB

Item	30 June 2023	1 January 2023
Guarantee deposits received from construction contractors	372,906,587	331,974,002
Accrued cost of sales (i)	53,706,022	62,936,670
Payable for contracted labour costs	11,483,781	28,696,828
Temporary receipts for third parties	2,563,790	2,318,135
Others	15,822,488	11,194,224
Total	456,482,668	437,119,859

(i) It represented the payment made to external third parties arising from undertaking the rights of debtor and creditor, comprising maintenance charges, professional service fee and travelling expenses etc.

27、 Non-current liabilities due within one year

Unit: RMB

Item	30 June 2023	1 January 2023
Current portion of long-term borrowings	968,935,071	443,216,290
Current portion of debentures payable		1,999,316,522
Current portion of long-term account payable	39,479,429	38,900,194
Total	1,008,414,500	2,481,433,006

28、 Other current liabilities

Unit: RMB

Item	30 June 2023	1 January 2023
Output VAT to be transferred	40,127,791	50,107,240
Supply chain financing	49,040,857	
Others	300,000	300,000
Total	89,468,648	50,407,240

29、 Long-term borrowings**(1) Types of long-term borrowings**

Unit: RMB

Item	30 June 2023	1 January 2023
Guaranteed loan	3,730,316,842	3,122,455,980
Credit loan	1,498,583,739	1,231,134,000
Total	5,228,900,581	4,353,589,980

30、 Lease liabilities

Unit: RMB

Item	30 June 2023	1 January 2023
Lease liabilities	3,648,983	3,564,330
Total	3,648,983	3,564,330

31、 Long-term account payable

Unit: RMB

Item	30 June 2023	1 January 2023
Long-term account payable	109,425,563	129,236,878
Total	109,425,563	129,236,878

(1) Long-term payable listed by nature

Unit: RMB

Item	30 June 2023	1 January 2023
Finance lease payable	109,425,563	129,236,878

32、Provisions

Unit: RMB

Item	30 June 2023	1 January 2023
Mine rehabilitation and other costs	7,569,501	

33、Deferred income

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
Government grants	449,875,380	837,900	21,916,903	428,796,377
Total	449,875,380	837,900	21,916,903	428,796,377

Government grants:

Unit: RMB

Item	1 January 2023	Increase in current period	Recorded in other income in current period	30 June 2023	Assets/Income related
Tianjin energy saving gold solar project	36,842,660		1,687,446	35,155,214	Assets related
Dongguan project gold solar project	29,573,250		1,375,500	28,197,750	Assets related
Hebei South Bolk Sun Project	30,250,000		1,375,000	28,875,000	Assets related
Xianning South Bolt Solar Engineering Project	32,830,417		1,515,250	31,315,167	Assets related
Wu Jiangnan infrastructure compensation	19,421,208		2,020,769	17,400,439	Assets related
Qingyuan energy-saving project	8,439,167		1,235,000	7,204,167	Assets related
Yichang polysilicon project	7,734,375		1,406,250	6,328,125	Assets related
Yichang Nanolate Silicon Molding Project	19,495,676	837,900	1,510,990	18,822,586	Assets related
Sichuan energy-saving glass project	2,205,360		827,010	1,378,350	Assets related
Group coating laboratory project	1,125,000		187,500	937,500	Assets related
Yichang high-purity silicon material project	2,114,441		151,589	1,962,852	Assets related
Yichang semiconductor silicon material project	2,666,666		111,111	2,555,555	Assets related
Yichang Display Company Project	37,897,545		1,333,906	36,563,639	Assets related
Xianning Optoelectronics Project	5,720,000		260,000	5,460,000	Assets related
Shenzhen medical equipment subsidy project	6,014,000		582,000	5,432,000	Assets related
Hebei float emission reward	8,621,656		366,879	8,254,777	Assets related
Group Talent Fund Project	171,000,000			171,000,000	Income related
Zhaoqing energy-saving industry to build financial support funds	4,380,527		4,380,527		Income related
Others	23,543,432		1,590,176	21,953,256	Assets related
Total	449,875,380	837,900	21,916,903	428,796,377	

34、Share capital

Unit: RMB

	1 January 2023	Movement for current period					30 June 2023
		New issues	Bonus issue	Transfer from capital surplus	Others	Sub-total	
Total number of ordinary shares	3,070,692,107						3,070,692,107

35、Capital surplus

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
Share premium	655,424,260			655,424,260
Other capital surplus	-58,427,175			-58,427,175
Total	596,997,085			596,997,085

36、Other comprehensive income

Unit: RMB

Item	1 January 2023	Other comprehensive income for current period				30 June 2023
		Actual amount before tax for current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income items which will be reclassified subsequently to profit or loss	170,860,478	10,030,559		10,030,559		180,891,037
1. Difference on translation of foreign currency financial statements	7,158,681	10,030,559		10,030,559		17,189,240
2. Financial rewards for energy-saving technical retrofits	2,550,000					2,550,000
3. Income generated when self-property and land use rights are converted into investment property	161,151,797					161,151,797
Total	170,860,478	10,030,559		10,030,559		180,891,037

37、Special reserve

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
Safety production costs	731,580	5,038,984	5,560,045	210,519
Total	731,580	5,038,984	5,560,045	210,519

38、Surplus reserve

Unit: RMB

Item	1 January 2023	Increase in current period	Decrease in current period	30 June 2023
Statutory surplus reserve	1,100,781,433			1,100,781,433
Discretionary surplus reserve	127,852,568			127,852,568
Total	1,228,634,001			1,228,634,001

