

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

ANNUAL REPORT 2024



【April 2025】

Section I. Important Notice, Contents and Interpretation

The Board of Directors, the board of supervisors, all directors, supervisors and senior executives of SHENZHEN CEREALS HOLDINGS CO., LTD. (hereinafter referred to as “the Company”) 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 reality, accuracy and completion of the whole contents.

Principal of the Company Wang Zhikai, Head of Accounting Lu Yuhe and Head of Accounting Institution (Accounting Supervisor) Lu Chengjun hereby confirm that the Financial Report of Annual Report 2024 is authentic, accurate and complete.

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

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

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

The profit distribution plan that was deliberated and approved by the Board Meeting is: based on total share capital of 1,152,535,254, distributed cash bonus of 1.50 yuan (tax inclusive) for every 10 shares, 0 share bonus issued (tax inclusive) and no transfer of capital reserve into share capital.

Content

Section I. Important Notice, Contents and Interpretation.....	2
Section II Company Profile and Main Financial Indexes.....	6
Section III Management Discussion and Analysis.....	11
Section IV Corporate Governance.....	30
Section V. Environmental and Social Responsibilities.....	49
Section VI. Important Events.....	51
Section VII. Changes in Shares and Particulars about Shareholders.....	77
Section VIII. Preferred Stocks.....	84
Section IX. Corporate Bonds.....	85
Section X. Financial Report.....	86

Documents Available for Reference

1. Text of financial statement with signature and seals of legal person, person in charge of accounting works and person in charge of accounting institution;
2. Original audit report with seal of accounting firm and signature and seal of the CPA;
3. Original and official copies of all documents which have been disclosed on *Securities Times*, *China Securities*, *Shanghai Securities Journal* and Juchao Website (www.cninfo.com.cn) in the reporting period;
4. Original copies of 2024 Annual Report with signature of the legal representative.

Interpretation

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

Section II Company Profile and Main Financial Indexes

I. Company information

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

II. Person/Way to contact

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

III. Information disclosure and preparation place

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

IV. Registration changes of the Company

Organization code	91440300192180754J
Changes of main business since listing (if applicable)	On February 18, 2019, the company completed the registration procedures of changes in industry and commerce for business scope and other matters. The main business has newly increased the modern food supply chain services such as grain & oil trading, processing, storage and logistics on the basis of production, research and development, and sales of food raw materials (ingredients) mainly focused on tea and natural plant deep processing.
Previous changes for controlling shareholders (if applicable)	<p>On September 10, 1999, Shenzhen Investment Management Co., Ltd. entered into the Equity Transfer Agreement of Shenzhen Shenbao Industrial Co., Ltd. with Shenzhen Agricultural Products Group Co., Ltd for 58,347,695 shares of the Company (35% in total shares of the Company) transfer to Shenzhen Agricultural Products Group Co., Ltd with price of RMB 1.95 per share. Shenzhen Agricultural Products Group Co., Ltd became the first majority shareholder of the Company after transfer and procedures for the above equity transfer has completed in June 2003.</p> <p>On April 3, 2018, Shenzhen Investment Holdings Co., Ltd. completed the transfer of all of its 79,484,302 A shares of the company to Fude Capital. After the completion of the equity transfer, Fude Capital directly holds 79,484,302 A shares of the company (16% of the company's original total share capital) and controls 19.09% shares of the company through Shenzhen Agricultural Products Group Co., Ltd. indirectly, becoming the controlling shareholder of the company.</p> <p>In 2018, the company implemented a major asset restructuring by issuing 655,752,951 A-shares to purchase 100% equity of Shenzhen Grain Group Co., Ltd. held by the controlling shareholder Fude Capital. On November 12, 2018, the above-mentioned issued shares were registered and listed, and the controlling shareholder Fude Capital (now renamed into "Shenzhen Agricultural Power Group Co., Ltd.") directly held 735,237,253 A-shares of the company (63.79% of the total share capital of the company), and indirectly held 8.23% of the company's shares through Shenzhen Agricultural Products Group Co., Ltd.</p>

V. Other relevant information

CPA engaged by the Company

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

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

Applicable Not applicable

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

Applicable Not applicable

VI. Main accounting data and financial indexes

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

Yes No

Reasons for retrospective adjustments or restatements

Business combinations under the same control

In RMB

	2024	2023		Changes in the current year over the previous year (+/-)	2022	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Operating revenue (RMB)	5,375,089,846.91	6,190,005,356.82	6,190,005,356.82	-13.17%	8,312,723,058.19	8,312,952,171.77
Net profit attributable to shareholders of the listed Company (RMB)	325,309,578.52	347,824,733.68	347,739,109.06	-6.45%	420,764,671.03	420,465,392.11
Net profit attributable to shareholders of the listed Company after deducting non-recurring gains/losses (RMB)	307,799,147.68	328,171,024.17	328,085,399.55	-6.18%	402,593,545.20	402,294,266.28
Net cash flow arising from operating activities (RMB)	-15,317,619.38	585,816,656.19	585,734,715.61	-102.62%	531,888,766.64	532,413,776.97
Basic earnings per share (RMB/Share)	0.2823	0.3018	0.3017	-6.43%	0.3649	0.3648
Diluted earnings per share (RMB/Share)	0.2823	0.3018	0.3017	-6.43%	0.3649	0.3648
Weighted average ROE	6.67%	7.26%	7.25%	-0.58%	8.96%	8.94%
	Year-end of 2024	Year-end of 2023		Changes in the current year over the previous year (+/-)	Year-end of 2022	
		Before adjustment	After adjustment	After adjustment	Before adjustment	After adjustment
Total assets (RMB)	7,714,550,508.01	7,398,528,190.94	7,402,926,251.19	4.21%	7,441,489,372.63	7,450,683,615.20
Net assets attributable to shareholder of listed company (RMB)	4,919,674,142.82	4,824,452,103.84	4,828,491,503.39	1.89%	4,763,122,059.40	4,767,188,755.69

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

Yes No

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

Yes No

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

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

Applicable Not applicable

In RMB

	Net profit		Net asset	
	Current amount	Last amount	Ending balance	Beginning balance
Under Chinese GAPP	325,309,578.52	347,739,109.06	4,919,674,142.82	4,828,491,503.39
Items and amount adjusted under IAS				
			1,067,000.00	1,067,000.00
Under IAS	325,309,578.52	347,739,109.06	4,920,741,142.82	4,829,558,503.39

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

Applicable Not applicable

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

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

Applicable Not applicable

VIII. Main financial index disclosed by quarter

In RMB

	Q 1	Q 2	Q 3	Q 4
Operating revenue	1,072,962,661.16	2,416,452,919.61	1,385,664,850.01	500,009,416.13
Net profit attributable to shareholders of the listed company	63,895,624.77	129,030,850.78	115,531,458.13	16,851,644.84
Net profit attributable to shareholders of the listed company after deducting non-recurring gains/losses	52,190,357.81	116,892,371.77	109,897,377.98	28,819,040.12
Net cash flow arising from operating activities	253,168,024.67	-158,531,444.41	427,972,407.50	-537,926,607.14

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

Yes No

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

Applicable Not applicable

In RMB

Item	2024	2023	2022	Note
Gains/losses from the disposal of non-current asset (including the written-off of accrued impairment provision of assets)	5,160,259.92	2,394,378.42	-3,470,850.06	
Governmental subsidies reckoned into current gains/losses (except for those with normal operation business concerned, and conform to the national policies & regulations and are enjoyed according to certain standard, and having a continuous impact on the company's gains/losses)	10,243,944.62	14,544,417.04	8,775,672.58	
Gains/losses arising from changes in fair value of financial assets and financial liabilities held by non-financial enterprises, as well as gains/losses from the disposal of financial assets and financial liabilities, except for effective hedging business related to the normal operation of the company.		182,701.67	18,546.91	
Gains/losses of assets delegation on others' investment or management	4,518,517.76	6,622,492.60	8,455,442.20	
Reversal of impairment provision of accounts receivable which are treated with separate depreciation test		679,204.22	881,986.09	
Net current gains/losses from the business combination under the same control in the period from the beginning of the period to the date of combination	92,048.86			
Other non-operating income and expenditure except for the aforementioned items	147,191.48	644,754.74	7,042,268.06	
Other gains/losses that meet the definition of non-recurring gains/losses	2,890,749.95		1,064,111.79	
Less: impact on income tax	5,545,407.55	5,027,939.98	4,583,525.90	
Impact on minority shareholders' equity (after-tax)	-3,125.80	386,299.20	12,525.84	
Total	17,510,430.84	19,653,709.51	18,171,125.83	--

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

Applicable Not applicable

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

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

Applicable Not applicable

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

Section III Management Discussion and Analysis

I. Industry of the Company during the reporting period

1. Basic information of the industry, development stage, cyclical characteristics, and the company's position in the industry

In the international market, multiple factors - including ample supply, weak downstream demand, shifts in cost-performance ratios among different grain types, and sluggish market sentiment - contributed to a downturn in global grain prices. The market prices of major cereals declined to varying degrees. According to data from the Chicago Board of Trade (CBOT) in 2014, wheat prices experienced a downward fluctuation, falling from 629 cents per bushel to 551 cents per bushel over the year, marking a year-on-year decrease of 12.4%; corn prices declined from 686 cents per bushel in January 2023 to 396 cents per bushel in August 2024 - a drop of 42% - before rebounding slightly to 458 cents per bushel by year-end, down 2.6% year-on-year; soybean prices fell steadily throughout the year, reaching their lowest level in nearly four years, dropping from 1,297 cents per bushel to 1,010 cents per bushel, representing a 22.2% year-on-year decline. International rice prices also retreated steadily from the peak at the beginning of the year, with India's relaxation of its rice export policy further accelerating the decline. By the end of the year, export prices for white rice from Thailand, Vietnam, and Pakistan had dropped from the initial range of USD 595-659 per tonne to USD 429-523 per tonne, representing year-on-year decreases of 20.6%, 22.1%, and 23.4%, respectively.

On the domestic front, China's grain output reached a new record high in 2024, surpassing 700 million tonnes for the first time. Despite the bumper harvest, prices of major grain varieties continued to decline. With ample domestic grain supply and sluggish consumption growth, combined with the downward pressure from international grain prices, purchase prices for wheat, corn, and rice remained relatively stable in the first half of the year but dropped significantly after the autumn harvest entered the market. To stabilize the market, the government implemented a series of regulatory measures. The minimum purchase price policy for rice was activated in four major producing provinces - Henan, Jiangsu, Heilongjiang, and Anhui. China Grain Reserves Group (Sinograin) expanded its procurement for wheat and corn reserves, while wheat and corn imports were curtailed to boost market confidence. Nevertheless, overall grain prices remained at relatively low levels. For rice, early and late indica rice purchase prices remained stable in the first half of the year. However, in the second half, early indica rice prices saw a slight decline, while late indica rice prices began to fall in August. For wheat, domestic prices continued their downward trend due to spillover effects from the international market. By the end of December, wheat purchase prices had dropped below RMB 2,400 per tonne to RMB 2,370 per tonne, returning to 2020 levels - a year-on-year decline of 16.7%. For corn, domestic prices mirrored international trends and began falling steadily from the second half of 2023. By the end of December, prices had fallen to RMB 1,931 per tonne, down 16.8% year-on-year, reaching levels last seen in the first half of 2020. For soybeans, domestic prices followed a similar trajectory to U.S. soybean prices. By the end of December, the average domestic price was RMB 4,031 per tonne, a year-on-year decrease of 20.5%. For edible vegetable oils, market performance was mixed. Rapeseed oil prices edged upward throughout the year, reaching an ex-factory price of RMB 9,411 per tonne by the end of December, a year-on-year increase of 10.4%. In contrast, soybean oil prices hovered at low levels, with an ex-factory price of RMB 8,141 per tonne, showing little change year-on-year. Peanut oil prices experienced a downward trend, with the ex-factory price falling to RMB 14,500 per tonne by the end of December, a year-on-year decrease of 9.4%.

(The above content is from the "2024 Grain and Oil Market Review and Future Outlook" released by the Grain and Material Reserve Bureau of Guangdong Province.)

2. The significant impact of newly released laws, administrative regulations, departmental rules, and industry policies on the industry

In February 2024, the Central Committee of the Communist Party of China and the State Council issued the Opinions on Drawing Lessons from the “Thousand Villages Demonstration and Ten Thousand Villages Renovation” Project to Effectively Advance Comprehensive Rural Revitalization (hereinafter referred to as the Opinions). This marks the 12th No. 1 Central Document since the 18th National Congress of the Communist Party of China, reaffirming the nation’s top-level commitment to addressing issues related to “agriculture, rural areas, and farmers”. The Opinions place ensuring national food security at the forefront of policy priorities, alongside the bottom-line goal of preventing large-scale reoccurrence of poverty. The document calls for the solid advancement of a new round of initiatives to increase grain production capacity by 50 billion kilograms, with a dual emphasis on stabilizing the sown area and increasing per-unit yield. It sets a clear target of maintaining annual grain output above 650 million tonnes (1.3 trillion jin). Additionally, the document advocates continued support for the development of high-yield, high-oil soybean varieties, the stabilization of minimum purchase prices for key staples such as wheat and rice, and the promotion of a broad perspective on agriculture and food security. To achieve these goals, the Opinions outline a series of concrete measures, including: Ensuring the production of grain and other key agricultural products; strictly enforcing farmland protection policies; enhancing agricultural infrastructure; strengthening the support of agricultural science and technology, and establishing a modern agricultural management system.

In summary, the 2024 policy document reflects the nation’s unwavering emphasis on food security and agricultural development. It underscores the importance of maintaining and strengthening the Party’s comprehensive leadership over rural affairs, aiming to build a strong agricultural sector. Drawing on the successful experience of the “Thousand Villages Demonstration and Ten Thousand Villages Renovation” initiative, the strategy provides a clear roadmap for stabilizing and boosting food production, thereby safeguarding China’s national food security.

II. Main businesses of the Company during the reporting period

Main business of the Company includes the wholesale and retail business, food processing and manufacturing business, leasing and commerce service business.

The wholesale and retail business are mainly rice, wheat, rice in the husk, corn, sorghum, cooking oil and other varieties of grain and oil as well as the sales of fine tea, beverage and condiment. During the reporting period, the company overcame many adverse factors such as decline in market demand and fluctuation of grain price, took multiple measures to ensure supply and stable supply, and continued to optimize the products, strengthen the brand and expand the market. Mainly supplied wheat, rice, corn, barley, sorghum and other raw grain to customers such as the industry’s large traders, feed processing and flour processing enterprises; mainly sold rice, flour, cooking oil, high-quality tea, beverages and other products to demand units and community residents.

Food processing and manufacturing business are mainly the processing and the technology research in aspect of flour, rice, cooking oil, tea and natural plant extracts, beverage and condiments etc. The company’s flour brands and products include “Jinchangman”, “Yingshanhong” and “Hongli” series bread flour; “Clivia” and “Canna” series tailored flour for cakes and steamed bun; “Sunflower” wheat flour for noodles and cookie flour; “Tianlvxiang” wheat flour for bread, refined flour and dumpling flour etc.; Rice products include “Shenliang Doximi”, “Guzhixiang”, “Gufengxianman”, “Runxiangliangpin”, “Hexiang” and “Taitai Fukou”. Cooking oil products include brands such as “Shenliang Fuxi”, “Shenliang Jinxi” and “Youtian”. Tea brands mainly include “Ju Fang Yong” tea; “Yichong” fresh extract, “Jindiao” instant tea powder and other tea deep-processed products, as well as “Shenbao” chrysanthemum tea, lemon tea, and “Cha Mi Xiang Qi” and other series of tea drinks. Condiments are mainly “Sanjing” oyster sauce and sauces. Several brands have formed product series, including “SZCH Yushuiqing” rice, noodles, oil, and coarse cereals series, “Jiaxi” rice & noodles series, “Jinchangman” noodles & oil series, “Black-faced Spoonbil” tea, rice, oil, drinking water, non-staple food and condiment series, etc., and the launch of Jinqiu tea wine continues to enrich the product structure.

The leasing and business service refers to providing the professional import & export trade, warehousing & storage, logistic & distribution, quality inspection & information technology services, property leasing and management, business operation management services for all kinds of clients in the upstream and downstream of the industrial chain, by using the advantage of brand reputation, operation service capacity and facility technology that accumulated in field of grain and oil market. Dongguan Shenliang gain logistics complex is a comprehensive grain distribution service body integrating five major functions: grain & oil terminal, transit reserve, testing & distribution, processing & production and market trading; The subsidiary Shenliang Quality Inspection was awarded as “Guangdong Shenzhen National Grain Quality Monitoring Station”. The subsidiary Shenliang Cold Chain provides cold chain of food storage and distribution services to the customers, and Shenliang Property is a professional assets management platform enterprise.

II. Core Competitiveness Analysis

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

1. Operation mechanism

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

2. Business model

The company deeply engages in segmenting the target market, provides diversified product supply services for customers in different areas of the industry chain, establishes a multi-level product supply network covering online and offline, and realizes the transformation of product supply to “remoteness, intelligentization, and self-service”. In terms of grain and oil trading services, the bulk commodity trading platform www.zglsjy.com.cn created by its subsidiary Hualian Company efficiently integrates business flow, logistics, and information flow, improves circulation efficiency, and provides spot listings, one-way bidding, basis price, financing, logistics, quality inspection, information and other services for internal business units, suppliers and customers. In terms of e-commerce, SZCH Doximi actively promotes the development of new grain retail formats such as “Internet + Grain” , and has opened channels on e-commerce platforms such as Tmall and Jingdong Mall so as to promote the deep integration of online and offline e-commerce platforms. In terms of group meal supply, its subsidiary SZCH Big Kitchen has established a one-stop distribution service

platform serving large end customers, providing high-quality and safe oil and grain services for group users such as enterprises, schools, and government institutions.

3. Information technology

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

4. R&D capabilities

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

5. Quality control

The company implements grain and oil quality standards that are higher than national standards. The subordinate Shenliang Quality Inspection has the leading grain and oil quality inspection technology and equipment in the domestic grain industry, and is included in the national grain quality supervision and inspection system. It was awarded the “Guangdong Shenzhen National Grain Quality Monitoring Station” by the State Administration of Grain and obtained the assessment certificate of agricultural product quality and safety inspection agency (CATL) and the qualification certificate of inspection agency (CMA) etc, and passed the certification of a number of testing capability items. Shenliang Quality Inspection lists pesticide residues, heavy metal pollutants, fungal toxins and other hygiene indicators as well as food taste indicators in the daily inspection indicators. It has the ability to detect four types of indicators of generic quality, storage quality, food security & quality and other four types of indicators of testing capacity. The detection capability can meet the relevant quality detection requirements of grain and oil products, and can accurately analyze the nutritional composition and hygienic indicators of the grain and determine its storage and edible quality. It has created the “digital laboratory” in the grain industry, real-time monitoring of the entire process of cuttings, testing, distribution, etc., relying on collaborative platforms to save, retrieve, integrate, analyze and share grain and oil testing data to achieve 100% coverage of grain & oil product inspection. Has the internationally recognized quality control system. Its subsidiary Shenbao Huacheng has established a quality control system recognized by large international food and beverage companies, and has successfully passed the quality certification of global suppliers of Coca-Cola, Lipton, Kraft, Suntory, and Nestlé.

6. Brand effect

The company was awarded the “Top 500 Service Enterprises in China”, “China’s Most Influential Grain & Oil Group”, “China Top Ten Grain and Oil Groups”, “China Top 100 Grain and Oil Enterprises”, “National Leading Enterprise Supporting Grain and Oil Industrialization”, “National Quality Benchmark” and “Top 10 Food Digital Technology Applications”. It has been selected as one of the “First Batch of National Emergency Food Security Enterprises”, “Top 100 Agricultural Industrialized Head Enterprises in China”, “Top 10 Head Enterprise in the Grain Industry” and “The National Demonstration Enterprise of Assured Gain & Oil Demonstration Project”, etc. It is the “Rice Bag” trusted by the public. Strengthen brand leadership, actively explore and cultivate excellent public brands, rely on quality to win recognition, reputation and market share, and form a series of high-quality grain and oil products centered on China Good Grain and Oil, Shenzhen Well-known Brands, and Shenzhen Products. The company owns well-known brands and platforms, such as “Shenzhen Flour”, “SZCH Duoxi”, “SZCH Yushuiqing”, “Big Kitchen”, “Shenbao Teabank”, “Ju Fang Yong”, “Cha Mi Xiang Qi”, “Sanjing”, “www.zglsjy.com.com”, and “doximi.com”.

IV. Main business analysis

1. Overview

In 2024, amid the downward trend in the grain and oil market, sluggish consumer demand, and shifts in policy environment, the company faced challenges head-on with resilience and determination. Through proactive efforts to expand revenue and reduce costs, the company continued to strengthen its core businesses, made meaningful progress in developing new business areas, and accelerated the resolution of legacy issues - achieving hard-won progress throughout the year. As of December 2024, the company’s total assets reached 7.715 billion yuan, with net assets attributable to shareholders of the listed company standing at 4.92 billion yuan. Its asset-liability ratio stood at a healthy 36.21%, positioning it among the top performers in the industry; the company recorded operating revenue of 5.375 billion yuan and total profits of 419 yuan million, with key financial indicators ranking favorably among listed grain enterprises. In 2024, the company received numerous accolades, including being named one of China’s Top 10 Grain and Oil Groups, winning the First Prize of the Science and Technology Award from the Chinese Cereals and Oils Association, and being listed among the Top 500 Enterprises in Guangdong Province. It was also recognized as a Key Leading Agricultural Enterprise in Guangdong and an Outstanding “Double Hundred Enterprise”. Moreover, the company successfully passed the national on-site verification for emergency grain supply enterprises and was approved to participate in the development of the Greater Bay Area Grain Emergency Supply Center.

(1) Main business development

In response to persistently weak demand in the grain and oil market in 2024, the company focused on identifying new “profit drivers”. First, it fulfilled its political responsibility of ensuring regional food security, achieving record-high reserve levels. Despite challenges such as significant price volatility and heavy storage tasks, the company optimized its warehouse layout and storage structure, completing its largest-ever rice reserve initiative with high quality and efficiency, thus reinforcing its reserve foundation. Second, the company accelerated the construction of its grain and oil supply chain, achieving notable progress in expanding trade operations. By rigorously implementing the “Ten Prohibitions” in trade activities, the company established a dedicated task force to comprehensively reform its trading system, building a “1+2+2” institutional framework. Senior executives led efforts to expand the customer base, while operating units actively engaged the market and deepened cooperation with leading industry players and partners across the value chain.

(2) Progress of key projects

Key projects are progressing at a faster pace, continuously enhancing the capacity of the grain, oil, and food supply chain. First, efforts are being made to ensure the high-quality construction and operation of the Shenshan storage facility. Dedicated personnel

have been dispatched to closely collaborate with the Municipal Development and Reform Commission to drive project development and operational research. A technical team has also been assigned to participate in the installation of electromechanical equipment and conduct studies on the facility's operational model. Second, the construction of the grain supply base in Northeast China is being actively promoted. A 49% minority stake in the Shuangyashan has been acquired, and the autumn grain procurement is being expedited. The new grain season has already seen the successful storage of harvested rice. Third, the Dongguan logistics hub is undergoing a functional upgrade. Expansion and reconstruction work on Berth No. 4, the belt corridor, and the CDE warehouse cleaning and screening project are being pushed forward. These efforts have helped generate over 100 million yuan in transshipment revenue. Fourth, the construction of the Wuyuan Smart Factory is progressing steadily. A new mixing machine has been installed, storage capacity for raw materials has been expanded, and infrastructure in the tea roasting area has been upgraded. These enhancements are expected to further optimize and improve overall production capacity.

(3) Other key works

First, efforts to accelerate technological innovation and foster new drivers of high-quality development have been intensified. Shenbao Huacheng has participated in the formulation of two industry standards, including those related to tea concentrate, and jointly completed the project *Key Technological Innovations and High-Value Applications of Biocatalysis in Tea Resources*, which was awarded First Prize at the Provincial Science and Technology Progress Awards. Through technological empowerment, the company procures nearly 10,000 tons of tea leaves annually from tea-producing regions, contributing to increased income and prosperity for local tea farmers. A quality inspection company has been recognized as the only institution in Guangdong Province among the first batch of national grain and oil standards verification and testing workstations. It has successfully passed the reassessment by the agricultural product quality and safety testing authorities, with 311 indicators certified under CATL and 682 under CMA. In addition, the release of the *Technical Specifications for Emergency Rice Reserve Preservation in Shenzhen* has filled a gap in the city's local standards.

Second, efforts have been intensified to strengthen and standardize corporate governance, with multiple measures implemented to advance high-quality development. Revisions were made to systems such as the *Independent Director Policy of SZCH*, promoting the implementation of independent director system reforms. The company optimized its organizational structure and assessment models, enhanced the compensation and performance evaluation system, adjusted the ratio of fixed to variable pay to improve market competitiveness, and enforced a mandatory performance rating distribution system. Financial management efficiency continued to be demonstrated, with centralized fund management effectively reducing costs and enhancing efficiency to the greatest extent possible. Contract management was further standardized and improved through the comprehensive revision of the *Contract Management Policy*, which clarified approval authorities and procedures for various business matters and contract types. A standardized contract repository was systematically enhanced, and risk control was strengthened across multiple dimensions, significantly improving contract review efficiency. Project management was strengthened with the launch of an engineering project management information system. Cost control measures were reinforced by reviewing project costs and setting reasonable bid ceiling prices, thereby reducing construction expenses. Safety production management was also enhanced through the implementation of the "Three Managements and Three Musts" principle, reinforcing the primary responsibility for workplace safety and intensifying supervision and inspection efforts. The company formulated and launched the *2024 Fire Safety Comprehensive Rectification Action Plan of SZCH*, conducting thorough inspections and rectifications of general hazards. Internal lean management was promoted by advancing special initiatives to defuse risks and maintain social stability. Overall, the situation in petition-related work remained stable.

2. Operating revenue and cost

(1) Component of operating revenue

In RMB

	2024		2023		YoY Increase/decrease (+/-)
	Amount	Ratio in operating revenue	Amount	Ratio in operating revenue	
Total operating revenue	5,375,089,846.91	100%	6,190,005,356.82	100%	-13.17%
By industries					
Wholesale and retail	3,547,023,210.68	65.99%	4,466,378,701.20	72.15%	-20.58%
Leasing and business services	1,029,137,510.95	19.15%	967,047,827.95	15.62%	6.42%
Manufacturing	798,929,125.28	14.86%	756,578,827.67	12.22%	5.60%
By products					
Grain & oil trading and processing	3,999,373,911.19	74.41%	4,954,330,328.57	80.04%	-19.28%
Grain & oil storage logistics and services	856,190,020.28	15.93%	847,768,124.02	13.70%	0.99%
Food, beverage and tea processing	346,578,424.77	6.45%	268,627,200.30	4.34%	29.02%
Leasing and others	172,947,490.67	3.22%	119,279,703.93	1.93%	44.99%
By region					
Domestic market	5,342,106,430.30	99.39%	6,150,511,661.23	99.36%	-12.70%
Overseas market	32,983,416.61	0.61%	39,493,695.59	0.64%	-86.07%
By sale model					
Direct sale	5,375,089,846.91	100.00%	6,190,005,356.82	100.00%	-13.17%

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

☉ Applicable ☐ Not applicable

In RMB

	Operating revenue	Operating cost	Gross profit ratio	YoY increase/decrease of operating revenue	YoY increase/decrease of operating cost	YoY increase/decrease of gross profit ratio
By industry						
Wholesale and retail	3,547,023,210.68	3,439,103,716.33	3.04%	-20.58%	-18.86%	-2.06%
By products						
Grain & oil trading and processing	3,999,373,911.19	3,888,317,295.08	2.78%	-19.28%	-17.75%	-1.79%
By region						
Domestic market	5,342,106,430.30	4,456,647,718.46	16.58%	-13.14%	-14.28%	1.11%
By sale model						
Direct sale	5,375,089,846.91	4,479,001,434.83	16.67%	-13.17%	-14.34%	2.96%

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

● Applicable ☉ Not applicable

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

☉ Yes ☐ No

Industries	Item	Unit	2024	2023	YoY increase/decrease (+/-)
Wholesale and retail	Sales volume	Ton	1,397,429.10	1,577,925.32	-11.44%
	Output	Ton			

	Storage	Ton	1,346,900.95	1,073,790.95	25.43%

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

Applicable Not applicable

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

Applicable Not applicable

(5) Component of operation cost

Classification of industries

In RMB

Industries	Item	2024		2023		YoY increase/decrease (+/-)
		Amount	Ratio in operation cost	Amount	Ratio in operation cost	
Wholesale and retail industry	Raw materials	3,439,103,716.33	76.78%	4,238,501,198.60	81.06%	-18.86%

Explanation

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

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

Yes No

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

Applicable Not applicable

(8) Major clients and main suppliers

Major clients of the Company

Total sales volume of top five clients (RMB)	1,434,463,754.31
Proportion in total annual sales volume for top five clients	26.69%
Proportion in total annual sales volume for related sales among top five clients	0.00%

Top five clients of the Company

SN	Name	Sales volume (RMB)	Proportion in total annual sales volume
1	Client I	784,936,300.63	14.60%
2	Client II	188,289,697.83	3.50%
3	Client III	166,970,723.08	3.11%
4	Client IV	155,093,808.85	2.89%
5	Client V	139,173,223.92	2.59%
Total	--	1,434,463,754.31	26.69%

Other explanation on main clients

● Applicable ☉ Not applicable

Main suppliers of the Company

Total purchase amount from top five suppliers (RMB)	1,568,093,186.67
Proportion in total annual purchase amount for top five suppliers	34.34%
Proportion in total annual purchase amount from related purchase among top five suppliers	0.00%

Top five suppliers of the Company

SN	Name	Sum of purchase amount (RMB)	Proportion in annual sum of purchase amount
1	Supplier I	802,886,503.70	17.25%
2	Supplier II	197,620,468.07	4.25%
3	Supplier III	213,657,805.21	4.59%
4	Supplier IV	207,467,699.60	4.46%
5	Supplier V	176,993,461.04	3.80%
Total	--	1,568,093,186.67	34.34%

Other explanation on main suppliers

● Applicable ☉ Not applicable

3. Expenses

In RMB

	2024	2023	YoY increase/decrease (+/-)	Note of major changes
Sales expenses	149,810,329.96	176,429,835.98	-15.09%	Mainly due to the decline in the revenue from the grain and oil trading business, and the year-on-year decrease of related sales expenses.
Administration expenses	168,245,200.59	213,065,091.64	-21.04%	Mainly due to the decrease in salary expenses
Financial expenses	32,678,246.41	40,062,827.89	-18.43%	Mainly due to the decrease in the average annual borrowing balance. At the same time, the market Loan Prime Rate (LPR) has been lowered several times, the decrease in interest expenses
R&D expenses	25,208,644.43	20,045,364.68	25.76%	Mainly due to the increase in the company's R&D investment

4. R&D investment

☉ Applicable ● Not applicable

Projects	Purpose	Progress	Goals to be achieved	Expected impact on the future development of the Company
----------	---------	----------	----------------------	--

Phase II of the Reserve Grain and Oil Management Platform (Idle Period Management System)	To enhance the digital supervision of reserve grain and oil, and to effectively coordinate and utilize idle periods while managing inventory levels on a daily basis.	Completed	A system-wide platform for data and information sharing has been established, enabling one-click report generation, real-time display of idle periods, and visualization of warehouse information. This serves as a key internal tool for managing reserves.	The initiative has significantly improved the company's digital capabilities in reserve management, enhanced data quality and governance, and strengthened oversight of grain and oil reserves.
Data Middle Platform Project	To strengthen the company's data governance and regulatory capabilities by addressing pain points stemming from a lack of unified standards and centralized management.	Completed	Focused on building a foundational structure for business data collection, storage, governance, and classification. Efforts have been made to enhance data regulation and governance, laying the groundwork for standardized data management.	The data middle platform now provides a unified data source for business operations, decision-making, and customer analysis, thereby supporting future business development, regulatory compliance, and improved customer service.
Performance Evaluation and Scoring System	By leveraging information technology, the company has developed an efficient, scientific, and user-friendly system for assessing performance across all headquarters departments in a comprehensive, objective, and fair manner.	Completed	The system has improved both the efficiency and accuracy of performance evaluations, offering valuable data analysis to support management's strategic decision-making. This, in turn, contributes to sustainable development by strengthening human resource management.	The initiative enhances the level of performance evaluation, boosts internal operational efficiency, and supports high-quality development through digital and intelligent human resources management.
Smart Grain Depot Construction Project	To meet regulatory requirements for reserve supervision and achieve seamless access to "video surveillance," "grain condition monitoring," and "data integration."	Completed	Smart equipment and software have been deployed at depots such as Pingshan and Shuguang, enabling automated collection of grain conditions, video footage, and data. This allows for transparent and thorough supervision of grain and oil reserves.	The project has improved the company's compliance and standardization in reserve management.

R&D personnel

	2024	2023	Increase (+)/Decrease (-)
Number of R&D personnel	117	144	-18.75%
Ratio of number of R&D personnel	10.00%	11.86%	-1.86%
Education background			
Undergraduate	55	60	-8.33%
Master	34	33	3.03%
Age composition			
Under 30	41	34	20.59%
30~40	42	65	-35.38%

R&D investment

	2024	2023	Increase (+)/Decrease (-)
R&D investment (RMB)	52,099,502.14	54,614,733.25	-4.61%
Ratio of R&D investment in operating revenue	0.97%	0.88%	0.09%
Capitalization of R&D investment (RMB)	0.00	0.00	0.00%
Ratio of capitalization of R&D investment in R&D investment	0.00%	0.00%	0.00%

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

5. Cash flow

In RMB

Item	2024	2023	YoY Increase (+)/Decrease (-)
Subtotal of cash inflow from operation activity	6,009,744,381.86	6,705,117,606.34	-10.37%
Subtotal of cash outflow from operation activity	6,025,062,001.24	6,119,382,890.73	-1.54%
Net cash flow arising from operating activities	-15,317,619.38	585,734,715.61	-102.62%
Subtotal of cash inflow from investment activity	442,392,843.77	1,575,902,755.32	-71.93%
Subtotal of cash outflow from investment activity	451,195,262.84	1,690,621,094.50	-73.31%
Net cash flow from investment activity	-8,802,419.07	-114,718,339.18	92.33%
Subtotal of cash inflow from financing activity	3,395,816,991.96	1,931,277,809.13	75.83%
Subtotal of cash outflow from financing activity	3,449,612,888.56	2,231,395,012.46	54.59%
Net cash flow arising from financing activity	-53,795,896.60	-300,117,203.33	82.08%
Net increased amount of cash and cash equivalent	-77,810,324.25	174,491,378.52	-144.59%

Describe reasons for major YoY changes of relevant data

Applicable Not applicable

(1) The cash inflow from operating activities in current period decreased by 10.37% YOY, mainly because the revenue from grain and oil trade of the company decreased, resulting in a decrease in cash inflow, as the market demand for oil and grain went down;

(2) The net cash flow from operating activities in current period was negative compared with that positive in same period last year, mainly caused by the weakening demand in the grain and oil market, which has led to a decline in the company's grain and oil trading revenue. Besides, it was due to the increase in the company's grain and oil inventory at the end of the period.

(3) The cash inflow from investment activities in current period reduced by 71.93% YOY, mainly due to the year-on-year decrease in the company's use of idle funds to purchase financial products/certificates of deposit this year. As a result, the redemption of matured financial products/ certificates of deposit reduced YOY, leading to a reduction in cash inflows.

(4) The cash outflow from investing activities in current period decreased by 73.31% YOY, mainly because the idle funds used by the company to purchase financial products/certificates of deposit this year reduced YOY, resulting in a reduction in cash outflows.

(5) The cash inflow from financing activities in the current period increased by 75.83%YOY, mainly because the company used more funds to procedure grain and oil and the working capital loans went up.

(6) The cash outflow from financing activities in the current period increased by 54.59% YOY, mainly because the company increased its temporary working capital loans, resulting in an increase in the corresponding loan repayment expenditures. The increase ratio was consistent with the cash inflow from financing activities.

(7) The net increase in cash and cash equivalents has turned from positive to negative compared with that in the same period last year, mainly due to the increase in the company's payments for grain and oil procurement.

