



Guangdong Haid Group Co., Limited

2023 Annual Report

April 2024

Section I. Important Notes, Table of Contents and Definitions

The board of directors (the "Board"), the supervisory committee, the directors, the supervisors and the senior management of Guangdong Haid Group Co., Limited (the "Company") hereby warrant the truthfulness, accuracy and completeness of the information presented in this report, guarantee that there are no misrepresentations, misleading statements or material omissions contained in this annual report, and are individually and collectively responsible for the authenticity, accuracy and completeness of the information contained in this report.

Mr. Hua Xue, head of the Company, and Mr. Shaolin Yang, head in charge of accounting work and head of the accounting department (Accounting Officer), declare that they warrant the truthfulness, accuracy and completeness of the financial statements in the annual report.

All directors were present in person at the Board meeting to consider and approve this annual report.

1. Periodical fluctuation risks of feed industry due to abnormal weather changes

The feed industry is mainly served for the downstream animal industry. The abnormal changes including extreme high or low temperature, storm, typhoons *et al* during the breeding production, and even large-scale outbreaks of diseases which may lead to fluctuations of the inventory of livestock or aquatic products. For example, the continuous rainfall weather in this year caused the decrease of dissolved oxygen saturation in the water, and the reduced intake of aquatic animals and passively reduced feeding. Some aquatic products can not adapt to the rise of temperature or even die, therefore affecting short-term feed demand and there are adverse effects on the production and operation of feed enterprises.

Risk control methods include two aspects: (1) The company is currently fully deploying manufacturers and local markets in major areas in Southern China, Central China, Eastern China and Northern China and overseas markets in Southeast Asia. The expansion of regional distribution can effectively decrease the risk of weather anomalies and natural disasters in local areas. (2) Continuously improving the supports to farmers through the joint empowerment of feed, seedlings, and animal healthcare, providing scientific breeding plans and individual services from company's technical personnel to enhance the risk resistance and competitiveness of farmers and reduce the adverse effects of abnormal weather.

2. Risks of company's production and operation due to the outbreak of epidemic diseases

With the environmental changes and the development of large-scale breeding, animal epidemic diseases also occur from time to time, for instance, African swine fever had broken out across China since August 2018, and PRRSV-mediated pig diseases, shrimp-relevant EMS epidemic diseases and poultry-relevant “H7N9” diseases occurred cross country in recent years. The scale of animal production shrinks because of the outbreak of animal epidemic diseases, following the reduced demand for feed in the short term. The prevalence of major animal diseases can also easily affect consumers’ purchase intention, and then reduce the demand of end-consumers, leading to the downturn of the aquaculture and feed industry, giving rise to adverse effects on the production and operation of feed enterprises.

Risk control methods include two aspects: (1) The comprehensive feed products cover the feeds of pig, chicken, duck, goose, fish, shrimp and other livestock and aquatic feeds. The variety of products and the well-balanced structure can effectively mitigate the risk of single species disease with strong comprehensive risk-relieve capability. (2) The company has established the strict epidemic prevention and control system in the production of feed products, utilizing the disease prevention and control from the source with technological advantages and professional capabilities.

3. Risk of Drastic Price Fluctuations of major ingredient materials

The feed ingredients cover staple agricultural products including corn and soybeans (soybean meal) *et al.* In recent years, the domestic and international markets of agricultural product have been closely connected. There were great fluctuations in prices of agricultural products due to the change of the size in the planting area and the harvest amount in these major grain-producing countries, the purchasing and storage and subsidy policies, the import and export policies, the political conflicts between countries, the international trade relations, the fluctuations in logistics capacity and conditions of shipping and the exchange rates, bringing certain impact on the cost of feed and animal industry. With the strengthening of the international trade of agricultural products, the factors affecting the prices of agricultural products have become more complicated, and the price fluctuations therefore increased. Without fully understanding the changes in the trade of feed raw materials in time and promptly implement strategic management, the company would face the risk of rising procurement costs.

Risk control methods include three aspects: (1) The materials were divided into different categories including centralized purchasing staple category and local

procurement of regional varieties category. It not only guarantees the advantages of large-scale raw material procurement, but also makes best use of localization advantages from rapid response in respect of regional procurement. (2) The raw material procurement research system was continuously invested and constructed. The members of team are professional and familiar with raw material information. It can effectively control the procurement risk through real-time tracking, investigating, and judging the market trend in domestic and foreign bulk raw material, and manage the position risk of bulk raw materials through futures hedging, raw materials trade and other tools. (3) The company has strong research and development (R&D) team with extensive experience in research on animal nutrition and feed formulation. A large amount of fund was invested on research and development each year, focusing on animal nutrition requirements, feed formulation technology, animal farming and genetic improvement, comprehensive investigation on healthy breeding strategies, and other research areas. The formula can be quickly adjusted to guarantee feed nutrient level and control the costs in coping with material price fluctuations based on the profound understanding of animal nutritional requirements and the expertise in making best use of raw materials.

4. Risk of Environmental Protection Laws and Policies on the Scale and Structural Adjustment in Animal Industry

In recent years, our government has introduced a series of environmental protection laws and policies such as the new Environmental Protection Law, the Regulations on Prevention and Control of Pollution from Large-Scale Livestock and Poultry Industry, the Plan for Prevention and Treatment of Contaminated Water, the Guiding Opinions on Adjusting the Layout of Pig Production in the Southern Water Network Region *et al.* These anti-pollution regulations stipulate the pollution prevention in animal industry, and especially limit the production scale in the regions of key water sources and their surrounding areas. According to the regulations and policies of the central government, the banned areas and restricted areas have been highlighted throughout the country, and pig farms in prohibited areas are gradually relocated in the southern water-network area. The implementation of environmental protection policies not only further speeds up the withdrawal of individual pig farms to reduce the backward production model with unqualified environmental protection, but also expand the production capacity of large-scale farm with better breeding structure. In addition, the establishment of banned areas and restricted areas will enforce the adjustments of pig production capacity across the country. The adjustments of the scale composition of pig production and the relocation of pig production area will certainly have a profound impact on the existing capacity layout, market share, pricing, and business model of feed industry. The impact of environmental protection policies on the pig industry and feed industry induces

existing competitive enterprises at the risk of reshuffling.

Risk control measures included four aspects: (1) The company continually improves its service capability to farmers. In addition to feed products, the company is also engaged in the industrial fields of animal healthcare, vaccines, and finance, and connects closely with large-scale farmers. (2) The feed products of the company cover the field of livestock, poultry, and aquatic animals with abundant product lines. The producing lines for pig feed, chicken feed, duck feed and pelleted fish feed can be shared and switched. The company can rapidly shift the production layout according to the changes in the market through adjusting the production capacity in the manufacturers. (3) The company adopts multiple models to speed up the production layout in areas with abundant resources and permitted environment, and to obtain more market share in new animal farming areas. (4) The company continues to increase R&D investment, and the key technologies on microbial fermented feed and antibiotic alternatives have been effectively applied to foster the progress and development of the industry.

5. Risk of Exchange Rate Fluctuations

The global procurement of feed raw materials has become the norm. The scale of overseas investment and operations of the company is also rapidly expanded. The scale of cross-border fund settlement and the stock of overseas assets have grown substantially, involved in various currency types of different countries. The currency exchange rate fluctuations are subject to different influence factors. The exchange rate fluctuations in any currency put certain impact on the settlement cost and asset value of the regions.

Risk control methods include two aspects: (1) the company strictly controls the exchange rate risks, carefully selects settlement currencies to achieve relatively balanced regional fund inflow and outflow through structural arrangements of financing sources and financing types according to the scale, the model, and settlement characteristics of business in different regions and countries. (2) The expansion of two-way fluctuations in RMB exchange rate has become the new norm. The company increases its awareness of foreign exchange risk and arranges settlement models according to the procurement and sales strategies and the cycle characteristics of import and export operations, and flexibly used financial instruments such as forward foreign exchange settlement and sale, swaps, foreign exchange options and others to lock in exchange rate, control procurement and sales costs and the possible risks caused by exchange rate fluctuations.

The statements involving the Company's future plans in this report do not constitute substantial commitment of the Company to any investors or related

parties. Investors are kindly advised to aware investment risks.

The proposed profit distribution plan of the Company was considered and passed by the Board: on the basis of the total number of shares on the date of record minus the repurchased shares when the plan is implemented in the future, the Company will distribute cash dividend of RMB 5.00 (tax inclusive) and 0 bonus share (tax inclusive) for every 10 existing shares held by all shareholders without capitalization of capital reserve.

In this report, certain total numbers may not be exactly equal to the summation of their sub-item numbers as a result of roundoff.

This report has been prepared in both Chinese and English. Should there be any discrepancies or misunderstandings between the two versions, the Chinese version shall prevail. The complete published Chinese 2023 Annual Report is available at the media designated for information disclosure.

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Documents Available for Reference

1. The financial statements signed and sealed by the head of the Company, the head in charge of accounting work and the head of the accounting department (Accounting Officer).
2. The original copy of the Independent Auditor's Report signed and sealed by the CPAs, as well as sealed by the CPA firm.
3. The originals of all the Company's announcements and documents which were disclosed during the Reporting Period.
4. The annual report disclosed on other securities markets.

Definitions

Item	Definition
Company, Group, Haid Group	Guangdong Haid Group Co., Limited
Board	the board of directors of Guangdong Haid Group Co., Limited
Supervisory Committee	the supervisory committee of Guangdong Haid Group Co., Limited
General Meeting of Shareholders	the general meeting of shareholders of Guangdong Haid Group Co., Limited
Company Law	the Company Law of the People's Republic of China
Securities Law	the Securities Law of the People's Republic of China
Articles of Association	the Articles of Association of Guangdong Haid Group Co., Limited
RMB	Renminbi
reporting period, the period, the year	the period from 1 January 2023 to 31 December 2023
last year, the same period of last year	the period from 1 January 2022 to 31 December 2022
the end of the period	31 December 2023
the beginning of the period or the year	1 January 2023
CSRC	China Securities Regulatory Commission

Section II. Company Profile and Key Financial Indicators

I. Company profile

Stock name	Haid Group	Stock code	002311
Previous stock name (if any)	N/A		
Stock exchanges on which the shares are listed	Shenzhen Stock Exchange		
Chinese name of the Company	广东海大集团股份有限公司		
Chinese abbreviation of the Company	海大集团		
English name of the Company (if any)	Guangdong Haid Group Co., Limited		
English abbreviation of the Company (If any)	HAID GROUP		
Legal representative of the Company	Hua Xue		
Registered address	Room 701, Building 2, Haid Mansion, No. 42, Road 4, Wangbo, Nancun Town, Panyu Dist, Guangzhou, China		
Postal code of registered address	511445		
Past changes of registered address	The registered address remained unchanged during the reporting period.		
Office address	Room 701, Building 2, Haid Mansion, No. 42, Road 4, Wangbo, Nancun Town, Panyu Dist, Guangzhou, China		
Postal code of office address	511445		
Website of the Company	www.haid.com.cn		
Email address	zqbgs@haid.com.cn		

II. Contact persons and contact methods

	Board Secretary	Securities Affairs Representative
Name	Zhijian Huang	Jiewen Lu and Huafang Yang
Correspondence address	Room 701, Building 2, Haid Mansion, No. 42, Road 4, Wangbo, Nancun Town, Panyu Dist, Guangzhou, China	Room 701, Building 2, Haid Mansion, No. 42, Road 4, Wangbo, Nancun Town, Panyu Dist, Guangzhou, China
Telephone	8620-39388960	8620-39388960
Facsimile	8620-39388958	8620-39388958
Email address	zqbgs@haid.com.cn	zqbgs@haid.com.cn

III. Information disclosure and places for inspection

Stock exchange website where the Annual Report is disclosed	Securities Times, China Securities Journal, Securities Daily, Shanghai Securities News
Media and website where the Annual Report is disclosed	www.cninfo.com.cn
Places for inspection of the Company's Annual Report	Securities Department of the Company

IV. Change in registration

Unified social credit code	No change
Change of principal activities since its listing (if any)	No change
Change of the controlling shareholder (if any)	No change

V. Other relevant information

CPA firm engaged by the Company

Name of the CPA firm	Grant Thornton China (Special General Partnership)
CPA firm's address	5th Floor, Scitech Palace 22 Jianguomen Wai Avenue, Chaoyang District, Beijing
Name of the signing certified public accountants	Wenyuan Guan and Shuntong Qiu

Sponsors engaged by the Company to continuously perform its supervisory function during the reporting period

Applicable Not applicable

Name	Office address	Representative	Period of supervision
GF Securities Co., Ltd.	GF Securities Tower, 26 Machang Road, Tianhe District, Guangzhou	Jian Liu and Yuqing Zhang	The period of supervision for the raised funds is from July 2022 to December 2023.

Financial Advisors engaged by the Company to continuously perform its supervisory function during the reporting period

Applicable Not applicable

VI. Major accounting data and financial indicators

Retrospective adjustment to or restatement of the accounting data for prior years by the Company

Yes No

Reasons for retrospective adjustment or restatement

Change of accounting policy

	2023	2022		Increase/decrease for the year as compared to the prior year	2021	
		Before	Restated		Restated	Before
Operating income (RMB)	116,117,168,742.97	104,715,417,485.92	104,715,417,485.92	10.89%	86,091,961,539.13	86,091,961,539.13
Net profit for the year attributable to shareholders of the parent company (RMB)	2,741,256,374.98	2,954,142,403.34	2,957,330,734.56	-7.31%	1,636,237,735.85	1,640,681,925.34

	2023	2022		Increase/decrease for the year as compared to the prior year	2021	
		Before	Restated		Restated	Before
Net profit for the year attributable to shareholders of the parent company after deducting the non-recurring gain or loss (RMB)	2,541,491,959.42	2,880,122,890.31	2,883,311,221.53	-11.86%	1,559,604,300.76	1,564,048,490.25
Net cash flows from operating activities (RMB)	12,698,374,699.54	6,817,894,250.91	6,817,894,250.91	86.25%	3,137,948,250.69	3,137,948,250.69
Basic earnings per share (RMB per share)	1.66	1.79	1.79	-7.26%	0.98	0.99
Diluted earnings per share (RMB per share)	1.66	1.79	1.79	-7.26%	0.98	0.98
Rate of return on equity on weighted average basis	14.53%	18.46%	18.47%	-3.94%	11.74%	11.77%
	As at the end of 2023	As at the end of 2022		Increase/decrease as at the end of the year compared to the end of the prior year	As at the end of 2021	
		Before	Restated		Restated	Before
Total assets (RMB)	44,746,735,775.61	44,237,781,732.31	44,470,388,435.88	0.62%	35,695,097,401.96	35,901,363,324.60
Total equity attributable to shareholders of the parent company (RMB)	19,647,107,064.19	17,824,906,815.87	17,832,539,336.58	10.18%	14,501,327,072.09	14,505,771,261.58

Reasons for change of accounting policy and correction of accounting error

In November 2022, the Ministry of Finance issued the Interpretation No. 16 for the Accounting Standards for Business Enterprises (《企业会计准则解释第 16 号》) (CK [2022] No. 31) (hereinafter referred to as “Interpretation No. 16”). For a single transaction that is not a business combination and does not affect either accounting profit or taxable income (or deductible losses) at the time the transaction occurs, and where the initial recognition of assets and liabilities results in an equal amount of taxable temporary differences and deductible temporary differences, deferred income tax liabilities and deferred income tax assets shall be recognised respectively on the aforesaid taxable temporary differences and deductible temporary differences arising from the

initial recognition of assets and liabilities at the time the transaction occurs in accordance with the applicable regulations such as the Accounting Standard No. 18 for Business Enterprises -- Income Tax (《企业会计准则第 18 号—所得税》). For such transactions that occurred between the beginning of the earliest period in the financial statement presentation where the above provisions were first applied and the date of application of the said interpretation, enterprises should adjust the cumulative effect to the opening retained earnings and other relevant financial statement items in the earliest period in the financial statement presentation in accordance with the above provisions. The above accounting treatment is effective from 1 January 2023 onwards. The Company has made adjustments in accordance with Interpretation No. 16 for taxable temporary differences and deductible temporary differences arising from lease liabilities and right-of-use assets recognised in respect of leasing operations. For details, see “III. 39. Changes in significant accounting policies and accounting estimates” in “Section X. Financial Statements”.

Whether the lower of the net profit for the year attributable to shareholders of the parent company before and after deducting the non-recurring gain or loss was negative for the last three accounting years, and the latest independent auditor’s report indicated that there was uncertainty about the Company’s ability to continue as a going concern

Yes No

Whether the lower of the net profit for the year attributable to shareholders of the parent company before and after deducting the non-recurring gain or loss was negative

Yes No

VII. Differences in accounting data under domestic and overseas accounting standards

1. Differences between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report

Applicable Not applicable

There was no difference between the net profit and net assets disclosed in accordance with international accounting standards and China accounting standards in the financial report during the reporting period.

2. Differences between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report

Applicable Not applicable

There was no difference between the net profit and net assets disclosed in accordance with overseas accounting standards and China accounting standards in the financial report during the reporting period.

VIII. Key Financial Indicators by Quarter

Unit: RMB

	Q1	Q2	Q3	Q4
Operating income	23,358,349,660.13	29,378,302,285.67	34,189,718,845.92	29,190,797,951.25
Net profit for the year attributable to shareholders of the parent company	407,909,413.30	692,271,146.93	1,151,392,636.93	489,683,177.82
Net profit for the year attributable to shareholders of the parent company after deducting the non-recurring gain or loss	389,199,275.36	692,186,171.73	1,102,720,936.48	357,385,575.85

Net cash flows from operating activities	200,675,996.60	5,345,763,833.81	3,752,430,438.30	3,399,504,430.83
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Whether the above indicators or their aggregated amounts have any material difference with the respective amounts as disclosed in the quarterly report or interim report

Yes No

IX. Items and Amounts of Non-recurring Gains or Losses

Applicable Not applicable

Unit: RMB

Item	Amount for 2023	Amount for 2022	Amount for 2021	Explanation
Gain or loss on disposal of non-current assets	9,004,677.06	-45,840,354.94	-21,381,178.37	
Government grants recorded in current profit or loss (excluding government grants that are closely related to the Company's ordinary activities and given in accordance with defined criteria and in compliance with government policies, and have a continuing impact on the Company's profit or loss)	59,119,428.77	125,600,697.83	91,417,497.06	
Except for the effective hedging activities related to the Company's ordinary activities, profit or loss arising from changes in fair value of financial assets and liabilities held by a non-financial enterprise, as well as from disposal of financial assets and liabilities	147,165,591.84	39,455,335.15	0.00	
Profits or losses from external entrusted loans	326,833.38	530,942.74	0.00	
Reversal of provision for bad and doubtful debt where accounts receivable are individually tested for impairment	14,802,077.94	6,167,665.26	11,769,732.86	
Investment costs for acquisition of subsidiaries, associates and joint venture less than gains from the fair value of identifiable net assets of the investees		812,610.97	40,510.51	
Other non-operating incomes and expenses, except for the above	-8,642,137.95	-34,643,762.69	12,478,800.92	
Other gain or loss satisfied the definition of non-recurring gain or loss		5,936,636.84	3,713,581.31	
Less: impact of Income tax	9,966,547.74	17,625,340.80	15,798,527.34	
Less: impact of non-controlling interests (net of tax)	12,045,507.74	6,374,917.33	5,606,981.86	
Total	199,764,415.56	74,019,513.03	76,633,435.09	--

Particulars about other gain or loss that satisfied the definition of non-recurring gain or loss

Applicable Not applicable

The Company had no other gain or loss that satisfied the definition of non-recurring gain or loss.

Notes for the Company's non-recurring gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 - Non-recurring Gain or Loss (《公开发行证券的公司信息披露解释性公告第 1 号——非经常性损益》) defined as its recurring gain or

loss items

Applicable Not applicable

No non-recurring gain or loss items as illustrated in the Explanatory Announcement on Information Disclosure for Companies Offering Their Securities to the Public No.1 - Non-recurring Gain or Loss (《公开发行证券的公司信息披露解释性公告第 1 号——非经常性损益》) were defined by the Company as its recurring gain or loss items during the reporting period.

Section III Discussion and Analysis of Management

I. Industry Situation during the reporting period

1. Basic situation and the development stage of the industry

Animal husbandry, fishery and feed industries are all important industries related to the national economy and people's livelihood, and play a key role in ensuring national food security and promoting farmers' income. The high-quality development of animal husbandry and fishery has provided strong support for comprehensively promoting rural revitalization and accelerating the modernization of agriculture and rural areas. As the core of animal husbandry and fishery, the breeding industry is accelerated by the development trend of large-scale, intensive and intelligent breeding, the agglomeration effect of technology, talents and other factor resources is further highlighted. The development and quality of the industry conform to the accelerated upgrading of the consumption structure of urban and rural residents, so as to meet the increasing demand of residents on high-quality and safe food and beautiful ecological environment. The feed industry is an important link in the production system of animal husbandry, fishery and aquaculture, as the basis for ensuring the efficient supply and quality of livestock and poultry products and aquatic products. The feed industry has gradually transformed into the stage of high-quality development from the one-dimensional competition of feed products itself to the multi-dimensional competition of seedlings, animal healthcare, feed product quality and enterprises' breeding technology service capabilities. The competitiveness of enterprises in the feed industry is seriously differentiated, the integration of the industry continues to accelerate, and the development of the industry is gradually concentrated in advanced enterprises which adhere to scientific and technological innovation and strengthen technical services.

2. The situation of the industry in 2023

The consumption base has been consolidated, the demand of consumers has been stabilized, the breeding inventory was a bit of high, and the feed industry continued to grow during 2023. The poultry breeding inventory gradually increased to a normal level, driving the demand for poultry feed to continue to recover. The number of pigs had been high throughout the year 2023, forming the strong demand for pig feed. In aquaculture, the annual price of common fish had been below the cost line, farmers' confidence and feeding enthusiasm are greatly affected, and the demand for regular feed products had been suppressed significantly, but the demand for shrimp and special aquatic feed had been stable.

There are more details as followings,

1. Bulk agricultural products' price had showed from high level to gradual decline affected by the international situation and supply and demand pattern, and the prices fluctuated violently throughout the year. During the year, the price of corn fell and then rose from the beginning of the year, and then broke through 2,900 yuan/mt at the high point, and then the price fell and gradually accelerated falling to 2,600 yuan/mt at the end of the year. The price of soybean meal fell from 4,500 yuan/mt at the beginning of the year, and then fluctuated and rose in the second and third quarters to the high point of 5,000 yuan/mt, it fell down to about 3,500 yuan/mt in the fourth quarter. Fishmeal price was accelerated from 12,000 yuan/ton in the second and third quarters, breaking through the record high of 18,000 yuan/ton because of the sharp reduction in Peruvian fishing volume and the decline in fishmeal stocks, and then gradually fell back to the price of the beginning of the year at the fourth quarter.

2. In terms of breeding industry: (1) The operating cash flow of the poultry breeding industry continues to recover, with the increase in poultry seedling production capacity at the beginning of the year, the increase in supply, and the enhancement of demand and logistics certainty, the poultry breeding inventory had gradually risen to the normal level. In addition, the consumption demand for egg products had been stable, the consumption scenarios had been abundant, the egg price was basically above the cost line, and the breeding profit had been considerable. (2) The number of live pigs is high throughout the year. According to the National Bureau of Statistics, in 2023, 726.62 million pigs had been slaughtered nationwide, an increase of 3.8%. Pork output was 57.94 million tons, an increase of 4.6%. Pig prices had been low level for a long time, and the breeding had been comprehensive loss under the structure of oversupply. (3) In aquaculture, due to the normalized operation of the catering industry ,

most species such as shrimp and crabs, special fish *et al* highly dependent on catering consumption, are operating normally, however, some species such as raw fish and California perch, due to the continuous substantial growth of aquaculture in the past few years, short-term oversupply, slow inventory depletion, and low prices throughout the year, the price of common fish were below the cost line throughout the year, and the confidence and enthusiasm of farmers were greatly affected.

3. The feed industry as a whole kept continuously growing. Affected by the breeding industry, the feed industry has continued to grow in livestock and poultry feed, and aquatic feed has declined. According to data disclosed by the China Feed Industry Association, the total output of industrial feed in the country in 2023 will be 321.627 million tons, a year-on-year increase of 6.6%. In terms of varieties, the output of pig feed was 149.752 million tons, an increase of 10.1%; the output of poultry feed was 127.852 million tons, an increase of 5.4%; the output of aquatic feed was 23.444 million tons, a decreased by 4.9%; the output of ruminant feed was 16.715 million tons, an increase of 3.4%.

II. Main businesses of the company during the reporting period

The company laid out the industrial chain with the aim of providing overall services to animal farming. It has formed a relatively complete aquatic product industrial chain, and the livestock and poultry industrial chain has also gradually been constructed. The main products include high-quality animal seedlings, feed, animal healthcare, pig breeding and aquatic products. The business operation has covered all business links such as R & D, designing, producing, sales and service of various products. Specifically, the company's products include feeds for chickens, ducks, geese, pigs, fish, shrimps, crabs and ruminants, breeding varieties such as pigs, shrimps, fish fry and chickens, fresh livestock and poultry products and aquatic pre-made products as well as biological products, veterinary medicine, vaccines, and other healthcare products required for producing livestock, poultry, and aquaculture.

1. Main business and products

(1) The business of feed, seedling and animal healthcare were interacted to form Gold Tringle

Feed, seedling and animal healthcare business are core parts of the company. After more than 20 years of development, Feed business has accumulated a wide range of customer resources. Through providing customers with high-quality valuable seedlings and cost-effective feed products in the market, relying on breeding services to drive the development of vaccines, veterinary medicines, biological products and other animal healthcare products, the company can better support customers to achieve breeding success through the full set of services, and help customers realize that healthy farming at the same time, resulting in better controlling the breeding cost and obtaining the competitive advantage in respect of end products.

(2) On the basis of specialization, the breeding industry realizes the asset-light and low-risk breeding model

Based on the healthy development of feed, seedling and animal healthcare business, the company has explored the model of breedings. In terms of livestock and poultry, the company mainly focuses on pig breeding with continuous improving professional breeding capabilities, continuously optimizing breeding costs and controllable risks. In terms of aquaculture, the company has started industrial shrimp farming that the company has overall advantages using its own high-quality seedlings, feed and animal protection products. In the breeding business, the company controls the scale of breeding, builds team, reduces costs, improves the system, and builds its core competitiveness.

2. Major business model

(1) Feeds, seedlings and animal healthcare products business

Feed business is core business of company, the business management is mainly carried out with the model of centralized procurement of raw materials, distribution of production layout, sales of products accompanied with technical services. 1) The adoption of the centralized procurement model composed of group plus regional center is combined with hedging and other methods for agricultural products and other bulk raw materials to achieve better procurement cost advantages and risk control; 2) Due to the production being closer to the market, convenient in logistics and rich in resources, the company currently has feed factories distributed in 200 cities of Asia, Africa and South America. 3) The distribution together with direct sales is the company's main sales model. Focusing on localized marketing, the company has fully established distribution channels to efficiently solve farmers' capital and transportation needs. Through service stations established in main production areas, the

technical service teams directly visit farmers to provide professional services for farming and have achieved functional complementation and collaboration with sales organization and management teams in terms of sales and service as well as channel and farmers. 4) High-quality animal seedlings, biological Products, veterinary drugs and vaccines become indispensable and constitute a package of integrated products and tools to provide services for farmers.

(2) Animal breeding business mode

The company's pig farming segment adopts both the "self-breeding plus farming community" model and "company plus family farm" model. The "self-breeding plus farming community" model means that seedlings are introduced and bred to create a farming system of grandparent - parent - commercial pig, under which reproduction is separated from breeding to ensure that the farming process is safe and controllable. The "company plus family farms" model means that the company provides family farmers with products for farming including seedlings, feeds, and vaccines, and provides major technical supports for farming, in turn the farmers are responsible for animal raising and transfer the end- products back to the company for sales.

The aquatic animal farming and processing business has just started, and the primary aquatic products are fishes, prawns and other specialty products. With its strengths in high-quality seedlings, feeds, animal healthcare and technical advantages, the company carries out standardized and industrialized aquaculture, supplying sustainable, healthy, traceable aquatic products (processed products) to large catering enterprises and fresh food platforms.

III. Analysis of Core Competitiveness

The products and services are centered on the needs of the animal production industry. Its core competitiveness is represented by the capability of creating values for customers while carrying out the mission of changing rural China. The comprehensive performance includes the rich and complete product configuration and industrial chain layout, outstanding single product power, leading R & D ability, comprehensive aquaculture technology service ability, comprehensive product combination organizing ability and perfect talent training and incentive growth system during the process of promoting rural revitalization.

1. Distinct and excellent product power is the most important competitive advantage of the company

All series of products of the company are committed to building product power significantly ahead of competitors and put great efforts to strengthen the explicit expression of product power. High-quality products with high pricing have obvious advantages of ultimately better animal survival rate, growth effect and growth efficiency, and the brand effect is prominent. Based on then leading production efficiency, the pricing of mid-quality products is close to the pricing of competitors' products, pursuing outstanding product cost performance. With the support of farmers, the overall benefits of the company are significantly higher than those of similar products. In the case of the declining aquaculture benefits, the whole industry is at a loss, however, our customers only loss less or even no loss.

The embodiment of product power needs the support of professional abilities within the company including the R & D ability of animal nutrition and raw material utilization, the formula technology ability of products, the value procurement ability of raw materials, efficient internal operation ability and other professional abilities indispensable, for example, the support of value purchasing capacity. The company's procurement team has outstanding professional capacity. The team is young and specialized. The division of labor is carried out according to the classification of raw materials. The industry perspective is broad, and the amount of information collection and analysis is large. It can track, study and judge the market trend of large raw materials at home and abroad in real- time, and use futures tools to hedge bulk raw materials, and effectively control the price risk and financial risk of procurement. The team finds out many purchasing opportunities of raw materials with their outstanding purchasing capacity, making the cost advantage of feed products and raw material trade possible. The company is the first enterprise in the industry to successfully set up centralized procurement, with obvious advantages in scale procurement. Due to its rich experience in the application of spot, futures, options and other procurement tools, the application method is also relatively flexible. Long term value procurement and risk position management are also conducive to the company's acquisition of procurement cost advantages and risk control.

Another part is the company's efficient operation ability. By promoting the implementation of management software such as SAP, EPS and business sharing system, the company has a strong information system, and its internal operation is process oriented, standardized and data based. The function of digitization is to find out

efficient and energy-saving operation methods by comparing the big data of each subsidiary company. The function of process and standardization is to greatly improve the internal replicability. The middle office management mechanism enables the production, R & D, procurement and manpower to respond to the market quickly and match the needs of the market and customers in a more flexible, fast and efficient way. Efficient operation capability has become an important support for effectively organizing the professional production of various products.

2. Technology R & D is the professional support of product creation, the foundation and driving force of the company's development, and the core advantage of the company

At the beginning of its establishment, the company established the research center to build an industry-leading R & D system of the whole industry chain including breeding, nutrition, healthcare, farming and others. With the increasing of investment in application technology, the company has focused on strengthening the technical platform construction of each business module in the industrial chain, forming a three-level R & D system from platform technology research to application technology development to systematic solution application. The company promotes the rapid transformation and application demonstration of scientific and technological achievements through the effective connection of the three-level R & D system and the operation mechanism of "Research Institute plus subsidiary company". The company carries out research on basic, forward-looking and general key problems in seven R & D directions: animal genetics and breeding, animal nutrition and feed, animal medicine and biopharmaceutical, microbial engineering, biochemical industry, protein engineering and healthy breeding, constantly improves the three-level R & D system, and comprehensively and effectively supports, drives and serves the needs of the rapid development of the whole industrial chain of the group. The company has rich technical research reserves, has the R & D team of more than 3500 people, and put huge investment in R & D every year. The R & D personnel include talents from animal nutrition, veterinary, breeding, breeding mode, bioengineering, biochemistry, machinery and other disciplines. The transformation speed of R & D results is fast, the investment supporting strategy can be implemented clearly and quickly, and the product allocation ability of the company is strong.

In terms of feed formula technology, through more than 20 years of continuous research and development, the company has established a huge animal nutrition demand database and stored a variety of raw material formula technology, thousands of groups of comparative experimental results are added to the animal core nutrition demand and raw material utilization database every year, to transform the technology into productivity. Therefore, the company has strong ability to organize and continuously optimize the product formula and strong adaptability. It can quickly adjust the formula when the price of raw materials fluctuates, so as to obtain cost competitive advantage. At the same time, through scientific and technological research and development to drive product optimization and upgrading, it can not only comply with the changes in the breeding environment and the changes in the breeding mode, but also lead the progress of breeding technology and the upgrading of the breeding model.

3. The breeding technology service system is an important tool for the company to create value for customers, continuously obtain new customers and improve customer viscosity

In 2006, the company took the lead in providing comprehensive technical services to farmers in the industry and established the company as a service-oriented enterprise and an enterprise providing overall breeding services to farmers. The company provides farmers with products and technical service support in the whole breeding process, such as seedling stocking mode - environmental control - epidemic prevention and control - feed - market information - financial support, to ensure that farmers can use the most advanced breeding technology to guarantee the success and profitability of farmers. The company has more than 10,000 experienced and passionate technical service teams in the industry; And accumulate a variety of advanced breeding modes in combination with local characteristics; There are hundreds of highly efficient service stations in intensive breeding areas across the country, which can provide technical services for tens of thousands of farmers at the same time. The company's relatively complete service system in the industry can give full play to the advantages of product power and provide the whole process technical service of breeding, which can effectively enlarge the income of customers and increase the loyalty of customers.

The company's farming technical service started from aquaculture service. After more than ten years of talent team and platform construction, the process and concept of aquaculture technical service system have penetrated into all links of products, technology, R & D, market and operation, driving the development of the company's aquatic feed and animal protection business, highlighting the effect. And the process and protocols had been gradually promoted to pig breeding and had achieved obvious results. The comprehensive breeding technology service has become an important brand label of the company and an important starting point for the company to

create value for customers, obtain and keep customers.

4. Resourceful and complete product portfolio configuration ability, and strong risk control ability

In the breeding chain, after years of technical investment, transformation of research and development achievements, product accumulation and production layout, the company's product configuration has reached relatively rich and complete state from feed, functional feed, seedlings, medicines, vaccines and biological products, covering the whole process of breeding needs, and still under development. In terms of feed products, the company is one of few domestic enterprises which can simultaneously produce and sale fish, shrimp, pigs, meat and poultry, eggs and poultry, ruminant feed with complete product lines, and all categories of products have strong competitiveness, and have a high market share in the key market. The company had rich and complete product configuration and industrial chain layout gradually pushing to the international market, fully taking advantages of the industrial chain and exploring overseas growth. The product configuration capabilities require strong customer demand insight, R&D organization, achievement transformation, production base investment and construction, processing organization, marketing promotion and technical service capabilities. The technical requirements of various feed varieties are different, the gross profit margins are different, the market characteristics and operational risks are also different, so the product structure portfolio enables the company to obtain a gross profit margin higher than the general level of the industry, and better control the market operation risk caused owing to animal disease and supply and demand imbalance, so that the company's feed product sales revenue is stable and maintains rapid growth rate much higher than the industry growth rate.

5. The perfect talent training system and effective incentive mechanism have laid the foundation for the sustainable and stable development of the company

The company continues to promote the establishment of an organizational atmosphere for talent training. Through Haida college and the human resources center, the company has built a three-way training system covering the whole career of employees, the whole business of the company and the whole post of business, built the learning ecosystem combining universal education and elite training, matched with standardized skill training at all levels, and realized a standardized rapid endogenous talent training and output mechanism. With the continuous development of the company's business and the deep extension of the industrial layout, a number of young, enthusiastic, energetic young cadres with new ideas and new era labels have become the mainstay of the company's middle-level management and core technical backbone. Through the establishment of school enterprise cooperation and the integration of industry and education, the company attracts a large number of excellent college students to join the company every year, and establishes a reserve talent team to support the sustainable development of the company. Through initiating the establishment of China Modern Fishery Vocational Education Group and the establishment of Rural Revitalization college, a large number of new farmers are attracted to participate in the construction of technical and industrial talents. The establishment of internal and external talent system has realized the talent system pattern of internal talent training and external industry empowerment and driven the overall progress of the industry.

Since its listing, the company has launched multi-stage equity incentive plan and employee stock ownership plan for core managers and technical members at different levels, established a unified incentive mechanism of long-term and short-term incentives and constraints consistent with the interests of all shareholders, and ensured the implementation of the company's development strategy and business objectives by setting performance objectives and incentives, ensuring the sustainable and stable development of the company.

IV. Main business analysis

1. Overview

During the reporting period, the company achieved income of 116.117 billion yuan, a year-on-year increase of 10.89%, and the net profit attributable to shareholders of listed companies was 2.741 billion yuan, a year-on-year decrease of 7.31%, due to the loss of the breeding business (the breeding business achieved good profitability in the same period of 2022). In the breeding business, the company's pig and raw fish breeding achieved a total income of about 10.7 billion yuan, and a net profit loss attributable to shareholders of listed companies more than 400 million yuan, of which the loss of raw fish exceeded 300 million yuan.

I. Deeply cultivate the main business of feed, seedlings and animal healthcare, and achieve higher goals with stable and sustainable growth

1. Seize the opportunity, keep double-digit growth in feed sales and further improve the profitability

The company has completed the strategic layout of 40 million tons of feed production capacity, and the company's core business objective during the reporting period made full use of the product competitiveness, research and development capabilities, technical service system and many other competitive advantages to improve the company's capacity utilization rate and market share. Because the production capacity layout has been completed, as long as the sales scale continues to increase, the capacity utilization rate can further expand the company's scale benefits, and strengthen the original professional advantages, so as to reduce the breeding cost of farmers and improve the company's operating efficiency.

During the reporting period, the company achieved feed sales of 24.4 million tons (including 1.8 million tons of internal aquaculture consumption), a year-on-year increase of 13%, and external feed sales of 22.6 million tons, an increase of 2.36 million tons year-on-year, and further increased its market share: 1) the external sales of aquatic feed were 5.24 million tons, a year-on-year increase of 2%, and the product structure was significantly optimized: among them, the sales volume of special feed (high-grade puffed fish feed and shrimp and crab feed) increased by 13% year-on-year. In the second half of the year, the company quickly adjusted its sales strategy, invested resources in key markets, and vigorously supported high-quality customers and farmers, and the sales of general feed gradually improved, and it has turned into positive growth in the first quarter of 2024. Owing to the optimization of the structure of aquatic feed products (the proportion of special feed has been greatly increased) and the continuous transformation of technical advantages, the profitability of aquatic feed has been greatly improved. 2) Poultry feed sales reached 11.3 million tons, up 13% year-on-year. The poultry industry chain as a whole has steadily rebounded from the bottom of the loss for nearly three consecutive years, and the breeding inventory has risen to a normal level, the company has fully taken the comprehensive advantages of technology, procurement, and operation of various varieties, and established in-depth cooperation with large-scale breeding plants and one-stop breeding companies through diversified forms of cooperation, so as to accelerate the integration of upstream and downstream professional capabilities in the industrial chain, and effectively improve the utilization rate, sales volume and profitability of poultry feed. 3) Pig feed sales reached 5.79 million tons, a year-on-year increase of 17%. The company's pig feed relies on continuous investment in research and development to show good competitiveness, and at the same time began to build a service team and system. The sales and service cooperation model with family farms and large-scale farms with breeding advantages becomes more and more mature, and the product power and brand power are gradually improving. 4) The company's ruminant material has been steadily promoted in accordance with the strategic plan, and the production capacity layout and market expansion have been implemented in an orderly manner, and the sales volume in 2023 had increased by 70% year-on-year.

2. The seedling and animal healthcare business develop synchronously, and the product force of the feed is superimposed

The company's seedling business and feed products are developed in tandem to form a superposition of product strength. During the reporting period, the company's seedling business achieved income of about 1.3 billion yuan, of which the income of shrimp seedlings increased by about 29%. The number of new national aquatic varieties owned by the company has increased to 6, including "Haixingnong No. 2", "Haixingnong No. 3", "Huahai No. 1", "Huahai No. 1", Changzhu hybrid mandarin fish and hybrid snakehead "Xiongyu No. 1". In terms of shrimp breeding, the company has 14 generations of pedigree, more than 2,000 families are preserved every year, constituting a germplasm resource bank with high genetic diversity, and has 8 specialized shrimp breeding centers, multiplication and testing bases to ensure the strong competitiveness of the company's shrimp seedling products. The company continues to invest in the fish fry industry, breaking through the traditional breeding mode and introducing indoor factory breeding. The tilapia varieties have made great breakthroughs in breeding, multiplication and farming, and it is expected that industrial advantages will be rapidly formed in the next few years. In the grass carp, bream, crucian carp and other traditional varieties to bring forth the new varieties, in the raw fish, yellow catfish and other varieties to take the lead in the realization of the scale of parthenogenesis. In addition, the company has invested in the construction of aquatic seed farms in Vietnam, Indonesia and other countries, initiating an international strategic layout.

In the field of animal healthcare, the company relies on strong R&D capabilities to achieve product innovation and upgrading in line with market demand. At the same time, the company strengthens the integrated development strategy of feed and animal healthcare, develops a variety of functional feeds with good quality and meets the needs of breeding, solves the difficult parts of breeding, and better improves the breeding efficiency of farmers. During the reporting period, the company's animal healthcare business achieved the income of 1.1 billion yuan, a slight increase year-on-year.

3. Haid's model is promoted to the international market and explore overseas sales and profit margins

During the reporting period, the company's overseas feed sales volume reached 1.71 million tons, a year-on-year increase of 24%, and the profitability of products increased rapidly, and the profit growth was higher than the sales growth. The company's overseas feed business, through the construction of local factories and sales, and supporting high-quality seedlings, animal healthcare and professional technical service systems, copied the mature domestic "feed + seedlings + animal healthcare" golden triangle model to overseas markets, forming a competitive advantage in the industrial chain, and gradually explores the growth of overseas markets. In Southeast Asia, the company takes Vietnam as the core and actively expands markets such as Indonesia, Bangladesh and Malaysia. In Africa, with Egypt as a bridgehead, it gradually extends to the North African and East African markets. In South America, the company has also established business layout in Ecuador and has set up team to develop neighboring countries. After being familiar with the characteristics of breeding and consumption in overseas local markets, the company relies on domestic R&D technology, combined with local raw material procurement and breeding characteristics to improve product strength, and the domestic mature technology can be gradually transformed in foreign markets, and there is a large space for improving the profitability of overseas business products.

II. On the basis of specialization, the breeding business to achieve the asset-light, low-risk model of stable development

In the pig breeding business, the company slaughtered about 4.6 million heads throughout the year, the professional ability of the team continued to improve, the breeding cost decreased, and combined with the effective business risk control system, the annual pig breeding business loss was controllable. The company continues to focus on the construction of its own breeding pig system, the system is gradually taking shape, and the R&D and scale advantages of the feed end are superimposed, and the comprehensive breeding cost has made significant progress. The pig business implemented the consolidating foundation plan throughout the year, and achieved good results at the breeding end and fattening end, with the annual seedling production at the breeding end increasing by 26%, and the survival rate of the stock at the fattening end increasing to over 97.5%. In addition, in the context of overcapacity in the industry, the company focuses on exploring and implementing the operation model of "purchasing piglets, company plus family farm, locking in profits, and hedging risks". While the pig breeding business operates efficiently, it can also build a service system for pig feed, provide breeding solutions and service personnel with professional breeding experience, and improve the service capacity of pig feed business.

In the aquaculture business, the company's main aquaculture species are raw fish and shrimp special aquatic products, and the operating income during the reporting period was about 1.4 billion yuan. The raw fish farming business was affected by the sluggish market sales price, and the annual loss exceeded 300 million yuan. The company has formulated reasonable breeding plan, improved the breeding management model, has controlled the scale of breeding, and strengthened the control of breeding risks. Through the scientific design of the factory, the circulating water system, the biological bait technology and the strict biological prevention and control, the factory shrimp farming has the advantages of safety and controllability and stable quality compared with the traditional aquaculture mode, and form a dislocation competition with the traditional products in terms of the time to market and product specifications. In the process of steady progress of factory shrimp farming, the professional ability of the team has been continuously improved, and the business model has been gradually confirmed. In the future, the company will further consolidate its business foundation, and the aquaculture business will develop steadily under the premise of controllable risks and controlled investment scale.

III. The trade business is mainly the trade of feed raw materials, and the company provides raw material procurement for the industry through large-scale and professional procurement capabilities. During the reporting period, due to the continuous loss of pig breeding, the industry is generally short of funds and the risk is large, so the company controls the scale of trade, reduces the operating risk, and the raw material trade business was decreased by 44.86% year-on-year.

China's feed industry is in a period of profound change, and the contradiction of overcapacity is prominent, providing greater development opportunities for industry differentiation and integration. In the future, the company will maintain its strategic focus, consolidate the foundation of its main feed business, optimize and upgrade supporting products, services and solutions around the core business of feed, seedlings and animal healthcare, adhere to the mission of rejuvenating agriculture with science and technology, strengthen its ability to create value for customers, achieve the target of 40 million tons of feed sales, and continue to improve the profitability of its products.