39、Undistributed profits

Unit: RMB

Item	H1 2023	H1 2022
Adjustment on undistributed profit at end of last year	7,786,968,455	6,450,587,417
Adjusted undistributed profit at beginning of period	7,786,968,455	6,450,587,417
Add: Net profits attributable to shareholders of parent company in current period	889,478,780	1,001,174,398
Less: Appropriation for statutory surplus reserve		
Ordinary share dividends payable		614,138,421
Undistributed profits at end of period	8,676,447,235	6,837,623,394

40、Operating income and operating costs

Unit: RMB

Item	H1 2023		H1 2022	
	Revenue	Cost	Revenue	Cost
Principal operation	8,269,985,146	6,451,841,635	6,421,792,209	4,599,587,540
Other operations	119,355,099	43,554,296	97,424,467	38,058,387
Total	8,389,340,245	6,495,395,931	6,519,216,676	4,637,645,927

41、Taxes and surcharges

Unit: RMB

Item	H1 2023	H1 2022
City maintenance and construction tax	18,676,773	15,694,124
Educational surcharge	14,886,892	13,036,606

Housing property tax	20,987,873	17,222,873
Land use rights	10,894,279	8,675,097
Stamp tax	6,454,506	3,840,095
Environmental tax	2,815,691	2,206,638
Others	1,662,990	605,189
Total	76,379,004	61,280,622

42、Selling and distribution expenses

Unit: RMB

Item	H1 2023	H1 2022
Employee benefits	99,419,222	92,473,703
Entertainment fees	8,645,368	5,362,131
Business travel expenses	6,194,559	2,856,337
Vehicle use fees	4,656,501	4,488,510
Rental expenses	5,713,495	4,437,109
Freight expenses	3,390,552	2,557,634
Insurance fees	2,528,186	8,951,501
Others	16,308,258	12,779,727
Total	146,856,141	133,906,652

43、General and administrative expenses

Unit: RMB

Item	H1 2023	H1 2022
Employee benefits	198,481,504	194,016,411
Depreciation and amortization	70,577,321	60,669,827
General office expenses	14,943,321	13,393,317
Labour union funds	10,994,483	9,792,599
Entertainment fees	8,997,162	8,507,539
Business travel expenses	4,438,258	2,194,600
Water and electricity fees	3,542,076	2,955,260
Canteen costs	5,641,281	4,624,155
Vehicle use fees	3,500,710	3,213,151
Consulting advisers	3,919,242	3,470,195
Others	15,217,414	15,798,758
Total	340,252,772	318,635,812

44、Research and development expenses

Unit: RMB

Item	H1 2023	H1 2022
Research and development expenses	346,264,501	265,877,930
Total	346,264,501	265,877,930

45、Financial expenses

Unit: RMB

Item	H1 2023	H1 2022
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Interest on borrowings	121,742,551	118,724,723
Less: Capitalised interest	8,436,348	26,740,119
Interest expenses	113,306,203	91,984,604
Less: Interest income	45,500,449	30,756,704
Exchange losses	3,203,357	-210,284
Others	1,755,534	1,779,736
Total	72,764,645	62,797,352

46、 Other Income

Unit: RMB

Item	H1 2023	H1 2022
Government subsidy amortization	21,916,903	71,815,510
Industry support funds	800,000	1,500,000
Government incentive funds	18,216,697	17,203,284
Research grants	1,528,784	2,196,600
Others	4,741,455	6,587,158
Total	47,203,839	99,302,552

47、 Investment income

Unit: RMB

Item	H1 2023	H1 2022
Income from structural deposits		14,478,503
Interest on note discounting	-5,617,361	
Income from term deposits	1,534,181	1,935,192
Total	-4,083,180	16,413,695

48、 Credit impairment loss

Unit: RMB

Item	H1 2023	H1 2022
Losses on bad debts of other receivables	20,297	-396,253
Losses on bad debts of accounts receivable	-7,621,521	-1,095,969
Total	-7,601,224	-1,492,222

49、 Asset impairment loss

Unit: RMB

Item	H1 2023	H1 2022
Decline in the value of inventories	24,908	1,456
Total	24,908	1,456

50、 Income on disposal of assets

Unit: RMB

Item	H1 2023	H1 2022
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Gain/loss on disposal of non-current assets	53,451	12,745,461
Total	53,451	12,745,461

51、Non-operating revenue

Unit: RMB

Item	H1 2023	H1 2022	Amount booked into current non-recurring profits and losses
Compensation income	165,653	45,951	165,653
Amounts unable to pay	4,901,175	3,861,020	4,901,175
Insurance claims	3,212,700	9,040,000	3,212,700
Others	1,173,805	2,186,007	710,645
Total	9,453,333	15,132,978	8,990,173

52、Non-operating expenses

Unit: RMB

Item	H1 2023	H1 2022	Amount booked into current non-recurring profits and losses
Donation	300,614	1,731,127	300,614
Compensation	30,225	599,074	30,225
Government subsidy return back		74,583	
Others	155,961	1,255,286	155,961
Total	486,800	3,660,070	486,800

53、Income tax expenses

(1) Income tax expense details

Unit: RMB

Item	H1 2023	H1 2022
Current income tax	84,300,053	103,724,527
Deferred income tax	-10,205,883	65,200,997
Total	74,094,170	168,925,524

(2) Adjustment process of accounting profit and income tax expenses

Unit: RMB

Item	H1 2023
Total profit	955,991,578
Income tax expenses calculated at applicable tax rates by company	158,703,893
Adjustment on effect of income tax in the prior period	-28,368,714
Costs, expenses and losses not deductible for tax purposes	741,785

Effect of deductible loss on usage of unconfirmed deferred income tax assets in the prior period	-46,970,548
Effect of deductible temporary difference or deductible loss on unconfirmed deferred income tax in the current period	1,417,560
Effect of obtaining tax incentives	-11,429,806
Income tax expenses	74,094,170