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

Applicable Not applicable

V. Analysis of non-main business

Applicable Not applicable

In RMB

	Amount	Ratio in total profit	Description of formation	Sustainable or not(Y/N)?
Investment income	3,416,742.97	0.81%	Mainly financial management income	
Asset impairment	-102,359,076.35	-24.41%	Mainly due to inventory fall provision	
Non-operating income	608,747.13	0.15%		
Non-operating expense	603,979.68	0.14%		

VI. Analysis of assets and liabilities

1. Major changes of assets component

In RMB

	Year-end of 2024		Year-begin of 2024		Ratio changes	Notes of major changes
	Amount	Ratio in total assets	Amount	Ratio in total assets		
Monetary fund	168,199,291.23	2.18%	240,740,787.28	3.25%	-1.07%	Mainly payment by the company to purchase grain and oil
Account receivable	235,789,565.91	3.06%	179,828,493.98	2.43%	0.63%	
Inventory	4,044,998,642.52	52.43%	3,458,443,989.04	46.72%	5.71%	Mainly due to the increase in inventory of grain and oil.
Investment real estate	302,075,246.75	3.92%	263,597,031.89	3.56%	0.36%	
Long-term equity investment	45,356,888.44	0.59%	74,008,926.48	1.00%	-0.41%	
Fixed assets	2,009,520,283.95	26.05%	2,171,997,328.52	29.34%	-3.29%	Mainly due to the transfer of some fixed assets leased to investment properties.
Construction in progress	39,312,847.70	0.51%	51,288,301.16	0.69%	-0.18%	
Right-of-use assets	115,258,040.17	1.49%	56,933,148.16	0.77%	0.72%	
Short-term loans	1,484,605,101.05	19.24%	1,223,462,519.16	16.53%	2.71%	Mainly due to increase in short-term bank borrowings the satisfy the needs of the

						company for operating capital
Contract liability	126,590,458.95	1.64%	86,566,253.73	1.17%	0.47%	
Lease liability	78,084,500.76	1.01%	37,744,951.74	0.51%	0.50%	

Foreign assets account for a relatively high proportion

Applicable Not applicable

2. Assets and liabilities measured at fair value

Applicable Not applicable

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

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

Item	Ending balance in current period	Ending balance in last period
Guarantee deposit		1,800,000.00
Letter of credit deposit	3,245,714.29	691,708.31
Litigation related freezing	6,018,240.07	2,973,129.00
Total	9,263,954.36	5,464,837.31

VII. Investment analysis

1. Overall situation

Applicable Not applicable

Investment in reporting period (RMB)	Investment in the same period of last period (RMB)	Changes (+/-)
98,127,483.25	80,361,097.00	22.11%

2. The major equity investment obtained in the reporting period

Applicable Not applicable

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

Applicable Not applicable

4. Financial assets investment

(1) Securities investment

Applicable Not applicable

In RMB

Variety of securities	Code of securities	Short form of securities	Initial investment cost	Accounting measurement model	Book value at the beginning of the period	Changes in fair value of the current profit and loss	Cumulative fair value changes in equity	Current purchase amount	Current sales amount	Profit and loss in the Reporting Period	Book value at the end of the period	Accounting subject	Capital Source
Domestic and overseas stock	000017	Zhonghua-A	0.00	Fair value measurements	1,122,347.85				3,246,197.15	2,123,849.30	0.00	Tradable financial assets	Debt rescheduled shares
Total			0.00	--	1,122,347.85	0.00	0.00	0.00	3,246,197.15	2,123,849.30	0.00	--	--

(2) Derivative investment

Applicable Not applicable

The Company has no derivatives investment in the Period

5. Application of raised proceeds

Applicable Not applicable

There was no use of raised funds during the reporting period of the company.

VIII. Sales of major assets and equity**1. Sales of major assets**

Applicable Not applicable

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

2. Sales of major equity

Applicable Not applicable

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

Applicable Not applicable

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

In RMB

Company name	Type	Main business	Register capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Shenzhen Cereals Group	Subsidiary	Grain & oil trading process	153,000,000.00	7,034,025,779.20	2,999,570,153.98	4,857,830,822.61	290,237,727.36	194,195,618.46

Co., Ltd		ng, grain and oil reserve service						
Shenzhen Hualian Grain and Oil Trading Co., Ltd.	Subsidiary	Grain & oil trading	300,000,000.00	1,241,378,439.25	174,502,485.89	1,316,282,505.75	41,636,223.07	45,261,401.04
Dongguan Shenliang Logistics Co., Ltd.	Subsidiary	Grain & oil trading processing, warehouse, and logistics	298,000,000.00	2,949,449,691.97	420,479,909.71	1,112,176,887.36	55,831,332.34	49,327,307.77

Particular about subsidiaries obtained or disposed in reporting period

Applicable Not applicable

Explanation on main holding/stock-jointly companies:

Shenzhen Cereals Group Co., Ltd: Business scope: general business items: grain and oil purchase and sales, grain and oil storage; grain and oil and products management and processing (operated by branches); operation and processing of feed (operated by outsourcing); investment in grain and oil, feed logistics projects; establishing grain and oil and feed trading market (including e-commerce market) (market license is also available); storage (operated by branches); development, operation and management of free property; providing management services for hotels; investing and setting up industries (specific projects are separately declared); domestic trade; engaging in import and export business; E-commerce and information construction; and grain circulation service. Licensed business items: the following projects shall be operated only with the relevant examination and approval documents if they are involved in obtaining approval: information services (internet information service only); general freight, professional transport (refrigerated preservation). Register capital is 1,530,000,000.00 yuan. As of the end of current period, total assets reached 7,034,025,779.20 yuan, and net assets amounted to 2,999,570,153.98 yuan, and shareholders' equity attributable to parent company was 2,791,831,945.11 yuan; in the reporting period, the operation revenue, net profit and net profit attributable to shareholder of parent company were 4,857,830,822.61 yuan, 194,195,618.46 yuan and 171,228,129.98 yuan respectively.

Shenzhen Hualian Grain and Oil Trading Co., Ltd.: Business scope: general business items: domestic trade (except for projects that laws, administrative regulations, and decisions of the State Council require approval before registration); engaging in import and export business (except for projects prohibited by laws, administrative regulations, and decision of the State Council, restricted projects can be operated only after obtaining permission); online feed sales; information consultation, self-owned housing leasing (excluding talent agency services and other restricted items); international freight forwarding, domestic freight forwarding (can only be operated after being approved by the transport department if laws, administrative regulations, State Council decision require the approval of transport department); Licensed business items: following items shall be operated only with the relevant examination and approval documents if they are involved in obtaining approval: purchase and sale of grain and oil, online sales of grain and oil; information service business (internet information service business only). Register capital is 100,000,000.00 yuan. As of the end of current period, total assets reached 1,241,378,439.25 yuan, and net assets amounted to 174,502,485.89 yuan, and shareholders' equity attributable to parent company was 174,502,485.89 yuan; in the reporting period, the operation revenue, net profit and net profit attributable to shareholder of parent company were 1,316,282,505.75 yuan, negative 45,261,401.04 yuan and negative 44,920,120.22 yuan respectively.

Dongguan Shenliang Logistics Co., Ltd. Business scope: General business items: Container and bulk cargo storage and other supporting services; Container and bulk cargo transportation; Production: food (grain and oil), feed and feed additives; Grain procurement; Wholesale and retail: prepackaged food (grain and oil), bulk food (grain and oil), feed and feed additives; Port operations, loading and unloading of steel and general cargo at ports; Road freight transportation; Water transportation, water transportation services; Grain and oil storage; Internet Information Services; Technical services for grain, oil, and feed quality inspection; hotel management; Industrial investment; Market operation management; Supply chain management services; International freight forwarding, domestic freight forwarding; Customs declaration agency and inspection agency; Property management and leasing; Import and export of goods and technology. Projects that require approval according to law can only be operated with the approval of relevant departments. Its registered capital is 2,980,000.00 yuan. As of the end of current period, total assets reached 2,949,449,691.97 yuan, and net assets amounted to 420,479,909.71 yuan, and shareholders' equity attributable to parent company was 420,479,909.71 yuan; in the reporting period, the operation revenue, net profit and net profit attributable to shareholder of parent company were 1,112,176,887.36 yuan, 49,327,307.77 yuan and 49,327,307.77 yuan respectively.

X. Structured vehicle controlled by the Company

Applicable Not applicable

XI. Prospects on future development

1. Development trend and competition layout of the industry

At present, the domestic grain and oil trade, processing, and logistics industries are full-circulation sectors, with high degree of marketization, numerous participating companies and fierce competition. Central enterprises and large local grain enterprises have relatively complete warehousing and logistics facilities, and enjoy a number of national policies; in recent years, a large number of outstanding national and regional private grain enterprises have come to the fore; with the development of China's grain marketization, foreign grain enterprises have emerged in our country's grain market, and further intensified the competition in the grain and oil industry by relying on abundant resources, strong financial strength and mature management experience. The grain industry in Shenzhen is developing vigorously, there are many grain and oil processing enterprises with a certain scale and many small and medium-sized enterprises in the area, with the advancement of the "dual-zone construction", the population of cities in the Pearl River Delta has increased, and people's living standards have improved, the competition in the food market is orderly and unprecedentedly fierce.

2. The company's development strategy

During the 14th Five-Year Plan, the Company will focus on the main business of grain, oil and food, conform to the country's new development requirements for the grain industry, i.e. "agriculture head and industry tail", "grain head and food tail", "three chains integration", etc., seize the major historical opportunities of current significant historical opportunities such as the construction of the Guangdong - Hong Kong - Macao Greater Bay Area and the construction of the Shenzhen Pilot Demonstration Area, and innovate the development strategy of "one chain, two parks and N platforms", to build a regional leading "grain eastern and southern coastal logistic corridor" with "high-quality grain source base + regional comprehensive park + urban distribution center" and create a national first-class "smart grain, oil and food supply chain quality service providers".

3. Operation plan for the year of 2025

In 2025, SZCH will earnestly implement the guiding principles of the 20th National Congress of the Communist Party of China and the Third Plenary Session of the 20th CPC Central Committee. Based on the functional positioning of state-owned grain enterprises, the company will focus on operational development while fully carrying out its political responsibility for safeguarding national food security and its duty to preserve and enhance the value of state-owned assets. The company will prioritize the following key tasks:

First, it will consolidate its core business in grain, oil, and food by improving the quality and effectiveness of reserve operations and supply assurance capabilities, while steadily developing the foundation of grain and oil storage and trade. Efforts will be made to optimize the supply chain service system and establish a high-performing, well-integrated, and high-quality industrial chain.

Second, SZCH will focus on both internal and external coordination to cultivate new drivers of business growth. The company will further tap into the potential of its high-quality assets, strengthen and specialize its tea deep-processing segment, and refine the transformation of its Dongguan Logistics operations. Each business unit will actively explore diverse opportunities to expand business volume; by leveraging external resources and capitalizing on its foundational strengths in the grain, oil, and food sectors, the company aims to expand into diversified and high value-added business areas.

Third, the company will accelerate the systematic development of its brand strategy. Efforts will be made to coordinate the brand matrix, enhance brand identity, and deepen brand connotation, with a strong focus on elevating brand influence; the company will also expand end-market channels, cultivate flagship products, and strengthen competitiveness and market presence.

Fourth, the company will remain committed to deepening reforms and unleashing internal vitality. It will reinforce strategic leadership, coordinate short-term development goals with long-term strategies, and enhance the systemic, holistic, and synergistic nature of corporate reforms; the company will continue to improve its performance evaluation system to increase efficiency and drive internal motivation.

Fifth, the company will comprehensively strengthen risk prevention and firmly uphold compliance standards. The company will focus on balancing reserve expansion with storage capacity, capital flow, and market supply and demand. In support of the reform of performance-linked compensation, unified financial management will be implemented; it will continue to improve its internal control system and enhance legal risk prevention; a dual-prevention system for workplace safety and food safety will be further developed, along with robust public communication and petition response mechanisms, to ensure overall safety and social stability; efforts will also be made to revitalize underperforming existing assets, deepen the reform of loss-making subsidiaries, and advance the disposal of “non-core businesses and non-performing assets”, thereby unlocking more resources and potential to better focus on core operations and competitive strengths; the company will also continue to promote strategic collaboration with Shenzhen Agricultural Power Group in areas such as industrial integration, business synergy, and channel sharing, with the goal of achieving mutual growth and development.

4. Potential risks and mitigation measures:

(1) Risk of price fluctuations in grain and oil trading

Ongoing geopolitical uncertainties such as the Russia-Ukraine conflict, tensions in the Middle East, extreme weather events, and international trade disputes have led to significant fluctuations and structural disparities in grain and oil prices both domestically and internationally. These risks may impact the company’s profitability and could result in fluctuations in the value of inventories.

To mitigate these risks, the company will enhance its market forecasting capabilities, establish strategic partnerships, implement refined procurement and sales management, strengthen internal coordination, and optimize its product portfolio in a targeted manner. These efforts aim to reduce the adverse impacts of grain and oil price volatility on the company’s operations.

(2) Food safety risks

“Quality safety” is the lifeline for the sustainable development of enterprises, and food safety is an inviolable red line. Regulatory authorities have promulgated a series of regulations and systems from top to bottom targeting food safety hazards, corporate responsibilities, production management compliance, quality safety inspections, and risk monitoring and control, aiming to implement the requirements of “the four strictest supervision of food safety”. Based on the diversified development of current product categories and business formats, the company has issued the “SZCH Food Quality Safety Management Measures”, covering grain and non-grain food categories and their key business processes, to align with the existing company’s business model and

diversified product quality management. This system, serving as the superior system for the company's food safety management, fills the gaps in previous system levels, clarifies key position responsibilities, strengthens supervision over key processes, and refines and standardizes daily food quality safety management work from five aspects: on-site inspection checklists, enterprise self-inspection reporting, training drill records, product information ledger, ensuring that food products meet quality standards, hygiene standards, and relevant regulatory requirements.

(3) Risk of intensified market competition

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

In response to possible market and business risks, firstly, the company makes overall plans for annual procurement, carefully optimizes procurement channels, and ensures sufficient grain supply and orderly supply. Secondly, the company continues to strengthen communication with upstream and downstream customers in the industry chain, vigorously expands sales channels, focuses on customer needs, deepens brand and service, and enhances the company's brand value and competitiveness. Thirdly, promote brand building, strengthen brand communication and cooperation within the industry, explore high-quality brand element resources, create unified brand application standards, and gradually establish brand advantages.

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

☞Applicable ☐Not applicable

Reception time	Reception place	Reception mode	Reception object type	Reception Object	Main content talked about and materials provided	Index of basic situation of research
May 8, 2024	Online Value www.ir-online.cn	Network platform online communication	Other	All investors	2023 annual performance briefing	For details, please refer to the "Investor Communication Record Form of the Company's 2022 Annual Performance Explanation Meeting" disclosed on Juchao Website (www.cninfo.com.cn) on May 8, 2024
November 12, 2024	VIP room on the 13 th floor of the company	Spot investigation	Institution	E Fund Investment, CITIC Securities	The company's business operation, dividend distribution, the impact of fluctuations in grain and oil prices on the company's performance, and the company's corresponding countermeasures, etc.	For details, please refer to the "Company Investor Relations Activity Record Form" disclosed on Juchao Website (www.cninfo.com.cn) on November 12, 2024

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

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

Yes No

Whether the company disclosed the valuation enhancement plan or not?

Yes No

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

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

Yes No

Section IV Corporate Governance

I. Corporate governance of the Company

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

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

The Company received no relevant documents with administrative regulation concerned from regulatory authorities in reporting period, and has no particular about rectification within a time limit. From point of the Board, corporate governance of the Company shows no difference to requirement from relevant documents with actual condition.

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

Yes No

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

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

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

1. Independent Business:

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

2. Independent Staff:

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

3. Independent Assets:

The Company has independent and integrity asset structure; There is no situation where funds or assets of the company are occupied

by controlling shareholders for non-operational purposes.

4. Independent Organization:

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

5. Financial Independence:

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

III. Horizontal Competition

Applicable Not applicable

IV. Annual shareholders' general meeting and extraordinary shareholders' general meeting held during the reporting period

1. Annual General Meeting in the reporting period

Ordinal number of meetings	Type	Ratio of investor participation	Date	Date of disclosure	Resolutions
The 1 st extraordinary general meeting of shareholders of 2024	Extraordinary general meeting of shareholders	72.13%	2024-01-09	2024-01-10	Resolutions of the 1 st Extraordinary General Meeting of Shareholders of 2024 (Notice No. 2024-02) disclosed on Juchao Website(www.cninfo.com.cn) on January 10, 2024
Annual General Meeting of 2023	AGM	72.14%	2024-05-07	2024-05-08	Resolutions of the Annual General Meeting of 2023 (Notice No. 2024-15) disclosed on Juchao Website(www.cninfo.com.cn) on May 8, 2024
The 2 nd extraordinary general meeting of shareholders of 2024	Extraordinary general meeting of shareholders	72.27%	2024-11-14	2024-11-15	Resolutions of the 2 nd Extraordinary General Meeting of Shareholders of 2024 (Notice No. 2024-26) disclosed on Juchao Website(www.cninfo.com.cn) on November 15, 2024

2. Request for extraordinary general meeting by preferred stockholders whose voting rights are restored

Applicable Not applicable

V. Directors, supervisors and senior executives

1. Basic information

Name	Gender	Age	Title	Working status	Start dated of office term	End date of office term	Shares held at period-begin (share)	Number of shares increased in current period (share)	Number of shares decreased in current period (share)	Other changes (share)	Shares held at period-end (share)	Reasons for increase or decrease of shares
Wang Zhikai	Male	53	Party Secretary, Chairman of BOD	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Gu Cheng	Male	51	Director	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Zhang Guoyuan	Male	51	Director	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Zheng Xiangpeng	Male	49	Deputy Party Secretary, Director	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Lu Yuhe	Female	47	Director, CFO	Currently in office	2021-08-02	2026-11-03	0	0	0	0	0	-
Zhao Rubing	Male	68	Independent director	Currently in office	2019-02-21	2026-11-03	0	0	0	0	0	-
Bi Weimin	Female	68	Independent director	Currently in office	2019-02-21	2026-11-03	0	0	0	0	0	-
Liu Haifeng	Male	53	Independent director	Currently in office	2019-02-21	2026-11-03	0	0	0	0	0	-
You Hongxia	Female	53	Supervisor	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Liu Xinqing	Female	52	Supervisor	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Zheng Shengqiao	Male	57	Deputy Party Secretary, employee supervisor	Currently in office	2019-02-21	2026-11-03	0	0	0	0	0	-
Ma Zenghai	Male	60	Employee supervisor	Currently in office	2019-02-21	2026-11-03	0	0	0	0	0	-
Chen Xiaohua	Male	58	Member of the Party Committee, Deputy GM, and Secretary of the Board of Directors	Currently in office	2020-08-24	2026-11-03	0	0	0	0	0	-
Shen Hua	Male	49	Member of the Party Committee, Deputy GM	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Xiao Hui	Male	46	Member of the Party Committee, Deputy GM	Currently in office	2020-02-28	2026-11-03	0	0	0	0	0	-
Du Jianguo	Male	51	Member of the Party Committee, Deputy GM	Currently in office	2023-11-03	2026-11-03	0	0	0	0	0	-
Hu Xianghai	Male	60	Deputy Party Secretary, Director, GM	Leaving office	2019-02-21	2024-11-27	0	0	0	0	0	-
Total	--	--	--	--	--	--	0	0	0	0	0	--

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

Yes No

1. On November 17, 2024, the board of directors of the company received a written resignation report submitted by Mr. Hu Xianghai, the deputy secretary of the company's Party committee, director, and GM. Due to reaching the legal retirement age, Mr. Hu Xianghai applied to resign from the positions of director and GM of the company, and will no longer hold any other positions in the company after resignation.

Changes of directors, supervisors and senior executives

☒Applicable ☐Not applicable

Name	Title	Type	Date	Reason
Hu Xianghai	Director	Resigned	2024-11-17	Retire
Hu Xianghai	GM	Dismissed	2024-11-17	Retire

2.Post-holding

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

(i) Director

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

Mr. Gu Cheng: Born in 1973, hold a master's degree. He formerly served as the Secretary of the Youth League Committee of the Education Bureau of Longgang District, Shenzhen; the director and deputy director of the Office of the Shenzhen Federation of Trade Unions, minister of Legal Work, minister of Grassroots Organization Construction, Minister of Grassroots Organization Construction and Economic Work, member of the Party Group and vice chairman of the Shenzhen Federation of Trade Unions; member of the Party Working Committee of Shenzhen's Two New Organizations; and members of the Shenzhen Municipal Committee of the Chinese People's Political Consultative Conference and other positions. Now, he is the deputy secretary of the Party Committee and director of Shenzhen Agricultural Power Group Co., Ltd; supervisor of Shenzhen Agricultural Products Group Co., Ltd; and director of the company.

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

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

Ms. Lu Yuhe: born in 1977, master's degree and CPA. She previously worked as the senior auditor of Ernst & Young; the independent non-executive director, Director and CFO of China Trends Holdings Limited; CFO of VIEIN; Director and CFO of the

Shenzhen Exhibition & Convention Center Management Co., Ltd., the Director and CFO of Shenzhen Tong Chan Group and CFO of Shenzhen Yinhu Convention Center (Hotel) Co., Ltd. Now she is the Director and CFO of the Company.

Mr. Zhao Rubin: born in 1956, master's degree and professor of engineering. He successively served as the director and secretary of Gezhouba Station for EHVDC transmission from Gezhouba to Shanghai; director of office and director of foreign affairs office of Gezhouba Hydro-power Plant; the secretary of party group and GM of Huaneng South Development Company; party secretary and GM of Huaneng Real Estate Development Company; Director, deputy president, deputy party secretary of Great Wall Securities; president of Jingshun Great Wall Fund Management Co., Ltd.; deputy president of Sunshine Insurance Assets Management Corporation Limited; the outside director of Shenzhen Cereals Group Co., Ltd; independent director of Bros Eastern Co., Ltd. Now he serves as independent director of the Company; independent director of Southwest Securities Co., Ltd and Director of Bosera Fund Management Co., Ltd.

Ms. Bi Weimin: born in 1956, doctor's degree, and a senior accountant. She successively served as engineer of the Gezhouba Power Plant, assistant director and deputy director; deputy president and director of Three Gorges Finance Company; chief economist and supervisor of China Yangtze Power Co., Ltd.; deputy chief accountant of China Three Gorges Corporation, the member of investment committee and director of asset finance dept. As well as the director of enterprise management dept and legal affairs department. Now she serves as the independent director of the Company.

Mr. Liu Haifeng: born in 1971, doctor' degree and a lawyer. He successively served as director of legal department of Shenzhen Property Development (Group); the partner of Guangdong Xintong Laws Firm. Now he serves as independent director of the Company and the independent director of Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd and first-level partner of Guangdong Hancheng Laws Firm.

(ii)Supervisor

Ms. You Hongxia: Born in 1971, holds a master's degree and is a senior accountant and registered accountant. He formerly served as a member of the Biotechnology Department of the Building Materials Bureau of Exi Prefecture, and was appointed as an assistant to the district chief of Huangjindong District in Xianfeng, lecturer at the Department of Business and Economics, School of Economics and Trade, Huazhong Agricultural University, financial manager of Shenzhen Shenbao Industrial Co., Ltd., secretary of the GM's Office, assistant to the Minister of Finance and Accounting, and assistant to the Minister of Human Resources; assistant to the Minister of Finance of Shenzhen Shenbao Sanjing Food and Beverage Development Co., Ltd, assistant director of the Office of the Board of Directors of Shenzhen Shenbao Industrial Co., Ltd; accounting, deputy director of Audit Department, director of Risk Control Office, director of Risk Control Department of Finance and Information Center, director of Risk Control Department of Audit Risk Control Center, and Deputy General Manager of Audit Risk Control Center of Shenzhen Agricultural Products Co., Ltd; deputy GM (in charge of work) and GM of the Audit Risk Management Headquarters of Shenzhen Agricultural Products Group Co., Ltd. She is current GM of the Audit Risk Control Department of Shenzhen Agricultural Power Group Co., Ltd and the supervisor of the Company.

Ms. Liu Xinqing: Born in 1972, holds a bachelor's degree and is a registered management accountant. She has previously served as an accountant of Shantou Special Economic Zone Foreign Commercial Corporation, the employee , accountant, cashier in charge of the finance and accounting department, chief clerk, assistant to the department head, senior manager, deputy director of the fund settlement and operation center, deputy director of the finance and accounting department, deputy general manager and head of the fund operation department of the finance and information center, head of the fund operation department of the finance center, and deputy general manager of the finance center of Shenzhen Agricultural Products Co., Ltd. , GM of Shenzhen Agricultural Products Small Loan Co., Ltd, deputy GM of the Financial Management Headquarters (Fund Management Center) of Shenzhen Agricultural Products Group Co., Ltd, GM of Shenzhen Agricultural Products Financing Guarantee Co., Ltd, GM of the Financial Management Headquarters (Fund Management Center) of Shenzhen Agricultural Products Group Co., Ltd. She is currently GM of the Planning and Finance Department of Shenzhen Agricultural Power Group Co., Ltd and the supervisor of the Company.

Mr. Zheng Shengqiao, born in 1967, holds a bachelor degree and an intermediate accountant. He successively served as member of the special representative office of the state audit administration in Guangzhou; deputy manager of accounting department of Hong Kong Yuehai Enterprise (Group) Co., Ltd; deputy GM of CTS Logistics; CFO of the AVSHD Technology Co., Ltd; the deputy director of finance department, deputy director of enterprise management department, director of board office, deputy secretary of discipline inspection commission, secretary of the BOS and director of discipline inspection and supervision office (office of BOS) of the Shenzhen Cereals Group Co., Ltd. Now he serves as the staff supervisor, deputy secretary of discipline inspection commission and director of discipline inspection and supervision office (office of BOS) of the Company.

Mr. Ma Zenghai: born in 1964, master's degree and an intermediate economist, lecturer. He successively served as the general representative of Thailand project in Shenzhen Cereals Group Co., Ltd; president and GM of Shenzhen Hualian Grain & Oil Trade Co., Ltd.; GM and secretary of the Party branch of Grease branch of Shenzhen Cereals Group Co., Ltd; head of the risk management department of Shenzhen Cereals Group Co., Ltd. Now he serves as staff supervisor and head of the risk management and internal audit department of the company.

(iii) Senior executives

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

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

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

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

Post-holding in shareholding entities

☞Applicable ☐Not applicable

Name	Name of shareholding entities	Positions held in shareholder units	Start dated of office term	End date of office term	Whether receiving remuneration from shareholding entities(Y/N)?

Wang Zhikai	Shenzhen Agricultural Power Group Co., Ltd.	Member of the Party Committee	2023-09-01		N
Gu Cheng	Shenzhen Agricultural Power Group Co., Ltd.	Deputy Secretary of the Party Committee, Director	2022-09-01		Y
Gu Cheng	Shenzhen Agricultural Products Group Co., Ltd	Supervisor	2023-01-17		N
Zhang Guoyuan	Shenzhen Agricultural Power Group Co., Ltd.	Member of the Party Committee, Deputy GM	2023-08-01		Y
You Hongxia	Shenzhen Agricultural Power Group Co., Ltd.	General Manager of Audit and Risk Control Department	2023-10-01		Y
Liu Xinqing	Shenzhen Agricultural Power Group Co., Ltd.	General Manager of Planning and Finance Department	2023-10-01		Y
Explanation of employment in shareholder units	NO				

Post-holding in other entities

Applicable Not applicable

Name	Name of other entities	Position	Start dated of office term	End date of office term	Whether receiving remuneration from other entities(Y/N)?
Zhao Rubing	Bosera Fund Management Co., Ltd.	Independent director	2017-12-01	2024-09-21	Y
Liu Haifeng	Guangdong Hancheng Laws Firm	First-level partner	2007-02-01		Y
Liu Haifeng	Shenzhen Special Economic Zone Real Estate (Group) Co., Ltd.	Independent director	2024-05-17		Y

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

Applicable Not applicable

3. Remuneration for directors, supervisors and senior executives

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

During the reporting period, according to the Company Performance Management Measures, the remuneration and appraisal committee of the Company's board of directors combined with the Company's annual business situation and individual performance appraisal result and determined the salary of senior executives. During the reporting period, the subsidiary standard of independent directors is subject to the resolution by the Fifth Extraordinary General Meeting of 2019 and adjusted as 138,000 yuan (tax inclusive) per year for one person.

Remuneration for directors, supervisors and senior executives in reporting period

Unit: 10 thousand Yuan

Name	Gender	Age	Title	Post-holding status	Total remuneration obtained from the Company	Whether remuneration obtained from related party of the Company(Y/N)
Wang Zhikai	Male	53	Party Secretary and Chairman	Currently in office	88.01	N
GuCheng	Male	51	Director	Currently in office	0	Y
ZhangGuoyuan	Male	51	Director	Currently in office	0	Y
Zheng Xiangpeng	Male	49	Deputy Secretary of the Party Committee, Director	Currently in office	76.97	N
Lu Yuhe	Female	47	Director and CFO	Currently in office	50	Y
Zhao Rubing	Male	68	Independent director	Currently in office	13.8	N
Bi Weimin	Female	68	Independent director	Currently in office	13.8	N
Liu Haifeng	Male	53	Independent director	Currently in office	13.8	N
Zheng Shengqiao	Male	57	Deputy Secretary of the Commission for Discipline Inspection and employee supervisor	Currently in office	108.26	N
Ma Zenghai	Male	60	Employee supervisor	Currently in office	96.96	N
Chen Xiaohua	Male	58	Party Committee Member, Deputy GM and Secretary of the Board of Directors	Currently in office	115.21	N
Shen Hua	Male	49	Party Committee Member, Deputy GM	Currently in office	76.81	N
Xiao Hui	Male	46	Party Committee Member, Deputy GM	Currently in office	123.62	N
Du Jianguo	Male	51	Party Committee Member, Deputy GM	Currently in office	76.03	N
Hu Xianghai	Male	60	Former Deputy Secretary of the Party Committee, Director and General Manager	Left office	136.66	N
Total	--	--	--	--	989.93	--

Other explanation

Applicable Not applicable

VI. Responsibility performance of directors during the reporting period

1. The board of directors during the reporting period

Meeting	Date of meeting	Disclosure date	Meeting resolutions
The 5 th meeting of 11 th session of the BOD	2024-01-19	2024-01-20	The “Resolution of the 5 th meeting of 11 th session of the BOD” (Notice No.: 2024-03) released on Juchao Website (www.cninfo.com.cn) on January 20, 2024
The 6 th meeting of 11 th session of the BOD	2024-04-01	2024-04-02	The “Resolution of the 6 th meeting of 11 th session of the BOD” (Notice No.: 2024-04) released on Juchao Website (www.cninfo.com.cn) on April 2, 2024
The 7 th meeting of 11 th session of the BOD	2024-04-12	2024-04-16	The “Resolution of the 7 th meeting of 11 th session of the BOD” (Notice No.:

			2024-05) released on Juchao Website (www.cninfo.com.cn) on April 16, 2024
The 8 th meeting of 11 th session of the BOD	2024-04-25	2024-04-26	The “Resolution of the 8 th meeting of 11 th session of the BOD” (Notice No.: 2024-10) released on Juchao Website (www.cninfo.com.cn) on April 26, 2024
The 9 th meeting of 11 th session of the BOD	2024-08-23	2024-08-27	The “Resolution of the 9 th meeting of 11 th session of the BOD” (Notice No.: 2024-17) released on Juchao Website (www.cninfo.com.cn) on August 27, 2024
The 10 th meeting of 11 th session of the BOD	2024-10-25	2024-10-29	The “Resolution of the 10 th meeting of 11 th session of the BOD” (Notice No.: 2024-10) released on Juchao Website (www.cninfo.com.cn) on Oct. 29, 2024
The 11 th meeting of 11 th session of the BOD	2024-11-14	2024-11-15	The “Resolution of the 11 th meeting of 11 th session of the BOD” (Notice No.: 2024-25) released on Juchao Website (www.cninfo.com.cn) on Nov. 15, 2024
The 12 th meeting of 11 th session of the BOD	2024-12-30	2024-12-31	The “Resolution of the 12 th meeting of 11 th session of the BOD” (Notice No.: 2024-28) released on Juchao Website (www.cninfo.com.cn) on Dec. 31, 2024

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

The attendance of directors to Board Meeting and Shareholders General Meeting							
Director	Times of Board meeting supposed to attend in the reporting period	Times of presence	Times of attending the Board Meeting by communication	Times of entrusted presence	Times of Absence	Absent the Meeting for the second time in a row (Y/N)	Times of attend the general meeting
Wang Zhikai	8	8	0	0	0	N	3
Gu Cheng	8	5	2	1	0	N	0
Zhang Guoyuan	8	5	2	1	0	N	1
Zheng Xiangpeng	8	8	0	0	0	N	3
Lu Yuhe	8	6	2	0	0	N	2
Zhao Rubing	8	6	2	0	0	N	3
Bi Weimin	8	6	2	0	0	N	2
Liu Haifeng	8	7	1	0	0	N	3
Hu Xianghai	7	6	0	1	0	N	1

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

Nil

3. Objection for relevant events from directors

Directors come up with objection about Company’s relevant matters

Yes No

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

4. Other explanation about responsibility performance of directors

The opinions from directors have been adopted

Yes No

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

During the reporting period, independent directors of the Company were in strict accordance with provisions of Articles of Association, the Company Law, Guidance to Establishment of Independent Director System in Listed Companies and other relevant laws and regulations, and actively attended board meetings, shareholders' meetings. The independent directors of the company issued independent professional opinions for important issues, paid sustained attention to company's operation, inspected and guided the operation and management work of the company from time to time, learned about internal control system, implementation progress of the equity investment project, etc., continued to enhance consciousness of performing duties according to provisions of law, and expressed independent and impartial advice for investment outside, related party transactions, hiring auditors and other matters occurred during the reporting period in time. Duties performance of independent directors has improved the corporate governance structure and safeguarded the interests of the Company and its shareholders. From performance of duties of independent directors, please refer to "2024 Annual Work Report of Independent Directors" disclosed in www.cninfo.com.cn.

VII. Performance of Duties by Specialized Committees under the Board Meeting in the Reporting Period

Committee name	Members	Number of meetings held	Date of meeting	Meeting content	Important comments and suggestions made	Other performance of duties	Specific circumstances of the objection (if applicable)
The Audit Committee of the 11 th session of Board of Directors of the Company	Bi Weimin, Zhao Rufing, Zhang Guoyuan	5	2024-01-19	Deliberated the Proposal on Revising the Company's Internal Audit Management System	-	-	Nil
			2024-04-12	1. Deliberated SZCH 2023 Annual Internal Control Evaluation Report; 2. Deliberated SZCH 2023 Annual Financial Report 3. Deliberated the Report on the Evaluation of the Accounting Firm's Performance in 2023 and the Report on the Audit Committee's Performance of Supervision Responsibilities	Evaluated the performance of the accounting firm in 2023 and summarized the supervision responsibilities fulfilled by the audit committee.	-	Nil
			2024-04-25	1. Deliberated SZCH 2024 First Quarter Financial Report 2. Deliberated SZCH 2023 Annual Internal Control	-	-	Nil

				System Work Report 3. Deliberated SZCH 2024 Annual Major Risk Assessment Report 4. Deliberated SZCH 2024 Annual Internal Audit and Post-Investment Evaluation Work Plan			
			2024-08-23	Deliberated the SZCH 2024 Semi-Annual Financial Report	-	-	Nil
			2024-10-25	1. Deliberated SZCH 2024 Third Quarter Financial Report 2. Deliberated the Proposal to Propose Reappointing Grant Thornton China (Special General Partnership) as the Company's 2024 Annual Audit Institution	Proposal to Reappoint Grant Thornton China (Special General Partnership) as the company's financial audit and internal control audit institution for 2024.	-	Nil
The Remuneration and Assessment Committee of the Audit Committee of the 11 th session of Board of Directors of the Company	Zhao Rubing, Bi Weimin, Lu Yuhe	4	2024-04-12	Deliberated the Proposal on the Remuneration of Directors and Senior Executives of the Company for 2023	-	-	Nil
			2024-10-25	Deliberated SZCH 2023 Annual Assessment Work Plan for Members of the Company's Management Team (Including the Board Secretary) and Full-Time Deputy Secretary of the Party Committee	-	-	Nil
			2024-11-14	Deliberated the Proposal on the 2024 Annual Business Performance Responsibility Statement for Members of the Company's Management Team	-	-	Nil
			2024-12-30	Deliberated the Proposal on the 2023 Annual Assessment Results and Remuneration Distribution Plan for the Company's Management Team (Including the Board Secretary) and Full-	-	-	Nil

				Time Deputy Secretary of the Party Committee			
The Strategy Committee of the 11 th session of Board of Directors of the Company	Wang Zhikai, Zhao Rufing, Gu Cheng	4	2024-01-19	Deliberated the Proposal on the Phase IV Quasi-Low Temperature Rice Warehouse Expansion and Supporting Transformer Project of Pinghu Grain Depot.	-	-	Nil
			2024-04-25	Deliberated SZCH 2024 Annual Comprehensive Budget Draft	-	-	Nil
			2024-08-23	Deliberated the Proposal on the Project of Shenzhen Hualian Grain and Oil Trading Co., Ltd. Acquiring the 49% Minority Shareholders' Equity of Shuangyashan Shenliang Cereals Base Co., Ltd.	-	-	Nil
			2024-12-30	1. Deliberated the Proposal on SZCH 2025 Annual External Financing Plan 2. Deliberated the Proposal on Revising the Company's Comprehensive Budget Management Measures 3. Deliberated the Proposal on the Capital Increase Project of SZCG for Shenzhen Shenliang Big Kitchen Food Supply Chain Co., Ltd; (4) Deliberated the Proposal on the Capital Increase Project of SZCG for Shenzhen Hualian Grain and Oil Trading Co., Ltd.	-	-	Nil
The Nomination Committee of the 11 th session of Board of Directors of the Company	Zhao Rubing, Wang Zhikai, Liu Haifeng	0		-	-	-	Nil

VIII. Works of the Board of Supervisors

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

Yes No

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

IX. Particulars of workforce

1. Number of Employees, Professional composition, Education background

Employee in-post of the parent Company at period-end (people)	142
Employee in-post of main subsidiaries at period-end (people)	1,020
The total number of current employees at period-end (people)	1,162
The total number of current employees to receive pay (people)	1,162
Retired employee's expenses born by the parent Company and main subsidiaries (people)	0
Professional composition	
Category of professional composition	Numbers of professional composition (people)
Production personnel	256
Salesperson	136
Technicians	210
Financial personnel	102
Administrative personnel	458
Total	1,162
Education background	
Education	Numbers (people)
Postgraduate	142
Undergraduate	375
College	248
Junior college	84
High school and below	313
Total	1,162

2. Remuneration Policy

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

3. Training Plan

In 2024, based on the deepening of the implementation of a classified and layered talent training plan, the role characteristics of the phased population were sorted out from the perspective of organizational development and talent demand, focusing on the talent management pyramid that has been gradually built in the early stage. Based on the construction of talent echelons, training goals and directions were formed, while actively responding to the training needs of higher-level units to carry out training effectively. Continuously improved the professional level and ability of talent cultivation in the company, achieved efficient utilization of resources, and provided a continuous source of intelligence for the company's development.