2. Revenue and cost

(1) Components of operating income

Unit: RMB

	2023		2022		Increase/decrease
	Amount	% of operating income	Amount	% of operating income	
Total operating income	116,117,168,742.97	100%	104,715,417,485.92	100%	10.89%
By industry					
Feed industry	100,625,094,888.81	86.66%	92,259,788,044.27	88.11%	9.07%
Farming industry	15,492,073,854.16	13.34%	12,455,629,441.65	11.89%	24.38%
By product					
Feed	95,956,237,795.73	82.64%	84,892,419,774.07	81.07%	13.03%
Animal healthcare products	1,094,616,254.63	0.94%	1,044,659,775.65	1.00%	4.78%
Agricultural products	15,492,073,854.16	13.34%	12,455,629,441.65	11.89%	24.38%
Trade business	3,400,500,883.54	2.93%	6,167,203,348.23	5.89%	-44.86%
Other businesses	173,739,954.91	0.15%	155,505,146.32	0.15%	11.73%
By region					
Southern China	69,265,386,101.27	59.65%	63,200,713,601.52	60.35%	9.60%
Eastern China	16,173,847,857.34	13.93%	14,161,170,693.21	13.52%	14.21%
Northern China	32,361,476,949.29	27.87%	32,620,746,322.29	31.15%	-0.79%
Central China	32,394,634,731.85	27.90%	28,901,065,227.88	27.60%	12.09%
Overseas	10,935,313,584.80	9.42%	8,578,402,746.94	8.19%	27.47%
Combined offset	-45,013,490,481.58	-38.77%	-42,746,681,105.92	-40.82%	5.30%

(2) Industries, products, regions or sales models accounting for over 10% of operating income or operating profit of the Company

 Applicable Not applicable

Unit: RMB

	Operating income	Operating costs	Gross profit margin	Increase/decrease of operating income as compared to the corresponding period of the prior year	Increase/decrease of operating costs as compared to the corresponding period of the prior year	Increase/decrease of gross profit margin as compared to the corresponding period of the prior year

By industry						
Feed industry	100,625,094,888.81	91,754,406,302.45	8.82%	9.07%	8.39%	0.57%
Farming industry	15,492,073,854.16	14,526,212,163.23	6.23%	24.38%	40.28%	-10.64%
By product						
Feed	95,956,237,795.73	87,775,522,325.73	8.53%	13.03%	12.45%	0.48%
Animal healthcare products	1,094,616,254.63	552,554,966.91	49.52%	4.78%	3.13%	0.81%
Agricultural products	15,492,073,854.16	14,526,212,163.23	6.23%	24.38%	40.28%	-10.64%
Trade business	3,400,500,883.54	3,384,436,709.49	0.47%	-44.86%	-43.81%	-1.86%
By region						
Southern China	69,265,386,101.27	64,940,181,106.91	6.24%	9.60%	13.23%	-3.02%
Eastern China	16,173,847,857.34	15,315,359,092.57	5.31%	14.21%	14.89%	-0.55%
Northern China	32,361,476,949.29	31,352,223,665.40	3.12%	-0.79%	-0.54%	-0.24%
Central China	32,394,634,731.85	31,359,923,988.17	3.19%	12.09%	14.86%	-2.34%
Overseas	10,935,313,584.80	9,661,321,418.15	11.65%	27.47%	25.52%	1.38%

Under the circumstances that the statistics specification for the Company's principal operations data experienced adjustment in the reporting period, the principal operations data upon adjustment of the statistics specification at the end of the reporting period in the latest year

Applicable Not applicable

(3) Whether revenue from sales in kind is higher than revenue from services

Yes No

By industry	Item	Unit	2023	2022	Increase/decrease
Feed industry	Sales volume	10,000 tons	2,440.23	2,165.11	12.71%
	Production output	10,000 tons	2,427.65	2,179.47	11.39%
	Inventories	10,000 tons	26.12	38.70	-32.51%

Explanation on why the related data varied by more than 30%

Applicable Not applicable

The Company's inventories decreased 32.51% during the reporting period compared with last year, primarily driven by the Company's decreased stock of products.

(4) Performance of material sales contracts and material procurement contracts of the Company during the reporting period

Applicable Not applicable

(5) Composition of operating costs

Unit: RMB

By industry	Item	2023		2022		Increase /decrease
		Amount	% of total operating costs	Amount	% of total operating costs	
Feed industry	Material costs	88,202,446,185.50	96.13%	81,348,581,533.59	96.10%	8.43%
Feed industry	Labour costs	989,977,644.07	1.08%	901,705,904.44	1.07%	9.79%
Feed industry	Manufacturing expenses	2,339,254,579.25	2.55%	2,205,869,130.50	2.61%	6.05%
Feed industry	Contract performance costs	180,835,593.31	0.20%	163,938,546.21	0.19%	10.31%
Feed industry	Others	41,892,300.32	0.04%	28,573,596.86	0.03%	46.61%
Total of feed industry		91,754,406,302.45	100.00%	84,648,668,711.60	100.00%	8.39%
Farming industry	Material costs	12,396,546,681.62	85.34%	8,602,722,539.07	83.08%	44.10%
Farming industry	Labour costs	1,366,507,811.60	9.41%	1,094,517,161.31	10.57%	24.85%
Farming industry	Manufacturing expenses	732,405,482.14	5.04%	629,048,626.34	6.07%	16.43%
Farming industry	Contract performance costs	30,752,187.87	0.21%	28,623,061.91	0.28%	7.44%
Total of farming industry		14,526,212,163.23	100.00%	10,354,911,388.63	100.00%	40.28%

Unit: RMB

By product	Item	2023		2022		Increase /decrease
		Amount	% of total operating costs	Amount	% of total operating costs	
Feed	Material costs	84,349,916,329.38	96.10%	74,869,360,421.56	95.91%	12.66%
Feed	Labour costs	961,282,644.51	1.10%	874,421,190.94	1.12%	9.93%
Feed	Manufacturing expenses	2,303,531,792.17	2.62%	2,172,776,439.83	2.78%	6.02%
Feed	Contract performance costs	160,791,559.67	0.18%	144,200,929.62	0.18%	11.51%
Total feed		87,775,522,325.73	100.00%	78,060,758,981.95	100.00%	12.45%
Animal healthcare products	Material costs	468,093,146.63	84.71%	455,690,788.17	85.05%	2.72%
Animal healthcare products	Labour costs	28,694,999.56	5.19%	27,284,713.51	5.09%	5.17%
Animal healthcare products	Manufacturing expenses	35,722,787.08	6.47%	33,092,690.67	6.18%	7.95%
Animal healthcare products	Contract performance costs	20,044,033.64	3.63%	19,737,616.59	3.68%	1.55%
Total animal healthcare products		552,554,966.91	100.00%	535,805,808.94	100.00%	3.13%
Agricultural products	Material costs	12,396,546,681.62	85.34%	8,602,722,539.07	83.08%	44.10%

By product	Item	2023		2022		Increase /decrease
		Amount	% of total operating costs	Amount	% of total operating costs	
Agricultural products	Labour costs	1,366,507,811.60	9.41%	1,094,517,161.31	10.57%	24.85%
Agricultural products	Manufacturing expenses	732,405,482.14	5.04%	629,048,626.34	6.07%	16.43%
Agricultural products	Contract performance costs	30,752,187.87	0.21%	28,623,061.91	0.28%	7.44%
Total agricultural products		14,526,212,163.23	100.00%	10,354,911,388.63	100.00%	40.28%
Trade business	Sales costs	3,384,436,709.49	100.00%	6,023,530,323.85	100.00%	-43.81%
Other businesses	Sales costs	41,892,300.32	100.00%	28,573,596.86	100.00%	46.61%

Notes

None

(6) Change of scope of consolidation during the reporting period

Yes No

During the year, the scope of consolidation included 557 subsidiaries, increasing by 52 and reducing by 23 as compared with the last year. For details, please refer to the Note "VII. Interests in Other Entities" in Section X "Financial Statements".

(7) Significant change in or adjustment of the businesses, products or services of the Company during the reporting period

Applicable Not applicable

(8) Sales to major customers and major suppliers

Sales to major customers of the Company

Total sales to top 5 customers (RMB)	2,051,068,748.94
Total sales to top 5 customers as a percentage of the total sales for the year	1.77%
Sales to top 5 customers who are related parties as a percentage of the total sales for the year	0.00%

Information on top 5 customers of the Company

No.	Name of customer	Sales (RMB)	As a percentage of the total sales for the year (%)
1	No. 1	611,757,619.24	0.53%
2	No. 2	413,695,864.30	0.36%
3	No. 3	388,903,096.38	0.33%
4	No. 4	322,044,728.58	0.28%
5	No. 5	314,667,440.44	0.27%
Total	--	2,051,068,748.94	1.77%

Other explanation of major customers
 Applicable Not applicable

The top five customers of the Company are mainly customers of livestock and poultry feed. The top five customers have no related relationship with the Company. The Company's directors, supervisors, senior management, core technical personnel, shareholders holding more than 5% of shares, actual controller and other related parties do not have direct or indirect interest in the major customers. The top five customers accounted for 1.77% of total annual sales. The Company's sales revenue does not depend on single or top five customers.

Major suppliers of the Company

Total purchases from top 5 suppliers (RMB)	15,399,513,275.63
Total purchases from top 5 suppliers as a percentage of the total purchases for the year	15.41%
Total purchases from top 5 suppliers who are related parties as a percentage of the total purchases for the year	0.00%

Information on top 5 suppliers of the Company

No.	Name of supplier	Purchases (RMB)	As a percentage of the total purchases for the year (%)
1	No. 1	8,720,058,449.06	8.72%
2	No. 2	2,358,904,001.81	2.36%
3	No. 3	1,989,772,692.22	1.99%
4	No. 4	1,300,102,277.02	1.31%
5	No. 5	1,030,675,855.52	1.03%
Total	--	15,399,513,275.63	15.41%

Other explanation of major suppliers
 Applicable Not applicable

The top five suppliers of the Company have no related relationship with the Company. The Company's directors, supervisors, senior management, core technical personnel, shareholders holding more than 5% of shares, actual controller and other related parties do not have direct or indirect interest in the major suppliers. The top five suppliers accounted for 15.41% of total annual purchases. The Company's purchases do not depend on single or top five suppliers.

3. Expenses

Unit: RMB

	2023	2022	Increase/decrease	Reasons for material changes
Selling and distribution expenses	2,259,143,012.20	1,980,987,068.23	14.04%	Mainly due to the expansion of the Company's sales, the increase in personnel and their remunerations, and the higher business promotion expenses
General and administrative expenses	2,616,739,147.40	2,583,815,226.76	1.27%	The insignificant change during the current period compared with the prior year was mainly due to the year-on-year decrease in the Company's equity incentive expenses
Financial expenses	512,506,390.25	596,764,082.61	-14.12%	Mainly due to the decreased financings and financing costs
Research and development expenses	784,880,414.03	711,235,490.13	10.35%	Mainly due to the increase in R&D personnel and their remunerations, as well as in research and development investments

4. Research and development investments

Applicable Not applicable

Name of major R&D project	Purpose	Progress	Specific objectives	Expected impact on the Company
The establishment and maintenance of the targeted nutrition database for a range of aquatic products	Targeted nutrition	The accurate nutrition demand has been identified for a range of aquatic products in multiple animal husbandry modes at different phases and under different animal husbandry environments.	To ensure more accurate nutrition, save costs of animal feeds, avoid wastes of animal feeds, protect the environment, guarantee the more complete digestion and absorption of animal feeds, and significantly improve the growth performance	The costs of the animal feeds can be significantly reduced and the animal husbandry costs for farmers can be magnificently decreased. The growth performance for the aquatic products can be higher, thus driving the green development of the farming industry.
The establishment of the disease-resistant nutrition system for livestock and poultry	The development of functional animal feeds and functional additives	The immunopotentiator has been developed to improve the resistance to bacterial and viral diseases in the swine and poultry herds.	In terms of the common diseases for livestock and poultry, the immunopotentiator can effectively improve the disease resistance, thus providing a stronger guarantee for the healthy and effective production in the farming of livestock and poultry.	Centering on the core concept of creating values for customers, the animal husbandry efficiency can be raised and product strength can be boosted.
The establishment of an integrated breeding system for shrimp and fish fry	The quality and stable supply of shrimp and fish fry	Six new national aquatic species have been recognized, and genetic breeding research on the remaining species continues.	To complete systematic work on seed selection, conservation of germplasm resources, establishment of germplasm families, etc.	Relying on the complete industrial chain of aquaculture, the project can give play to the advantage of an integrated system of “feed + seedlings + animal health products” and promote the green and high-quality development of aquaculture.
The establishment of the nutrition system of the creep feeds and nursing feeds	Targeted nutrition	The research on the nutrition value evaluation of different raw materials, nutrition demand, feeding modes, and feed processing has been completed, and the effects have been verified at the breeding end.	To choose raw materials that are easier to digest and absorb so that the gastrointestinal tract of piglets can better shred and digest. As a result, the piglets can be healthier and of higher survival rate due to the all-around and balanced nutrition. In addition, the piglets can have better intestinal development and less diarrhea. The animal feeds can be better chewed to make the nutrition absorption better and more balanced to make the piglets grow faster.	The good quality of creep feeds and nursing feeds can be created, thus making it the industrial benchmark.

Research and development personnel of the Company

	2023	2022	Percentage change
Research and development headcount	3,525	3,382	4.23%
Ratio of research and development personnel	9.08%	9.39%	-0.31%
Educational background of research and development personnel			
Bachelor's degree	885	827	7.01%
Master's degree	800	763	4.85%
Doctoral degree	115	113	1.77%
Age structure of research and development personnel			
Below 30	1,915	1,844	3.85%
30~40	1,099	1,026	7.12%
40~50	331	330	0.30%
Over 50	180	182	-1.10%

Research and development investments of the Company

	2023	2022	Percentage change
Research and development investments (RMB)	803,082,298.63	711,235,490.13	12.91%
Research and development investments as % of operating income	0.69%	0.68%	0.01%
Capitalized amount of research and development investments (RMB)	18,201,884.60	5,081,480.58	258.20%
Capitalized research and development investments as % of total research and development investments	2.27%	0.71%	1.56%

Reasons for significant change in the composition of research and development personnel and the impact

Applicable Not applicable

Reasons for significant change in total research and development investments as % of operating income

Applicable Not applicable

Reasons for significant change in capitalization rate of research and development investments and explanations thereon

Applicable Not applicable

5. Cash flows

Unit: RMB

Item	2023	2022	Increase/decrease
Sub-total of cash inflows from operating activities	119,076,079,621.32	106,959,926,011.77	11.33%
Sub-total of cash outflows for operating activities	106,377,704,921.78	100,142,031,760.86	6.23%
Net cash flows from operating activities	12,698,374,699.54	6,817,894,250.91	86.25%
Sub-total of cash inflows from investing activities	5,655,779,524.28	8,817,852,475.04	-35.86%

Sub-total of cash outflows for investing activities	9,475,754,280.35	14,263,337,049.36	-33.57%
Net cash flows from investing activities	-3,819,974,756.07	-5,445,484,574.32	29.85%
Sub-total of cash inflows from financing activities	10,363,673,588.82	14,012,643,640.87	-26.04%
Sub-total of cash outflows for financing activities	16,016,845,242.92	14,942,687,770.42	7.19%
Net cash flows from financing activities	-5,653,171,654.10	-930,044,129.55	-507.84%
Net increase in cash and cash equivalents	3,245,099,423.10	441,039,279.27	635.78%

Explanation on main effects of material changes

Applicable Not applicable

1. Net cash flows from operating activities increased by 86.25% as compared to the corresponding period of the prior year mainly due to the increased cash received from sales of goods in the period.
2. Net cash flows from investing activities increased by 29.85% as compared to the corresponding period of the prior year mainly because the Company's production capacity of 40 million tons of feed has been put in place and the payment for acquisition of fixed assets, intangible assets and other long-term assets decreased accordingly.
3. Net cash flows from financing activities decreased by 507.84% as compared to the corresponding period of the prior year mainly due to the decreased loans.

Explanation on main reasons leading to the material difference between net cash flows from operating activities during the reporting period and net profit for the year

Applicable Not applicable

V. Analysis of Non-Principal Operations

Applicable Not applicable

VI. Analysis of Assets and Liabilities

1. Material changes of asset items

Unit: RMB

	As at the end of 2023		As at the beginning of 2023		Percentage change	Description of major changes
	Amount	As % of total assets	Amount	As % of total assets		
Cash at bank and on hand	5,476,452,778.79	12.24%	2,260,586,666.69	5.08%	7.16%	At the end of the period, the percentage in total assets increased by 7.16 percentage points; and the balance increased by 142.26% from the beginning of the period, which was mainly due to the increased cash from operating activities as a result of the expansion of the Company's business scale.
Accounts receivable	2,056,713,658.36	4.60%	1,952,007,881.05	4.39%	0.21%	At the end of the period, the percentage in total assets increased by 0.21 percentage point; and the balance increased by 5.36% from the beginning of the period, which was almost flat with the balance at the beginning of the period.

	As at the end of 2023		As at the beginning of 2023		Percentage change	Description of major changes
Contract assets	0.00	0.00%	0.00	0.00%	0.00%	N/A
Inventories	9,935,863,743.13	22.20%	12,625,081,651.36	28.39%	-6.19%	At the end of the period, the percentage in total assets decreased by 6.19 percentage points; and the balance decreased by 21.30% from the beginning of the period, which was mainly due to the decreased stock of raw materials.
Investment properties	29,823,321.44	0.07%	26,856,587.98	0.06%	0.01%	At the end of the period, the percentage in total assets increased by 0.01 percentage point; and the balance increased by RMB 2.97 million from the beginning of the period, which was almost flat with the balance at the beginning of the period.
Long-term equity investments	216,673,525.00	0.48%	315,182,888.17	0.71%	-0.23%	At the end of the period, the percentage in total assets decreased by 0.23 percentage point; and the balance decreased by 31.25% from the beginning of the period, which was mainly due to the withdrawal of investment from associates.
Fixed assets	16,393,917,170.28	36.64%	14,933,452,189.00	33.58%	3.06%	At the end of the period, the percentage in total assets increased by 3.06 percentage points; and the balance increased by 9.78% from the beginning of the period, which was mainly because the Company's projects under construction were transferred to fixed assets after completion and being put into production, resulting in an increase in fixed assets.
Construction in progress	687,708,201.87	1.54%	1,377,352,318.21	3.10%	-1.56%	At the end of the period, the percentage in total assets decreased by 1.56 percentage points; and the balance decreased by 50.07% from the beginning of the period, which was mainly because the Company's projects under construction were transferred to fixed assets after completion and being put into production.
Right-of-use assets	2,360,221,694.26	5.27%	2,371,772,104.05	5.33%	-0.06%	At the end of the period, the percentage in total assets decreased by 0.06 percentage point; and the balance decreased by 0.49% from the beginning of the period, which was almost flat with the balance at the beginning of the period.
Short-term loans	1,396,136,213.00	3.12%	2,910,809,252.56	6.55%	-3.43%	At the end of the period, the percentage in total assets decreased by 3.43 percentage points; and the balance decreased by 52.04% from the beginning of the period, which was mainly due to the decreased short-term bank loans and the increased repayment of loans.
Contract liabilities	1,922,213,731.37	4.30%	1,720,519,173.21	3.87%	0.43%	At the end of the period, the percentage in total assets increased by 0.43 percentage point; and the balance increased by 11.72% from the beginning of the period, which was mainly due to the increased advances from customers as a result of a larger business size.

	As at the end of 2023		As at the beginning of 2023		Percentage change	Description of major changes
Long-term loans	3,027,758,789.71	6.77%	5,066,407,199.42	11.39%	-4.62%	At the end of the period, the percentage in total assets decreased by 4.62 percentage points; and the balance decreased by 40.24% from the beginning of the period, which was mainly due to the early repayment of part of the long-term loans.
Lease liabilities	1,619,548,546.37	3.62%	1,610,426,421.30	3.62%	0.00%	At the end of the period, the percentage in total assets was flat with the balance at the beginning of the period; and the balance increased by 0.57% from the beginning of the period, which was almost flat with the balance at the beginning of the period.
Held-for-trading financial assets	1,286,752,498.95	2.88%	699,942,009.75	1.57%	1.31%	At the end of the period, the percentage in total assets increased by 1.31 percentage points; and the balance increased by 83.84% from the beginning of the period, which was mainly due to the increased cash management with idle funds.
Prepayments	743,154,926.15	1.66%	1,787,282,249.33	4.02%	-2.36%	At the end of the period, the percentage in total assets decreased by 2.36 percentage points; and the balance decreased by 58.42% from the beginning of the period, which was mainly due to the decreased stock of raw materials, resulting in a corresponding decrease in prepayments.
Notes payable	5,897,614,880.98	13.18%	3,502,208,518.33	7.88%	5.30%	At the end of the period, the percentage in total assets increased by 5.30 percentage points; and the balance increased by 68.40% from the beginning of the period, which was mainly due to the increased settlements with notes in the procurement of raw materials.
Other payables	839,176,371.57	1.88%	468,736,318.76	1.05%	0.83%	At the end of the period, the percentage in total assets increased by 0.83 percentage point; and the balance increased by 79.03% from the beginning of the period, which was mainly due to the increased payables to holders under the 2023 employee stock ownership plan.

Overseas assets account for a larger proportion in total assets

Applicable Not applicable

2. Assets and liabilities measured at fair value

Applicable Not applicable

Unit: RMB

Item	Opening balance	Gain or loss from changes in fair value during the period	Cumulative fair value changes recognized in equity	Impairment provided during the period	Purchases during the period	Disposal during the period	Other changes	Closing balance
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Financial assets								
1. Held-for-trading financial assets (exclusive of derivative financial assets)	439,630,197.91	-24,393,860.68	14,324,188.55					270,014,574.45
5. Other non-current financial assets	266,944,754.12	-16,802,796.88			141,654.00	1,600,000.00		248,683,611.24
Sub-total of financial assets	706,574,952.03	-41,196,657.56	14,324,188.55		141,654.00	1,600,000.00		518,698,185.69
Others (note)	260,311,811.84	6,426,112.66			1,010,000,000.00	261,169,386.67		1,016,737,924.50
Total of the above	966,886,763.87	-34,770,544.90	14,324,188.55		1,010,141,654.00	262,769,386.67		1,535,436,110.19
Financial liabilities	46,533,780.00	19,611,136.00						22,203,844.99

Note: Others are bank's wealth management products.

Contents of other changes

None

Whether there were any material changes on the measurement attributes of major assets of the Company during the reporting period

Yes No

3. Restriction on asset rights as at the end of the reporting period

As at the end of the reporting period, the Company still had restricted assets of RMB 115,204,438.33, which were mainly land reclamation deposits, letter of credit deposits, guarantee deposits, deposits for bank guarantees, unrecognized notes receivable that are endorsed and outstanding, and properties preserved.

VII. Analysis of Investments

1. Overview

Applicable Not applicable

Investments during the reporting period (RMB)	Investments during the corresponding period of prior year (RMB)	Change
3,353,272,322.86	5,001,931,119.51	-32.96%

2. Material equity investments during the reporting period

Applicable Not applicable

3. Material non-equity investments during the reporting period

Applicable Not applicable

4. Financial investments

(1) Securities investments

Applicable Not applicable

The Company did not make any securities investment in the reporting period.

(2) Derivatives investments

Applicable Not applicable

1) Derivatives investments for hedging purposes in the reporting period

Applicable Not applicable

Unit: RMB'0,000

Type of derivative investment	Initial investment amount	Opening investment amount	Gain or loss from changes in fair value during the period	Cumulative fair value changes recognized in equity	Purchased in the period	Sold in the period	Closing investment amount	Closing investment amount as % of the Company's closing net assets
Futures company	0	48,631.02	1,761.29	36,105.46	494,393.52	489,346.77	57,967.83	2.95%
Commercial bank	0	0	-2,176.11	-362.48	0	0	0	0.00%
Total	0	48,631.02	-414.82	35,742.98	494,393.52	489,346.77	57,967.83	2.95%
Explanation of significant changes in accounting policies and specific accounting measurement principles in respect of the hedges for the reporting period as compared to the previous reporting period	The Company conducted accounting processing of hedging business in accordance with the stipulations in the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments (《企业会计准则第 22 号——金融工具确认和计量》), the Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets (《企业会计准则第 23 号——金融资产转移》), the Accounting Standards for Business Enterprises No. 24 - Hedging Accounting (《企业会计准则第 24 号——套期会计》) and the Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments (《企业会计准则第 37 号——金融工具列报》) as well as their guidelines. In 2023, no significant changes occurred to the accounting policies and measurements in respect of the hedges for the reporting period as compared to the previous reporting period.							
Explanation of the actual gains and losses in the reporting period	The Company conducts commodity futures hedges in order to hedge against fluctuations in the market prices of raw materials such as corn and meal, as well as the risk of fluctuations in expected future cash flows arising from matters such as the expected sales of pigs; and foreign exchange hedges in order to hedge against the operational risks posed to the Company by fluctuations in foreign exchange rates. During the reporting period, the actual net gain after offsetting the gains and losses on the Company's commodity and foreign exchange hedging derivative contracts and spots was RMB 154 million.							
Explanation of the effect of hedges	The Company engaged in commodity futures hedges mainly for corn, meal and other raw materials related to production and operation. The risk of changes in the value of the hedged items was effectively hedged through changes in the value of the hedging instruments, with the expected risk management objectives basically achieved. The Company's foreign exchange hedges were carried out because the Company's overseas bank loans and procurement were exposed to the risk of exchange rate fluctuations. By carrying out forward foreign exchange settlement and sale, currency swaps, etc., the Company was able to lock in the exchange rate costs and effectively hedge the uncertainty risk arising from exchange rate fluctuations.							
Funding source	Self-funded							
Risk analysis of positions held in derivatives during	1. The hedging business was compatible with the production and operation of the Company. The Company strictly controlled the positions of futures and options, conducted foreign exchange hedging transactions in							

the reporting period and explanation of control measures (Including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>strict accordance with its projected collection period, payment period and amount, and reasonably made use of futures, options, portfolios of the aforementioned products, foreign exchange hedging and other instruments to have a lock on the Company's costs and expenses of raw materials of animal feeds and other related products.</p> <p>2. Relevant departments and personnel strictly controlled the scale of hedging funds, reasonably planned and used the margin, and gave operation instructions in strict accordance with the Company's futures trading management policies. No operation could be carried out unless it had been approved in light of related regulations. The Company will reasonably allocate funds for its hedging business.</p> <p>3. In accordance with the Guidelines No. 1 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies—the Standard Operation of Main Board Listed Companies (《深圳证券交易所上市公司自律监管指引第 1 号—主板上市公司规范运作》), the Management System for Futures Hedging Operations (《期货套期保值业务管理制度》), the Measures for Futures Management (《期货管理办法》), and the Management Measures for the Operation of Pig Futures (《生猪期货业务操作管理办法》) have been formulated, which clearly stipulate the approval authority, internal review process and risk handling procedures for hedging business. The Company has established a special team for commodity hedging operation and a monitoring team for commodity hedging operation, and developed corresponding business procedures. Relevant business and activities were controlled through the implementation of authorization, position restraint, internal audit and other measures.</p> <p>4. The Company has formulated the Management System for Foreign Exchange Hedging Operations (《外汇套期保值业务管理制度》), which clearly stipulates the limit of foreign exchange hedging business, the scope of varieties, approval authority, internal review procedures, responsible departments and persons, information isolation measures, internal risk reporting policies and risk handling procedures. The Policy is in conformity with the relevant requirements of regulatory authorities, meets the needs of actual operation, and contains effective risk control measures.</p> <p>5. The Securities Department of the Company conducted regular and irregular inspections of the hedging transaction business, and supervised the implementation of risk management policies and risk management procedures by the personnel taking charge of the hedging transaction business, to timely prevent operational risks in the business.</p>
Changes in market prices or fair value of derivative products during the reporting period, specific methods used and relevant assumption and parameter settings shall be disclosed for analysis of fair value of derivatives	<p>Since the Company's varieties of commodity hedging transactions were traded at futures exchanges, with transparent markets and active transactions, the transaction price and the settlement unit price of the day could fully reflect the fair value of the derivatives. The varieties of foreign exchange hedging transactions were measured at the fair value on the date of contract signing between the Company and commercial banks, and their fair value was subsequently measured based on the valuation notices issued by each commercial bank at the end of the period.</p>
Legal matters involved (if applicable)	N/A
Disclosure date of the announcement about the board's consent for the derivative investment (if any)	25 April 2023
Disclosure date of the announcement about the shareholders' general meeting's consent for the derivative investment (if any)	16 May 2023
Special opinions expressed by independent directors concerning the Company's derivatives investment and risk control	<p>1. The commodity hedging business of the Company was carried out in strict accordance with relevant policies. Therefore, the Company effectively controlled the costs and prices of products involved in its production and trading activities, and effectively prevented and mitigated risks. The relevant approval procedures for the Company to use its own funds to carry out hedging business in commodity futures and options markets were in compliance with relevant national laws and regulations as well as provisions in the Articles of Association (《公司章程》). The Company has established a sound organizational structure and developed the Management System for Futures Hedging Operations (《期货套期保值业务管理制度》) for commodity hedging. There is no circumstance where the interest of the Company and its entire shareholders has been damaged.</p> <p>2. The decision-making procedures of the Company for foreign exchange hedging business were in compliance with relevant national laws and regulations as well as provisions in the Articles of Association.</p>

The Company made use of foreign exchange hedging instruments to reduce exchange rate risks and financial expenses and control operational risks on the basis of normal production and operation. There is no circumstance where the interest of the Company, its entire shareholders and especially, its minority shareholders has been damaged. At the same time, the Company has formulated the Management System for Foreign Exchange Hedging Operations (《外汇套期保值业务管理制度》). By strengthening internal control and implementing risk prevention measures, specific operation standards have been developed for the Company's foreign exchange hedging business.

In summary, it is approved that the Company and its majority-owned subsidiaries carry out commodity hedging business and foreign exchange hedging business within the limit approved by the Board of Directors.

2) Derivatives investments for speculative purposes in the reporting period

Applicable Not applicable

The Company did not make any derivatives investment for speculative purposes in the reporting period.

5. Use of raised funds

Applicable Not applicable

(1) Overall use of raised funds

Applicable Not applicable

Unit: RMB'0,000

Year for fund-raising	Method of fund-raising	Total raised funds	Net proceeds	Total raised funds that have been used in the current period	Total raised funds that have been used accumulatively	Total raised funds with altered purposes during the reporting period	Total accumulative raised funds with altered purposes	Proportion of total accumulative raised funds with altered purposes	Total raised funds that have not been used yet	Use and ownership change of unused raised funds	Raised funds that have been left unused for over two years
2020	Public offering of convertible corporate bonds	283,000	281,085.42	47,386.08	282,912.17	6,079.28	79,823.52	28.21%	0	N/A	0
Total	--	283,000	281,085.42	47,386.08	282,912.17	6,079.28	79,823.52	28.21%	0	--	0

Explanation of the overall use of raised funds

Upon the approval of the CSRC through the issuance of the Approval on the Public Offering of Convertible Corporate Bonds by Guangdong Haid Group Co., Limited (《关于核准广东海大集团股份有限公司公开发行可转换公司债券的批复》) (Zheng Jian Xu Ke [2020] No. 205), the Company was allowed to issue convertible corporate bonds with a total face value of RMB 2,830 million to the public. Actually, the Company issued 28.30 million convertible corporate bonds with a face value of RMB 100 each to the public, and raised RMB 2,830,000,000.00 of funds in total. After deducting the fees related to the issuance, the actual net raised funds was RMB 2,810,854,230.16. The availability of the above-mentioned raised funds has been verified by Grant Thornton China (Special General Partnership), which issued the Capital Verification Report (《验资报告》) (Grant Thornton Yan Zi [2020] No. 440ZC0065) on 26 March 2020.

As at 31 December 2023, the Company used RMB 2,829.1217 million of raised funds, and accrued RMB 18.2775 million of interest income (with banks' handling fees, etc. deducted).

(2) Committed projects of raised funds
 Applicable Not applicable

Unit: RMB'0,000

Committed investment projects and investment of excessive raised funds	Whether projects have been altered (including partial alternation)	Total committed investment with raised funds	Adjusted total investment amount (1)	The investment amount during the reporting period	Accumulative investment amount as at the end of the reporting period (2)	Investment progress as at the end of the reporting period (3) = (2)/(1)	Date when the projects are ready for their intended use	Benefits recorded during the reporting period	Whether the estimated benefits are reached	Whether there are material changes in the project feasibility
Committed investment projects										
1. Animal feed project of Nantong Haid with an annual output of 240,000 tons (hereinafter referred to as the "Nantong Haid project")	No	7,144.21	7,144.21	0	7,200.25	100.78 %	31 October 2021	114.79	No	No
2. Animal feed project of Qingyuan Haid with an annual output of 240,000 tons (hereinafter referred to as the "Qingyuan Haid project")	No	6,493.11	6,493.11	0	6,504.38	100.17 %	30 September 2021	1,117.6	No	No
3. Animal feed project of Huai'an Hailong with an annual output of 200,000 tons (hereinafter referred to as the "Huai'an Hailong project")	Yes	16,123.49	11,177.39	150.29	11,231.51	100.48 %	31 December 2022	-8.64	No	No
4. Animal feed project of Nanning Haid with an annual output of 480,000 tons (hereinafter referred to as the "Nanning Haid project")	No	23,589.07	23,589.07	840.85	23,687.4	100.42 %	31 October 2022	-525.07	No	No
5. Animal feed project of Zhaoqing Gaoyao with an annual output of 240,000 tons	No	4,679.43	4,679.43	0	4,679.43	100.00 %	30 April 2020	805.28	No	No

(hereinafter referred to as the "Zhaoqing Gaoyao project")										
6. Animal feed project of Fuzhou Haid with an annual output of 180,000 tons (hereinafter referred to as the "Fuzhou Haid project")	Yes	29,075.05	20,429.86	101.37	20,630.24	100.98%	31 December 2022	-541.35	No	No
7. Animal feed project of Qingyuan Haibei with an annual output of 30,000 tons (hereinafter referred to as the "Qingyuan Haibei project")	Yes	15,053.58	2,176.01	0	2,176.01	100.00%	1 January 2024	0	N/A	No
8. Animal feed project of Shaoguan Haid with an annual output of 400,000 tons (hereinafter referred to as the "Shaoguan Haid project")	No	13,964.32	13,964.32	0	14,036.65	100.52%	31 December 2021	1,028.49	Yes	No
9. Animal feed project of Qingyuan Hailong with an annual output of 720,000 tons (hereinafter referred to as the "Qingyuan Hailong project")	No	36,955.3	36,955.3	1,470.15	37,153.79	100.54%	31 December 2022	-959.55	No	No
10. Animal feed project of Yicheng Haid with an annual output of 380,000 tons (hereinafter referred to as the "Yicheng Haid project")	Yes	16,509.88	10,389.94	350.84	10,524.28	101.29%	31 December 2022	198.66	No	No
11. Animal feed project of Hexian Haid with an annual output of 300,000 tons (hereinafter referred to as the "Hexian Haid project")	No	21,344.95	21,344.95	1,314.45	21,532.43	100.88%	30 June 2022	-68.81	No	No
12. Animal feed project of Kaifeng Haid with an annual output of 300,000 tons (hereinafter referred to as the	Yes	17,069.03	12,693.22	191.08	12,785.51	100.73%	31 December 2022	370.65	No	No

"Kaifeng Haid project")										
13. Animal feed project of Zhanjiang Haid with an annual output of 200,000 tons (hereinafter referred to as the "Zhanjiang Haid project")	Yes	20,380.33	0	0	0	0.00%	1 January 2024	0	N/A	No
14. Animal feed project of Yulin Haid with an annual output of 450,000 tons (hereinafter referred to as the "Yulin Haid project")	Yes	31,186.61	17,483.66	203.37	17,765.52	101.61%	31 December 2022	-262.18	No	No
15. Animal feed project of Sichuan Rongchuan with an annual output of 200,000 tons (hereinafter referred to as the "Sichuan Rongchuan project")	Yes	23,431.64	18,954.64	462.54	19,156.57	101.07%	31 December 2022	-652.39	No	No
16. Animal feed project of Jiangmen Rongchuan with an annual output of 270,000 tons (hereinafter referred to as the "Jiangmen Rongchuan project")	No	0	22,000	0	22,066.47	100.30%	31 December 2022	-1,436.18	No	No
17. Biological compound feed project of Huainan Haid with an annual output of 300,000 tons (hereinafter referred to as the "Huainan Haid project")	No	0	9,477.24	0	9,480.6	100.04%	31 July 2021	-811.95	No	No
18. Biological compound feed project of Pingnan Haid Feed Co., Ltd. with an annual output of 300,000 tons (hereinafter referred to as the "Pingnan Haid project")	Yes	0	11,846.28	11,877.14	11,877.14	100.26%	31 December 2023	-60	No	No
19. Biological feed	No	0	10,500	10,50	10,501.07	100.01	31	-	No	No

project of Yancheng Rongchuan Biotechnology Co., Ltd. with an annual output of 300,000 tons (hereinafter referred to as the "Yancheng Rongchuan project")				1.07			%	December 2023	3,096.28		
20. Biological compound feed project of Enshi Haid Biotechnology Co., Ltd. with an annual output of 350,000 tons (hereinafter referred to as the "Enshi Haid project")	Yes	0	6,314.17	6,314.96	6,314.96	100.01%		31 December 2023	0	N/A	No
21. High-end aquatic feed project of Hexian Haid Biotechnology Co., Ltd. with an annual output of 150,000 tons (hereinafter referred to as the "Hexian High-end Aquatic Feed project")	Yes	0	9,006.55	9,007.44	9,007.44	100.01%		30 June 2024	0	N/A	No
22. Feed mill construction project of Xingtai Haid Biotechnology Co., Ltd. (hereinafter referred to as the "Xingtai Haid project")	No	0	4,600	4,600.52	4,600.52	100.01%		31 December 2023	-783.69	No	No
Subtotal of committed investment projects	--	283,000	281,219.35	47,386.08	282,912.17	--	--		-5,570.63	--	--
Investment of excessive raised funds											
None											
Total	--	283,000	281,219.35	47,386.08	282,912.17	--	--		-5,570.63	--	--
Explain project by project the reasons for failing to reach the planned progress or predicted returns (including the reasons for inputting "N/A" for "Whether the	<p>1. Mainly due to the impact of market fluctuations of some breeding species and the impact of the Company's development of new markets based on its overall business layout and optimisation of its product and customer structures, the Nantong Haid project, the Zhaoqing Gaoyao project, the Qingyuan Haid project, the Hexian Haid project, the Jiangmen Rongchuan project, the Huainan Haid project, the Nanning Haid project and the Qingyuan Hailong project failed to reach the predicted returns.</p> <p>2. The Huai'an Hailong project, the Fuzhou Haid project, the Yicheng Haid project, the Yulin Haid project, the Sichuan Rongchuan project and the Kaifeng Haid project have been partly put into production but not yet entirely completed. As such, these projects failed to reach the predicted returns. In view of the overall business and market layout priorities of the Company, the remaining raised funds have been reallocated to other projects.</p> <p>3. The Pingnan Haid project, the Yancheng Rongchuan project and the Xingtai Haid project were put into</p>										

estimated benefits are reached")	<p>production in 2023. Due to a short-term of operation, these projects failed to meet the objectives with respect to output and sales volumes. As such, they failed to reach the predicted returns.</p> <p>4. The Enshi Haid project has been completed, and it was put into production in January 2024.</p> <p>5. The Hexian High-end Aquatic Feed project as a whole has not yet been completed and is not ready for production.</p>
Explanations of the material changes in the project feasibility	N/A
Amount, use, and use progress of excessive raised funds	N/A
Changes of implementation locations of the investment projects with the raised funds	Applicable
	Occurred before the reporting period
	<p>1. As reviewed at the 14th Meeting of the Fifth Board of Directors and the First Extraordinary General Meeting of Shareholders in 2021, it was approved to change the implementation entities and locations of the "Qingyuan Haibei project" and the "Zhanjiang Haid project". To be specific, the implementation entities of "Qingyuan Haibei Biotechnology Co., Ltd." and "Zhanjiang Haid Feed Co., Ltd." were changed to "Jiangmen Rongchuan Feed Co., Ltd." and "Huainan Haid Biological Feed Co., Ltd." respectively, and the implementation locations of "Qingyuan City, Guangdong Province" and "Zhanjiang City, Guangdong Province" to "Duanfen Town, Taishan City, Guangdong Province" and "Shouxian County, Huainan City, Anhui Province" respectively.</p> <p>2. As reviewed at the Fifth Meeting of the Sixth Board of Directors and the Fifth Extraordinary General Meeting of Shareholders in 2022, it was approved to change the implementation entities and locations of the "Huai'an Hailong project", the "Fuzhou Haid project", the "Yicheng Haid project", the "Kaifeng Haid project", the "Yulin Haid project", and the "Sichuan Rongchuan project". To be specific, the implementation entities of "Huai'an Hailong Feed Co., Ltd.", "Fuzhou Haid Feed Co., Ltd.", "Yicheng Haid Biotechnology Co., Ltd.", "Kaifeng Haid Feed Co., Ltd.", "Yulin Haid Feed Co., Ltd.", and "Sichuan Rongchuan Feed Co., Ltd." were changed to "Yancheng Rongchuan Biotechnology Co., Ltd.", "Pingnan Haid Feed Co., Ltd.", "Hexian Haid Biotechnology Co., Ltd.", "Enshi Haid Biotechnology Co., Ltd.", and "Xingtai Haid Biotechnology Co., Ltd." respectively, and the implementation locations of "Huai'an City, Jiangsu Province", "Fuzhou City, Fujian Province", "Yicheng City, Hubei Province", "Tongxu County, Kaifeng City, Henan Province", "Yulin City, Guangxi Zhuang Autonomous Region", and "Meishan City, Sichuan Province" to "east of Zhubao and west of Hengyiming, Sheyang Port, Yancheng City, Jiangsu Province", "Linjiang Industrial Park, Pingnan County, Guangxi Zhuang Autonomous Region", "Taiwan Farmers' Entrepreneurship Park in Hexian County, Anhui Province", "Tukan Village, Changliang Town, Jianshi County, Hubei Province", and "Nanhe District, Xingtai City, Hebei Province" respectively.</p>
Adjustments to the implementation methods of the investment projects with the raised funds	N/A
Early investment and replacement concerning the investment projects with the raised funds	Applicable
	<p>On 9 April 2020, Grant Thornton China issued the Verification Report on the Early Investment of Self-raised Funds in the Investment Projects with Raised Funds by Guangdong Haid Group Co., Limited (《关于广东海大集团股份有限公司以自筹资金预先投入募集资金投资项目的鉴证报告》)(Grant Thornton Zhuan Zi (2020) No. 440ZA4433). The Company invested RMB 393,920,200 of self-raised funds in the raised fund projects in the preliminary stage. On 18 April 2020, the Proposal on Replacing Self-raised Funds That Has Been Invested in Fund-raising Investment Projects with the Raised Funds (《关于以募集资金置换预先已投入募集资金投资项目的自筹资金的议案》) on the Ninth Meeting of the Fifth Board of Directors. The Company replaced the self-raised funds that had been invested with the raised funds of RMB 393,920,200. The interval between this replacement with raised funds and the arrival of raised funds is shorter than six months.</p>
Temporary replenishment of	N/A

working capital with the idle raised funds	
Surplus raised funds for project implementation and reasons for the surplus	Applicable
	As of 31 December 2023, the raised funds deposited in the Company's raised funds account have been used up in accordance with the prescribed purposes. As a standard management measure of the raised funds account, the Company cancelled the raised funds account and transferred the surplus (including interest income) totalling RMB 371,321.73 to other project accounts for the use of these raised funds and to the Company's own funds account for the permanent replenishment of working capital. In accordance with the Guidelines No. 1 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies—the Standard Operation of Main Board Listed Companies (《深圳证券交易所上市公司自律监管指引第1号--主板上市公司规范运作》), where the surplus (including interest income) is less than RMB 5 million or 1% of the net proceeds raised for the project, its use is exempted from the review procedures of the Board of Directors and/or the general meeting of shareholders.
Use and ownership change of unused raised funds	N/A
Problems in the use of raised funds and disclosure, or other cases	N/A

(3) Altered projects of raised funds

Applicable Not applicable

Unit: RMB'0,000

Project after alteration	Previous project	Total investment amount for the project after alteration (1)	The investment amount during the reporting period	Accumulative investment amount as at the end of the reporting period (2)	Investment progress as at the end of the reporting period (3) = (2)/(1)	Date when the projects are ready for their intended use	Benefits recorded during the reporting period	Whether the estimated benefits are reached	Whether there are material changes in the feasibility of the project after alteration
Jiangmen Rongchuan project	Qingyuan Haibei project and Zhanjiang Haid project	22,000	0	22,066.47	100.30%	31 December 2022	-1,436.18	No	No
Huainan Haid project	Qingyuan Haibei project and Zhanjiang Haid project	9,477.24	0	9,480.6	100.04%	31 July 2021	-811.95	No	No
Pingnan Haid project	Huai'an Hailong project, Fuzhou Haid project, Yicheng Haid project, Kaifeng Haid project, Yulin Haid project, Sichuan Rongchuan	11,846.28	11,877.14	11,877.14	100.26%	31 December 2023	-60	No	No

	project, Enshi Haid project and Hexian High-end Aquatic Feed project								
Yancheng Rongchuan project	Huai'an Hailong project, Fuzhou Haid project, Yicheng Haid project, Kaifeng Haid project, Yulin Haid project and Sichuan Rongchuan project	10,500	10,501.07	10,501.07	100.01 %	1 January 2024	- 3,096.28	No	No
Enshi Haid project	Huai'an Hailong project, Fuzhou Haid project, Yicheng Haid project, Kaifeng Haid project, Yulin Haid project and Sichuan Rongchuan project	6,314.17	6,314.96	6,314.96	100.01 %	31 December 2023	0	N/A	No
Hexian Haid High-end Aquatic Feed project	Huai'an Hailong project, Fuzhou Haid project, Yicheng Haid project, Kaifeng Haid project, Yulin Haid project and Sichuan Rongchuan project	9,006.55	9,007.44	9,007.44	100.01 %	30 June 2024	0	N/A	No
Xingtai Haid project	Huai'an Hailong project, Fuzhou Haid project, Yicheng Haid project, Kaifeng Haid project, Yulin Haid project and Sichuan Rongchuan project	4,600	4,600.52	4,600.52	100.01 %	31 December 2023	-783.69	No	No
Total	--	73,744.24	42,301.15	73,848.21	--	--	- 6,188.11	--	--
Reasons for the changes, decision-making procedure executed and information disclosed (by specific projects)	1. The Jiangmen Rongchuan project and the Huainan Haid project: (1) Decision-making procedure executed for the changes: According to the Proposal on the Changes to Certain Raised Funds Investment Projects (《关于变更部分募集资金投资项目的议案》) approved at the First Extraordinary General Meeting of Shareholders in 2021 on 3 February 2021, it has been agreed to transfer the raised funds for the Qingyuan Haibei project and the Zhanjiang Haid project and the cash management income with the Guangzhou branch of HSBC Bank (China) Company Limited to the Jiangmen Rongchuan project and the Huainan Haid project. (2) Reasons for the changes: A. Previously, the Qingyuan Haibei project intended to build an annual capacity of 30,000 tons of aquatic premix with an investment of RMB 216.0009 million. Due to reasons such as the adjustments to the industry's farming scale and structure and production areas as well as the Company's constant refinement of its product portfolio, the Company changed the Qingyuan Haibei project to other feed projects so as to better meet market needs and further refine the existing production capacity structure.								