54、Other comprehensive income

See Note Other comprehensive income for details

55、Notes to the cash flow statement

(1) Cash received relating to other operating activities

Unit: RMB

Item	H1 2023	H1 2022
Security deposits received for operating purposes	140,939,522	11,256,308
Interest income	45,474,892	30,756,704
Government grants	41,458,937	30,487,042
Others	7,273,702	14,736,514
Total	235,147,053	87,236,568

(2) Cash paid relating to other operating activities

Unit: RMB

Item	H1 2023	H1 2022
General office expenses	22,506,207	19,162,389
Insurance fees	21,517,337	22,824,587
Entertainment fees	21,343,865	16,277,475
Canteen costs	20,838,907	19,549,842
Maintenance fee	17,742,387	13,668,199
Business travel expenses	14,512,458	7,379,731
Vehicle use fee	10,230,122	8,129,592
Rental expenses	9,824,468	10,391,291
Consulting advisers	8,326,998	6,193,327
Freight costs	4,833,629	3,928,266
Handling charges	1,820,613	1,610,434
Others	52,668,145	74,754,081
Total	206,165,136	203,869,214

(3) Cash received relating to other investing activities

Unit: RMB

Item	H1 2023	H1 2022
Security deposits received	22,629,490	
Amounts received that had been previously paid on behalf of others	10,000,000	

Total	32,629,490	
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(4) Cash paid relating to other investing activities

Unit: RMB

Item	H1 2023	H1 2022
Security deposits paid for investment purposes		19,138,102
Total		19,138,102

(5) Cash received relating to other financing activities

Unit: RMB

Item	H1 2023	H1 2022
Current amounts received	12,000,000	
Others		206,753
Total	12,000,000	206,753

(6) Cash payments relating to other financing activities

Unit: RMB

Item	H1 2023	H1 2022
Repay financing leases	22,948,274	23,022,757
Others	106,000	1,142,255
Total	23,054,274	24,165,012

56. Supplementary information to the cash flow statement**(1) Supplementary information to the cash flow statement**

Unit: RMB

Supplementary information	H1 2023	H1 2022
1. Reconciliation from net profit to cash flows from operating activities		
Net profit	881,897,408	1,008,590,707
Add: Provision for asset impairment	-24,908	-1,456
Provision for credit impairment	7,601,224	1,492,222
Depreciation of fixed assets, oil and gas assets, and productive living assets	550,154,625	435,495,584
Depreciation of right-of-use assets	319,141	877,303
Amortisation of intangible assets	43,479,477	31,408,498
Amortisation of long-term prepaid expenses	1,878,327	289,845
Losses (gains) on disposal of fixed assets, intangible assets and other long-term asset ("- " for gains)	-53,451	-12,745,461
Financial expenses ("- " for gains)	113,306,203	91,984,604
Investment loss ("- " for gains)	4,083,180	-16,413,695
Decrease in deferred tax assets ("- " for increase)	-4,999,507	58,524,476

Increase in deferred tax liabilities ("-" for decrease)	-5,206,376	6,676,521
Decrease in inventories ("-" for increase)	-306,915,534	-668,865,872
Decrease/(increase) in operating receivables ("-" for increase)	-825,895,694	-544,965,419
Increase in operating payables ("-" for decrease)	53,764,086	505,601,316
Others	5,038,984	4,853,948
Net cash flows from operating activities	518,427,185	902,803,121
2. Net changes in cash and cash equivalents:		
Cash and cash equivalents at end of period	2,639,260,140	2,863,965,769
Less: Cash and cash equivalents at beginning of period	4,594,018,251	2,756,477,572
Net increase in cash and cash equivalents	-1,954,758,111	107,488,197

(2) Net cash payments for the acquisition of subsidiaries in the current period

Unit: RMB

	Amount
Cash or cash equivalents paid in the current period for business combinations incurred in the current period	696,000
Less: Cash and cash equivalents held by subsidiary at the acquisition date	
Add: Cash or cash equivalents paid in the current period for business combinations incurred in prior periods	
Net cash payments for the acquisition of subsidiaries	696,000

(3) Cash and cash equivalents composition

Unit: RMB

Item	30 June 2023	1 January 2023
I. Cash and cash equivalents	2,639,260,140	4,594,018,251
Bank deposits that can be readily drawn on demand	2,391,660,140	3,242,318,251
Other cash balances that can be readily drawn on demand	247,600,000	1,351,700,000
II. Cash and cash equivalents at end of period	2,639,260,140	4,594,018,251

57、The assets with the ownership or use right restricted

Unit: RMB

Item	Book value at the end of reporting period	Cause of restriction
Cash at bank and on hand	20,057,007	Restricted circulation of deposits, freezes, etc
Note receivable	701,846,825	Restricted pledge
Fixed assets	95,994,423	Restricted financing lease
Construction in progress	25,571,588	Restricted financing lease
Total	843,469,843	

58、Monetary items denominated in foreign currencies**(1) Monetary items denominated in foreign currencies**

Unit: RMB

Item	Balances denominated in foreign currencies	Exchange rates	Balances denominated in RMB
Cash at bank and on hand			103,492,166
Including: USD	12,744,010	7.2258	92,085,669
EUR	12,642	7.8771	99,586
HKD	11,925,040	0.9220	10,994,887
SGD	1,265	5.3442	6,760
AUD	797	4.7992	3,827
JPY	6,016,707	0.0501	301,437
Accounts receivable			145,856,443
Including: USD	19,045,323	7.2258	137,617,694
EUR	834,785	7.8771	6,575,688
HKD	1,803,754	0.9220	1,663,061
Accounts payable			30,828,637
Including: USD	4,031,344	7.2258	29,129,682
EUR	166,156	7.8771	1,308,827
HKD	60,560	0.9220	55,836
JPY	4,665,010	0.0501	233,717
GBP	11,000	9.1432	100,575