4. Labor outsourcing

Applicable Not applicable

X. Profit distribution plan and capitalizing of common reserves plan

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

Applicable Not applicable

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

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

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

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

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

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

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

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

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

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

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

(8) When the company adjusts its profit distribution policy, it should take the protection of shareholders, especially small and medium shareholders' rights and interests, as the starting point for detailed argumentation, and the board of directors should submit it to the general meeting of shareholders for review and approval by a special resolution, while independent directors should express clear independent opinions;

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

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

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

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

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

Applicable Not applicable

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

Applicable Not applicable

Bonus shares for every 10-share (Share)	0
Dividends for every 10-share (RMB) (tax inclusive)	1.5
Equity base of distribution plan (Share)	1,152,535,254
Cash bonus distribution (RMB) (tax inclusive)	172,880,288.10
Cash bonus distribution in other ways (i.e. share buy-backs) (RMB)	0.00
Total cash bonus (including other ways) (RMB)	172,880,288.10
Profit available for distribution (RMB)	1,388,762,768.13

Ratio of total cash dividend (other ways included) in total profit distribution	100%
Cash dividend	
In case the Company is in a development stage and has the arrangement of major capital expenses, the ratio of cash dividend in profit distribution should reach a minimum of 20% in profit distribution.	
Detailed explanation on profit distribution or capital accumulation fund conversion plan	
<p>After audited by Grant Thornton Certified Public Accountant LLP (Special General Partnership), in consolidate statements for year of 2024, the net profit attributable to shareholders of parent company amounted to 325,309,578.52 yuan; As of Dec. 31, 2024, the profit of parent company that can be distributed for shareholders was 1,388,762,768.13 yuan.</p> <p>In accordance with relevant regulations and Article of Association, combined with the actual development needs of the Company and in consideration of the interests of shareholders, BOD plans to submit the equity distribution plan for year of 2024 to shareholders general meeting: based on total share capital 1,152,535,254 shares of the Company on Dec. 31, 2024, distribute 1.5 yuan (tax inclusive) for every 10-share to all shareholders with zero share bonus (tax inclusive), and no capital share converted from capital reserve.</p>	

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

Applicable Not applicable

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

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

1. Construction and implementation of internal control

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

On the aspect of construction and implementation of the internal control system, the board of directors is responsible for the establishment, improvement and effective implementation of the internal control system, the board of supervisors supervises the establishment and implementation of the internal control system of the board of directors, and the managers are responsible for organizing the daily operation of the company's internal control system, and the company's risk management and internal audit department is specifically responsible for organizing and coordinating the establishment, implementation, evaluation and daily work of the internal control system.

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

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

Yes No

XIII. Management and controls on subsidiaries during reporting period

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

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

1. Self-appraisal report of internal control

Disclosure date of full internal control evaluation report	April 29, 2025	
Disclosure index of full internal control evaluation report	“Internal control self-appraisal report of Shenzhen Cereals Holdings Co., Ltd. in 2024” published on Juchao Website (http://www.cninfo.com.cn)	
The ratio of the total assets of entities included in the scope of evaluation accounting for the total assets on the Company’s consolidated financial statements	100.00%	
The ratio of the operating income of entities included in the scope of evaluation accounting for the operating income on the Company’s consolidated financial statements	100.00%	
Defects Evaluation Standards		
Category	Financial Reports	Non-financial Reports
Qualitative criteria	<p>1. Major defects: Defect alone or together with other defects in a timely manner cause unpreventable or undetectable and uncorrectable material misstatement in the financial statements.</p> <p>The Company may indicate the presence of significant deficiencies in internal control over financial reporting if following circumstances:</p> <p>(1) The directors, supervisors and senior management fraud;</p> <p>(2) Enterprise corrects mistake which has been published in financial statements;</p> <p>(3) CPA finds material misstatement in current financial statements, but internal control during operation fails to find the misstatements;</p> <p>(4) Oversight of internal control by corporate audit committee and the internal audit is invalid;</p> <p>(5) Particularly important or significant deficiencies found during internal control has not been rectified;</p> <p>(6) The lack of business-critical system or invalid system.</p> <p>2. Important defect: defect alone or together with other defects in a timely manner cause unpreventable or</p>	<p>1. Qualitative criteria for major defects are as follows:</p> <p>(1) The lack of democratic decision-making process, such as the lack of decision-making on major issues, an important appointment and dismissal of cadres, major investment decisions, large sums of money using the decision-making process;</p> <p>(2) Decision-making process is not scientific, such as major policy mistakes, resulting in significant property damage to the Company;</p> <p>(3) Serious violations of national laws and regulations;</p> <p>(4) Loss of key executives or loss of a large number of key talents;</p> <p>(5) Frequent negative news in media, which causes nationwide impact.</p> <p>2. The qualitative criteria for important defects are as follows:</p> <p>(1) The decision-making process is not perfect;</p> <p>(2) The company’s internal management system has not been effectively implemented, resulting in losses;</p> <p>(3) Frequent occurrence of negative</p>

	<p>undetectable and uncorrectable material misstatement in the financial statements, although not reach and exceed the level of importance, should lead to management attention misstatements.</p> <p>3. General Defects: other internal defects do not pose a significant or important defect control deficiency.</p>	<p>news in the media with certain influence;</p> <p>(4) The general defects in the internal control evaluation have not been corrected.</p> <p>3. General defects refer to other internal control defects that do not constitute major defects or important defects.</p>
Quantitative standard	<p>Major defects: Potential misstatement of total assets $\geq 1\%$ of total assets; Potential misstatement of operating revenue $\geq 1\%$ of operating income; Potential misstatement of total profit $\geq 5\%$ of total profit.</p> <p>Important defects: 0.5% of total assets \leq Potential misstatement of total assets $< 1\%$ of total assets, 0.5% of operating income \leq Potential misstatement of operating revenue $< 1\%$ of operating income, 2.5% of total profit \leq Potential misstatement of total profit $< 5\%$ of total profit;</p> <p>General defects: Potential misstatement of total assets $< 0.5\%$ of total capital; Potential misstatement of Operating revenue $< 0.5\%$ of operating income; Potential misstatement of total profit $< 2.5\%$ of total profit;</p>	<p>Major defects: the amount of direct property loss ≥ 12 million yuan, have been officially disclosed outside the Company disclosed in periodic reports and adversely affected.</p> <p>Important defects: 3 million yuan $<$ the amount of direct property loss < 12 million yuan, punished by the state government but no negative impact on the disclosure of the company's regular reports;</p> <p>General defects: the amount of direct property loss ≤ 3 million yuan, punished by the provincial (including provincial) government but no negative impact on the disclosure of the company's regular reports;</p>
Number of significant defects in financial reports		0
Number of significant defects in non-financial reports		0
Number of important defects in financial reports		0
Number of important defects in non-financial reports		0

2. Internal control audit report

Applicable Not applicable

Deliberations in Internal Control Audit Report	
Grant Thornton Certified Public Accountant LLP (Special General Partnership) believes as of Dec. 31, 2024, the company maintained effective internal control over financial reporting in all significant aspects in accordance with the Basic Standards for Enterprise Internal Control and relevant regulations	
Disclosure details of audit report of internal control	Disclosed
Disclosure date of audit report of internal control (full-text)	2025-04-29
Index of audit report of internal control (full-text)	The internal control audit report of SHENZHEN CEREALS HOLDINGS CO., LTD. in 2024 published on Juchao Website (www.cninfo.com.cn)
Opinion type of auditing report of internal control	Standard unqualified
Whether the non-financial report had major defects	No

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

Yes No

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

Yes No

XV. Rectification of Self-examination Problems in Special Governance Actions in Listed Company

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

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

Section V. Environmental and Social Responsibilities

I. Major environmental

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

Yes No

Administrative punishment for environmental problems during the reporting period

Company name or subsidiary name	Reason for punishment	Violation	Punishment result	Impact on the production and operation of listed company	The company's rectification measures
NA	NA	NA	NA	NA	NA

Other environmental information disclosed by reference to key pollutant discharge entities

Nil

Measures taken to reduce carbon emissions during the reporting period and their effectiveness

Applicable Not applicable

Reasons for not disclosing other environmental information

The company attached great importance to environmental protection work, and each subsidiary has built corresponding environmental protection facilities according to the actual situation of production and operation to treat waste gas, dust, wastewater and solid waste generated in the production process, so as to make its emissions reach the national and local relevant standards.

II. Social responsibility

During the reporting period, the Company has been strictly in accordance with Company Law, Securities Law, Articles of Association and other relevant laws and regulations, continues to improve governance structure and regulate operation. The Company attaches importance to social responsibility, sustains attention to social create value, integrity management according to law, provides consumers with safe and secure products, high-quality, green and healthy products to enhance the capacity for sustainable development and overall competitiveness; and make efforts to improve management, enhance innovation capability and core competencies; the Company upholds a fair, just and open principles of treatment for all investors, with particular emphasis on safeguarding the interests of minority shareholders; the Company strictly complies with national environmental laws and regulations, thoroughly implements green philosophy, strengthens ecological protection, complies with the overall development of the country and society, and strives to achieve economic and social benefits, short-term interests and long-term interests of their own development and social development, coordination, thus achieving healthy and harmonious development of the Company, staff, society, and environment.

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

In 2024, SZCH adhered to Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly studying and implementing the guiding principles of the 20th National Congress of the Communist Party of China as well as the Second and Third Plenary Sessions of its 20th Central Committee. It earnestly implemented General Secretary Xi Jinping's important statements on work related to agriculture, rural areas, and farmers (the "three rural" issues), and his key instructions on rural revitalization. Focusing on the provincial government's "High-Quality Development Project for Hundreds of Counties, Thousands of Towns, and Tens of Thousands of Villages" and the municipal government's rural revitalization assistance initiatives, the company actively

fulfilled its social responsibilities. Leveraging its professional strengths in the grain industry, it continued to deepen efforts in rural revitalization, contributing to the consolidation and expansion of achievements in poverty alleviation.

1. Fulfilled support responsibilities and united efforts for rural revitalization

The Party Committee of the company attached great importance to rural revitalization, integrating it into the key agenda of the company. The company's leadership has conducted in-depth visits and field research in paired support villages to stay informed about the working conditions, morale of stationed village officials, and the progress of support projects, thereby enhancing the quality and efficiency of rural revitalization efforts. In alignment with the provincial "1310" strategic deployment, the company organized Party member representatives to participate in afforestation activities in Tuocheng. Based on the operational landscape of local peanut oil processing enterprises, promoted the establishment of the "SZCG Edible Oil Branch Support and Co-Development Base." Additionally, selected one staff member to join the Shenzhen Work Team for Town and Village Assistance and has been stationed in Chaonan District, Shantou, to carry out targeted support work.

2. Deepened industrial support and building a diversified assistance system

In terms of standardization efforts, SZCH has continued to strengthen its support for the application of "Zhenpin" certification, assisting five enterprises in Longchuan County in completing multiple batches of agricultural product certifications. This initiative promoted the standardization and branding of the region's premium agricultural products. The company supported stationed village officials in establishing a "Feed Processing Cooperative+" alliance, supplying 40 tons of feed materials to a farming and breeding alliance, reducing costs by nearly RMB 60,000. Dongguan Logistics signed a 100-ton feed material supply contract with a local cooperative representative to jointly build industrial capacity, helping to expand breeding scales and lower production costs. Meanwhile, Shenbao Huacheng established three "Shenbao Huacheng Yunnan Black Tea Production Bases" in Yunnan Province. Its R&D personnel have provided ongoing technical support and guidance in tea-producing mountainous areas such as Yunnan, Fujian, and Guizhou, helping to enhance the professional skills of tea farmers and effectively addressing employment challenges for local women. Additionally, Doximi launched the "Doximi Assistance Mall," sourcing specialty agricultural products from regions including Bama in Guangxi and Luochuan in Shaanxi. Covering more than ten categories such as fruits, nuts, and grains, this initiative has strengthened the agricultural supply chain and boosted farmers' incomes and benefits.

3. Focused on targeted assistance and cultivated drivers of distinctive development

Focusing on cultural empowerment, SZCH's stationed village officials deeply explored Tuocheng's local culture and assisted the work team in designing and creating an original "Tuocheng" cultural IP. A variety of cultural products, including themed T-shirts and gift bags, were launched to enhance the brand influence of products from the supported region. In carrying out charitable assistance, the company collaborated with caring enterprises and public welfare foundations to donate desks, chairs, and recreational supplies to Shengli Primary School, while also completing a safe electricity upgrade project. It also provided long-term educational sponsorships for two orphaned sisters and offered medical assistance to a veteran couple. Moreover, the company actively promoted Tuocheng's public welfare job placement program, successfully securing job quotas that helped increase the incomes of five disadvantaged households.

4. Strengthened consumer-based assistance to promote virtuous cycle of income growth and consumption upgrading

The company continued to implement consumer-based assistance initiatives, actively mobilizing its subsidiaries and grassroots labor unions to purchase agricultural and sideline products from formerly impoverished areas. By fully leveraging the positive role of consumption in supporting rural revitalization, SZCH has effectively contributed to income growth for farmers. In 2024 alone, it procured over RMB 6 million of products under the consumer assistance program.

Section VI. Important Events

I. Implementation of commitment

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

☉ Applicable □ Not applicable

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

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

			<p>party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that some house properties held by Shenzhen Cereals Group fail to complete the registration procedures for ownership transfer, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to complete the relevant transfer procedures. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to rename the obligee of above-mentioned property, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In response to the conversion of non-market commercial housing held by Shenzhen Cereals Group into market commercial housing, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to go through the formalities. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to complete the conversion of non-market commercial housing into market commercial housing, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that some house properties of Shenzhen Cereals Group have not been renewed for the land use</p>			
--	--	--	---	--	--	--

			<p>period, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to renew the corresponding land use right period. After the completion of this reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to renew the land use right period, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that some house properties of Shenzhen Cereals Group have not been registered for ownership transfer or renewed the land use period, the commitment party will fully assist, urge and promote Shenzhen Cereals Group to handle the corresponding land use rights renewal and ownership transfer registration procedures. After the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses due to the failure to complete the above-mentioned land use right renewal and ownership transfer registration procedures, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the property of SZCG Sungang Warehouse has not completed the registration for converting noncommercial housing into commercial housing, after the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses as the property of Sungang</p>			
--	--	--	--	--	--	--

			<p>Warehouse is not registered for converting noncommercial housing into commercial housing in time, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the land and property of SZCG Shuguang Grain Depot have not passed the completion acceptance nor completed the registration of commercial housing, after the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses as the land and property of Shuguang Grain Depot have not timely passed the completion in time nor completed the registration of commercial housing, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the property of SZCG Flour Factory has not completed the conversion of non-commercial housing into commercial housing and the relocation, after the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers from any losses as Flour Factory doesn't complete the conversion of non-commercial housing into commercial housing and the relocation, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. In view of the fact that the land of Heilongjiang Hongxinglong Nongken Shenxin Grain Industry Park Co., Ltd., a</p>		
--	--	--	---	--	--

			<p>subsidiary of Shenzhen Cereals Group, has not applied for land use right certificates, the commitment party will fully assist, urge and promote the subsidiary of Shenzhen Cereals Group to manage the application procedures of the corresponding land use right certificates. After the completion of the reorganization, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses because the land use right certificate cannot be issued due to any ownership disputes in the above-mentioned land use right, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs. If Shenzhen Cereals Group and its holding subsidiaries are required to take back the sites and/or properties or imposed any form of punishment by the relevant government departments or assume any legal liability, or suffer any losses or expenses arising from the modification for flaws in sites and/or properties as the above-mentioned and other self-owned or leased sites and/or properties fail to comply with the relevant laws and regulations, the commitment party will assume any losses, damages, claims, costs and expenses incurred, suffered and assumed by Shenzhen Cereals Group and its holding subsidiaries, and protect the list companies and Shenzhen Cereals Group from damages. In addition, the commitment party will support the company and its holding subsidiaries to actively advocate their rights against the corresponding parties in order to safeguard and protect the interest of the company and its holding subsidiaries to the maximum extent.</p>			
	Shenzhen	Other	Commitment Letter on the	2018-03-23	Implement	Normal

Agricultural Power Group	commitments	Company's System Reform and System Evaluation of Shenzhen Cereals Group in 1998: After the completion of this restructuring, if Shenzhen Cereals Group or the listed company is called to account, receives administrative punishment or suffers any losses as the system reform is not evaluated or other reasons related to this reform, the commitment party will bear the relevant legal liability, and fully compensate the listed company and Shenzhen Cereals Group within 30 working days after the actual loss occurs.		as promised	performance
Shenzhen Agricultural Power Group	Other commitments	Commitment on the public shares: After the completion of the transaction, the commitment party will cautiously nominate directors and supervisors, and will not nominate candidates for directors, supervisors and senior management to the listed company that will cause the proportion of public shares of the listed company not meet the requirements of the Listing Rules of Shenzhen Stock Exchange.; nor will vote for the relevant shareholders' meeting and/or board resolutions for selecting directors, supervisors and senior executives of listed companies that will make the proportion of public shares of listed companies not meet the requirements of the Listing Rules of Shenzhen Stock Exchange.	2018-03-23	Implement as promised	Normal performance
Shenzhen Agricultural Power Group	Other commitments	Commitment letter of Shenzhen Food Materials Group Co., Ltd on pending litigation of Shenzhen Cereals Group Co., Ltd.: Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Shenshenbao", "Listed Company") intends to purchase the 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG", "target company") held by the shareholders of SZCG through issuance of shares. In view of the two unfinished major	2018-04-02	Implement as promised	Normal performance

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

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

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

			<p>Company and its subsidiaries in the future. 2. If the business opportunity obtained by the Company and other enterprises controlled by the Company constitutes horizontal competition or may constitute horizontal competition to the main business of the Listed Company and its subsidiaries, the Company will immediately notify the Listed Company and try its best to give the business opportunity to the Listed Company to avoid horizontal competition or potential horizontal competition with the Listed Company and its subsidiaries and ensure the interests of Listed Company and other shareholders of Listed Company are not impaired. 3. If the main business of the Listed Company and its subsidiaries constitutes horizontal competition or may constitute horizontal competition to the Company and other enterprises controlled by the Company due to business development or extension, the Company and other enterprises controlled by the Company shall take the following feasible measures based on specific circumstance to avoid competition with the Listed Company: (1) Stop business that constitutes competition or may constitute competition to the Listed Company; (2) Transfer the competitive businesses and assets to the Listed Company at fair prices; (3) Transfer the competitive business to an unrelated third party; (4) Other ways to protect the interests of the Listed Company; 4. If the Company violates the above commitments and causes losses to the Listed Company, the Company will compensate the Listed Company for the incurred losses after the losses are determined. 5. The above commitments continue to be valid during the period when the Company is the controlling shareholder of</p>			
--	--	--	--	--	--	--

			the Listed Company.			
	Shenzhen Agricultural Power Group	Commitments on inter-industry competition, related transactions and capital occupancy	<p>Commitment Letter on Reducing and Regulating Related Transactions: In view of the fact that Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Listed Company") intends to acquire 100% equity of Shenzhen Cereals Group Co., Ltd. held by Shenzhen Food Materials Group Co., Ltd.(hereinafter referred to as "the Company") by issuing shares to purchase assets, the Company has made the following commitments: 1. The enterprises directly or indirectly controlled or affected by the Company and the restructured company and its holding companies will regulate and minimize the related transactions. For related transactions that cannot be avoided or have reasonable reasons to occur, the Company promises to follow the market-oriented principle of justice, fairness and openness, and sign agreements in accordance with relevant laws and regulations, regulatory documents and articles of association, perform legal procedures, fulfill information disclosure obligations and handle relevant approval procedures in accordance with the law, and ensure not to damage the legitimate rights and interests of the company and other shareholders through related transactions. 2. The enterprises directly or indirectly controlled or affected by the Company will strictly avoid borrowing from the company and its holding and shareholding companies, occupying the funds of the company and its holding and shareholding companies, or embezzling the company's funds by taking advance payments and compensatory debts from the company and its holding and shareholding companies. 3. After the completion of this transaction, the Company will continue to exercise its shareholder rights in strict</p>	2018-06-08	Implement as promised	Normal performance

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

			<p>listed company, continuously strengthen the system construction to form a corporate governance structure that each performs their own duties, effectively checks and balances, makes scientific decisions and coordinates the operation so as to more effectively and feasibly protect the interests of the listed company and all its shareholders. The commitment party will urge the listed company to perform the functions of the shareholders' meeting in strict accordance with the Articles of Association and the Rules of Procedures of the Shareholders Meeting, ensure that all shareholders, especially small and medium shareholders, enjoy equal rights as stipulated by laws, administrative regulations and the Articles of Association, and ensure that all shareholders legally exercise their rights and interests. The commitment party will also urge the listed company to further improve the institutional requirements of the board of directors, ensure that the board of directors fairly, scientifically and efficiently makes decisions, ensure that independent directors can perform their duties in accordance with laws and regulations during their employment, actively understand the various operations of the listed company, consciously perform responsibilities, play a positive role in the scientific decision-making of the board of directors and the development of the listed company, promote the sound development of the listed company, and effectively safeguard the overall interests of the listed company and the interests of small and medium-sized shareholders. In addition, the Company will urge the listed company to give full play to the positive role of independent directors in regulating the operation of the company, strictly abide by relevant national laws,</p>			
--	--	--	--	--	--	--

			regulations, rules and relevant provisions of the Articles of Association to select independent directors, and further enhance corporate governance.			
	Shenzhen Agricultural Power Group	Other commitments	<p>Commitment Letter on the Legal Compliance of the Underlying Asset Operation: Shenzhen Shenbao Industrial Co., Ltd. (hereinafter referred to as "Shenshenbao", "Listed Company") intends to purchase 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG", "Target Company") held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as "the Company") through issuance of shares. The Company has made the following commitments: 1. The Target Company is a limited liability company established according to law and is validly existing, possesses statutory business qualifications, and the Target Company has obtained all the approvals, consents, authorizations and licenses required for its establishment and operation, and all approvals, consents and authorizations and licenses are valid and there is no reason or case that may result in the invalidation of the above approvals, consents, authorizations and licenses. 2. The Target Company has no major violations of laws and regulations in the production and operation in the last three years, there is no case that the Target Company should be terminated according to relevant laws, regulations, normative documents and the company's articles of association. Except for litigations, arbitrations and administrative penalties disclosed in the Restructuring Report, the Target Company does not have any unsettled or foreseeable major litigation, arbitration and administrative penalty that adversely affect its</p>	2018-06-08	Implement as promised	Normal performance

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

			<p>Company”) held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as “the Company”) by issuing shares to purchase assets, the Company has made the following commitments: 1. Guarantee the independence of the personnel of Shenshenbao and the Target Company (1) Guarantee that the labor, personnel and compensation management of Shenshenbao and Target Company are completely independent of the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties after the completion of this restructuring. (2) Guarantee that the senior management personnel of Shenshenbao and Target Company are fully employed in Shenshenbao and Target Company and receive remuneration after the completion of this restructuring, and do not hold any post except for directors and supervisors in the Company and other companies, enterprises controlled by the Company or other economic organizations and related parties. (3) Ensure not to intervene into the shareholders’ meeting and the board of directors of Shenshenbao and Target Company to exercise their powers to determine the appointment and dismissal of personnel after the completion of this restructuring. 2. Guarantee the institutional independence of Shenshenbao and Target Company (1) After the completion of this restructuring, Shenshenbao and Target Company will establish a sound corporate governance structure and have an independent and complete organization. (2) After the completion of this restructuring, the shareholders meeting, the board of directors and the board of supervisors of Shenshenbao and Target</p>			
--	--	--	--	--	--	--

			<p>Company shall independently exercise their functions and powers in accordance with the laws, regulations and the articles of association of Shenshenbao and Target Company. 3. Ensure that the assets of Shenshenbao and Target Company are independent and complete. (1) After the completion of this restructuring, Shenshenbao and Target Company shall have independent and complete assets related to production and operation. (2) Ensure that the site for business operation of Shenshenbao and Target Company are independent of the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties after the completion of this restructuring. (3) In addition to normal business transactions, after the completion of this restructuring, Shenshenbao and Target Company do not have funds and assets which are occupied by the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties. 4. Guarantee the business independence of Shenshenbao and Target Company (1) After the completion of this restructuring, Shenshenbao and Target Company shall have the relevant qualifications for independent business activities, and have the market-oriented independent, autonomous and sustainable operation capabilities. (2) After the completion of this restructuring, the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties shall reduce the related transactions with Shenshenbao and Target Company and other companies and enterprises controlled by them or other economic organizations; for</p>			
--	--	--	---	--	--	--

		<p>the necessary and unavoidable related transactions, guarantee the fair operation according to market principles and fair prices, and perform relevant approval procedures and information disclosure obligations in accordance with relevant laws, regulations and regulatory documents. 5. Guarantee the financial independence of Shenshenbao and Target Company (1) Ensure that Shenshenbao and Target Company will establish an independent financial department and an independent financial accounting system, and a standardized and independent financial accounting system after the completion of this restructuring. (2) Ensure that Shenshenbao and Target Company will open an independent bank account after the completion of this restructuring, and will not share bank accounts with the Company and other companies and enterprises controlled by the Company or other economic organizations and other related parties. (3) After the completion of this restructuring, the financial personnel of Shenshenbao and Target Company shall not take part-time jobs in the Company and other companies and enterprises controlled by the Company or other economic organizations and related parties. (4) After the completion of this restructuring, Shenshenbao and Target Company shall be able to make financial decisions independently, the Company shall not interfere with the use of funds of Shenshenbao and Target Company. (5) After the completion of this restructuring, Shenshenbao and Target Company shall pay taxes independently according to law. If the Company violates the above commitments, it will bear all the losses caused to Shenshenbao and Target</p>			
--	--	--	--	--	--

			Company. Commitment to Avoid Occupation of Non-operating Capital: Shenzhen Shenbao Industrial Co., Ltd. intends to acquire 100% equity of Shenzhen Cereals Group Co., Ltd. (hereinafter referred to as "SZCG") held by Shenzhen Food Materials Group Co., Ltd (hereinafter referred to as "the Company") through issuance of shares. In response to the above transactions, Food Materials Group and Agricultural Products have made the following commitments: 1. As of the issue date of this commitment letter, the commitment party and its related person do not have any illegal use of funds and assets of the listed company and SZCG, and there is no case that the listed company and SZCG provide illegal guarantee for the commitment party and its related person. 2. After the completion of the transaction, the commitment party guarantees that the commitment party and its related person shall not illegally occupy the funds and assets of the listed company in any way, nor require the listed company to provide illegal guarantee for the commitment party and its related person under any circumstances, nor engage in any act to damage the legitimate rights and interests of the listed company and other shareholders. If the commitment party violates the above commitments, it will bear all losses caused to the listed company and the target company and other companies and enterprises controlled by them or other economic organizations.			
	Shenzhen Agricultural Power Group, Agricultural Products	Commitments on inter-industry competition, related transactions and capital occupancy		2018-06-08	Implement as promised	Normal performance
Completed on time (Y/N)	Y					

2. For assets or projects of the Company which keep profitable forecast during the reporting period, description reasons for reaching the original profitable forecast

Applicable Not applicable

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

Applicable Not applicable

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

III. External guarantee out of regulations

Applicable Not applicable

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

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

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

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

Applicable Not applicable

In this period, the company transferred Wuhan Jiacheng Biological Products Co., Ltd. and Zhenpin Market Operation Technology Co., Ltd., and deregistered Hangzhou Ju Fang Yong Holdings Co., Ltd., Yunnan Pu’er Tea Trading Center Co., Ltd., and Shenzhen Shenbao Industry and Trade Co., Ltd.

VIII. Appointment and dismissal of CPA

Accounting firm appointed

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

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

Yes No

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

Applicable Not applicable

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

IX. Particular about delisting after annual report disclosed

Applicable Not applicable

X. Bankruptcy reorganization

Applicable Not applicable

No bankruptcy reorganization for the Company in reporting period

XI. Significant lawsuits and arbitration of the Company

Applicable Not applicable

Lawsuits (arbitration)	Amount involved (in 10 thousand yuan)	Resulting in an accrual liability (Y/N)	Progress	Result and influence	Execution of judgment	Disclosure date	Disclosure index
As of 31 December 2024, other lawsuits that did not meet the disclosure standards for significant lawsuits mainly included disputes over sales contracts, loan contracts, construction contracts, legal service contracts, lease contracts, etc.	7,628.8	N	The Company actively makes use of the advantageous resources of internal legal affairs and external laws firm to follow up and deal with the lawsuit-related cases. At present, the Company is responding to and dealing with the cases effectively in accordance with relevant laws and regulations	After comprehensive analysis, the result of the cases involved in the lawsuits will not have a significant impact on the Company	It is actively advancing		--

XII. Penalty and rectification

Applicable Not applicable

No penalty and rectification for the Company in reporting period.

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

Applicable Not applicable

XIV. Major related transaction

1. Related transaction with routine operation concerned

Applicable Not applicable

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

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

Applicable Not applicable

Related parties	Related relationships	Type of related party transaction	Content of related party transaction	Pricing principles for related party transactions	Book value of transferred assets (10000 yuan)	Assessed value of transferred assets (10000 yuan)	Transfer price (10000 yuan)	Settlement method of related party transaction	Trading gains/losses (10000 yuan)	Disclosure date	Disclosure index
Shenliang Intelligent Wulian Equity Investment Fund (Shenzhen) Partnership Enterprise (Limited)	Joint venture of the company	Acquisition of minority equity	Minority equity acquisition	Market price	2,876.52	2,885.60	2,885.60	Bank transfer	0		
Shenzhen Zhenpin Group Co., Ltd	The subsidiary of the actual controller of the company, also controlled by the ultimate controller	Transaction related with equity transfer	Equity transfer	Market price	247.05	451.71	397.73	Bank transfer	150.68		
Shenzhen Agricultural Power Group	Holding company of the company	Transaction related with equity acquisition	Equity acquisition		434.42	389.97	415.25	Bank transfer	0		
Reasons for significant differences between transfer price and book value or assessed value (if any)				Appreciation of assessment							
The impact on the company's operating				No significant impact							

results and financial condition	
If the relevant transactions involve performance agreements, the achievement of performance during the reporting period	NA

3. Related transaction of joint foreign investment

Applicable Not applicable

No related transaction of joint foreign investment occurred in the period

4. Related credits and liabilities

Applicable Not applicable

No related credits and liabilities occurred in period

5. Contact with the related finance companies

Applicable Not applicable

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

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

Applicable Not applicable

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

7. Other major related transaction

Applicable Not applicable

No other major related transaction in the Period.

XV. Significant contract and implementation

1. Trusteeship, contract and leasing

(1) Trusteeship

Applicable Not applicable

No trusteeship for the Company in reporting period

(2) Contract

Applicable Not applicable

No contract for the Company in reporting period

(3) Leasing

Applicable Not applicable

No leasing in the Period

2. Major Guarantee

Applicable Not applicable

3. Entrusted cash asset management

(1) Entrusted financing

Applicable Not applicable

Entrusted financing in the period

Unit: 10 thousand yuan

Type	Fund sources	Amount occurred	Undue balance	Overdue amount	Impairment provision accrual for overdue financial management
Bank financial products	Owned fund	34,500	0	0	0
Total		34,500	0	0	0

Details of high-risk trust financing with significant individual amounts, low safety or liquidity

Applicable Not applicable

Expected inability to recover the principal of trust financing or other situations that may lead to impairment in trusting financing

Applicable Not applicable

(2) Entrusted loans

Applicable Not applicable

No entrusted loans in the Period

4. Other material contracts

Applicable Not applicable

No other material contracts in the period.

XVI. Explanation on other significant events

Applicable Not applicable

1. Personnel changes in BOD, BOS and senior executives

(1) On November 27, 2024, the board of directors of the company received a written resignation application submitted by Mr. Hu Xianghai, Deputy Secretary of the Party Committee, Director and GM of the company. Due to reaching the legal retirement age, Mr. Hu Xianghai applied to resign from the positions of director and GM of the company, and will no longer hold any other positions in the company after resignation. For details, please refer to the Announcement of the Company on the Retirement and Departure of Directors and GM published on Juchao website (www.cninfo.com.cn) on November 28, 2024.

XVII. Significant event of subsidiaries of the Company

Applicable Not applicable

1. On August 23, 2024, the Company convened the 9th meeting of the 11th session of the Board of Directors, deliberated and approved the Proposal on the Acquisition of 49% Minority Shareholders' Equity of Shuangyashan Shenliang Cereals Base Co., Ltd. by Shenzhen Hualian Grain and Oil Trading Co., Ltd. The Company agreed that its wholly-owned subsidiary, Shenzhen Hualian Grain and Oil Trading Co., Ltd., to acquire 49% equity of Shuangyashan Shenliang Cereals Base Co., Ltd. held by Shenliang Intelligent Wulian Equity Investment Fund (Shenzhen) Partnership Enterprise (Limited) at the consideration of 28,856,000.00 yuan. For details, please refer to the Announcement on the Resolution of the 9th Meeting of the 11th session of the Board of Directors of the Company published on Juchao Website (www.cninfo.com.cn) on August 27, 2024.

2. On December 30, 2024, the Company convened the 12th Meeting of the 11th session of the Board of Directors, deliberated and approved the Proposal on the Capital Increase Project of Shenzhen Shenliang Big Kitchen Food Supply Chain Co., Ltd. by SZCG and the Proposal on the Capital Increase Project of Shenzhen Hualian Grain and Oil Trading Co., Ltd. by SZCG. The Company agreed that its first-level wholly-owned subsidiary, SZCG, would use its own funds to respectively increase the capital of the second-level wholly-owned subsidiary Shenzhen Shenliang Big Kitchen Food Supply Chain Co., Ltd. (hereinafter referred to as "Big Kitchen") by 10,000,000.00 yuan and the second-level wholly-owned subsidiary Shenzhen Hualian Grain and Oil Trading Co., Ltd. (hereinafter referred to as "Hualian Company") by 200,000,000.00 yuan. After the completion of this capital increase, the registered capital of Big Kitchen will be increased from 10,000,000.00 yuan to 20,000,000.00 yuan, and the registered capital of Hualian Company will be increased from 100,000,000.00 yuan to 300,000,000.00 yuan. For details, please refer to the Announcement on the Resolution of the 12th Meeting of the 11th session of the Board of Directors of the Company and the Announcement on Capital Increase of Wholly-Owned Subsidiaries by the Company published on the Juchao website (www.cninfo.com.cn) on December 31, 2024.