B. Previously, the Zhanjiang Haid project intended to build an annual capacity of 200,000 tons of aquatic compound feed with an investment of RMB 220.9288 million to increase its supply to West Guangdong Province and East Guangxi Province. However, the feed factory of Wuzhou Haid in East Guangxi Province has been completed, and construction accelerated for the raised funds investment project of Nanning Haid with an annual output of 480,000 tons of feed, which will help ease the supply pressure in the region to some degree. In view of the priority levels of the projects and the Company's capacity portfolio needs, the Company changed the Zhanjiang Haid project to other feed projects.

To sum up, in view of market needs and the Company's capacity portfolio needs, and in order for better use of the raised funds, the Company has changed the construction arrangements for the Qingyuan Haibei project and the Zhanjiang Haid project and has decided to use the remaining raised funds for advance investment in the construction of the Jiangmen Rongchuan project and the Huainan Haid project.

(3) Information disclosure:
For details, see the Announcement on the Changes to Certain Raised Funds Investment Projects (《关于变更部分募集资金投资项目的公告》) (Announcement No. 2021-008), which has been disclosed on the media designated for information disclosure, namely, the Securities Times (《证券时报》), China Securities Journal (《中国证券报》), Shanghai Securities News (《上海证券报》), Securities Daily (《证券日报》), and <http://www.cninfo.com.cn>.

2. The Yancheng Rongchuan project, the Pingnan Haid project, the Hexian Haid High-end Aquatic Feed project, the Enshi Haid project, and the Xingtai Haid project:
(1) Decision-making procedure executed for the changes: According to the Proposal on the Changes to Certain Raised Funds Investment Projects (《关于变更部分募集资金投资项目的议案》) approved at the Fifth Extraordinary General Meeting of Shareholders in 2022 on 28 December 2022, it has been agreed to transfer part of the raised funds for the Huai'an Hailong project, the Fuzhou Haid project, the Yicheng Haid project, the Kaifeng Haid project, the Yulin Haid project and the Sichuan Rongchuan project to the Yancheng Rongchuan project, the Pingnan Haid project, the Hexian Haid High-end Aquatic Feed project, the Enshi Haid project, and the Xingtai Haid project.

(2) Reasons for the changes: A. Previously, the Huai'an Hailong project intended to build an annual capacity of 200,000 tons of aquatic compound feed with an investment of RMB 271.0012 million. In order to quickly relieve the supply pressure around Huai'an City, the Company has purchased and immediately put into production an aquatic feed production base with an annual capacity of 200,000 tons through its majority-owned subsidiary, Jiangsu Haiwei Feed Co., Ltd. In view of its capacity portfolio needs, the Company reallocated the remaining raised funds of the Huai'an Hailong project to other feed projects. B. Previously, the Fuzhou Haid project intended to build an annual capacity of 180,000 tons of aquatic compound feed with an investment of RMB 345.4454 million. In the construction of the project, Fuzhou Haid adjusted the production capacity allocation standard to enhance the capacity utilization rate; at the same time, based on the Company's market strategy adjustments, the central Fujian market previously covered by Fuzhou Haid was shifted to Sanming Haid Feed Co., Ltd., making Fuzhou Haid basically able to meet the demand of the market with its existing production capacity. In view of the priority levels of the projects and the Company's capacity portfolio needs, the Company reallocated the remaining raised funds of the Fuzhou Haid project to other feed projects. C. Previously, the Yicheng Haid project intended to build an annual capacity of 380,000 tons of pig feed with an investment of RMB 170.0014 million. The Yicheng Haid project mainly serves the Company's local farming business and the export market within its radius. In recent years, the Company has improved the overall capacity utilization rate through regional capacity integration, special line technical reform of specialization and standardization and other measures; and the new construction and technical reform project of Anlu Haid in the peripheral market of the region has been put into operation, which has eased the supply pressure of the peripheral pig feed market. In view of the priority levels of the projects and the purpose to increase the utilization efficiency of raised funds, the Company reallocated the remaining raised funds of the Yicheng Haid project to other feed projects. D. Previously, the Kaifeng Haid project intended to build an annual capacity of 300,000 tons of animal, poultry and aquatic compound feed with an investment of RMB 180.0025 million. In order to quickly relieve the supply pressure, the Company's subsidiaries, Henan Haiding and Henan Mugaole, have added approximately 300,000 tons of feed production capacity in Kaifeng City and the

surrounding areas through leasing and renovation and expansion of their own feed production lines respectively. In view of its capacity portfolio needs, the Company reallocated the remaining raised funds of the Kaifeng Haid project to other feed projects. E. Previously, the Yulin Haid project intended to build an annual capacity of 450,000 tons of animal, poultry and aquatic compound feed with an investment of RMB 311.8661 million, which fills the gap in the market from western Guangdong to eastern Guangxi, southern Guangxi and western Guangdong and can effectively relieve the Company's tight supply in the region. Given that the Company's feed mills built or acquired in the areas adjacent to Yulin, such as Nanning and Qinzhou, have been gradually put into operation, the tight supply in the target project area has been alleviated. In view of its capacity portfolio needs and the purpose to increase the utilization efficiency of raised funds, the Company reallocated the remaining raised funds of the Yulin Haid project to other feed projects. F. With the implementation location being in Meishan City, Sichuan Province, the Sichuan Rongchuan project previously intended to build an annual capacity of 200,000 tons of aquatic compound feed with an investment of RMB 234.3164 million to increase the aquatic feed supply capacity in the southwest region. Given that the Company's expanded and new feed projects have been gradually put into operation in the areas around Meishan such as Chongqing, Chengdu and Deyang, effectively supplementing the supply capacity in the southwest region and the central Sichuan region. In view of its capacity portfolio needs and the purpose to increase the utilization efficiency of raised funds, the Company reallocated the remaining raised funds of the Sichuan Rongchuan project to other feed projects. To sum up, in view of market needs and the Company's capacity portfolio needs, and in order for better use of the raised funds, the Company has changed the construction arrangements for the Huai'an Hailong project, the Fuzhou Haid project, the Yicheng Haid project, the Kaifeng Haid project, the Yulin Haid project and the Sichuan Rongchuan project, and has decided to use the remaining raised funds for advance investment in the construction of the Yancheng Rongchuan project, the Pingnan Haid project, the Hexian Haid High-end Aquatic Feed project, the Enshi Haid project, and the Xingtai Haid project.

(3) Information disclosure:

For details, see the Announcement on the Changes to Certain Raised Funds Investment Projects (《关于变更部分募集资金投资项目的公告》)

(Announcement No. 2022-099), which has been disclosed on the media designated for information disclosure, namely, the Securities Times (《证券时报》), China Securities Journal (《中国证券报》), Shanghai Securities News (《上海证券报》), Securities Daily (《证券日报》), and <http://www.cninfo.com.cn>.

3. The Pingnan Haid project, the Hexian Haid High-end Aquatic Feed project, and the Enshi Haid project:

(1) Decision-making procedure executed for the changes: According to the Proposal on the Changes to Certain Raised Funds Investment Projects (《关于变更部分募集资金投资项目的议案》) approved at the Fourth Extraordinary General Meeting of Shareholders in 2023 on 9 October 2023, it has been agreed to transfer part of the raised funds for the Hexian Haid High-end Aquatic Feed project and the Enshi Haid project to the Pingnan Haid project.

(2) Reasons for the changes: A. The Hexian Haid High-end Aquatic Feed project is to build six high-end aquatic feed production lines with a designed capacity of 150,000 tons/year. The planned construction period of the project is approximately 24 months and is scheduled to be completed in June 2024. As of the date of disclosure of the Announcement on the Changes to Certain Raised Funds Investment Projects (《关于变更部分募集资金投资项目的公告》) (hereinafter referred to as the "Date of Disclosure of the Relevant Announcement"), the project is still under construction.

B. The Enshi Haid project is to build six feed production lines with a designed capacity of 350,000 tons/year. The planned construction period of the project is approximately 24 months and is scheduled to be completed in December 2023. As of the Date of Disclosure of the Relevant Announcement, the project is still under construction. C. In order to support the rapid realisation of the production capacity of the Pingnan Haid project, alleviate the supply pressure of the Company in the Guangxi market, especially around Guigang City, meet the Company's needs for production capacity layout and further increase the efficiency of the use of the raised funds, the Company transferred part of the raised funds for the Hexian Haid High-

	end Aquatic Feed project and the Enshi Haid project to the Pingnan Haid project to prioritise the investment in the construction of the Pingnan Haid project. After this change, the total investment amount of the Pingnan Haid project is still RMB 138.62 million, including an intended amount of raised funds of RMB 118.4628 million.
Cases and reasons for failing to reach the planned progress or predicted returns (by specific projects)	<p>1. Mainly due to the impact of market fluctuations of some breeding species and the impact of the Company's development of new markets based on its overall business layout and optimisation of its product and customer structures, the Jiangmen Rongchuan project and the Huainan Haid project failed to reach the predicted returns.</p> <p>2. The Pingnan Haid project, the Yancheng Rongchuan project and the Xingtai Haid project were put into production in 2023. Due to a short-term of operation, these projects failed to meet the objectives with respect to output and sales volumes. As such, they failed to reach the predicted returns.</p> <p>3. The Enshi Haid project has been completed, and it was put into production in January 2024.</p> <p>4. The Hexian High-end Aquatic Feed project as a whole has not yet been completed and is not ready for production.</p>
Explanation of material changes in the feasibility of projects after alteration	N/A

VIII. Disposal of Material Assets and Equity Interest

1. Disposal of material assets

Applicable Not applicable

The Company did not dispose of any material asset in the reporting period.

2. Disposal of material equity investments

Applicable Not applicable

IX. Analysis of major subsidiaries and investees

Applicable Not applicable

Major subsidiaries and investees accounting for over 10% of the net income of the Company

Unit: RMB'0,000

Name of company	Type of company	Principal activities	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Qingyuan Haibei Biotechnology Co., Ltd.	Subsidiary	Production and sales of feed premix, additives and veterinary medicines	10,000.00	139,646.39	101,245.99	103,350.26	29,268.17	25,264.73

Acquisition and disposal of subsidiaries during the reporting period

Applicable Not applicable

Name of companies	Methods to acquire and dispose of subsidiaries during the reporting period	Impact on overall production and operation and results
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Guilin Yitun Ecological Agriculture Co., Ltd.	Newly established	No material effects on the results of the period
Chuzhou Yitun Ecological Agriculture Co., Ltd.	Newly established	No material effects on the results of the period
Zhangzhou Yitun Ecological Agricultural Development Co., Ltd.	Newly established	No material effects on the results of the period
Raoping Haizenong Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Yancheng Haizenong Seed Technology Co., Ltd.	Newly established	No material effects on the results of the period
Huizhou Haizenong Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Guangzhou Haizehui Fishery Development Co., Ltd.	Newly established	No material effects on the results of the period
Guangzhou Haizexin Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Yangxi Haizexin Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Shanwei Haizexin Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Shandong Haizenong Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Zhejiang Hisenor Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Jiangmen Haizenong Marine Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Chaoyang Haihong Agricultural Development Co., Ltd.	Newly established	No material effects on the results of the period
Dandong Haiyufeng Agricultural Development Co., Ltd.	Newly established	No material effects on the results of the period
Linyi Haiding Ruminant Bio-Feed Co., Ltd.	Newly established	No material effects on the results of the period
Juxian Haiding Feed Co., Ltd.	Newly established	No material effects on the results of the period
Liaocheng Fengcheng Feed Co., Ltd.	Newly established	No material effects on the results of the period
Yinan Haiding Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Zhuhai Haibei Supply Chain Management Co., Ltd.	Newly established	No material effects on the results of the period
Qingyuan Haikun Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Qingyuan Hailier Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Jiangmen Haiqi Technology Co., Ltd.	Newly established	No material effects on the results of the period
Guigang Hailong Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Xinyi Fengmu Trading Co., Ltd.	Newly established	No material effects on the results of the period
Guizhou Haid Feed Co., Ltd.	Newly established	No material effects on the results of the period
Pizhou Haid Ruminant Feed Co., Ltd.	Newly established	No material effects on the results of the period
Nanping Haid Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period

Quzhou Haid Huilong Bio-Feed Co., Ltd.	Newly established	No material effects on the results of the period
Xinyu Haihe Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Zhuhai Haiyue Agriculture and Animal Husbandry Co., Ltd.	Newly established	No material effects on the results of the period
Qingyuan Haifulai Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Guangdong Kenong Culture Co., Ltd.	Newly established	No material effects on the results of the period
Fuzhou Hailong Biotechnology Co., Ltd.	Newly established	No material effects on the results of the period
Yantai Haixin Animal Husbandry Co., Ltd.	Newly established	No material effects on the results of the period
Hisenor Aquatic Seed Industry Technology Pte.Ltd.	Newly established	No material effects on the results of the period
Kinghill Investment (Singapore) Pte.Ltd.	Newly established	No material effects on the results of the period
Kinghill International (Singapore) Pte.Ltd.	Newly established	No material effects on the results of the period
Haid International (Singapore) Pte. Ltd.	Newly established	No material effects on the results of the period
Haid Biotechnology Industry (Singapore) Pte. Ltd.	Newly established	No material effects on the results of the period
Histar Vietnam Aquatic Breeding Company Limited	Newly established	No material effects on the results of the period
Binh Phuoc Hai Long Company Limited	Newly established	No material effects on the results of the period
Haid Group Haiding Agriculture and Animal Husbandry Kazakhstan Co., Ltd.	Newly established	No material effects on the results of the period
Guizhou Delian Zhiyun Network Technology Co., Ltd.	Obtained in other ways	No material effects on the results of the period
Guiyang Aizhu Livestock and Poultry Technical Service Co., Ltd.	Obtained in other ways	No material effects on the results of the period
Guangzhou Jiutian Qingtan Livestock and Poultry Farm Co., Ltd.	Obtained in other ways	No material effects on the results of the period
Xishui ChenKe Feed Technology Co., Ltd.	Business combination not under common control	No material effects on the results of the period
TuanFeng Source Feed Technology Co., Ltd.	Business combination not under common control	No material effects on the results of the period
Huangshi ChenKe Feed Technology Co., Ltd.	Business combination not under common control	No material effects on the results of the period
QiChun SiFang Feed Technology Company Ltd.	Business combination not under common control	No material effects on the results of the period
Taikun Feed (Huangmei) Co., Ltd.	Business combination not under common control	No material effects on the results of the period
Taikun Feed (Tuanfeng) Co., Ltd.	Business combination not under common control	No material effects on the results of the period
Hengyang County Yitun Ecological Agriculture Co., Ltd.	De-registered	No material effects on the results of the period
Jianong (Lianyungang) Animal Husbandry Technology Co., Ltd.	De-registered	No material effects on the results of the period
Wugang Yitun Ecological Agriculture Co., Ltd.	De-registered	No material effects on the results of the period
Meizhou Yitun Pig Breeding Co., Ltd.	De-registered	No material effects on the results of the period

Guangzhou Haiyi Investment Co., Ltd.	De-registered	No material effects on the results of the period
Yingkou Fengmu Agricultural Development Co., Ltd.	De-registered	No material effects on the results of the period
Tacheng Xiyu Haisheng Agricultural Development Co., Ltd.	De-registered	No material effects on the results of the period
Guangzhou Haifengchang Enterprise Management Co., Ltd.	De-registered	No material effects on the results of the period
Jining Fengcheng Feed Co., Ltd.	De-registered	No material effects on the results of the period
Xuchang Haihe Feed Co., Ltd.	De-registered	No material effects on the results of the period
Guangzhou Zecan Investment Management Co., Ltd.	De-registered	No material effects on the results of the period
Guangdong Haid Poverty Alleviation Investment Development Co., Ltd.	De-registered	No material effects on the results of the period
Shouguang Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	De-registered	No material effects on the results of the period
Guangdong Haid Biotechnology Co., Ltd.	De-registered	No material effects on the results of the period
Yibin Yucan Veterinary Service Co., Ltd.	De-registered	No material effects on the results of the period
Zhaoqing Ronghai Aquaculture Technology Co., Ltd.	De-registered	No material effects on the results of the period
Guangzhou Chenzhao Investment Co., Ltd.	De-registered	No material effects on the results of the period
Baotou Haicheng Feed Co., Ltd.	De-registered	No material effects on the results of the period
Guangdong Hairuik Biotechnology Co., Ltd.	De-registered	No material effects on the results of the period
Nano South Limited	De-registered	No material effects on the results of the period
Oceanic Forward Ventures Limited	De-registered	No material effects on the results of the period
Power Spring Investments Limited	De-registered	No material effects on the results of the period
Link Tide Limited	De-registered	No material effects on the results of the period

Description of major subsidiaries and investees

Qingyuan Haibei Biotechnology Co., Ltd. is mainly engaged in feed premix, feed additives and veterinary medicines, and its products are mainly sold to internal companies, farmers and dealers. The gross margin level of Qingyuan Haibei's products is higher than that of the Company's compound feed products, and it achieved a net profit of RMB 253 million (including internal and external sales) during the reporting period. No significant year-on-year changes occurred to either the operating results or the scale or composition of assets or other key financial indicators of Qingyuan Haibei.

X. Structured Entities Controlled by the Company

Applicable Not applicable

XI. Prospects for the development of the company

I. Industry landscape and trends

The 14th Five Year Plan (2021-2025) is clearly proposed to adhere to the prior development of agriculture and

rural areas, comprehensively promote rural revitalization, and accelerate the modernization of agriculture and rural areas. The differentiation and integration trend of the breeding industry and the feed industry continues to accelerate, and the advantages of industry leaders in the market driven by scientific and technological innovation are becoming more and more obvious.

1. Structural development of the feed industry

The total of China's feed industry is expected to maintain low-speed growth, and the structure of feed varieties will continue to adjust. With the younger consumers and the change of consumption habits and concepts, the demand structure of meat products will continue to be adjusted and optimized in the future. The consumption of special aquatic products and egg products will continue to grow, while the consumption of meat and poultry will remain stable, the consumption of pork will decline, and the feed varieties will show structural adjustments.

2. Industry differentiation and integration have been furtherly intensified, and international competition has been increasingly enhanced

Affected by many factors such as overcapacity, meager profits, and large fluctuations in raw material prices in feed industry, the requirements for the high-quality development of feed enterprises are getting higher and higher, and the industry differentiation is obvious. At the same time, regional expansion and extension become an important development strategy, and leading enterprises explore overseas market with scale and technological advantages, and the international competitiveness becomes increasingly enhanced.

3. Technology-driven industry progress is more obvious

The role of technology in the competition of the industry is becoming more and more important. With the continuous improvement of farmers' professional ability, the ability to identify feed will become clearer and clearer, the various marketing methods that have been effective in the past do not work anymore. Providing farmers with high-quality products and services becomes the only way to develop, so the investment in technology research and development, as well as the industry's technology-driven trend is becoming more and more important and obvious.

II. Future development prospects of the company

1. The company's development strategy is to become the leading and sustainable high-tech agricultural and animal husbandry company in China. The foundation of company development is based on "creating value for customers". The company focuses on the upstream and downstream of aquaculture, seedling, animal healthcare, feed, aquaculture, slaughtering, food processing and other links, building the leading industry to provide comprehensive solutions for farmers including feed, seedling, animal healthcare, and aquaculture technology services, as well as other needs of farmers and distributors, effectively improving the profitability of the company's farmers and distributors, and realizing the win-win development mode between the company and customers.

2. The basic strategy for the development of the company's industrial chain is to scale up based on specialization and extend the industrial chain based on core competitiveness. The company will focus on feed products as its core business, while actively developing businesses such as seedling, animal healthcare, breedings, circulation, and food processing to cultivate the company's professional capabilities throughout the entire industrial chain and build a comprehensive core competitiveness in the industrial chain.

3. The company's business development plan. The future development of the company will still be revolved with the needs of the aquaculture sector, providing overall solutions for farmers, and further expanding the sales scale and profitability of the company's feed, seedlings, and animal healthcare products. At the same time, under the premise of controllable risk and investment, the company maintains an appropriate breeding scale of pigs and aquatic products, and explore and build stable and controllable breeding model with light assets and low risk.

XII. Reception of research investigations, communications and interviews during the reporting period

Applicable Not applicable

Date	Place	Reception method	Type of communication party	Communication party	Main discussions and information provided	Index to basic information on communication
23 February 2023	Company Conference Room	Field research	Institution	Harvest Fund, Maxwealth Fund, Zhongtai Asset Management, etc.	The Company's operations and development strategy	For details, please refer to the Table of Investor Relations Activity Records (2023-001) (《投资者关系活动记录表(2023-001)》) published on the website of www.cninfo.com.cn on 27 February 2023
25 April 2023	Company Conference Room	By phone	Institution	CITIC Securities, GF Securities, Kaiyuan Securities, etc.	The Company's annual and Q1 operating results	For details, please refer to the Table of Investor Relations Activity Records (2023-002) (《投资者关系活动记录表(2023-002)》) published on the website of www.cninfo.com.cn on 27 April 2023
10 May 2023	www.p5w.net	Communication through an online platform	Other	Investors communicating with the Company through "Panorama Roadshow Global"	The Company's operations and development strategy	For details, please refer to the Table of Investor Relations Activity Records (2023-003) (《投资者关系活动记录表(2023-003)》) published on the website of www.cninfo.com.cn on 11 May 2023
15 May 2023	Company Conference Room	Field research	Other	E Fund, GTS Fund, CMB Wealth Management, etc.	The Company's operations and development strategy	For details, please refer to the Table of Investor Relations Activity Records (2023-004) (《投资者关系活动记录表(2023-004)》) published on the website of www.cninfo.com.cn on 17 May 2023
29 August 2023	Company Conference Room	By phone	Institution	Harvest Fund, Bosera Funds, Guosen Securities, etc.	The Company's interim operating results	For details, please refer to the Table of Investor Relations Activity Records (2023-005) (《投资者关系活动记录表(2023-005)》) published on the website of www.cninfo.com.cn on 31 August 2023
19 September 2023	www.p5w.net	Communication through an online platform	Other	Investors participating in the 2023 Investor Relations Management Month for Listed Companies in Guangdong organized by	The Company's operations and development strategy	For details, please refer to the Table of Investor Relations Activity Records (2023-006) (《投资者关系活动记录表(2023-006)》) published on the website of www.cninfo.com.cn on 19 September 2023

				www.p5w.net		
19 October 2023	Shenzhen Stock Exchange	Other	Other	Public investors	The Company's operations and development strategy	For details, please refer to the Table of Investor Relations Activity Records (2023-007) (《投资者关系活动记录表(2023-007)》) published on the website of www.cninfo.com.cn on 19 October 2023
20 October 2023	Company Conference Room	By phone	Institution	GF Securities, Guosen Securities, Hua Chuang Securities, etc.	The Company's Q3 operating results	For details, please refer to the Table of Investor Relations Activity Records (2023-008) (《投资者关系活动记录表(2023-008)》) published on the website of www.cninfo.com.cn on 23 October 2023

XIII. Implementation of the “Development Quality and Shareholder Return Dual Enhancement” Action Plan

Indicate whether the Company disclosed its “Development Quality and Shareholder Return Dual Enhancement” Action Plan.

Yes No

In order to implement the important guidance and spirit of the meeting of the Political Bureau of the Central Committee of the Communist Party of China that “the capital market should be enlivened and investor confidence should be boosted” and the executive meeting of the State Council that “the quality and investment value of listed companies should be vigorously improved, and more active and effective measures should be taken to stabilise the capital market and investor confidence”, the Company has adhered to the philosophy of high quality and sustainable development in its relentless pursuit of agricultural development. It continuously improved the quality of its operation and development, investment value and the level of sustainability. To safeguard the interests of all shareholders of the Company, enhance investor confidence and promote the stable development of the capital market, the Company formulated its “Development Quality and Shareholder Return Dual Enhancement” Action Plan on 7 March 2024. For details, see the Announcement on the Promotion of the “Development Quality and Shareholder Return Dual Enhancement” Action Plan (《关于推动“质量回报双提升”行动方案的公告》) (Announcement No.: 2024-017), which has been disclosed on the media that have been designated by the Company for information disclosure. For information on the implementation and progress of the action plan, see the Announcement on the Progress of the “Development Quality and Shareholder Return Dual Enhancement” Action Plan (《关于“质量回报双提升”行动方案的进展公告》) (Announcement No.: 2024-042), which has been disclosed on 23 April 2024 on the media that have been designated by the Company for information disclosure.

Section IV. Corporate Governance

I Overview

1. The Establishment of the Company System

From the listing of the Company to the end of the Reporting Period, the Company strictly complied with the Company Law (《公司法》), the Securities Law (《证券法》), the Stock Listing Rules of Shenzhen Stock Exchange (《深圳证券交易所股票上市规则》), the Guidelines No. 1 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies—the Standard Operation of Main Board Listed Companies (《深圳证券交易所上市公司自律监管指引第1号--主板上市公司规范运作》), and the laws and regulations and normative documents and the Articles of Association, continued to improve the Company's internal corporate governance structure, refine internal control environment, improve internal management policies, standardize corporate operation, and strive to improve the Company's capability of governance. The actual situation of the corporate governance conformed to the requirements of relevant normative documents issued by the China Securities Regulatory Commission (CSRC) and Shenzhen Stock Exchange on the governance of listed companies.

During the reporting period, in accordance with the requirements of the newly amended laws and regulations of the China Securities Regulatory Commission and the Shenzhen Stock Exchange, and taking into account the actual situation of the Company, the Company amended the Articles of Association (《公司章程》), the Work System for the Special Committees under the Board of Directors (《董事会专门委员会工作制度》), the Rules of Procedure of the Supervisory Committee (《监事会议事规则》), the Independent Director System (《独立董事制度》), the Specific Work Rules for General Manager (《总经理工作细则》), the Code of Conduct for Directors, Supervisors and Senior Management (《董事、监事和高级管理人员行为守则》), the Work System for Board Secretary (《董事会秘书工作制度》), the Management Measures for Shares Held by Directors, Supervisors and Senior Management in the Company and Changes therein (《董事、监事和高级管理人员所持本公司股份及其变动管理办法》), the Management Measures for the Provision of Financial Support for External Parties (《对外提供财务资助管理办法》), the Management System for Information Insider Registration (《内幕信息知情人登记管理制度》), the Management System for Futures Hedging Operations (《期货套期保值业务管理制度》), the Management System for Investment Decision-Making (《投资决策管理制度》), the Investor Relations Management System (《投资者关系管理制度》), the Information Disclosure System (《信息披露制度》), the Management System for Foreign Exchange Hedging Operations (《外汇套期保值业务管理制度》), the Management System for Securities Investment and Futures and Derivatives Trading (《证券投资、期货和衍生品交易管理制度》), and the Management System for the Provision of Guarantees for External Parties (《对外担保管理制度》), in addition to newly formulating the System for the Appointment of CPA Firm (《会计师事务所选聘制度》).

2. Shareholders and General Meeting of Shareholders

During the reporting period, the Company strictly adhered to applicable laws and regulations such as the Company Law (《公司法》), the Articles of Association (《公司章程》), and the Rules of Procedure of the General Meeting of Shareholders (《股东大会议事规则》), as well as the Company's internal control rules, and standardized the convening, holding and voting procedures of the General Meeting of Shareholders to ensure that all shareholders could be equal, and fully exercise their rights. In addition, as witnessed by the hired lawyers, the legitimacy of the meeting's convening, holding and voting procedures could be guaranteed, and relevant legitimate rights and interests of the Company and its shareholders could be secured as well. In 2023, six general meetings of shareholders were convened and held by the Board in total; the convening, holding and voting procedures of such meetings were witnessed by the lawyers and all were legal and valid.

3. Directors and the Board of Directors

Strictly in accordance with the Company Law (《公司法》), the Articles of Association (《公司章程》), the Rules of Procedure of the Board of Directors (《董事会议事规则》) and the Independent Director System (《独

立董事制度》), the Company has elected and appointed various directors, and such election and appointment procedures are open, fair and just. Besides, the composition and number of directors meet relevant legal and regulatory requirements. The members for the Company's Sixth Board of Directors are all nominated, approved and elected by the Board of Directors by means of the cumulative voting system. Currently, there are 7 directors, including 3 independent directors. Independent directors occupy more than one third of all directors and their qualifications are in accordance with the Management Measures for Independent Directors of Listed Companies (《上市公司独立董事管理办法》).

All directors of the Company have performed their duties in strict compliance with relevant laws, regulations, and regulatory documents, attended all board meetings and carried out related works in a serious and responsible manner, and firmly conformed to any statement and commitment made by directors. However, independent directors have full right to know about the Company's major issues and can issue independent opinions on major issues without being influenced.

The Board of Directors has established the Audit Committee, the Remuneration and Appraisal committee, the Strategy Committee and the Nomination Committee. Each committee can exercise its functions in accordance with its work rules and make due contributions to the standardization of corporate governance. In the meantime, the Board of Directors is able to carry out its work in strict accordance with relevant laws and regulations. All directors of the Company are honest and trustworthy, diligent and responsible, attend corresponding board meetings and shareholders' general meetings with a serious attitude, actively participate in relevant training, and are familiar with relevant laws and regulations.

4. Supervisors and the Supervisory Committee

The Company has strictly observed the Company Law (《公司法》), the Articles of Association (《公司章程》), and other relevant regulations to appoint supervisors. The Sixth Supervisory Committee consists of three supervisors, including two shareholder supervisors and one employee supervisor. The number and composition of the Supervisory Committee meet relevant requirements stipulated in applicable laws and regulations. However, the shareholder representative supervisors are elected by adopting the cumulative voting system, and the employee supervisors are elected and appointed by means of the employees' assembly in the form of secret ballot. The Company's supervisors can earnestly fulfil their responsibilities in accordance with the Rules of Procedure of the Supervisory Committee (《监事会议事规则》), effectively supervise and inspect the Company's major issues, related party transactions, the legality and compliance of duties performed by the Company's directors and senior management, and maintain legitimate rights and interests of the Company and its shareholders.

5. Internal Audit System

The Company has established the complete internal audit system and set up the internal audit department in charge of the effective internal supervision of the Company's daily operations.

6. Stakeholders

The Company fully respects and safeguards legitimate rights and interests of relevant stakeholders, realizes the coordinated balance of interests of the society, shareholders, the Company, and employees etc., sincerely treats suppliers and customers, earnestly cultivates every employee, develops the mutual benefit and win-win cooperation with relevant stakeholders, and jointly promotes the Company's sustained, healthy and rapid development.

7. Information Disclosure and Transparency

Pursuant to relevant laws and regulations, as well as the Company's Information Disclosure System (《信息披露制度》) and Investor Relations Management System (《投资者关系管理制度》), the Company has disclosed corresponding information in a true, accurate, complete and timely manner to ensure that all shareholders have equal access to such information.

The Chairman of the Board accepts primary responsibility for the management of information disclosure affairs. The Company has designated the Board Secretary in charge of the Company's information disclosure and investor

relations management, and the Securities Department serves as the executive department for information disclosure and investor relations management. The Company pays special attention to communicate with investors and will strengthen communication with investors by various means such as telephone, e-mail, and investor relations interactive platform etc.

The Company's information disclosure work has been assessed by the Shenzhen Stock Exchange at the highest level of A (Excellent) for 13 consecutive years from 2010 to 2022.

8. Investor Relations Management

The Company has always attached great importance to the management of investor relations, carried out related works in accordance with the Investor Relations Management System (《投资者关系管理制度》) and other systems, implemented the investor relations management by various means such as Shenzhen Stock Exchange investor relations interactive platform, investor hot-lines, and reception of investors etc., strengthened the communication with investors, and fully guaranteed the investors' right to know.

The corporate governance is a systematic and long-term project that requires continuous improvement. After the Company is successfully listed, it is willing to accept supervisions from all parties, adhere to the scientific outlook on development, constantly improve the corporate governance system, and strengthen the implementation of various laws and regulations to promote the healthy development of the Company and enhance the overall competitiveness.

9. Insider Information Management

According to the Company Law (《公司法》), the Securities Law (《证券法》), the Stock Listing Rules of Shenzhen Stock Exchange (《深圳证券交易所股票上市规则》), the Guidelines No. 5 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies—Management of Information Disclosure Affairs (《深圳证券交易所上市公司自律监管指引第 5 号——信息披露事务管理》), the Guidelines No. 1 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies—the Standard Operation of Main Board Listed Companies (《深圳证券交易所上市公司自律监管指引第 1 号--主板上市公司规范运作》), the Guidelines No. 5 for the Regulation of Listed Companies—Establishment of Insiders Registration and Management System by Listed Companies (《上市公司监管指引第 5 号——上市公司内幕信息知情人登记管理制度》) and other relevant laws, regulations, and the Articles of Association (《公司章程》), the Company has established the Management System for Information Insider Registration (《内幕信息知情人登记管理制度》). The Company properly carried out corresponding information insider registration and reporting works strictly according to relevant requirements and systems, and recorded and disclosed the list of all information insiders and material matter progress memorandums in all the links of reporting, transmitting, preparation, resolution-making and disclosure before any information was disclosed. During the Reporting Period, the Company notified all directors, supervisors, senior management and relevant information insiders that they were not allowed to buy and sell the Company's shares within the window period by means of SMS and e-mail 30 days before the disclosure of annual and interim reports and 10 days before the disclosure of quarterly reports, earnings forecast announcements and preliminary earnings estimate announcements, and conducted an internal audit on the buying and selling of the Company's shares by directors, supervisors, senior management and relevant information insiders. During the reporting period, no information insider was ever involved in the illegal buying and selling of the Company's shares, and no relevant personnel was suspected of being involved in insider trading and was imposed some supervision measures and administrative penalties by competent regulatory departments.

Indicate whether there is any material incompliance with the applicable laws, administrative regulations and regulations issued by the CSRC governing the governance of listed companies

Yes No

No such incompliance.

II. The Company's Independence from the Controlling Shareholder and the Actual Controller in Asset, Personnel, Financial Affairs, Organizational Structure and Business

The Company has independent and complete businesses and independent management capabilities. It is completely independent from the controlling shareholder in terms of asset, personnel, financial affairs, organizational structure and business.

1. Asset: The property rights relationship between the Company and the controlling shareholder is clear. The Company has independent land use rights and housing property. The Company's assets are independently registered, set up in accounting, accounted for, and managed so as to avoid the controlling shareholder's occupation for non-operating purposes and allocation of the Company's assets or the intervention of the operation and management of such assets.

2. Personnel: The Company has established an independent human resources system. The controlling shareholder exercises its rights and assumes corresponding obligations in accordance with the law, and does not affect the personnel appointment or dismissal of the listed Company, nor restricted the duty fulfilment of the directors, supervisors, senior management or other personnel of the listed Company by means other than exercising shareholder's rights specified in laws and regulations.

3. Financial affairs: The Company has set up a complete and independent financial institution with sufficient full-time personnel, established an independent accounting system and financial management system, set up independent bank accounts, independently paid taxes, allocated funds, and made financial decisions. As a result, the controlling shareholder cannot intervene in the Company's financial management;

4. Organizational structure: The Company's Board of Directors, Supervisory Committee, and internal functional departments can independently operate. There is no leader-member relation between the controlling shareholder and internal institutions. The controlling shareholder did not directly or indirectly intervene in the Company's decision-making and business activities without the General Meeting of Shareholders.

5. Business: The business structure of the Company is independent and complete, which is of the business capability of independent market orientation and management. There is no competition in terms of the Company's business cope, business nature, customer objects, and product replaceability. In addition, the controlling shareholder cannot harness its controlling position to the Company to try to gain the Company's business opportunities. Moreover, the controlling shareholder cannot substitute the General Meeting of Shareholders and the Board of Directors to directly make major decisions for the listed company and intervene in the normal decision-making process of the listed company.

III. Horizontal Competition

Applicable Not applicable

IV. Annual and Extraordinary General Meetings of Shareholders Convened during the Reporting Period

1. General Meetings of Shareholders Convened during the Reporting Period

Meeting	Type	Investor participation ratio	Date of the meeting	Disclosure date	Resolutions
First Extraordinary General Meeting of Shareholders of 2023	Extraordinary	15.78%	8 March 2023	9 March 2023	For details, see the Announcement on Resolutions of First Extraordinary General Meeting of Shareholders of 2023 (《2023年第一次临时股东大会决议公告》) (No. 2023-018) disclosed on Securities Times, China

					Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
Second Extraordinary General Meeting of Shareholders of 2023	Extraordinary	68.26%	21 April 2023	22 April 2023	For details, see the Announcement on Resolutions of Second Extraordinary General Meeting of Shareholders of 2023 (《2023 年第二次临时股东大会决议公告》) (No. 2023-026) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
2022 Annual General Meeting of Shareholders	Annual	65.38%	15 May 2023	16 May 2023	For details, see the Announcement on Resolutions of 2022 Annual General Meeting of Shareholders (《2022 年年度股东大会决议公告》) (No. 2023-042) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
Third Extraordinary General Meeting of Shareholders of 2023	Extraordinary	64.73%	17 July 2023	18 July 2023	For details, see the Announcement on Resolutions of Third Extraordinary General Meeting of Shareholders of 2023 (《2023 年第三次临时股东大会决议公告》) (No. 2023-053) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
Fourth Extraordinary General Meeting of Shareholders of 2023	Extraordinary	66.70%	9 October 2023	10 October 2023	For details, see the Announcement on Resolutions of Fourth Extraordinary General Meeting of Shareholders of 2023 (《2023 年第四次临时股东大会决议公告》) (No. 2023-084) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
Fifth Extraordinary General Meeting of Shareholders of 2023	Extraordinary	64.11%	6 November 2023	7 November 2023	For details, see the Announcement on Resolutions of Fifth Extraordinary General Meeting of Shareholders of 2023 (《2023 年第五次临时股东大会决议公告》) (No. 2023-099) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn

2. Extraordinary General Meetings of Shareholders Convened at Request of Preferred Shareholders with Resumed Voting Rights

Applicable Not applicable

V. Directors, Supervisors and Senior Management

1. General Information

Name	Gender	Age	Office title	Incumbent/Former	Starting date of tenure	Ending date of tenure	Opening shareholding (share)	Increase in Reporting Period (share)	Decrease in Reporting Period (share)	Other increase/decrease (share)	Closing shareholding (share)	Reasons for share changes
Hua Xue	Male	54	Chairman of the Board	Incumbent	6 June 2007	18 August 2025						
			President	Incumbent	25 May 2010	18 August 2025						
Yingzhuo Xu	Male	56	Vice Chairman of the Board	Incumbent	6 June 2007	18 August 2025						
Qi Cheng	Male	44	Director	Incumbent	16 July 2019	18 August 2025	52,500				52,500	
			Executive Vice President	Incumbent	16 July 2019	18 August 2025						
Xueqiao Qian	Male	57	Director	Incumbent	3 February 2021	18 August 2025	255,700				255,700	
			Vice President	Incumbent	16 July 2019	18 August 2025						
			Chief Engineer	Incumbent	22 January 2008	18 August 2025						
Jianfang Gui	Male	68	Independent Director	Incumbent	16 July 2019	18 August 2025						
Jianguo He	Male	62	Independent Director	Incumbent	16 July 2019	18 August 2025						
Yunguo Liu	Male	58	Independent Director	Incumbent	16 July 2019	18 August 2025						
Dong Shen (note 2)	Male	46	Supervisor	Incumbent	14 September 2023	18 August 2025						
Zhenxio	Male	54	Supervisor	Former	6 June	14						

Name	Gender	Age	Office title	Incumbent/Former	Starting date of tenure	Ending date of tenure	Opening shareholding (share)	Increase in Reporting Period (share)	Decrease in Reporting Period (share)	Other increase/decrease (share)	Closing shareholding (share)	Reasons for share changes
Dong Qi (note 1)	Male		Supervisor	Former	2007	September 2023						
Hua Wang	Male	37	Supervisor	Incumbent	16 November 2020	18 August 2025						
Yongfang Mu	Female	35	Supervisor	Incumbent	16 November 2020	18 August 2025						
Guoxian Liu	Male	55	Vice President	Incumbent	16 July 2019	18 August 2025	152,070				152,070	
Shaolin Yang	Male	50	Vice President	Incumbent	16 July 2019	18 August 2025	330,900				330,900	
			Chief Financial Officer	Incumbent	22 October 2012	18 August 2025						
Xiewu Jiang	Male	56	Vice President	Incumbent	16 July 2019	18 August 2025	50,180				50,180	
Guoche Mi	Male	52	Vice President	Incumbent	16 July 2019	18 August 2025	182,100				182,100	
Zhongzhu Chen	Male	54	Vice President	Incumbent	16 July 2019	18 August 2025	141,570				141,570	
Mingzhong Chen	Male	59	Vice President	Incumbent	6 June 2007	18 August 2025						
Jiantao Yang	Male	55	Vice President	Incumbent	19 August 2022	18 August 2025						
Jing Wang	Female	45	Vice President	Incumbent	19 August 2022	18 August 2025	8,700				8,700	
Zhijian Huang	Male	46	Vice President	Incumbent	26 July 2012	18 August 2025	412,244				412,244	
			Board Secretary	Incumbent	26 July 2012	18 August 2025						
Total	--	--	--	--	--	--	1,585,964	0	0	0	1,585,964	--

Notes:

1. Dr. Zhenxiong Qi has left his office before the expiry of his tenure on 14 September 2023 and Mr. Dong Shen has been elected as an Employee Supervisor of the Company.
2. The opening shareholdings of Supervisor Mr. Dong Shen refer to his shareholdings on 14 September 2023 when he was elected as a Supervisor of the Company.

Indicate whether any director, supervisor or senior management resigned before the expiry of their tenures during the reporting period

Yes No

The Supervisory Committee of the Company received on 13 September 2023 a written resignation report submitted by Dr. Zhenxiong Qi, Employee Supervisor and Chairman of the Supervisory Committee. Dr. Zhenxiong Qi has resigned from the positions of Employee Supervisor and Chairman of the Sixth Supervisory Committee of the Company for personal reasons. And Dr. Zhenxiong Qi continued to serve in the Company after his resignation from the aforesaid positions.