59、Government grants**(1) Basic conditions of government grants**

Unit: RMB

Type	Amount	Presentation account	Amount included in profit or loss for the year
Amortization of government subsidies	21,916,903	Other income	21,916,903
Other government subsidies	25,286,936	Other income	25,286,936
Government subsidies for loan interest	17,116,333	Construction in progress/financial expenses	3,321,333

(2) General information of government subsidies return

√ Applicable □ Not applicable

Unit: RMB

Item	Amount	Cause of return
Return of the third batch of special funds for dual-creation representative carriers	1,047,210	

Return of the first batch of project funds for the provincial manufacturing high-quality development special programme	750,000	
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VIII、THE CHANGES OF CONSOLIDATION SCOPE

1、Business combinations not involving entities under common control

(1) Business combinations not involving entities under common control in the current period

Unit: RMB

Acquiree	Time of obtaining the equity interests	Cost	Equity-holding percentage	Way of obtaining the equity interests	Date of acquisition	Basis for the determination of the acquisition date	Revenue of the acquiree from the date of acquisition to the period-end	Net profit of the acquiree from the date of acquisition to the period-end
Guangdong Licheng Construction Engineering Co., Ltd.	March 2023	696,000	100%	Acquisition	21 March 2023	Obtaining control	0	-177,262

(2) Cost of acquisition and goodwill

Unit: RMB

Cost of acquisition	Guangdong Licheng Construction Engineering Co., Ltd.
--Cash	696,000
Total cost of acquisition	696,000
Less: Share of fair value of net identifiable assets acquired	0
Goodwill/amount by which the cost of acquisition is lower than the share of fair value of net identifiable assets acquired	696,000

Fair value measurement, contingent consideration and changes of cost of acquisition: None

Main reason for large-amount goodwill: Not applicable

Other information: None

2、Changes in scope of consolidation due to other reasons

(1) On 24 April 2023, the Group set up Guangxi CSG Mining Co., Ltd. (referred to as "Guangxi Mining"). As of 30 June 2023, the Group has invested RMB 50 million in cash. The Group owns 100% of its equity.

(2) On 19 May 2023, the Group set up Wuxuan Nanxin Mining Co., Ltd. (referred to as "Wuxuan Mining"). As of 30 June 2023, the Group has invested RMB 6 million in cash. The Group owns 60% of its equity.

IX、EQUITY IN OTHER ENTITIES

1、Interest in subsidiaries

(1) Constitution of the Group

Name of Subsidiary	Major business location	Place of registration	Scope of business	Shareholding		Method of acquisition
				Direct	Indirect	
Chengdu CSG	Chengdu, PRC	Chengdu, PRC	Development, production and sales of special glass	75%	25%	Establishment
Sichuan CSG Energy Conservation	Chengdu, PRC	Chengdu, PRC	Development, production and sales of special glass and processing of glass	75%	25%	Separation
Tianjin Energy Conservation	Tianjin, PRC	Tianjin, PRC	Development, production and sales of special glass	75%	25%	Establishment
Dongguan CSG Engineering	Dongguan, PRC	Dongguan, PRC	Intensive processing of glass	75%	25%	Establishment
Dongguan CSG Solar	Dongguan, PRC	Dongguan, PRC	Production and sales of solar glass	75%	25%	Establishment
Dongguan CSG PV-tech	Dongguan, PRC	Dongguan, PRC	Production and sales of hi-tech green battery and components	100%		Establishment
Yichang CSG Polysilicon	Yichang, PRC	Yichang, PRC	Production and sales of high-purity silicon materials	75%	25%	Establishment
Wujiang CSG Engineering	Wujiang, PRC	Wujiang, PRC	Intensive processing of glass	75%	25%	Establishment
Hebei CSG	Yongqing, PRC	Yongqing, PRC	Production and sales of special glass	75%	25%	Establishment
Wujiang CSG	Wujiang, PRC	Wujiang, PRC	Production and sales of special glass	100%		Establishment
China Southern Glass (Hong Kong) Limited	Hong Kong, PRC	Hong Kong, PRC	Investment holding	100%		Establishment
Xianning CSG	Xianning, PRC	Xianning, PRC	Production and sales of special glass	75%	25%	Establishment
Xianning CSG Energy-Saving	Xianning, PRC	Xianning, PRC	Intensive processing of glass	75%	25%	Separation
Qingyuan CSG Energy-Saving	Qingyuan, PRC	Qingyuan, PRC	Production and sales of ultra-thin electronic glass	100%		Establishment
Shenzhen CSG Financial Leasing Co., Ltd.	Shenzhen, PRC	Shenzhen, PRC	Finance leasing, etc.	75%	25%	Establishment
Jiangyou CSG Mining Development Co. Ltd.	Jiangyou, PRC	Jiangyou, PRC	Production and sales of silica and its by-products	100%		Establishment
Shenzhen CSG Display:	Shenzhen, PRC	Shenzhen, PRC	Production and sales of display component products	60.8%		Acquisition
Zhaoqing Energy Saving Company	Zhaoqing PRC	Zhaoqing PRC	Production and sales of various special glasses	100%		Establishment
Zhaoqing Automobile Company	Zhaoqing PRC	Zhaoqing PRC	Production and sales of various special glasses	100%		Establishment
Anhui Energy Company	Fengyang, PRC	Fengyang, PRC	Production and sales of solar glass products	100%		Establishment
Anhui Quartz Company	Fengyang, PRC	Fengyang, PRC	Production and sales of solar glass products	100%		Establishment
Anhui Silicon Valley Mingdu Mining	Fengyang, PRC	Fengyang, PRC	Mineral resources exploitation	60%		Establishment