Section VII. Changes in Shares and Particulars about Shareholders

I. Changes in shares

1. Changes in shares

Unit: Share

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

Reasons for changes in share

Applicable Not applicable

Approval of changes in share

Applicable Not applicable

Ownership transfer of changes in share

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

II. Securities issuance and listing

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

Applicable Not applicable

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

Applicable Not applicable

3. Existing internal staff shares

Applicable Not applicable

III. Particulars about shareholders and actual controller of the Company

1. Number of shareholders and particulars about shares holding

Unit: Share

Total common stock shareholders at the end of reporting period	42,977	Total common stock shareholders at the end of last month before annual report disclosed	41,498	Total preferred shareholders with voting rights recovered at the end of reporting period (if applicable) (refer to Note 8)	0	Total preferred shareholders with voting rights recovered at end of last month before annual report disclosed (if applicable) (refer to	0
--	--------	---	--------	--	---	---	---

							Note 8)	
Shareholding of shareholders holding more than 5% shares of the company or top ten shareholders (Excluding shares lent through refinancing)								
Name of Shareholders	Nature of shareholder	Proportion of shares held	Total shares held at the end of reporting period	Changes in reporting period	Quantity of restricted shares held	Quantity of unrestricted shares held	Information of shares pledged, tagged or frozen	
							State of share	Quantity
Shenzhen Agricultural Power Group Co., Ltd.	State-owned legal person	63.79%	735,237,253	0	669,184,735	66,052,518	NA	0
Shenzhen Agricultural Products Group Co., Ltd	State-owned legal person	8.23%	94,832,294	0	15,384,832	79,447,462	NA	0
Dongguan Fruit, Vegetable, and Non-staple Food Trading Market Co., Ltd	Domestic non-state-owned legal person	0.75%	8,698,216	0	0	0	NA	0
Hong Kong Securities Clearing Company	Foreign legal person	0.48%	5,492,845	39,652	0	0	NA	0
Chen Jiuyang	Domestic nature person	0.29%	3,297,070	386,000	0	0	NA	
Zhong Zhenxin	Domestic nature person	0.29%	3,295,500	0	0	0	NA	
Sun Huiming	Domestic nature person	0.28%	3,236,352	-370,300	0	0	NA	0
CMB - Southern CSI 1000 Trading Open-End Index Securities Investment Fund	Other	0.24%	2,726,700	2,257,200	0	0	NA	0
Bank of China Fund - Postal Savings Bank of China - Bank of China Fund - Zhongchengxin Dividend Defense Stock Index Collective Asset Management Plan	Other	0.14%	1,579,400	1,579,400	0	0	NA	0
CMB - Wanjia CSI 1000 Index Enhanced Initiated Securities Investment Fund	Other	0.13%	1,536,800	1,536,800	0	0	NA	

Strategy investors or general legal person becoming top 10 common shareholders due to rights issue (if applicable) (see note 3)	Nil		
Explanation on associated relationship among the aforesaid shareholders	Shenzhen SASAC directly holds 100% equity of Shenzhen Agricultural Power Group Co., Ltd., and holds 34% equity of Shenzhen Agricultural Products Group Co., Ltd. indirectly through Shenzhen Agricultural Power Group Co., Ltd.; The Company was not aware of any related relationship between other shareholders above, and whether they are parties acting in concert as defined by the Acquisition Management Method of Listed Company.		
Description of the above shareholders involved with delegating/entrusted voting rights and abstention from voting rights.	Nil		
Special note on the repurchase account among the top 10 shareholders (if applicable) (see note 10)	Nil		
Particular about top ten shareholders holding unrestricted shares (Excluding shares lent through refinancing, locked-up shares for senior executives)			
Shareholders' name	Quantity of unrestricted shares held at Period-end	Type of shares	
		Type	Quantity
Shenzhen Agricultural Products Group Co., Ltd	79,447,462	RMB common shares	79,447,462
Shenzhen Agricultural Power Group Co., Ltd.	66,052,518	RMB common shares	66,052,518
Dongguan Fruit, Vegetable, and Non- staple Food Trading Market Co., Ltd	8,698,216	RMB common shares	8,698,216
Hong Kong Securities Clearing Company	5,492,845	RMB common shares	5,492,845
Chen Jiuyang	3,297,070	RMB common shares	3,297,070
Zhong Zhenxin	3,295,500	RMB common shares	3,295,500
Sun Huiming	3,236,352	Domestically listed foreign shares	3,236,352
CMB - Southern CSI 1000 Trading Open-End Index Securities Investment Fund	2,726,700	RMB common shares	2,726,700
Bank of China Fund - Postal Savings Bank of China - Bank of China Fund - Zhongchengxin Dividend Defense Stock Index Collective Asset Management Plan	1,579,400	RMB common shares	1,579,400
CMB - Wanjia CSI 1000 Index Enhanced Initiated Securities Investment Fund	1,536,800	RMB common shares	1,536,800
Explanation of the association or concerted action between the top 10 shareholders of non-restricted and tradable shares, as well as between the top 10 shareholders of non-restricted and tradable shares and the top 10 shareholders	Shenzhen SASAC directly holds 100% equity of Shenzhen Agricultural Power Group Co., Ltd., and holds 34% equity of Shenzhen Agricultural Products Group Co., Ltd. indirectly through Shenzhen Agricultural Power Group Co., Ltd.; The Company was not aware of any related relationship between other shareholders above, and whether they are parties acting in concert as defined by the Acquisition Management Method of Listed Company.		
Explanation on the participation of the top 10 ordinary shareholders in margin trading and securities lending business (if any) (see Note 4)	Nil		

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

Applicable Not applicable

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

Applicable Not applicable

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

Yes No

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

2. Controlling shareholder of the Company

Nature of controlling shareholders: local state-owned holding

Type of controlling shareholders: legal person

Controlling shareholder	Legal person/person in charge of the unit	Date of establishment	Organization code	Main operation business
Shenzhen Agricultural Power Group Co., Ltd.	Huang Wei	Dec. 14, 2017	91440300MA5EWWPXX2	The general business projects are: food safety infrastructure construction (including the upgrading of the farmers' market, the upgrading of public places canteens, the construction of community cooked food centers, and the construction of agricultural product bases); safe food circulation and terminal sales; the establishment of food distribution channel platforms; Food industry investment and operation (Including the M & A investment of the core resources of the food industry chain and the cultivation of enterprises in the future direction); Domestic trade (excluding franchised, monopolized, and exclusively controlled commodities); engaging in import and export business (except for items prohibited by laws, administrative regulations, and the State Council, restricted items can only be operated after obtaining permission); online business activities (excluding restricted items). Licensed business items are food sales and supply business; emergency material production and operation; production, purchase and sale of I, II and III medical devices; pharmaceutical wholesale; ordinary freight, professional transportation, warehousing and logistics.
Equity of other domestic and foreign listed companies controlled and participated in by controlling shareholders during the reporting period	In addition to holding 63.79% equity of the company, Shenzhen Agricultural Power Group Co., Ltd. holds 34% equity of Agricultural Products.			

Changes of controlling shareholder in reporting period

Applicable Not applicable

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

3. Actual controller and persons acting in concert

Nature of actual controller: local state-owned assets management

Type of actual controller: legal person

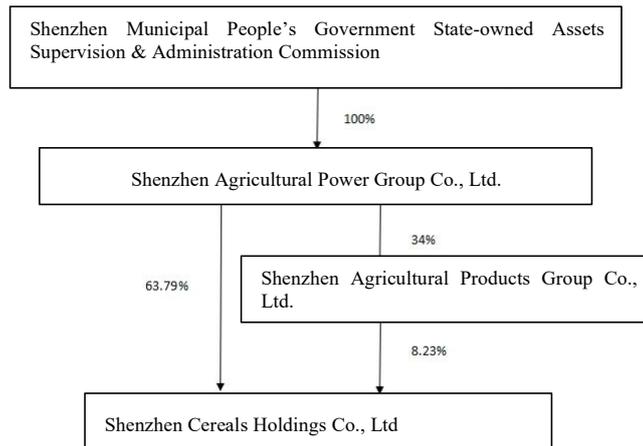
Actual controller	Legal person/person in charge of the unit	Date of establishment	Organization code	Main operation business
Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission	Wang Yongjian	2004-04-02	11440300K317280672	State-owned assets supervision and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

Changes of actual controller in reporting period

Applicable Not applicable

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

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



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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

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

Applicable Not applicable

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

Implementation progress of shares buy-back

Applicable Not applicable

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

Applicable Not applicable

Section VIII. Preferred Stocks

Applicable Not applicable

The Company had no preferred stock in the Period.

Section IX. Corporate Bonds

Applicable Not applicable

Section X. Financial Report

I. Audit Report

Type of audit opinion	Standard unqualified opinion
Signing date of audit report	2025-04-28
Name of audit institute	Grant Thornton Certified Public Accountant LLP (Special General Partnership)
Document serial of audit report	ZHTSH[2025]No.441A020235
Name of the CPA	Gao Hong, Shu Zhicheng

Text of Auditor's Report

ZHTSH[2025]No.441A020235

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

1. Auditing opinions

We have audited the financial statement under the name of SHENZHEN CEREALS HOLDINGS CO., LTD. (hereinafter referred to as "SZCH"), including the consolidated and parent Company's balance sheet of December 31, 2024 and profit statement, and cash flow statement, and statement on changes of shareholders' equity for the year ended, and notes to the financial statements for the year ended.

In our opinion, the Company's financial statements have been prepared in accordance with the Accounting Standards for Business Enterprises, and they fairly present the financial status of the Company and of its parent company as of December 31, 2024 and its operation results and cash flows for the year ended.

2. Basis of opinion

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

3. Key audit matters

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

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

(i) Revenue recognition

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

1. Matter description

The main business of SZCH include grain and oil trade and processing income, grain and oil warehousing logistics and service income, food and beverage and tea processing income, leasing and other income. SZCH operating revenue for 2024 is

5,375,089,846.91 yuan and it is one of the key indexes of performance of SZCH, which has inherent risks in manipulation for achieving the predicted target, therefore, the identification of operating income will be listed as the key auditing event.

2. Audit response

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

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

(ii) Inventories and loss allowance of inventories

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

1. Matter description

As of December 31, 2024, the book value of inventory presented on the consolidated financial statements of SZCH was 4,154,400,919.61 yuan, and the loss allowance of inventories was 109,402,277.09 yuan, the carrying amount of inventories was 4,044,998,642.52 yuan, accounting for 52.43% of the total assets. Due to the significant amount of inventories, SZCH management (Hereinafter referred to as “management”) needed to make significant judgments when determining the decrease in value of inventories, including the consideration of government reserve such as as grain & oil, food and vegetable oil which are affected by futures market, These important judgments have a significant impact on the valuation of inventories and loss allowance of inventories at period-end; therefore, we determined the inventories and loss allowance of inventories as key audit matters.

2. Audit response

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

- (1) Understand, evaluate, and test the design and operational effectiveness of internal control related to inventory;
- (2) Understand the business models of reserve grain and commodity grain, verify the matching between inventory structure and operating income, and analyze the rationality of inventory amounts;

- (3) Review the management's model and method for estimating the net realizable value of inventory, as well as the relevant parameters used. For products that can obtain publicly available market sales prices, select a sample, independently query publicly available market price information, and compare it with the estimated selling price.
- (4) Implement monitoring procedure for inventory, check its quantity and condition, and implement alternative procedures for fumigation warehouses;
- (5) Obtain the calculation table for loss allowance of inventories and inventory age list, execute inventory impairment testing procedures, and analyze whether the provision for inventory depreciation reserves is sufficient, conduct an analytical review of inventory with a longer inventory age based on the condition of the product, and analyze whether the provision for inventory depreciation is reasonable.

4. Other information

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

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

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

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

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

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

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

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

6. Responsibilities of the auditor for the financial statements

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

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

- (1) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

basis for audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

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

Grant Thornton Certified Public Accountant LLP (Special General Partnership)	Chinese CPA (Partner) Chinese CPA	Gao Hong Shu Zhicheng
Beijing China	April 28, 2025	

II. Financial Statement

Statement in Financial Notes are carried In RMB/CNY

1. Consolidated Balance Sheet

Prepared by SHENZHEN CEREALS HOLDINGS CO., LTD.

In RMB

Item	Ending balance	Opening balance
Current assets:		
Monetary funds	168,199,291.23	240,740,787.28
Settlement provisions		
Capital lent		
Tradable financial assets		1,122,347.85
Derivative financial assets		
Note receivable	2,327,160.00	113,932.00
Account receivable	235,789,565.91	179,828,493.98
Receivable financing		
Accounts paid in advance	9,776,028.70	17,234,701.92
Insurance receivable		
Reinsurance receivables		
Contract reserve of reinsurance receivable		
Other account receivable	19,978,436.61	29,141,966.16
Including: Interest receivable		
Dividend receivable		
Buying back the sale of financial assets		
Inventories	4,044,998,642.52	3,458,443,989.04
Including: Data resources		
Contract assets		
Assets held for sale		121,126,137.62
Non-current asset due within one year		
Other current assets	113,243,285.26	105,857,923.48
Total current assets	4,594,312,410.23	4,153,610,279.33
Non-current assets:		
Loans and payments on behalf		
Debt investment		
Other debt investment		
Long-term account receivable		
Long-term equity investment	45,356,888.44	74,008,926.48
Investment in other equity instrument		

Other non-current financial assets	57,500.00	57,500.00
Investment real estate	302,075,246.75	263,597,031.89
Fixed assets	2,009,520,283.95	2,171,997,328.52
Construction in progress	39,312,847.70	51,288,301.16
Productive biological asset	348,924.60	358,617.00
Oil and gas asset		
Right-of-use assets	115,258,040.17	56,933,148.16
Intangible assets	523,370,792.77	546,325,555.22
Including: Data resources		
Expense on Research and Development		
Including: Data resources		
Goodwill		
Long-term expenses to be apportioned	26,013,188.68	24,694,318.05
Deferred income tax asset	52,903,106.75	52,757,295.38
Other non-current asset	6,021,277.97	7,297,950.00
Total non-current asset	3,120,238,097.78	3,249,315,971.86
Total assets	7,714,550,508.01	7,402,926,251.19
Current liabilities:		
Short-term loans	1,484,605,101.05	1,223,462,519.16
Loan from central bank		
Capital borrowed		
Trading financial liability		
Derivative financial liability		
Note payable		
Account payable	392,787,099.23	336,165,196.80
Accounts received in advance	1,689,748.86	1,084,701.60
Contract liability	126,590,458.95	86,566,253.73
Selling financial asset of repurchase		
Absorbing deposit and interbank deposit		
Security trading of agency		
Security sales of agency		
Wage payable	181,550,514.63	266,214,663.20
Taxes payable	102,239,439.35	86,906,785.70
Other account payable	268,321,327.50	278,046,251.53
Including: Interest payable		
Dividend payable	2,933,690.04	2,933,690.04
Commission charge and commission payable		
Reinsurance payable		
Liability held for sale	0.00	66,579,828.59
Non-current liabilities due within	42,927,367.21	22,805,473.76

one year		
Other current liabilities	8,042,645.47	3,896,140.56
Total current liabilities	2,608,753,702.25	2,371,727,814.63
Non-current liabilities:		
Insurance contract reserve		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	78,084,500.76	37,744,951.74
Long-term account payable	16,636,326.62	17,994,633.05
Long-term wages payable		
Accrual liability		
Deferred income	79,203,615.99	82,819,873.24
Deferred income tax liabilities	10,495,166.46	10,937,920.46
Other non-current liabilities		
Total non-current liabilities	184,419,609.83	149,497,378.49
Total liabilities	2,793,173,312.08	2,521,225,193.12
Owner's equity:		
Share capital	1,152,535,254.00	1,152,535,254.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	1,271,908,217.34	1,276,151,523.07
Less: Inventory shares		
Other comprehensive income	-620,406.95	-833,174.82
Reasonable reserve	1,152,617.76	741,968.19
Surplus public reserve	616,729,697.68	483,103,366.38
Provision of general risk		
Retained profit	1,877,968,762.99	1,916,792,566.57
Total owner's equity attributable to parent company	4,919,674,142.82	4,828,491,503.39
Minority interests	1,703,053.11	53,209,554.68
Total owner's equity	4,921,377,195.93	4,881,701,058.07
Total liabilities and owner's equity	7,714,550,508.01	7,402,926,251.19

Legal representative: Wang Zhikai

Person in charge of accounting works: Lu Yuhe

Person in charge of accounting institute: Lu Chengjun

2. Balance Sheet of Parent Company

In RMB

Item	Ending balance	Opening balance
Current assets:		
Monetary funds	103,158,696.39	149,617,836.08
Tradable financial assets	0.00	1,122,347.85
Derivative financial assets		
Note receivable		
Account receivable	116,938,612.94	65,714,555.94
Receivable financing		
Accounts paid in advance	134,194.35	336,007.79
Other account receivable	2,123,872,937.65	1,624,337,855.63
Including: Interest receivable		
Dividend receivable		
Inventories		
Including: Data resources		
Contract assets		
Assets held for sale	0.00	21,675,000.00
Non-current assets maturing within one year		
Other current assets	110,478.30	55,135,837.73
Total current assets	2,344,214,919.63	1,917,939,441.02
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables		
Long-term equity investments	4,031,188,641.37	4,026,844,425.09
Investment in other equity instrument		
Other non-current financial assets		
Investment real estate	15,100,142.92	15,571,733.20
Fixed assets	30,997,299.26	32,858,541.01
Construction in progress		
Productive biological assets	348,924.60	358,617.00
Oil and natural gas assets		
Right-of-use assets	67,225,820.17	0.00
Intangible assets	21,988,398.89	23,006,791.89
Including: Data resources		
Research and development costs		
Including: Data resources		
Goodwill		
Long-term deferred expenses	3,403,734.80	2,291,236.03
Deferred income tax assets	10,774,610.43	10,260,054.61
Other non-current assets	2,497,360.73	3,744,657.76
Total non-current assets	4,183,524,933.17	4,114,936,056.59

Total assets	6,527,739,852.80	6,032,875,497.61
Current liabilities:		
Short-term borrowings	272,901,652.46	
Trading financial liability		
Derivative financial liability		
Notes payable		
Account payable		
Accounts received in advance		
Contract liability		
Wage payable	49,395,879.48	31,524,389.29
Taxes payable	3,570,294.15	2,801,152.52
Other accounts payable	228,671,937.92	1,200,576,358.07
Including: Interest payable		
Dividend payable	2,933,690.04	2,933,690.04
Liability held for sale		
Non-current liabilities due within one year	22,332,687.31	
Other current liabilities		
Total current liabilities	576,872,451.32	1,234,901,899.88
Non-current liabilities:		
Long-term loans		
Bonds payable		
Including: Preferred stock		
Perpetual capital securities		
Lease liability	46,945,825.26	
Long-term account payable		
Long term employee compensation payable		
Accrued liabilities		
Deferred income		
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	46,945,825.26	0.00
Total liabilities	623,818,276.58	1,234,901,899.88
Owners' equity:		
Share capital	1,152,535,254.00	1,152,535,254.00
Other equity instrument		
Including: Preferred stock		
Perpetual capital securities		
Capital public reserve	3,018,298,284.55	3,018,106,568.27
Less: Inventory shares		
Other comprehensive income		

Special reserve		
Surplus reserve	344,325,269.54	210,698,938.24
Retained profit	1,388,762,768.13	416,632,837.22
Total owner's equity	5,903,921,576.22	4,797,973,597.73
Total liabilities and owner's equity	6,527,739,852.80	6,032,875,497.61

3. Consolidated Profit Statement

In RMB

Item	2024	2023
I. Total operating income	5,375,089,846.91	6,190,005,356.82
Including: Operating revenue	5,375,089,846.91	6,190,005,356.82
Interest income		
Insurance gained		
Commission charge and commission income		
II. Total operating cost	4,874,596,515.28	5,697,359,360.35
Including: Operating cost	4,479,001,434.83	5,228,845,801.34
Interest expense		
Commission charge and commission expense		
Cash surrender value		
Net amount of expense of compensation		
Net amount of withdrawal of insurance contract reserve		
Bonus expense of guarantee slip		
Reinsurance expense		
Tax and extras	19,652,659.06	18,910,438.82
Sales expense	149,810,329.96	176,429,835.98
Administrative expense	168,245,200.59	213,065,091.64
R&D expense	25,208,644.43	20,045,364.68
Financial expense	32,678,246.41	40,062,827.89
Including: Interest expenses	33,986,936.32	39,968,255.33
Interest income	1,832,540.57	959,189.54
Add: Other income	12,340,535.46	22,969,158.29
Investment income (Loss is listed with "-")	3,416,742.97	9,954,884.45
Including: Investment income on affiliated company and joint venture	-3,992,524.74	3,332,391.85
The termination of		

income recognition for financial assets measured by amortized cost		
Exchange income (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Income from change of fair value (Loss is listed with “-”)	0.00	182,701.67
Loss of credit impairment (Loss is listed with “-”)	166,728.94	-3,172,372.15
Losses of devaluation of asset (Loss is listed with “-”)	-102,359,076.35	-104,336,237.13
Income from assets disposal (Loss is listed with “-”)	5,281,839.25	2,394,378.42
III. Operating profit (Loss is listed with “-”)	419,340,101.90	420,638,510.02
Add: Non-operating income	608,747.13	2,445,728.23
Less: Non-operating expense	603,979.68	1,800,973.49
IV. Total profit (Loss is listed with “-”)	419,344,869.35	421,283,264.76
Less: Income tax expense	95,201,262.19	74,736,397.57
V. Net profit (Net loss is listed with “-”)	324,143,607.16	346,546,867.19
(i) Classify by business continuity		
1.continuous operating net profit (net loss listed with ‘-’)	324,143,607.16	346,546,867.19
2.termination of net profit (net loss listed with ‘-’)		
(ii) Classify by ownership		
1.Net profit attributable to owner’s of parent company	325,309,578.52	347,739,109.06
2.Minority shareholders’ gains and losses	-1,165,971.36	-1,192,241.87
VI. Net after-tax of other comprehensive income	212,767.87	58,327.88
Net after-tax of other comprehensive income attributable to owners of parent company	212,767.87	58,327.88
(I) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		

3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss	212,767.87	58,327.88
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements	212,767.87	58,327.88
7.Other		
Net after-tax of other comprehensive income attributable to minority shareholders		
VII. Total comprehensive income	324,356,375.03	346,605,195.07
Total comprehensive income attributable to owners of parent Company	325,522,346.39	347,797,436.94
Total comprehensive income attributable to minority shareholders	-1,165,971.36	-1,192,241.87
VIII. Earnings per share:		
(i) Basic earnings per share	0.2823	0.3017
(ii) Diluted earnings per share	0.2823	0.3017

As for the enterprise combined under the same control, the net profit achieved by the merged party before combination is 92,048.86 yuan and the net profit achieved by the merged party in last period is negative 85,624.62 yuan.

Legal representative: Wang Zhikai

Person in charge of accounting works: Lu Yuhe

Person in charge of accounting institute: Lu Chengjun

4. Profit Statement of Parent Company

In RMB

Item	2024	2023
I. Operating revenue	169,956,053.77	156,547,962.65
Less: Operating cost	2,808,669.32	471,590.28
Taxes and surcharge	548,323.11	461,125.55
Sales expenses		
Administration expenses	87,567,563.48	69,872,687.40
R&D expenses		
Financial expenses	-41,291,103.22	-31,215,787.32
Including: Interest expenses	4,609,336.81	1,340,647.66
Interest income	46,144,115.42	32,809,723.32
Add: Other income	185,224.01	382,620.07
Investment income (Loss is listed with “-”)	1,215,262,497.73	307,281,666.79
Including: Investment income on affiliated Company and joint venture		
The termination of income recognition for financial assets measured by amortized cost (Loss is listed with “-”)		
Net exposure hedging income (Loss is listed with “-”)		
Changing income of fair value (Loss is listed with “-”)	0.00	-105,784.51
Loss of credit impairment (Loss is listed with “-”)	-5,530.90	11,212.35
Losses of devaluation of asset (Loss is listed with “-”)		
Income on disposal of assets (Loss is listed with “-”)		
II. Operating profit (Loss is listed with “-”)	1,335,764,791.92	424,528,061.44
Add: Non-operating income	0.00	5,000.02
Less: Non-operating expense	16,034.73	1,099.02
III. Total Profit (Loss is listed with “-”)	1,335,748,757.19	424,531,962.44
Less: Income tax	-514,555.82	-10,260,054.61
IV. Net profit (Net loss is listed with “-”)	1,336,263,313.01	434,792,017.05
(i) continuous operating net profit (net loss listed with “-”)	1,336,263,313.01	434,792,017.05
(ii) termination of net profit (net loss listed with “-”)		
V. Net after-tax of other comprehensive income		

(i) Other comprehensive income items which will not be reclassified subsequently to profit of loss		
1.Changes of the defined benefit plans that re-measured		
2.Other comprehensive income under equity method that cannot be transfer to gain/loss		
3.Change of fair value of investment in other equity instrument		
4.Fair value change of enterprise's credit risk		
5. Other		
(ii) Other comprehensive income items which will be reclassified subsequently to profit or loss		
1.Other comprehensive income under equity method that can transfer to gain/loss		
2.Change of fair value of other debt investment		
3.Amount of financial assets re-classify to other comprehensive income		
4.Credit impairment provision for other debt investment		
5.Cash flow hedging reserve		
6.Translation differences arising on translation of foreign currency financial statements		
7.Other		
VI. Total comprehensive income	1,336,263,313.01	434,792,017.05
VII. Earnings per share:		
(i) Basic earnings per share		
(ii) Diluted earnings per share		

5. Consolidated Cash Flow Statement

In RMB

Item	2024	2023
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor	5,740,779,445.44	6,417,740,069.92

services		
Net increase of customer deposit and interbank deposit		
Net increase of loan from central bank		
Net increase of capital borrowed from other financial institution		
Cash received from original insurance contract fee		
Net cash received from reinsurance business		
Net increase of insured savings and investment		
Cash received from interest, commission charge and commission		
Net increase of capital borrowed		
Net increase of returned business capital		
Net cash received by agents in sale and purchase of securities		
Write-back of tax received	2,979,376.42	3,183,211.56
Other cash received concerning operating activities	265,985,560.00	284,194,324.86
Subtotal of cash inflow arising from operating activities	6,009,744,381.86	6,705,117,606.34
Cash paid for purchasing commodities and receiving labor service	5,403,858,690.85	5,308,048,692.21
Net increase of customer loans and advances		
Net increase of deposits in central bank and interbank		
Cash paid for original insurance contract compensation		
Net increase of capital lent		
Cash paid for interest, commission charge and commission		
Cash paid for bonus of guarantee slip		
Cash paid to/for staff and workers	340,520,836.42	375,960,027.05
Taxes paid	146,884,244.82	138,212,589.39
Other cash paid concerning operating activities	133,798,229.15	297,161,582.08
Subtotal of cash outflow arising from operating activities	6,025,062,001.24	6,119,382,890.73

Net cash flows arising from operating activities	-15,317,619.38	585,734,715.61
II. Cash flows arising from investing activities:		
Cash received from recovering investment	400,281,319.81	1,558,000,000.00
Cash received from investment income	6,078,274.34	6,844,163.83
Net cash received from disposal of fixed, intangible and other long-term assets	17,413,889.42	3,450,760.15
Net cash received from disposal of subsidiaries and other units	18,619,360.20	6,881,320.00
Other cash received concerning investing activities	0.00	726,511.34
Subtotal of cash inflow from investing activities	442,392,843.77	1,575,902,755.32
Cash paid for purchasing fixed, intangible and other long-term assets	95,475,079.77	147,621,094.50
Cash paid for investment	345,009,000.00	1,543,000,000.00
Net increase of mortgaged loans		
Net cash received from subsidiaries and other units obtained	3,151,787.39	0.00
Other cash paid concerning investing activities	7,559,395.68	0.00
Subtotal of cash outflow from investing activities	451,195,262.84	1,690,621,094.50
Net cash flows arising from investing activities	-8,802,419.07	-114,718,339.18
III. Cash flows arising from financing activities:		
Cash received from absorbing investment	0.00	490,000.00
Including: Cash received from absorbing minority shareholders' investment by subsidiaries	0.00	490,000.00
Cash received from loans	3,395,816,991.96	1,930,787,809.13
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	3,395,816,991.96	1,931,277,809.13
Cash paid for settling debts	3,140,732,951.95	1,872,206,173.08
Cash paid for dividend and profit distributing or interest paying	258,068,059.21	324,657,445.10

Including: Dividend and profit of minority shareholder paid by subsidiaries		
Other cash paid concerning financing activities	50,811,877.40	34,531,394.28
Subtotal of cash outflow from financing activities	3,449,612,888.56	2,231,395,012.46
Net cash flows arising from financing activities	-53,795,896.60	-300,117,203.33
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	105,610.80	3,592,205.42
V. Net increase of cash and cash equivalents	-77,810,324.25	174,491,378.52
Add: Balance of cash and cash equivalents at the period -begin	236,745,667.10	62,254,288.58
VI. Balance of cash and cash equivalents at the period -end	158,935,342.85	236,745,667.10

6. Cash Flow Statement of Parent Company

In RMB

Item	2024	2023
I. Cash flows arising from operating activities:		
Cash received from selling commodities and providing labor services	733,933,422.20	729,054,189.00
Write-back of tax received		
Other cash received concerning operating activities	4,010,769,222.83	2,005,313,299.07
Subtotal of cash inflow arising from operating activities	4,744,702,645.03	2,734,367,488.07
Cash paid for purchasing commodities and receiving labor service	421,487.00	
Cash paid to/for staff and workers	65,491,681.47	49,590,320.93
Taxes paid	1,289,038.98	31,145,617.56
Other cash paid concerning operating activities	4,812,539,395.94	2,100,148,518.90
Subtotal of cash outflow arising from operating activities	4,879,741,603.39	2,180,884,457.39
Net cash flows arising from operating activities	-135,038,958.36	553,483,030.68
II. Cash flows arising from investing activities:		
Cash received from recovering	325,621,806.51	658,000,000.00

investment		
Cash received from investment income	14,422,758.19	3,654,709.03
Net cash received from disposal of fixed, intangible and other long-term assets		
Net cash received from disposal of subsidiaries and other units	16,360,810.20	6,881,320.00
Other cash received concerning investing activities	0.00	16,592,433.35
Subtotal of cash inflow from investing activities	356,405,374.90	685,128,462.38
Cash paid for purchasing fixed, intangible and other long-term assets	7,590,134.57	10,063,850.16
Cash paid for investment	295,009,000.00	643,000,000.00
Net cash received from subsidiaries and other units obtained	3,151,787.39	
Other cash paid concerning investing activities	0.00	47,100,000.00
Subtotal of cash outflow from investing activities	305,750,921.96	700,163,850.16
Net cash flows arising from investing activities	50,654,452.94	-15,035,387.78
III. Cash flows arising from financing activities:		
Cash received from absorbing investment		
Cash received from loans	1,635,652,509.73	5,000,000.00
Other cash received concerning financing activities		
Subtotal of cash inflow from financing activities	1,635,652,509.73	5,000,000.00
Cash paid for settling debts	1,363,121,027.51	105,000,000.00
Cash paid for dividend and profit distributing or interest paying	234,609,740.44	289,793,581.08
Other cash paid concerning financing activities		
Subtotal of cash outflow from financing activities	1,597,730,767.95	394,793,581.08
Net cash flows arising from financing activities	37,921,741.78	-389,793,581.08
IV. Influence on cash and cash equivalents due to fluctuation in exchange rate	3,623.95	2,464.09

V. Net increase of cash and cash equivalents	-46,459,139.69	148,656,525.91
Add: Balance of cash and cash equivalents at the period -begin	149,617,836.08	961,310.17
VI. Balance of cash and cash equivalents at the period -end	103,158,696.39	149,617,836.08

7. Consolidated Statement of Changes in Owners' Equity

Current period

In RMB

	2024														
	Owners' equity attributable to the parent Company													Minority interests	Total owners' equity
	Share capital	Other equity instrument			Capital reserve	Less : Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Provision of general risk	Retained profit	Other	Subtotal		
Preferred stock		Perpetual capital securities	Other												
I. Balance at the end of the last year	1,152,535,254.00				1,276,151,523.07	0.00	-833,174.82	741,968.19	483,103,366.38	0.00	1,916,792,566.57	0.00	4,828,491,503.39	53,209,554.68	4,881,701,058.07
Add: Changes of accounting policy					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Error correction of the last period					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Other					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
II. Balance at the beginning of this year	1,152,535,254.00				1,276,151,523.07	0.00	-833,174.82	741,968.19	483,103,366.38	0.00	1,916,792,566.57	0.00	4,828,491,503.39	53,209,554.68	4,881,701,058.07
III. Increase/Decrease in this year (Decrease is listed with "-")	0.00				-4,243,305.73	0.00	212,767.87	410,649.57	133,626,331.30	0.00	-38,823,803.58	0.00	91,182,639.43	-51,506,501.57	39,676,137.86
(i) Total comprehensive income					0.00	0.00	212,767.87	0.00	0.00	0.00	325,309,578.52	0.00	325,522,346.39	-1,165,971.36	324,356,375.03
(ii) Owners' devote	0.00	0.00	0.00	0.00	-4,243,305.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-4,243,305.73	-50,340,530.21	-54,583,835.94

d and decreased capital															
1. Common shares invested by shareholders					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
2. Capital invested by holders of other equity instruments					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
3. Amount reckoned into owners equity with share-based payment					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4. Other					4,243,305.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,243,305.73	50,340,530.21	54,583,835.94
(III) Profit distribution					0.00	0.00	0.00	0.00	133,626,331.30	0.00	364,133,382.10	0.00	230,507,050.80		230,507,050.80
1. Withdrawal of surplus reserves					0.00	0.00	0.00	0.00	133,626,331.30	0.00	133,626,331.30	0.00	0.00		0.00
2. Withdrawal of general risk provisions					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
3. Distribution for owners (or shareholders)					0.00	0.00	0.00	0.00	0.00	0.00	230,507,050.80	0.00	230,507,050.80		230,507,050.80
4. Other					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
(IV) Carrying forward internal owners' equity					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
1. Capital reserves converted to capital					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

(share capital)																
2. Surplus reserves converted to capital (share capital)					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
3. Remedying loss with surplus reserve					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4. Carry-over retained earnings from the defined benefit plans					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
5. Carry-over retained earnings from other comprehensive income					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
6. Other					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
(V) Reasonable reserve					0.00	0.00	0.00	410,649.57	0.00	0.00	0.00	0.00	410,649.57		410,649.57	
1. Withdrawal in the report period					0.00	0.00	0.00	1,243,738.41	0.00	0.00	0.00	0.00	1,243,738.41		1,243,738.41	
2. Usage in the report period					0.00	0.00	0.00	-833,088.84	0.00	0.00	0.00	0.00	-833,088.84		-833,088.84	
(VI) Others					0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
IV. Balance at the end of the report period	1,152,535,254.00				1,271,908,217.34	0.00	-620,406.95	1,152,617.76	616,729,697.68	0.00	1,877,968,762.99	0.00	4,919,674,142.82	1,703,053.11	4,921,377,195.93	

Last period

In RMB

Item	2023														Minority interests	Total owners' equity
	Owners' equity attributable to the parent Company												Subtotal			
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Provision of general risk	Retained profit	Other				
	Preferred stock	Perpetual capital	Other													

			I securities				e								
I. Balance at the end of the last year	1,152,535,254.00				1,259,639,656.65		-891,502.70	220,301.70	439,624,164.67		1,910,954,084.79		4,762,081,959.11	69,511,722.40	4,831,593,681.51
Add: Changes of accounting policy											148,597.59		148,597.59		148,597.59
Error correction of the last period															
Other					15,394,408.65						-10,436,209.66		4,958,198.99		4,958,198.99
II. Balance at the beginning of this year	1,152,535,254.00				1,275,034,065.30		-891,502.70	220,301.70	439,624,164.67	0.00	1,900,666,472.72		4,767,188,755.69	69,511,722.40	4,836,700,478.09
III. Increase/Decrease in this year (Decrease is listed with "-")					1,117,457.77		58,327.88	521,666.49	43,479,201.71	0.00	16,126,093.85		61,302,747.70	-16,302,167.72	45,000,579.98
(i) Total comprehensive income							58,327.88				347,739,109.06		347,797,436.94	-1,192,241.87	346,605,195.07
(ii) Owners' devoted and decreased capital					1,117,457.77								1,117,457.77	490,000.00	1,607,457.77
1. Common shares invested by shareholders														490,000.00	490,000.00
2. Capital invested by holders of other															

es conve rsed to capita l (share capita l)															
3. Reme dying loss with surplu s reserv e															
4. Carr y- over retain ed earnin gs from the define d benefi t plans															
5. Carr y- over retain ed earnin gs from other compr ehensi ve incom e															
6. Other															
(V) Reaso nable reserv e															
1. Withd rawal in the report period															
2. Usage in the report period															
(VI)O thers															
IV. Balan ce at the end of the report period	1,152, 535.2 54.00				1,276, 151.5 23.07	- 833.1 74.82	741,9 68.19	483,1 03,36 6.38	0.00	1,916, 792,5 66.57		4,828, 491,5 03.39	53,20 9,554. 68	4,881, 701,0 58.07	

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

Current Period

In RMB

Item	2024											
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity
		Preferred stock	Perpetual capital securities	Other								
I. Balance at the end of the last year	1,152,535,254.00	0.00	0.00	0.00	3,018,106,568.27				210,698,938.24	416,632,837.22		4,797,973,597.73
Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. Balance at the beginning of this year	1,152,535,254.00	0.00	0.00	0.00	3,018,106,568.27				210,698,938.24	416,632,837.22		4,797,973,597.73
III. Increase / Decrease in this year (Decrease is listed with "-")					191,716.28				133,626,331.30	972,129,930.91		1,105,947,978.49
(i) Total comprehensive income										1,336,263,313.01		1,336,263,313.01
(ii) Owners' devoted and decreased capital					191,716.28							191,716.28
1. Common shares invested by shareholders												
2. Capital invested by holders of other equity instruments												
3. Amount reckoned												

d into owners equity with share-based payment												
4. Other					191,716.28							191,716.28
(III) Profit distribution								133,626,331.30	-	364,133,382.10		-
1. Withdrawal of surplus reserves								133,626,331.30	-	133,626,331.30		0.00
2. Distribution for owners (or shareholders)												
3. Other									-	230,507,050.80		-
(IV) Carrying forward internal owners' equity												
1. Capital reserves converted to capital (share capital)												
2. Surplus reserves converted to capital (share capital)												
3. Remedying loss with surplus reserve												
4. Carry-over retained earnings from the defined benefit plans												
5. Carry-over retained earnings from other comprehensive income												
6. Other												
(V) Reasonable reserve												

1. Withdrawal in the report period												
2. Usage in the report period												
(VI)Others												
IV. Balance at the end of the report period	1,152,535,254.00	0.00	0.00	0.00	3,018,298,284.55				344,325,269.54	1,388,762,768.13		5,903,921,576.22

Last period

In RMB

Item	2023											
	Share capital	Other equity instrument			Capital reserve	Less: Inventory shares	Other comprehensive income	Reasonable reserve	Surplus reserve	Retained profit	Other	Total owners' equity
		Preferred stock	Perpetual capital securities	Other								
I. Balance at the end of the last year	1,152,535,254.00				3,018,106,568.27				167,219,736.53	313,453,835.38		4,651,315,394.18
Add: Changes of accounting policy												
Error correction of the last period												
Other												
II. Balance at the beginning of this year	1,152,535,254.00				3,018,106,568.27				167,219,736.53	313,453,835.38		4,651,315,394.18
III. Increase / Decrease in this year (Decrease is listed with "-")									43,479,201.71	103,179,001.84		146,658,203.55
(i) Total comprehensive income										434,792,017.05		434,792,017.05
(ii) Owners' devoted and decreased capital												

1. Common shares invested by shareholders												
2. Capital invested by holders of other equity instruments												
3. Amount reckoned into owners equity with share-based payment												
4. Other												
(III) Profit distribution								43,479,201.71	-	331,613,015.21		-
1. Withdrawal of surplus reserves								43,479,201.71	-	43,479,201.71		
2. Distribution for owners (or shareholders)									-	288,133,813.50		-
3. Other												
(IV) Carrying forward internal owners' equity												
1. Capital reserves converted to capital (share capital)												
2. Surplus reserves converted to capital (share capital)												
3. Remedying loss with surplus reserve												
4. Carry-over retained earnings from the defined												

benefit plans												
5. Carry-over retained earnings from other comprehensive income												
6. Other												
(V) Reasonable reserve												
1. Withdrawal in the report period												
2. Usage in the report period												
(VI) Others												
IV. Balance at the end of the report period	1,152,535,254.00				3,018,106,568.27				210,698,938.24	416,632,837.22		4,797,973,597.73

III. Basic information of Company

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

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

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

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

The financial statements and notes to financial statements has been approved by the 14th meeting of the 11th session of BOD of the company on April 28, 2025.