Change in directors, supervisors and senior management

Applicable Not applicable

Name	Office title	Type of change	Date	Reason
Zhenxiong Qi	Supervisor	Resignation	14 September 2023	Resignation for personal reasons
Dong Shen	Supervisor	Being elected	14 September 2023	Being elected by the Workers' Congress

2. Brief Biographies

Professional backgrounds, main working experience and current responsibilities in the Company of the incumbent directors, supervisors and senior management:

(1) Directors

Mr. Hua Xue, born in 1970, holds a master's degree and is an engineer. He graduated from College of Fisheries of Huazhong Agricultural University in 1992 with a major in special aquaculture; in 1995, he obtained the master's degree in zoology from School of Life Sciences of Sun Yat-Sen University. He was/is the Chairman of China Vocational Education Group of Modern Fishery, Vice President of Guangdong Feed Industry Association, Vice Chairman of Guangdong Antibiotic-Free Feed Industry Alliance, Vice President of Guangdong Agriculture Industrialization Association, the NPC Member of the 16th National Congress of the Communist Party of Guangzhou, Vice Chairman of the 16th Executive Committee of Guangzhou Federation of Industry and Commerce, Vice President of Guangzhou Charity Federation, Vice President of Guangzhou Society for Promotion of Guangcai Programme, and Honorary Chairman of Guangzhou Feed Profession Association (GZFPA). Meanwhile, he is recognized as "Leading Entrepreneur in China's Feed Industry", "Top 30 Excellent Entrepreneurs in China", and "Guangdong Top 10 Economic Figures", among others. As one of the founders of the Company, he now serves as the Chairman of the Board and President (General Manager) of the Company, as well as an Executive Director of the Company's controlling shareholder Guangzhou Haihao Investment Co., Ltd. Mr. Hua Xue holds 39.75% equity interests in the Company's controlling shareholder Guangzhou Haihao Investment Co., Ltd. and is the actual controller of the Company.

Mr. Yingzhuo Xu, born in 1968, is a livestock specialist. He graduated from South China Agricultural University in 1991 with a bachelor's degree in animal husbandry, and then received a master's degree in business administration from HEC Paris. As one of the founders of the Company, he now serves as the Company's Vice Chairman of the Board, as well as the General Manager of the Company's controlling shareholder Guangzhou Haihao Investment Co., Ltd.

Mr. Qi Cheng, born in 1980, holds a master's degree. He graduated from the major of Automation of Huazhong University of Science and Technology in 2002; studied the major of World Economy in Sun Yat-sen University from 2005 to 2008 and obtained the Master's degree; studied EMBA in CEIBS from 2013 to 2015 and obtained MBA. From 2002 to 2010, he served as Process Engineer, Operation Manager, Supply Chain Manager and Director of Technology in Guangzhou Procter & Gamble Co., Ltd.; from 2010 to 2017, he served as Operation Director of East Asia-Pacific Region and Global Supply Chain Director in Essel Propack Co., Ltd. Joining the Company in March 2017, he currently serves as a Director, an Executive Vice President (Deputy General

Manager) (assisting the President/General Manager in the overall operations of the Company), as well as the General Manager of the South China Region of the Company.

Dr. Xueqiao Qian, born in 1967, holds a doctorate degree. He successively presided over or participated in the Hubei Provincial Natural Science Fund Project -- Development and Utilization of Feather Proteins in Fishery Feeds, the development projects of the State Key Laboratory of Freshwater Ecology and Biotechnology -- Effects of Nutrition Levels and Nutritional History on Fish's Growth and Activities, Research on the Feeding Behaviour and Chemical Sensation of Allogynogenetic Crucian Carp, and Studies on the Utilization of Plant Protein by Main Cultured Freshwater Fish, the NSFC Project -- Studies on the Comparative Nutritional Energetics of Feed Protein Requirements of Carnivorous Fish and Omnivorous Fish, and the MOA's 948 project -- Artificial Propagation and Large-scale Aquaculture of Paddlefish etc.. Further, he has published more than 20 papers, of which, three papers were published in international publications and included in SCI. He joined the Company in 2004 and is mainly engaged in the aquatic animal nutrition and feed research and the development of new feed additives. Now, he is a Director, Deputy General Manager (Vice President) (responsible for technology research and development and the animal healthcare business), as well as the Chief Engineer of the Company. He is also a Supervisor in the Company's controlling shareholder Guangzhou Haihao Investment Co., Ltd.

Dr. Jianfang Gui, born in 1956, holds a doctorate degree. He is a doctoral supervisor as well as an academician of the Chinese Academy of Sciences and of The World Academy of Sciences. He graduated from the major of Cytobiology of Wuhan University and obtained the Bachelor's degree in January 1982; obtained the Master's degree in Genetics from Wuhan University in December 1984 and joined in Institute of Hydrobiology, Chinese Academy of Sciences in the same year and has since worked there. In 1995, he obtained the Doctor's degree of science from Institute of Hydrobiology, Chinese Academy of Sciences. From 1991 to 1994, he paid work visits and conducted postdoctoral research in Medical College of Ohio and US San Diego. From 1995, he served as Researcher and Doctoral Supervisor in Institute of Hydrobiology, Chinese Academy of Sciences. He served as Executive Deputy Director and Director of Hydrobiology from 1999 to 2007, Director of State Key Laboratory of Freshwater Ecology and Biotechnology from 2001 to 2011, and Independent Director of the First and Second Board of Directors of the Company from 2007 to 2013. Currently he serves as a research fellow of the Institute of Hydrobiology, Chinese Academy of Sciences, and a Vice President of China Society of Fisheries. He is an Independent Director of the Company.

Dr. Jianguo He, born in 1962, holds a doctorate degree. He is a professor, winner of "The National Science Fund for Distinguished Young Scholars" and Chief Scientist of the State Shrimp and Crab Industry Technology System. He graduated from the major of Zoology of Sun Yat-sen University and obtained the Doctor's degree of science in 1990. He has been working in Sun Yat-sen University since 1991. He served as Deputy Director of College of Life Sciences, Sun Yat-sen University from 2000 to 2008, and Director of College of Marine Science, Sun Yat-sen University from 2008 to 2018. His current positions include Professor of Sun Yat-sen University, Director of State Key Laboratory of Aquatic Animal Disease Prevention and Control and Healthy Farming, Director of China-ASEAN Mariculture Technology "Belt and Road" Joint Laboratory, Deputy Director of Aquacultural Disease Control Expert Commission of MARA, and Vice President of the Crustacean Branch of China Zoological Society. He is an Independent Director of the Company.

Dr. Yunguo Liu, born in 1966, holds a doctorate degree in accounting from Xiamen University. He is a visiting scholar at the University of Houston in the U.S., a National Baosteel Outstanding Teacher and a Guangdong Province (Undergraduate) Teaching Master. His current positions and titles include Professor of Accounting and Doctoral Supervisor in Sun Yat-sen Business School (SYSBS), Director of School of Accountancy in Guangzhou Xinhua University (a private university), Senior Research Fellow of China Enterprise Reform and Development Society, Member of Management Accounting Professional Committee of Chinese Accounting Society, Executive Director of Cost Research Society of China, a management, accounting and consultancy expert of the Ministry of Finance, Member of CGMA North Asian 100 Think Tank Leaders, Member of IMA Academic Consultation Commission, Vice Chairman of the Advisory Branch of the China Association of Chief Financial Officers, Vice Chairman of Guangdong Association of Management Accountants, Editorial Board Member of China Management Accounting Studies, and Editorial Board Member of China Management Accounting Review. He has been selected for the Accounting Masters Development Program (2019) of the Ministry of Finance, the Third Batch for the Special Support Program of the Ministry of Finance, and the Leading Accounting Talent Program (Phase I) of the Ministry of Finance. He is also an Independent Director of Guangzhou Haige Communications Group Incorporated Company and Guangzhou Shiyuan Electronic Technology Company Limited. He is an

Independent Director of the Company.

(2) Supervisors

Mr. Dong Shen, born in 1978, holds a master's degree in law from Sun Yat-sen University. He joined the Company in 2021, and currently serves as an Assistant Vice President of the Company, responsible for legal affairs, brand promotion, government affairs and administrative logistics, and is the Employee Supervisor of the Company.

Mr. Hua Wang, born in 1987, holds a master's degree and is an economist. He majored in politics and administration and graduated from Southwest Jiaotong University in 2009. He obtained a professional master's degree in political theory from Wuhan University in 2011. Hua Wang worked for China Tunnel Construction Co. Ltd. Guangdong from July 2011 to March 2017, and worked for Guangdong Cinda Real Estate Co., Ltd. from June 2017 to March 2019. He joined the Company in April 2019, and currently serves as the Assistant to the Head of the Group's Secretary Office, as well as a Supervisor of the Company.

Ms. Yongfang Mu, born in 1989, holds a bachelor's degree and is an intermediate accountant. Yongfang Mu graduated from Henan University of Economics and Law in June 2012, majoring in accounting. Joining the Company in July 2012, she used to hold positions related to cost accounting, budget management and financial management for the Company. She currently serves as the Financial Manager and a Supervisor of the Company.

(3) Senior Management

Mr. Guoxiang Liu, born in 1969, holds a bachelor's degree. He graduated from the Aquaculture Department of Huazhong Agricultural University in 1992, majoring in special aquaculture professionalism. Joining the Company in 2004, he is now a Vice President (Deputy General Manager) (responsible for the investment, construction and operation of the Company's investment projects), as well as the Central China General Manager of the Company.

Mr. Shaolin Yang, born in 1974, holds a master's degree and EMBA and is a senior accountant, certified public accountant, and certified tax accountant. He graduated from Sun Yat-sen University and China Europe International Business School (CEIBS) both with a major in Business Administration. From 2008 to 2012, he served as Executive Director, CFO and Joint Secretary of KEE Holdings Company Limited (HK.02011). He has been selected for the high-tech enterprise review expert pool of the Department of Science and Technology of Guangdong Province, and is a Vice Chairman of Guangdong Association of Management Accountants. Since June 2016, he has acted as an extramural tutor for master's degree students in accounting of Sun Yat-sen Business School. Since 2021, he has been a tutor for master's degree students in accounting of Guangdong University of Foreign Studies. In 2012, he joined the Company and is currently the Company's Vice President (Deputy General Manager) (responsible for the Company's finance, business finance and risk control) and CFO.

Mr. Xiewu Jiang, born in 1968, holds a bachelor's degree and is an aquacultural engineer. He graduated from the major of Special Aquaculture of College of Fisheries, Huazhong Agricultural University in 1992. He is Vice Chairman of China Fisheries Association, Executive Chairman of the First Board of Directors of the Aquatic Seed Branch of China Fisheries Association, Vice Chairman of Guangdong Ocean Association, Vice Chairman of the Marine Animal Branch of Guangdong Ocean Association, and Honorary Chairman of Weifang Fisheries Association. Currently, he serves as a Vice President (Deputy General Manager) (responsible for the aquatic seed and aquaculture business) and General Manager of the Premix Division of the Company.

Mr. Guocheng Mi, born in 1972, holds a bachelor's degree. He graduated from the major of Freshwater Fishery of Southwest Agricultural University. He joined the Company in 2010 and currently serves as a Vice President (Deputy General Manager) (responsible for the pig farming business) and the General Manager of the Pig Farming Division of the Company.

Mr. Zhongzhu Chen, born in 1970, holds a master's degree. He joined the Company in 2004 and currently serves as a Vice President (Deputy General Manager) (responsible for the aquaculture business) and the General Manager of the Shrimp Feed Division of the Company.

Mr. Mingzhong Chen, born in 1965, holds a master's degree. His current social titles include Vice President of

Guangzhou Municipal Agricultural Leading Enterprises Association, Vice President of the Standing Committee of Panyu District Federation of Industry and Commerce of Guangzhou, Vice President of the three federations of Guangzhou (including Guangzhou Industrial Economy Federation) and Executive Vice President of Nancun General Chamber of Commerce of Panyu District, Guangzhou. He has won a number of honours and titles, such as “Excellent Entrepreneur for Caring for Employees in Panyu District, Guangzhou”. He joined the Company in 2004 and currently serves as a Vice President (Deputy General Manager) of the Company, who is responsible for public relations, brand image and promotion.

Mr. Jiantao Yang, born in 1969, holds an MBA degree from Hong Kong Baptist University. He joined the Company in 2004 and currently serves as a Vice President (Deputy General Manager) of the Company, who is responsible for raw material processing, sourcing & trading and supply chain management.

Ms. Jing Wang, born in 1979, graduated from the University of Science and Technology of China in 2001 with a degree in Management Science and studied for an MBA at Cheung Kong Graduate School of Business from 2006 to 2008. From 2001 to 2006, she worked at Iflytek Co., Ltd., Shenzhen Bohua Consulting Co., Ltd., and Tencent Technology Co., Ltd. From early 2008 to 2010, she worked as a consultant for IBM China. She joined the Company in February 2012 and currently serves as a Vice President (Deputy General Manager) of the Company, who is responsible for human resource management.

Mr. Zhijian Huang, born in 1978, is an accountant and holds a bachelor’s degree. He joined the Company in 2004 and is now a Vice President (Deputy General Manager) (responsible for securities affairs, investment and financing and M&As), as well as the Board Secretary of the Company.

Posts concurrently held in shareholding entities

Applicable Not applicable

Name	Shareholding entity	Post held in shareholding entity	Starting date of tenure	Ending date of tenure	Remuneration or allowance from shareholding entity
Hua Xue	Guangzhou Haihao Investment Co., Ltd.	Executive director	27 September 2006		No
Yingzhuo Xu	Guangzhou Haihao Investment Co., Ltd.	General Manager	1 December 2021		Yes
Xueqiao Qian	Guangzhou Haihao Investment Co., Ltd.	Supervisor	1 December 2021		No
Note	N/A				

Posts held concurrently in other entities

Applicable Not applicable

Name	Other entity	Post held in other entity	Starting date of tenure	Ending date of tenure	Remuneration or allowance from the entity
Hua Xue	Guangdong Aerocity Holding Co., Ltd.	Director	21 January 2015		No
Hua Xue	Guangzhou Huading Investment Holding Co., Ltd.	Supervisor	19 May 2022		No
Hua Xue	Guangzhou Huayu Investment Co., Ltd.	Executive Director	14 December 2021		No
Yingzhuo Xu	Zhuhai Haihao Industrial Investment	Chairman of the Board	22 July 2020		No

	Co., Ltd.				
Yingzhuo Xu	Guangdong Haihaowan Development Co., Ltd.	Chairman of the Board	22 April 2020		No
Yingzhuo Xu	Guangzhou Haihao Biotechnology Co., Ltd.	Executive Director	29 April 2020		No
Yingzhuo Xu	Guangzhou Haoyue Biotechnology Development Co., Ltd.	Executive Director	29 May 2020		No
Yingzhuo Xu	Guangzhou Zhuoling Investment Development Co., Ltd.	Executive Director and Manager	2 June 2021		No
Yingzhuo Xu	Guangzhou Zhuoyi Investment Development Co., Ltd.	Supervisor	4 June 2021		No
Yingzhuo Xu	Guangzhou Zhuosheng Investment Holding Co., Ltd.	Executive Director and Manager	8 June 2021		No
Yingzhuo Xu	Guangzhou Huayu Investment Co., Ltd.	Manager	14 December 2021		No
Yingzhuo Xu	Guangzhou Haihaowan Business Management Co., Ltd.	Executive Director	27 July 2022		No
Xueqiao Qian	Guangzhou Huayu Investment Co., Ltd.	Supervisor	14 December 2021		No
Xueqiao Qian	Guangzhou Qingyuan Investment Co., Ltd.	Executive Director	25 February 2022		No
Jianfang Gui	Institute of Hydrobiology, Chinese Academy of Sciences	Research fellow	1 August 1995		Yes
Jianguo He	Sun Yat-Sen University	Professor	1 December 1994		Yes
Jianguo He	Bainong Guochuang (Beijing) Technology Co., Ltd.	Director	23 July 2019		No
Yunguo Liu	Sun Yat-Sen University	Professor	1 December 1999		Yes
Yunguo Liu	Guangzhou Haige Communications Group Incorporated Company	Independent Director	1 December 2022		Yes
Yunguo Liu	Guangzhou Shiyuan Electronic Technology Company Limited	Independent Director	19 January 2024		Yes
Guoxiang Liu	Guangzhou Qingyuan Investment Co., Ltd.	Supervisor	25 February 2022		No
Shaolin Yang	Sun Yat-Sen University	Extramural Tutor for master's degree students	5 June 2016	5 June 2028	Yes
Shaolin Yang	Guangdong University of Foreign Studies	Tutor for master's degree students	1 January 2021	1 January 2025	Yes
Shaolin Yang	Guangdong Association of Management Accountants	Vice Chairman	1 October 2021	1 October 2027	No
Xiewu Jiang	Guangzhou Haishengyuan Investment Co., Ltd.	Executive Director	27 January 2022		No

Jiantao Yang	Wujiaqu Tycoon Plant Protein Co., Ltd.	Director	19 October 2020		No
Jiantao Yang	Alaer Ruiliheng Biological Protein Co., Ltd.	Director	26 October 2016		No
Note	N/A				

Punishments imposed in the recent three years by the securities regulator on the incumbent directors, supervisors and senior management as well as those who left in the Reporting Period

Applicable Not applicable

3. Remuneration of Directors, Supervisors and Senior Management

Decision-making procedure, determination basis and actual payments of remuneration for directors, supervisors and senior management

The Company has formulated the Remuneration Management System for Directors, Supervisors and Senior Management (《董事、监事和高级管理人员薪酬管理制度》) in accordance with national laws and regulations and taking into account its actual situation. The general meeting of shareholders, as the highest authority of the Company, is responsible for considering and approving the implementation, changes and termination of the remuneration system.

The Company has formulated the Remuneration Plan for Directors and Senior Management (《董事及高级管理人员薪酬方案》) and the Allowance Plan for Supervisors (《监事津贴方案》): non-independent directors do not receive director's allowance in the Company; independent directors adopt an annual allowance system with an allowance of RMB 180,000/year; senior management remuneration consists of basic remuneration, floating annual performance bonuses and other incentives, and senior management who also serve as directors are remunerated in accordance with the senior management remuneration standards; supervisor's allowance is RMB 60,000/year, and supervisors who also serve in other positions in the Company are remunerated by a combination of post remuneration and supervisor's allowance.

Remuneration of directors, supervisors and senior management in the Reporting Period

Unit: RMB'0,000

Name	Gender	Age	Office title	Incumbent/Former	Total before-tax remuneration from the Company	Remuneration from related party
Hua Xue	Male	54	Chairman of the Board and President (Deputy General Manager)	Incumbent	243.81	No
Yingzhuo Xu	Male	56	Vice Chairman of the Board	Incumbent	0	Yes
Qi Cheng	Male	44	Director and Executive Vice President (Deputy General Manager)	Incumbent	213.34	No
Xueqiao Qian	Male	57	Director, Vice President (Deputy General Manager) and Chief Engineer	Incumbent	209.62	No
Jianfang Gui	Male	68	Independent Director	Incumbent	18	No
Jianguo He	Male	62	Independent Director	Incumbent	18	No
Yunguo Liu	Male	58	Independent Director	Incumbent	18	No

Name	Gender	Age	Office title	Incumbent/Former	Total before-tax remuneration from the Company	Remuneration from related party
Dong Shen	Male	46	Supervisor	Incumbent	66.47	No
Zhenxiang Qi	Male	54	Supervisor	Former	58.54	No
Hua Wang	Male	37	Supervisor	Incumbent	42.12	No
Yongfang Mu	Female	35	Supervisor	Incumbent	30.68	No
Guoxiang Liu	Male	55	Vice President (Deputy General Manager)	Incumbent	191.4	No
Shaolin Yang	Male	50	Vice President (Deputy General Manager) and Chief Financial Officer	Incumbent	198.42	No
Xiewu Jiang	Male	56	Vice President (Deputy General Manager)	Incumbent	191.13	No
Guocheng Mi	Male	52	Vice President (Deputy General Manager)	Incumbent	181.25	No
Zhongzhu Chen	Male	54	Vice President (Deputy General Manager)	Incumbent	161.41	No
Mingzhong Chen	Male	59	Vice President (Deputy General Manager)	Incumbent	70.62	No
Jiantao Yang	Male	55	Vice President (Deputy General Manager)	Incumbent	89.85	No
Jing Wang	Male	45	Vice President (Deputy General Manager)	Incumbent	208.12	No
Zhijian Huang	Male	46	Vice President (Deputy General Manager) and Board Secretary	Incumbent	149.28	No
Total	--	--	--	--	2,360.06	--

Note: The table above is exclusive of a total of RMB 46.0871 million of share of the operating profit of the last three years that was granted in 2023 to the Company's directors, supervisors and senior management (excluding independent directors and directors who are not remunerated by the Company). The aforesaid amount has been given to their personal accounts after deducting the individual income tax as required.

Other information

Applicable Not applicable

VI. Performance of Duties by Directors in the Reporting Period

1. Board Meetings Convened in the Reporting Period

Meeting	Date of the meeting	Disclosure date	Resolutions
The Sixth Meeting of the Sixth Board of Directors	31 January 2023	1 February 2023	For details, see the Announcement on Resolutions of Sixth Meeting of the Sixth Board of Directors (《第六届董事会第六次会议决议公告》) (No. 2023-003) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The Seventh	20 February	21 February	For details, see the Announcement on Resolutions of Seventh Meeting of

Meeting of the Sixth Board of Directors	2023	2023	the Sixth Board of Directors (《第六届董事会第七次会议决议公告》) (No. 2023-009) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The Eighth Meeting of the Sixth Board of Directors	27 February 2023	1 March 2023	For details, see the Announcement on Resolutions of Eighth Meeting of the Sixth Board of Directors (《第六届董事会第八次会议决议公告》) (No. 2023-013) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The Ninth Meeting of the Sixth Board of Directors	4 April 2023	6 April 2023	For details, see the Announcement on Resolutions of Ninth Meeting of the Sixth Board of Directors (《第六届董事会第九次会议决议公告》) (No. 2023-019) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 10th Meeting of the Sixth Board of Directors	21 April 2023	25 April 2023	For details, see the Announcement on Resolutions of 10th Meeting of the Sixth Board of Directors (《第六届董事会第十次会议决议公告》) (No. 2023-027) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 11th Meeting of the Sixth Board of Directors	28 June 2023	29 June 2023	For details, see the Announcement on Resolutions of 11th Meeting of the Sixth Board of Directors (《第六届董事会第十一次会议决议公告》) (No. 2023-044) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 12th Meeting of the Sixth Board of Directors	25 August 2023	29 August 2023	For details, see the Announcement on Resolutions of 12th Meeting of the Sixth Board of Directors (《第六届董事会第十二次会议决议公告》) (No. 2023-060) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 13th Meeting of the Sixth Board of Directors	19 September 2023	20 September 2023	For details, see the Announcement on Resolutions of 13th Meeting of the Sixth Board of Directors (《第六届董事会第十三次会议决议公告》) (No. 2023-070) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 14th Meeting of the Sixth Board of Directors	27 September 2023	28 September 2023	For details, see the Announcement on Resolutions of 14th Meeting of the Sixth Board of Directors (《第六届董事会第十四次会议决议公告》) (No. 2023-080) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 15th Meeting of the Sixth Board of Directors	18 October 2023	20 October 2023	For details, see the Announcement on Resolutions of 15th Meeting of the Sixth Board of Directors (《第六届董事会第十五次会议决议公告》) (No. 2023-085) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn
The 16th Meeting of the Sixth Board of Directors	31 October 2023	1 November 2023	For details, see the Announcement on Resolutions of 16th Meeting of the Sixth Board of Directors (《第六届董事会第十六次会议决议公告》) (No. 2023-095) disclosed on Securities Times, China Securities Journal, Shanghai Securities News, Securities Daily and www.cninfo.com.cn

2. Attendances of Directors at Board Meetings and General Meetings of Shareholders

Attendances of directors at board meetings and general meetings of shareholders							
Director	Due attendances at board meetings in Reporting Period	Attendances at board meetings on site	Attendances at board meetings by telecommunication	Attendances at board meetings through a proxy	Absences at board meetings	Not attending board meetings in person for twice in a row	Attendances at general meetings of shareholders
Hua Xue	11	11	0	0	0	No	6
Yingzhuo Xu	11	8	3	0	0	No	3
Qi Cheng	11	8	3	0	0	No	2
Xueqiao Qian	11	10	1	0	0	No	3

Jianfang Gui	11	2	9	0	0	No	2
Jianguo He	11	3	8	0	0	No	2
Yunguo Liu	11	4	7	0	0	No	3

Explanation for any independent director not attending board meetings in person for twice in a row
None of the directors failed to attend board meetings in person for twice in a row in the reporting period.

3. Objections Raised by Directors on Matters of the Company

Indicate by tick mark whether any director raised any objection on any matter of the Company

Yes No

No such cases in the reporting period.

4. Other Information about Performance of Duties by Directors

Indicate by tick mark whether any suggestions from directors were adopted by the Company

Yes No

Suggestions of directors adopted or not adopted by the Company

During the reporting period, all the directors of the Company carried out their work diligently and conscientiously in strict accordance with the Company Law (《公司法》), the Stock Listing Rules of the Shenzhen Stock Exchange (《深圳证券交易所股票上市规则》), the Articles of Association (《公司章程》), the Rules of Procedure for General Meetings of Shareholders (《股东大会事规则》), and the Rules of Procedure of the Board of Directors (《董事会议事规则》). Based on the Company's reality, they put forward relevant opinions on the Company's major governance and operation decisions and reached consensus through full communication and discussion. They resolutely supervised and promoted the implementation of the resolutions of the Board of Directors to ensure scientific, timely, and efficient decision-making and safeguard the legitimate rights and interests of the Company and all of its shareholders.

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

Committee	Members	Meetings convened	Date of the meeting	Topics of the meeting	Substantial opinion and recommendations put forward	Other activities	Details of objections (if any)
The Audit Committee	Yunguo Liu, Jianguo He and Jianfang Gui	9	12 January 2023	Communication meeting before the 2022 annual audit	Discussed the 2022 annual audit plan and the key audit matters to carry out review procedures on	None	None
			12 January 2023	The 2023 internal audit plan and the 2022 internal audit summary	None	None	None
			21 April 2023	Communication meeting on the first draft of the 2022 Independent Auditor's Report	Discussed audit results of the 2022 key audit matters, etc.	None	None

			21 April 2023	Changes to accounting policies, and the financial statements and the internal audit report for Q1 2023	Discussed the reasonableness and compliance of the changes to accounting policies as per the Interpretation No. 16 for the Accounting Standards for Business Enterprises (《企业会计准则解释第 16 号》)	None	None
			25 August 2023	The financial statements and the internal audit report for Q2 2023	None	None	None
			16 October 2023	Appointed Independent Auditor for 2023	Discussed the practice qualifications, personnel information, independence, and quality of practice of the independent auditor to be reappointed for 2023	None	None
			17 October 2023	The financial statements and the internal audit report for Q3 2023	None	None	None
			29 December 2023	Communication meeting before the 2023 annual audit	Discussed the 2023 annual audit plan and the key audit matters to carry out review procedures on	None	None
			29 December 2023	The 2024 internal audit plan and the 2023 internal audit summary	Discussed internal audit priorities for 2024	None	None
The Nomination Committee	Jianguo He, Yunguo Liu and Qi Cheng	1	21 April 2023	Proposal to establish a human resources committee for the feed division	None	None	None
The Remuneration and Appraisal Committee	Yunguo Liu, Jianguo He and Xueqiao Qian	6	20 January 2023	The post system and the remuneration system and plans; the satisfaction of exercise conditions for the first exercise	None	None	None

				period of the first grant of the 2021 Share Option Incentive Plan, etc.			
			11 April 2023	Failure to satisfy the exercise conditions of the 2021 Share Option Incentive Plan and retirement of the corresponding share options, and the remuneration system for directors, supervisors and senior management	Discussed the reasonableness of the remuneration system for directors, supervisors and senior management	None	None
			23 June 2023	The 2023 Employee Stock Ownership Plan, and retirement of certain share options of the 2021 Share Option Incentive Plan	None	None	None
			24 July 2023	The determination of grant of the 2023 Employee Stock Ownership Plan	None	None	None
			26 September 2023	Adjustments to the appraisal indicators of the 2023 Employee Stock Ownership Plan	None	None	None
			29 December 2023	Confirmed the third vesting under the Fourth Employee Stock Ownership Plan for Core Team	None	None	None
The Strategy Committee	Hua Xue, Yingzhuo Xu and Jianfang Gui	1	11 April 2023	The plan for hedges in 2023, and overseas strategies	Discussed the feasibility and risks of the hedges plan	None	None

VIII. Performance of Duties by the Supervisory Committee

Indicate by tick mark whether the Supervisory Committee found any risk to the Company during its supervision in the reporting period

Yes No

The Supervisory Committee raised no objections in the reporting period.

IX Employees

1. Numbers, Functions and Educational Backgrounds of Employees

Number of in-service employees of Parent Company (Haid Group exclusive of subsidiaries) at the end of the period	2,408
Number of in-service employees of major subsidiaries at the end of the period	36,396
Total number of in-service employees at the end of the period	38,804
Total number of paid employees in Reporting Period	38,804
Number of retirees to whom Parent Company or its major subsidiaries need to pay retirement pension	0
Functions	
Function	Employees
Production	18,180
Sales	10,626
Technical	3,525
Financial	1,854
Administrative	3,700
Procurement	919
Total	38,804
Educational backgrounds	
Educational background	Employees
Doctoral degree	141
Master's degree	1,787
Bachelor's degree	8,302
Junior college	7,771
Senior high school, technical secondary school and below	20,803
Total	38,804

2. Employee Remuneration Policy

While strictly abiding by the Labour Law of the People's Republic of China (《中华人民共和国劳动法》), the Labour Contract Law of the People's Republic of China (《中华人民共和国劳动合同法》) and other national and local related laws, regulations, department rules and regulatory documents, the Company implements the following principles according to the characteristics of the industry and the Company's operations: persist in the principle of labour-based distribution combining duties, power and interests; implement the principle of linking income levels with the Company's performance and work goals; implement the principle of integrating individual remuneration with the Company's long-term interests to ensure sustained and sound growth in main business, prevent short-term behaviours and promote the Company's sustained operations and development; stick to the principle of linking remuneration with performance appraisal with equal emphasis on incentive and restraint; give comprehensive consideration to market changes and market remuneration levels. The Company has established a reasonable post and remuneration system to provide employees with competitive salaries in the industry, link

performance with remuneration, align employees' and the Company's interests, enhance staff awareness for team work and give full play to every employee's enthusiasm and creativity.

3. Employee Training Plans

The Company has always attached importance to talent development, knowing that the growth and development of employees is the key driving force and core resources to promote the Company's continued prosperity. Haid College, the Company's functional department for talent development, has always closely adhered to Haid Group's strategies and its business needs. Upholding the core values of "All for your growth" and adopting a principle of elite training and inclusive education, it remains committed to solving key problems for the development of the organization. Through an integrated online and offline training model, it has kept exploring and optimising new models for talent development.

In 2023, Haid College was dedicated to creating a learning organization centering on creating value for customers. It continued to carry out key programs such as the EDP Future Pilot Program, the IDP Core Executive Development Program, and the CFO Class. By doing so, it has developed a team of managerial staff with cultural strategic visions, business operation skills, and leadership. Moreover, it has continuously strengthened and standardized cultural education for recruits from universities and society. In terms of overseas talent development, through elaborate talent development programs, it has successfully cultivated a number of localized, professional key personnel and executives, effectively promoting cross-cultural exchanges and integration.

In addition, with increasing resources, "Haiwei", the Company's platform for online learning, provides strong support for accelerating the formation of the learning ecosystem across the Company. It has more than 8,000 online courses of nearly 7,000 hours in total, with over 30,000 online learners and a total of over 1,000,000 learning hours in the year. The Company sees a lively atmosphere of talent development. It has put in place a sound resource system for talent development, and gradually improved the learning roadmaps of professional centres. The training systems of all business divisions have become increasingly sophisticated, which have become the performance highlights of HR and business managers. These have laid a solid foundation for increasing learning resources and creating a sound ecosystem of learning in Haid Group.

4. Labour Outsourcing

Applicable Not applicable

X. Profit Distribution and Capitalization of Capital Reserve

Formulation, implementation or adjustment of profit distribution policy, especially the cash dividend during the reporting period

Applicable Not applicable

According to the Proposal on the Preliminary Plan for the 2022 Profit Distribution (《关于2022年度利润分配预案的议案》) as approved at the Annual General Meeting of Shareholders convened on 15 May 2023, the distribution plan is as follows: The Company proposed to distribute RMB 4.50 (tax inclusive) per 10 shares based on "the total number of shares exclusive of the repurchased shares (the number of shares eligible for profit distribution) on the date of record when the plan is implemented in the future". The proposed total amount of dividend shall not exceed the profit of the company (parent company) available for distribution to shareholders as at 31 December 2022. The retained earnings will be carried forward to the following year. On 7 July 2023, the equity distribution was completed.

During the reporting period, the Company has formulated the Dividend Distribution Plan of the Company for the Next Three Years (2022-2024) (《未来三年(2022-2024年)分红回报规划》) in accordance with the Guidelines No. 3 for the Regulation of Listed Companies—Cash Dividend of Listed Companies (《上市公司监管指引3号—上市公司现金分红》) and the Articles of Association (《公司章程》), among others.

The Company's profit distribution policy, dividend distribution policy, dividend standards, and dividend ratios are

well-defined and clear. Independent directors have duly performed their duties and functions. Minority shareholders have the opportunity to fully express their views and concern, which is in line with the Articles of Association (《公司章程》) and the requirements of the consideration procedures. The conditions and procedures for the adjustment or change of the profit distribution policy are compliant and transparent, and the legal rights and interests of small and medium investors are fully protected.

Particulars of Cash Dividend Policy	
Whether the policy is in compliance with the requirements of the Articles of Association or the resolutions passed at the general meeting:	Yes
Whether the basis and ratio of the distribution of dividends are well-defined and clear:	Yes
Whether the relevant decision making procedure and system are sound:	Yes
Whether the independent directors have duly performed their duties and functions:	Yes
If the Company has no cash dividend plan, it should disclose the specific reasons and the next steps it intends to take to enhance investor returns	N/A
Whether there are enough opportunities for minority shareholders to express their views and concerns, and whether their legal interests are sufficiently protected, etc:	Yes
Whether the conditions and procedures are legal and transparent in respect of cash dividend policy with adjustments and changes:	N/A

The Company made a profit and had positive retained profit available for ordinary shareholders of parent company during the reporting period without cash dividend being proposed

Applicable Not applicable

Proposals on profit distribution and capitalization of capital reserve during the reporting period

Applicable Not applicable

Number of bonus share per 10 shares (share(s))	0
Dividend distribution per 10 shares (RMB) (tax inclusive)	5.00
Share base of the distribution proposal (shares)	Total number of shares exclusive of the repurchased shares on the date of record when the plan is implemented in the future
Amount of cash dividend (RMB) (tax inclusive)	828,485,154.50
Amount of cash dividend distribution through other means (such as share repurchase) (RMB)	300,057,977.88
Total amount of cash dividends (including other means) (RMB)	1,128,543,132.38
Distributable profits (RMB)	4,758,596,084.81
Total amount of cash dividends (including other means) as % of total profit distribution	100%
Cash dividend policy	
For profit distribution of companies which are in the growth period with significant capital expenditure arrangement, the percentage for cash dividend shall represent at least 20% of the profits distribution for the current year	
Particulars of profit distribution and capitalization of capital reserves	
According to the audit report issued by Grant Thornton China (Special General Partnership), the net profit attributable to shareholders of the parent company in the 2023 consolidated financial statements amounted to RMB 2,741,256,374.98, and the net	

profit of the parent company amounted to RMB 1,495,187,291.11.

The Company made statutory surplus reserves of RMB 1,294,454.50 as required by the Company Law (《公司法》) and the Articles of Association (《公司章程》), without allocation to discretionary revenue reserve. As at 31 December 2023, the profit available for distribution to shareholders in the consolidated financial statements amounted to RMB 12,526,305,153.20, and the net profit of the parent company available for distribution to shareholders amounted to RMB 4,758,596,084.81.

According to the Stock Listing Rules of the Shenzhen Stock Exchange (《深圳证券交易所股票上市规则》), profit distribution of a listed company shall be based on the profit available for distribution in the financial statements of the parent company. At the same time, in order to avoid over-distribution, the company should determine the specific profit distribution ratio based on the principle of the lower of the profit available for distribution in the consolidated and the parent company's financial statements. Therefore, the Company's 2023 profit distribution plan is based on the net profit of the parent company available for distribution to shareholders as at 31 December 2023 of RMB 4,758,596,084.81.

Based on the operating results of the Company in 2023, as well as the Company's business scale and future growth, the legitimate demands of investors and continuous return to shareholders, the Company formulated the 2023 annual profit distribution plan (hereinafter referred to as the "Profit Distribution Plan") as follows: The Company proposed to distribute RMB 5.00 (tax inclusive) per 10 shares based on "the total number of shares exclusive of the repurchased shares (the number of shares eligible for profit distribution) on the date of record when the plan is implemented in the future". The proposed total amount of dividend shall not exceed the profit of the parent company available for distribution to shareholders as at 31 December 2023. The retained earnings will be carried forward to the following year.

Based on the total number of shares exclusive of the repurchased shares on the disclosure date of the Profit Distribution Plan, the estimated cash dividend amount to be distributed accounts for 30.22% of the net profit attributable to shareholders of the parent company in the 2023 consolidated financial statements. The final distributed amount shall be subject to actual results based on "the total number of shares exclusive of the repurchased shares (the number of shares eligible for profit distribution) on the date of record when the plan is implemented in the future".

Meanwhile, the Company repurchased, on the open market, shares of RMB 300,057,977.88 in total (exclusive of transaction costs) during 2023. The estimated cash dividend amount to be distributed and the total share repurchase amount in 2023 combined account for 41.17% of the net profit attributable to shareholders of the parent company in the 2023 consolidated financial statements.

Where any change occurs to the Company's total share capital during the period from the disclosure of the Profit Distribution Plan to its implementation due to reasons such as share repurchases and exercise of equity incentives, the dividend per 10 shares shall remain the same while the total amount of dividend shall be adjusted accordingly.

XI. Implementation of the Equity Incentive Plan, Employee Stock Ownership Plan or Other Employee Incentive Measures of the Company

Applicable Not applicable

1. Equity Incentives

(1) Implementation during the reporting period

On 31 January 2023, the Company convened the Sixth Meeting of the Sixth Board of Directors and the Fifth Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on the Adjustment to the Exercise Price for the 2021 Share Option Incentive Plan (《关于调整公司2021年股票期权激励计划行权价格的议案》), the Proposal on the Retirement of Certain Share Options of the 2021 Share Option Incentive Plan (《关于注销公司2021年股票期权激励计划部分股票期权的议案》), and the Proposal on the Satisfaction of the Exercise Conditions for the First Exercise Period of the First Grant of the 2021 Share Option Incentive Plan (《关于公司2021年股票期权激励计划首次授予第一个行权期行权条件成就的议案》). As such, due to the implementation of the 2021 annual equity distribution, the exercise price for the first grant and the reserve grant under the 2021 Share Option Incentive Plan was adjusted from RMB 59.36/share to RMB 59.21/share; it was agreed to retire 3,426,488 share options in the first grant and 319,500 share options in the reserve grant, totalling 3,745,988 share options, that had been granted but failed to satisfy the exercise conditions; and as the exercise conditions were satisfied for the first exercise period of the first grant of the 2021 Share Option Incentive Plan, 3,586 awardees eligible for exercise were agreed to exercise 8,860,712 share options in total at their own discretion in the first exercise period. The independent directors of the Company have expressed their independent opinions on the above matters and the Supervisory Committee of the Company has expressed its supervisory

opinions.

On 21 April 2023, the Company convened the 10th Meeting of the Sixth Board of Directors and the Ninth Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on Failure to Satisfy the Exercise Conditions for the Second Exercise Period of the First Grant and the First Exercise Period of the Reserve Grant of the 2021 Share Option Incentive Plan and Retirement of the Corresponding Share Options (《关于公司2021年股票期权激励计划首次授予第二个行权期及预留授予第一个行权期不符合行权条件并注销相应股票期权的议案》). As such, it was agreed to retire 8,888,000 share options in the first grant and 1,295,780 share options in the reserve grant, totalling 10,183,780 share options, that had been granted to certain awardees but failed to satisfy the exercise conditions. The independent directors of the Company have expressed their independent opinions on the above matters and the Supervisory Committee of the Company has expressed its supervisory opinions.

On 28 June 2023, the Company convened the 11th Meeting of the Sixth Board of Directors and the 10th Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on the Retirement of Due but Unexercised Share Options in the First Exercise Period of the 2021 Share Option Incentive Plan (《关于注销2021年股票期权激励计划第一个行权期到期未行权股票期权的议案》), and the Proposal on the Retirement of Share Options of the 2021 Share Option Incentive Plan that Had Been Granted to Certain Awardees but Failed to Satisfy the Exercise Conditions (《关于注销2021年股票期权激励计划部分激励对象已获授且未达行权条件的股票期权的议案》). As the first exercise period for the first grant of the 2021 Share Option Incentive Plan had expired, it was agreed to retire the 6,271,803 due but unexercised share options of 2,951 awardees in the first exercise period; due to the resignation or termination of labour relations, violation of professional ethics or damage to the Company's interests of 247 awardees in the first grant, it was agreed to retire the 1,316,040 share options that had been granted to these awardees but failed to satisfy the exercise conditions; due to the resignation or termination of labour relations, violation of professional ethics or damage to the Company's interests of 53 awardees in the reserve grant, it was agreed to retire the 350,400 share options that had been granted to these awardees but failed to satisfy the exercise conditions, with the total number of retired share options that had been granted but failed to satisfy the exercise conditions being 1,666,440. The independent directors of the Company have expressed their independent opinions on the above matters and the Supervisory Committee of the Company has expressed its supervisory opinions.

During the reporting period, the awardees of the first grant of the 2021 Share Option Incentive Plan exercised 2,588,909 share options in total at their own discretion in the first exercise period, which means that the total shares of the Company increased by 2,588,909 shares from 1,661,161,061 shares to 1,663,749,970 shares.

(2) Accounting treatments for share option incentives and impact on the operating results of the Company

According to relevant provisions under the Accounting Standards for Business Enterprises No. 11 - Share-based Payments (《企业会计准则第11号——股份支付》), the Company will, on each balance sheet date in the vesting period, amend the number of share options that are expected to be exercisable according to the latest available information of changes in the number of awardees allowed to exercise share options, completion of performance indicators and other follow-up information and include the services obtained in the current period in the relevant costs or expenses and capital reserve at fair value of the share options on the grant date.

The implementation of the above equity incentive plan will not have a significant impact on the Company's financial position and operating results during the reporting period and in the future.

Equity incentives for directors and senior management

Applicable Not applicable

Unit: share

Name	Office title	Share options held at the beginning	Share options granted in	Exercisable share options for	Exercised share options in	Exercise price for exerci	Share options held at the end of	Market price at the end of the	Restricted shares held at the	Shares unlocated in the	Restricted shares granted in	Grant price of the restricted	Restricted shares held at the
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		ning of the report ing period	the report ing period	the report ing period	the report ing period	sed share option s in the report ing period (RMB / share)	the report ing period	report ing period (RMB / share)	begin ning of the report ing period	report ing period	the report ing period	shares (RMB / share)	end of the report ing period
Qi Cheng	Director and Executive Vice President	100,0 00.00		20,00 0.00			60,00 0.00	44.91					
Xueqiao Qian	Director, Vice President and Chief Engineer	90,00 0.00		18,00 0.00			54,00 0.00	44.91					
Guoxian g Liu	Vice President	80,00 0.00		16,00 0.00			48,00 0.00	44.91					
Shaolin Yang	Vice President and CFO	90,00 0.00		18,00 0.00			54,00 0.00	44.91					
Xiewu Jiang	Vice President	80,00 0.00		16,00 0.00			48,00 0.00	44.91					
Guoche ng Mi	Vice President	80,00 0.00		16,00 0.00			48,00 0.00	44.91					
Zhongz hu Chen	Vice President	100,0 00.00		20,00 0.00			60,00 0.00	44.91					
Jing Wang	Vice President	70,00 0.00		14,00 0.00			42,00 0.00	44.91					
Zhijian Huang	Vice President and Board Secretary	90,00 0.00		18,00 0.00			54,00 0.00	44.91					
Total	--	780,0 00.00	0	156,0 00.00	0	--	468,0 00.00	--	0	0	0	--	0
Notes (if any)	<p>1. During the reporting period, the Company convened the 10th Meeting of the Sixth Board of Directors and the Ninth Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on Failure to Satisfy the Exercise Conditions for the Second Exercise Period of the First Grant and the First Exercise Period of the Reserve Grant of the 2021 Share Option Incentive Plan and Retirement of the Corresponding Share Options (《关于公司 2021 年股票期权激励计划首次授予第二个行权期及预留授予第一个行权期不符合行权条件并注销相应股票期权的议案》)。As such, it was agreed to retire the share options in the first grant and the reserve grant that had been granted to certain awardees but failed to satisfy the exercise conditions, including a total of 156,000.00 share options of directors and senior management.</p> <p>2. During the reporting period, the Company convened the 11th Meeting of the Sixth Board of Directors and the 10th Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on the Retirement of Due but Unexercised Share Options in the First Exercise Period of the 2021 Share Option Incentive Plan (《关于注销 2021 年股票期权激励计划第一个行权期到期未行权股票期权的议案》)。As the first exercise period for the first grant of the 2021 Share Option Incentive Plan had expired, it was agreed to retire the due but unexercised share options of awardees in the first exercise period, including a total of 156,000.00 share options of directors and senior management.</p>												

Appraisal mechanism and incentives for senior management

The Company has put in place a senior management selection, appraisal, incentive and restrictive system. All appointed by and being responsible to the Board of Directors, senior management shoulders the operating indicators set by the Board of Directors. The Remuneration and Appraisal Committee under the Board is responsible for a year-end appraisal of senior management's service ability, performance of duties and fulfilment of objectives, among others. And then the committee formulates a remuneration plan for the Board's review. During the reporting period, the Company duly restricted its senior management as per the applicable laws and regulations by strengthening the connection between performance appraisal and remuneration and incentives, aligning remuneration with appraisal results, and achieving differentiation in remuneration and incentives.