Name of Subsidiary	Major business location	Place of registration	Scope of business	Shareholding		Method of acquisition
				Direct	Indirect	
Company						
Xi'an energy conservation company	Xi'an, PRC	Xi'an, PRC	Production and sales of various special glasses	55%	45%	Establishment
Guangxi New Energy Materials Company	Longgang, PRC	Longgang, PRC	Production and sales of various special glasses	75%	25%	Establishment

(2) Major non-wholly owned subsidiaries

Unit: RMB

Name of Subsidiary	Shareholding of minority shareholders	Profit or loss attributable to minority shareholders for the current period	Dividends distributed to minority shareholders for the current period	Minority interests as at the period-end
Shenzhen CSG Display	39.20%	-5,431,242		405,177,951

(3) Key financial information of major non-wholly owned subsidiaries

Unit: RMB

Name of Subsidiary	30 June 2023					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shenzhen CSG Display	212,740,693	1,294,237,190	1,506,977,883	329,231,993	77,328,171	406,560,164
	1 January 2023					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
	200,627,791	1,323,084,986	1,523,712,777	333,428,174	79,596,855	413,025,029

Unit: RMB

Name of Subsidiary	H1 2023				H1 2022			
	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Shenzhen CSG Display	242,490,594	-10,166,567	-10,166,567	5,701,630	276,320,544	21,191,648	21,191,648	20,948,584

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS

The Group's activities expose it to a variety of financial risks: market risk (primarily foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial market and seeks to reduce potential adverse effects on the Group's financial performance.

1、Market risk

(1) Foreign exchange risk

The Group's major operational activities are carried out in Mainland China and a majority of the transactions are denominated in RMB. Some export business, however, is denominated in foreign currencies. In addition, the Group is exposed to foreign exchange risk arising from the recognized assets and liabilities, and future transactions denominated in foreign currencies, primarily with respect to US dollars and Hong Kong dollar. The Group monitors the scale of foreign currency transactions, foreign currency assets and liabilities, and adjusts settlement currency of export business, to furthest reduce the currency risk.

On 30 June 2023, book values in RMB equivalent of the Group's assets and liabilities denominated in foreign currencies are summarized below:

Unit: RMB

	30 June 2023			
	USD	HKD	Others	Total
Financial assets denominated in foreign currency				
Cash at bank and on hand	92,085,669	10,994,887	411,610	103,492,166
Receivables	137,617,694	1,663,061	6,575,688	145,856,443
Total	229,703,363	12,657,948	6,987,298	249,348,609
Financial liabilities denominated in foreign currency				
Payables	29,129,682	55,836	1,643,119	30,828,637
Total	29,129,682	55,836	1,643,119	30,828,637

Unit: RMB

	1 January 2023			
	USD	HKD	Others	Total
Financial assets denominated in foreign currency				
Cash at bank and on hand	31,173,757	6,942,974	213,024	38,329,755
Receivables	128,863,157	1,305,159	6,196,529	136,364,845
Total	160,036,914	8,248,133	6,409,553	174,694,600
Financial liabilities denominated in foreign currency				
Payables	28,189,789	234,966	4,483,784	32,908,539
Total	28,189,789	234,966	4,483,784	32,908,539

On 30 June 2023, if the currency had strengthened/weakened by 10% against the USD while all other variables had been held constant, the Group's net profit for the year would have been approximately RMB 17,048,763 lower/higher (31 December 2022: approximately RMB 11,207,006 lower/higher) for various financial assets and liabilities denominated in USD.

Other changes in exchange rate had no significant impact on the Group's operating activities except USD dollar.

(2) Interest rate risk

The Group's interest rate risk arises from long-term interest bearing debts including long-term borrowings and bonds payable. Financial liabilities issued at floating rates expose the Group to cash flow interest rate risk. Financial liabilities issued at fixed rates expose the Group to fair value interest rate risk. The Group determines the relative proportions of its fixed rate and floating rate contracts depending on the prevailing market conditions. As at 30 June 2023, the Group's long-term interest-bearing debts at and fixed rates and floating rates are illustrated below:

Unit: RMB

Type	30 June 2023	1 January 2023
Contracts at fixed rates	763,027,404	487,260,925
Contracts at floating rates	4,465,873,177	3,866,329,055
Total	5,228,900,581	4,353,589,980

The Group continuously monitors the interest rate position of the Group. Increases in interest rates will increase the cost of new borrowing and the interest expenses with respect to the Group's outstanding floating rate borrowings, and therefore could have a material adverse effect on the Group's financial position. The Group makes adjustments timely with reference to the latest market conditions, which includes increasing/decreasing long-term fixed rate debts at the anticipation of increasing/decreasing interest rate.

2、Credit risk

Credit risk is managed on the grouping basis. Credit risk mainly arises from cash at bank, notes receivable, accounts receivable, other receivables.

The Group expects that there is no significant credit risk associated with cash at bank since they are mainly deposited at state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties. Furthermore, as the Group's bank acceptance notes receivable are generally accepted by the state-owned banks and other large and medium listed banks, management believes the credit risk should be limited.

In addition, the Group has policies to limit the credit exposure on accounts receivable, other receivables and trade acceptance notes receivable. The Group assesses the credit quality of and sets credit limits on its customers by taking into account their financial position, the availability of guarantee from third parties, their credit history and other factors such as current market conditions. The credit history of the customers is regularly monitored by the Group. In respect of customers with a poor credit history, the Group will use written payment reminders, or shorten or cancel credit periods, to ensure the overall credit risk of the Group is limited to a controllable extent.