IV. Basis of preparation of financial statements

1. Basis of preparation

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

2. Going concern

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

V. Major accounting policy and accounting estimate

Specific accounting policies and accounting estimate tips:

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

1. Statement for observation of Accounting Standard for Business Enterprise

The financial statements prepared by the Company are in accordance to requirements of Accounting Standard for Business Enterprise issued by Ministry of Finance, which truly and completely reflect the financial status of the Company and parent company on December 31, 2024, as well as the consolidate and parent company's operational results and cash flow for year of 2024.

2. Accounting period

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

3. Operating cycle

Operating cycle of the Company is 12 months

4. Standard currency

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

5. Method for determining importance criteria and selection criteria

Applicable Not applicable

Item	Importance criteria
Important accounts receivable with single provision for bad debt reserves	Amount \geq 10,000,000
Other accounts receivable with significant single provision for bad debt reserves	Amount \geq 10,000,000

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

(1) Merger of enterprises under the same control

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

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

The assets and liabilities of the merged party acquired by the merging party in the merger shall be measured at their carrying amounts in the consolidated financial statements of the ultimate controlling party on the merger date; The difference between the book value of the investments held before the merger and the book value of the newly paid consideration on the merger date, and the book value of the net assets obtained during the merger, is adjusted to the capital reserve (share premium). If the capital reserve is insufficient to offset, the retained earnings are adjusted. The long-term equity investment held by the merging party before obtaining control of the merged party shall be offset against the beginning retained earnings or current period gains/losses of the comparative financial period,

respectively, in case the relevant gains/losses, other comprehensive income and other changes in shareholders' equity have been recognized within the period from the latter between the date of acquiring the original equity and the date when the merging party and the merged party are under the same ultimate control as the merging party to the merging date.

(2) Merger of enterprises not under the same control

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

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

Implementing business mergers under different control through multiple transactions in stages

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

(3) Treatment of transaction costs in enterprise merger

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

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

(1) Criteria for judging control

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

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

(2) Method of preparing consolidated financial statements

The consolidated financial statements are based on the financial statements of the Company and its subsidiaries, and are prepared by the Company based on other relevant information. When preparing consolidated financial statements, the accounting policies and

period requirements of the Company and its subsidiaries are consistent, and significant transactions and balances between companies are offset.

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

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

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

(3) Purchase of minority shareholder equity in subsidiary companies

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

(4) Treatment of loss of control over subsidiaries

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

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

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

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

(1) Joint operation

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

The company confirms the following items related to the share of interests in joint operations and conducts accounting treatment in

accordance with the relevant accounting standards for enterprises:

- A. Recognize individually held assets and jointly held assets based on their respective shares;
- B. Recognize individual liabilities and jointly assume liabilities based on their respective shares;
- C. Recognize the income generated from the sale of its share of joint operating output;
- D. Recognize the revenue generated from the sale of output in joint operations based on their share;
- E. Recognize the expenses incurred separately, and the expenses incurred in joint operations based on their respective shares.

(2) Joint venture

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

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

9. Recognition standards for cash and cash equivalents

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

10. Foreign currency transactions and foreign currency statement translation

(1) Foreign currency transactions

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

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

(2) Translation of foreign currency financial statements

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

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

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

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

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

11. Financial instrument

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

(1) Recognition and de-recognition of financial instruments

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

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

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

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

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

(2) Classification and initial measurement of financial assets

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

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

Financial assets measured at amortized cost

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) Classification and measurement of financial liabilities

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

Financial liabilities measured at fair value through gains and losses

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

Financial liabilities measured at amortized cost

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

The distinction between financial liabilities and equity instruments

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

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

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

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

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

(4) Derivative financial instruments and embedded derivative instruments

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

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

(5) Fair value of financial instruments

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

(6) Impairment of financial assets

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

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

Measurement of expected credit losses

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

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

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

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

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

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

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

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

Notes receivable, accounts receivable and contract assets

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

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

A. Notes receivable

Accounts receivable portfolio 1: Bank acceptance bill

Accounts receivable portfolio 2: Commercial acceptance bill

B. Accounts receivable

Accounts receivable portfolio 1: Sales receivables portfolio

Accounts receivable portfolio 2: Specific object portfolio

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

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

Other receivables

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

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

Other accounts receivable portfolio 2: Specific object portfolio

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

Debt investment and other debt investments

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

Assessment of significant increase in credit risk

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

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

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

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

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

Financial assets that have experienced credit impairment

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

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

Reporting of provisions for expected credit losses

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

Write-off

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

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

(7) Financial asset transfer

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

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

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

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

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

12. Note receivable

13. Account receivable

14. Receivable financing

15. Other account receivable

16. Contract asset

17. Inventory

(1) Classification of inventory

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

(2) Valuation methods for delivery of inventory

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

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

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

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

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

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

(4) Inventory system

Inventory system is the perpetual inventory system.

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

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

18.Asset held for sale

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

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

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

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

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

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

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

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

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

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

② The recoverable amount.

(2) Recognition criteria for discontinued operations

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

① The component represents an independent major business or a separate major operating region.

② The component is part of a related plan for the disposal of an independent major business or a separate major operating region.

③ The component is a subsidiary acquired specifically for resale.

(3) Presentation

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

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

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

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

19.Creditors’ investment

20.Other creditors’ investment

21.Long-term accounts receivable

22.Long-term equity investment

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

(1) Determination of initial investment cost

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

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

equity securities, the fair value of the issued equity securities shall be the initial investment cost.

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

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

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

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

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

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

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

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

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

period.

If the shareholding ratio of the Company decreases due to capital increase by other investors, and the company loses control over the invested entity but is able to exercise joint control or exert significant influence on the invested entity, the Company shall recognize the rising net assets of the invested entity held by the company due to capital increase and share expansion according to the new shareholding ratio, and the difference between the original book value of the long-term equity investment corresponding to the decrease in shareholding ratio that should be carried forward shall be included in the current gains and losses, and then it shall be adjusted in terms of the new shareholding ratio just as it is measured with equity method when the investment is obtained.

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

(3) Criteria of joint control and significant influence

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

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

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

(4) Equity investments held-for-sale

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

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

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

(5) Impairment testing methods and impairment provision methods

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

23. Investment real estate

Measurement model for investment real estate

Measured with cost method

Depreciation or amortization methods

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

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

For investment properties that are subsequently measured with cost model, the method for impairment of assets is shown in Note III. 24.

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

24. Fixed assets

(1) Recognition conditions

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

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

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

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

(2) Depreciation method

Category	Method	Years of depreciation	Scrap value rate	Yearly depreciation rate
House and buildings				
Production buildings	Straight-line depreciation	20-35	5.00	4.75-2.71
Non-production buildings	Straight-line depreciation	20-40	5.00	4.75-2.38
Temporary dormitory and simple room etc.	Straight-line depreciation	5-15	5.00	19.00-6.33
Gas storage bin	Straight-line depreciation	20	5.00	4.75
Silo	Straight-line depreciation	50	5.00	1.90
Wharf and supporting facilities	Straight-line depreciation	50	5.00	1.90
Machinery equipment	Straight-line depreciation			
Other machinery equipment	Straight-line depreciation	10-20	5.00	9.50-4.75
Warehouse transmission equipment	Straight-line depreciation	20	5.00	4.75
Transport equipment	Straight-line depreciation	3-10	5.00	31.67-9.50
Electronic equipment and others	Straight-line depreciation	2-10	5.00	47.50-9.50

Among them, for fixed assets with impairment provision, the cumulative amount of impairment provision of fixed assets should also be deducted to determine the depreciation rate.

(1) The methods for impairment testing of fixed assets and the methods for making impairment provision are described in Note III.24.

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

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

(3) Disposal of fixed assets

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

25. Construction in progress

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

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

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

26. Borrowing expenses

(1) Recognition of the borrowing expenses capitalization

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

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

(2) During the capitalization period of borrowing costs

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

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

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

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

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

27. Biological assets

(1) Criteria for determining biological assets

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

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

already begun.

(2) Classification of biological assets

The biological assets of the company include productive biological assets.

① Productive biological assets

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

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

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

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

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

(3) Treatment of impairment of biological assets

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

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

No impairment provision is made for public welfare biological assets.

28. Oil and gas assets

29. Intangible assets

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

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

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

uncertain useful lives are not amortized.

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

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

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

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

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

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

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

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

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

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

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

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

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

30. Impairment of long-term assets

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

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

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

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

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

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

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

31. Long term deferred expenses

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

32. Contract liabilities

33. Employee compensation

(1) Accounting treatment methods for short-term compensation

During the accounting period when the employees provide service to the company, the actual employee wages, bonuses, medical insurance premiums, work-related injury insurance premiums, maternity insurance premiums, and housing provident fund paid to

employees according to prescribed standards and proportions are recognized as liabilities and included in the gains and profits of current period or related asset costs.

(2) Accounting treatment methods for post employment benefits

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

Defined contribution plans

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

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

Defined benefit plans

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

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

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

(3) Accounting treatment methods for termination benefits

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

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

(4) Accounting treatment method for other long-term employee benefits

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

34. Accrual liability

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

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

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

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

35. Share-based payment**36. Other financial instrument of preferred stocks and perpetual bond****37. Revenue**

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

(1) General principles

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

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

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

- ① The customer obtains and consumes the economic benefits brought by the company's performance at the same time as the company fulfills its obligations.

② Customers are able to control the goods under construction during the fulfillment process of the company.

③ The goods produced by the company during the performance process have irreplaceable uses, and the company has the right to collect payments for the cumulative completed performance portion throughout the entire contract period.

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

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

① The company has the current payment right for the goods or services, which means that the customer has a current payment obligation for the goods.

② The company has transferred the legal ownership of the product to the customer, that is, the customer already has legal ownership of the product.

③ The company has transferred the physical ownership of the product to the customer, which means the customer has already taken possession of the product.

④ The company has transferred the main risks and rewards of ownership of the product to the customer, that is, the customer has acquired the main risks and rewards of ownership of the product.

⑤ The customer has accepted the product or service.

⑥ Other signs indicating that the customer has obtained control over the product.

(2) Specific methods

① Grain and oil trade and processing business

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

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

② Grain and oil storage logistics and services

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

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

③ Food, beverage and tea processing

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

④ Leasing business

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

⑤ Other businesses

The revenue from property management services shall be recognized when the relevant labor services occur and the payment is received simultaneously or the voucher for receiving the payment is obtained.

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

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

38. Contract cost

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

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

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

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

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

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

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

39. Government grant

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

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

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

For those whose targets are not clearly specified in government documents and form long-term assets, the government grant corresponding to the asset value shall be regarded as asset-related government grants, and the remaining part shall be regarded as income-related government grants; In case it is difficult to make distinguishing, the government grants as a whole shall be regarded as income-related government grants.

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

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

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

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

40. Deferred income tax assets/deferred income tax liabilities

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

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

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

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

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

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

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

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

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

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

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

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

(2) Deferred income tax assets and deferred income tax liabilities are related to the income tax levied by the same tax administration department on the same taxpayer within the company.

41. Leasing

(1) The company as lessee

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

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

The initial measurement of lease liabilities is based on the present value of lease payments that have not been paid on the start date of

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

Short term leasing

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

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

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

Low value asset leasing

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

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

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

Lease change

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

If the lease change is not accounted for as a separate lease, on the effective date of the lease change, the Company shall reallocate the consideration of the contract after the change, redetermine the lease term, and remeasure the lease liability based on the present value of the lease payment amount after the change and the revised discount rate.

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

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

(2) The company as a lessor

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

Finance lease

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

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

Operating lease

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

Lease change

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

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

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

42. Other important accounting policy and estimation

43.Changes of important accounting policy and estimation

(1) Changes of important accounting policies

Applicable Not applicable

(2) Changes of important accounting estimation

Applicable Not applicable

(3) Implementation of new accounting standards adjustment for the first time starting from 2023, and implementation of relevant financial statement items at the beginning of the year for the first time

Applicable Not applicable

44.Others

VI. Tax

1. Type of tax and rate for main applicable tax

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

Rate of income tax for different taxpaying body:

Taxpaying body	Rate of income tax
Shenzhen Cereals Holdings Co., Ltd.	25.00%
Shenzhen Cereals Group Co., Ltd (hereinafter referred to as “SZCG”)	25.00%, tax exemption for some businesses
Shenzhen Hualian Grain and Oil Trading Co., Ltd. (hereinafter referred to as “Hualian Cereals and Oil”)	25.00%

Dongguan Shenliang Hualian Cereals and Oil Trading Co., Ltd (hereinafter referred to as “Dongguan Hualian”)	25.00%
Shenzhen Shenliang Hongjun Catering Management Co., Ltd. (hereinafter referred to as “Shenliang Hongjun”)	25.00%
Shenzhen Flour Co., Ltd (hereinafter referred to as “Shenzhen Flour”)	25.00%, tax exemption for some businesses
Shenliang Quality Inspection Co., Ltd. (hereinafter referred to as “Shenliang Quality Inspection”)	20.00%
Hainan Shenliang Oil & Food Co., Ltd. (hereinafter referred to as “Hainan Oil & Food”)	20.00%
Shenzhen Shenliang Doximi Business Co., Ltd. (hereinafter referred to as “Doximi”)	25.00%
Shenzhen Shenliang Big Kitchen Food Supply Chain Co., Ltd (hereinafter referred to as “Big Kitchen”)	25.00%
Shenzhen Shenliang Storage (Yingkou) Co., Ltd (hereinafter referred to as “Yingkou Storage”)	25.00%
Shenzhen Shenliang Cold Chain Logistics Co., Ltd. (hereinafter referred to as “Cold Chain Logistics”)	15.00%
Shenzhen Shenliang Property Development Co., Ltd. (hereinafter referred to as “Shenliang Property Development”)	25.00%
Shenzhen Shenliang Property Management Co., Ltd. (hereinafter referred to as “Shenliang Property Management”)	20.00%
Dongguan Shenliang Logistics Co., Ltd. (hereinafter referred to as “Dongguan Logistics”)	25.00%
Dongguan International Food Industrial Park Development Co., Ltd. (hereinafter referred to as “International Food”)	25.00%
Dongguan Shenliang Oil & Food Trade Co., Ltd. (hereinafter referred to as “Dongguan Oil & Food”)	25.00%
Shuangyashan Shenliang Cereals Base Co., Ltd. (hereinafter referred to as “Shuangyashan”)	25.00%
Shenzhen Shenbao Huacheng Technology Co., Ltd. (hereinafter referred to as “Shenbao Huacheng”)	15.00%
Wuyuan Ju Fang Yong Tea Industry Co., Ltd (hereinafter referred to as “Wuyuan Ju Fang Yong”)	15.00%
Shenzhen Shenshenbao Investment Co., Ltd (hereinafter referred to as “Shenshenbao Investment”)	25.00%
Shenzhen Shenshenbao Tea Culture Commercial Management Co., Ltd. (hereinafter referred to as “Shenbao Tea Culture”)	25.00%
Hangzhou Fuhaitang Catering Management Chain Co., Ltd. (hereinafter referred to as “Fuhaitang Catering”)	25.00%
Hangzhou Fuhaitang Tea Ecology Technology Co., Ltd (hereinafter referred to as “Fuhaitang Tea Ecology”)	25.00%
Mount Wuyi Shenbao Rock Tea Co., Ltd. (hereinafter referred to as “Shenbao Rock Tea”)	25.00%
Yunnan Shenbao Pu'er Tea Supply Chain Management Co., Ltd. (hereinafter referred to as “Pu'er Tea Supply Chain”)	25.00%
Shenzhen Shenliang Food Co., Ltd. (hereinafter referred to as “Shenzhen Shenliang Food”)	25.00%
Huizhou Shenliang Food Co., Ltd. (hereinafter referred to as “Huizhou Shenliang Food”)	20.00%
Huizhou Shenbao Technology Co., Ltd. (hereinafter referred to as “Huizhou Shenbao”)	25.00%
Shenliang Hongli Grain and Oil (Shenzhen) Co., Ltd (hereinafter referred to as “Shenliang Hongli”)	25.00%
Xingye Food Co., Ltd. (hereinafter referred to as “Xingye Food”)	16.50%

2. Preferential taxation

1. VAT discounts and approval

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

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

According to the stipulations of the Announcement of the Ministry of Finance and the State Administration of Taxation on Continuing the Implementation of Tax Preferential Policies for Some National Reserve Commodity Reserves([2022]No.8)”, and documents of Guangdong Province Department of Finance, Guangdong Provincial Taxation Bureau of the State Administration of Taxation and Guangdong Provincial Food and Material Reserve Bureau (YCSH [2020]No.2, confirming that the fund account book of SZCG, the Company’s subsidiary, and its direct depots is exempt from stamp duty, confirming that the written purchase and sale contracts of SZCG in the process of undertaking the commodity reserve business are exempt from stamp duty, and confirming that SZCG’s house property and land used for the commodity reserve business are exempt from house property tax and urban land use tax. The execution time limit for this tax preference policy is from January 1, 2022 to December 31, 2024.

3. Enterprise income tax

(1) On May 27, 2021, the General Administration of Taxation, Ministry of Finance issued the Notice on the Extension of Preferential Policies of Enterprise Income Tax of Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone in Shenzhen, the enterprise income tax of qualified enterprises located in Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone is levied at the rate of 15.00%, and the Notice to be implemented from January 1, 2021 to December 31, 2025. The Company's subsidiary cold chain logistics is registered in Shenzhen Qianhai Cooperation Zone, which is eligible for preferential tax conditions. According to relevant policies of the cooperation zone, its income tax will enjoy a preferential tax of 15.00%

(2) On December 23, 2021, Shenbao Huacheng, a subsidiary of the Company, obtained the High-tech Enterprise Certificate (Certificate No.: GR202144205394) jointly issued by the Shenzhen Science and Technology Bureau, the Shenzhen Finance Bureau, and the Shenzhen Tax Service, State Taxation Administration, which is valid for three years. According to the relevant preferential policies of the state for high-tech enterprises, the qualified high-tech enterprises will pay corporate income tax at a reduced income tax rate of 15.00% within three years from the year of identification. Shenbao Huacheng will enjoy the preferential tax policy from 2021 to 2024.

(3) On November 3, 2021, Wuyuan Ju Fang Yong, a subsidiary of the Company, obtained the High-tech Enterprise Certificate (Certificate No.: GR202136000731) jointly issued by the Science and Technology Department of Jiangxi Province, the Finance Department of Jiangxi Province, and the Jiangxi Provincial Tax Service, State Taxation Administration, which is valid for three years. According to the relevant preferential policies of the state for high-tech enterprises, qualified high-tech enterprises will pay corporate income tax at a reduced income tax rate of 15.00% within three years from the year of identification. Wuyuan Ju Fang Yong will enjoy the preferential tax policy from 2021 to 2024.

(4) According to the Notice of the Ministry of Finance and the State Taxation Administration on the Treatment of Corporate Income Tax Treatment of Fiscal Funds for Special Purposes (CS[2009]No.87), the governmental service incomes obtained by SZCG, the Company's subsidiary, and its subordinate companies by carrying out government grain reserves business are fiscal funds for special purposes, those that meet the requirements can be regarded as non-taxable incomes and deducted from the total income when calculating the taxable income. Expenses arising from the use of the above non-taxable income for expenditure shall not be deducted from the calculation of taxable income; for assets formed from expenditure, the calculated depreciation and amortization shall not be deducted from the calculation of taxable income.

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

(6) According to the Announcement of the Ministry of Finance and the State Taxation Administration on the Implementation of Preferential Income Tax Policies for Small and Micro Enterprises ([2022]No.13), from January 1, 2022 to December 31, 2024, the part of the annual taxable income of small and low-profit enterprises not exceeding 1.00 million yuan shall be included in the taxable income at a reduced rate of 25.00%, and the enterprise income tax shall be paid at a tax rate of 20.00%. The company's subsidiary Hainan Grain and Oil, Shenliang Property, Shenliang Quality Inspection and Huizhou Shenliang are small profit enterprises and in line with the preferential tax conditions.

3. Other

VII. Notes to main items of consolidated financial statements

1. Monetary funds

In RMB

Item	Ending balance	Opening balance
Cash on hand	9,442.96	11,234.32
Cash in bank	164,844,740.19	238,163,848.68
Other monetary fund	3,345,108.08	2,565,704.28
Total	168,199,291.23	240,740,787.28
	3,949,901.14	4,356,180.68

2. Tradable financial assets

In RMB

Item	Ending balance	Opening balance
Financial assets measured at fair value		1,122,347.85

and with variation reckoned into current gains/losses		
Including:		
Equity investment instrument		1,122,347.85
Including:		
Total		1,122,347.85

Other explanation:

3. Derivative financial assets

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

Other explanation:

4. Note receivable

(1) By category

In RMB

Item	Ending balance	Opening balance
Bank acceptance bill	2,327,160.00	113,932.00
Total	2,327,160.00	113,932.00

(2) Accrued bad debts reserve

In RMB

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

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

Applicable Not applicable

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

Bad debts reserve accrual in the period:

In RMB

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

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

Applicable Not applicable

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

In RMB

Item	Amount pledged at period-end
------	------------------------------

(5) Notes endorsed or discounted and undue on balance sheet date

Item	Ending derecognized amount	Ending not derecognized amount
------	----------------------------	--------------------------------

(6) Note receivable charged off in the period

Unit: RMB

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

Including major note receivable charged off:

Unit: RMB

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

Explanation on note receivable charged off:

5.Account receivable

(1) By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	237,689,963.04	185,011,814.38
1-2 years	4,395,809.28	1,411,768.67
2-3 years	812,823.91	732,353.29
Over 3 years	95,921,013.66	95,284,580.37
3-4 years	664,460.24	2,124,859.32
4-5 years	2,096,832.37	80,685.16
Over 5 years	93,159,721.05	93,079,035.89
Total	338,819,609.89	282,440,516.71

(2) Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book balance		Bad debts reserve		Book value	Book balance		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accru al ratio		Amount	Ratio	Amount	Accru al ratio	
Account receivable with bad debts reserve accrual on a single basis	100,008,783.63	29.52%	99,914,189.37	99.91%	94,594.26	99,603,414.71	35.27%	99,513,955.78	99.91%	89,458.93
Including:										
Account receivable with bad debts reserve accrual on portfolio	238,810,826.26	70.48%	3,115,854.61	2.63%	235,694,971.65	182,837,102.00	64.73%	3,098,066.95	1.69%	179,739,035.05

Including										
Portfolio of sales receivable	118,311,513.69	34.92%	3,115,854.61	2.63%	115,195,659.08	116,066,604.29	41.09%	3,098,066.95	2.67%	112,968,537.34
Object-specific portfolio	120,499,312.57	35.56%			120,499,312.57	66,770,497.71	23.64%			66,770,497.71
Total	338,819,609.89	100.00%	103,030,043.98	30.41%	235,789,565.91	282,440,516.71	100.00%	102,612,022.73	36.33%	179,828,493.98

Bad debts reserve accrual on single basis: 99,914,189.37 yuan

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual causes
Bad debts reserve accrual on single basis	99,603,414.71	99,513,955.78	100,008,783.63	99,914,189.37	99.91%	Low possibility of recovery
Total	99,603,414.71	99,513,955.78	100,008,783.63	99,914,189.37		

Bad debts reserve accrual on portfolio: Portfolio of sales receivable

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio
Portfolio of sales receivable	118,311,513.69	3,115,854.61	2.63%
Total	118,311,513.69	3,115,854.61	

Explanation on the basis for determining portfolio:

Bad debts reserve accrual on portfolio: object-specific portfolio

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio
Object-specific portfolio	120,499,312.57		
Total	120,499,312.57		

Explanation on the basis for determining portfolio:

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

Applicable Not applicable

(3) Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Change in current period				Ending balance
		Accrued	Collected or reversal	Charged off	Other	
Bad debts reserve for accounts receivable	102,612,022.73	586,396.33	168,375.08			103,030,043.98
Total	102,612,022.73	586,396.33	168,375.08			103,030,043.98

Important bad debts reserve collected or reversal:

In RMB

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

					reserve
--	--	--	--	--	---------

(4) Account receivable charged off in the period

In RMB

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

Including major account receivable charged off:

In RMB

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

Explanation on account receivable charged off:

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

In RMB

Name	Ending balance of account receivable	Ending balance of contract assets	Ending balance of account receivable and contract assets	Ratio in total ending balance of account receivable and contract assets	Ending balance of bad debt reserve and impairment reserve of contract assets
First	116,870,897.62			34.49%	0.00
Second	15,377,080.00			4.54%	153,770.80
Third	10,455,627.54			3.09%	10,455,627.54
Fourth	9,396,151.19			2.77%	93,961.51
Fifth	6,435,350.10			1.90%	64,353.50
Total	158,535,106.45			46.79%	10,767,713.35

6.Contract asset

(1) Contract asset

In RMB

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

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

In RMB

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

(3) Accrued bad debts reserve

In RMB

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

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

Applicable Not applicable

(4) Bad debts reserve accrued, collected or reversal

In RMB

Item	Accrued in the period	Collected or reversal in the period	Written-off in the period	Reason
------	-----------------------	-------------------------------------	---------------------------	--------

Important bad debts reserve collected or reversal:

In RMB

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

Other explanation:

(5) Contract assets charged off during the reporting period

In RMB

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

Including major contract assets charged off:

In RMB

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

Explanation on contract assets charged off:

Other explanation:

7.Account receivable financing

(1) Category of account receivable financing

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

(2) Accrued bad debts reserve

In RMB

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

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

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
-------------------	---------	----------	-----------	-------

	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2024 in the period				

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

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

(3) Bad debts reserve accrued, collected or reversal

In RMB

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

Important bad debts reserve collected or reversal

In RMB

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

Other explanation:

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

In RMB

Item	Amount pledged at period-end

(5) Account receivable financing endorsed or discounted and undue on balance sheet date

In RMB

Item	Amount derecognized at period-end	Amount not derecognized at period-end

(6) Account receivable financing charged off in the period

Unit: RMB

Item	Amount charged off

Including major account receivable financing charged off:

Unit: RMB

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

Explanation on account receivable financing charged off:

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

(8) Other explanation

8.Other accounts receivable

In RMB

Item	Ending balance	Opening balance
Other accounts receivable	19,978,436.61	29,141,966.16
Total	19,978,436.61	29,141,966.16

(1) Interest receivable

1)Category of interest receivable

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

2)Significant overdue interest

In RMB

Borrower	Ending balance	Overdue period	Overdue reason	Whether impairment has occurred and its judgment basis
----------	----------------	----------------	----------------	--

Other explanation:

3)Accrued bad debts reserve

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

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

Important bad debts reserve collected or reversal:

In RMB

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

Other explanation:

5) Interest receivable charged off in the period

Unit: RMB

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

Including major interest receivable charged off:

Unit: RMB

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

Explanation on interest receivable charged off:

Other explanations:

(2) Dividend receivable

1)Category of dividend receivable

In RMB

Item (or investee)	Ending balance	Opening balance
--------------------	----------------	-----------------

2)Significant dividend receivable with aging over one year

In RMB

Item (or investee)	Ending balance	Aging	Reason for not received	Whether impairment has occurred and its judgment basis
--------------------	----------------	-------	-------------------------	--

3)Accrued bad debts reserve

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

In RMB

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

Important bad debts reserve collected or reversal:

In RMB

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

Other explanation:

5) Dividend receivable charged off in the period

Unit: RMB

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

Including major dividend receivable charged off:

Unit: RMB

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

Explanation on dividend receivable charged off:

Other explanation:

(3) Other account receivable

1)By nature

In RMB

Nature	Ending book balance	Beginning book balance
Deposit and margin	16,410,289.56	10,671,175.15
Other intercourse funds	105,477,322.66	121,023,644.56
Total	121,887,612.22	131,694,819.71

2)By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	9,698,491.15	18,294,637.69
1-2 years	7,784,603.76	9,511,259.22
2-3 years	5,278,542.28	2,536,281.98
Over 3 years	99,125,975.03	101,352,640.82
3-4 years	2,121,384.83	3,501,011.75
4-5 years	737,000.59	1,478,563.36
Over five years	96,267,589.61	96,373,065.71
Total	121,887,612.22	131,694,819.71

3)Accrued bad debts reserve

Applicable Not applicable

In RMB

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

Bad debts reserve accrual on single basis

In RMB

Category	Opening balance		Ending balance			
	Book value	Bad debts reserve	Book value	Bad debts reserve	Accrued ratio	Reason

Bad debts reserve accrual on portfolio:2

In RMB

Category	Ending balance		
	Book value	Bad debts reserve	Accrued ratio
Portfolio of expected credit loss	7,905,973.60	3,166,581.16	40.05%
Object-specific portfolio	13,830,884.67	531,588.97	2.95%
Total	21,736,858.27	3,698,170.13	

Explanation on the basis to determine such portfolio::

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

Applicable Not applicable

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance of Jan. 1, 2024	2,647,199.61		99,905,653.94	102,552,853.55
Balance of Jan. 1, 2024 in the period				
Current accrual	1,051,142.38			1,051,142.38
Current reversal			1,694,648.46	1,694,648.46
Other changes	171.86			171.86
Balance on Dec. 31, 2024	3,698,170.13		98,211,005.48	101,909,175.61

Classification basis and bad debts reserve ratio for each stage

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

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	
Bad debts reserve of other accounts receivable	102,552,853.55	1,051,142.38	1,694,648.46	171.86		101,909,175.61
Total	102,552,853.55	1,051,142.38	1,694,648.46	171.86		101,909,175.61

Important bad debts reserve collected or reversal:

In RMB

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

5) Other account receivable charged off in the period

Unit: RMB

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

Including major other account receivable charged off:

Unit: RMB

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

Explanation on other account receivable charged off:

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

In RMB

Enterprise	Nature	Ending balance	Aging	Proportion in total other receivables at ending balance (%)	Ending balance of bad debt reserve
First	Intercourse funds	24,108,742.46	Over five years	19.78%	22,187,644.18
Second	Intercourse funds	8,326,202.63	Over five years	6.83%	8,326,202.63
Third	Intercourse funds	8,285,803.57	Over five years	6.80%	8,285,803.57
Fourth	Intercourse funds	8,257,311.80	Over five years	6.78%	8,257,311.80
Fifth	Intercourse funds	6,781,000.00	1-2 years	5.56%	0.00
Total		55,759,060.46		45.75%	47,056,962.18

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

In RMB

Other explanation:

9. Account paid in advance

(1) By aging

In RMB

Aging	Ending balance		Opening balance	
	Amount	Ratio	Amount	Ratio
Within 1 year	7,575,700.47	77.49%	16,244,819.71	94.26%
1-2 year	1,614,572.15	16.52%	676,069.63	3.92%
2-3 years	367,510.00	3.76%	95,050.89	0.55%
Over 3 years	218,246.08	2.23%	218,761.69	1.27%
Total	9,776,028.70		17,234,701.92	

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

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

Prepaid objects	Ending balance	Proportion in total prepayment balance at the end of period (%)
First	5,872,392.80	60.07%
Second	793,035.00	8.11%

Prepaid objects	Ending balance	Proportion in total prepayment balance at the end of period (%)
Third	606,905.83	6.21%
Fourth	394,980.00	4.04%
Fifth	366,110.00	3.74%
Total	8,033,423.63	82.17%

Other explanation:

10.Inventory

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

No

(1) By category

In RMB

Item	Ending balance			Opening balance		
	Book balance	Inventories fall provision or contract performance costs impairment provision	Book value	Book balance	Inventories fall provision or contract performance costs impairment provision	Book value
Raw materials	80,869,593.40	14,029,193.74	66,840,399.66	63,123,938.67	15,039,481.32	48,084,457.35
Goods in process	26,297,439.74		26,297,439.74	27,382,027.01		27,382,027.01
Finished goods	3,990,325,129.27	87,793,814.10	3,903,440,914.10	3,449,447,657.13	87,071,319.87	3,362,376,337.26
Goods in transit	15,150,734.79		14,241,135.86	12,559,426.44		12,559,426.44
Low value consumables - packaging materials	6,304,862.83	2,190,627.19	4,114,235.64	9,760,002.87	1,718,261.89	8,041,740.98
Work in process-outsourced	5,388,642.06	5,388,642.06		5,438,363.67	5,438,363.67	0.00
Goods in transit	30,064,517.52		30,064,517.52			
Total	4,154,400,919.61	109,402,277.09	4,044,998,642.52	3,567,711,415.79	109,267,426.75	3,458,443,989.04

(2) Data resource recognized as inventory

In total

Item	Data resource inventory outsourced	Data resource inventory self-processed	Data resource inventory acquired with other manners	Total

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

In RMB

Item	Opening	Current amount increased	Current amount decreased	Ending balance

	balance	Accrual	Other	Reversal or write-off	Other	
Raw materials	15,039,481.32	152,650.14		1,162,937.72		14,029,193.74
Finished goods	87,071,319.87	102,622,527.13		101,668,937.12	231,095.78	87,793,814.10
Low value consumables - packaging materials	1,718,261.89	662,968.69		190,603.39		2,190,627.19
Work in process-outsourced	5,438,363.67			49,721.61		5,388,642.06
Total	109,267,426.75	103,438,145.96		103,072,199.84	231,095.78	109,402,277.09

Inventories fall provision accrued in terms of portfolio

In RMB

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

Standard for inventories fall provision accrued in terms of portfolio

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

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

11.Assets held for sale

In RMB

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

Other explanation:

12. Non-current asset due within one year

In RMB

Item	Ending balance	Opening balance

(1) Creditors' investment maturing within one year

Applicable Not applicable

(2) Other creditors' investment maturing within one year

Applicable Not applicable

13.Other current assets

In RMB

Item	Ending balance	Opening balance
Input tax to be deducted	111,305,418.60	48,868,668.82
Prepayment of income taxes	1,424,165.18	25,137,638.10
Prepaid and deferred expense	513,701.48	1,623,160.79
Certificate of deposit	0.00	30,226,849.32

VAT deduction amount	0.00	1,606.45
Total	113,243,285.26	105,857,923.48

Other explanation:

14. Creditors' investment

(1) Creditors' investment

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value

Changes of impairment provision of creditors' investment in current period

In RMB

Item	Opening balance	Current increase	Current decrease	Ending balance
------	-----------------	------------------	------------------	----------------

(2) Important creditors' investment at year-end

In RMB

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

(3) Accrual of impairment provision

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2024 in the period				

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

(4) Creditors' investment charged off in the period

Unit: RMB

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

Including major creditors' investment charged off:

Explanation on creditors' investment charged off:

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

Applicable Not applicable

Other explanation:

15. Other creditors' investment

(1) Other creditors' investment

In RMB

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

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

In RMB

Item	Opening balance	Current increase	Current decrease	Ending balance
------	-----------------	------------------	------------------	----------------

(2) Other creditors' investment at year-end

In RMB

Other creditors' item	Ending balance					Beginning balance				
	Face value	Coupon rate	Actual rate	Maturity date	Overdue principal	Face value	Coupon rate	Actual rate	Maturity date	Overdue principal

(3) Accrual of impairment provision

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2024 in the period				

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

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

Unit: RMB

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

Including major other creditors' investment charged off:

Explanation on other creditors' investment charged off:

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

Applicable Not applicable

Other explanation:

16. Other equity instrument investment

In RMB

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

Other equity instrument investment derecognized in current period

In RMB

Item name	Accumulated gains carried forward to retained gains	Accumulated losses carried forward to retained gains	Reason for de-recognition
-----------	---	--	---------------------------

Sub-item disclosure of current non-trading equity instrument investments

In RMB

Item	Dividends income	Accumulated gains	Accumulated losses	Amount of other comprehensive income transferred to retained earnings	Reasons for designating fair value measurement with changes recognized in other comprehensive income	Reasons for transferring other comprehensive income to retained earnings
------	------------------	-------------------	--------------------	---	--	--

Other explanation:

17. Long-term account receivable

(1) Long-term account receivable

In RMB

Item	Ending balance			Opening balance			Discount rate range
	Book balance	Bad debts reserve	Book value	Book balance	Bad debts reserve	Book value	

(2) Accrued bad debts reserve

In RMB

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

The bad debt reserve is made in terms of the general model of expected credit losses

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2024 in the period				

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

(3) Bad debts reserve accrued, collected or reversal

In RMB

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

Important bad debts reserve collected or reversal:

In RMB

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

Other explanation:

(4) Long-term account receivable charged off in the period

Unit: RMB

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

Including major long-term account receivable charged off:

Unit: RMB

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

Explanation on long-term account receivable charged off:

18. Long-term equipment

In RMB

Investee	Opening balance (book value)	Opening balance of impairment provision	Current changes (+/-)							Ending balance (book value)	Ending balance of impairment provision	
			Additonal investment	Capital reduction	Investment gains recognized under equity	Other comprehensive income adjustment	Other equity change	Cash dividend or profit announced to issued	Accrual of impairment provision			Other
I. Joint venture												
II. Associated enterprise												
Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.	1,587,723.81				-700,262.67						887,461.14	
Zhuhai Hengxing Feed Industrial Co., Ltd.	33,653,135.48				-928,695.36						32,724,440.12	
Shenliang Intelligent Wulian Equity Investment Fund (Shenzhen) Partnership Enterprise (Limited)	27,081,889.78			24,659,513.30	-2,422,376.48							
Shenzhen Shenyuan Data Tech. Co., Ltd	11,686,177.41				58,809.77						11,744,987.1	