2. Employee stock ownership plans

Applicable Not applicable

Outstanding employee stock ownership plans during the reporting period

- **Implementation during the reporting period**

(1) Employee stock ownership plans for core team

On 9 February 2023, the Company convened a meeting of the holders under the Third Employee Stock Ownership Plan, at which the Proposal on the Liquidation Report for the Third Employee Stock Ownership Plan for Core Team (《关于〈核心团队员工持股计划三期计划清算报告〉的议案》), and the Proposal on the Termination of the Third Employee Stock Ownership Plan (《关于终止三期持股计划的议案》) were approved. As such, the early termination of the Third Employee Stock Ownership Plan was approved upon the completion of the implementation of the plan.

On 29 December 2023, the Management Committee for Employee Stock Ownership Plans for Core Team approved the proposal on equity vesting in the third vesting period of the equities of the special fund of the Fourth Employee Stock Ownership Plan and the expiry of the lockup period. As such, the shares for the third vesting period for holders of the equities of the special fund of the Fourth Employee Stock Ownership Plan, i.e. 30% of the 1,194,582 shares in the Company purchased with the aforesaid special fund (358,375 shares), were vested in all the holders through internal registration on 31 December 2023. To be specific, a total of 240,000 shares were vested in the then directors and senior management including Mr. Qi Cheng, Mr. Xueqiao Qian, Mr. Guoxiang Liu, Mr. Shaolin Yang, Mr. Xiewu Jiang, Mr. Guocheng Mi, Mr. Zhongzhu Chen, Mr. Zhijian Huang, and Ms. Jing Wang), and a total of 118,375 shares were vested in other core personnel. On 31 December 2023, as the lockup period for the Fourth Employee Stock Ownership Plan expired and the unlocking conditions had been satisfied, all the 1,194,582 shares (or 0.0718% of the Company's total share capital) under the Fourth Employee Stock Ownership Plan have been allowed for trading.

(2) The 2023 Employee Stock Ownership Plan

On 28 June 2023, the Company convened the 11th Meeting of the Sixth Board of Directors and the 10th Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on the 2023 Employee Stock Ownership Plan (Draft) of Guangdong Haid Group Co., Limited and Its Summary (《关于〈广东海大集团股份有限公司2023年员工持股计划(草案)〉及其摘要的议案》), the Proposal on the Management Methods for the 2023 Employee Stock Ownership Plan of Guangdong Haid Group Co., Limited (《关于〈广东海大集团股份有限公司2023年员工持股计划管理办法〉的议案》), and the Proposal on Authorisation of the Board of Directors at the General Meeting of Shareholders to Handle Matters Related to the 2023 Employee Stock Ownership Plan (《关于提请股东大会授权董事会办理2023年员工持股计划有关事项的议案》). As such, the Company was agreed to implement the 2023 Employee Stock Ownership Plan. The independent directors of the Company have expressed their independent opinions on the above matters and the Supervisory Committee of the Company has expressed its supervisory opinions.

On 17 July 2023, the Company convened the Third Extraordinary General Meeting of Shareholders of 2023 to consider and approve the Proposal on the 2023 Employee Stock Ownership Plan (Draft) of Guangdong Haid Group Co., Limited and Its Summary (《关于〈广东海大集团股份有限公司2023年员工持股计划(草案)〉

及其摘要的议案》), the Proposal on the Management Methods for the 2023 Employee Stock Ownership Plan of Guangdong Haid Group Co., Limited (《关于〈广东海大集团股份有限公司 2023 年员工持股计划管理办法〉的议案》), and the Proposal on Authorisation of the Board of Directors at the General Meeting of Shareholders to Handle Matters Related to the 2023 Employee Stock Ownership Plan (《关于提请股东大会授权董事会办理 2023 年员工持股计划有关事项的议案》). As such, the Company was agreed to implement the 2023 Employee Stock Ownership Plan. Meanwhile, the General Meeting of Shareholders authorised the Board of Directors to handle matters related to the 2023 Employee Stock Ownership Plan.

On 25 August 2023, the Company convened the 12th Meeting of the Sixth Board of Directors to consider and approve the Proposal on the Adjustment to the Transfer Price for the 2023 Employee Stock Ownership Plan (《关于调整公司 2023 年员工持股计划受让价格的议案》). As such, due to the implementation of the 2022 annual profit distribution, in accordance with the authorisation of the General Meeting of Shareholders and the relevant provisions of the 2023 Employee Stock Ownership Plan, the Board of Directors adjusted the transfer price for the 2023 Employee Stock Ownership Plan from RMB 23.90/share to RMB 23.45/share. The independent directors of the Company have expressed their independent opinions on the above matters.

On 11 September 2023, the Company received the Confirmation of Registration of Transfer of Securities (《证券过户登记确认书》) issued by the Shenzhen branch of China Securities Depository and Clearing Corporation Limited. As such, on 8 September 2023, the 10,272,108 shares in the Company's securities account for repurchased shares were transferred through a non-transaction transfer to the Company's securities account—"Guangdong Haid Group Co., Limited-The 2023 Employee Stock Ownership Plan".

On 27 September 2023, the Company convened the 14th Meeting of the Sixth Board of Directors to consider and approve the Proposal on the Adjustment to the Performance Appraisal Indicators for the 2023 Employee Stock Ownership Plan (《关于调整公司 2023 年员工持股计划业绩考核指标的议案》). As such, it was agreed to adjust the company performance appraisal indicators, etc. for the year 2023 for the 2023 Employee Stock Ownership Plan, together with the provisions related to the company performance appraisal indicators for the year 2023 in the 2023 Employee Stock Ownership Plan and its Summary, as well as in the Management Methods for the 2023 Employee Stock Ownership Plan. The independent directors of the Company have expressed their independent opinions on the above matters.

Scope of employees	Number of employees	Total shares held	Change	As a percentage of the Company's total share capital	Funding source
The awardees for the Fourth Employee Stock Ownership Plan (《核心团队员工持股计划之四期计划》) are key personnel that play a significant role in the Company's operating performance and mid- and long-term development.	No more than 30	1,194,582	None	0.07%	The special fund established by the Company for the employee stock ownership plan
The awardees for the 2023 Employee Stock Ownership Plan (《2023 年员工持股计划》) are directors, supervisors, senior management and other core personnel.	No more than 3,700	10,272,108	None	0.62%	Employees' lawful income, self-pooled funds or funds obtained through other means permitted by applicable law

Shares held by directors, supervisors and senior management under employee stock ownership plans during the reporting period

Name	Office title	Shares held at the beginning of the reporting period	Shares held at the end of the reporting period	As a percentage of the Company's total share capital
Qi Cheng	Director and Executive Vice President (Deputy General Manager)	800,000	1,613,324	0.09%
Xueqiao Qian	Director, Vice President (Deputy General Manager) and Chief Engineer			
Dong Shen	Supervisor			
Hua Wang	Supervisor			
Yongfang Mu	Supervisor			
Guoxiang Liu	Vice President (Deputy General Manager)			
Shaolin Yang	Vice President (Deputy General Manager) and CFO			
Xiewu Jiang	Vice President (Deputy General Manager)			
Guocheng Mi	Vice President (Deputy General Manager)			
Zhongzhu Chen	Vice President (Deputy General Manager)			
Jing Wang	Vice President (Deputy General Manager)			
Jiantao Yang	Vice President (Deputy General Manager)			
Zhijian Huang	Vice President (Deputy General Manager) and Board Secretary			

Change of asset management organizations during the reporting period

Applicable Not applicable

Equity changes incurred by disposal of shares by holders, etc. during the reporting period

Applicable Not applicable

Exercise of shareholder rights during the reporting period

Not applicable.

Other information about employee stock ownership plans during the reporting period

Applicable Not applicable

During the reporting period, there were circumstances where holders of the 2023 Employee Stock Ownership Plan became no longer eligible for the Plan due to their resignation, etc., which should be handled according to the relevant provisions in the 2023 Employee Stock Ownership Plan (Revised) (《2023 年员工持股计划（修订稿）》).

Changes in members of the management committees for employee stock ownership plans

Applicable Not applicable

Financial impact of employee stock ownership plans on the Company during the reporting period and the relevant accounting treatments

Applicable Not applicable

According to relevant provisions under the Accounting Standards for Business Enterprises No. 11 - Share-based Payments (《企业会计准则第 11 号——股份支付》), for equity-settled share-based payments in exchange for employee services that are exercisable upon completion of the service within the vesting period or upon achievement of prescribed performance conditions, the services acquired during the period should be charged to the relevant cost or expense and capital reserve at each balance sheet date within the vesting period, based on the best estimate of the number of exercisable equity instruments and at the fair value of the equity instruments at the date of grant. The amortisation of expenses for the employee stock ownership plan implemented by the Company in 2023 stood at RMB 10.9746 million and was charged to the relevant expense account and capital reserve.

Termination of employee stock ownership plans during the reporting period

Applicable Not applicable

Other information

None.

3. Other Employee Incentive Measures

Applicable Not applicable

XII. Establishment and Implementation of the Internal Control System during the Reporting Period

1. Establishment and Implementation of the Internal Control System

(I) Control environment

The Company has set up a favorable governance structure and organization structure and relevant control systems. It attaches great importance to the favorable corporate culture and has formed a relatively complete internal control system in terms of business management, capital management, accounting information system management, human resources and compensation management, information communication, and disclosure management.

(1) Governance structure

According to the requirements of relevant laws, regulations, and the Articles of Association (《公司章程》), the Company has set up the General Meeting of Shareholders, the Board of Directors, the Supervisory Committee (hereinafter referred to as the "Three Meetings") and the Senior Management. Furthermore, it has specified their rights and obligations in the Articles of Association and formulated the rules of procedure to ensure the explicit division of labor and the fulfillment of their duties and responsibilities.

The General Meeting of Shareholders is the high authority of the Company, which enjoys the legal rights stipulated by laws and regulations and the Articles of Association. It shall, strictly by the law, exercise its right to vote for major events such as the management principle of the Company, fund-raising, investment, and profit appropriation.

During the reporting period, the Company held "Three Meetings" on schedule according to the provisions of relevant laws, regulations, and the Articles of Association. The documents for "Three Meetings" are complete and filed. The decision-making process for major investment and financing has fulfilled the rules of procedure of the Articles of Association and relevant rules. All the directors have attended the meetings with a diligent and responsible attitude and practically fulfilled their obligations. The Supervisory Committee has played its role by adopting certain ways of supervision. The Strategy Committee, the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee of the Board of Directors have driven the Board of

Directors to make scientific and efficient decisions. Moreover, the resolutions of "Three Meetings" are well implemented. The General Manager regularly organized and held manager meetings, conducted production and business operations, instructed, coordinated, managed, and supervised the Company's functional departments and holding subsidiaries, ensuring the normal business operation of the Company.

(2) Organizational structure

Based on the demand of principal business and management, the Company set up the President's Room, Procurement Center, Haid College, Haid Research Institute, Marketing Center, Human Resource Center, Financial Center, Operation and Development Center, Process and Information Management Center, Securities Department, the President's Office, Party Working Committee Office, Project Management Office, Audit Center and other functional departments. Each functional department has its specific division of labor. They fulfill their duties and responsibilities while they mutually counterbalance and supervise. Based on the Company's business progress, the Company continues to fully research and improve the core and key work tasks of each functional department so as to improve the efficiency of the organization and refine the management and control mechanism.

(3) Development strategy

The Strategy Committee of the Board of Directors is responsible for the formulation of the Company's development strategies to instruct the Company's long-term and robust development. The Strategy Committee held meetings regularly or irregularly to deliberate major strategic plans for the Company's development and adjust the Company's development objectives properly. The Company's business management team will formulate corresponding objectives according to the strategic plans determined by the Strategy Committee and the divisions, branches, and subsidiaries will formulate their development objectives accordingly.

(4) Corporate culture

The Company attaches great importance to the development of corporate culture. It fosters positive values and a sense of social responsibility, advocates honesty, trustworthiness, dedication, and innovation, highlights customer value, and focuses on employee growth and the spirit of teamwork. It adopts many approaches, such as regular internal meetings, internal newspapers and publications, the Company's website, forum, the campaign of rationalization proposal, and employee training, to penetrate the Company's values into the Company. In addition, it has proactively arranged various themed activities to enhance employees' cohesion and team spirit, thus promoting the development of corporate culture. Corporate culture has gradually become the value guidance for the Company's operating and management activities.

(5) Procedures and systems

The Company formulates tailored systematic systems and procedures for the professional work of specialized departments, implements them throughout the Company, and improves the Company's duplicating and controlling capability of management. For instance, the Company has developed and continued to improve policies, such as talent recruitment, talent development, talent promotion, appraisal, remuneration, and incentive. In terms of internal control, it has set up and refined the capital plan management system, comprehensive budget management system, accounts receivable management system, fixed asset management system, expense management system, contract management system, future foreign exchange settlement management system, and internal audit system, etc. The management systems are annually reviewed, discussed, and upgraded by the Company so as to make them more adaptable to the Company's business and play the role in guiding and restraining the Company's business.

(6) Internal supervision

Under the leadership of the Board of Directors and the Audit Committee, the Company sets up the Audit Center, which is independent of other departments of the Company. The Audit Center conducts internal audits of the internal control and financial situation of the Company and its holding subsidiaries through a combination of continuous and special supervision and inspections. The internal audits can inspect and supervise the establishment and implementation of the Company's internal control systems, the authenticity and integrity of financial information, and the efficiency and effectiveness of operating activities.

(7) Information communication

The Company has set up an information and communication system to clarify the procedures for collecting, processing, and transmitting relevant information of internal control so as to ensure the timely communication of such information, thus promoting the effective operation of internal control.

A. The unblocked information collection channels. Internal information can be accessed by the Company through many channels, including financial and accounting data, operation management data, investigation reports, special information, internal publications, EPS, ERP/SAP, and financial sharing system. In addition, the Company can access external information through trade associations and organizations, social intermediary organizations, customers and suppliers, market surveys, letters and visits, network media, and relevant regulatory authorities.

B. The timely information transmission procedures. The Company can communicate and feedback relevant information on internal control among internal management hierarchies, responsible departments, business links, internal and external investors, creditors, customers, suppliers, intermediary agencies, and regulatory authorities promptly. In case of any problems identified from the course of information communication, the Company can timely report and solve such problems. Important information can be reported timely to the Board of Directors, the Supervisory Committee, and the Management.

C. The safe operation of information systems. The Company has set up control systems related to the development and maintenance, access and change, data input and output, document storage, and cyber security of information systems so as to ensure the safe and stable operation of such systems. The Company also monitors and reviews the logistics and capital flow of branches and subsidiaries through the information system. All data of branches and subsidiaries are dually duplicated. The Process and Information Management Center will cross-examine the data of the Group, branches, and subsidiaries regularly and irregularly. In addition, the Financial Center has assigned dedicated personnel to conduct random inspections for data of information systems of branches and subsidiaries in real-time.

(8) Human resources management

In accordance with the provisions of the Labor Law (《劳动法》) and relevant laws and regulations, the Company has established complete management systems in terms of the recruitment, allocation, compensation, training, performance management, and promotion of human resources. The Company adheres to the people-oriented principle and signs labor contracts with all employees. The employees' sense of belonging and sense of mission has been enhanced through the implementation of the performance appraisal system, motivating their enthusiasm for work. The stable growth of the Company's operating results and employees' income has been achieved, laying a foundation for the Company's sustainable development.

(II) Risk assessment

(1) Risk identification and analysis

The Company has a strong sense of risk prevention. It attaches great importance to the identification of risks in advance. It solicits extensive opinions of relevant parties on all major business decisions. Furthermore, the Company conducts comprehensive assessments of operating, financial, industrial, and market risks through legal assessment and contract review, and joint signature. It also develops corresponding risk management measures, thus forming a relatively refined risk management mechanism.

Meanwhile, the Company continues to collect information related to risk change based on the market situation and business expansion for risk identification and analysis so as to adjust risk response strategies in time.

(2) Risk control

The Company has developed relatively complete provisions of risk control management to carry out the pre-event assessment, in-event supervision, and post-event appraisal for the determination of the Company's financial structure, the arrangement of financing structure, the estimation of financing cost, and the repayment plan for financing. Feasible research must be conducted for all kinds of investments and the approval authority is

determined according to the project size and the amount required. Contingency plans are formulated to cope with any negative factors that might occur in the course of investment. The early warning system of financial risks and management system of business contracts have been established to enhance the assessment and control over credit risks and contract risks.

(III) Control activities

In order to reasonably guarantee the realization of all objectives, the Company has set up relevant control policies and procedures, which mainly include: The approval control of transaction authorization, separate control of incompatible duties, voucher and record control, property preservation control, independent inspection control, electronic information system control, complete budgetary control, external guarantee control, information disclosure control, and the monitoring of control.

(1) The approval control of transaction authorization

It has specified the scope, authority, procedures, responsibilities, and other relevant contents of the authorized approval. All internal Management levels of the Company must exercise their functional authorities within their authorized scope and the handling personnel must handle businesses with their authorities as well.

Based on the amount and nature of transactions, the Company has categorized the transaction authorization into two levels, which are, general authorization and special authorization. In terms of general transactions, such as purchase and sale and the reimbursement of routine expenses, the Company adopts the hierarchical approval system involving the responsible accountant, department head, financial manager, and general manager so as to ensure that all businesses are approved according to procedures. In terms of non-conventional transactions, such as related party transactions, major acquisitions, significant capital expenditure, stock issuance, bond issuance, and other major transactions, must be approved by the Board of Directors or the General Meeting of Shareholders. The hierarchal authorization has been conducted for transactions in different natures, thus effectively controlling risks.

(2) The separate control of incompatible duties

It has set up the system of assigning responsibility by position and internal check system and formulated the position responsibilities of each constituent department and its personnel through the division of authorities and responsibilities, thus avoiding mistakes and corrupt practices. Based on reasonable labor of division and scientific division of responsibilities and authorities, the incompatible duties can be separated and each person can automatically check the work of the other person or multiple persons, thus taking shape of the mechanism of mutual check and balance. The incompatible duties mainly include: Authorized approval, business handling, accounting record, property preservation, supervision, and inspections.

(3) Voucher and record control

The Company strictly reviews original vouchers and reasonably formulates the transfer procedures of vouchers. Vouchers of transactions must be formulated and submitted to the accounting department for recording in time. The registered vouchers must be filed orderly.

(4) Property preservation control

Unauthorized personnel is strictly restrained from direct access to properties. Measures, such as periodic inventory, property record, reconciliation of book balance and actual amount, and property insurance, are adopted to ensure the security and integrity of various properties.

(5) Independent inspection control

A dedicated internal audit institution has been set up. The responsibilities and authorities of the internal supervision for the internal audit institution and other internal institutions have been clarified. Meanwhile, the procedures, methods, and requirements of internal supervision and the scope and frequency of daily supervision and special supervision have been specified. The nature and cause of deficiencies in internal control identified

from supervision can be analyzed in time. Furthermore, remediation plans can be put forward in time. Such deficiencies and corresponding remediation plans can be promptly reported to the Board of Directors, the Supervisory Committee, or the Management in proper form.

(6) Electronic information system control

The Company has developed stricter policies for electronic information system control. Greater efforts have been made in terms of the development and maintenance of electronic information systems, data input and output, and document storage.

(7) Complete budgetary control

The Company has carried out the complete budgetary management to strictly control the off-budget capital expenditure. The financial sharing system and dedicated personnel will supervise, analyze, and appraise the implementation of the budget. All divisions/branches and subsidiaries/business departments will formulate budgetary plans annually, which will be regularly analyzed by the financial department so as to restrain such budget.

(8) External guarantee control

The Company controls the external guarantee in accordance with the law-based, prudent, mutually beneficial, and safe principle so as to strictly prevent risks caused by the guarantee. The Company has formulated relevant management systems to reasonably ensure the authenticity and integrity of guarantee business and the legitimacy and compliance of review procedures.

(9) Information disclosure control

The Company has developed the Information Disclosure System (《信息披露制度》), the Internal Reporting System of Material Information (《重大信息内部报告制度》), and the Accountability Policy for Material Errors in Information Disclosure of the Annual Report (《年报信息披露重大差错责任追究制度》). The systems have specified the responsible person, principle, and main contents of information disclosure, the disclosure, working procedure, management, and accountability mechanism of major events, and the measures to deal with employees violating rules.

The Company has strictly fulfilled the information disclosure obligations according to relevant laws, regulations, and rules to disclose information truthfully, accurately, completely, and timely, thus ensuring that all shareholders have an equal opportunity to obtain information.

(10) The monitoring of control

The Company checks the implementation of internal control systems regularly and irregularly, which mainly includes: The inspection of the Board of Directors of the Company, the inspection of the Audit Committee, and the inspection of internal audit departments. All these inspections can ensure the effective operation of internal control activities.

Through the inspection and supervision activities of internal control and the effective measures for the problems identified from the inspection of regulatory authorities, the Company continues to supervise and inspect business activities and the implementation of main internal control systems and continuously puts forward opinions and suggestions on improvement. All these efforts have effectively prevented the risks of internal control and safeguarded the normal operation of business management activities. It has played important roles in guiding and driving the enhancement of standardized operation, refinement of corporate governance, and improvement of management level.

2. Material Internal Control Deficiencies Identified for the Reporting Period

Yes No

XIII. The Company's Management and Control of Subsidiaries during the Reporting Period

Company name	Consolidation plan	Consolidation progress	Problems arising in consolidation	Solutions taken	Solution implementation progress	Subsequent solutions
Xishui ChenKe Feed Technology Co., Ltd.	As per the applicable regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Company's Articles of Association, the Company provided compliance guidance for the target company in organizational structure, personnel adjustment, internal controls, financial system, etc., and has included the target company in the Company's system for unified management.	Completed	N/A	N/A	N/A	N/A
TuanFeng Source Feed Technology Co., Ltd.	As per the applicable regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Company's Articles of Association, the Company provided compliance guidance for the target company in organizational structure, personnel adjustment, internal controls, financial system, etc., and has included the target company in the Company's system for unified management.	Completed	N/A	N/A	N/A	N/A
Huangshi ChenKe Feed Technology Co., Ltd.	As per the applicable regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Company's Articles of Association, the Company provided compliance guidance for the target company in organizational structure, personnel adjustment, internal controls, financial system, etc., and has included the target company in the Company's system for unified management.	Completed	N/A	N/A	N/A	N/A
QiChun SiFang Feed Technology Company Ltd.	As per the applicable regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Company's Articles of Association, the Company provided compliance guidance for the target company in organizational structure, personnel adjustment, internal controls, financial system, etc., and has included the target company in the Company's system for unified management.	Completed	N/A	N/A	N/A	N/A
Taikun Feed (Huangmei) Co., Ltd.	As per the applicable regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Company's Articles of Association, the Company	Completed	N/A	N/A	N/A	N/A

	provided compliance guidance for the target company in organizational structure, personnel adjustment, internal controls, financial system, etc., and has included the target company in the Company's system for unified management.					
Taikun Feed (Tuanfeng) Co., Ltd.	As per the applicable regulations of the CSRC and the Shenzhen Stock Exchange, as well as the Company's Articles of Association, the Company provided compliance guidance for the target company in organizational structure, personnel adjustment, internal controls, financial system, etc., and has included the target company in the Company's system for unified management.	Completed	N/A	N/A	N/A	N/A

XIV. Assessment Report or Independent Auditor's Report on Internal Control

1. Internal Control Assessment Report

Disclosure date of internal control self-assessment report	23 April 2024	
Index to disclosed internal control self-assessment report	www.cninfo.com.cn	
Assessed entities' combined assets as a percentage of consolidated total assets	100.00%	
Assessed entities' combined operating income as a percentage of consolidated operating income	100.00%	
Internal control deficiency identification standards		
Type	Financial-reporting related	Non-financial-reporting related
Nature standard	<p>A material deficiency refers to a deficiency or a deficiency group that consists of multiple deficiencies that may cause a great deviation from the control objective. It is considered a material financial-reporting internal control deficiency if any of the following cases occurs: (1) Any of the Company's directors, supervisors or senior management is involved in a serious fraud; (2) The Company corrects its disclosed financial statements for multiple times; (3) certified public accountants identifies a material misstatement in the current financial statements which the Company has failed to identify during its internal control process; or (4) The Company's Audit Committee and internal audit organ maintain invalid supervision over internal control.</p> <p>A serious deficiency refers to a single deficiency or a deficiency group including other deficiencies that is less serious than a material deficiency but may still cause a deviation from the control objective. It is considered a serious financial-reporting internal control deficiency if any of the following cases occurs: (1) The Company</p>	<p>Material deficiencies: (1) The internal control environment is invalid; (2) Any leak of insider information about any investment in external parties, asset restructuring, etc. against regulations causes any severe fluctuations in the Company's stock price or any materially adverse impact on the Company's image; (3) The violation of the Company's decision-making procedure in any significant event causes a significant economic loss to the Company; or (4) The independent auditor identifies any other material deficiencies in the Company.</p> <p>Serious deficiencies: (1) The Company provides any guarantee or conducts any derivative financial instrument transaction without due authorization or performance of the corresponding information disclosure duty; (2) A severe loss of key talent occurs; (3) The Company is punished or a materially adverse impact is made to its image due to deviation from governing policies, measurement errors, etc.; (4) The</p>

	<p>does not select and adopt its accounting policies as per the generally accepted accounting standards; (2) The Company does not formulate anti-fraud procedures or control measures; (3) The Company has no control systems for the accounting treatment of non-conventional or special transactions; or (4) There are one or multiple deficiencies in controls over the financial reporting process and there is no reasonable assurance that the financial statements prepared are truthful and accurate.</p> <p>An ordinary deficiency refers to any deficiency that is neither a material deficiency nor a serious deficiency.</p>	<p>independent auditor identifies any other serious deficiencies in the Company.</p> <p>An ordinary deficiency refers to any deficiency that is neither a material deficiency nor a serious deficiency.</p>
Quantitative standard	<p>Material deficiency: misstated amount > 3% of profit before income tax, misstated amount > 3% of net asset value.</p> <p>Serious deficiency: 1% of profit before income tax < misstated amount ≤ 3% of profit before income tax, 1% of net asset value < misstated amount ≤ 3% of net asset value.</p> <p>Ordinary deficiency: misstated amount ≤ 1% of profit before income tax, misstated amount ≤ 1% of net asset value.</p>	<p>Material deficiency: Direct loss caused to the Company (hereinafter referred to as "loss amount") > 3% of profit before income tax, loss amount > 3% of net asset value.</p> <p>Serious deficiency: 1% of profit before income tax < loss amount ≤ 3% of profit before income tax, 1% of net asset value < loss amount ≤ 3% of net asset value.</p> <p>Ordinary deficiency: loss amount ≤ 1% of profit before income tax, loss amount ≤ 1% of net asset value.</p>
Number of material financial-reporting internal control deficiencies	0	
Number of material non-financial-reporting internal control deficiencies	0	
Number of serious financial-reporting internal control deficiencies	0	
Number of serious non-financial-reporting internal control deficiencies	0	

2. Independent Auditor's Report on Internal Control

Applicable Not applicable

Opinion paragraph	
The Company maintained, in all material respects, effective internal control over financial reporting as of 31 December 2023, based on the Basic Rules on Enterprise Internal Control (《企业内部控制基本规范》) and other applicable regulations.	
Report disclosed or not	Disclosed
Disclosure date	23 April 2024
Index to the disclosed report	http://www.cninfo.com.cn
Type of opinion	Unmodified unqualified opinion
Material defects in internal control not related to financial reporting	No

Indicate whether any modified opinion is expressed in the Independent Auditor's Report on Internal Control

Yes No

Indicate whether the Independent Auditor's Report on Internal Control is consistent with the internal control self-assessment report issued by the Company's Board of Directors

Yes No

XV. Remediation of Problems Identified by Self-inspection in the Special Action on the Governance of Listed Companies

Not applicable.

Section V. Environmental and Social Responsibility

I. Material Environmental Issues

Whether the Company and its subsidiaries are key pollutant discharging units as published by the environmental protection authority

Yes No

Policies and industry standards on environmental protection

The Company has been in strict compliance with the applicable laws, regulations, policies and industry standards, including the Law of the People's Republic of China on Environmental Protection (《中华人民共和国环境保护法》), the Law of the People's Republic of China on Prevention and Control of Water Pollution (《中华人民共和国水污染防治法》), the Law of the People's Republic of China on Prevention and Control of Air Pollution (《中华人民共和国大气污染防治法》), the Law of the People's Republic of China on Prevention and Control of Noise Pollution (《中华人民共和国噪声污染防治法》), the Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste (《中华人民共和国固体废物污染环境防治法》), the Emission Standard of Air Pollutants for Boilers (《锅炉大气污染物排放标准》), the Integrated Emission Standard of Air Pollutants (《大气污染物综合排放标准》), the Emission Standards for Odor Pollutants (《恶臭污染物排放标准》), the Standard for Fugitive Emission of Volatile Organic Compounds (挥发性有机物无组织排放控制标准), and the Discharge Standard of Water Pollutants for Meat Packing Industry (《肉类加工工业水污染物排放标准》).

Administrative licenses of environmental protection

The Company and its subsidiaries prepared environmental impact reports before project implementation and submitted to the environmental authority for review and approval in accordance with the requirements of environmental laws and regulations. They commenced project construction after obtaining the approval and carried out construction works strictly in accordance with the requirements of environmental impact assessment. Furthermore, they went through the procedures for the acceptance of project completion for environmental impact assessment in accordance with laws and obtained the pollutant discharge permit.

Industry discharge standards and discharge of pollutants in production and operation

Name of the company or subsidiary	Types of major pollutants and characteristic pollutants	Names of major pollutants and characteristic pollutants	Discharge method	The number of discharge outlets	Distribution of discharge outlets	The concentration/intensity of the discharge	Pollutant discharge standards	Total discharge	Total discharge approved	Excess discharge
Fujian Haisheng Feed Co., Ltd.	Waste gas	Waste gas: particulate matter, SO ₂ , NO _x , flue gas	Waste gas from boilers discharged after being treated with a bagged pulse dust collector, and production waste gas discharged after reaching the relevant standard through two odour treatment systems (acid	Waste gas: 3	Boiler chimney; Waste gas treatment plant outlet in Workshop 1; Waste gas treatment plant outlet in Workshop 3	Particulate matter: 30mg/m ³ ; SO ₂ : 264mg/m ³ ; NO _x : 288mg/m ³ ; Mercury and its compounds: 0.05 mg/m ³ ; Flue gas blackness: 1	Emission Standard of Air Pollutants for Boilers (《锅炉大气污染物排放标准》) (GB13271-2014); Emission Limits of Air Pollutants (《大气污	Ammonia nitrogen: 0.06t/a; SO ₂ : 46.3 t/a; Soot: 18.1 t/a; NO _x : 26.4 t/a;	Ammonia nitrogen: 0.1t/a; SO ₂ : 135.6 t/a; Soot: 21.12 t/a; NO _x : 36.92 t/a;	None

			+ alkali spray scrubbing + ozone reaction)				染物排放值》)(GB14554—1993)			
Jiaxiang Haiying Food Co., Ltd.	Waste gas; Waste water	Waste gas: hydrogen sulphide; ozone; ammonia; cooking fume Waste water: COD; ammonia nitrogen; total nitrogen; total phosphorus.	Waste gas: boiler waste gas discharged after low-nitrogen combustion treatment; canteen fume discharged after treatment with an oil purification device; workshop and sewage treatment waste gas discharged after treatment with an activated carbon waste gas treatment facility Waste water: discharged into the municipal network upon meeting the standard through treatment with a waste water treatment system	Waste gas: 5; Waste water: 1	Waste gas: boiler chimney; canteen chimney; 2 waste gas outlets in the workshop; 1 waste gas outlet of the waste water treatment system Waste water: general waste water outlet	Nitrogen oxide: 18mg/m ³ Particulate matter: 1.4mg/m ³ Flue gas blackness: <1; Suspended matter: 4mg/L; BOD: 5.2mg/L	Emission Standard of Air Pollutants for Boilers of Shandong Province (《山东省锅炉大气污染物排放标准》)(DB37/23 74-2018); Integrated Emission Standard of Air Pollutants (《大气污染物综合排放标准》)(GB 16297-1996); Discharge Standard of Water Pollutants for Meat Packing Industry (《肉类加工工业水污染排放标准》)(GB13457-92)	COD: 2.74t/a; Ammonia nitrogen: 0.596t/a; Total nitrogen: 3.82t/a	COD: 50.495t/a; Ammonia nitrogen: 4.385t/a; Total nitrogen: 56.7t/a	None
Yiyuan Haiying Food Co., Ltd.	Waste gas; Waste water	Waste gas: particulate matter; SO ₂ ; NO _x ; flue gas blackness. Waste water: COD; total phosphorus; ammonia nitrogen; total nitrogen.	Waste gas: discharged after spraying + secondary activated carbon adsorption Waste water: discharged to the municipal waste water plant after meeting the discharge standard through secondary treatment	Waste gas: 3; Waste water: 1	Waste gas: outlet of the workshop waste gas treatment equipment; boiler chimney; outlet of waste gas equipment of the waste water plant Waste water: outlet of the waste water plant	Particulate matter: 20mg/m ³ SO ₂ : 35mg/m ³ NO _x : 150mg/m ³ ; Flue gas blackness: 1; COD: 500mg/L; Ammonia nitrogen: 45mg/L; Total phosphorus: 8mg/L; Total nitrogen: 70mg/L	Emission Standard of Air Pollutants for Boilers of Shandong Province (《山东省锅炉大气污染物排放标准》)(DB37/23 74-2018); Emission Standards for Odor Pollutants (《恶臭污染物排放标准》)(GB 14554-93); Discharge Standard of Water Pollutants for Meat Packing Industry (《肉类加工工业水污染排放标准》)	COD: 73.62t/a; Ammonia nitrogen: 7.98t/a; SO ₂ : 0.4096t/a; NO _x : 0.538t/a; Soot: 0.1248t/a	COD: 73.62t/a; Ammonia nitrogen: 7.98t/a; SO ₂ : 0.4096t/a; NO _x : 0.538t/a; Soot: 0.1248t/a	None

							(GB 13457-92); Wastewater Quality Standards for Discharge to Municipal Sewers (《污水排入城镇下水道水质标准》) (GB/T 31962-2015)			
Gaozhou Sanhe Animal Husbandry Co., Ltd.	Waste water	Waste water: BOD; COD; ammonia nitrogen; total phosphorus; suspended matter; animal and vegetable oils.	Waste water is treated by solid-liquid separation and the energy eco-model before discharge	Waste water: 1	Waste water: waste water treatment outlet of the environmental protection station	COD: 87mg/L; Ammonia nitrogen: 9.04mg/L; Suspended matter: 54mg/L; pH: 6.29~6.35	Discharge Limits of Water Pollutants of Maoming City (《茂名市水污染物排放限值》) (DB44/56-2003); Pollutant Discharge Standards for Livestock and Poultry Farming Industry (《畜禽养殖业污染物排放标准》) (GB18596-2001);	COD: 3.14t/a; Solid suspended matter: 1.82t/a; Ammonia nitrogen: 0.2t/a; Total nitrogen: 2.52t/a; Total phosphorus: 0.11t/a	COD: 3.14t/a; Suspended matter: 1.82t/a; Ammonia nitrogen: 0.2t/a; Total nitrogen: 2.52t/a; Total phosphorus: 0.11t/a	None
Sichuan Hailinger Biopharmaceutical Co., Ltd.	Waste gas; Waste water	Waste gas: SO ₂ ; NO _x ; CO; particulate matter; flue gas blackness; odor; ammonia gas; hydrogen sulphide; Waste water: COD; ammonia nitrogen; pH; total nitrogen; total phosphorus; chromaticity; suspended matter; animal and vegetable oils; formaldehyde;	Waste water: The domestic waste water is treated by septic tank and mixed with the production waste water into the waste water treatment station, and then enters the municipal sewage pipeline through the industrial park's sewage pipeline after being treated up to the standard. Waste gas: The waste gas generated from the waste water station is treated by washing tower and activated carbon adsorption tower, and	Waste gas: 9; Waste water: 2	Boiler chimney; canteen chimney; outlets of the animal room; general outlet of sewage treatment of the plant	Particulate matter: 2.6mg/m ³ ; SO ₂ : 2mg/m ³ ; CO: 2mg/m ³ ; NO _x : 28mg/m ³ ; flue gas blackness <Grade 1; BOD: 23.8mg/L; Ammonia nitrogen: 5.63; pH: 7.5-7.6; COD: 63mg/L; suspended matter: 4mg/L; formaldehyde: 0.09mg/L; Total phosphorus: 0.36; Total nitrogen: 8.77mg/L;	Emission Standards for Odor Pollutants (《恶臭污染物排放标准》) (GB 14554-93); Emission Standard of Air Pollutants for Boilers for Chengdu (《成都市锅炉大气污染物排放标准》) (DB51/2672-2020); Standard for Fugitive Emission of Volatile Organic Compounds (《挥发性有机物无组织	COD: 2.1t/a; Ammonia nitrogen: 0.26t/a; SO ₂ : 0.035t/a; NO _x : 2.16t/a	COD: 2.1t/a; Ammonia nitrogen: 0.26t/a; SO ₂ : 0.035t/a; NO _x : 2.16t/a	None

		acetonitrile; total residual chlorine (as Cl ₂); total organic carbon; acute toxicity; faecal coliform count/(MPN/L); volatile phenols)	finally discharged at high altitude through the exhaust pipe; the exhaust of air conditioning system of the animal room is discharged through the exhaust pipe after being treated by "Grade 1 high-efficiency filter+activated carbon adsorption"; the boiler exhaust is discharged at high altitude by adopting the low-nitrogen combustion device.				排放控制标准》)(GB 37822-2019); Discharge Standards of Water Pollutants for Pharmaceutical Industry-Biopharmaceutical Category (《生物工程类制药工业水污染物排放标准》)(GB 21907-2008)			
Linxi Haiying Food Co., Ltd.	Waste gas; Waste water	Waste gas: ammonia gas, particulate matter, SO ₂ , NO _x , odor concentration; Waste water, COD, ammonia nitrogen	Waste gas: boiler waste gas is discharged directly through the exhaust pipe after low-nitrogen burner; production odour is discharged after alkali washing and two times of activated carbon adsorption. Waste water: treated by self-built sewage treatment station before entering the town sewage plant for further treatment	Waste gas: 4; Waste water: 1	Waste gas: 2 workshop waste gas outlets, 1 boiler chimney, 1 sewage plant chimney. Waste water: 1 waste water outlet	Particulate matter: 20mg/m ³ ; SO ₂ : 35mg/m ³ ; NO _x : 150mg/m ³ ; BOD: 40mg/L; COD: 100mg/L; Ammonia nitrogen: 20mg/L; pH: 6-8.5mg/L; Animal and vegetable oils: 20mg/L	Emission Standards for Odor Pollutants (《恶臭污染物排放标准》)(GB 14554-93); Discharge Standard of Water Pollutants for Meat Packing Industry (《肉类加工工业水污染物排放标准》)(GB 13457-92); Emission Standard for Industrial Enterprises Noise Boundary (《工业企业厂界环境噪声排放标准》)(GB12348-2008); Standard for Pollution Control on the Storage and Disposal Site for General Industrial Solid Wastes	SO ₂ : 0.288t/a; NO _x : 1.464t/a; COD: 36.24t/a; Ammonia nitrogen: 7.248t/a	SO ₂ : 0.288t/a; NO _x : 1.464t/a; COD: 36.24t/a; Ammonia nitrogen: 7.248t/a	None

							(《一般工业固体废物贮存、处理场污染控制标准》)(GB18599-2001)			
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Treatments of pollutants

During the reporting period, all key pollutant discharging subsidiaries of the Company have been equipped with pollution control facilities, which are maintained regularly to ensure their effective operation. Specifically: (1) waste gas: It is discharged after being reduced the concentration and content of particulate matter, soot, SO₂, NO_x, ammonia, hydrogen sulfide, and odour through processes including limestone desulphurisation, SNCR denitrification, bag de-dusting, deodorant spraying, activated carbon, or deodorization of spray tower; (2) sewage (waste water): It is discharged after being treated to reach the standard through solid-liquid separation, A/O process, AAO process or other processes; (3) solid wastes: Relevant facilities and equipment are equipped to realize harmless and resource-based treatment.

Self-monitoring program for environment

The aforesaid subsidiaries have formulated environmental self-monitoring plans in accordance with the requirements of local environmental protection authorities and contacted qualified monitoring units to conduct self-monitoring on a regular basis. Besides, they disclosed relevant information or filed with local environmental protection authorities as required. The monitoring programmes were all in line with the requirements of the environmental impact assessment and emission standards.

Emergency plan for emergent environmental incidents

During the Reporting Period, in order to implement the Emergency Response Law of the People's Republic of China (《中华人民共和国突发事件应对法》), other relevant laws, regulations and documents, and to prevent, prepare for and respond to environmental emergencies, as well as to protect the lives and reduce property losses, all branches and subsidiaries have formulated contingency plans for environmental protection in accordance with the requirements of local environmental protection authorities and have carried out drills under the contingency plans. Meanwhile, in accordance with the requirements in the Management Measures of Haid Group for Safety and Environmental Protection Emergency Preparation and Response (《海大集团安全环保应急准备和响应管理办法》), the above-mentioned subsidiaries have established a top-down organizational structure for emergency response and allocated personnel and resources, in addition to the formulation of a contingency plan for pollution incidents, to enhance the response to risks and events of different degrees, and strengthen the collaboration between various departments.

Spending on environmental protection and payment of environmental protection tax

During the reporting period, the Company spent nearly RMB 30 million in environmental management and protection and paid environmental protection tax in full in accordance with the law.

Measures taken to reduce carbon emissions during the reporting period and the results

Applicable Not applicable

The Company has proactively explored energy conservation technologies and processes to reduce energy consumption and the relevant emissions leading to climate change. Meanwhile, in recent years, the Company has continued to push forward the energy transformation plans. Clean energies have been utilized in operating sites to reduce the dependence on conventional fossil fuels. For current projects, the Company has widely carried out the phaseout program of coal-fired boilers; the Company monitors and manages the use of gas and electricity, arranges production in a rational manner, and ensures timely maintenance to reduce the waste of energy; and the fermented biogas from farm manure is reused as fuel. For newly-built projects, the Company has allocated natural

gas boilers, biomass boilers, or other environmental protection equipment during the construction phase of these projects. And photovoltaic power generation equipments have been installed as a pilot program to increase the use of clean energy.

Administrative penalties imposed for environmental issues during the reporting period

Name of the company or subsidiary	Reason for penalty	Regulation violated	Penalty	Impact on the Company	Remediation measures
Linxi Haiying Food Co., Ltd.	It violated the provisions of Article 72 of the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution (《中华人民共和国大气污染防治法》)	A large amount of sand and soil is piled up in the open on the site without limited covering measures to prevent dust pollution.	It was instructed to correct the unlawful act and fined RMB 50,000	No significantly adverse impact	Pay fines in full and on time, take effective covering measures, and strengthen personnel education, training and supervision; conduct occasional monitoring and inspection of dust

Other environmental information that should be disclosed

None

Other information on environmental protection

None

II. Fulfillment of Social Responsibility

Please refer to the “Haid Group: Social Responsibility Report 2023” (《海大集团：2023年度社会责任报告》) disclosed by the Company on the media designated for information disclosure.

III. Efforts in Poverty Alleviation and Rural Revitalization

As a responsible privately-held company that is rooted in agriculture, rural areas, and farmers and serves agriculture and animal husbandry, the Company has always adhered to the purpose of “prospering agriculture with science and technology, and facilitating agricultural development with industrial support”, and is playing an active role in rural revitalization. The Company gives full play to the resource advantages across its industrial chain, aims at the three major goals of the modernization of agriculture, the professionalization of farmers and the popularization of agricultural technology, and contributes to rural revitalization with its technologies as a leading feed producer.

For more than 20 years, Haid people have been dedicating themselves to agricultural technology popularization, shuttling through the ponds and pens in the countryside. Leveraging the advantages of a complete industrial chain covering seedlings, feed, biopharmaceuticals, animal farming, etc., as well as the strong R&D and innovation capabilities, Haid Group uses advanced farming concepts, technologies and products to effectively help millions of farmers in a scientific way and increase their income. Through providing agricultural science and technology services for the "last mile", as well as promoting the industrialization of agriculture, the professionalization of farmers and the popularization of agricultural technology, Haid plays its part for rural revitalization.