3、Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group and aggregated by the Group's finance department in its headquarters. The Group's finance department at its headquarters monitors rolling forecasts of the Group's short-term and long-term liquidity requirements to ensure it has sufficient cash reserve, while maintaining sufficient headroom on its undrawn committed borrowing facilities from major financial institutions so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities to meet the short-term and long-term liquidity requirements.

Management will implement the following measures to ensure the liquidation risk limited to a controllable extent:

- (a) The Group will have steady cash inflows from operating activities;
- (b) The Group will pay the debts that mature and finance the construction projects through the existing bank facilities;
- (c) The Group will closely monitor the payment of construction expenditure in terms of payment time and amount.

The financial liabilities of the Group at the balance sheet date are analyzed by their maturity date below at their undiscounted contractual cash flows:

Unit: RMB

Item	30 June 2023				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	393,996,838				393,996,838
Notes payable	1,359,373,689				1,359,373,689
Accounts payable	3,024,632,655				3,024,632,655
Other payables	463,757,844				463,757,844
Other current liabilities	89,468,648				89,468,648
Non-current liabilities due within one year	1,029,820,120				1,029,820,120
Long-term payables		42,357,197	67,068,366		109,425,563
Long-term borrowings	184,899,213	1,451,148,970	3,266,108,860	916,249,339	5,818,406,382
Total	6,545,949,007	1,493,506,167	3,333,177,226	916,249,339	12,288,881,739

Unit: RMB

Item	1 January 2023				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Short-term borrowings	350,149,308				350,149,308
Notes payable	994,557,496				994,557,496
Accounts payable	2,033,542,627				2,033,542,627
Other payables	537,065,184				537,065,184
Other current liabilities	50,407,240				50,407,240
Non-current liabilities due within one year	2,493,836,975				2,493,836,975
Long-term payables		40,906,147	88,330,731		129,236,878
Long-term borrowings	159,922,694	1,158,108,565	2,569,845,854	1,040,196,665	4,928,073,778
Total	6,619,481,524	1,199,014,712	2,658,176,585	1,040,196,665	11,516,869,486

XI, DISCLOSURE OF FAIR VALUE

1、Closing balance of assets and liabilities measured at fair value

Unit: RMB

Item	Closing fair value
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	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	--	--	--	--
Structured deposits				
Financial assets at fair value through other comprehensive income	--	--	--	--
Receivables financing			830,989,703	830,989,703
Investment property		290,368,105		290,368,105
Total		290,368,105	830,989,703	1,121,357,808

2、Fair value of financial assets and financial liabilities not measured at fair value

The group's financial assets and financial liabilities measured at amortized cost mainly include: notes receivable, accounts receivable, other receivable, short-term borrowings, accounts payable, lease liabilities, long term borrowings, bonds payable, etc.

Except for financial liabilities listed below, book value of the other financial assets and liabilities not measured at fair value is a reasonable approximation of their fair value.

Unit: RMB

Item	30 June 2023		1 January 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Corporate bonds			1,999,316,522	2,001,520,000
Total			1,999,316,522	2,001,520,000

XII、RELATED PARTIES AND RELATED PARTY TRANSACTIONS

1、Information of the parent company

The Company regards no entity as the parent company.

2、The subsidiaries

The general information and other related information of the subsidiaries are set out in Note VII(1).

3、General information of the Group's associate

None

4、Other related parties information

Name of Other Related Party	Relationship with the Group
Qianhai Life Insurance Co., Ltd	The largest shareholder of the Company
Suzhou Baoqi Logistics Co., Ltd.	Related party of the Company's largest shareholder of taking concerted action
Shantou Chaoshang Urban Comprehensive Management Co., Ltd	Related party of the Company's largest shareholder of taking concerted action
Shantou Laihua Industrial Co., Ltd.	Related party of the Company's largest shareholder of taking

concerted action

5、Related party transactions

(1) Purchase and sales of goods and rendering and receiving services

Table on purchase of goods/receiving of services

Unit: RMB

Related parties	Related transaction	H1 2023	H1 2022
Qianhai Life Insurance Co., Ltd	Purchase of life insurance	3,787,542	3,323,544
Other related parties	Purchase of goods, etc.		245,339
Total		3,787,542	3,568,883

Table on sales of goods/providing of services

Unit: RMB

Related parties	Related transaction	H1 2023	H1 2022
Shantou Chaoshang Urban Comprehensive Management Co., Ltd	Sales of goods	478,927	
Other related parties	Sales of goods	71,645	208,935
Total		550,572	208,935

(2) Related party leases

The Company as lessee:

Unit: RMB

Name of lessor	Type of leased asset	Rent costs of short-term leases and low-value asset leases with simplified treatment (if applicable)		Variable lease payments not included in the measurement of lease obligation (if applicable)		Rentals		Interest expenses on lease liabilities in the current year		Increase of right-of-use assets	
		H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022
Other related parties	Building						442,325		19,559		

6、Receivables from and payables to related parties

(1) Receivables from related parties

Unit: RMB

Related parties	30 June 2023	1 January 2023
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	Carrying amount	Provision for bad debts	Carrying amount	Provision for bad debts
Qianhai Life Insurance Co., Ltd			572,995	
Total			572,995	

(2) Payables to related parties

Unit: RMB

Related parties	30 June 2023	1 January 2023
Suzhou Baoqi Logistics Co., Ltd	314,667	314,667
Shantou Laihua Industrial Co., Ltd.	20,211	
Shantou Chaoshang Urban Comprehensive Management Co., Ltd		200,881
Other related parties	118,762	125,408
Total	453,640	640,956

7、Commitments made by related parties

8、Other information

XIII、SHARE-BASED PAYMENTS

1、Overall share-based payments

None

2、Equity-settled share-based payments

None

3、Cash-settled share-based payments

None

XIV、COMMITMENTS AND CONTINGENCIES

1、Significant commitments

Capital expenditures contracted for by the Group at the balance sheet date but are not yet necessary to be recognized on the balance sheet are as follows:

Unit: RMB

Item	30 June 2023	1 January 2023
Buildings, machinery and equipment	5,259,068,982	3,060,099,197

XV、OTHER SIGNIFICANT EVENTS

1、Segment reporting

(1) Determination basis and accounting policy of report segment

The Group's business activities are classified by product and service as follows:

-Glass segment, responsible for production and sale of flat glass and architectural glass, as well as production of the silica for the production of flat glass, etc.