				24,659,513.30	-3,992,524.74						8
Subtotal	74,008,926.48		0.00	24,659,513.30	-3,992,524.74						45,356,888.44
Total	74,008,926.48		0.00	24,659,513.30	-3,992,524.74						45,356,888.44

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

Other explanation:

19.Other non-current financial assets

In RMB

Item	Ending balance	Opening balance
Equity instrument investment	57,500.00	57,500.00
Total	57,500.00	57,500.00

Other explanation:

20.Investment real estate

(1) Measured by cost

Applicable Not applicable

In RMB

Item	House and building	Land use right	Construction in progress	Total
I. Original book value				
1. Opening balance	614,752,374.09			614,752,374.09
2. Current amount increased	55,903,541.44			55,903,541.44
(1) Outsourcing				
(2) Inventory\fixed assets\construction in process transfer-in	55,903,541.44			55,903,541.44
(3) Increased by combination				
3. Current amount decreased				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance	670,655,915.53			670,655,915.53
II. Accumulated				

depreciation and accumulated amortization				
1. Opening balance	351,155,342.20			351,155,342.20
2. Current amount increased	17,425,326.58			17,425,326.58
(1) Accrual or amortization	17,425,326.58			17,425,326.58
3. Current amount decreased				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance	368,580,668.78			368,580,668.78
III. Impairment provision				
1. Opening balance				
2. Current amount increased				
(1) Accrual				
3. Current amount decreased				
(1) Disposal				
(2) Other transfer-out				
4. Ending balance				
IV. Book value				
1. Ending book value	302,075,246.75			302,075,246.75
2. Opening book value	263,597,031.89			263,597,031.89

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

Other explanation:

(2) Measured at fair value

Applicable Not applicable

(3) Converted to investment real estate and measured at fair value

In RMB

Item	Accounts before conversion	Amount	Reason for conversion	Approval procedures	Impact on gains/losses	Impact on other comprehensive income

(4) Investment real estate without property certificate completed

In RMB

Item	Book value	Reason for not obtaining the property rights certificate
1 st , 7 th - 20 th floors of Dongguan No.1 Grain and Oil Headquarters	48,448,609.84	The joint inspection has not been completed temporarily
Office Building Rental Haizhifeng Part	821,981.29	Remaining issues, currently being followed up

Other explanation:

21.Fixed assets

In RMB

Item	Ending balance	Opening balance
Fixed assets	2,009,520,283.95	2,171,989,776.52
Disposal of fixed assets		7,552.00
Total	2,009,520,283.95	2,171,997,328.52

(1) Fixed assets

In RMB

Item	House and buildings	Machinery equipment	Transport equipment	Electronic and other equipment	Total
I. Original book value:					
1. Opening balance	2,030,666,059.42	779,559,717.86	16,758,876.75	104,121,959.67	2,931,106,613.70
2. Current amount increased	9,205,482.95	17,288,443.03	839,650.43	4,679,055.94	32,012,632.35
(1) Purchase		4,338,198.00	839,650.43	1,742,457.19	6,920,305.62
(2) Construction in progress transfer-in	7,458,146.94	12,950,245.03		2,094,777.81	22,503,169.78
(3) Increased by combination					
(4) Other increase	1,747,336.01			841,820.94	2,589,156.95
3. Current amount decreased	98,410,268.63	5,106,863.10	293,227.27	7,885,906.73	111,696,265.73
(1) Disposal or scrap		2,606,987.96	293,227.27	7,553,033.37	10,453,248.60
(2) Other decrease	98,410,268.63	2,499,875.14		332,873.36	101,243,017.13
4. Ending balance	1,941,461,273.74	791,741,297.79	17,305,299.91	100,915,108.88	2,851,422,980.32
II. Accumulated depreciation					
1. Opening balance	350,849,019.39	318,153,516.48	14,387,876.06	72,903,471.54	756,293,883.47
2. Current amount increased	46,344,897.70	36,131,528.06	738,012.43	12,658,525.44	95,872,963.62
(1) Accrual	45,253,792.30	36,131,528.06	738,012.43	11,085,040.44	93,208,373.22
(2) Other increase	1,091,105.40			1,573,485.00	2,664,590.40
3. Current amount decreased	1,573,485.00	2,260,264.10	268,510.03	8,730,226.12	12,832,485.25
(1) Disposal or scrap		2,260,264.10	268,510.03	7,548,832.01	10,077,606.14
(2) Other decrease	1,573,485.00			1,181,394.11	2,754,879.11
4. Ending balance	395,620,432.09	352,024,780.44	14,857,378.46	76,831,770.86	839,334,361.84
III. Impairment provision					
1. Opening		2,813,063.84		9,889.87	2,822,953.71

balance					
2. Current amount increased					
(1) Accrual					
3. Current amount decreased		254,619.18			254,619.18
(1) Disposal or scrap		254,619.18			254,619.18
4. Ending balance		2,558,444.66		9,889.87	2,568,334.53
IV. Book value					
1. Ending book value	1,545,840,841.65	437,158,072.69	2,447,921.45	24,073,448.15	2,009,520,283.95
2. Opening book value	1,679,817,040.03	458,593,137.54	2,371,000.69	31,208,598.26	2,171,989,776.52

(2) Temporarily idle fixed assets

In RMB

Item	Original book value	Accumulated depreciation	Impairment provision	Book value	Note
------	---------------------	--------------------------	----------------------	------------	------

(3) Fixed assets leased out by operation

In RMB

Item	Ending book value
------	-------------------

(4) Fix assets without property certification held

In RMB

Item	Book value	Reasons for without the property certification
Civil engineering of CDE warehouse Dawn Grain Reserve Warehouse	576,992,093.23	Still under processing
Housing and buildings of Dongguan Industrial and Trade	82,473,841.32	Under processing
Office building	13,578,444.19	Remaining issues, currently being followed
1 st to 3 rd floors of Grain and Oil Headquarters	4,527,320.33	The joint inspection has not been completed temporarily

Other explanation:

(5) Impairment testing of fixed assets

Applicable Not applicable

(6) Disposal of fixed assets

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

		7,552.00
Total		7,552.00

Other explanation:

22. Construction in progress

In RMB

Item	Ending balance	Opening balance
Construction in progress	39,312,847.70	51,288,301.16
Total	39,312,847.70	51,288,301.16

(1) Construction in progress

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Dongguan grain storage and wharf matching project	23,185,559.25		23,185,559.25	32,632,618.62		32,632,618.62
CDE storage of Dongguan Food Industrial Park and wharf mating projects	6,281,644.10		6,281,644.10	4,965,118.29		4,965,118.29
Low Temperature Warehouse Renovation Project of Pinghu Grain Depot	3,942,246.16		3,942,246.16			
Precision processing color selection and impurity removal equipment project	1,061,287.68		1,061,287.68			
Powder packaging equipment project	814,388.06		814,388.06	1,784,995.63		1,784,995.63
Deep processing project				513,729.78		513,729.78
Small packaging production line				8,880,595.19		8,880,595.19
Other	8,928,295.83	4,900,573.38	4,027,722.45	7,256,767.03	4,745,523.38	2,511,243.65
Total	44,213,421.08	4,900,573.38	39,312,847.70	56,033,824.54	4,745,523.38	51,288,301.16

(2) Changes of major construction in progress

In RMB

Item	Budget	Opening balance	Current amount	Transfer-in fixed	Other	Ending balance	Proportion	Progress	Accumulated	Including:	Interest capital	Capital
------	--------	-----------------	----------------	-------------------	-------	----------------	------------	----------	-------------	------------	------------------	---------

			increase d	assets	decre ased in the Period		of projec t invest ment in budge t		capitaliz ation of interest	amount of capitali zation of interest in Period	zation rate in Period	resou rces
Dong guan grain storage and wharf match ing projec t	1,242,000 ,000.00	32,632,6 18.62	6,220,9 66.53	8,936,68 7.76	7,399 ,572. 66	24,114, 564.81	88.50 %	88.5 0%	37,221,9 95.16			Loan s from finan cial instit ution
CDE stora ge of Dong guan Food Indus trial Park and wharf matin g projec ts	1,087,300 ,000.00	4,965,11 8.29	3,573,1 10.75	2,256,58 4.94		6,281,6 44.10	98.79 %	98.7 9%	86,730,5 68.74			Loan s from finan cial instit ution
Total	2,329,300 ,000.00	37,597,7 36.91	9,794,0 77.28	11,193,2 72.70	7,399 ,572. 66	30,396, 208.91			123,952, 563.90			

(3) Impairment provision of construction in progress

In RMB

Item	Opening balance	Current increase	Current decrease	Ending balance	Reason for accrual
------	-----------------	------------------	------------------	----------------	--------------------

Other explanation:

(4) Impairment testing of construction in progress

Applicable Not applicable

(5) Engineering material

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value

Other explanation:

23.Productive biological asset

(1) Measured at cost

☒Applicable ☐Not applicable

☒Applicable ☐Not applicable

In RMB

Item	Plant	Livestock	Forestry	Fisheries	Total
I. Original book value					
1. Opening balance	416,771.28				416,771.28
2. Current amount increased					
(1) Outsourcing					
(2) Self-cultivate					
3. Current amount decreased					
(1) Disposal					
(2) Other					
4. Ending balance	416,771.28				416,771.28
II. Accumulated depreciation					
1. Opening balance	58,154.28				58,154.28
2. Current amount increased	9,692.40				9,692.40
(1) Accrual	9,692.40				9,692.40
3. Current amount decreased					
(1) Disposal					
(2) Other					
4. Ending balance	67,846.68				67,846.68
III. Impairment provision					
1. Opening balance					
2. Current amount increased					
(1) Accrual					
3. Current amount decreased					
(1) Disposal					
(2) Other					
4. Ending balance					
IV. Book value					
1. Ending book value	348,924.60				348,924.60
2. Opening book	358,617.00				358,617.00

value				
-------	--	--	--	--

(2) Impairment testing of productive biological asset measured at cost model

Applicable Not applicable

(3) Productive biological asset measured at fair value

Applicable Not applicable

24. Oil and gas asset

Applicable Not applicable

25. Right-of-use asset

(1) On right-of-use asset

	In RMB		
Item	House and building	Land use rights	Total
I. Original book value			
1. Opening balance	110,474,798.90	1,823,669.22	112,298,468.12
2. Current amount increased	86,582,460.08	1,052,300.17	87,634,760.25
(1) Lease	86,582,460.08	1,052,300.17	87,634,760.25
3. Current amount decreased	1,627,356.49		1,627,356.49
Other decrease	1,627,356.49		1,627,356.49
4. Ending balance	195,429,902.49	2,875,969.39	198,305,871.88
II. Accumulated depreciation			
1. Opening balance	54,661,515.02	703,804.94	55,365,319.96
2. Current amount increased	29,020,700.05	289,168.19	29,309,868.24
(1) Accrual	29,020,700.05	289,168.19	29,309,868.24
3. Current amount decreased	1,627,356.49		1,627,356.49
(1) Disposal			
(2) Other decrease	1,627,356.49		1,627,356.49
4. Ending balance	82,054,858.58	992,973.13	83,047,831.71
III. Impairment provision			
1. Opening balance			
2. Current amount increased			
(1) Accrual			
3. Current amount decreased			
(1) Disposal			
4. Ending balance			
IV. Book value			
1. Ending book value	113,375,043.91	1,882,996.26	115,258,040.17
2. Opening book value	55,813,283.88	1,119,864.28	56,933,148.16

(2) Impairment testing of right-of-use assets

Applicable Not applicable

Other explanation:

26.Intangible assets

(1) Intangible assets

In RMB

Item	Land use right	Patent	Non-patent technology	Shop use rights	Software usage rights	Forest use rights	Trademark rights	Total
I. Original book value								
1. Opening balance	585,810,806.50	54,979,841.97		3,610,487.37	108,614,817.05	22,859,104.98	98,073.32	775,973,131.19
2. Current amount increased	2,096,568.36				8,661,447.51		2,047.04	10,760,062.91
(1) Purchase					8,661,447.51		2,047.04	8,663,494.55
(2) Internal R&D								
(3) Increased by combination								
(4) Other increase	2,096,568.36							2,096,568.36
3. Current amount decreased		88,540.56			457,063.72		2,047.04	547,651.32
(1) Disposal							2,047.04	2,047.04
(2) Other decrease		88,540.56			457,063.72			545,604.28
4. Ending balance	587,907,374.86	54,891,301.41		3,610,487.37	116,819,200.84	22,859,104.98	98,073.32	786,185,542.78
II. Accumulated depreciation								
1. Opening balance	129,883,658.78	31,200,957.77		1,585,353.29	52,875,861.49	8,456,983.56	91,477.54	224,094,292.43
2. Current amount increased	14,795,217.30	1,258,740.49		90,028.90	16,338,073.67	772,863.60	2,883.02	33,257,806.98
(1) Accrual	14,120,617.56	1,258,740.49		90,028.90	16,338,073.67	772,863.60	2,883.02	32,583,207.24
(2) Other increase	674,599.74							674,599.74
3. Current amount decreased					90,000.00		632.94	90,632.94
(1) Disposal							632.94	632.94
(3) Other decrease					90,000.00			90,000.00

4. Ending balance	144,678,876.08	32,459,698.26		1,675,382.19	69,123,935.16	9,229,847.16	93,727.62	257,261,466.47
III. Impairment provision								
1. Opening balance		5,553,283.54						5,553,283.54
2. Current amount increased								
(1) Accrual								
3. Current amount decreased								
(1) Disposal								
4. Ending balance		5,553,283.54						5,553,283.54
IV. Book value								
1. Ending book value	443,228,498.78	16,878,319.61		1,935,105.18	47,695,265.68	13,629,257.82	4,345.70	523,370,792.77
2. Opening book value	455,927,147.72	18,225,600.66		2,025,134.08	55,738,955.56	14,402,121.42	6,595.78	546,325,555.22

Ratio of the intangible assets formed by internal R&D in balance of intangible assets at period-end

(2) Data resource recognized as intangible assets

Applicable Not applicable

(3) Land use rights without certificate of ownership

In RMB

Item	Book value	Reasons for without the property certification
Land use right	7,849,990.00	Still in progress

Other explanation:

(4) Impairment testing of intangible assets

Applicable Not applicable

27. Goodwill

(1) Original book value of goodwill

In RMB

Investee or matters forming goodwill	Opening balance	Current increased		Current decreased		Ending balance
		Formed by business combination		Disposal		
Total						

(2) Impairment provision of goodwill

In RMB

Investee or matters forming goodwill	Opening balance	Current increased		Current decreased		Ending balance
		Accrual		Disposal		
Total						

(3) Related information of asset group or asset group portfolio where goodwill is included

Name	Component and basis of asset group or asset group portfolio	Operation segment and basis	Consistent with previous years(Y/N)?
------	---	-----------------------------	--------------------------------------

Changes in asset group or asset group portfolio

Name	Component before change	Component after change	Objective fact and basis leading to change
------	-------------------------	------------------------	--

Other explanation

(4) Specific method of determining the recoverable amount

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

(5) Completion of performance commitments and corresponding impairment of goodwill

When goodwill is formed, there is a performance commitment and the reporting period or the previous period is within the performance commitment period

Applicable Not applicable

Other explanation:

28. Long-term expenses to be apportioned

In RMB

Item	Opening balance	Current amount increased	Current amortization	Other decreased	Ending balance
Decoration fee	7,335,025.84	606,399.67	2,071,622.22		5,869,803.29
Improvement expenditure for fix assets	13,393,709.04	8,746,681.95	4,973,792.09		17,166,598.90
Other	3,965,583.17	1,800.00	990,596.68		2,976,786.49
Total	24,694,318.05	9,354,881.62	8,036,010.99		26,013,188.68

Other explanation:

29. Deferred income tax asset /Deferred income tax liabilities

(1) Deferred income tax assets not offset

In RMB

Item	Ending balance		Opening balance	
	Deductible temporary differences	Deferred income tax asset	Deductible temporary differences	Deferred income tax asset
Impairment provision for assets	78,886,233.43	19,113,818.29	79,024,031.58	18,487,424.12
Unrealized profits in internal transactions	1,955,326.35	293,298.96	3,110,821.11	1,173,392.02
Credit impairment loss	131,272,060.28	32,427,392.41	131,582,333.01	32,508,076.97
Lease liabilities	72,583,919.01	18,145,979.75	60,423,752.25	9,667,435.83
Total	284,697,539.07	69,980,489.41	274,140,937.95	61,836,328.94

(2) Deferred income tax liability not offset

In RMB

Item	Ending balance		Opening balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
Asset evaluation appreciation of enterprise combination under different control	41,980,665.84	10,495,166.46	43,635,535.04	10,908,883.86
Right-of-use asset	68,309,530.63	17,077,382.66	56,763,213.31	9,108,070.16
Total	110,290,196.47	27,572,549.12	100,398,748.35	20,016,954.02

(3) Deferred income tax assets and deferred income tax liabilities listed as net amount after offsetting

In RMB

Item	Offsetting between the deferred income tax assets and liabilities	Ending balance of deferred income tax assets or liabilities after offsetting	Trade-off between the deferred income tax assets and liabilities at period-begin	Opening balance of deferred income tax assets or liabilities after offsetting
Deferred income tax asset	17,077,382.66	52,903,106.75	9,079,033.56	52,757,295.38
Deferred income tax liabilities	17,077,382.66	10,495,166.46	9,079,033.56	10,937,920.46

(4) Details of unrecognized deferred income tax assets

In RMB

Item	Ending balance	Opening balance
Deductible temporary differences	151,802,527.41	73,593,637.62
Deductible loss	319,287,351.61	251,212,047.17
Total	471,089,879.02	324,805,684.79

(5) Deductible losses of unrecognized deferred income tax assets expiring in following years

In RMB

Year	Ending balance	Beginning balance	Note
2024		16,724,256.16	
2025	59,047,529.92	56,660,853.56	
2026	24,075,232.20	19,393,006.74	

2027	37,011,114.59	33,681,969.13	
2028	95,247,245.53	98,962,940.16	
2029	81,843,220.20	6,398,410.05	
2030	1,592,707.06	1,592,707.06	
2031	11,566,491.62	11,566,491.62	
2032	6,231,412.69	6,231,412.69	
2033	2,672,397.80		
Total	319,287,351.61	251,212,047.17	

Other explanation:

30. Other non-current asset

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Property to be relocated	3,523,917.24		3,523,917.24	3,523,917.24		3,523,917.24
Prepaid for engineer	2,497,360.73		2,497,360.73			
Prepaid for system				3,774,032.76		3,774,032.76
Total	6,021,277.97		6,021,277.97	7,297,950.00		7,297,950.00

Other explanation:

31. Assets with restricted ownership or use rights

In RMB

Item	Ending				Beginning			
	Book balance	Book value	Restriction type	Restriction status	Book balance	Book value	Restriction type	Restriction status
Monetary fund	9,263,948.38	9,263,948.38	Guarantee deposit, credit deposit, lawsuit freezing, etc.		5,464,837.31	5,464,837.31	Guarantee deposit, credit deposit. etc	
Total	9,263,948.38	9,263,948.38			5,464,837.31	5,464,837.31		

Other explanation:

32. Short-term loans

(1) By category

In RMB

Item	Ending balance	Opening balance
Loan in credit	1,484,605,101.05	1,223,462,519.16
Total	1,484,605,101.05	1,223,462,519.16

Explanation on category of short-term loans:

(2) Overdue and unpaid short-term loans

The overdue and unpaid short-term loans was 0.00 yuan at period-end, including follow major amount:

In RMB

Borrower	Ending balance	Loan rate	Overdue time	Overdue interest
----------	----------------	-----------	--------------	------------------

Other explanation:

33. Tradable financial liability

Item	Ending balance	Opening balance
Including:		
Including:		

Other explanation:

34. Derivative financial liability

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

Other explanation:

35. Note payable

In RMB

Category	Ending balance	Opening balance
----------	----------------	-----------------

Notes expiring at year-end not repaid was 0.00 yuan.

36. Account payable

(1) Account payable

In RMB

Item	Ending balance	Opening balance
Trade accounts payable	320,908,083.65	157,073,307.00
Account payable for engineer and equipment	69,278,292.34	176,815,688.99
Other	2,600,723.24	2,276,200.81
Total	392,787,099.23	336,165,196.80

(2) Major accounts payable with aging over one year or overdue major accounts payable

Other explanation:

37. Other account payable

In RMB

Item	Ending balance	Opening balance
Dividend payable	2,933,690.04	2,933,690.04
Other account payable	265,387,637.46	275,112,561.49
Total	268,321,327.50	278,046,251.53

(1) Interest payable

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

Important overdue and unpaid interest situation:

In RMB

Borrower	Overdue amount	Overdue reason
----------	----------------	----------------

Other explanation:

(2) Dividend payable

In RMB

Item	Ending balance	Opening balance
Shenzhen Investment Management Company	2,690,970.14	2,690,970.14
Untrusted shares	242,719.90	242,719.90
Total	2,933,690.04	2,933,690.04

Other explanations, including important dividends payable that have not been paid for more than one year, should disclose the reasons for non payment:

(3) Other account payable

1)By nature

In RMB

Item	Ending balance	Opening balance
Accounts receivable and other expenses	181,075,520.70	204,092,429.04
Deposit and margin	71,419,422.77	59,175,450.98
Engineering quality assurance deposit and final payment	439,888.55	2,697,829.08
Accrued expenses	12,452,805.44	9,146,852.39
Total	265,387,637.46	275,112,561.49

2)Significant other account payable with aging over 1 year or overdue significant other account payable

In RMB

Item	Ending balance	Reason for not repaying or carry-over
------	----------------	---------------------------------------

38.Accounts received in advance

(1) Accounts received in advance

In RMB

Item	Ending balance	Opening balance
Lease payment received in advance	1,120,939.23	3,654.89

Other	568,809.63	1,081,046.71
Total	1,689,748.86	1,084,701.60

(2) Significant accounts received in advance with aging over one year or overdue significant accounts received in advance

In RMB

Item	Ending balance	Reason for not repaying or carry-over
------	----------------	---------------------------------------

In RMB

Item	Change in amount	Reason for change
------	------------------	-------------------

39.Contract liabilities

In RMB

Item	Ending balance	Opening balance
Advance on sales	126,590,458.95	86,566,253.73
Total	126,590,458.95	86,566,253.73

Significant contract liabilities with aging over 1 year

In RMB

Item	Ending balance	Reason for not repaying or carry-over
------	----------------	---------------------------------------

Amount and reasons for important changes in book value in the period

In RMB

Item	Change in amount	Reason for change
------	------------------	-------------------

40.Wage payable

(1) Wage payable

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
I. Short-term compensation	253,139,696.10	233,803,876.16	312,986,714.32	173,956,857.94
II. After-service welfare-defined contribution plans	12,314,242.50	27,439,433.28	32,886,693.69	6,866,982.09
III. Dismissed welfare	760,724.60	75,058.39	109,108.39	726,674.60
Total	266,214,663.20	261,318,367.83	345,982,516.40	181,550,514.63

(2) Short-term compensation

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
1. Wage, bonus, allowance and subsidy	244,877,081.13	188,746,265.77	267,341,101.67	166,282,245.23
2. Employees' welfare	96,864.69	4,749,559.66	4,477,896.52	368,527.83
3. Social insurance charges	302,549.13	6,852,237.93	6,772,082.31	382,704.75
Including: medical insurance premium	272,678.90	5,965,562.25	5,890,358.97	347,882.18
Industrial injury insurance premiums	3,329.93	485,056.04	482,256.09	6,129.88
Maternity	26,540.30	401,619.64	399,467.25	28,692.69

insurance premiums				
4. Housing public reserve	36,788.20	21,353,475.85	21,338,987.27	51,276.78
5. Trade union fee and education fee	7,817,412.95	4,927,162.83	6,018,623.43	6,725,952.35
Non-monetary welfare		7,158,174.12	7,017,023.12	141,151.00
Other short-term compensation	9,000.00	17,000.00	21,000.00	5,000.00
Total	253,139,696.10	233,803,876.16	312,986,714.32	173,956,857.94

(3) Defined contribution plans

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
1. Basic endowment insurance premiums	27,351.36	17,719,286.56	17,690,136.82	56,501.10
2. Unemployment insurance premiums	6,375.81	867,396.44	873,772.25	
3. Enterprise annuity	12,280,515.33	8,852,750.28	14,322,784.62	6,810,480.99
Total	12,314,242.50	27,439,433.28	32,886,693.69	6,866,982.09

Other explanation:

41. Taxes payable

In RMB

Item	Ending balance	Opening balance
VAT	2,133,176.38	3,929,827.56
Enterprise income tax	95,215,697.77	78,612,383.92
Personal income tax	1,450,305.23	919,489.66
Urban maintenance and construction tax	113,475.35	184,436.23
Property tax	1,350,095.44	1,402,724.23
Stamp tax	1,089,799.33	924,833.66
Deed tax	664,227.84	664,227.84
Use tax of land	138,387.07	15,205.45
Educational surtax	81,630.62	253,657.15
Environment protection tax	2,644.32	
Total	102,239,439.35	86,906,785.70

Other explanation:

42. Liability held for sale

In RMB

Item	Ending balance	Opening balance
Subsidiary Wuhan Jiacheng		66,579,828.59
Total	0.00	66,579,828.59

Other explanation:

43. Non-current liabilities due within one year

In RMB

Item	Ending balance	Opening balance
Lease liabilities due within one year	42,927,367.21	22,805,473.76

Total	42,927,367.21	22,805,473.76
-------	---------------	---------------

Other explanation:

44. Other current liabilities

In RMB

Item	Ending balance	Opening balance
Deferred output tax	8,042,645.47	3,896,108.63
Other	0.00	31.93
Total	8,042,645.47	3,896,140.56

Changes of short-term bonds payable:

In RMB

Bonds	Face value	Issuance date	Bonds term	Amount issued	Opening balance	Issued in the period	Accrual interest by face value	Premium and discount amortization	Paid in the period		Ending balance	Breach contract or not(Y/N)?

Other explanation:

45. Long-term loan

(1) Category of long-term loan

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

Explanation on category of long-term loans:

Other explanation, including interest rate range:

46. Bonds payable

(1) Bonds payable

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

(2) Changes of bonds payable (not including preferred stock, perpetual capital securities and other financial instruments classified as financial liability)

In RMB

Bonds	Face value	Coupon rate	Issuance date	Bonds term	Amount issued	Opening balance	Issued in the period	Accrual interest by face value	Premium and discount amortization	Paid in the period		Ending balance	Breach contract or not(Y/N)?
Total													

(3) Description of convertible bonds

(4) Other financial instruments classified as financial liability

Basic information of the outstanding preferred stock and perpetual capital securities at period-end

Changes of outstanding preferred stock and perpetual capital securities at period-end

In RMB

Outstanding financial instrument	Period-beginning		Current increased		Current decreased		Period-end	
	Amount	Book value	Amount	Book value	Amount	Book value	Amount	Book value

Explanation on the basis for classifying other financial instrument into financial liability

Other explanation

47. Lease liability

In RMB

Item	Ending balance	Opening balance
Lease payments	126,474,987.95	64,121,413.50
Unrecognized financing charges	-5,463,119.98	-3,570,988.00
Lease liabilities due within one year	-42,927,367.21	-22,805,473.76
Total	78,084,500.76	37,744,951.74

Other explanation:

48. Long-term account payable

In RMB

Item	Ending balance	Opening balance
Special account payable	16,636,326.62	17,994,633.05
Total	16,636,326.62	17,994,633.05

(1) By nature

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

Other explanation:

(2) Special account payable

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance	Causes
Depreciation funds for fixed assets of government reserve grain depots	16,214,402.96	207,446.57		16,421,849.53	
Special funding for research in the grain public welfare industry	207,477.09			207,477.09	
Shenzhen Hospital Phase III housing expropriation property rights	1,529,253.00	138,381.00	1,667,634.00		

exchange					
Grain and oil market monitoring and early warning subsidy	3,500.00	3,500.00		7,000.00	
Special funds for the construction and maintenance of the grain emergency system	40,000.00		40,000.00		
Total	17,994,633.05	349,327.57	1,707,634.00	16,636,326.62	

Other explanation:

49. Long-term wage payable

(1) Long-term wage payable

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

(2) Changes of defined benefit plans

Present value of the defined benefit plans:

In RMB

Item	Current Period	Last Period
------	----------------	-------------

Scheme assets:

In RMB

Item	Current Period	Last Period
------	----------------	-------------

Net liability (assets) of the defined benefit plans

In RMB

Item	Current Period	Last Period
------	----------------	-------------

Content of defined benefit plans and relevant risks, impact on future cash flow of the Company as well as times and uncertainty:

Major actuarial assumption and sensitivity analysis of defined benefit plans:

Other explanation:

50. Accrual liabilities

In RMB

Item	Ending balance	Opening balance	Causes
------	----------------	-----------------	--------

Other explanation, including relevant important assumptions and estimation:

51. Deferred income

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance	Causes
Government grant	82,819,873.24	4,057,114.25	7,673,371.50	79,203,615.99	
Total	82,819,873.24	4,057,114.25	7,673,371.50	79,203,615.99	--

Other explanation:

52. Other non-current liabilities

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

Other explanation:

53. Share capital

In RMB

	Opening balance	Current increased (decreased) +/-					Ending balance
		New shares issued	Bonus shares	Shares converted from public reserve	Other	Subtotal	
Total shares	1,152,535,254.00						1,152,535,254.00

Other explanation:

54. Other equity instrument

(1) Basic information of the outstanding preferred stock and perpetual capital securities at period-end

(2) Changes of outstanding preferred stock and perpetual capital securities at period-end

In RMB

Outstanding financial instrument	Period-beginning		Current increased		Current decreased		Period-end	
	Quantity	Book value	Quantity	Book value	Quantity	Book value	Quantity	Book value

Explanation on changes in other equity instrument, reasons for changes and relevant accounting treatment basis:

Other explanation:

55. Capital reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Capital premium (Share capital premium)	1,267,255,141.21		4,243,305.73	1,263,011,835.48
Other capital reserve	8,896,381.86			8,896,381.86
Total	1,276,151,523.07		4,243,305.73	1,271,908,217.34

Other instructions, including changes in the current period, reasons for changes:

In September 2024, a subsidiary of the Company, Shenzhen Hualian Grain and Oil Trading Co., Ltd. purchased 49% minority equity interest in its subsidiary, Shuangyashan Shenliang Cereals Base Co., Ltd. The difference between the transaction consideration and the corresponding change in the shareholding ratio based on the fair value of the identifiable net assets calculated continuously from the purchase date was adjusted to reduce capital reserve by RMB 90,805.74.

In December 2024, the Company completed the equity delivery of Xingye Food Co., Ltd. (hereinafter referred to as "Xingye Food"), which is a subsidiary of Shenzhen Food Materials Group Co., Ltd. This transaction constituted a business combination under the same control. The difference between the carrying value of the combination consideration (or the total par value of the issued shares) and the carrying value of the net assets acquired in the combination was adjusted to reduce capital reserve (share premium) by RMB 4,152,500.00. Meanwhile, the net assets increased due to the combination were adjusted in the capital reserve

(share premium) under shareholders' equity in the comparative financial statements. For the portion of the retained earnings (sum of surplus reserves and undistributed profits) realized by the acquiree before the business combination that belongs to the combining party, it was transferred from capital reserve to retained earnings.

56. Treasury stock

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
------	-----------------	-------------------	-------------------	----------------

Other explanation, including changes and reason for changes:

57. Other comprehensive income

In RMB

Item	Opening balance	Current Period						Ending balance
		Account before income tax in the period	Less: written in other comprehensive income in previous period and carried forward to gains/losses in current period	Less: written in other comprehensive income in previous period and carried forward to retained earnings in current period	Less: income tax expense	Attributable to parent company after tax	Attributable to minority shareholders after tax	
II. Other comprehensive income re-classified into gains/losses	-833,174.82	254,811.82			42,043.95	212,767.87		-620,406.95
Exchange differences on translation of foreign currency financial statements	-833,174.82	254,811.82			42,043.95	212,767.87		-620,406.95
Total of other comprehensive income	-833,174.82	254,811.82			42,043.95	212,767.87		-620,406.95

Other explanation, including the active part of the hedging gains/losses of cash flow transfer to initial reorganization adjustment for the arbitrated items:

58. Reasonable reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Work safety fee	741,968.19	1,243,738.41	833,088.84	1,152,617.76
Total	741,968.19	1,243,738.41	833,088.84	1,152,617.76

Other explanation, including changes in current period and reason for changes:

59. Surplus public reserve

In RMB

Item	Opening balance	Current increased	Current decreased	Ending balance
Statutory surplus reserves	483,103,366.38	133,626,331.30		616,729,697.68

Total	483,103,366.38	133,626,331.30		616,729,697.68
-------	----------------	----------------	--	----------------

Other explanation, including changes in current period and reasons for changes:

60. Retained profit

In RMB

Item	Current period	Last period
Retained profit at last period-end before adjustment	1,916,792,566.57	1,910,954,084.79
Total adjustment amount of retained profit at period-beginning (adjustment increase +/adjustment decrease-)		-10,287,612.07
Retained profit at period-beginning after adjustment	1,916,792,566.57	1,900,666,472.72
Add: net profit attributable to shareholder of parent company	325,309,578.52	347,739,109.06
Less: withdrawal of legal surplus reserve	133,626,331.30	43,479,201.71
Common stock dividends payable	230,507,050.80	288,133,813.50
Retained profit at period-end	1,877,968,762.99	1,916,792,566.57

Details about adjusting the retained profits at the beginning of the period:

- 1) Due to the retroactive adjustments to Accounting Standards for Business Enterprises and its relevant new regulations, the retained profit at the beginning of the period was affected by negative 148,597.5 yuan.
- 2) Due to changes in accounting policies, the retained profit at the beginning of the period was affected by 0.00 yuan.
- 3) Due to major accounting error correction, the retained profit at the beginning of the period was affected by 0.00 yuan
- 4) Due to changes in merge scope caused by the same control, the retained profits at the beginning of the period was affected by -10,436,209.66 yuan.
- 5) Due to other adjustments, the retained profits at the beginning of the period was affected by 0.00 yuan.

61. Operating revenue and operating cost

In RMB

Item	Current period		Last period	
	Income	Cost	Income	Cost
Main business	5,371,493,401.89	4,477,833,978.58	6,189,691,606.18	5,228,738,901.98
Other business	3,596,445.02	1,167,456.25	313,750.64	106,899.36
Total	5,375,089,846.91	4,479,001,434.83	6,190,005,356.82	5,228,845,801.34

Whether the lower of the audited net profit before and after deduction of non-recurring gains/ losses is negative or not?

Yes No

Information on breakdown of operation income and cost:

In RMB

Category	Branch 1		Branch 2		Total			
	Operating revenue	Operating cost						
Business types								
Including:								
Classification by business area								
Including:								
Market or								

customer type								
Including:								
Contract types								
Including:								
Classification by time of goods transfer								
Including:								
Classification by contract duration								
Including:								
Classification by sales channel								
Including:								
Total								

Information relating to performance obligations:

Item	Time for performance obligations	Important payment terms	Nature of the goods promised to transfer by the company	Is it the main responsible person?	Expected refunds to customers borne by the company	Types of quality assurance provided by the company and related obligations
------	----------------------------------	-------------------------	---	------------------------------------	--	--

Other explanations

Information related to the transaction price allocated to the remaining performance obligations:

At the end of this reporting period, the contract has been signed, but the income corresponding to unfulfilled or incomplete performance obligations is 126,590,458.95 yuan, which is expected to be recognized in the year of 2025.