For further information, please refer to the “Haid Group: Social Responsibility Report 2023” (《海大集团：2023年度社会责任报告》) disclosed by the Company on the media designated for information disclosure.

Section VI. Material Matters

I. Performance of Undertakings

1. Undertakings made by parties involved in undertakings including the Company's actual controller, shareholders, related parties, acquirers and the Company during the reporting period or prior periods but subsisting to the end of the reporting period

Applicable Not applicable

Undertaking	Party involved in undertaking	Types of undertaking	Details of undertaking	Undertaking date	Term of undertaking	Compliance with undertaking
Undertaking made on initial public offering or refinancing	Hua Xue	Undertaking on horizontal competition, related party transaction and capital occupation	1. Mr. Hua Xue guarantees no prejudice to the interests of Haid Group and its other shareholders by virtue of his capacity as the actual controller. 2. Mr. Hua Xue guarantees that, as long as he serves as the actual controller of Haid Group, he and his wholly-owned subsidiaries, controlled subsidiaries and actually controlled companies (except Haid Group) will not engage in business activities that, directly or indirectly, compete with or constitute competitive threat to the principal businesses or major products of Haid Group in any form, including investment, acquisition or merger of companies, enterprises or other economic organizations the principal businesses or major products of which are the same with or similar to those of Haid Group.	27 November 2009	Long term	In strict compliance
	Guangzhou Haihao Investment Co., Ltd.	Undertaking on horizontal competition, related party transaction and capital occupation	1. It guarantees no prejudice to the interests of Haid Group and other shareholders of Haid Group by virtue of its capacity as the controlling controller. 2. Guangzhou Haihao guarantees that, as long as it is the controlling shareholder of Haid Group, it and its wholly-owned subsidiaries, controlled subsidiaries (except Haid Group) and actually controlled companies will not engage in business activities that, directly or indirectly, compete with or constitute competitive threat to the principal businesses or major products of Haid Group in any form, including investment, acquisition or merger of companies, enterprises or other economic organizations the principal businesses or major products of which are the same with or similar to those of Haid Group.	27 November 2009	Long term	In strict compliance
Undertakings related to equity incentives	Guangdong Haid Group Co., Limited	Other undertakings	The Company guarantees no provision of loans, loan guarantees, or financial assistance in other forms to the awardees for acquisition of relevant interests under the 2021 Share Option Incentive Plan of Guangdong Haid Group Co., Limited (《广东海大集团股份有限公司 2021 年股票期权激励计划》).	20 May 2021	From 20 May 2021 to 27 June 2027	In strict compliance
Undertakings made to minority shareholders of the Company	Guangdong Haid Group Co., Limited	Dividend undertaking	The following conditions must be met when the Company implements cash dividends: (1) The Company achieves a profit for the year or half-year and the accumulated distributable profit (i.e. the after-tax profit after making up for losses and setting aside reserve) is positive, the cash flow is sufficient, and the implementation of the cash	9 May 2022	From 9 May 2022 to 8 May 2025	In strict compliance

			dividend will not affect the Company's going-concern ability; (2) The auditor issues a report with an unmodified unqualified audit opinion on the Company's financial statements for the year (if the Company implements an interim dividend, the auditor shall have issued a report with an unmodified unqualified audit opinion on the Company's financial statements for the prior year); (3) The Company has no significant external investment plan or significant cash expenditure within the next 12 months (except for fund-raising projects). A significant investment plan or significant cash expenditure means that the cumulative expenditure on the Company's intended external investment, acquisition of assets or purchase of equipment within the next 12 months reaches or exceeds 30% of the Company's latest audited equity; and (4) There are no other circumstances that the Board of Directors considers inappropriate for cash dividends.			
Other undertakings	Hua Xue, Yingzhuo Xu, Qi Cheng, Jianfang Gui, Jianguo He, Yunguo Liu, Dong Shen, Hua Wang, Yongfang Mu, Guoxiang Liu, Xueqiao Qian, Shaolin Yang, Xiewu Jiang, Guocheng Mi, Zhongzhu Chen, Mingzhong Chen, Jiantao Yang, Jing Wang, and Zhijian Huang	Other undertakings made to minority shareholders of the Company	In compliance with the laws and regulations governing shareholding reductions by directors, supervisors and senior management	27 November 2009	Long term	In strict compliance
	Li Tian	Other undertakings made to minority shareholders of the Company	Undertaking on reduction of shareholding	27 November 2009	From 27 November 2009 to 16 January 2023	Expired
	Jia Chen	Other undertakings made to minority shareholders of the Company	Undertaking on reduction of shareholding	21 August 2013	From 21 August 2013 to 16 January 2023	Expired
	Zhenxiong Qi	Other undertakings made to minority shareholders	Undertaking on reduction of shareholding	27 November 2009	From 27 November 2009 to 8	In strict compliance

		ers of the Company			February 2026	
Whether undertakings performed on time	Yes					
Specific reasons why undertakings were not performed on time and next steps	N/A					

2. Description on the Company's assets and items in meeting original profit forecast and its explanation as there is profit forecast for assets and items of the Company and the reporting period is still within the profit forecast period

Applicable Not applicable

II. Appropriation of Funds of the Company by the Controlling Shareholder and Its Related Parties for Non-Operating Purposes

Applicable Not applicable

There was no appropriation of funds of the Company by the controlling shareholder and its related parties for non-operating purposes during the reporting period.

III. External Guarantees against the Rules and Regulations

Applicable Not applicable

There was no external guarantee provided by the Company which was against the rules and regulations during the reporting period.

IV. Opinions of the Board Regarding the Latest "Modified Audit Report"

Applicable Not applicable

V. Opinions of the Board, the Supervisory Committee and Independent Directors (If Any) Regarding the "Modified Audit Report" for the Reporting Period Issued by the Accountants

Applicable Not applicable

VI. Reason for Changes in Accounting Policies and Accounting Estimates as well as Correction of Major Accounting Errors as Compared to the Financial Report for the Prior Year

Applicable Not applicable

For the changes in accounting policies and accounting estimates as compared to the financial report for the prior year, please refer to Note V, 38 in Section X. "Financial Statements".

VII. Reason for Changes in Scope of the Consolidated Financial Statements as Compared to the Financial Report for the Prior Year

Applicable Not applicable

During the year, the scope of consolidation included 557 subsidiaries, increasing by 52 and reducing by 23 as compared with the last year. For details, please refer to the Note "VII. Interests in Other Entities" in Section X "Financial Statements".

VIII. Engagement or Dismissal of Accounting Firm

Current accounting firm engaged

Name of the domestic accounting firm	Grant Thornton China (Special General Partnership)
Remuneration of the domestic accounting firm (RMB' 0,000)	480
Continued term of service of the domestic accounting firm	5 years
Name of certified public accountants of the domestic accounting firm	Wenyuan Guan, Shuntong Qiu
Continued term of service of certified public accountants of the domestic accounting firm	Wenyuan Guan: 5 years Shuntong Qiu: 1 year
Name of the overseas accounting firm (if any)	N/A
Remuneration of the overseas accounting firm (RMB' 0,000) (if any)	0
Continued term of service of the overseas accounting firm (if any)	N/A
Name of certified public accountants of the overseas accounting firm (if any)	N/A
Continued term of service of certified public accountants of the overseas accounting firm (if any)	N/A

Whether to appoint another accounting firm during the current period

Yes No

Particulars on recruitment of accounting firms, financial consultants or sponsors for internal control and auditing purposes

Applicable Not applicable

During the reporting period, the Company engaged Grant Thornton China (Special General Partnership) as the internal control auditor and paid a total of RMB 1.2 million for the internal control audit.

IX. Delisting Upon Publication of Annual Report

Applicable Not applicable

X. Matters Related to Bankruptcy and Reorganisation

Applicable Not applicable

There was no matter related to bankruptcy and reorganisation during the reporting period.

XI. Material Litigation and Arbitration

Applicable Not applicable

During the reporting period, the Company was not involved in any material litigation and arbitration.

XII. Punishment and Rectification

Applicable Not applicable

There was no punishment and rectification of the Company during the reporting period.

XIII. Credibility of the Company, Its Controlling Shareholder and Actual Controller

Applicable Not applicable

XIV. Significant Related Party Transactions

1. Related party transactions associated with day-to-day operation

Applicable Not applicable

Related party	Related party relationship	Types of the related party transactions	Subject matter of the related party transactions	Pricing basis of the related party transactions	Price of related party transactions	Amount of related party transactions (RMB'0,000)	Percentage as the amount of similar transactions	Amount of transactions approved (RMB'0,000)	Whether exceeding approved cap	Settlement of related party transactions	Market price of available similar transaction	Disclosure date	Disclosure index
Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd. and its branch companies and subsidiaries	Associate	Sales of commodities to the related party	Sales of feed and other products	Market price	The price of each transaction shall be determined by both parties through negotiation based on the uniform market price as quoted externally by the seller at the time of transaction.	8,798.41	0.08%	8,000	Yes	On normal commercial terms or in accordance with relevant agreements	N/A	25 April 2023	Announcement on Day-to-day Related Party Transactions in 2023 (《关于2023年日常关联交易的公告》) (Announcement No. 2023-032) published on 25 April 2023 on the media designated for information disclosure
Foshan Haihang Xingfa Agriculture and Animal Husbandry Development	Associate	Purchase of agricultural products from the related party	Purchase of agricultural products	Market price	The price of each transaction shall be determined by both parties	40.57	0.00%	0	Yes	On normal commercial terms or in accordance with relevant	N/A	25 April 2023	Announcement on Day-to-day Related Party Transactions in 2023 (《关于2023年日常关联

nt Co., Ltd. and its branch companies and subsidiaries					through negotiation based on the uniform market price as quoted externally by the seller at the time of transaction.					agreements			交易的公告》) (Announcement No. 2023-032) published on 25 April 2023 on the media designated for information disclosure
Wujiaqu Tycoon Plant Protein Co., Ltd.	Associate	Purchase of raw materials from or rendering of services to the related party	Purchase of raw materials or rendering of services	Market price	The price of each transaction shall be determined by both parties through negotiation based on the uniform market price as quoted externally by the seller at the time of transaction.	21,433.45	0.20%	21,000	Yes	On normal commercial terms or in accordance with relevant agreements	N/A	25 April 2023	Announcement on Day-to-day Related Party Transactions in 2023 (《关于2023年日常关联交易的公告》) (Announcement No. 2023-032) published on 25 April 2023 on the media designated for information disclosure
Alaer Ruiliheng Biological Protein Co., Ltd.	Associate	Purchase of raw materials from or rendering of services to the related party	Purchase of raw materials or rendering of services	Market price	The price of each transaction shall be determined by both parties through negotiation based on	23,708.03	0.22%	22,000	Yes	On normal commercial terms or in accordance with relevant agreements	N/A	25 April 2023	Announcement on Day-to-day Related Party Transactions in 2023 (《关于2023年日常关联交易的公告》) (Announcement

					the uniform market price as quoted externally by the seller at the time of transaction.							No. 2023-032) published on 25 April 2023 on the media designated for information disclosure	
Vietnam Haid Yingtaogu Farm Co., Ltd. and its branch companies and subsidiaries	Associate	Sales of commodities to the related party	Sales of feed and other products	Market price	The price of each transaction shall be determined by both parties through negotiation based on the uniform market price as quoted externally by the seller at the time of transaction.	8,086.9	0.07%	9,000	No	On normal commercial terms or in accordance with relevant agreements	N/A	25 April 2023	Announcement on Day-to-day Related Party Transactions in 2023 (《关于2023年日常关联交易的公告》) (Announcement No. 2023-032) published on 25 April 2023 on the media designated for information disclosure
Vietnam Haid Yingtaogu Farm Co., Ltd. and its branch companies and subsidiaries	Associate	Purchase of raw materials from the related party	Purchase of raw materials	Market price	The price of each transaction shall be determined by both parties through negotiation based on the uniform market	707.41	0.01%	700	Yes	On normal commercial terms or in accordance with relevant agreements	N/A	25 April 2023	Announcement on Day-to-day Related Party Transactions in 2023 (《关于2023年日常关联交易的公告》) (Announcement No. 2023-032) published on 25 April 2023 on the

					price as quoted externally by the seller at the time of transaction.								media designated for information disclosure
Total				--	--	62,774.77	--	60,700	--	--	--	--	--
Particulars on refund of bulk sale				N/A									
Actual performance of day-to-day transactions to be conducted in the period for which the total transaction amount is estimated by categories during the reporting period (if any)				N/A									
Reasons for large differences between transaction prices and market reference prices (if applicable)				N/A									

2. Related party transactions in connection with purchase or sale of assets or equity interest

Applicable Not applicable

Related party	Related party relationship	Types of the related party transactions	Subject matter of the related party transactions	Pricing basis of the related party transactions	Carrying value of the transferred assets (RMB'0,000)	Valuation of the transferred assets (RMB'0,000)	Transfer price (RMB'0,000)	Settlement of related party transactions	Gain or loss on the transaction (RMB'0,000)	Disclosure date	Disclosure index
Guangzhou Hengjuchang Venture Capital Partners (Limited Partners)	Guangzhou Juchang Investment Co., Ltd., a majority-owned subsidiary of the Company's actual controller, is one of the general partners and the managing partner of the Partnership Fund, holding 0.05% of the Partnership Fund and exerting a material	Equity acquisition	Acquisition of a 49% interest in Guangdong Yiheng Investment Co., Ltd. (hereinafter referred to as "Yiheng Investment")	Determined through negotiation based on the valuation report	35,291.64	37,560.35	37,560.35	In cash	0	1 March 2023	Announcement on the Acquisition of Minority Interests in a Majority-owned Subsidiary, Withdrawal and Dissolution of Partnership Fund

hip) (hereinafter referred to as the "Partnership Fund")	impact on the Partnership Fund. Meanwhile, the Company holds 33.47% of the Partnership Fund and accounts for two of the five members of the Partnership Fund's Investment Decision-making Committee, which exerts a material impact on the Partnership Fund.									& Related Party Transaction (《关于收购控股子公司少数股权、退出并解散合伙基金暨关联交易的公告》) (Announcement No. 2023-015) published on 1 March 2023 on the media designated for information disclosure
Reasons (if any) for any big difference between the transfer price and the carrying value or valuation				N/A						
Impact on the Company's operating results and financial condition				1. The Company's acquisition of 49% equity interests in Yiheng Investment is paid with the Company's own funds, and at present the Company's financial condition is relatively sound. The transaction will not affect the Company's normal operating activities, and will not have a material adverse effect on the Company's current and future financial condition and operating results. 2. The Company's absorption of the pig husbandry business of the Partnership Fund through the equity acquisition is in line with the Company's business development strategy. It can help optimise the allocation of resources, reduce management costs, improve the efficiency of management and operation, and drive the long-term development of the Company, which is in line with the interests of the Company and all its shareholders.						
Fulfilment of performance undertakings during the reporting period if any such undertaking is involved in the transaction above				N/A						

3. Related party transactions connected to joint external investment

Applicable Not applicable

There was no related party transaction of the Company connected to joint external investment during the reporting period.

4. Related creditors' rights and debts transactions

Applicable Not applicable

There were no related creditors' rights and debts of the Company during the reporting period.

5. Transactions with related finance companies

Applicable Not applicable

The Company did not make deposits in, receive loans or credit from and was not involved in any other finance business with any related finance company or any of its related parties.

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

Applicable Not applicable

No related parties made deposits in, received loans or credit from or was involved in any other finance business with any finance company controlled by the Company.

7. Other significant related party transactions

Applicable Not applicable

There were no other significant related party transactions of the Company during the reporting period.

XV. Material Contracts and Implementation

1. Custody, contracting and leasing

(1) Custody

Applicable Not applicable

There was no custody of the Company during the reporting period.

(2) Contracting

Applicable Not applicable

There was no contracting of the Company during the reporting period.

(3) Leasing

Applicable Not applicable

There was no leasing of the Company during the reporting period.

2. Significant guarantees

Applicable Not applicable

Unit: RMB'0,000

External guarantees of the Company and its subsidiaries (excluding guarantees to subsidiaries)										
Name of obligee	Date of the related announcement disclosing the guarantee amount	Amount of guarantee	Guarantee date	Guarantee provided	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Term	Fulfilled or not	Guarantee to related parties or not
Customers (such as farmers and dealers) of subsidiary	13 December 2022	2,000	30 March 2021	763.86	Joint liability guarantee		The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1-3 years	No	No
		1,500	14 May 2020	983.70	Joint liability guarantee		The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1-3 years	No	No
		1,100	6 May 2022	613.10	Joint liability guarantee		The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for	1-3 years	No	No

						goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.			
		20,000	2 January 2023	1,244.14	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		600	4 March 2023	45.00	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		20,000	13 January 2023	23,430.70	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		20,000	4 January 2023	35,045.68	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold	1 year	No	No

						the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.			
		100,000	12 January 2023	105,725.82	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		30,000	3 January 2023	50,080.53	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		40,000	27 March 2023	46,960.33	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		5,000	9 May 2023	4,122.16	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party	1 year	No	No

						provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.			
		2,000	1 December 2023	726.00	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		500	18 April 2023	145.42	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		1,100	1 January 2023	979.57	Joint liability guarantee	The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		500	14 March 2023	545.06	Joint	The spouse of the borrower, any of	1	No	No

					liability guarantee		the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	year		
		500	7 April 2023	39.56	Joint liability guarantee		The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
		1,000	1 January 2023	324.94	Joint liability guarantee		The spouse of the borrower, any of the adult children of the borrower and his/her spouse, and/or any third party provide counter-guarantees; and the Company has the right to withhold the relevant funds (including but not limited to remaining payments for goods and discounts) of the customer for repaying the principal and interest of the customer's overdue loan.	1 year	No	No
Unutilised amount	13 December 2022	27,700								
Total external guarantees approved during the reporting period (A1)		273,500		Total actual external guarantees during the reporting period (A2)		271,775.57				
Total external guarantees approved at the end of the reporting period (A3)		273,500		Total balance of actual external guarantees at the end of the reporting period (A4)		150,749.85				

Guarantees between the Company and its subsidiaries										
Name of obligee	Date of the related announcement disclosing the guarantee amount	Amount of guarantee	Guarantee date	Guarantee provided	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Term	Fulfilled or not	Guarantee to related parties or not
Guangdong Haid International Trade Co., Ltd.	27 October 2017	35,518	13 June 2018	12,040.59	Joint liability guarantee		N/A	7 years	No	No
Guangzhou Yitun Pig Industry Investment Co., Ltd.	29 June 2019	55,700	28 November 2019	46,252.75	Joint liability guarantee		N/A	10 years	No	No
Guangzhou Yitun Pig Industry Investment Co., Ltd.	28 July 2020	80,000	10 September 2020	64,589.20	Joint liability guarantee		N/A	10 years	No	No
Shaoguan Zhenjiang Yitun Ecological Agriculture Co., Ltd.	20 April 2021	17,400	8 January 2022	15,086.01	Joint liability guarantee		N/A	8 years	No	No
Shaoguan Zhenjiang Yitun Ecological Agriculture Co., Ltd.	20 April 2021	19,200	16 March 2022	11,949.60	Joint liability guarantee		N/A	8 years	No	No
Qingyuan Haibei Biotechnology Co., Ltd.	12 April 2022	18,000	29 June 2022	13,733.43	Joint liability guarantee		N/A	10 years	No	No
Guangzhou Yitun Pig Industry Investment Co., Ltd.	12 April 2022	23,000	26 October 2022	13,858.90	Joint liability guarantee		N/A	10 years	No	No
Qingyuan Haid Biotechnology Co., Ltd.	13 December 2022	70	28 December 2022	70.00	Joint liability guarantee		N/A	3 years	No	No
Guangzhou Yitun Pig Industry Investment Co., Ltd.	13 December 2022	30,000	9 January 2023	17,007.40	Joint liability guarantee		N/A	2 years	No	No
Guangzhou Nansha Haishengyuan Aquaculture Technology Co., Ltd.	13 December 2022	200	3 April 2023	200.00	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	2 years	No	No
Qingyuan Haibei	13 December 2022	150	6 June 2023	150.00	Joint		N/A	1	No	No

Biotechnology Co., Ltd.					liability guarantee			year		
Qingyuan Hailong Biotechnology Co., Ltd.	13 December 2022	373	14 June 2023	373.00	Joint liability guarantee		N/A	1 year	No	No
Sihui Haifeng Biological Agriculture Co., Ltd.	13 December 2022	50	22 July 2023	50.00	Joint liability guarantee		N/A	1 year	No	No
China Haida Feed Group (HK) Limited	13 December 2022	15,627.92	20 November 2023	3,136.79	Joint liability guarantee		N/A	1 year	No	No
Pt Haida Biotechnology Indonesia	13 December 2022	3,098.25	20 November 2023	619.65	Joint liability guarantee		N/A	2 years	No	No
Wholly- and majority-owned subsidiaries	13 December 2022	350,000	1 January 2023	139,122.83	Joint liability guarantee		N/A	1 year	No	No
Unutilised amount	13 December 2022	370,430.83								
Total amount of guarantee provided for subsidiaries approved during the reporting period (B1)		770,000.00		Total amount of guarantee provided for subsidiaries during the reporting period (B2)		338,240.15				
Total amount of guarantee provided for subsidiaries approved as at the end of the reporting period (B3)		1,018,818.00		Total balance of guarantee provided for subsidiaries as at the end of the reporting period (B4)		211,402.38				
Guarantees between subsidiaries										
Name of obligee	Date of the related announcement disclosing the guarantee amount	Amount of guarantee	Guarantee date	Guarantee provided	Type of guarantee	Collateral (if any)	Counter-guarantee (if any)	Term	Fulfilled or not	Guarantee to related parties or not
Sheng Long Bio-Tech International Co., Ltd	10 April 2022	14,420.65	28 August 2023	1,007.58	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	3 years	No	No
Shenglong Bio-Tech (India) Private Limited	13 December 2022	1,544.98	13 January 2023	974.92	Joint liability		Minority shareholders provide counter-guarantees for the	1 year	No	No

					guarantee		Company in proportion to their shareholding percentages.			
China Haida Feed Group (HK) Limited	13 December 2022	16,338.28	14 April 2023	13,876.49	Joint liability guarantee		N/A	1 year	Yes	No
Sheng Long Bio-Tech International Co., Ltd	13 December 2022	8,524.32	7 September 2023	1,270.50	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Shenglong Bio-Tech (India) Private Limited	13 December 2022	5,682.88	2 September 2023	1,319.83	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Sheng Long Bio-Tech International Co., Ltd	13 December 2022	10,655.40	28 July 2023	1,056.36	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Thang Long (Vinh Long) Biotech Co., Ltd	13 December 2022	10,094.46	17 November 2023	854.61	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	2 years	No	No
Pt.Haida Agriculture Indonesia	13 December 2022	10,195.78	26 October 2023	3,212.67	Joint liability guarantee		N/A	1 year	No	No
Thang Long (Vinh Long) Biotech Co., Ltd	13 December 2022	7,103.60	30 August 2023	4,334.32	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Hai Duong Haid Company Limited, Binh Dinh Hai Long Co., Ltd, Haid Feed Company Limited, Vinh Long Hai Dai Co., Ltd	13 December 2022	7,103.60	8 September 2023	2,588.93	Joint liability guarantee		N/A	1 year	No	No
Thang Long (Vinh Long) Biotech Co., Ltd	13 December 2022	14,207.20	28 August 2023	210.69	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No

Shenglong Bio-Tech (India) Private Limited	13 December 2022	2,628.33	4 October 2023	613.63	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Binh Dinh Hai Long Co., Ltd	13 December 2022	5,682.88	6 July 2023	3,002.79	Joint liability guarantee		N/A	1 year	No	No
Shenglong Bio-Tech (India) Private Limited	13 December 2022	3,906.98	12 December 2023	1,277.25	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Pt.Haida Agriculture Indonesia	13 December 2022	5,682.88	6 November 2023	2,764.57	Joint liability guarantee		N/A	1 year	No	No
Sheng Long Bio-Tech International Co., Ltd	13 December 2022	19,890.08	2 August 2023	5,761.36	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Vinh Long Hai Dai Co., Ltd	13 December 2022	5,682.88	13 July 2023	3,159.78	Joint liability guarantee		N/A	1 year	No	No
Shenglong Bio-Tech (India) Private Limited	13 December 2022	3,551.80	18 July 2023	1,022	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Shenglong Bio-Tech (India) Private Limited	13 December 2022	1,285.20	16 October 2023	425.75	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Sheng Long Bio-Tech International Co., Ltd	13 December 2022	6,345.09	3 August 2023	1,060.45	Joint liability guarantee		Minority shareholders provide counter-guarantees for the Company in proportion to their shareholding percentages.	1 year	No	No
Nantong Haid Biotechnology Co., Ltd.	12 April 2022	1,800.00	12 April 2022	1,771.44	Joint liability guarantee		N/A	3 years	No	No
Unutilised amount	13 December 2022	163,893.39								

Total amount of guarantee between subsidiaries approved during the reporting period (C1)	310,000.00	Total amount of guarantee between subsidiaries during the reporting period (C2)	51,565.92
Total amount of guarantee between subsidiaries approved as at the end of the reporting period (C3)	326,220.65	Total balance of guarantee between subsidiaries as at the end of the reporting period (C4)	35,360.60
Total amount of guarantee provided (i.e. sum of the above three guarantee amounts)			
Total amount of guarantee approved during the reporting period (A1+B1+C1)	1,353,500.00	Total amount of guarantee approved during the reporting period (A1+B1+C1)	661,581.64
Total amount of guarantee approved as at the end of the reporting period (A3+B3+C3)	1,618,538.65	Total amount of guarantee approved as at the end of the reporting period (A3+B3+C3)	397,512.83
Total amount of guarantee provided (i.e. A4+B4+C4) as % of the equity of the Company			20.23%
Of which:			
Balance of guarantee provided for shareholders, beneficial controllers and its related parties (D)			0
Balance of guarantee directly or indirectly provided for obligors with gearing ratio over 70% (E)			60,037.86
Total amount of guarantee provided in excess of 50% of the equity (F)			0
Total amount of the three kinds of guarantees above (D+E+F)			60,037.86
Explanations on liability to guarantee occurred during the reporting period or possible joint liability for satisfaction for undue guarantee contracts (if any)	During the reporting period, the Company paid a total of RMB 49.1055 million for overdue loans with its guarantee, of which RMB 13.3093 million was collected while it is trying to collect the rest.		
Explanations on provision of guarantee in violation of established procedures	N/A		

Notes: 1. Where the “guarantee date” of a guarantee is earlier than the “date of the related announcement disclosing the guarantee amount”, it is a guarantee that had already been approved at the time of the first occurrence and was extended or renewed in the reporting period.

2. The “guarantee provided” refers to the cumulative guarantee amount in the reporting period, including amounts relating to guarantees provided and then released during the reporting period, and excluding amounts relating to guarantees incurred prior to the reporting period and released during the reporting period.

3. The guarantee amounts provided by subsidiaries for external parties are calculated according to the equity-holding percentages of the Company in those subsidiaries.
4. The foreign-currency guarantees are converted at the middle rate of exchange at the end of the reporting period.

3. Entrusted cash and asset management

(1) Entrusted wealth management

Applicable Not applicable

Entrusted wealth management during the reporting period

Unit: RMB'0,000

Type	Fund source for entrusted wealth management	Amount of entrusted wealth management	Undue balance	Overdue outstanding amount	Impairment allowances for the overdue outstanding amount
Wealth management products of banks	Own funds	101,000	101,000	0	0
Total		101,000	101,000	0	0

Particulars of high risk wealth management products with individual significant amount or low security or poor liquidity

Applicable Not applicable

Unable to recover the principal of entrusted wealth management or other circumstances that may result in impairment

Applicable Not applicable

(2) Entrusted loans

Applicable Not applicable

Overview of entrusted loans during the reporting period

Unit: RMB'0,000

Total entrusted loans	Source	Undue balance	Overdue outstanding amount
2,250	Own funds	750	0

Particulars of high risk wealth entrusted loans with individual significant amount or low security or poor liquidity

Applicable Not applicable

Unable to recover the principal of entrusted loans or other circumstances that may result in impairment

Applicable Not applicable

4. Other material contracts

Applicable Not applicable

The Company did not have any other material contract during the reporting period.

XVI. Other Matters of Significance

Applicable Not applicable

The Company did not have any other matters of significance to be explained during the reporting period.

XVII. Matters of Significance of Subsidiaries of the Company

Applicable Not applicable

Section VII. Share Changes and Shareholder Information

I Share Changes

1. Share Changes

Unit: share

	Before		Increase/decrease in the reporting period (+/-)					After	
	Shares	Percentage (%)	New issue	Shares as dividend converted from retained earnings	Shares as dividend converted from capital reserves	Other	Subtotal	Shares	Percentage (%)
1. Restricted shares	2,666,841	0.16%				-1,477,369	-1,477,369	1,189,472	0.07%
1.1 Shares held by the state									
1.2 Shares held by state-owned juridical persons									
1.3 Shares held by other domestic investors	2,666,841	0.16%				-1,477,369	-1,477,369	1,189,472	0.07%
Of which: shares held by domestic juridical persons									
Shares held by domestic natural persons	2,666,841	0.16%				-1,477,369	-1,477,369	1,189,472	0.07%
1.4 Shares held by foreign investors									
Of which: shares held by foreign juridical persons									
Shares held by foreign									

natural persons									
2. Non-restricted shares	1,658,494,220	99.84 %				4,066,278	4,066,278	1,662,560,498	99.93%
2.1 RMB ordinary shares	1,658,494,220	99.84 %				4,066,278	4,066,278	1,662,560,498	99.93%
2.2 Domestically listed foreign shares									
2.3 Overseas listed foreign shares									
2.4 Other									
3. Total shares	1,661,161,061	100.00 %				2,588,909	2,588,909	1,663,749,970	100.00 %

Reasons for share changes

Applicable Not applicable

1. Based on the shareholdings of the Company's directors, supervisors and senior management in the Company at the end of last year, their tradable shares were recalculated at the beginning of the current year, resulting in changes in their shares in lockup.

2. The locked up shares of directors and supervisors that had resigned before the expiry of their tenures were unlocked during the reporting period, decreasing the restricted shares by 1,477,369 shares and increasing the non-restricted shares by 1,477,369 shares, which had no impact on the total shares of the Company.

3. During the reporting period, the Company convened the Sixth Meeting of the Sixth Board of Directors and the Fifth Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on the Satisfaction of the Exercise Conditions for the First Exercise Period of the First Grant of the 2021 Share Option Incentive Plan (《关于公司2021年股票期权激励计划首次授予第一个行权期行权条件成就的议案》). As such, the awardees of the first grant of the 2021 Share Option Incentive Plan exercised 2,588,909 share options at their own discretion in the first exercise period. Upon this change, the total shares of the Company increased by 2,588,909 shares.

Upon the changes above, the total shares of the Company increased from 1,661,161,061 shares to 1,663,749,970 shares.

Approval of share changes

Applicable Not applicable

1. On 31 January 2023, the Company convened the Sixth Meeting of the Sixth Board of Directors and the Fifth Meeting of the Sixth Supervisory Committee to consider and approve the Proposal on the Satisfaction of the Exercise Conditions for the First Exercise Period of the First Grant of the 2021 Share Option Incentive Plan (《关于公司2021年股票期权激励计划首次授予第一个行权期行权条件成就的议案》). As the exercise conditions were satisfied for the first exercise period of the first grant of the 2021 Share Option Incentive Plan, 3,586 awardees eligible for exercise were agreed to exercise 8,860,712 share options in total at their own discretion in the first exercise period. The independent directors of the Company have expressed their independent opinions on the above matters and the Supervisory Committee of the Company has expressed its supervisory opinions.

2. On 28 June 2023, the Company convened the 11th Meeting of the Sixth Board of Directors and the 10th Meeting

of the Sixth Supervisory Committee to consider and approve the Proposal on the Retirement of Due but Unexercised Share Options in the First Exercise Period of the 2021 Share Option Incentive Plan (《关于注销2021年股票期权激励计划第一个行权期到期未行权股票期权的议案》)。As the first exercise period for the first grant of the 2021 Share Option Incentive Plan had expired and the awardees exercised a total of 2,588,909 share options at their own discretion, the Company intended to retire the 6,271,803 due but unexercised share options in the first exercise period of the first grant.

Transfer of share ownership

Applicable Not applicable

Effects of share changes on the basic earnings per share, diluted earnings per share, equity per share attributable to the ordinary shareholders of the parent company and other financial indicators of the prior year and the prior period, respectively

Applicable Not applicable

For the effects of share changes on the basic earnings per share, diluted earnings per share, equity per share attributable to the ordinary shareholders of the parent company and other financial indicators of the prior year and the prior period, respectively, see “VI. Major accounting data and financial indicators” in “Section II”.

Other information that the Company considers necessary or is required by the securities regulator to be disclosed

Applicable Not applicable

2. Change in Restricted Shares

Applicable Not applicable

Unit: share

Shareholder	Opening restricted shares	Increased in Reporting Period	Unlocked in Reporting Period	Closing restricted shares	Reason for lockup	Date of unlocking
Certain directors and senior management of the Company	1,189,472	0	0	1,189,472	Shares of senior management that were in lockup	N/A
Former directors and supervisors of the Company	1,477,369	0	1,477,369	0	N/A	17 January 2023
Total	2,666,841	0	1,477,369	1,189,472	--	--

II. Issuance and Listing of Securities

1. Securities (Exclusive of Preferred Shares) issued in the reporting period

Applicable Not applicable

2. Change in Total Shares, Shareholder Structure and Asset and Liability Structures

Applicable Not applicable

As the exercise conditions were satisfied for the first exercise period of the first grant of the 2021 Share Option Incentive Plan (Revised) (《2021年股票期权激励计划(修订稿)》), during the reporting period, the awardees of the first grant of the 2021 Share Option Incentive Plan exercised 2,588,909 share options at their own discretion in the first exercise period. Upon this change, the total shares of the Company increased by 2,588,909 shares.

The above change in the total shares of the Company did not give rise to a change in the actual control of the Company.

3. Existing Staff-Held Shares

Applicable Not applicable

III. Shareholders and Actual Controller

1. Shareholders and Their Shareholdings at the Period-End

Unit: share

Ordinary shareholders at the period-end	23,617	Ordinary shareholders at the month-end prior to the disclosure of this Report	23,076	Preferred shareholders with resumed voting rights at the period-end (if any) (see note 8)	0	Preferred shareholders with resumed voting rights at the month-end prior to the disclosure of this Report (if any) (see note 8)	0	
5% or greater shareholders or top 10 shareholders (exclusive of shares lent in refinancing)								
Name of shareholder	Nature of shareholder	Shareholding percentage at period-end (%)	Shares	Change during Reporting Period	Restricted shares	Non-restricted shares	Pledged, marked or frozen shares	
							Status	Shares
Guangzhou Haihao Investment Co., Ltd.	Domestic non-state-owned juridical person	54.73%	910,589,359	0	0	910,589,359	Pledged	51,663,000
Hong Kong Securities Clearing Company Ltd.	Foreign juridical person	7.15%	118,918,787	36,017,633	0	118,918,787	N/A	0
Industrial and Commercial Bank of China – Invesco Great Wall Newly Growth Mixed Securities Investment Fund	Other	2.58%	42,999,933	0	0	42,999,933	N/A	0
Abu Dhabi Investment Authority	Foreign juridical person	0.96%	16,019,780	4,956,711	0	16,019,780	N/A	0
Bank of China – Invesco Great Wall	Other	0.96%	15,999,899	0	0	15,999,899	N/A	0

Dingyi Mixed Securities Investment Fund (LOF)								
National Social Security Fund Portfolio 104	Other	0.65%	10,734,559	-785,739	0	10,734,559	N/A	0
China Zheshang Bank Co., Ltd. – Guotai China Securities Animal Husbandry Traded Open-ended Index Securities Investment Fund	Other	0.63%	10,443,513	4,437,376	0	10,443,513	N/A	0
Guangdong Haid Group Co., Limited – The 2023 Employee Stock Ownership Plan	Other	0.62%	10,272,108	10,272,108	0	10,272,108	N/A	0
National Social Security Fund Portfolio 106	Other	0.48%	8,054,832	383,500	0	8,054,832	N/A	0
Penghua Fund – China Life Insurance Company Limited – Dividend Insurance – Penghua Fund China Life Growth Stock Portfolio Single Asset Management Plan (available for sale)	Other	0.39%	6,506,817	1,549,400	0	6,506,817	N/A	0
Strategic investor or general juridical person becoming top-10 shareholder due to placing of new shares (if any) (see note 3)	N/A							
Related or acting-in-concert parties among shareholders above	Among the top 10 shareholders above, the first shareholder is the controlling shareholder of the Company, which is neither a related party nor an acting-in-concert party to the other shareholders. It is unknown whether there is, among the other shareholders, any acting-in-concert party as defined in the Administrative Measures On Acquisition Of Listed Companies (《上市公司收购管理办法》) or							

	any related party.		
Explain if any of the shareholders above was involved in entrusting/being entrusted with voting rights or waiving voting rights	N/A		
Special securities account for repurchased shares among the top 10 shareholders (see note 10) (if any)	At the end of the reporting period, the balance of the special securities account for repurchased shares of Guangdong Haid Group Co., Limited was 6,779,700 shares, which was not among the top 10 shareholders.		
Top 10 non-restricted shareholders			
Name of shareholder	Non-restricted shares held at period-end	Type of shares	
		Type	Shares
Guangzhou Haihao Investment Co., Ltd.	910,589,359	RMB ordinary stock	910,589,359
Hong Kong Securities Clearing Company Ltd.	118,918,787	RMB ordinary stock	118,918,787
Industrial and Commercial Bank of China – Invesco Great Wall Newly Growth Mixed Securities Investment Fund	42,999,933	RMB ordinary stock	42,999,933
Abu Dhabi Investment Authority	16,019,780	RMB ordinary stock	16,019,780
Bank of China – Invesco Great Wall Dingyi Mixed Securities Investment Fund (LOF)	15,999,899	RMB ordinary stock	15,999,899
National Social Security Fund Portfolio 104	10,734,559	RMB ordinary stock	10,734,559
China Zhesang Bank Co., Ltd. – Guotai China Securities Animal Husbandry Traded Open-ended Index Securities Investment Fund	10,443,513	RMB ordinary stock	10,443,513
Guangdong Haid Group Co., Limited – The 2023 Employee Stock Ownership Plan	10,272,108	RMB ordinary stock	10,272,108
National Social Security Fund Portfolio 106	8,054,832	RMB ordinary stock	8,054,832
Penghua Fund – China Life Insurance Company Limited – Dividend Insurance – Penghua Fund China Life Growth Stock Portfolio Single Asset Management Plan (available for sale)	6,506,817	RMB ordinary stock	6,506,817
Related or acting-in-concert parties among top 10 non-restricted ordinary shareholders, as well as between top 10 non-restricted ordinary shareholders and top 10 ordinary shareholders	Among the top 10 shareholders above, the first shareholder is the controlling shareholder of the Company, which is neither a related party nor an acting-in-concert party to the other shareholders. It is unknown whether there is, among the other shareholders, any acting-in-concert party as defined in the Measures for Administration of Takeover of Listed Companies (《上市公司收购管理办法》) or any related party.		
Top 10 ordinary shareholders conducting securities margin trading (see note 4) (if any)	N/A		

Top 10 shareholders involved in refinancing shares lending:

Applicable Not applicable

Unit: share

Top 10 shareholders involved in refinancing shares lending								
Full name of shareholder	Shares in the ordinary account and credit account at the period-beginning		Shares lent in refinancing and not yet returned at the period-beginning		Shares in the ordinary account and credit account at the period-end		Shares lent in refinancing and not yet returned at the period-end	
	Total shares	As % of total	Total shares	As % of total	Total shares	As % of total share	Total shares	As % of total share

		share capital		share capital		capital		capital
China Zheshang Bank Co., Ltd. — Guotai China Securities Animal Husbandry Traded Open-ended Index Securities Investment Fund	6,006,137	0.36%	11,000	0.00066%	10,443,513	0.63%	42,100	0.0025%

Changes in top 10 shareholders compared with the prior period

Applicable Not applicable

Indicate whether any of the top 10 ordinary shareholders or the top 10 non-restricted ordinary shareholders of the Company conducted any promissory repo during the reporting period

Yes No

No such cases in the reporting period.

2. Controlling Shareholder

Nature of controlling shareholder: Controlled by a natural person

Type of controlling shareholder: Juridical person

Name of controlling shareholder	Legal representative/person in charge	Date of establishment	Unified social credit code	Main business scope
Guangzhou Haihao Investment Co., Ltd.	Hua Xue	27 September 2006	91440113793877530G	Investment with self-owned capital; wholesale of commodities (excluding commodities that require a permit or approval document to trade); retail sales of commodities (excluding commodities that require a permit or approval document to trade); import and export of commodities (excluding commodities restricted to specific parties); and import and export of technologies
Shareholdings of the controlling shareholder in other controlled or non-controlled listed companies at home or abroad during the Reporting Period	N/A			

Change of the controlling shareholder during the reporting period

Applicable Not applicable

No such cases in the reporting period.

3. Actual Controller

Nature of actual controller: Domestic natural person

Type of actual controller: Natural person

Name of actual controller	Relationship with actual	Nationality	Right of residence in other
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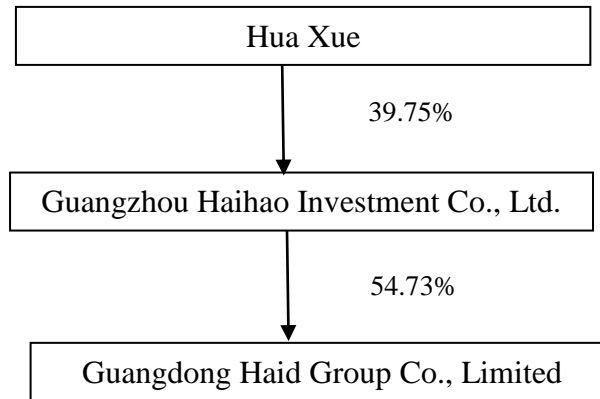
	controller		countries or regions
Hua Xue	Himself	Chinese	None
Main office titles	Chairman of the Board, and President (General Manager)		
Used-to-be-holding listed companies at home and abroad in past 10 years	N/A		

Change of the actual controller during the reporting period

Applicable Not applicable

No such cases in the reporting period.

Ownership and control relations between the actual controller and the Company



Indicate whether the actual controller controls the Company via trust or other ways of asset management

Applicable Not applicable

4. Indicate whether the cumulative shares of the controlling shareholder or the largest shareholder and their acting-in-concert parties that are in pledge account for 80% or greater of their shareholdings in the Company

Applicable Not applicable

5. Other 10% or Greater Juridical-Person Shareholders

Applicable Not applicable

6. Holdings of the Company's Controlling Shareholder, Actual Controller, Reorganizer and Other Commitment Makers under Restricted Sales Condition

Applicable Not applicable

IV. Share Repurchases during the Reporting Period

Implementation progress of any share repurchase

Applicable Not applicable

Disclosure date of the	Number of shares to be	As a percentage	Amount to be used	Repurchase period	Purpose	Number of shares	Shares repurchased as
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plan	repurchased (share)	of the total share capital	(RMB'0,000)			repurchased (share)	a percentage of the total underlying shares of the equity incentive plan (if any)
1 November 2023	5,454,545 to 9,090,909	0.33% to 0.55%	30,000 to 50,000	No more than three months of the date of the approval of the share repurchase plan by the Board of Directors	Equity incentive plan and/or employee stock ownership plan	6,779,661	

Note: As of 31 January 2024, the share repurchase plan expired. The Company cumulatively repurchased 6,779,661 shares (or 0.41% of the Company's total share capital) on the open market, which are deposited in its special account for repurchased shares. The total transaction amount was RMB 300,057,977.88 (exclusive of transaction costs), which is between the lower limit and the upper limit of the total amount stated in the repurchase plan. As such, the implementation of the repurchase plan has been completed.

Implementation progress of any reduction of the repurchased shares on the open market

Applicable Not applicable

Section VIII. Preferred Shares

Applicable Not applicable

No preferred shares in the reporting period.

Section IX. Bonds

Applicable Not applicable

Section X. Financial Statements

Independent Auditors Report

Audit Opinion	Unmodified unqualified audit opinion
Audit Report Sign-off Date	April 19 th , 2024
Audit Institution Name	Grant Thornton China (Special General Partnership)
Audit Report Number	GTCNSZ (2024) NO. 440A012712
Name of Certified Public Accountant	Wenyuan Guan, Shuntong Qiu

To the Shareholders of Guangdong Haid Group Co., Limited,

I. Opinion

We have audited the financial statements of Guangdong Haid Group Co., Limited (the “Company”), which comprise the consolidated balance sheet as at December 31, 2023, and the consolidated income statement, consolidated statement of changes in shareholders’ equity and consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and the Company’s financial position as at December 31, 2023, and the consolidated and the Company’s financial performance and cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises.

II. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statement* section of our report. We are independent of the Company in accordance with the Code of Ethics for Chinese Certified Public Accountant (the “Ethics Code”) together with the ethical requirements that are relevant to our audit of the financial statements, and we fulfilled our other ethical responsibilities in accordance with these requirements and the Ethics Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Key audit matters

The key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements of the current period. These matters are 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 these matters.

(I) Revenue Recognition

Please refer to Note III. 29 and Note V. 53 in the Notes to the Financial Statements for the disclosure of revenue recognition.

1. Description

The Company is mainly engaged in feed production and sales. In 2023, the Company’s operating revenue was RMB116,117.17 million. We identified revenue recognition as a key audit matter because operating revenue is one of the Company’s key performance indicators, and there is an inherent risk that management may manipulate the timing of revenue recognition to achieve specific goals or expectations.

2. How Our Audit Addressed the Key Audit Matter

(1) We understood and evaluated the design effectiveness of internal controls related to revenue recognition. We tested the operation effectiveness of key internal controls.

(2) We carried out a spot check on significant sales contracts to analyze whether the identification of performance obligations, the allocation of transaction prices and the determination on when the transfer of control of the related goods or services were in line with the business model of the Company and complied with the accounting standards for business enterprises;

(3) We performed analytical procedures to assess the reasonableness of changes in revenue and gross margin; examined the monthly average sales price of the Company's major products, and compared it with the data in the prior period;

(4) We obtained the archival information of the new significant customers, searched their relevant information through public channels and conducted assessment on whether they were related parties of the Company.

(5) To test the authenticity and completeness of revenue, we inspected the supporting documents related to revenue recognition, including extracting sales statements to review the related sales contracts, delivery notes, bills of lading, weighing notes, bank receipts, and monthly customer sales statements. We verified and analyzed the sales data in the Company's logistics system and financial system.

(6) To evaluate the accuracy and completeness of revenue, we performed confirmation procedures on revenue.

(7) We performed revenue cut-off testing as of the balance sheet date in conjunction with inventory observation procedures to evaluate whether revenue was recognized in the appropriate period.

(II) Expected Credit Losses on Accounts Receivable

Please refer to Note III. 11 (6) and Note V. 4 in the Notes to the Financial Statements for the disclosure of expected credit losses on accounts receivable.

1. Description

As of December 31, 2023, the balance of the Company's accounts receivable was RMB2,056.71 million, including provision of bad and doubtful debts of RMB370.55 million. The Company's management assessed the expected credit losses on accounts receivable individually and collectively based on the consideration of past events, current situations and predictions of future economic conditions. Except for accounts receivable with provision of bad and doubtful debts made individually, the management classified the accounts receivable into corresponding portfolios based on similar credit risk characteristics. For accounts receivable classified into portfolios, the management prepared comparison table of the accounts receivable aging and expected credit loss rate based on the historical credit losses in conjunction with the current situation and predictions of future economic conditions, and calculated the expected credit losses.

We identified expected credit losses on accounts receivable as a key audit matter because the Company involved significant accounting estimate and judgment in making the expected credit losses on accounts receivable, and the impact was significant.

2. How Our Audit Addressed the Key Audit Matter

(1) We understood and evaluated the design effectiveness of internal controls related to expected credit losses on accounts receivable. We tested the operation effectiveness of key internal controls.

(2) For accounts receivable that were measured expected credit losses based on portfolio of credit risk characteristics, we evaluated the appropriateness of portfolio classification, reviewed the appropriateness of the historical losses rate and prospective adjustment calculated based on the migration rate model, reviewed if the expected credit losses were adequate.

(3) We selected samples based on the distribution of accounts receivable as at balance sheet date and the revenue in the current year to perform confirmation procedure on accounts receivable. We compared the confirmation result against the Company's book records.

(4) For accounts receivables with significant balance as at balance sheet date or with long aging, we selected samples to examine customers' operation situation, historical payment records and subsequent payments after the balance sheet date.

(III) Inventory Provision

Please refer to Note III. 13 and Note V.7 in the Notes to the Financial Statements for disclosure of inventory provision.

1. Description

As of December 31, 2023, the balance of the Company's inventory was RMB9,935.86 million, which accounted for 22.20% of the total assets, with an inventory provision of RMB66.92 million. The Company measured its inventories at the lower of cost and net realizable value. Net realizable value is the estimated selling price less the

estimated costs to completion, estimated selling expenses and relevant tax expenses. The Company used the conclusive evidence obtained as the basis, in conjunction with the consideration of the purpose of holding the inventories and the impact of subsequent events after the balance sheet date to determine the net realizable value.

We identified inventory provision as a key audit matter because the inventory balance was significant as at December 31, 2023 and it involved management's significant judgment in determining the net realizable value.

2. How Our Audit Addressed the Key Audit Matter

- (1) We understood, evaluated and tested the design and operation effectiveness of internal controls related to inventory.
- (2) We performed inventory observation procedures to inspect the inventory quantity and condition.
- (3) We obtained the inventory provision calculation schedule, tested for inventory provision and analyzed if the inventory provision was adequate.
- (4) We obtained the inventory list as at December 31, 2023. We performed analytical review on inventories with long aging in conjunction with the inventory condition and evaluated the appropriateness of inventory provision.
- (5) For inventory provision accrued in prior year, we inspected its movement in the current period.
- (6) For products with available open market price, we selected samples to perform independent research and compared the open market price with the Company's estimated sales price. For products without available open market price, we compared the Company's estimated sales price against their latest actual sales price or actual sales price in the subsequent period or actual sales price of similar products, to evaluate if the inventory provision was adequate.

IV. Other Information

The Company's management is responsible for the other information. The other information comprises all of the information included in the Company's 2023 Annual Report other than the financial statements and our auditor's report thereon.

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

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

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

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

The Company's management is responsible for the preparation of the financial statements that give a fair view in accordance with the Accounting Standards for Business Enterprises, and for designing, implementing and maintaining such internal control as the management determines is 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, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

VI. Auditor's Responsibilities for Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. 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 these financial statements.

As part of an audit in accordance with 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (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) Concluded on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we concluded that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, further events or conditions may cause the Company to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Consolidated and Company Balance Sheet					
As at December 31, 2023					
Prepared by: Guangdong Haid Group Co., Limited					Expressed in RMB
Item	Note V	As at 31/12/2023		As at 31/12/2022	
		Consolidated	Company	Consolidated	Company
Current assets:					
Cash at bank and on hand	1	5,476,452,778.79	3,234,318,586.60	2,260,586,666.69	940,680,982.06
Held-for-trading financial assets	2	1,286,752,498.95	505,326,164.35	699,942,009.75	140,046,696.58
Notes receivable	3	12,321,522.00	-	6,901,604.04	-
Accounts receivable	4	2,056,713,658.36	23,452.94	1,952,007,881.05	11,689.37
Accounts receivable financing		-	-	-	-
Prepayments	5	743,154,926.15	396,515.66	1,787,282,249.33	579,408.35
Other receivables	6	957,972,560.29	11,769,046,063.77	1,322,999,051.80	13,125,884,408.71
Including: Interest receivables		-	-	-	-
Dividend receivables		-	-	-	-
Inventories	7	9,935,863,743.13	63,607,408.77	12,625,081,651.36	73,105,356.19
Contract assets		-	-	-	-
Assets held-for-sale	8	596,427.47	596,427.47	-	-
Non-current assets due within one year	9	8,971,921.24	-	14,925,889.24	-
Other current assets	10	426,725,263.07	13,385,024.08	547,868,773.12	17,978,079.59
Total current assets		20,905,525,299.45	15,586,699,643.64	21,217,595,776.38	14,298,286,620.85

Non-current assets:					
Debt investments	11	-	-	1,137.46	-
Loans and advances to customers	12	689,500.00	-	1,866,871.63	-
Other debt investments		-	-	-	-
Long-term receivables	13	177,005,523.56	18,238,885.23	122,919,270.52	4,057,623.02
Net asset of defined benefit plans		-	-	-	
Long-term equity investments	14	216,673,525.00	10,977,958,460.08	315,182,888.17	9,503,410,059.09
Investments in other equity instruments		-	-	-	-
Other non-current financial assets	15	248,683,611.24	233,809,624.13	266,944,754.12	234,323,404.12
Investment properties	16	29,823,321.44	22,171,626.54	26,856,587.98	16,451,045.11
Fixed assets	17	16,393,917,170.28	343,886,373.06	14,933,452,189.00	349,536,896.34
Construction in progress	18	687,708,201.87	10,544,336.34	1,377,352,318.21	10,974,762.07
Productive biological assets	19	446,629,879.99	-	508,797,577.91	-
Right-of-use assets	20	2,360,221,694.26	65,331,506.40	2,371,772,104.05	78,994,932.58
Intangible assets	21	1,766,150,810.90	116,227,002.84	1,619,499,215.41	108,467,858.26
Development costs	22	30,107,986.40	20,264,774.70	18,906,101.80	11,249,408.77
Goodwill	23	344,823,501.92	-	334,221,712.90	-
Long-term deferred expenses	24	191,164,152.91	46,541,076.86	183,399,413.62	56,545,699.61
Deferred tax assets	25	673,449,861.92	4,362,774.63	978,549,995.90	175,491,870.17
Other non-current assets	26	274,161,734.47	3,219,336.96	193,070,520.82	2,305,492.36

Total non-current assets		23,841,210,476.16	11,862,555,777.77	23,252,792,659.50	10,551,809,051.50
Total assets		44,746,735,775.61	27,449,255,421.41	44,470,388,435.88	24,850,095,672.35

Consolidated and Company Balance Sheet (continued)					
As at December 31, 2023					
Prepared by: Guangdong Haid Group Co., Limited					Expressed in RMB
Item	Note V	As at 31/12/2023		As at 31/12/2022	
		Consolidated	Company	Consolidated	Company
Current liabilities:					
Short-term loans	28	1,396,136,213.00	846,961,821.29	2,910,809,252.56	1,980,915,497.76
Held-for-trading financial liabilities	29	22,203,844.99	3,461,597.27	46,533,780.00	-
Notes payable	30	5,897,614,880.98	5,897,614,880.98	3,502,208,518.33	3,483,994,854.13
Accounts payable	31	4,743,294,500.05	48,268,851.32	5,341,179,436.25	82,730,889.60
Advances from customers	32	5,483,153.55	499,559.00	3,922,795.42	-
Contract liabilities	33	1,922,213,731.37	8,197.00	1,720,519,173.21	2,502.68
Employee benefits payable	34	1,682,599,689.54	262,545,916.61	1,409,612,399.69	237,317,153.86
Taxes payable	35	259,879,934.08	17,574,898.64	210,828,446.34	1,727,986.15
Other payables	36	839,176,371.57	6,278,036,424.91	468,736,318.76	5,550,345,198.70
Including: Interest payables		-	-	-	-
Dividend payables		3,886,356.36	-	3,279,944.00	-
Liabilities held-for-sale		-	-	-	-
Non-current liabilities due within one year	37	1,055,201,514.58	446,022,586.19	1,258,497,814.94	408,932,927.51
Other current liabilities	38	610,875,764.75	42,865,048.54	559,698,472.24	44,795,850.36
Total current liabilities		18,434,679,598.4	13,843,859,781.7	17,432,546,407.7	11,790,762,860.7

		6	5	4	5
Non-current liabilities:					
Long-term loans	39	3,027,758,789.71	1,528,463,333.25	5,066,407,199.42	1,686,643,333.29
Debentures payable		-	-	-	-
Lease liability	40	1,619,548,546.37	43,379,402.68	1,610,426,421.30	53,395,046.47
Long-term payables	41	65,410,255.77	-	53,910,873.61	-
Long-term employee benefits payable	42	113,458,359.73	18,148,364.39	192,958,628.79	25,570,358.38
Provisions		-	-	-	-
Deferred income	43	334,812,148.89	27,601,511.96	299,528,716.40	13,692,868.54
Deferred tax liabilities	25	185,756,499.56	-	454,591,103.02	57,101,913.92
Other non-current liabilities	44	53,994,651.73	26,000,000.00	145,885.76	-
Total non-current liabilities		5,400,739,251.76	1,643,592,612.28	7,677,968,828.30	1,836,403,520.60
Total liabilities		23,835,418,850.22	15,487,452,394.03	25,110,515,236.04	13,627,166,381.35
Share capital	45	1,663,749,970.00	1,663,749,970.00	1,661,161,061.00	1,661,161,061.00
Other equity instruments		-	-	-	-
Capital reserve	46	5,415,541,083.59	5,799,984,845.21	5,300,061,077.97	5,514,740,565.56
Less: Treasury stock	47	1,092,402,857.64	1,092,402,857.64	792,321,152.16	792,321,152.16
Other comprehensive income	48	299,040,374.31	-	300,049,768.45	-
Specific reserve	49	398,575.53	-	-	-
Surplus reserve	50	831,874,985.00	831,874,985.00	830,580,530.50	830,580,530.50

General risk provision	51	2,599,780.20	-	4,834,904.00	-
Retained earnings	52	12,526,305,153.20	4,758,596,084.81	10,528,173,146.82	4,008,768,286.10
Total equity attributable to shareholders of the parent company		19,647,107,064.19	11,961,803,027.38	17,832,539,336.58	11,222,929,291.00
Non-controlling interests		1,264,209,861.20	-	1,527,333,863.26	-
Total shareholders' equity		20,911,316,925.39	11,961,803,027.38	19,359,873,199.84	11,222,929,291.00
Total liabilities and shareholders' equity		44,746,735,775.61	27,449,255,421.41	44,470,388,435.88	24,850,095,672.35
Legal representative: Xue Hua	Person in charge of accounting function:		Yang Shaolin	Person in charge of accounting department:	Yang Shaolin

Consolidated and Company Income Statement					
	For the year ended December 31, 2023				
Prepared by: Guangdong Haid Group Co., Limited					Expressed in RMB
Item	Note V	2023		2022	
		Consolidated	Company	Consolidated	Company
I. Operating income	53	116,117,168,742.97	2,939,482,749.35	104,715,417,485.92	2,753,351,923.94
Less: Operating costs	53	106,280,618,465.68	1,276,307,830.79	95,003,580,100.23	1,294,200,413.90
Taxes and surcharges	54	138,554,646.26	4,375,510.48	123,268,230.68	3,189,607.60
Selling and distribution expenses	55	2,259,143,012.20	-	1,980,987,068.23	-
General and administrative expenses	56	2,616,739,147.40	464,769,331.78	2,583,815,226.76	575,656,719.91
Research and development expenses	57	784,880,414.03	241,409,129.02	711,235,490.13	255,946,726.08
Financial expenses	58	512,506,390.25	-	596,764,082.61	146,949,767.09
Including: Interest expenses		434,808,591.01	276,928,794.58	493,321,918.85	305,062,363.63
Interest income		64,284,395.34	438,752,390.96	47,519,969.08	169,978,618.36
Add: Other income	59	112,638,285.79	11,701,376.58	143,078,404.03	12,420,501.60
Investment income ("-" for losses)	60	245,645,976.16	522,317,030.64	267,121,175.54	999,748,728.07
Including: Income from investment in associates and joint ventures		49,850,706.07	-	47,855,406.41	1,276,430.90
Income from derecognition of financial assets measured at amortized cost ("-" for losses)		521,219.60	-	1,262,095.66	-

Net exposure hedge income ("-" for losses)		-	-	-	-
Gains from changes in fair value ("-" for losses)	61	- 15,159,408.90	2,146,686.33	- 25,949,112.55	- 18,020,717.76
Credit impairment losses ("-" for losses)	62	- 197,850,781.23	1,258,597.80	- 151,825,135.93	- 602,942.23
Impairment losses ("-" for losses)	63	- 121,219,210.22	- 8,112,320.66	- 51,868,678.48	- 633,989.93
Gains from assets disposal ("-" for losses)	64	3,014,883.68	- 2,938,420.39	6,722,883.81	131,366.61
II. Operating profit ("-" for losses)		3,551,796,412.43	1,634,119,851.23	3,903,046,823.70	1,470,451,635.72
Add: Non-operating income	65	65,367,813.81	21,754.90	43,855,867.05	338,059.83
Less: Non-operating expenses	66	99,011,582.34	2,652,944.26	124,178,162.07	28,775,531.93
III. Profit before income tax ("-" for losses)		3,518,152,643.90	1,631,488,661.87	3,822,724,528.68	1,442,014,163.62
Less: Income tax expenses	67	646,637,019.68	136,301,370.76	654,057,118.40	96,887,716.69
IV. Net profit for the year ("-" for losses)		2,871,515,624.22	1,495,187,291.11	3,168,667,410.28	1,345,126,446.93
(I) Classification according to operation continuity					
Including: Net profit from continuing operations ("-" for net loss)		2,871,515,624.22	1,495,187,291.11	3,168,667,410.28	1,345,126,446.93
Net profit from discontinued operations ("-" for net loss)		-	-	-	-
(II) Attributable to:					
Including: Shareholders of the parent company ("-" for net loss)		2,741,256,374.98	1,495,187,291.11	2,957,330,734.56	1,345,126,446.93

Non-controlling interests ("-" for net loss)		130,259,249.24	-	211,336,675.72	-
V. Other comprehensive income, net of tax		- 8,102,486.23	-	435,781,170.46	-
Other comprehensive income (net of tax) attributable to shareholders of the parent company		- 1,009,394.14	-	444,747,944.05	-
(I) Items that will not be reclassified to profit or loss		-	-	-	-
(II) Items that may be reclassified to profit or loss		- 1,009,394.14	-	444,747,944.05	-
1. Cash flow hedging reserves		14,324,188.55	-	343,105,696.10	-
2. Translation differences arising from translation of foreign currency financial statements		- 15,333,582.69	-	101,642,247.95	-
Other comprehensive income (net of tax) attributable to non-controlling interests		- 7,093,092.09	-	- 8,966,773.59	-
VI. Total comprehensive income for the year		2,863,413,137.99	1,495,187,291.11	3,604,448,580.74	1,345,126,446.93
Attributable to shareholders of the parent company		2,740,246,980.84	1,495,187,291.11	3,402,078,678.61	1,345,126,446.93
Attributable to non-controlling interests		123,166,157.15	-	202,369,902.13	-
VII. Earnings per share					
1. Basic earnings per share		1.66		1.79	
2. Diluted earnings per share		1.66		1.79	
Legal representative: Xue Hua	Person in charge of accounting function:	Yang Shaolin	Person in charge of accounting department:	Yang Shaolin	

Consolidated and Company Cash Flow Statement					
For the year ended December 31, 2023					
Prepared by: Guangdong Haid Group Co., Limited				Expressed in RMB	
Item	Note V	2023		2022	
		Consolidated	Company	Consolidated	Company
I. Cash flows from operating activities					
Cash received from sales of goods and rendering of services		117,485,829,661.53	3,016,767,869.58	105,515,366,873.92	1,611,001,116.36
Cash received from interest, handling fee and commission		66,569,305.40	-	52,471,775.44	-
Refund of taxes		29,563,190.49	620,671.66	46,778,969.55	27,784.87
Net decrease in loans and advances to customers		128,871,293.50	-	273,826,418.39	-
Cash received from other operating activities	68	1,365,246,170.40	142,888,112,079.35	1,071,481,974.47	129,205,998,725.34
Sub-total of cash inflows from operating activities		119,076,079,621.32	145,905,500,620.59	106,959,926,011.77	130,817,027,626.57
Cash paid for goods and services		97,219,238,071.90	703,342,161.19	91,539,931,901.86	532,862,166.40
Net increase in loans and advances to customers		-	-	-	-
Cash paid to and on behalf of employees		5,650,761,173.21	584,376,460.25	5,028,206,028.20	577,404,969.85
Taxes payments		974,104,444.25	33,761,063.13	951,951,549.79	4,884,596.67
Cash paid for other operating activities	68	2,533,601,232.42	138,778,643,177.40	2,621,942,281.01	127,287,775,456.69
Sub-total of cash outflows for operating		106,377,704,921.7	140,100,122,861.9	100,142,031,760.8	128,402,927,189.6

activities		8	7	6	1
Net cash flows from operating activities		12,698,374,699.54	5,805,377,758.62	6,817,894,250.91	2,414,100,436.96
II. Cash flows from investing activities					
Cash received from disposal of investments		5,344,558,061.06	204,556,476.72	8,533,382,387.16	1,345,367,699.62
Cash received from investment gains		245,375,459.48	514,172,039.85	252,221,284.89	1,002,634,156.19
Cash received from disposal of fixed assets, intangible assets and other long-term assets		15,826,538.51	774,532.70	21,674,298.08	120,297.04
Net proceeds from disposal of subsidiaries and other business units		-	-	-	-
Cash received from other investing activities	68	50,019,465.23	-	10,574,504.91	-
Sub-total of cash inflows from investing activities		5,655,779,524.28	719,503,049.27	8,817,852,475.04	2,348,122,152.85
Payment for acquisition of fixed assets, intangible assets and other long-term assets		3,353,272,322.86	81,704,729.62	5,001,931,119.51	146,524,106.56
Payment for acquisition of investments		6,049,784,835.23	1,967,484,032.67	9,199,535,576.31	4,357,429,815.40
Net payments for acquisition of subsidiaries and other business units		49,243,279.60	-	4,936,376.84	-
Cash paid for other investing activities	68	23,453,842.66	-	56,933,976.70	6,000.00
Sub-total of cash outflows for investing activities		9,475,754,280.35	2,049,188,762.29	14,263,337,049.36	4,503,959,921.96
Net cash flows from investing activities		-	-	-	-
III. Cash flows from financing activities					
		3,819,974,756.07	1,329,685,713.02	5,445,484,574.32	2,155,837,769.11

Cash received from investors		200,497,037.71	153,147,037.71	69,933,021.63	-
Including: Proceeds from non-controlling shareholders of subsidiaries		47,350,000.00	-	69,933,021.63	-
Cash received from borrowings		9,804,523,690.84	6,417,302,695.67	13,925,695,034.50	11,211,276,748.16
Cash received from other financing activities	68	358,652,860.27	314,882,047.10	17,015,584.74	2,869,914.56
Sub-total of cash inflows from financing activities		10,363,673,588.82	6,885,331,780.48	14,012,643,640.87	11,214,146,662.72
Repayments of borrowings		13,572,759,670.89	7,681,893,795.71	13,494,122,760.15	10,503,170,726.06
Payment for dividends, profit distributions or interests		1,282,542,853.15	1,028,099,989.14	951,057,561.84	616,834,697.75
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		98,854,783.20	-	205,146,501.52	-
Cash paid for other financing activities	68	1,161,542,718.88	358,856,353.50	497,507,448.43	19,580,462.79
Sub-total of cash outflows for financing activities		16,016,845,242.92	9,068,850,138.35	14,942,687,770.42	11,139,585,886.60
Net cash flows from financing activities		-5,653,171,654.10	-2,183,518,357.87	-930,044,129.55	74,560,776.12
IV. Effect of foreign exchange rate changes on cash and cash equivalents		19,871,133.73	435,653.23	1,326,267.77	4,046,174.03
V. Net increase in cash and cash equivalents		3,245,099,423.10	2,291,738,034.50	441,039,279.27	336,869,618.00
Add: Cash and cash equivalents at the beginning of the period		2,122,149,250.34	940,680,967.57	1,681,109,971.07	603,811,349.57
VI. Cash and cash equivalent at the end of the period		5,367,248,673.44	3,232,419,002.07	2,122,149,250.34	940,680,967.57

Legal representative: Xue Hua	Person in charge of accounting function:	Yang Shaolin	Person in charge of accounting department:	Yang Shaolin
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Consolidated Statement of Changes in Shareholders' Equity													
For the year ended December 31, 2023													
Prepared by: Guangdong Haid Group Co., Limited													Expressed in RMB
Item	Year ended 31/12/2023												
	Attributable to shareholders' equity of the parent company											Non-controlling interests	Total shareholders' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserve	General risk provision	Retained earnings		
Preference share		Perpetual debt	Others										
I. Balance at the end of last year	1,661,161,061.00	-	-	-	5,300,061,077.97	792,321,152.16	300,049,768.45	-	830,580,530.50	4,834,904.00	10,528,173,146.82	1,527,333,863.26	19,359,873,199.84
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-	-	-
Correction of prior	-	-	-	-	-	-	-	-	-	-	-	-	-

period errors													
Adjustments for business combinations involving enterprises under common control	-	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	1,661,161,061.00	-	-	-	5,300,061,077.97	792,321,152.16	300,049,768.45	-	830,580,530.50	4,834,904.00	10,528,173,146.82	1,527,333,863.26	19,359,873,199.84
III. Changes in equity during the year ("-" for decrease)	2,588,909.00	-	-	-	115,480,005.62	300,081,705.48	1,009,394.14	398,575.53	1,294,454.50	2,235,123.80	1,998,132,006.38	263,124,002.06	1,551,443,725.55
(I) Total comprehensive income	-	-	-	-	-	-	-	-	-	-	2,741,256,374.98	123,166,157.15	2,863,413,137.99
(II)												-	-

Shareholders' contributions and decrease of capital	2,588,909.00	-	-	-	115,480,005.62	300,081,705.48	-	-	-	-	-	286,828,963.65	468,841,754.51
1. Contribution by ordinary shareholders	2,588,909.00	-	-	-	150,558,128.71	-	-	-	-	-	-	47,350,000.00	200,497,037.71
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Share based payment included in shareholders' equity	-	-	-	-	12,331,583.33	-	-	-	-	-	-	2,183,419.47	14,515,002.80
4. Others	-	-	-	-	47,409,706.42	300,081,705.48	-	-	-	-	-	336,362,383.12	683,853,795.02
(III) Appropriation of profits	-	-	-	-	-	-	-	-	1,294,454.50	2,235,123.80	743,124,368.60	99,461,195.56	843,526,233.46

1. Appropriation for surplus reserves	-	-	-	-	-	-	-	-	1,294,454.50	-	-	1,294,454.50	-	-
2. Appropriation for general risk provision	-	-	-	-	-	-	-	-	-	-	-	2,235,123.80	-	-
3. Distributions to shareholders	-	-	-	-	-	-	-	-	-	-	-	744,065,037.90	99,461,195.56	843,526,233.46
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(IV) Transfer within equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to share	-	-	-	-	-	-	-	-	-	-	-	-	-	-

capital													
3. Surplus reserve for making up losses	-	-	-	-	-	-	-	-	-	-	-	-	-
4. Transfer the changes in defined benefit plan into retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Transfer of other comprehensive income to retained earning	-	-	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-	398,575.53	-	-	-	-	398,575.53
1. Appropriation during the	-	-	-	-	-	-	-	398,575.53	-	-	-	-	398,575.53

year													
2. Utilization during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the year	1,663,749,970.00	-	-	-	5,415,541,083.59	1,092,402,857.64	299,040,374.31	398,575.53	831,874,985.00	2,599,780.20	12,526,305,153.20	1,264,209,861.20	20,911,316,925.39
Legal representative: Xue Hua					Person in charge of accounting function: Yang Shaolin					Person in charge of accounting department: Yang Shaolin			

Consolidated Statement of Changes in Shareholders' Equity	Consolidated Statement of Changes in Shareholders' Equity (continued)												
	For the year ended December 31, 2023												
Prepared by: Guangdong Haid Group Co., Limited													Expressed in RMB
Item	Year ended 31/12/2022												
	Attributable to shareholders' equity of the parent company											Non-controlling interests	Total shareholders' equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserve	General risk provision	Retained earnings		
Preference share		Perpetual debt	Others										
I. Balance at the end of last year	1,661,161,061.00	-	-	-	5,127,738,338.63	792,321,152.16	144,698,175.60	-	746,430,806.85	9,005,028.55	7,894,011,164.82	1,472,249,227.12	15,973,576,299.21
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	25,250.46	-	4,418,939.03	1,091,904.68	5,536,094.17
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustments for business combinations involving enterprises under common control	-	-	-	-	-	-	-	-	-	-	-	-	-

Others	-	-	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	1,661,161,061.00	-	-	-	5,127,738,338.63	792,321,152.16	144,698,175.60	-	746,456,057.31	9,005,028.55	7,898,430,103.85	1,473,341,131.80	15,979,112,393.38
III. Changes in equity during the year ("-" for decrease)	-	-	-	-	172,322,739.34	-	444,747,944.05	-	84,124,473.19	4,170,124.55	2,629,743,042.97	53,992,731.46	3,380,760,806.46
(I) Total comprehensive income	-	-	-	-	-	-	444,747,944.05	-	-	-	2,957,330,734.56	202,369,902.13	3,604,448,580.74
(II) Shareholders' contributions and decrease of capital	-	-	-	-	181,968,175.69	-	-	-	-	-	-	38,221,700.51	220,189,876.20
1. Contribution by ordinary shareholders	-	-	-	-	-	-	-	-	-	-	-	69,933,021.63	69,933,021.63
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-
3. Share based payment included in shareholders' equity	-	-	-	-	211,328,660.37	-	-	-	-	-	-	9,519,865.89	220,848,526.26
4. Others	-	-	-	-	29,360,484.68	-	-	-	-	-	-	41,231,187.01	70,591,671.69
(III) Appropriation of profits	-	-	-	-	-	-	-	-	84,124,473.19	4,170,124.55	327,587,691.59	186,598,871.18	434,232,214.13
1. Appropriation for surplus reserves	-	-	-	-	-	-	-	-	84,124,473.19	-	84,124,473.19	-	-

2. Appropriation for general risk provision	-	-	-	-	-	-	-	-	-	-	-	-	-	
										4,170,124.55	4,170,124.55	-	-	
3. Distributions to shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	
												247,633,342.95	186,598,871.18	434,232,214.13
4. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	
(IV) Transfer within equity	-	-	-	-	-	-	-	-	-	-	-	-	-	
1. Transfer of capital reserve to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	
2. Transfer of surplus reserve to share capital	-	-	-	-	-	-	-	-	-	-	-	-	-	
3. Surplus reserve for making up losses	-	-	-	-	-	-	-	-	-	-	-	-	-	
4. Transfer the changes in defined benefit plan into retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	
5. Transfer of other comprehensive income to retained earning	-	-	-	-	-	-	-	-	-	-	-	-	-	
6. Others	-	-	-	-	-	-	-	-	-	-	-	-	-	
(V) Specific reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	
1. Appropriation during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	

2. Utilization during the year	-	-	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	-	-	-	-	-	-	-	-
IV. Balance at the end of the year	1,661,161,061.00	-	-	-	5,300,061,077.97	792,321,152.16	300,049,768.45	-	830,580,530.50	4,834,904.00	10,528,173,146.82	1,527,333,863.26	19,359,873,199.84
Legal representative: Xue Hua					Person in charge of accounting function: Yang Shaolin					Person in charge of accounting department: Yang Shaolin			

Company Statement of Changes in Shareholders' Equity											
For the year ended December 31, 2023											
Prepared by: Guangdong Haid Group Co., Limited											Expressed in RMB
Item	Year ended 31/12/2023										
	Share capital	Other equity instruments	Capital reserve			Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Total shareholders' equity
			Preference share	Perpetual debt	Others						
I. Balance at the end of last year	1,661,161,061.00	-	-	-	5,514,740,565.56	792,321,152.16	-	-	830,580,530.50	4,008,768,286.10	11,222,929,291.00
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	-	-	-
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-
II. Balance at the beginning of the year	1,661,161,061.00	-	-	-	5,514,740,565.56	792,321,152.16	-	-	830,580,530.50	4,008,768,286.10	11,222,929,291.00

III. Changes in equity during the year ("-" for decrease)	2,588,909.00	-	-	-	285,244,279.65	300,081,705.48	-	-	1,294,454.50	749,827,798.71	738,873,736.38
(I) Total comprehensive income	-	-	-	-	-	-	-	-	-	1,495,187,291.11	1,495,187,291.11
(II) Shareholders' contributions and decrease of capital	2,588,909.00	-	-	-	165,100,192.21	300,081,705.48	-	-	-	-	- 132,392,604.27
1. Contribution by ordinary shareholders	2,588,909.00	-	-	-	150,558,128.71	-	-	-	-	-	153,147,037.71
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-
3. Share based payment included in shareholder's equity	-	-	-	-	14,542,063.50	-	-	-	-	-	14,542,063.50
4. Others	-	-	-	-	-	300,081,705.48	-	-	-	-	- 300,081,705.48

(III) Appropriation of profits	-	-	-	-	-	-	-	-	1,294,454.50	-	744,065,037.90
1. Appropriation for surplus reserves	-	-	-	-	-	-	-	-	1,294,454.50	-	-
2. Appropriation for general risk provision	-	-	-	-	-	-	-	-	-	-	-
3. Distributions to shareholders	-	-	-	-	-	-	-	-	-	-	744,065,037.90
4. Others	-	-	-	-	-	-	-	-	-	-	-
(IV) Transfer within equity	-	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	-	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to share capital	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserve for making up losses	-	-	-	-	-	-	-	-	-	-	-

4. Transfer the changes in defined benefit plan into retained earnings	-	-	-	-	-	-	-	-	-	-	-	
5. Transfer of other comprehensive income to retained earning	-	-	-	-	-	-	-	-	-	-	-	
6. Others	-	-	-	-	-	-	-	-	-	-	-	
(V) Specific reserve	-	-	-	-	-	-	-	-	-	-	-	
1. Appropriation during the year	-	-	-	-	-	-	-	-	-	-	-	
2. Utilization during the year	-	-	-	-	-	-	-	-	-	-	-	
(VI) Others	-	-	-	-	120,144,087.44	-	-	-	-	-	120,144,087.44	
IV. Balance at the end of the year	1,663,749,970.00	-	-	-	5,799,984,845.21	1,092,402,857.64	-	-	831,874,985.00	4,758,596,084.81	11,961,803,027.38	
Legal representative: Xue Hua			Person in charge of accounting function: Yang Shaolin					Person in charge of accounting department: Yang Shaolin				

Company Statement of Changes in Shareholders' Equity	Company Statement of Changes in Shareholders' Equity (continued)											
For the year ended December 31, 2023	For the year ended December 31, 2023											
Prepared by: Guangdong Haid Group Co., Limited												Expressed in RMB
Item	Year ended 31/12/2022											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Specific reserve	Surplus reserve	Retained earnings	Total shareholders' equity	
		Preference share	Perpetual debt	Others								
I. Balance at the end of last year	1,661,161,061.00	-	-	-	5,307,476,327.94	792,321,152.16	-	-	746,430,806.85	2,995,172,401.18	9,917,919,444.81	
Add: Changes in accounting policies	-	-	-	-	-	-	-	-	25,250.46	227,254.13	252,504.59	
Correction of prior period errors	-	-	-	-	-	-	-	-	-	-	-	
Others	-	-	-	-	-	-	-	-	-	-	-	

II. Balance at the beginning of the year	1,661,161,061.00	-	-	-	5,307,476,327.94	792,321,152.16	-	-	746,456,057.31	2,995,399,655.31	9,918,171,949.40
III. Changes in equity during the year ("-" for decrease)	-	-	-	-	207,264,237.62	-	-	-	84,124,473.19	1,013,368,630.79	1,304,757,341.60
(I) Total comprehensive income	-	-	-	-	-	-	-	-	-	1,345,126,446.93	1,345,126,446.93
(II) Shareholders' contributions and decrease of capital	-	-	-	-	220,848,526.28	-	-	-	-	-	220,848,526.28
1. Contribution by ordinary shareholders	-	-	-	-	-	-	-	-	-	-	-
2. Contribution by holders of other equity instruments	-	-	-	-	-	-	-	-	-	-	-
3. Share based payment included in shareholders' equity	-	-	-	-	220,848,526.28	-	-	-	-	-	220,848,526.28

4. Others	-	-	-	-	-	-	-	-	-	-	-
(III) Appropriation of profits	-	-	-	-	-	-	-	-	84,124,473.19	331,757,816.14	247,633,342.95
1. Appropriation for surplus reserves	-	-	-	-	-	-	-	-	84,124,473.19	84,124,473.19	-
2. Appropriation for general risk provision	-	-	-	-	-	-	-	-	-	-	-
3. Distributions to shareholders	-	-	-	-	-	-	-	-	-	247,633,342.95	247,633,342.95
4. Others	-	-	-	-	-	-	-	-	-	-	-
(IV) Transfer within equity	-	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	-	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserve to share capital	-	-	-	-	-	-	-	-	-	-	-
3. Surplus reserve for	-	-	-	-	-	-	-	-	-	-	-

making up losses											
4. Transfer the changes in defined benefit plan into retained earnings	-	-	-	-	-	-	-	-	-	-	-
5. Transfer of other comprehensive income to retained earning	-	-	-	-	-	-	-	-	-	-	-
6. Others	-	-	-	-	-	-	-	-	-	-	-
(V) Specific reserve	-	-	-	-	-	-	-	-	-	-	-
1. Appropriation during the year	-	-	-	-	-	-	-	-	-	-	-
2. Utilization during the year	-	-	-	-	-	-	-	-	-	-	-
(VI) Others	-	-	-	-	-	13,584,288.66	-	-	-	-	13,584,288.66
IV. Balance at the end of the year	1,661,161,061.00	-	-	-	5,514,740,565.56	792,321,152.16	-	-	830,580,530.50	4,008,768,286.10	11,222,929,291.00
Legal representative: Xue Hua			Person in charge of accounting function: Yang Shaolin					Person in charge of accounting department: Yang Shaolin			

Notes to the Financial Statements

I. Company Profile

Guangdong Haid Group Co., Limited (formerly known as “Guangdong Haid Industrial Co., Ltd.” or “Guangdong Haid Group Limited”, and hereinafter referred to as the “Company”) is a share limited company registered in Guangdong Province, listed on the Shenzhen Stock Exchange in November 2009 with business license registration No.914400007578948436. The Company is headquartered in Block 2#701, Wanbo Fourth Road No. 42, Nancun Town, Panyu District, Guangzhou, Guangdong.

The Company and its subsidiaries (hereinafter referred to as the “Group”) operate in the feed industry, and the main products include aquatic and livestock feed, high-quality aquatic animal seedlings, animal health products, biological products, pig breeding and so on, covering all business chain such as research and development, design, production, sales and service of various products.

The financial statements and notes have been approved by the 19th meeting of the sixth Board of Directors of the Company on April 19, 2024.

II. Basis of preparation

The financial statements are prepared in accordance with the Accounting Standards for Business Enterprises and corresponding application guidance, interpretations and other related provisions issued by the Ministry of Finance (collectively, "Accounting Standards for Business Enterprises"). In addition, the Group also disclosed the relevant financial information in accordance with the Explanatory Announcement No. 15 on Information Disclosure for Companies Offering Their Securities to the Public—General Requirements for Financial Reporting (2023 version) issued by the China Securities Regulatory Commission.

The financial statements have been prepared on a going concern basis.

The Group adopts the accrual basis of accounting. The financial statements are prepared under the historical cost except for certain financial instruments. Non-current assets held-for-sale are measured at the lower of the amount of the fair value less estimated costs and the book value when it is recognized as held-for-sale. If the assets were impaired, a provision for impairment shall be provided in accordance with the relevant regulations.

III. Significant accounting policies and accounting estimates

The Group determines fixed assets appreciation and revenue recognition policy according to the characteristics of its production and operation and relevant requirements in Accounting Standards for Business Enterprises. For more information on the accounting policies, please refer to Note III. 17 and Note III. 29.

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

The financial statements have been prepared in accordance with the requirements of Accounting Standards for Business Enterprises. These financial statements have truly and completely presented the consolidated financial position and financial position of the Company as at December 31, 2023 and their operating results and cash flows for the year ended December 31, 2023.

2. Accounting Period

The accounting period of the Group is from 1 January to 31 December.

3. Operating Cycle

The operating cycle of the Group is 12 months.

4. Functional currency

The Company and its domestic subsidiaries use RMB (“RMB”) as their functional currency. The overseas subsidiaries of the Company determine their functional currency according to the primary economic environment where they operate. The financial statements of the Group have been prepared in RMB.

The joint ventures and associates of the Group determine their functional currency according to the primary economic environment where they operate and the financial statements have been prepared in RMB.

5. Significant criteria and basis for selection

Items	Significant criteria
Significant accounts receivable assessed individually	Individual provision value over 5% of total bad debt provision for the corresponding category
Significant provision for bad and doubtful debts recovered or reversed in current period	Individual recoveries or reversals over 5% of total original value of the corresponding accounts receivable category
Significant accounts receivable write-off in current period	Individual write-offs over 5% of total original value of the corresponding accounts receivable category

Items	Significant criteria
Significant prepayments, accounts payable, advances from customers, contract liabilities, dividends receivable, other payables aged over 1 year	Individual transaction account aged over 1 year over 5% of the total original value of the corresponding category
Significant construction in progress	Individual project value over 5% of the Company's total construction in progress
Significant non-wholly-owned subsidiaries	Net assets of the non-wholly owned subsidiary over 4% of the Group's net assets
Significant joint ventures and associates	Individual long-term equity investment in the entity over 5% of the Group's net assets, or investment gains or losses under the equity method of long-term equity investment over 5% of the Group's consolidated net profit
Significant capitalized research and development projects	The value to be capitalised for the individual R&D project over 5% of the Group's total intangible assets
Significant investment activities	Individual investment activities cash flows over 10% of total cash inflows or outflows from investing activities
6. Accounting treatments for business combinations involving enterprises under common control and business combinations involving enterprises not under common control	
(1) Business combinations involving enterprises under common control	
<p>For a business combination involving enterprises under common control, the assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the carrying amount of the net assets acquired and the consideration paid for the combination is adjusted against share premium in the capital reserve, with any excess adjusted against retained earnings.</p> <p>For a business combination involving entities under common control achieved in stages that involves multiple exchange transactions</p> <p>In the consolidated financial statements, the assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date; the difference between the sum of the carrying amount of the investment before combination and the carrying amount of new consideration paid at the combination date, and the carrying amount of the net asset acquired in the combination, is adjusted against capital reserve, with any excess adjusted against retained earnings. The long-term equity investment of the combining party before acquiring the control, the profit or loss, other comprehensive income and other changes in the owner's equity recognized from the later of the initial acquisition date of the equity and the date when the combining party and the combined party under common ultimate control party to the combination date, shall be offset against the opening retained earnings and profit or loss for the current period in the comparative statement.</p>	
(2) Business combinations involving enterprises not under common control	
<p>For business combinations involving enterprises not under common control, the consideration costs are the fair values of the assets paid, the liabilities incurred or assumed and the equity instruments issued by the acquirer in exchange for control over the acquiree on the acquisition date. At the acquisition date, the acquired assets, liabilities and contingent liabilities of the acquiree are measured at their fair value. Where the combination cost exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill, and subsequently measured based on its cost less accumulated impairment provisions. Where the combination cost is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognized in profit or loss for the current period after reassessment.</p> <p>The contingent consideration involved is included in the combination cost at fair value at the date of purchase, and if new or further evidence of circumstances existing at the purchase date emerges within 12 months, the contingent consideration and goodwill are adjusted accordingly.</p> <p>For a business combination involving enterprises not under common control and achieved in stages that involves multiple exchange transactions</p> <p>In the consolidated financial statements, the cost of business combination is the total of the consideration paid at the acquisition date and the fair value of equity investment of the acquiree held prior to the acquisition date. The cost of equity investment of the acquiree held prior to the acquisition date shall be re-</p>	

measured at the fair value at the acquisition date, the difference between the fair value and par value shall be recognized as profit or loss for the current period. Other comprehensive income and changes of other owners' equity from the equity interest held in the acquiree prior to the acquisition date shall be transferred to profit or loss for the current period, except for other comprehensive income arising from the movement of net liabilities or assets in the investee's re-measurement of defined benefit plan.

(3) Transaction costs for business combination

The overhead for the business combination, including the expenses for audit, legal services, valuation advisory, and other administrative expenses, are recorded in profit or loss for the current period when incurred. The transaction costs of equity or debt securities issued as the considerations of business combination are included in the initial recognition amount of the equity or debt securities.

7. The criterion of Control and the method of preparation of the consolidated financial statements

(1) The criterion of control

The scope of consolidated financial statements is based on control. Control exists when the Company has power over the investee; exposure, or rights to variable returns from its involvement with the investee and has the ability to affect its returns through its power over the investee. A subsidiary is an entity that is controlled by the Company (including enterprise, a portion of an investee as a deemed separate component, and structured entity controlled by the enterprise).

In determining whether to include a structured entity in the scope of consolidation, the Company assesses whether to control the structured entity on the basis of a combination of all the facts and circumstances, including an assessment of the purpose and design for which the structured entity was established, the identification of the types of variable returns, and whether it assumes some or all of the variability of the returns through its participation in its related activities.

(2) Method of preparation of consolidated financial statements

The consolidated financial statements are prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. When preparing consolidated financial statements, the accounting policies and accounting periods of the subsidiaries should be consistent with the Company, and all significant intra-company balances and transactions should be eliminated.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary or business are included in the consolidated financial statements as if the combination had occurred at the date that the ultimate controlling party first obtained control.

Where a subsidiary or business was acquired during the reporting period, through a business combination involving enterprises not under common control, the identifiable assets and liabilities of the acquired subsidiaries or business are included in the scope of consolidation from the date that control commences.