-Electronic glass and display segment, responsible for production and sale of display modules, specialised ultra-thin glass, etc.

-Solar energy and other businesses segment, responsible for production and sale of polycrystalline silicon and solar cell modules, photovoltaic energy development and other products, etc.

The reportable segments of the Group are the business units that provide different products or service. Different businesses require different technologies and marketing strategies. The Group, therefore, separately manages the production and operation of each reportable segment and Estimates their operating results respectively, in order to make decisions about resources to be allocated to these segments and to assess their performance.

Inter-segment transfer prices are measured by reference to selling prices to third parties.

The assets are allocated based on the operations of the segment and the physical location of the asset. The liabilities are allocated based on the operations of the segment. Expenses indirectly attributable to each segment are allocated to the segments based on the proportion of each segment's revenue.

(2) Financial information of reporting segments

Unit: RMB

Item	Flat glass	Electronic glass and displays	Solar and other industries	Unallocated	Elimination	Total
Revenue from external customers	6,171,504,092	668,993,159	1,547,866,000	976,994		8,389,340,245
Inter-segment revenue	163,683,879	51,412,734	37,552,445	219,179,302	-471,828,360	
Interest income	2,651,076	255,643	1,062,614	41,531,116		45,500,449
Interest expenses	48,827,708	2,236,857	796,665	61,444,973		113,306,203
Depreciation and amortisation expenses	395,153,159	115,017,819	74,291,609	11,368,983		595,831,570
Total profit/(loss)	539,000,083	14,131,929	371,745,816	31,113,750		955,991,578
Income tax (expenses)/income	58,762,548	-573,614	15,856,729	48,507		74,094,170
Net profit/(loss)	480,237,535	14,705,543	355,889,087	31,065,243		881,897,408
Total assets	17,035,436,395	3,589,063,058	4,394,783,457	2,246,952,356		27,266,235,266
Total liabilities	8,826,523,585	638,358,176	794,819,916	2,735,455,380		12,995,157,057
Increase in non-current assets	2,053,163,413	57,306,824	301,156,437	5,749,089		2,417,375,763

XVI, NOTES TO THE KEY ITEMS IN THE COMPANY'S FINANCIAL STATEMENTS

1、Accounts receivable

(1) Details on categories

Unit: RMB

Type	30 June 2023					1 January 2023				
	Carrying Amount		Provision for bad debts		Book value	Carrying Amount		Provision for bad debts		Book value
	Amount	Proportion	Amount	Accrual proportion		Amount	Proportion	Amount	Accrual proportion	
Credit loss provision accrued by portfolio	35,178,427	100%			35,178,427	24,484,628	100%	489,692	2%	23,994,936
Total	35,178,427	100%			35,178,427	24,484,628	100%	489,692	2%	23,994,936

Disclosure by ages

Unit: RMB

Aging	30 June 2023
Within 1 year (including 1 year)	35,178,427
Total	35,178,427

(2) Provisions made, collected or reversed in current period

Provision for bad debts made in current period:

Unit: RMB

Type	1 January 2023	Movement in current period				30 June 2023
		Accrual	Withdrawal or reversal	Write-off	Others	
Provision for bad debts for accounts receivable	489,692		489,692			
Total	489,692		489,692			

(3) Accounts receivable details of the top 5 closing balances by debtors

Unit: RMB

Name	Accounts receivable closing balance	% of total balance	Provision for bad debts
Total balance of the five largest accounts receivables	35,178,427	100%	
Total	35,178,427	100%	

2、Other receivables

Unit: RMB

Item	30 June 2023	1 January 2023
Dividend receivable	129,077,200	375,057,800
Other receivables	2,620,795,204	1,994,373,982
Total	2,749,872,404	2,369,431,782

(1) Dividends receivable

1) Disclosed by categories

Unit: RMB

Item	30 June 2023	1 January 2023
Dividends receivable from subsidiaries	129,077,200	375,057,800
Total	129,077,200	375,057,800

(2) Other receivables

1) Other receivables categorized by nature

Unit: RMB

Nature of receivables	30 June 2023	1 January 2023
Due from related parties	2,495,577,727	1,870,622,635
Others	176,630,079	175,134,028
Total	2,672,207,806	2,045,756,663

2) Provision for bad debts

Unit: RMB

Bad debts	Stage 1	Stage 2	Stage 3	Total
	Expected credit losses in the following 12 months (grouping)	Lifetime expected credit losses (credit unimpaired)	Lifetime expected credit losses (credit impaired)	
Amount on 1 January 2023	82,681		51,300,000	51,382,681
Carrying amount on 1 January 2023 that in this period:				
Increase in current period	29,921			29,921
Amount on 30 June 2023	112,602		51,300,000	51,412,602

3) Disclosure by ages

Unit: RMB

Ages	30 June 2023
Within 1 year (including 1 year)	2,016,721,888
Over 1 year	655,485,918
Total	2,672,207,806

4) Provisions for bad debts accrued, collected or reversed in current period

Provision for bad debts accrued in current period:

Unit: RMB

Type	1 January 2023	Movement in current period				30 June 2023
		Accrual	Withdrawal or reversal	Write-off	Others	
Provision for bad debts of other receivables	51,382,681	29,921				51,412,602
Total	51,382,681	29,921				51,412,602

5) Other receivables details of the top 5 closing balances by debtors

Unit: RMB

Name of entity	Relationship with the Group	Amount	Ageing	% of total balance	Provision for bad debts
Company 1	Subsidiary	530,568,458	Within 1 year	20%	
Company 2	Subsidiary	263,946,590	Within 1 year	10%	
Company 3	Subsidiary	246,143,413	Within 1 year	9%	
Company 4	Subsidiary	203,072,111	Over 1 year	8%	
Company 5	Subsidiary	188,301,048	Within 1 year	7%	
Total		1,432,031,620		54%	

3、Long-term equity investments

Unit: RMB

Item	30 June 2023			1 January 2023		
	Carrying amount	Provision for impairment	Book value	Carrying amount	Provision for impairment	Book value
Investment in subsidiaries	8,852,769,867	15,000,000	8,837,769,867	7,853,487,027	15,000,000	7,838,487,027
Total	8,852,769,867	15,000,000	8,837,769,867	7,853,487,027	15,000,000	7,838,487,027

(1) Investments in subsidiaries

Unit: RMB

Investee	1 January 2023	Movement in current period				30 June 2023	Closing balance of impairment provision
		Increase in investment	Decrease in investment	Provision for impairment	Others		

			t	ent loss		
Chengdu CSG	151,397,763					151,397,763
Sichuan Energy Conservation Company	119,256,949					119,256,949
Tianjin Energy Conservation Company	247,833,327					247,833,327
Dongguan Engineering Company	198,276,242					198,276,242
Dongguan Solar Energy Company	355,120,247					355,120,247
Dongguan Photovoltaic Company	382,112,183					382,112,183
Yichang Silicon Material Company	909,960,170					909,960,170
Wujiang Engineering Company	254,401,190					254,401,190
Hebei CSG	266,189,705					266,189,705
CSG (Hong Kong) Co., Ltd.	87,767,304					87,767,304
Wujiang CSG	567,645,430					567,645,430
Jiangyou Sands Company	102,415,096					102,415,096
Xianning Float Company	181,116,277					181,116,277
Xianning Energy Saving Company	165,452,035					165,452,035
Qingyuan Energy Saving Company	885,273,105					885,273,105
Shenzhen CSG Financial Leasing Co., Ltd.	133,500,000					133,500,000
Shenzhen Display Company	550,765,474					550,765,474
Zhaoqing Energy Saving Company	150,000,000					150,000,000
Zhaoqing CSG Automotive Glass Co., Ltd.	116,047,333	27,254,920				143,302,253
Anhui Energy Company	1,300,000,000	133,427,920				1,433,427,920
Anhui Quartz Company	75,000,000					75,000,000
Anhui Silicon Valley Mingdu Mining Company	120,000,000					120,000,000
Shenzhen CSG Medical Company	20,000,000					20,000,000
Xi'an energy conservation company	41,365,000	31,600,000				72,965,000
Guangxi New Energy Materials Company	57,000,000	50,000,000				107,000,000
Nanbo (Suzhou) Corporate	30,000,000					30,000,000

Headquarters Management Co., Ltd.							
Shenzhen South Glass New Energy Industry Development Co., Ltd	120,000,000	720,000,000				840,000,000	
Others	250,592,197	37,000,000				287,592,197	15,000,000
Total	7,838,487,027	999,282,840				8,837,769,867	15,000,000

4、Operating income and operating costs

Unit: RMB

Item	H1 2023		H1 2022	
	Income	Cost	Income	Cost
Principal operation	833,033		15,479,200	15,015,892
Other operations	218,992,685		214,719,212	
Total	219,825,718		230,198,412	15,015,892

5、Investment income

Unit: RMB

Item	H1 2023	H1 2022
Investment income from long-term equity investment under cost method	1,680,533,152	648,961,128
Investment income from financial assets held for trading during the holding period		14,478,503
Income from term deposits	1,534,181	1,935,192
Total	1,682,067,333	665,374,823

XVII、SUPPLEMENTARY INFORMATION

1、Statement of non-recurring gains and losses

Applicable Not applicable

Unit: RMB

Item	Amount	Notes
Gains or losses on disposal of non-current assets	53,451	
Government grants recognized in profit or loss (except for grants that are closely related to the Company's business and are in amounts and quantities fixed in accordance with the national standard)	48,576,899	
Losses/gains from changes of fair values occurred in holding trading financial assets and trading financial liabilities, and investment income obtaining from the disposal of trading financial assets, trading financial liability and financial assets available-for-sale, excluded effective hedging business relevant with normal operations of the Company	1,534,181	
Reversal of provision for accounts receivable that are tested for credit loss individually	2,698,913	

Other non-operating income or expenses other than above	8,503,373	
Less :Influenced amount of income tax	8,958,077	
Influenced amount of minor shareholders' equity	1,168,728	
Total	51,240,012	--

Particulars about other gains and losses that meet the definition of non-recurring gains and losses:

Applicable Not applicable

It did not exist that other profit and loss items met the definition of non-recurring gains and losses.

Explanation of the non-recurring gains and losses listed in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public - Non-recurring Gains and Losses as recurring gains and losses

Applicable Not applicable

2、Return on net assets and earnings per share

The profit of reporting period	Weighted average return on net assets	Earnings per share	
		Basic earnings per share (RMB/share)	Diluted earnings per share (RMB/share)
Net profit attributable to ordinary shareholders of the Company	6.69%	0.29	0.29
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	6.30%	0.27	0.27

Board of Directors of
CSG Holding Co., Ltd.
29 August 2023