Related information of contract variable price:

Significant contract changes or significant transaction price adjustments

In RMB

Item	Accounting treatment method	Impact on income
------	-----------------------------	------------------

Other explanation:

62. Tax and surcharge

In RMB

Item	Current period	Last period
Urban maintenance and construction tax	1,221,674.64	1,383,698.15
Education surcharge	944,426.67	1,051,442.01
Property tax	13,228,693.85	11,861,483.21
Use tax of land	1,860,162.47	1,957,226.62
Vehicle and vessel use tax	21,598.24	19,917.36
Stamp duty	2,363,400.05	2,629,698.94
Other	12,703.14	6,972.53
Total	19,652,659.06	18,910,438.82

Other explanation:

63. Administration expenses

In RMB

Item	Current period	Last period
Labor and social security benefits	92,027,598.27	132,104,257.58
Depreciation and amortization of long-term assets	43,892,426.93	43,251,708.23
Office expenses	7,832,785.01	5,977,040.35
Intermediary agency fees	4,537,569.50	4,727,255.72
Communication expense	2,163,612.00	1,738,151.72
Vehicle usage fee	1,694,972.94	2,134,383.20
Travelling expense	1,130,140.38	1,131,371.09
Rental	713,648.91	454,215.27
Repairing expense	624,504.35	969,999.94
Low-value consumable	505,314.41	456,480.17
Business hospitality	409,836.76	760,742.03
Relocation and shutdown costs	37,526.60	25,476.09
Other	12,675,264.53	19,334,010.25
Total	168,245,200.59	213,065,091.64

Other explanation:

64. Sales expense

In RMB

Item	Current period	Last period
Labor and social security benefits	99,897,664.20	114,823,759.85
Depreciation and amortization of long-term assets	9,900,670.84	11,669,044.05
Office expenses	10,845,695.36	10,373,217.31
Sales service fee	7,295,139.32	6,944,356.95
Storage and loading/unloading fees	1,298,777.88	8,973,219.39
Low value consumables and other loss expenses	3,722,408.10	899,870.58
Travel expenses	2,556,940.10	3,007,934.57
Business hospitality	1,098,538.42	1,505,531.70
Advertising expenses	274,794.60	1,100,020.83
Rental	514,723.11	1,175,659.26
Property insurance premium	1,199,180.50	939,751.88
Logistics and transportation costs	702,660.09	551,895.13
Sales commission		75,437.50
Vehicle use fee	284,432.28	260,081.34
Other	10,218,705.16	14,130,055.64
Total	149,810,329.96	176,429,835.98

Other explanation:

65. R&D expenses

In RMB

Item	Current period	Last period
Labor and social security benefits	12,077,363.97	12,149,800.39
Direct investment	7,521,427.97	2,895,753.44

Depreciation and amortization	3,063,811.07	3,174,111.67
Entrusted R&D expense	80,188.68	117,726.42
Travel expense	847,673.24	650,799.60
Inspection and debugging expense	929,050.82	604,082.75
Other expenses	689,128.68	453,090.41
Total	25,208,644.43	20,045,364.68

Other explanation:

66. Financial expense

In RMB

Item	Current period	Last period
Interest expenses	33,986,936.32	39,968,255.33
Including: interest expenses of lease liability		
Less: interest capitalization		
Interest income	-1,832,540.57	-959,189.54
Exchange gains/losses	75,332.11	286,319.71
Handling fee and others	448,518.55	767,442.39
Total	32,678,246.41	40,062,827.89

Other explanation:

67. Other income

In RMB

Sources	Current period	Last period
Government grant	10,243,944.62	14,663,529.88
Input tax deduction	1,579,562.14	7,890,252.79
Handling fees for withholding personal income tax	454,718.47	398,387.36
Other	62,310.23	16,988.26
Total	12,340,535.46	22,969,158.29

68. Net exposure hedge gains

In RMB

Item	Current period	Last period

Other explanation:

69. Income of fair value changes

In RMB

Sources	Current period	Last period
Tradable financial assets		-105,784.51
Tradable financial liabilities		288,486.18
Total	0.00	182,701.67

Other explanation:

70. Investment income

In RMB

Item	Current period	Last period
Long-term equity investment income measured with equity method	-3,992,524.74	3,332,391.85
Investment income from the disposal of long-term equity investment	2,890,749.95	
Investment income from the disposal of tradable financial assets	2,123,849.30	
Income from financial products	2,394,668.46	6,622,492.60
Total	3,416,742.97	9,954,884.45

Other explanation:

71.Credit impairment loss

In RMB

Item	Current period	Last period
Loss of bad debt of accounts receivable	-417,686.25	-3,599,093.34
Loss of bad debt of other accounts receivable	643,505.99	426,721.19
Loss of bad debts of accounts prepaid	-59,090.80	
Total	166,728.94	-3,172,372.15

Other explanation:

72.Asset impairment loss

In RMB

Item	Current period	Last period
I. Inventory depreciation loss and impairment loss of contract performance cost	-102,204,026.35	-104,336,237.13
VI. Impairment losses of construction in progress	-155,050.00	
Total	-102,359,076.35	-104,336,237.13

Other explanation:

73.Income from disposal of assets

In RMB

Sources	Current period	Last period
Gains from the disposal of non-current assets (disposal group) held for sale (losses shall be filled in with "-")		2,394,378.42
Income from the disposal of fixed assets (losses shall be filled in with "-")	41,906.80	
Income from the disposal of intangible assets (losses shall be filled in with "-")	5,239,932.45	
Total	5,281,839.25	2,394,378.42

74.Non-operation income

In RMB

Item	Current period	Last period	Amount included in the current non-recurring gains/losses
Government grants	16,500.00		16,500.00

Gains from damage and scrapping of non-current assets	14,444.62	51,232.64	14,444.62
Gains from inventory surplus	3,081.80	6,062.93	3,081.80
No payment required		827,455.51	
Liquidated damages compensation income	246,085.99	1,457,192.35	246,085.99
Other	328,634.72	103,784.80	328,634.72
Total	608,747.13	2,445,728.23	608,747.13

Other explanation:

75. Non-operating expenditure

In RMB

Item	Current period	Last period	Amount included in current non-recurring gains/ losses
External donations	21,613.38		21,613.38
Penalty expenses and liquidated damages	13,907.66	1,291,772.38	13,907.66
Loss of scrap from inventory	176,715.04		176,715.04
Loss of scrap from non-current assets	142,968.10	105,910.32	142,968.10
Other	248,775.50	403,290.79	248,775.50
Total	603,979.68	1,800,973.49	603,979.68

Other explanation:

76. Income tax expense

(1) Income tax expense

In RMB

Item	Current period	Last period
Current income tax expenses	96,132,421.18	87,781,940.01
Deferred income tax expenses	-931,158.99	-13,045,542.44
Total	95,201,262.19	74,736,397.57

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

In RMB

Item	Current period
Total profit	419,344,869.35
Income tax expenses calculated by statutory/applicable tax rate	62,901,730.40
Impact from different tax rate applicable with subsidiaries	-133,122.96
Effect of adjusting income tax in the previous period	-973,807.22
Impact of non-taxable income	-24,551,943.95
Impact of cost, expenses and losses unable to be deducted	22,197,551.21
Impact of the use of a previously unrecognized deferred income tax asset on deductible losses	-6,441,586.90
Impact of unrecognized deferred income tax assets in current period on deductible temporary differences or deductible losses	51,108,299.25
Gains/losses of joint ventures and associated enterprises measured with equity method	-998,131.19
Tax influence of additional deduction of R&D expenditure (filled in with "-")	-2,733,712.87
Other	-5,174,013.58
Income tax expenses	95,201,262.19

Other explanation:

77. Other comprehensive income

Refer to notes for details.

78. Items of cash flow statement

(1) Cash received with operating activities concerned

Cash received with other operating activities concerned

In RMB

Item	Current period	Last period
Intercourse funds and deposit	255,222,055.70	262,341,355.02
Government grants	6,582,472.32	13,485,589.19
Interest income	1,446,480.80	959,189.53
Other	2,734,551.18	7,408,191.12
Total	265,985,560.00	284,194,324.86

Note of cash paid with other operating activities concerned:

Cash paid with other operating activities concerned

In RMB

Item	Current period	Last period
Intercourse funds and deposit	12,814,346.92	200,194,238.36
Daily operating expenses	116,004,859.92	93,274,316.07
Other	4,979,022.31	3,693,027.65
Total	133,798,229.15	297,161,582.08

Note of cash paid with other operating activities concerned:

(2) Cash with investment activities concerned

Cash received with other investment activities concerned

In RMB

Item	Current period	Last period
External lending recovered		726,511.34
Total	0.00	726,511.34

Significant cash received with other investment activities concerned:

Explanation on cash received with other investment activities concerned:

Cash paid with other investment activities concerned

In RMB

Item	Current period	Last period
Net cash flow from the disposal of subsidiaries	7,559,395.68	
Total	7,559,395.68	0.00

Significant cash paid with investment activities concerned

Cash paid with other operating activities concerned

(3) Cash with financing activities concerned

Cash received with other financing activities concerned

In RMB

Item	Current period	Last period
------	----------------	-------------

Note of cash received with other financing activities concerned:

Cash paid with other financing activities concerned

In RMB

Item	Current period	Last period
Operating lease paid	21,955,877.40	20,079,954.38
Payment of minority shareholder equity		11,106,589.90
Purchase of minority shareholder equity	28,856,000.00	3,344,850.00
Total	50,811,877.40	34,531,394.28

Explanation on cash paid with other financing activities concerned:

Changes in liabilities arising from financing activities

☒Applicable ☐Not applicable

In RMB

Item	Opening balance	Current increased		Current decreased		Ending balance
		Cash change	Non-cash change	Cash change	Non-cash change	
Short-term borrow	1,223,462,519.16	3,395,816,991.96	847,880.55	3,132,663,497.78	2,858,792.84	1,484,605,101.05
Lease liabilities	60,596,042.05		82,371,703.32	21,955,877.40		121,011,867.97
Total	1,284,058,561.21	3,395,816,991.96	83,219,583.87	3,154,619,375.18	2,858,792.84	1,605,616,969.02

(4) Cash flow listed at net amount

Item	Relevant facts	Basis for being listed at net amount	Financial impact
------	----------------	--------------------------------------	------------------

(5) Significant activities and financial impacts that do not involve current cash inflow and outflow but affect the financial condition of the company or may affect the cash flow of the company in the future

79. Supplementary information of cash flow statement

(1) Supplementary information of cash flow statement

In RMB

Supplementary information	Current amount	Last amount
1. Net profit adjusted to cash flow of operation activities:		
Net profit	324,143,607.16	346,546,867.19
Add: Impairment provision of assets	103,280,186.26	107,508,609.28
Depreciation of fixed assets, consumption of oil assets and depreciation of productive biology assets	132,209,130.59	111,231,937.94
Depreciation of right-of-use assets	5,228,150.97	22,328,053.93
Amortization of intangible assets	32,504,390.74	34,397,837.54
Amortization of long-term deferred expenses	7,307,115.11	8,660,628.62
Loss from the disposal of fixed assets, intangible assets and other long-term assets (income is listed with "-")	-5,294,363.80	-2,394,378.42
Losses on scrapping of fixed assets (income is listed with "-")	50,779.47	54,677.68
Loss from change of fair value		-182,701.67

(income is listed with “-”)		
Financial expenses (income is listed with “-”)	76,139,497.95	39,973,327.68
Investment loss (income is listed with “-”)	-14,559,424.88	-9,954,884.45
Decrease of deferred income tax assets (increase is listed with “-”)	-419,064.89	-15,049,702.87
Increase of deferred income tax asset ((increase is listed with “-”)	-413,717.40	2,034,884.00
Decrease of inventory (increase is listed with “-”)	761,631,627.99	27,253,849.60
Decrease of operating receivable accounts (increase is listed with “-”)	1,167,426,765.77	92,190,867.25
Increase of operating payable accounts (decrease is listed with “-”)	-2,605,796,038.83	-178,865,157.69
Other	1,243,738.41	
Net cash flow arising from operating activities	-15,317,619.38	585,734,715.61
2. Material investment and financing not involved in cash flow		
Conversion of debt into capital		
Convertible company bonds due within one year		
Financing lease of fixed assets		
Right-of-use assets	87,634,760.25	7,645,189.94
3. Net change of cash and cash equivalents:		
Ending balance of cash	158,935,342.85	236,745,667.10
Less: beginning balance of cash	236,745,667.10	62,254,288.58
Add: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase of cash and cash equivalents	-77,810,324.25	174,491,378.52

(2) Net cash paid for obtaining subsidiary in the Period

In RMB

	Amount
Including:	
Including	
Including:	

Other explanation:

(3) Net cash received by disposing subsidiaries in the Period

In RMB

	Amount
Net cash or cash equivalents received by disposing subsidiaries in the Period	18,619,360.20
Including:	
Wuhan Jiacheng	16,360,810.20
Zhenpin	2,258,550.00
Minus: Cash and cash equivalents held by subsidiaries on the day losing control right	7,559,395.68
Including:	
Wuhan Jiacheng	3,118,813.43
Zhenpin	4,440,552.25
Including:	

Net cash received from disposing subsidiaries	11,059,964.52
---	---------------

Other explanation:

(4) Component of cash and cash equivalents

In RMB		
Item	Ending balance	Opening balance
I. Cash	158,935,342.85	236,745,667.10
Including: Cash on hand	9,442.96	11,234.32
Bank deposit available for payment at any time	158,925,899.89	236,734,432.78
III. Ending balance of cash and cash equivalents	158,935,342.85	236,745,667.10

(5) Items with restricted application scope still belong to cash and cash equivalents

In RMB			
Item	Current amount	Last amount	Reason for still belonging to cash and cash equivalents

(6) Monetary funds not belonging to cash and cash equivalents

In RMB			
Item	Current amount	Last amount	Reason for not belonging to cash and cash equivalents
Monetary funds	9,263,948.38	5,464,837.31	Credit deposit, litigation preservation
Total	9,263,948.38	5,464,837.31	

Other explanation:

(7) Explanation on other significant activities

80. Notes of changes of owners' equity

Explain the name and adjusted amount in "Other" that have been adjusted to the ending balance of the previous year

81. Foreign currency monetary items

(1) Foreign currency monetary items

In RMB			
Item	Ending foreign currency balance	Convert rate	Ending RMB balance converted
Monetary fund			5,338,018.28
Including: USD	170,791.46	7.1884	1,227,822.02
EURO			
HKD	4,438,465.14	0.92604	4,110,196.26
Account receivable			1,035,374.09
Including: USD	89,291.19	7.1884	641,860.79
EURO			
HKD	424,947.65	0.92604	393,513.30
Long-term borrow			

Including: USD			
EURO			
HKD			

Other explanation:

(2) Explanation on overseas operating entities, including disclosure of their main overseas operating location, accounting currency, and selection criteria for important overseas operating entities. If the accounting currency changes, the reasons should also be disclosed.

Applicable Not applicable

82. Lease

(1) The company as leaser

Applicable Not applicable

(2) The company as lessee

Operating lease with the company as lessee

Applicable Not applicable

In RMB

Item	Lease income	Including: income related to variable lease payments not included in lease payments
Rent housing, equipment, etc.	149,643,064.27	
Total	149,643,064.27	

Financing lease with the company as lessor

Applicable Not applicable

Annual lease payments not discounted in the next five years

Applicable Not applicable

Adjustment table for lease payment not discounted and net lease investments

(3) Recognize gains/losses from financing lease as producer or dealer

Applicable Not applicable

83. Data resource

84. Others

VIII. R&D expenditure

In RMB

Item	Current period	Last period
------	----------------	-------------

1.R&D items that meet capitalization conditions

In RMB

Item	Beginning balance	Current increase			Current decrease			Ending balance
		Internal development expenditure	Other		Recognized as intangible assets	Carried forward to current gains/losses		
Total								

Major capitalized R&D items

Items	R&D progress	Estimated completion time	Expected way of generating economic benefits	Starting point of capitalization	Specific basis for starting capitalization

Impairment provision for R&D expenditure

In RMB

Item	Beginning balance	Current increase	Current decrease	Ending balance	Impairment test

2. Important outsourced projects under research

Item	Expected way of generating economic benefits	The criteria and specific basis for determining capitalization or expensing

Other explanation:

IX. Changes in consolidation range

1. Enterprise combination not under the same control

(1) Enterprise combination not under the same control

In RMB

Acquiree	Time point for equity obtained	Cost of equity obtained	Ratio of equity obtained	Acquired way Equity obtained way	Purchasing date	Standard to determine the purchasing date	Income of acquiree from purchasing date to period-end	Net profit of acquiree from purchasing date to period-end

Other explanation:

(2) Combination cost and goodwill

In RMB

Consolidation cost	
--Cash	
--Fair value of non-cash assets	
--Fair value of debts issued or assumed	
--Fair value of equity securities issued	
-- Fair value of contingent consideration	
--Fair value of the equity prior to the purchasing date	
--Other	
Total combination cost	
Less: shares of fair value of identifiable net assets acquired	

Portion of goodwill/combination cost less than the shares of fair value of identifiable net assets acquired	
---	--

Explanation on the method for determining the fair value of combination costs

Explanation on contingent considerations and their changes:

Main reasons for the formation of large goodwill

Other explanation:

(3) Identifiable assets and liabilities of the acquiree on purchasing date

In RMB

	Fair value on purchasing date	Book value on purchasing date
Assets:		
Monetary funds		
Accounts receivable		
Inventory		
Fixed assets		
Intangible assets		
Liability:		
Loan		
Accounts payable		
Deferred tax liabilities		
Net assets		
Less: Minority interests		
Net assets acquired		

Determination method for fair value of the identifiable assets and liabilities:

Contingent liabilities assumed by the acquiree in enterprise combination:

Other explanation:

(4) Gains/losses arising from the equity held before purchasing date which are re-measured at fair value

Whether there is any transaction that achieves enterprise combination through multiple transactions and obtains control during the reporting period or not?

Yes No

(5) Explanation on failing to reasonably determine the combination consideration or the fair value of identifiable assets and liabilities of the acquiree on the purchasing date or at the combination period-end

(6) Other explanation

2. Business combination under the same control

(1) Business combination under the same control in the Period

In RMB

Acquiree	Equity ratio obtained in combination	Basis of enterprise combination under the same control	Combination date	Standard to determine the combination date	Income of the acquiree from the combination period-begin to the combination date	Net profit of the acquiree from the combination period-begin to the combination date	Income of the acquiree during the comparison period	Net profit of the acquiree during the comparison period

Xingye Food Trading Co., Ltd.	100.00%	Before the Company's merger with Xingye Food Trading Co., Ltd., both were controlled by Shenzhen Agricultural Power Group Co., Ltd.	2024-12-24	Date acquiring the control right of the acquiree	127,320.37	92,048.86	-	85,624.62
-------------------------------	---------	---	------------	--	------------	-----------	---	-----------

Other explanation:

According to the equity transfer agreement between the Company and Shenzhen Agricultural Power Group Co., Ltd., the Company agreed to acquire 100.00% equity of Xingye Food Co., Ltd. held by the latter at the consideration of 4,152,500.00 yuan. Before this transaction, both the Company and Xingye Food were controlled by Shenzhen Agricultural Power Group Co., Ltd., making this a business combination under the same control.

(2) Combination cost

In RMB

Combination cost	
--Cash	4,152,500.00
-- Book value of non-cash assets	
-- Book value of debts issued or assumed	
-- Face value of equity securities issued	
--Contingent consideration	

Explanation on contingent consideration and its changes:

Other explanation:

(3) Book value of the assets and liabilities of the acquiree on combination date

In RMB

	Combination date	Ending balance of last period
Assets:	4,344,216.28	4,398,060.25
Monetary funds	3,949,901.14	4,356,180.68
Account receivable	366,711.84	14,276.27
Inventory		
Fixed assets	27,603.30	27,603.30
Intangible assets		
Liability:		
Loan		
Account payable		
Net assets	4,344,216.28	4,039,399.55
Less: Minority interests		
Net assets acquired	4,344,216.28	4,039,399.55

Contingent liability of the combined party assumed by the Company during combination:

Other explanation:

3. Reverse purchase

Basic transaction information, basis of counter purchase, whether making up business due to the assets and liability reserved by listed company and basis, determination of combination cost, amount and calculation on adjusted equity by equity transaction:

4. Disposal of subsidiaries

Whether there is any situation where a single disposal of investment in a subsidiary result in loss of control or not?

Yes No

In RMB

Subsidiary name	Disposal price at the time of loss of control	Proportion of disposal at the time of loss of control	Disposal methods at the time of losing control	Time of losing control	Basis for determining the time of losing control	The difference between the disposal price and the share of the subsidiary's net assets in the consolidated financial statements corresponding to the disposal of investment	The proportion of remaining equity on the date of loss of control	On the date of loss of control, the book value of the remaining equity in the consolidated financial statement	Fair value of remaining equity in the consolidated financial statement on the date of loss of control	Gains/losses arising from re-measurement of remaining equity at fair value	Method and main assumptions for determining the fair value of remaining equity in the consolidated financial statement on the date of loss of control	The amount of other comprehensive income related to equity investments in subsidiaries transferred to investment gains/losses or retained earnings
Zhenpin Market Operation Technology Co., Ltd.	3,977,261.71	100.00%	Sell	2024-11-30	According to the equity transfer agreement and the conditions for the transfer of control, the final date for completing the industrial and commercial change is determined to be the date of loss of control	1,506,747.71						

Other explanation:

Whether there is any situation where investments in subsidiaries are disposed by steps through multiple transactions and control is lost in the current period or not?

Yes No

5. Other reasons for changes in consolidation range

Consolidation scope changes caused by other reasons (eg, establish new subsidiaries, liquidate subsidiaries) and the related circumstances:

6.Other

X. Equity in other entities

1. Equity in subsidiaries

(1) Membership of enterprise group

Subsidiary	Registered capital	Main place of operation	Registration place	Business nature	Shareholding ratio		Acquisition way
					Directly	Indirectly	
SZCG	1,530,000,000.00	Shenzhen City	Shenzhen City	Grain & oil trading	100.00%		Combine under the same control
Hualian Grain & Oil	100,000,000.00	Shenzhen City	Shenzhen City	Grain & oil trading		100.00%	Combine under the same control
Shenzhen Flour	30,000,000.00	Shenzhen City	Shenzhen City	Flour processing		100.00%	Combine under the same control
Shenliang Quality Inspection	8,000,000.00	Shenzhen City	Shenzhen City	Inspection		100.00%	Combine under the same control
Hainan Grain and Oil	10,000,000.00	Haikou City	Haikou City	Feed production		100.00%	Combine under the same control
Doximi	10,000,000.00	Shenzhen City	Shenzhen City	E-commerce		100.00%	Combine under the same control
Big Kitchen	10,000,000.00	Shenzhen City	Shenzhen City	Sales and processing of grain,oil and relevant products		100.00%	Combine under the same control
Yingkou Storage	1,000,000.00	Yingkou City	Yingkou City	Storage		100.00%	Combine under the same control
Cold Chain Logistic	10,000,000.00	Shenzhen City	Shenzhen City	On-line operation of fresh food		100.00%	Combine under the same control
Shenliang Property	9,500,000.00	Shenzhen City	Shenzhen City	Property development and management		100.00%	Combine under the same control
International Food	221,000,000.00	Dongguan City	Dongguan City	Port operation, food production		100.00%	Combine under the same control
Dongguan Grain and Oil	100,000,000.00	Dongguan City	Dongguan City	Food production		100.00%	Combine under the same control
Dongguan Logistics	298,000,000.00	Dongguan City	Dongguan City	Storage, logistics	49.00%	51.00%	Combine under the same control
Shuangyashan	100,000,000.00	Shuangyashan City	Shuangyashan City	Construction of food base and development of related complementary facilities		100.00%	Combine under the same control
Shenliang Hongjun	30,000,000.00	Shenzhen City	Shenzhen City	Catering		51.00%	Establishment
Dongguan Hualian	10,000,000.00	Dongguan City	Dongguan City	Grain and oil trade		100.00%	Establishment
Shenliang Property	5,000,000.00	Shenzhen City	Shenzhen City	Property management		100.00%	Establishment

Management						%	
Shenbao Huacheng	207,451,300.00	Shenzhen City	Shenzhen City	Manufacturing	100.00%		Establishment
Wuyuan Ju Fang Yong	290,000,000.00	Shangrao City	Shangrao City	Manufacturing		100.00%	Establishment
Huizhou Shenbao	60,000,000.00	Huizhou City	Huizhou City	Comprehensive businesses	100.00%		Establishment
Shenshenbao Investment	50,000,000.00	Shenzhen City	Shenzhen City	Investment management	100.00%		Establishment
Shenbao Tea Culture	15,000,000.00	Shenzhen City	Shenzhen City	Commercial trade		100.00%	Establishment
Shenliang Hongli	50,000,000.00	Hangzhou City	Hangzhou City	Grain and oil wholesale	100.00%		Establishment
Fuhaitang Catering	1,000,000.00	Hangzhou City	Hangzhou City	Catering		100.00%	Establishment
Fuhaitang Ecology Technology	2,000,000.00	Hangzhou City	Hangzhou City	Tea planting, production and sales		100.00%	Business combination not under the same control
Shenbao Rock Tea	20,700,000.00	Wuyishan City	Wuyishan City	Manufacturing		100.00%	Establishment
Pu'er Tea Supply Chain	20,000,000.00	Pu'er City	Pu'er City	Wholesale business		100.00%	Establishment
Shenliang Food	30,150,000.00	Pu'er City	Pu'er City	Manufacturing	100.00%		Establishment
Huizhou Shenliang Food	5,000,000.00	Huizhou City	Shenzhen City	Wholesale business		100.00%	Establishment
Xingye Food	500,000.00	Hong Kong (China)	Hong Kong (China)	Wholesale business	100.00%		Business combination under the same control

Explanation on shareholding ratio in subsidiaries different from ratio of voting right:

Explanation on the basis for controlling the investee with half or below voting rights held and without controlling the investee, or explanation on the basis for not controlling the investee with over half voting rights:

Explanation on the basis for control the important structured entities included in the consolidation scope:

Basis for determining whether the company is an agent or consignor:

Other explanation:

(2) Important non-wholly-owned subsidiary

In RMB

Subsidiary	Shareholding ratio of minority shareholders	Gains/losses attributable to minority in the Period	Dividend announced to distribute for minority in the Period	Ending equity of minority
------------	---	---	---	---------------------------

Explanation on the situation where the shareholding ratio of minority shareholders is different from the voting right ratio of minority shareholders:

Other explanation:

(3) Main financial information of the important non-wholly-owned subsidiaries

In RMB

Subsidiary	Ending balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities

In RMB

Subsidiary	Current Period				Last Period			
	Operating revenue	Net profit	Total comprehensive income	Cash flow from operation activity	Operating revenue	Net profit	Total comprehensive income	Cash flow from operation activity

Other explanation:

(4) Significant restrictions on the use of enterprise group assets and the repayment of debts of the enterprise group

(5) Financial or other support offered to the structured entities included in consolidated financial statements

Other explanation:

2. Transactions where the share of owner's equity in a subsidiary change while the subsidiary is still controlled

(1) Explanation on changes in owner's equity shares in subsidiary

(2) Impact of such transaction on equity of minority interests and owners' equity attributable to parent company

In RMB

Purchase cost/disposal consideration	
--Cash	
--Fair value of non-cash assets	
Total of purchase cost/disposal consideration	
Less: Subsidiary's share of net assets calculated in terms of the proportion of acquired/disposed equity	
Difference	
Including: Adjust capital reserve	
Adjust surplus reserve	
Adjust undistributed profit	

Other explanation

3. Equity in joint venture and associated enterprise

(1) Important joint venture or associated enterprise

Joint venture/Associated enterprise	Main place of operation	Registration place	Business nature	Shareholding ratio		Accounting treatment on investment in joint venture and associated enterprise
				Directly	Indirectly	

Zhuhai Hengxing Feed Industrial Co., Ltd.	Zhuhai	Zhuhai	Aquatic fee and animal fee		40.00%	Equity method
---	--------	--------	----------------------------	--	--------	---------------

Description on situation where the shareholding ratio in joint ventures or associated enterprises is different from the ratio of voting rights:

Description on the basis for holding less than 20% of voting rights but having significant influence, or holding 20% or more of voting rights but having no significant influence.

(2) Main financial information of important joint venture

In RMB

	Ending balance/Current period		Opening balance/Last period	
Current assets				
Including: cash and cash equivalents				
Non-current assets				
Total assets				
Current liabilities				
Non-current liabilities				
Total liabilities				
Minority interests				
Shareholders' equity attributable to parent company				
Share of net assets calculated in terms of shareholding ratio				
Adjustment items				
--Goodwill				
--Unrealized profit of internal trading				
-- Other				
Book value of equity investment in joint venture				
Fair value of the equity investment in joint ventures with public offers concerned				
Operating revenue				
Financial expenses				
Income tax expenses				
Net profit				
Net profit of discontinuing operation				
Other comprehensive income				
Total comprehensive income				
Dividends received from joint venture in the period				

Other explanation

(3) Main financial information of important associated enterprises

In RMB

	Ending balance/Current period		Opening balance/Last period	
	Zhuhai Hengxing Feed Industrial Co., Ltd.	Shenliang Intelligent Wulian Equity Investment Fund (Shenzhen) Partnership Enterprise (Limited)	Zhuhai Hengxing Feed Industrial Co., Ltd.	Shenliang Intelligent Wulian Equity Investment Fund (Shenzhen) Partnership Enterprise (Limited)
Current assets	178,447,054.01		206,533,219.54	20,506,045.15
Non-current assets	20,408,430.87		22,214,230.53	34,910,923.94
Total assets	198,855,484.88		228,747,450.07	55,416,969.09
Current liabilities	89,109,413.45		115,358,256.12	170,000.00
Non-current liabilities	28,373,574.24		29,663,266.41	
Total liabilities	117,482,987.69		145,021,522.53	170,000.00
Net asset	81,372,497.19		83,725,927.54	55,246,969.09
Minority interests				
Equity attributable to shareholder of parent company	81,372,497.19		83,725,927.54	55,246,969.09
Share of net assets measured in terms of shareholding	32,548,998.88		33,490,371.02	27,082,064.25
Adjustment	175,441.24		162,764.46	-174.47
--Goodwill				
--Unrealized profit of internal trading				
-- Other				
Book value of equity investment in associated enterprise	32,724,440.12		33,653,135.48	27,081,889.78
Fair value of the equity investment of associated enterprise with public offers concerned				
Operating revenue	316,639,653.00		501,688,075.92	
Net profit	-3,241,833.61		8,657,035.43	754,712.78
Net profit of discontinuing operation				
Other comprehensive income				
Total comprehensive income	-3,241,833.61		8,657,035.43	754,712.78
Dividends received from associated enterprise in the year				

Other explanation

(4) Summary of financial information of unimportant joint venture and associated enterprises

In RMB

	Ending balance/Current Period	Opening balance/Last Period
Joint venture:		
Amount calculated in terms of shareholding ratio		
Associated enterprise:		
Total book value of investment	12,632,448.32	13,273,901.22
Total amount calculated in terms of		

shareholding ratio		
--Net profit	-641,452.90	-304,756.85
--Total comprehensive income	-641,452.90	-304,756.85

Other explanation

(5) Major limitation on capital transfer ability to the Company from joint venture or associated enterprise

(6) Excess loss occurred in joint venture or associated enterprise

In RMB

Joint venture/Associated enterprise	Accumulated derecognized losses	Derecognized losses not recognized in the Period (or net profit enjoyed in the Period)	Accumulated derecognized losses at period-end

Other explanation

(7) Unrecognized commitment related to joint venture investment

(8) Intangible liabilities related to joint venture or associated enterprise investment

4. Major joint operation

Name	Main place of operation	Registration place	Business nature	Shareholding ratio/ shares enjoyed	
				Directly	In-directly

Explanation on situation where shareholding ratio or shares enjoyed in joint operation is different from voting right ratio in joint operation:

Explanation on the classification basis of joint operation in case the entity of joint operation is the separate entity:

Other explanation

5. Equity in structured entities not included in the scope of consolidated financial statements

Explanation:

6. Other

XI. Government grant

1. Government grant recognized at report ending in terms of amount receivable

Applicable Not applicable

Reasons for not receiving the expected amount of government grants at the expected time point

Applicable Not applicable

2.Liabilities involved with government grant

Applicable Not applicable

In RMB

Item	Opening balance	Current increase in government grant	Amount booked into non-business income in current period	Amount carried forward to other income	Other changes in current period	Ending balance	Asset/income related
Deferred income	82,819,873.24	4,057,114.25		7,673,371.50		79,203,615.99	Asset related

3. Government grant booked into current gains/losses

Applicable Not applicable

In RMB

Accounting title	Current period	Last period
Other revenue	10,243,944.62	14,663,529.88

Other explanation:

XII. Risk related with financial instrument

1. Various risks arising from financial instruments

The company's main financial instruments include monetary funds, notes receivable, accounts receivable, other receivables, other current assets, trading financial assets, other non-current financial assets, accounts payable, other payables, short-term borrowings, non-current liabilities due within one year, and lease liabilities. The detailed information of various financial instruments has been disclosed in the relevant notes. The risks associated with these financial instruments, as well as the risk management policies adopted by the company to reduce these risks, are described below. The management of the company manages and monitors these risk exposures to ensure that the aforementioned risks are controlled within a limited range.

(1) Risk management objectives and policies

The main risks caused by the company's financial instruments are credit risk, liquidity risk, and market risk (including exchange rate risk, interest rate risk, and commodity price risk).

The goal of the company's risk management is to strike an appropriate balance between risk and return, striving to reduce the adverse impact of financial risks on our financial performance. Based on this risk management objective, the company has developed a risk management policy to identify and analyze the risks we face, set appropriate acceptable levels of risks, and design corresponding internal control procedures to monitor our risk level. The company will regularly review these risk management policies and related internal control systems to adapt to market conditions or changes in our business activities. The internal audit department of the company also regularly or randomly checks whether the implementation of the internal control system complies with risk management policies.

The board of directors is responsible for planning and establishing the company's risk management structure, formulating the company's risk management policies and related guidelines, and supervising the implementation of risk management measures. The company has developed risk management policies to identify and analyze the risks we face. These risk management policies clearly define specific risks and cover various aspects such as market risk, credit risk, and liquidity risk management. The company regularly evaluates changes in the market environment and our business activities to determine whether to update our risk management policies and systems. The risk management of the company is carried out by relevant departments in accordance with the policies approved by the board of directors. These departments identify, evaluate, and mitigate related risks through close cooperation with other business departments of the company.

the company diversifies investment and business portfolio appropriately to diversify financial instrument risks, and reduces risks concentrated in a single industry, specific regions, or specific counterparties by formulating corresponding risk management policies.

1) Credit risk

Credit risk refers to the risk of a financial loss caused by the counter party's failure to fulfill its contractual obligations.

Credit risks of the Company arises mainly from monetary funds, note receivable, account receivable, other receivable.

The company's bank deposits are mainly deposited in state-owned banks and other large and medium-sized listed banks, and we anticipate that there is no significant credit risk associated with bank deposits.

For notes receivable, accounts receivable, and other receivables, the company has established relevant policies to control credit risk exposure. The company evaluates the credit qualifications of customers based on their financial status, credit records, and other factors such as current market conditions, and sets corresponding credit periods. The company will regularly monitor customer credit records. For customers with poor credit records, we will use written reminders, shorten or cancel credit periods, etc. to ensure that our overall credit risk is within a controllable range.

The debtors of the company's accounts receivable are customers distributed across different industries and regions. the company continuously conducts credit assessments on the financial condition of accounts receivable and purchases credit guarantee insurance when appropriate.

The maximum credit risk exposure that the company is exposed to is the carrying amount of each financial asset on the balance sheet. the company has not provided any other guarantees that may expose the company to credit risk.

Among the accounts receivable of the company, the accounts receivable of the top five customers account for 46.79% of the total accounts receivable of the company (2023: 37.35%); Among the other receivables of the company, the other receivables of the top five companies with outstanding amounts account for 45.75% of the total other receivables of the company (2023: 41.44%).

On the balance sheet date, the book value of the company's debt investments is listed as follows according to the items in the financial statements:

2) Liquidity risk

Liquidity risk refers to the risk of a shortage of funds encountered by the company when fulfilling its obligations to settle cash or other financial assets.

When managing liquidity risk, the company maintains cash and cash equivalents that the management deems sufficient and monitors them to meet the company's operational needs and reduce the impact of cash flow fluctuations. The management of the company monitors the use of bank loans and ensures compliance with loan agreements. Simultaneously obtain commitments from major financial institutions to provide sufficient reserve funds to meet both short-term and long-term funding needs.

the company raises operating funds through funds generated from business operations and bank loans. At the end of the period, the unused bank loan amount of the company was 8,798,534,600.00 yuan (as of the end of last year: 9,118,765,500.00 yuan).

At the end of current period, the financial liabilities and off-balance sheet guarantee items held by the company were analyzed based on the maturity period of undiscounted remaining contract cash flows (in 10000 yuan):

Item	Current ending balance			
	Within 1 year	1-3 years	Over 3 years	Total
Financial liabilities:				
Short-term borrowing	148,460.51			148,460.51

Item	Current ending balance			
	Within 1 year	1-3 years	Over 3 years	Total
Accounts payable	39,278.71			39,278.71
Other accounts payable	26,963.35			26,963.35
Liabilities held for sale	4,292.74			4,292.74
Non-current liabilities maturing within one year	804.26			804.26
Lease liabilities	-	4,838.35	2,970.10	7,808.45
Total of financial liabilities or contingent liabilities	219,799.57	4,838.35	2,970.10	227,608.02

At the end of last period, the financial liabilities and off-balance sheet guarantee items held by the company were analyzed based on the maturity period of undiscounted remaining contract cash flows (in 10000 yuan):

Item	Last ending balance			
	Within 1 year	1-3 years	Over 3 years	Total
Financial liabilities:				
Short-term borrowing	122,346.24			122,346.24
Accounts payable	33,616.52			33,616.52
Other accounts payable	27,768.76			27,768.76
Liabilities held for sale - financial liabilities	5,789.03			5,789.03
Non-current liabilities maturing within one year	2,280.55			2,280.55
Lease liabilities		3,692.57	81.93	3,774.50
Total of financial liabilities or contingent liabilities	191,801.10	3,692.57	81.93	195,575.60

The amount of financial liabilities disclosed in the above table represents undiscounted contract cash flows, which may differ from the carrying amount in the balance sheet.

The maximum guarantee amount of a signed guarantee contract does not represent the amount to be paid.

3) Market risk

The market risk of financial instruments refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to market price changes, including interest rate risk, exchange rate risk, and other price risks.

Interest rate risk

Interest rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in market interest rates. Interest rate risk can arise from both confirmed interest-bearing financial instruments and unconfirmed financial instruments (such as certain loan commitments).

Financial liabilities with floating rate expose the company to cash flow interest rate risk, while financial liabilities with fixed rate expose the company to fair value interest rate risk. The company determines the relative ratio of fixed and floating rate contracts based on the market environment at that time, and maintains an appropriate combination of fixed and floating rate instruments through regular review and supervision.

The company closely monitors the impact of interest rate changes on our interest rate risk. The company currently does not adopt an interest rate hedging policy. But the management is responsible for monitoring interest rate risk and will consider hedging significant interest rate risks when necessary. An increase in interest rates will increase the cost of new interest-bearing debt and the interest

expenses on floating interest-bearing debt that the company has not yet paid off, and will have a significant adverse impact on the company's financial performance. Management will make timely adjustments based on the latest market conditions, which may involve arranging interest rate swaps to reduce interest rate risk.

The interest-bearing financial instruments held by the company are as follows (unit: 10000 yuan):

Item	Current amount	Last amount
Financial instrument with fixed rate		
Financial liability	148,460.51	124,683.95
Including: short-term borrowing	148,460.51	122,346.26
Assets held for sale - short-term borrowing	-	2,337.69
Total	148,460.51	124,683.95

(4) Exchange rate risk

Exchange rate risk refers to the risk of fluctuations in the fair value or future cash flows of financial instruments due to changes in foreign exchange rates. Exchange rate risk may arise from financial instruments denominated in foreign currencies other than the accounting base currency.

The exchange rate risk mainly lies in the impact of foreign exchange rate fluctuations on the company's financial position and cash flows. In addition to the subsidiaries established in Hong Kong holding assets denominated in Hong Kong dollars as the settlement currency, the company has only a small amount of investment business in the Hong Kong market. The proportion of the company's foreign currency-denominated assets and liabilities in the overall assets and liabilities is not significant. Therefore, the company believes that the exchange rate risk it faces is not significant.

The company closely monitors the impact of exchange rate changes on its exchange rate risk. Currently, the company has not taken any measures to avoid exchange rate risks. However, the management is responsible for monitoring exchange rate risks and will consider hedging significant exchange rate risks when necessary.

At the end of the period, for the company's monetary funds denominated in foreign currencies, assuming that the RMB appreciates or depreciates by 10% against foreign currencies (mainly the USD and HKD) while other factors remain unchanged, it will cause an increase or decrease of approximately RMB 716,700.00 in both the shareholders' equity and net profit of the company.

(2) Capital management

The goal of the company's capital management policy is to ensure that we can continue to operate, provide returns to shareholders, and benefit other stakeholders while maintaining the optimal capital structure to reduce capital costs.

In order to maintain or adjust its capital structure, the company may adjust its financing methods, adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and other equity instruments, or sell assets to reduce debt.

The company monitors its capital structure based on the asset liability ratio (total liabilities divided by total assets). At the end of the current period, the company's asset liability ratio was 36.21% (34.06% at the end of the last period).

2.Hedge

(1) Risk management for hedge business

Applicable Not applicable

(2) The company conducted eligible hedging business and applied hedging accounting

In RMB

Item	Book value related to hedged items and hedging instruments	Adjustment of accumulated fair value hedging included in the recognized book value of hedged items	Sources of hedge effectiveness and hedge ineffectiveness	Impact of hedge accounting on the company's financial statements
Type of hedge risk				
Type of hedge				

Other explanation

(3) The company carried out hedging business for risk management and expected to achieve risk management goals but has not applied hedge accounting

Applicable Not applicable

3.Financial assets

(1) By transfer manner

Applicable Not applicable

(2) Financial assets derecognized due to transfer

Applicable Not applicable

(3) Financial assets which are transferred and involved continuously

Applicable Not applicable

Other explanation

XIII. Disclosure of fair value

1. Ending fair value of the assets and liabilities measured at fair value

In RMB

Item	Ending fair value			
	First-order	Second-order	Third-order	Total
I. Sustaining measured at fair value	--	--	--	--
Other non-current financial assets			57,500.00	57,500.00
II. Non-sustaining measured at fair value	--	--	--	--

2. Basis for recognizing the market price of items sustaining and non-sustaining measured at fair value on first-order

3.Valuation technique, qualitative and quantitative information on major parameters for items sustaining and non-sustaining measured at fair value on second-order

4.Valuation technique, qualitative and quantitative information on major parameters for items sustaining and non-sustaining measured at fair value on third-order

Content	Ending fair value	Valuation technology	Unobservable input value
Equity instrument investment			
Non-listed equity investment	57,500.00	Market method	Investment cost

5.Adjustment information and sensitivity analysis of unobservable parameters for items sustaining and non-sustaining measured at fair value on third-order

6. Reasons for conversion and policies for conversion time point of items sustaining measured at fair value in case there is conversion between all levels

7. Changes of valuation technique in the Period and reasons

8. Financial assets and liabilities not measured at fair value

The financial assets and financial liabilities measured at amortization cost of the company mainly include: monetary funds, notes receivable, accounts receivable, other receivables, short-term borrowings, accounts payable, other payables, etc. The book value of financial assets and financial liabilities not measured at fair value differs very little from their fair value.

9. Other

XIV. Related party and related transactions

1. Parent company

Parent company	Registration place	Business nature	Registered capital	Ratio of shareholding on the Company	Ratio of voting right on the Company
Shenzhen Agricultural Power Group Co., Ltd.	Shenzhen	Food distribution platform and safety infrastructure construction, domestic trade, industrial investment and operation, etc	5,000 million yuan	63.79%	72.02%

Explanation on parent company of the Company

The ultimate controller of the Company is Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission

Other explanation:

2. Subsidiaries of the Company

For more details of subsidiaries of the Company, please refer to “Note VII.1”.

3. Joint venture and associated enterprise of the Company

For more details of important joint venture and associated enterprise of the Company, please refer to “Note VII (4)”.

Other joint venture and associated enterprise that have related transaction with the Company in the Period or that have balance with the Company arising from transaction in last period are described as follows:

Joint venture/Associated enterprise	Relationship with the enterprise
-------------------------------------	----------------------------------

Other explanation

4. Other related party

Other related party	Relationship between other related party and the company
Shenzhen Agricultural Products Group Co., Ltd	Holding subsidiary of parent company
Shenzhen Zhenchu Supply Chain Co., Ltd.	Holding subsidiary of parent company
Guangxi Higreen Agricultural Products International Logistics Co., Ltd.	Holding subsidiary of parent company
Shenzhen Higreen International Agricultural Products Logistic Management Co., Ltd	Holding subsidiary of parent company
Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	Holding subsidiary of parent company
Huizhou Higreen Agricultural Products International Logistics Co., Ltd.	Holding subsidiary of parent company
Shenzhen Medical Materials Co., Ltd.	Holding subsidiary of parent company
Shenzhen Shennong Land Co., Ltd.	Holding subsidiary of parent company
Shenzhen Shennong Kitchen Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Zhanjiang Changshan (Shenzhen) Ecological Aquaculture Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Zhanjiang Haitian Aquatic Feed Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Shenzhen Higreen Real Estate Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Shenzhen Southern Agricultural Products Logistics Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Shenzhen Agricultural Products Small Loan Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Shenzhen Agricultural Products E-commerce Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Zhanjiang Haitian Aquatic Feed Co., Ltd	Subsidiary of the Company’s shareholders, controlled by the ultimate controlling party
Directors, Managers, Chief Financial Officers, and Board Secretaries	Key executives
Yao Jicheng	Minority shareholder of controlling subsidiary
Zhang Tiejun	Spouse of Yao Jicheng, a minority shareholder of a controlling subsidiary
Wang Zhikai	Legal representative and chairman
Hu Xianghai	Director and GM
Zheng Xiangpeng	Director
Lu Yuhe	Director and CFO
Zhao Rubing	Independent director
Bi Weimin	Independent director
Liu Haifeng	Independent director
Zheng Shengqiao	Employee supervisor

Ma Zenghai	Employee supervisor
Chen Xiaohua	Deputy GM and Secretary of the Board of Directors
Shen Hua	Deputy GM
Xiao Hui	Deputy GM
Du Jianguo	Deputy GM
Ni Yue	Former director
Wang Huimin	Former chairman of the Supervisory Board
Dai Bin	Former deputy GM
Meng Xiaoxian	Former deputy GM

Other explanation:

5. Related transaction

(1) Goods purchasing, labor service providing and receiving

Goods purchasing/labor service receiving

In RMB

Related party	Related transaction content	Current Period	Approved transaction limit	Whether more than the transaction limit (Y/N)	Last Period
Shenzhen Shenyuan Data Tech. Co., Ltd	Information software development	8,670,750.00	8,670,750.00	N	16,241,326.17
Shenzhen Shennong Kitchen Co., Ltd	Procurement of goods	2,844,421.97	2,844,421.97		2,270,681.12
F.Q.T		73,260.00	73,260.00		
Xi'an Moer Agricultural Products Co., Ltd		17,286.56	17,286.56		
Shenzhen Shenliang Cold Transport Co., Ltd.	Warehousing services/Transportation services			N	297,749.51
Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission	Warehousing service				23,510,737.60

Goods sold/labor service providing

In RMB

Related party	Content of related transaction content	Current period	Last period
Shenzhen Zhenchu Supply Chain Co., Ltd.	Grain and oil sales, asset management, tea sales	1,066,771.53	1,769,540.05
Huizhou Higuren Agricultural Products International Logistics Co., Ltd.	Product sales	533,883.17	0.00
Shenzhen Zhenpin Group Co., Ltd	Product sales	429,377.89	
Shenzhen Shennong Kitchen Co., Ltd	Grain and oil sales, tea sales	253,069.73	767,892.60
Shenzhen Guangming Higuren Agricultural Products Industry Development Co., Ltd	Product sales	99,980.00	

Shenzhen Shenliang Cold Transport Co., Ltd.	Grain sales, warehousing services, tea sales	98,874.41	1,006,521.86
Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	Product sales	75,823.00	
Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd	Product sales	50,499.00	
Shenzhen Shennong Kitchen Co., Ltd	Product sales	48,349.65	
Xi'an Moer Agricultural Products Co., Ltd	Product sales	38,867.25	
Shenzhen Agricultural Science and Technology Innovation Group Co., Ltd	Product sales	35,815.00	
Changzhou Shenbao Chacang E-business Co., Ltd.	Product sales	28,301.89	
Guangxi Higreen International Agricultural Products Logistic Management Co., Ltd	Product sales	25,911.50	16,481.42
Shenzhen Agricultural Products Group Co., Ltd	Product sales	25,560.85	26,782.29
Shenzhen Food Materials Group Co., Ltd	Product sales	24,540.51	3,070,581.93
Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.	Product sales and property management	16,322.90	20,754.69
Shenzhen Cabbage Technology Co., Ltd	Product sales	10,364.60	
Shenzhen Southern Agricultural Products Logistics Co., Ltd	Product sales	2,591.15	
Shenzhen Agricultural Products Small Loan Co., Ltd	Product sales	282.36	
Zhanjiang (Shenzhen) Changshan Ecological Aquaculture Co., Ltd	Property management		90,650.80
Zhanjiang Haitian Aquatic Feed Co., Ltd	Property management		33,934.65
Shenzhen Shenyuan Data Tech. Co., Ltd.	Product sales		42,503.14
Shenzhen Higreen International Agricultural Products Logistic Management Co., Ltd.	Product sales		12,361.06

Explanation on goods purchasing, labor service providing and receiving

The related sales of the company are priced on the basis of open bidding and fair market prices. The related procurement of the company is priced on the basis of open bidding and fair market prices.

(2) Related trusteeship management/contract & entrust management/outsourcing

Trusteeship management/contract:

In RMB

Client/Contract issuer	Trustee/Contractor	Type of trusteeship management/contract asset	Start date of trusteeship management/contract	End date of trusteeship management/contract	Pricing basis for earnings of trusteeship management/contract	Earnings of trusteeship management/contract recognized in current period
------------------------	--------------------	---	---	---	---	--

Related trusteeship management/contract:

Entrusted management/outsourcing:

In RMB

Client/contract issuer	Trustee/Contractor	Type of entrusted/outsourced assets	Start date of entrusted/outsourced	End date of entrusted/outsourced	Pricing basis of entrust/outsourcing expense	Entrust/outsourcing expense recognized in current period
------------------------	--------------------	-------------------------------------	------------------------------------	----------------------------------	--	--

Related management/ outsourcing:

(3) Related lease

The company acts as the lessor:

In RMB

Lessee	Assets type	Lease income recognized in current period	Lease income recognized in last period
Shenzhen Shenyuan Data Technology Co., Ltd.	Lease of houses	407,339.97	523,988.52
Zhenpin Market Operation Technology Co., Ltd.	Lease of houses	13,609.00	244,577.19

The company acts as the lessee:

In RMB

Lessor	Assets type	Simplified rental fees for short-term leases and low value asset leases (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Interest expense on lease liabilities assumed		Increased right-of-use assets	
		Current period	Last period	Current period	Last period	Current period	Last period	Current period	Last period	Current period	Last period
Shenzhen Higreen International Agricultural Products Logistic Management Co., Ltd	Lease of houses	31,542.00	31,542.00			31,542.00	31,542.00				
Shenzhen Agricultural Power Group Co., Ltd.	Lease of houses					105,600.00	0.00				

Explanation on related lease

(4) Related guarantee

The Company acts as the guarantor

In RMB

Secured party	Guarantee amount	Guarantee start date	Guarantee expiry date	Whether the guarantee has been fulfilled
---------------	------------------	----------------------	-----------------------	--

The Company acts as the secured party

In RMB

Guarantor	Guarantee amount	Guarantee start date	Guarantee expiry date	Whether the guarantee has been fulfilled
-----------	------------------	----------------------	-----------------------	--

Explanation on related guarantee:

The company has no related guarantee.

(5) Related party's borrowed funds

In RMB

Related party	Borrowing amount	Starting date	Maturity date	Note
Borrowing				
Lending				

(6) Assets transfer and debt reorganization of related party

In RMB

Related party	Content of related transaction	Current period	Last period
---------------	--------------------------------	----------------	-------------

(7) Remuneration of key executives

In RMB

Item	Current period	Last period
Remuneration of key executives	9,899,300.00	10,507,400.00

(8) Other related transaction

6. Accounts receivable from /payable to related parties

(1) Accounts receivable from related parties

In RMB

Item	Related party	Ending balance		Opening balance	
		Book balance	Bad debts reserve	Book balance	Bad debts reserve
Account receivable	Shenzhen Shennong Kitchen Co., Ltd	128,634.65	1,286.35	272,089.00	2,720.89
Account receivable	Hunan Higreen Supply Chain Co., Ltd	104,884.00	1,048.84		
Account receivable	Shenzhen Zhenchu Supply Chain Co., Ltd.	92,854.00	928.54		
Account receivable	Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd	46,769.40	467.69		
Account receivable	Shenzhen Agricultural Power Group Co., Ltd.	58,028.00	580.28	15,884.00	158.84
Account receivable	Shenzhen Zhenpin Group Co., Ltd	36,784.00	367.84		
Account receivable	Guangxi Higreen International Agricultural Products Logistic Management Co., Ltd	29,280.00	292.80		
Account receivable	Tianjin Higreen Agricultural Products Logistics Co., Ltd	23,424.00	234.24		
Account receivable	Shenzhen Agricultural Science and Technology Innovation Group Co., Ltd	9,900.00	99.00		

Account receivable	Shenzhen Agricultural Products Small Loan Co., Ltd	5,857.00	58.57		
Account receivable	Shenzhen Shennong Revitalization Rural Industry Development Co., Ltd	1,212.60	12.13		
Account receivable	Shenzhen Agricultural Products Group Co., Ltd	392.00	3.92	4,656.00	46.56
Account receivable	Huizhou Higreen Agricultural Products International Logistics Co., Ltd.	204.00	2.04	23,220.00	232.20
Account receivable	Huaiji County Shennong Modern Agriculture Development Co., Ltd	104.00	1.04		
Account receivable	Shenzhen Zhenchu Supply Chain Co., Ltd.			437,388.10	4,420.95
Account receivable	Shenzhen Shenliang Cold Transport Co., Ltd.			9,882.80	98.83
Account receivable	Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.			1,123.20	
Other account receivable	Changzhou Shenbao Chacang E-business Co., Ltd.	24,138,742.46	22,187,944.18	24,608,742.46	22,187,644.18
Other account receivable	Shenzhen Shichumingmen Catering Management Co., Ltd.	1,908,202.67	1,908,202.67	1,908,202.67	1,908,202.67
Other account receivable	Shenzhen Zhenpin Group Co., Ltd	1,718,711.71	17,187.12		
Other account receivable	Shenzhen Shenyuan Data Tech. Co., Ltd	248,742.14	506.29	466,800.00	4,668.00
Other account receivable	Shenzhen Higreen International Agricultural Products Logistic Management Co., Ltd	50,000.00		50,000.00	
Other account receivable	Shenzhen Agricultural Power Group Co., Ltd.	26,400.00		1,001,000.00	
Other account receivable	Zhenpin Market Operation Technology Co., Ltd.	13,609.00			
Other account receivable	Zhanjiang Changshan (Shenzhen) Ecological Aquaculture Co., Ltd	5,520.00	5,520.00	5,520.00	5,520.00
Other account receivable	Changsha Mawangdui Agricultural Products Co., Ltd.	5,000.00			
Other account receivable	Chengdu Agricultural Products Center Wholesale Market Co., Ltd.	4,000.00			
Other account receivable	Tianjin Higreen Agricultural Products Logistics Co., Ltd	3,000.00			
Other account receivable	Yao Jicheng			463,085.35	1,702.29
Other account receivable	Shenzhen Shenliang Cold Transport Co., Ltd.			10,000.00	
Other account receivable	Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.			2,000.00	

(2) Accounts payable to related parties

In RMB

Item	Related party	Ending book balance	Opening book balance
Account payable	Shenzhen Shenyuan Data Tech. Co., Ltd	16,350.00	87,671.67
Account payable	Shenzhen Shennong Revitalization Rural Industry Development Co., Ltd	40,880.51	
Account payable	Shenzhen Higreen Agricultural Products, Food Import and Export Trade Service Co., Ltd	31,680.00	
Account payable	Huaiji County Shennong Modern Agriculture Development Co., Ltd	24,804.00	
Account payable	Hunan Higreen Supply Chain Co., Ltd	2,545.20	
Account	Xi'an Moer Agricultural Products Co., Ltd	9,444.00	

payable			
Account payable	Ningxia Higreen International Agricultural Products Logistic Management Co., Ltd	967.00	
Account payable	Shenzhen Municipal People's Government State-owned Assets Supervision & Administration Commission	23,263,563.60	23,263,563.60
Other account payable	Shenzhen Shennong Kitchen Co., Ltd	296,063.14	275,000.00
Other account payable	Shenzhen Shenyuan Data Tech. Co., Ltd	65,400.00	1,727,021.67
Other account payable	Zhanjiang Haitian Aquatic Feed Co., Ltd	20,000.00	20,000.00
Other account payable	Shenzhen Agricultural Power Group Co., Ltd.	146,162,941.72	146,162,941.72
Other account payable	Shenzhen Duoxi Equity Investment Fund Management Co., Ltd.		41,486.00
Other account payable	Zhanjiang Changshan (Shenzhen) Ecological Aquaculture Co., Ltd		8,069,454.17

7. Related party commitment

8. Other

XV. Share-based payment

1. Overall situation of share-based payment

Applicable Not applicable

2. Share-based payment settled by equity

Applicable Not applicable

3. Share-based payment settled by cash

Applicable Not applicable

4. Share-based payment expense in current period

Applicable Not applicable

5. Modification and termination of share-based payment

Nil

6. Other

Nil

XVI. Commitment or contingency

1. Important commitments

Important commitments on balance sheet date

As of December 31, 2024, there are no commitments that the company should disclose

2. Contingency

(1) Contingency on balance sheet date

(1) Contingent liabilities arising from pending litigation and arbitration and their financial impact

SN	Plaintiff	Defendant	Cause	Court	Target ('0000 yuan)	Progress
1	Nanshan District Housing and Urban-Rural Development Bureau	SZCG	Contract dispute lawsuit	the Futian District People's Court of Shenzhen, Guangdong Province	389.88	Pending
2	Zhonggang Construction Group Co., Ltd (Zhonggang Construction)	Dongguan Logistics	Construction engineering contract dispute lawsuit	Guangzhou Maritime Court of Haizhu District, Guangzhou City, Guangdong Province	2,873.74	Pending
3	Zhongji Guoliang Trade (Liaoning) Co., Ltd (Zhongji Guoliang)	Hualian Company, SZCG, SZCH	Disputes over sales contracts	the Futian District People's Court of Shenzhen, Guangdong Province	297.31	Pending
4	Peng Miaosheng	International Food Industrial Park, Guangdong Yongshen Construction Engineering Co., Ltd, Xu Jianqiang	Construction engineering contract dispute lawsuit	The First People's Court of Dongguan City, Guangdong Province,	453.50	Pending

① Contract dispute between Nanshan District Housing and Urban-Rural Development Bureau and Shenzhen Cereals Group

In September 2022, the Nanshan District Housing and Urban-Rural Development Bureau initiated legal proceedings against SZCG, seeking an order for SZCG to fulfill its obligation by issuing a valid tax-inclusive invoice in the amount of 3,898,800.00 yuan. In January 2024, the Futian District People's Court of Shenzhen issued a first-instance judgment, requiring SZCG to issue the aforementioned tax-inclusive invoice within ten days from the effective date of the judgment. SZCG has filed an appeal, and the case is still under trial.

② Dispute concerning the construction contract between Zhonggang Construction and Dongguan Logistics

In May 2024, Zhonggang Construction filed a lawsuit seeking payment of 28,737,400.00 yuan from Dongguan Logistics, which includes project funds, interest, and penalties for delay. In July 2024, the Guangzhou Maritime Court rendered a first-instance judgment in favor of Zhonggang Construction, ordering Dongguan Logistics to pay RMB 15,213,100 in project funds, plus interest. Both parties have filed appeals with the Guangdong Provincial High Court, and the case is pending a hearing.

③ Dispute regarding the sales contract between Zhongji Guoliang, Hualian Grain & Oil, SZCG, and Shenliang Holdings

In July 2023, Zhongji Guoliang initiated legal proceedings, seeking the refund of 2,725,400.00 yuan from Hualian Company, in addition to compensation for overdue losses amounting to 247,700.00 yuan, bringing the total to 2,973,100.00 yuan. In April 2024,

the Futian District People’s Court of Shenzhen issued a judgment ordering Hualian Company to refund 2,011,300.00 yuan to Zhongji Guoliang, along with interest. Both Zhongji Guoliang and Hualian Company have appealed the decision. The second-instance hearing was held on November 2024, at the Shenzhen Municipal Intermediate People’s Court in Guangdong Province, and the judgment is still pending.

④ Dispute regarding the construction contract between Peng Miaosheng, International Food, Yongsheng Construction, and Xu Jianqiang

In October 2023, Peng Miaosheng filed a lawsuit against Xu Jianqiang, Yongsheng Construction, and the Dongguan International Food Industry Park, seeking the payment of 4,535,000.00 yuan, which includes 4,097,300.00 yuan for construction labor costs and 437,700.00 yuan in interest. Peng Miaosheng requested that Yongsheng Construction be jointly liable for the payment of the full amount and that the Food Industry Park bear responsibility for paying the outstanding project funds of 4,097,300.00 yuan, including interest. The Food Industry Park has argued that the dispute is unrelated to its responsibilities. The case is currently under judicial review.

(2) Other contingencies

As of December 31, 2024, there are no other contingencies that the company should disclose.

(2) If the Company has no important contingency need to disclosed, explain reasons

The Company has no important contingency that need to disclose.

3.Other

XVII. Events after balance sheet date

1. Important non-adjustment matters

In RMB

Item	Content	Impact on financial status and operation results	Reasons of failing to estimate the impact
------	---------	--	---

2.Profit distribution

3. Sales return

4. Other events after balance sheet date

On December 30, 2024, due to the construction needs of infrastructure supporting facilities projects in Huicheng District, Huizhou City, Huizhou Shenbao signed the Compensation Agreement for the Recovery of State-owned Land Use Rights with the Natural Resources Bureau of Huicheng District, Huizhou City. The latter agreed to recover the state-owned land use rights of 6 pieces of land totaling 126,531 square meters owned by Huizhou Shenbao in Dongya Village, Ruhu Town, Huicheng District; the Natural Resources Bureau of Huicheng District, Huizhou City shall pay the total land compensation of 77,590,200 yuan in a lump sum to Huizhou Shenbao's account before January 21, 2025. On January 7, 2024, Huizhou Shenbao received the above-mentioned land use right compensation from the Natural Resources Bureau of Huicheng District, Huizhou City. Up to now, the procedures for canceling the land ownership are still being handled.

Except for the above matters, as of April 29, 2025, the Company has no other post - balance sheet events that should be disclosed.

XVIII. Other important events

1. Previous accounting errors correction

(1) Retrospective restatement

In RMB

Content of accounting error correction	Procedures	Items impact during every comparative period	Accumulated impact

(2) Prospective application

Content of accounting error correction	Approval procedure	Reasons for adopting the prospective applicable method

2. Debt restructuring

3. Assets exchange

(1) Exchange of non-monetary assets

(2) Other assets exchange

4. Pension plan

5. Discontinuing operation

In RMB

Item	Revenue	Expenses	Total profit	Income tax expenses	Net profit	Profit of discontinuing operation attributable to owners of parent company

Other explanation

6. Branch

(1) Recognition basis and accounting policy for reportable branch

(2) Financial information for reportable branch

In RMB

Item	Offset between branches	Total

(3) Explain reasons in case the Company has no branches, or is unable to disclose total assets and liabilities of segments

(4) Other explanation

7. Other major transaction and events makes influence on investor's decision

8. Other

XIX. Notes to main items of financial statements of parent company

1. Account receivable

(1) By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	116,870,897.62	65,714,145.99
1-2 years	73,272.00	
Over 3 years	37,305.68	37,305.68
Over 5 years	37,305.68	37,305.68
Total	116,981,475.30	65,751,451.67

(2)Accrued bad debts reserve

In RMB

Category	Ending balance					Opening balance				
	Book value		Bad debts reserve		Book value	Book value		Bad debts reserve		Book value
	Amount	Ratio	Amount	Accrued ratio		Amount	Ratio	Amount	Accrued ratio	
Account receivable with bad debts reserve accrual on a single basis	28,453.08	0.02%	28,453.08	100.00%	0.00	28,453.08	0.04%	28,453.08	100.00%	0.00
Including:										
Account receivable with bad debts reserve accrual on portfolio	116,953,022.22	99.98%	14,409.28	0.01%	116,938,612.94	65,722,998.59	99.96%	8,442.65	0.01%	65,714,555.94

Including:										
Portfolio of sales receivable	82,124.60	0.07%	14,409.28	17.55%	67,715.32	144,909.60	0.22%	8,442.65	5.83%	136,466.95
Object-specific portfolio	116,870,897.62	99.91%	0.00	0.00%	116,870,897.62	65,578,088.99	99.74%	0.00	0.00%	65,578,088.99
Total	116,981,475.30	100.00%	42,862.36	0.04%	116,938,612.94	65,751,451.67	100.00%	36,895.73	0.06%	65,714,555.94

Accrual of bad debts reserve on single item: 1

In RMB

Name	Opening balance		Ending balance			
	Book balance	Bad debts reserve	Book balance	Bad debts reserve	Accrual ratio	Accrual reason
Accrual of bad debts reserve on single item	28,453.08	28,453.08	28,453.08	28,453.08	100.00%	Reasonably provision according to enterprise accounting standards
Total	28,453.08	28,453.08	28,453.08	28,453.08		

Make bad debts reserve in terms of portfolio: 1

In RMB

Name	Ending balance		
	Book balance	Bad debts reserve	Accrual ratio
Portfolio of sales receivable	82,124.60	14,409.28	17.55%
Object-specific portfolio	116,870,897.62	0.00	0.00%
Total	116,953,022.22	14,409.28	

Explanation on the basis to determine such portfolio:

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

Applicable Not applicable

(3) Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Written-off	Other	
Bad debts reserve of account receivable	36,895.73	6,350.24	383.61			42,862.36
Total	36,895.73	6,350.24	383.61			42,862.36

Important bad debts reserve collected or reversal:

In RMB

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

(4) Account receivable charged off in the period

Unit: RMB

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

Including major account receivable charged off:

Unit: RMB

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

Explanation on account receivable charged off:

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

In RMB

Enterprise	Ending balance of account receivable	Ending balance of contract assets	Ending balance of account receivable and contract assets	Ratio in total ending balance of account receivables and contract assets	Ending balance of bad debt reserves for account receivable and impairment provision of contract assets
------------	--------------------------------------	-----------------------------------	--	--	--

2. Other account receivable

In RMB

Item	Ending balance	Opening balance
Other account receivable	2,123,872,937.65	1,624,337,855.63
Total	2,123,872,937.65	1,624,337,855.63

(1) Interest receivable

1) By category

In RMB

Item	Ending balance	Opening balance
------	----------------	-----------------

2) Important overdue interest

Borrower	Ending balance	Overdue time	Overdue causes	Whether impairment occurs and its judgment basis
----------	----------------	--------------	----------------	--

Other explanation:

3) Accrued bad debts reserve

Applicable Not applicable

4) Bad debts reserve accrued, collected or reversal

In RMB

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

Bad debts reserve						
Total						

Important bad debts reserve collected or reversal:

In RMB

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

Other explanation:

(5) Interest receivable charged off in the period

Unit: RMB

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

Including major interest receivable charged off:

Unit: RMB

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

Explanation on interest receivable charged off:

Other explanation:

(2) Dividend receivable

1) Category

In RMB

Item (or the invested entity)	Ending balance	Opening balance
-------------------------------	----------------	-----------------

2) Important dividend receivable with aging over one year

In RMB

Item (or investee)	Ending balance	Account aging	Reasons for not collection	Whether impairment occurs and its judgment basis
--------------------	----------------	---------------	----------------------------	--

3) Accrued bad debts reserve

Applicable Not applicable

4) Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

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

Important bad debts reserve collected or reversal:

In RMB

Enterprise	Collected or reversal	Reason for reversal	Manner of reversal	Basis and rationality to define the accrued ratio
------------	-----------------------	---------------------	--------------------	---

				of original bad debts reserve
--	--	--	--	-------------------------------

Other explanation:

5) Dividend receivable charged off in the period

Unit: RMB

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

Including major dividend receivable charged off:

Unit: RMB

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

Explanation on those charged off:

Other explanation:

(3)Other account receivable

1)By nature

In RMB

Nature	Ending book balance	Beginning book balance
Margin and deposit	5,210,066.16	1,000,000.00
Other intercourse funds	2,146,492,606.53	1,651,168,026.40
Total	2,151,702,672.69	1,652,168,026.40

2)By aging

In RMB

Aging	Ending book balance	Beginning book balance
Within 1 year(inclusive)	770,755,999.84	314,162,982.64
1-2 year	162,272,693.15	1,312,629,466.00
2-3 years	1,193,798,401.94	
Over 3 years	24,875,577.76	25,375,577.76
Over 5 years	24,875,577.76	25,375,577.76
Total	2,151,702,672.69	1,652,168,026.40

3)Accrued bad debts reserve

In RMB

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

Bad debts reserve accrual on single basis

Explanation on the basis to determine such portfolio::

Bad debts reserve is made on the basis of the general model of expected credit losses:

In RMB

Bad debts reserve	Phase I	Phase II	Phase III	Total
	Expected credit losses over next 12 months	Expected credit losses for the entire duration (without credit impairment occurred)	Expected credit losses for the entire duration (with credit impairment occurred)	
Balance on Jan. 1, 2024	213,468.24		27,616,266.80	27,829,735.04
Balance on Jan. 1, 2024 in the period				
Balance on Dec. 31, 2024	213,468.24		27,616,266.80	27,829,735.04

Classification basis and bad debts reserve ratio for each stage

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

Applicable Not applicable

4)Bad debts reserve accrued, collected or reversal

Bad debts reserve accrued in the period:

In RMB

Category	Opening balance	Amount changed in the period				Ending balance
		Accrued	Collected or reversal	Charged off	Other	
Bad debts reserve of other account receivable	27,830,170.77		435.73			27,829,735.04
Total	27,830,170.77		435.73			27,829,735.04

Important bad debts reserve collected or reversal:

In RMB

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

5) Other account receivable charged off in the period

Unit: RMB

Item	Amount charged off

Including major other account receivable charged off:

Unit: RMB

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

Explanation on other account receivable charged off:

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

In RMB

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

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

In RMB

Other explanation:

3.Long-term equity investment

In RMB

Item	Ending balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Investment in subsidiary	4,036,688,641.37	5,500,000.00	4,031,188,641.37	4,032,344,425.09	5,500,000.00	4,026,844,425.09
Total	4,036,688,641.37	5,500,000.00	4,031,188,641.37	4,032,344,425.09	5,500,000.00	4,026,844,425.09

(1) Investment in subsidiaries

In RMB

Investee	Opening balance (book value)	Beginning balance of impairment provision	Current changes (+/-)				Ending balance (book value)	Ending balance of impairment provision
			Additional investment	Capital reduction	Accrual of impairment provision	Other		
SZGC	3,291,415,036.82						3,291,415,036.82	
Dongguan Shenliang Logistics Co., Ltd.	321,680,000.00						321,680,000.00	
Huizhou Shenbao Technology Co., Ltd.	60,000,000.00						60,000,000.00	
Shenzhen Shenbao Huacheng Technology Co., Ltd.	223,228,545.91						223,228,545.91	
Shenzhen Shenshenbao Investment Co., Ltd	50,000,000.00						50,000,000.00	
Shenzhen Shenbao Industrial & Trading Co., Ltd	0.00	5,500,000.00				5,500,000.00	0.00	0.00
Shenzhen Shenliang Food Co., Ltd.	80,520,842.36					5,500,000.00	80,520,842.36	5,500,000.00
Xingye Food			4,344,216.28				4,344,216.28	
Total	4,026,844,425.09	5,500,000.00	4,344,216.28			0.00	4,031,188,641.37	5,500,000.00

(2) Investment in associated enterprises and joint venture

In RMB

Investee	Opening balance (book value)	Opening balance of impairment provision	Current changes (+/-)								Ending balance (book value)	Ending balance of impairment provision
			Additional investment	Capital reduction	Investment gains recognized under equity	Other comprehensive income adjustment	Other equity change	Cash dividend or profit announced to issued	Accrual of impairment provision	Other		
I. Joint venture												
II. Associated enterprise												
I												

The recoverable amount is determined on the basis of the net amount after deducting disposal expenses from fair value

Applicable Not applicable

The recoverable amount is determined on the basis of the present value of expected future cash flows

Applicable Not applicable

Reasons for significant discrepancies between the aforementioned information and the information or external information used in previous years' impairment testing

Reasons for significant discrepancies between the information used in the company's previous annual impairment tests and the actual situation of the current year

(3) Other explanation

4. Operating revenue and operating cost

In RMB

Item	Current period		Last period	
	Revenue	Cost	Revenue	Cost
Main business	169,747,663.69	2,337,079.04	156,272,744.29	
Other business	208,390.08	471,590.28	275,218.36	471,590.28
Total	169,956,053.77	2,808,669.32	156,547,962.65	471,590.28

Breakdown information of operating income and operating costs:

In RMB

Contract category	Branch 1		Branch 2				Total	
	Revenue	Cost	Revenue	Cost	Revenue	Cost	Revenue	Cost
Business type								
Including:								
Classification by business area								
Including:								

Market or customer type								
Including:								
Contract types								
Including:								
Classification by time of goods transfer								
Including:								
Classification by contract duration								
Including:								
Classification by sales channel								
Including:								
Total								

Information related to performing obligations:

Item	Time for performance obligations	Important payment terms	Nature of the goods promised to transfer by the company	Is it the main responsible person?	The expected refunds to customers borne by the company	The types of quality assurance provided by the company and related obligations

Other explanation

Information related to the transaction price apportioned to the remaining performance obligations:

The amount of income corresponding to performing obligations that have been signed at the end of this reporting period but have not yet been fulfilled or have not done with fulfillment is 0.00 yuan, among them, 0.00 yuan of revenue is expected to be recognized in the year

Significant contract changes or significant transaction price adjustments

Item	Accounting treatment method	Impact on income

Other explanation:

5. Investment income

In RMB

Item	Current Period	Last Period
Investment income of long-term equity investment measured with cost method	1,209,380,685.39	303,903,528.99
Investment income from the disposal of long-term equity investment	1,567,130.20	
Investment income during the holding period of tradable financial assets	2,190,832.84	3,378,137.80
Investment income from the disposal of tradable financial assets	2,123,849.30	
Total	1,215,262,497.73	307,281,666.79

6.Others

XX. Supplementary information

1. Current non-recurring gains/losses

Applicable Not applicable

In RMB

Item	Amount	Note
Gains/losses from the disposal of non-current asset	5,160,259.92	
Governmental subsidies reckoned into current gains/losses (except for those with normal operation business concerned, and conform to the national policies & regulations and are enjoyed according to certain standard, and having a continuous impact on the company's gains/losses)	10,243,944.62	
Gains/losses of assets delegation on others' investment or management	4,518,517.76	
Net current gains/losses from the business combination under the same control in the period from the beginning of the period to the date of combination	92,048.86	
Other non-operating income and expenditure except for the aforementioned items	147,191.48	
Other gains/losses that meet the definition of non-recurring gains/losses	2,890,749.95	
Less: impact on income tax	5,545,407.55	
Impact on minority shareholders' equity (after-tax)	-3,125.80	
Total	17,510,430.84	--

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

Applicable Not applicable

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

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

Applicable Not applicable

2. ROE and earnings per share

Profits during reporting period	Weighted average ROE	Earnings per share	
		Basic earnings per share (RMB/Share)	Diluted earnings per share (RMB/Share)
Net profits attributable to common stock stockholders of the Company	6.67%	0.2823	0.2823
Net profits attributable to common stock stockholders of the Company after deducting non-recurring gains/ losses	6.31%	0.2671	0.2671

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

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

Applicable Not applicable

In RMB

	Net profit		Net asset	
	Current amount	Last amount	Ending balance	Beginning balance

Under Chinese GAPP	325,309,578.52	347,739,109.06	4,919,674,142.82	4,828,491,503.39
Items and amount adjusted under IAS				
			1,067,000.00	1,067,000.00
Under IAS	325,309,578.52	347,739,109.06	4,920,741,142.82	4,829,558,503.39

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

Applicable Not applicable

(3) Explanation on data differences under the accounting standards in and out of China; as for the differences adjustment audited by foreign auditing institute, listed name of the institute

4. Other