The portion of a subsidiary's equity that is not attributable to the parent is treated as non-controlling interests and presented separately in the consolidated balance sheet within shareholders' equity. The portion of net profit or loss of subsidiaries for the period attributable to non-controlling interests is presented separately in the consolidated income statement below the "net profit" line item. When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' share of the opening owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

(3) Purchase of subsidiaries' non-controlling interests

The difference between the cost of long-term equity investment newly acquired due to the purchase of non-controlling interest and the share of net assets of the subsidiary continuously calculated from the purchase date or merger date according to the newly increased shareholding ratio, and the difference between the disposal price obtained as a result of partial disposal of the equity investment in the subsidiary without loss of control and the share of net assets continuously calculated since the purchase date or the merger date corresponding to the disposal of the long-term equity investment of the subsidiary, should be adjusted to the capital reserve in the consolidated balance sheet, with any excess adjusted to retained earnings.

(4) Disposal of subsidiaries

When the Group loses control over a subsidiary because of disposing part of equity investment or other reasons, the remaining part of the equity investment is re-measured at fair value at the date when the control is lost. A gain or loss is recognised in the current period and is calculated by the aggregate of consideration received in disposal and the fair value of remaining part of the equity investment deducting the share of net assets in proportion to previous shareholding percentage in the former subsidiary since acquisition date and the goodwill.

Other comprehensive income related to the equity investment of the former subsidiary shall be accounted for on the same basis as the direct disposal of the relevant assets or liabilities of the former subsidiary at the time of loss of control, and other changes in owner's equity related to the former subsidiary under the equity method of accounting shall be transferred to current profit or loss at the time of loss of control.

(5) The treatment of disposing equity investment by stages until the control is lost

The Group considers the arrangements of multiple transactions by disposing equity investment by stages until the control is lost as a single transaction when the terms, conditions and economic impact of each transaction meet one or more of the following situations:

- ① The transactions are entered into at the same time or in contemplation of each other;
- ② The transactions are considered as a single transaction to achieve an overall commercial effect;
- ③ The occurrence of one transaction dependent on the occurrence of at least one other transaction;
- ④ A transaction is not economically justified when considered on its own, but it is economically justified when considered together with other transactions.

In the consolidated financial statements, please refer to the above “disposal of subsidiaries” for the measurement of remaining equity and accounting treatment for profit or loss of disposing equity investment by stages until the control is lost. The difference between each consideration received and the share of the subsidiary's net assets since acquisition date relevant to disposing investment until the control is lost:

- ① is recognized in other comprehensive income if the arrangements are regarded as a single transaction. Other comprehensive income is transferred to profit or loss for the current period until the control is lost.
- ② is recognized in capital reserve (share premium) as an equity transaction if the arrangements are not regarded as a single transaction. Capital reserve is not transferred to profit or loss for the current period when the control is lost.

8. Joint arrangement classification and accounting treatment for joint operation

A joint arrangement is an arrangement of which two or more parties have joint control. The Group classifies joint arrangements into joint operations and joint ventures.

(1) Joint operations

A joint operation is a joint arrangement whereby the joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The Group recognizes the following items relating to its interest in a joint operation, and account for them in accordance with relevant accounting standards:

- A. Its solely-held assets, and its share of any assets held jointly;
- B. Its solely-assumed liabilities, and its share of any liabilities assumed jointly;
- C. Its revenue from the sale of its share of the output arising from the joint operation;
- D. Its share of the revenue from the sale of the output by the joint operation; and
- E. Its solely-incurred expenses, and its share of any expenses incurred jointly.

(2) Joint ventures

A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement.

The Group adopts equity method under long-term equity investment in accounting for its investment in joint venture.

9. Cash and cash equivalents

Cash comprises cash in hand and deposits that can be readily withdrawn on demand. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

10. Foreign currency transactions and translation of foreign currency financial statements

(1) Foreign currency transactions

Foreign currency transactions are translated to the functional currency of the Group at the spot exchange rates on the dates of the transactions.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences between the spot exchange rate on balance sheet date and the spot exchange rate on initial recognition or on the previous balance sheet date are recognised in profit or loss. Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date. Non-monetary items that are measured at fair value in foreign currencies are translated using the exchange rate at the date the fair value is determined. The resulting exchange differences are recognised in profit or loss or other comprehensive income according to the nature of non-monetary items.

(2) Translation of foreign currency financial statements

When translating the foreign currency financial statements of overseas subsidiaries, assets and liabilities of foreign operation are translated to Renminbi at the spot exchange rate at the balance sheet date. Equity items, excluding “retained earnings”, are translated to Renminbi at the spot exchange rates at the transaction dates.

Income and expenses of foreign operation are translated to Renminbi at the rates determined under a systematic and rational method that approximate the spot exchange rates at the transaction dates.

Cash flow statement of foreign operation is translated to Renminbi at the rates determined under a systematic and rational method that approximate the spot exchange rates at the cash flow occurrence dates. Effect of foreign exchange rate changes on cash and cash equivalents is presented separately as “Effect of foreign exchange rate changes on cash and cash equivalents” in the cash flow statement.

The resulting translation differences are recognised in other comprehensive income in shareholders’ equity of balance sheet.

The translation differences accumulated in shareholders’ equity with respect to a foreign operation are transferred to profit or loss in the period when the foreign operation is disposed.

11. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or an equity instrument of another enterprise.

(1) Recognition and derecognition of financial instruments

A financial asset or a financial liability is recognized when the Group becomes a party to the contractual provisions of a financial instrument.

If one of the following criteria is met, a financial asset is derecognised:

- ① The contractual rights to the cash flows from the financial asset expire; or
- ② The financial asset was transferred, and the transfer qualifies for derecognition in accordance with criteria set out below in “Transfer of financial assets”.

A financial liability (or part of it) is derecognized when its contractual obligation (or part of it) is discharged or cancelled or expires. If the Group (as a debtor) makes an agreement with the creditor to replace the current financial liability with assuming a new financial liability, and contractual provisions are different in substance, the current financial liability is derecognized and a new financial liability is recognized.

If the financial assets are traded regularly, the financial assets are recognized and derecognized at the transaction date.

(2) Classification and measurement of financial assets

The Group classifies financial assets as measured at amortized cost, fair value through other comprehensive income or fair value through profit or loss at initial recognition on the basis of both the entity’s business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial assets are measured at fair value at initial recognition. For financial assets measured at fair value through profit or loss, the related transaction costs are directly recorded in current profit or loss; for other types of financial assets, related transaction costs are included in the initial recognition amount. For receivables arising from the sale of products or the provision of services that do not contain or take into account significant financing components, the amount of consideration that the Company is expected to be entitled to collect shall be the initial recognition amount.

Financial assets measured at amortized cost

The Group classifies the financial assets that meet the following conditions and are not designated as measured at fair value through profit or loss as financial assets measured at amortized cost:

- The Group’s business model of managing the financial assets aims at collecting contractual cash flows;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After the initial recognition, the effective interest rate method is adopted to measure the amortized cost of such financial assets. Gains or losses arising from financial assets that are measured at amortized cost and are not part of any hedging relationship shall be recorded in the current profit or loss when the financial assets are derecognized, amortized according to the effective interest method or impaired.

Financial assets measured at fair value through other comprehensive income

The Group classifies the financial assets that simultaneously meet the following conditions and are not specified as measured at fair value through profit or loss as financial assets measured at fair value through other comprehensive income:

- The Group's business model of managing the financial asset aims at both collecting contractual cash flows and selling the financial assets.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After the initial recognition, this type of financial assets is subsequently measured at fair value. The interest, loss allowance or gain and exchange loss or gain calculated using the effective interest rate method are included in the current profit or loss, while other gains or losses are included in other comprehensive income. When derecognized, the accumulated gains or losses previously recorded in other comprehensive income shall be transferred out from other comprehensive income and recorded in the current profit or loss.

Financial assets measured at fair value through profit or loss

In addition to the above financial assets measured at amortized cost and measured at fair value through other comprehensive income, the Group classifies all other financial assets as financial assets measured at fair value through profit or loss. At the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Group irrevocably designates some financial assets that should have been measured at amortized cost or measured at fair value through other comprehensive income as financial assets measured at fair value through profit or loss.

After the initial recognition, this kind of financial asset is subsequently measured at fair value, and the gains or losses (including interest and dividend income) generated are recorded into the current profit or loss, unless the financial asset is part of the hedging relationship.

However, for non-trading equity instrument investment, the Group irrevocably designates it as a financial asset measured at fair value through other comprehensive income at initial recognition. The designation is made on a single investment basis and the relevant investments meet the definition of an equity instrument from issuer's perspective.

After the initial recognition, this kind of financial assets are subsequently measured at fair value. Qualified dividend income is included in the profit or loss, other gains or losses and changes in fair value are included in other comprehensive income. When derecognized, the accumulated gains or losses previously recorded in other comprehensive income are transferred out and recorded in retained earnings.

The business model of managing financial assets refers to how the Group manages financial assets to generate cash flows. The business model determines whether the cash flow from the financial assets under management of the Group is derived from the receipt of contractual cash flows, the sale of financial assets or a combination of both. The Group determines its business model for managing financial assets on the basis of objective facts and the specific business objectives for the management of financial assets determined by key management personnel.

The Group assesses the contractual cash flow characteristics of financial assets to determine whether the contractual cash flows generated by the relevant financial assets on specified dates are solely payments of principal and interest on the principal amount outstanding. Principal refers to the fair value of financial assets at initial recognition. Interest includes consideration for the time value of money, the credit risk associated with the amount of principal outstanding over a given period, and other basic lending risks and costs, as well as a profit margin. In addition, the Group assesses contractual terms that may cause a change in the time distribution or amount of the contractual cash flows of financial assets to determine whether they meet the requirements of the above contractual cash flow characteristics.

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

(3) Classification and measurement of financial liabilities

At the time of initial recognition, the financial liabilities of the Group are classified as: financial liabilities measured at fair value through profit or loss, and financial liabilities measured at amortized cost. For financial liabilities that are not classified as measured at fair value through profit or loss, relevant transaction costs are included in their initial recognized amounts.

Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated at the time of initial recognition as measured at fair value through profit or loss. For such financial liabilities, the subsequent measurement shall be made according to the fair value, and the gains or losses caused by changes in the fair value as well as the dividends and interest expenses related to such financial liabilities shall be recorded into current profit or loss.

Financial liabilities measured at amortized cost

For other financial liabilities, the effective interest rate method shall be adopted, the subsequent measurement shall be made at the amortized cost, and the gains or losses arising from derecognition or amortization shall be recorded into current profit or loss.

Financial guarantee contract

Financial guarantee contracts do not belong to financial liabilities measured at fair value through profit or loss. They are measured at fair value at initial recognition and are subsequently measured at the higher of the amount of the loss allowance determined in accordance with the expected credit loss model and the amount initially recognized less the cumulative amortisation.

The distinction between financial liabilities and equity instruments

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

- ① A contractual obligation to deliver cash or other financial assets to other parties.
- ② A contractual obligation to exchange financial assets or financial liabilities with another party under potentially adverse conditions.
- ③ A non-derivative contract that has to be settled with or can be settled with the firm's own equity instruments in the future, under which the firm will deliver a variable number of its own equity instruments.
- ④ A derivative contract that has to be settled with or can be settled with the firm's own equity instruments in the future, except for a derivative contract in which a fixed number of its own equity instruments are to be exchanged for a fixed amount of cash or other financial assets.

An equity instrument is a contract that certifies ownership of the remaining interest in an enterprise's assets after all liabilities have been deducted.

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

If a financial instrument has to be settled with or can be settled with the Group's own equity instruments in the future, consideration needs to be given to whether the Group's own equity instruments used to settle the instrument is to be used as a substitute for cash or other financial assets, or to give the holder of the instrument the remaining interest in the issuer's assets after deduction of all liabilities. If it is the former, the instrument is a financial liability of the Group; if it is the latter, the instrument is an equity instrument of the Group.

(4) Derivative financial instruments and embedded derivative instruments

The Group's derivative financial instruments include forward foreign exchange contracts, currency exchange rate swap contracts, interest rate swap contracts and foreign exchange options contracts, etc. . The initial measurement is based on the fair value of the date of signing the derivative transaction contract, and the subsequent measurement is based on its fair value. A derivative with a positive fair value is recognised as an asset; a negative fair value is recognized as a liability. Any gains or losses resulting from changes in fair value that do not conform to the provisions of hedge accounting shall be directly recorded into the current profit or loss.

For a hybrid instrument containing an embedded derivative instrument, if the host is a financial asset, the hybrid instrument as a whole shall be subject to the relevant provisions on the classification of financial assets. If the host is not a financial asset, the embedded derivative instrument shall be separated from the hybrid instrument and accounted for as a separate derivative instrument if all of the following conditions are met: the hybrid instrument is not measured at fair value through profit or loss; the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative. If it is not possible to measure the embedded derivative separately at the time of acquisition or on the subsequent balance sheet date, the hybrid instrument as a whole is designated as a financial asset or financial liability measured at fair value through profit or loss.

(5) Fair value of financial instruments

For the determination of fair value of financial assets and financial liabilities, see Note III.0.

(6) Impairment of financial assets

On the basis of expected credit losses, the Group conducts impairment accounting treatment for the following items and recognises the allowance:

- Financial assets measured at amortized cost;
- Receivables and debt investments measured at fair value and accounted for in other comprehensive income;
- Contract assets as defined in the Accounting Standards for Business Enterprises No. 14 - Revenue;
- Lease receivables;

- Financial guarantee contracts (except for financial assets measured at fair value through profit or loss, transfer of financial assets that do not meet the conditions for derecognition or those caused by continuing involvement in transferred financial assets).

Measurement of expected credit losses

The term "expected credit loss" refers to the weighted average of the credit loss of a financial instrument weighted by the risk of default. Credit loss refers to the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate, that is, the present value of all cash shortfalls. The Group calculates the probabilistic weighted amount of the present value of the difference between the cash flows receivable under the contract and the cash flows expected to be received and recognizes the expected credit loss, taking into account reasonable and supportable information concerning past events, current conditions and forecast of future economic conditions, with the respective risks of a default occurring as the weights.

The Group separately measures the expected credit losses of financial instruments at different stages. If the credit risk of the financial instrument has not increased significantly since the initial recognition, the financial instrument is in the first stage and the Group shall measure the loss allowance at an amount equal to 12-month expected credit losses; if the credit risk of the financial instrument has increased significantly since the initial recognition but no credit losses have occurred, the financial instrument is in the second stage and the Group shall measure the loss allowance at an amount equal to lifetime expected credit losses; if credit losses have occurred to a financial instrument since its initial recognition, it is in the third stage and the Group shall measure the loss allowance at an amount equal to lifetime expected credit losses.

For financial instruments with low credit risk at the balance sheet date, the Group assumes that the credit risk has not increased significantly since the initial recognition, and measures the loss allowance at an amount equal to 12-month expected credit losses.

The term "lifetime expected credit losses" refers to the expected credit losses resulting from all possible events of default during the entire expected life of a financial instrument. The expected credit losses within the next 12 months refer to the expected credit loss caused by the default event of the financial instrument that may occur within 12 months after the balance sheet date (or the expected duration of the financial instrument if the expected duration of the financial instrument is less than 12 months) and is part of lifetime expected credit losses.

When measuring expected credit losses, the Group shall take into account the longest contract period (including the option to renew the contract) for which it is exposed to credit risk.

The Group calculates interest income on the basis of the Book value before impairment provisions and the effective interest rate for financial instruments in stage I and stage II and with lower credit risk. For financial instruments in the third stage, the interest income is calculated on the basis of the amortized cost of the Book value less the impairment provision and the effective interest rate.

For bills receivable, accounts receivable, financing receivables, other receivables, contract assets, etc., if the credit risk characteristics of a customer are significantly different from those of other customers in the group, or the credit risk characteristics of such customer are significantly changed, the Group shall assessed for impairment individually for such receivables. In addition to the receivables assessed for impairment individually, the Group divides the receivables into groups according to the credit risk characteristics and calculates the loss allowance on the basis of the group.

- **Bills receivable, accounts receivable and contract assets**

For bills receivable, accounts receivable and contract assets, regardless of whether there is a material financing component, the Group always measures its loss allowance at an amount equal to lifetime expected credit losses.

When an individual financial asset or contract asset cannot assess the information of expected credit loss at a reasonable cost, the Company divides the bills receivable, accounts receivable and contract assets into groups according to the credit risk characteristics, calculates the expected credit losses based on the groups which are determined as follows:

A. Notes receivable

- Group 1 of notes receivable: Bank acceptance notes
- Group 2 of notes receivable: Commercial acceptance notes
- Group 3 of notes receivable: Usance letters of credit

B. Accounts receivable

- Group 1 of accounts receivable: Accounts receivable due from feed related customers

- Group 2 of accounts receivable: Accounts receivable due from related parties within the scope of consolidation

- Group 3 of accounts receivable: Accounts receivable due from raw materials customers

For the bills receivable divided into groups, the Group calculates the expected credit loss through default risk exposure and the lifetime expected credit loss rate by referring to the historical credit loss experience, combining the current situation and the forecast of the future economic situation.

For the accounts receivable divided into groups, the Group refers to the historical credit loss experience and combines the current situation with the forecast of the future economic situation to compile a comparison table between the age of receivables/overdue days and the lifetime expected credit loss rate and to calculate the expected credit loss. The age of accounts receivable is calculated from the date of recognition/days overdue is calculated from the expiration date of credit period.

- **Other receivables**

The Group divides other receivables into several groups according to the credit risk characteristics, and calculates the expected credit losses on the basis of the groups which are determined as follows:

- Group 1 of other receivables: Security deposits
- Group 2 of other receivables: Futures margin
- Group 3 of other receivables: Receivables due from external parties
- Group 4 of other receivables: Advance social security and provident fund
- Group 5 of other receivables: Petty cash
- Group 6 of other receivables: Other receivables due from related parties within the scope of consolidation
- Group 7 of other receivables: Others

For other receivables divided into groups, the Group calculates the expected credit losses by default risk exposure and the expected credit losses rate over the next 12 months or the entire duration. For other receivables grouped according to age, the age is calculated from the date of recognition.

- **Loans and advances to customers**

For loans and advances to customer, the Group calculates the expected credit loss through the exposure at default and the expected credit loss rate within the next 12 months or the entire duration.

- **Long-term receivables**

The Group's long-term receivables include financial lease receivables, security deposit receivables, etc. According to the credit risk characteristics, the Group divides financial lease receivables, security deposit receivables into several groups. The expected credit loss is calculated on the basis of the groups which are determined as follows:

A. Finance lease receivables

- Group 1 of finance leases: Receivable due from related parties within the scope of consolidation.
- Group 2 of finance leases: Receivable due from other customers

B. Other long-term receivables

- Group 1 of long-term receivables: Security deposit receivables
- Group 2 of long-term receivables: Other receivables

For security deposit receivables, the Group refers to historic credit losses experience, combined with the current situation and forecast for the future economic situation, to calculate the expected credit losses by default risk exposure and the lifetime expected credit loss rate.

For other receivables and long-term receivables in addition to security deposit receivables, the expected credit losses are calculated by default risk exposure and the expected credit loss rate within the next 12 months or the entire duration.

- **Debt investment and other debt investment**

For debt investment and other debt investment, the Group calculates the expected credit loss based on the default risk exposure and the expected credit loss rate within the next 12 months or the entire duration according to the nature of the investment and the various types of counterparties and risk exposures.

- **Assessment of a significant increase in credit risk**

By comparing the risk of default of financial instruments on the balance sheet date with the risk of default on the initial recognition date, the Group determines the relative change of default risk within the expected duration of financial instruments, so as to evaluate whether the credit risk of financial instruments has significantly increased since the initial recognition.

In determining whether credit risk has increased significantly since the initial recognition, the Group considers reasonable and supportable information, including forward-looking information that can be obtained without unnecessary additional cost or effort. Information considered by the Group includes:

- The debtor fails to pay the principal and interest as due under the contract;
- A material deterioration, if any, of the external or internal credit rating of the financial instrument that has occurred or is expected to occur;
- A serious deterioration of the debtor's business results occurred or is expected to occur;
- A change in the existing or anticipated technological, market, economic or legal environment which will have a material adverse effect on the debtor's ability to repay the Group.

According to the nature of financial instruments, the Group evaluates whether credit risk increases significantly on the basis of individual financial instruments or a group of financial instruments. When assessing on the basis of a group of financial instruments, the Group may classify financial instruments based on common credit risk characteristics, such as overdue information and credit risk rating.

- **Credit-impaired financial assets**

On the balance sheet date, the Group evaluates whether credit impairment has occurred in financial assets measured at amortized cost and debt investments measured at fair value through other comprehensive income. When one or more events which have an adverse effect on the expected future cash flows of a financial asset occur, the financial asset becomes a credit-impaired financial asset. Evidence of credit impairment of financial assets includes the following observable information:

- Major financial difficulties occur to the issuer or the debtor;
- A breach of contract by the debtor, such as a default or late payment of interest or principal;
- The Group, for economic or contractual considerations relating to the debtor's financial difficulties, gives concessions that the debtor would not have made under any other circumstances;
- The debtor is likely to go bankrupt or undergo other financial restructuring;
- The financial difficulties of the issuer or debtor result in the disappearance of an active market for the financial asset.

- **Presentation of expected credit losses**

In order to reflect the change of the credit risk of financial instruments since the initial recognition, the Group re-measures the expected credit losses on each balance sheet date, and the increase or recovered amount of the loss allowance thus formed shall be recorded into the current profit or loss as an loss allowance or gain. For a financial asset measured at amortized cost, the loss allowance shall offset the carrying amount of the financial asset as stated in the balance sheet; for the debt investment measured at fair value through other comprehensive income, the Group recognizes its loss allowance in other comprehensive income and does not offset the carrying amount of the financial asset.

- **Write-off**

If the Group no longer reasonably expects that the contractual cash flows of a financial asset can be recovered in its entirety or a portion thereof, the carrying amount of the financial asset shall be directly written-off. Such a write-off constitutes derecognition of the relevant financial asset. This usually occurs when the Group determines that the debtor does not have assets or sources of income that generate sufficient cash flows to repay the amount to be written-off. However, in accordance with the Group's procedures for recovering amounts due, the financial assets that have been written-off may still be affected by the execution activities.

If a financial asset that has been written-off is recovered later, a reversal of loss allowance shall be recorded in profit or loss of the current period.

(7) Transfer of financial assets

Transfer of financial assets is the transfer or delivery of financial assets to another party (the transferee) other than the issuer of financial assets.

A financial asset is derecognized if the Group transfers substantially all the risks and rewards of ownership of the financial asset to the transferee. A financial asset is not derecognized if the Group retains substantially all the risks and rewards of ownership of the financial asset to the transferee.

The Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the accounting treatments are as following: if control over the financial assets is surrendered, the Group derecognizes the financial assets and recognize any assets and liabilities arose; if the Group retains the control of the financial assets, financial assets to the extent of the continuing involvement in the transferred financial assets by the Group and any relating liability are recognized.

(8) Offset between financial assets and financial liabilities

When the Group has the legal right to offset the recognized financial assets and financial liabilities, and the legal rights is enforceable, and the Group plans to settle by net amount or realize the financial assets and pay off the financial liabilities, the amount after being offset is presented in the balance sheet. Otherwise,

financial assets and financial liabilities are presented separately in the balance Sheet and not allowed to offset against each other.

12. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group measures related assets or liabilities at fair value assuming the assets or liabilities are exchanged in an orderly transaction in the principal market; in the absence of a principal market, assuming the assets or liabilities are exchanged in an orderly transaction in the most advantageous market. Principal market (or the most advantageous market) is the market that the Group can normally enter into a transaction on measurement date. The Group adopts the presumptions that would be used by market participants in achieving the maximized economic value of the assets or liabilities.

For financial assets or financial liabilities with active markets, the Group uses the quoted prices in active markets as their fair value. Otherwise, the Group uses valuation technique to determine their fair value. Fair value measurement of a non-financial asset takes into account market participants' ability to generate economic benefits using the asset in its best way or by selling it to another market participant that would best use the asset.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs, and using unobservable inputs only if the observable inputs aren't available or impractical.

Fair value level for assets and liabilities measured or disclosed at fair value in the financial statements are determined according to the significant lowest level input to the entire measurement: Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date; Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly or indirectly; Level 3 inputs are unobservable inputs for the assets or liabilities.

At the balance sheet date, the Group revalues assets and liabilities being measured at fair value continuously in the financial statements to determine whether to change the levels of fair value measurement.

13. Inventories

(1) Classification

Inventories include raw materials, finished goods, work in progress, consumptive biological assets and consigned processing material, etc.

(2) Measurement method of cost of inventories

Inventories are initially measured at cost. If the inventories are managed by batch at the time of receipt and delivery, these inventories shall be carried forward at batch cost. Otherwise, inventories are calculated by using weighted average method.

(3) Basis for determining the net realisable value and method for provision for obsolete inventories

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realisable value is measured based on the verified evidences and considerations for the purpose of holding inventories and the effect of post balance sheet events.

The Group generally makes inventory provision on the basis of individual inventory items. For inventories of large quantities with low unit prices, inventory provision is made according to inventory categories.

At the balance sheet date, if the factors for previous inventory provision have disappeared, inventory provision is reversed to the extent of the original amount.

(4) Inventory count system

The Group maintains a perpetual inventory system.

14. Assets held for sale and discontinued operations

(1) Classification and measurement of non-current assets or disposal groups held for sale

The Group classifies a non-current asset or disposal group as held for sale when the carrying amount of the non-current asset or disposal group will be recovered through a sale transaction (including an exchange transaction of non-monetary assets with commercial substance) rather than through continuing use.

Non-current assets mentioned above do not include investment properties subsequently measured with the fair value model, biological assets measured at fair value less costs to sell, assets arising from employee benefits, financial assets, deferred tax assets and contractual rights under insurance contracts.

The disposal group is a group of assets to be disposed of, by sale or otherwise, together as a whole in a single transaction, and liabilities directly associated with those assets that will be transferred in the transaction. In certain circumstances, disposal groups include goodwill acquired in a business combination. A non-current asset or disposal group is classified as held for sale when all the following criteria are met: according to the customary practices of selling such asset or disposal group in similar transactions, the non-current asset or disposal group is available for immediate sale in its present condition; the sale is highly probable to occur, that is, the Group has made a resolution on a sale plan and entered into a legally binding purchase agreement with other parties. The sale is expected to be completed within one year. The Group that is committed to a sale plan involving loss of control of a subsidiary classifies all the investment in that subsidiary as held for sale in its separate financial statements, and classifies all the assets and liabilities of that subsidiary as held for sale in its consolidated financial statements, when the classification criteria for held for sale are met, regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets or disposal groups held for sale are initially and subsequently measured at the lower of carrying amount and fair value less costs to sell. Any excess of the carrying amount over the fair value less costs to sell is recognised as an loss allowance in profit or loss. The loss allowance recognised for a disposal group firstly reduces the carrying amount of goodwill allocated to the disposal group, and then reduces the carrying amount of other non-current assets pro rata on the basis of the carrying amount of each non-current asset in the disposal group.

The Group recognises a gain for any subsequent increase in fair value less costs to sell of an asset, but not in excess of the cumulative loss allowance that has been recognised after classified as held for sale. The reduced carrying amount of goodwill is not recovered.

The Group does not depreciate (or amortise) a non-current asset while it is classified as held for sale or while it is part of a disposal group classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. If an investment or a part of investment in an associate or a joint venture is classified as held for sale, equity method is not used for the part classified as held for sale, while equity method is used for the rest part (the part not classified as held for sale) continually. When the Group does not have material impact on an associate or a joint venture due to the sale transaction, it stops using equity method.

The Group measures a non-current asset that ceases to be classified as held for sale at the lower of:

- ① its carrying amount of the asset or disposal group before it was classifying as held-for-sale, and adjusted for any depreciation, amortization or impairment as if it has not being classified as held-for-sale;
 - ② its recoverable amount.
- (2) Discontinued operations

The Group classifies a component as a discontinued operation either upon disposal of the operation or when the operation meets the criteria to be classified as held for sale if it is separately identifiable and satisfies one of the following conditions:

- ① It represents a separate major line of business or a separate geographical area of operations;
- ② It is part of a single coordinated plan to dispose of a separate major line of business or a separate geographical area of operations;
- ③ It is a subsidiary acquired exclusively with a view to resale.

(3) Presentation

The Group presents a non-current asset classified as held for sale and the assets of a disposal group classified as held for sale as “Assets held for sale” in balance sheet. The liabilities of a disposal group classified as held for sale is presented as “Liabilities held for sale” in balance sheet.

The Group presents profit or loss from discontinued operations separately from profit or loss from continuing operations in income statement. Loss allowance and reversal amount and any disposal gain or loss of a non-current asset or disposal group classified as held for sale that does not meet the definition of a discontinued operation is included in profit or loss from continuing operations. Any gain or loss from continuing operation of discontinued operations, including loss allowance and reversal amount, and disposal gain or loss is included in profit or loss from discontinued operations.

A disposal group which is planned to cease operation rather than for sale, and meets the criteria of a part of discontinued operation, the Group presents it as discontinued operation from the date of cessation.

Where an operation is classified as discontinued in the current period, profit or loss from continuing operations and profit or loss from discontinued operations are separately presented in the income statement

for the current period. If the Group ceases to classify a discontinued operation as held for sale, the information previously presented in discontinued operations is reclassified and included in income from continuing operations for all periods presented.

15. Long-term equity investments

Long-term equity investments include equity investments in subsidiaries and equity investments in joint ventures and associates. An associate is an enterprise over which the Group has significant influence.

(1) Determination of initial investment cost

The initial cost of a long-term equity investment acquired through a business combination involving enterprises under common control is the Group's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. For a long-term equity investment obtained through a business combination not involving enterprises under common control, the initial cost is the combination cost.

A long-term equity investment acquired other than through a business combination: A long-term equity investment acquired other than through a business combination is initially recognised at the amount of cash paid if the Group acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement and recognition of profit or loss

Long-term equity investments in subsidiaries are accounted for using the cost method. An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement.

For a long-term equity investment which is accounted for using the cost method, except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Group recognises its share of the cash dividends or profit distributions declared by the investee as investment income for the current period.

For a long-term equity investment which is accounted for using the equity method, where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognised at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognised in profit or loss.

Under the equity method, the Group recognises its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution (referred to as "other changes in owners' equity"), is recognised directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly. In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognises investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition.

When the Group becomes capable of exercising joint control or significant influence (but not control) over an investee due to additional investment or other reasons, the Group uses the fair value of the previously-held equity investment, together with additional investment cost, as the initial investment cost under the equity method. If the original equity is classified as non-trading equity instrument investment measured at fair value and its changes are included in other comprehensive income, the relevant accumulative changes in fair value originally included in other comprehensive income will be transferred to retained earnings when changed to equity method accounting.

When the Group can no longer exercise joint control or significant influence over an investee due to partial disposal of the equity investment or other reasons, the remaining equity investment shall be accounted for using Accounting Standard for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of the loss of joint control or significant influence. Any other comprehensive income previously recognised under the equity method shall be accounted for on the same basis as would have been required if the Group had directly disposed of the related assets or liabilities for the current period upon discontinuation of the equity

method. Other movement of owner's equity related to original equity investment is transferred to profit or loss for the current period.

When the Group can no longer exercise control over an investee due to partial disposal of the equity investment or other reasons, and the remaining equity after disposal can exercise joint control of or significant influence over an investee, the remaining equity is adjusted as using equity method from acquisition. When the remaining equity can no longer exercise joint control of or significant influence over an investee, the remaining equity investment shall be accounted for using Accounting Standard for Business Enterprises No. 22-Recognition and Measurement of Financial Instruments, and the difference between the fair value and the carrying amount of the remaining equity investment shall be charged to profit or loss for the current period at the date of loss of control.

When the Group can no longer exercise control over an investee due to new capital injection by other investors, and the Group can exercise joint control of or significant influence over an investee, the Group recognizes its share of the investee's new added net assets using new shareholding percentage. The difference between its new share of the investee's new added net assets and its decreased shareholding percentage of the original investment is recognized in profit or loss. And the Group adjusts to the equity method using the new shareholding percentage as if it uses the equity method since it obtains the investment.

Unrealised profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealised losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealised gains but only to the extent that there is no impairment.

(3) Criteria for determining the existence of joint control or significant influence over an investee
Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. When assessing whether the Group can exercise joint control over an investee, the Group first considers whether no single participant party is in a position to control the investee's related activities unilaterally, and then considers whether strategic decisions relating to the investee's related activities require the unanimous consent of all participant parties that sharing of control. All the parties, or a group of the parties, control the arrangement collectively when they must act together to direct the relevant activities. When more than one combination of the parties can control an arrangement collectively, joint control does not exist. A party that holds only protective rights does not have joint control of the arrangement.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies. When determining whether the Group can exercise significant influence over an investee, the effect of potential voting rights (for example, warrants, share options and convertible bonds) held by the Group or other parties that are currently exercisable or convertible shall be considered.

When the Group, directly or indirectly through subsidiaries, owns 20% of the investee (including 20%) or more but less than 50% of the voting shares, it has significant influence over the investee unless there is clear evidence to show that in this case the Group cannot participate in the production and business decisions of the investee, and cannot form a significant influence. When the Group owns less than 20% of the voting shares, generally it does not have significant influence over the investee, unless there is clear evidence to show that in this case the Group can participate in the production and business decisions of the investee so as to form a significant influence.

(4) Equity investments held for sale

Accounting for an entity investment, or a portion of an equity investment, in an associate or a joint venture that is classified as held for sale refers to Note III.14.

Any remaining equity investment that has not been classified as held for sale shall be accounted for using the equity method.

When an equity investment in an associate or a joint venture previously classified as held for sale no longer meets the criteria to be so classified, it is accounted for using the equity method retrospectively as from the date of its classification as held for sale.

(5) Method of impairment testing and impairment provision

For investments in subsidiaries, associates and joint ventures, refer to Note III. 23 for the Group's method of asset impairment.

16. Investment property

Investment properties are properties held either to earn rental income or for capital appreciation or for both. The Group's investment properties include leased land use rights, land use right held and provided for to transfer after appreciation and leased building and construction.

Investment properties are initially measured at acquisition cost, and depreciated or amortized using the same policy as that for fixed assets or intangible assets.

For the impairment of the investment properties accounted for using the cost model, refer to Note III.23.

Gains or losses arising from the sale, transfer, retirement or disposal of an item of investment property are determined as the difference among the net disposal proceeds, the carrying amount of the item, related taxes and surcharges, and are recognised in profit or loss for current period.

17. Fixed assets

(1) Recognition of fixed assets

Fixed assets represent the tangible assets held by the Group for use in production of goods, use in supply of services, rental or for administrative purposes with useful lives over one accounting year.

Fixed assets are only recognised when its related economic benefits are likely to flow to the Group and its cost can be reliably measured.

Fixed asset are initially measured at cost.

Subsequent expenditures related to fixed assets are included in the cost of fixed assets when the economic benefits related to them are likely to flow into the Group and their costs can be measured reliably; the daily repair expenses of fixed assets that do not meet the criteria for subsequent expenditure of fixed assets capitalization shall be included in the current profit or loss or the cost of relevant assets according to the beneficiary at the time of occurrence. The carrying amount of the replaced part shall be derecognized.

(2) Depreciation of fixed assets

The cost of a fixed asset is depreciated using the straight-line method since the state of intended use, unless the fixed asset is classified as held for sale. Not considering impairment provision, the estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as follows:

Category	Estimated useful life (years)	Residual value rate %	Depreciation rate %
Plant and buildings	5-40 <small>(Note)</small>	5.00	19.00-2.38
Machinery and equipment	3-12	5.00	31.67-7.92
Motor vehicles	5.00	5.00	19.00
Electronic equipment	3-5	5.00	31.67-19.00
Others	3-5	5.00	31.67-19.00

Note:

① For the immovable buildings on the leased land, they are depreciated over the shorter of the lease term of land use right and the expected useful lives of the immovable buildings.

② The Group purchased freehold lands in India, Ecuador, Indonesia and Egypt. No depreciation is recognizes for these lands because their estimated useful lives is uncertain. The Group tests for impairment on these lands every year.

For impaired fixed assets, depreciation rate is calculated based on the carrying amounts after deducting the provision for impairment.

(3) For the impairment of the fixed assets, please refer to Note III. 23.

(4) Useful lives, estimated residual values and depreciation methods are reviewed at least at each year-end. The Group adjusts the useful lives of fixed assets if their expected useful lives are different with the original estimates and adjusts the estimated net residual values if they are different from the original estimates.

(5) Disposal of fixed assets

When the fixed assets are disposed, or no economic benefit is expected to be generated through the use or disposal, the fixed assets shall be derecognised. The amount of the disposal income from the sale, transfer, scrapping or destruction of fixed assets after deducting its carrying value and relevant taxes is recorded into the current profit or loss.

18. Construction in progress

Construction in progress is recognized based on the actual construction cost, including all expenditures incurred for construction Items, capitalised borrowing costs and any other costs directly attributable to bringing the asset to working condition for its intended use.

Construction in progress is transferred to fixed asset when it is ready for its intended use.

For the impairment of construction in progress, please refer to Note III. 23.

19. Borrowing costs

(1) Capitalisation criteria

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset shall be capitalised as part of the cost of that asset. Other borrowing costs are expensed in profit or loss as incurred. The capitalisation of borrowing costs shall commence only when the following criteria are met:

- ① Capital expenditures have been incurred, including expenditures that have resulted in payment of cash, transfer of other assets or the assumption of interest-bearing liabilities;
- ② Borrowing costs have been incurred;
- ③ The activities that are necessary to prepare the asset for its intended use or sale have commenced.

(2) Capitalisation period

The capitalisation of borrowing costs ceases when the asset under acquisition or construction becomes ready for its intended use, the borrowing costs incurred thereafter are recognised in profit or loss for the current period.

Capitalisation of borrowing costs is suspended during periods in which the acquisition or construction of a fixed asset is interrupted abnormally and the interruption lasts for more than 3 months, until the acquisition or construction is resumed.

(3) Capitalisation rate of borrowing costs and calculation basis of capitalised amount

For interest expense actually incurred on specific borrowings, the eligible capitalised amount is the net amount of the borrowing costs after deducting any investment income earned before some or all of the funds are used for expenditures on the qualifying asset. To the extent that the Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group shall determine the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset, the capitalisation rate shall be the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings specifically for the purpose of obtaining a qualifying asset.

In the capitalisation period, exchange differences of specific borrowings in foreign currency shall be capitalised; exchange differences of general borrowings in foreign currency is recognised in profit or loss for the current period.

20. Biological Assets

(1) Recognition criteria for biological assets

Biological assets are assets that composed of living animals and plants. Biological assets shall be recognized if they satisfy all of the following conditions:

- ① The entity owns or controls the biological asset due to past transactions or events;
- ② The economic benefits or potential service related to the biological asset are probable to flow into the entity;
- ③ The cost of the biological asset can be measured reliably.

(2) Classification of biological assets

The Group's biological assets include consumptive biological assets and productive biological assets.

① Consumptive biological assets

Consumptive biological assets is the biological assets held-for-sale or harvested as agricultural products in the future, including livestock for sale, etc. Consumptive biological assets are initially measured at cost.

The cost of self-propagating or breeding consumptive biological assets is the necessary expenditure incurred that can directly attributable to the asset before the asset is sold or shipped, including capitalized borrowing costs. Subsequent expenditures after harvest such as management, protection and feeding expenses are recognized in the profit or loss for the current period.

When the consumptive biological assets are harvested or sold, the cost of goods sold is recognized based on the carrying amount using the weighted average method.

② Productive biological assets

Productive biological assets are the biological assets held for the purpose of producing agricultural products, providing services or leasing, including livestock production. Productive biological assets are initially measured at cost. The cost of productive biological asset by self-growing or propagating is the necessary expenditure directly attributable to the asset incurred before the asset reaches its intended production and operation purpose, including capitalized borrowing costs.

The subsequent expenditures for managing, protecting and feeding the productive biological assets incurred after crown closure or reaching its intended objective of production and operation is recognized in profit or loss for the current period.

Productive biological assets are depreciated by straight-line method. Depreciation for each period is calculated and recognized based on the estimated useful lives less residual value of each type of biological assets.

At the end of each year, the Group reviews the useful lives, estimated net residual values and depreciation methods of productive biological assets. If there is any change, it is treated as a change in accounting estimates.

The proceeds on disposal of productive biological asset for the sales, inventory loss, dead or damage less the carrying amount and related taxes are recognized in profit or loss for the current period.

③ Impairment of biological assets

When the net realizable value of a consumptive biological asset is lower than its carrying amount, the difference is recognized as the impairment provision and the corresponding impairment loss is recognized in profit or loss for the current period. If the previous factors caused the decline in value of consumptive biological asset have disappeared at the balance sheet date, the previously recognized provision for decline in value of consumptive biological assets is reversed, to the extent of provision recognized in the past, the reversal amount is recognized in profit or loss for the current period.

For the impairment of productive biological assets, please refer to Note III. 23。

21. Intangible assets

Intangible assets include land use rights, patent rights, non-patent rights, software use rights, trademarks,, marketing network and maritime rights, etc.

Intangible asset is initially measured cost and its useful life is determined at the time of acquisition. An intangible asset with a finite useful life is amortized by a method which can reflect the expected realization of economic benefits related to the asset since the intangible asset is available for use. When the expected realization of economic benefits cannot be reliably determined, intangible asset is amortized under straight-line method. An intangible asset with an indefinite useful life is not amortized.

At the end of each year, the Group reviews the useful life and amortization method of intangible assets with finite useful life. If there is any change, adjustment made to original estimates and it shall be treated as the change of accounting estimate.

On the balance sheet date, an intangible asset shall be derecognized in profit or loss for the current period when it is not expected to generate future economic benefits.

For the impairment of intangible assets, please refer to Note III. 23.

22. Research and development expenditure

Expenditure on an internal research and development project is classified into expenditure incurred during the research phase and expenditure incurred during the development phase.

Expenditure during the research phase is expensed when incurred.

Expenditure during the development phase is capitalised if the product or process is technically and commercially feasible; the Group intends to complete the development; the intangible asset can generate economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there is usage for the intangible asset; there is sufficient support in terms of technology, financial resources and other resources in order to complete the development and use or sell the intangible asset; and development costs can be measured reliably. Other development expenditure is recognised as an expense in the period in which it is incurred.

Research and development projects of the Group will enter into the development phase when they meet the above conditions, technical and economic feasibility research is finished and necessary approval of the project is obtained.

Capitalised expenditure on the development phase is presented as “development costs” in the balance sheet, and is transferred to intangible assets when the project is completed to its intended use.

23. Impairment of assets

The impairment of long-term equity investments in subsidiaries, associates and joint ventures, investment properties measured by the cost model, fixed assets, construction in progress, productive biological assets measured by the cost model, intangible assets, goodwill, etc. (excluding inventories, investment properties measured by the fair value model, deferred tax assets and financial assets) are determined as follows:

At the balance sheet date, the Group assesses whether there is any indication of impairment. If any indication exists, the Group will estimate the recoverable amount and test for impairment. For goodwill arising from a business combination, intangible assets with indefinite useful life and intangible assets that are not ready for use are tested for impairment annually, regardless of whether there is any indication of impairment.

The recoverable amount of an asset is the higher of its fair value less disposal costs and the present value of expected future cash flows. The Group estimates the recoverable amount based on each individual asset. If it is impossible to estimate the recoverable amount of each individual asset, the Group determines the recoverable amount for the asset group to which the asset belongs. An asset group is determined based on whether the main cash inflow generated by the asset group is independent of the cash inflow of other assets or asset groups.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognized accordingly.

For the impairment test of goodwill, the carrying amount of goodwill arising from a business combination shall be allocated to the relevant asset groups by using a reasonable method from the date of acquisition. If the carrying amount of goodwill is unable to be allocated to the asset group, it shall be allocated to the relevant set of asset groups. Relevant asset group or set of asset groups is the asset group or group of asset groups, that is expected to benefit from the synergies of the combination and not greater than the reportable segment of the Group.

If any impairment indication exists in asset group or set of asset groups related to goodwill, the Group shall perform an impairment test for the asset group or set of asset groups which does not contain goodwill first, the recoverable amount is calculated and recognized the corresponding impairment losses. Then the Group shall perform an impairment test for the asset group or set of asset groups that contain goodwill by comparing its carrying amount and recoverable amount. If the recoverable amount is less than the carrying amount, impairment loss of goodwill is recognized.

Once an impairment loss is recognized, it cannot be reversed in a subsequent period.

24. Long-term deferred expenses

Long-term deferred expenses are recorded at the actual cost, and amortized using a straight-line method within the benefit period. For long-term deferred expense that cannot bring benefit in future period, the Group recognized its amortised cost in profit or loss for the current period.

25. Employee benefits

(1) Scope of employee benefits

Employee benefits refer to all forms of consideration or compensation given by the Group in exchange for service rendered by employees or for the termination of employment relationship. Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits. Benefits provided to the Group's spouse, children, dependents, family members of deceased employees or other beneficiaries are also part of the employee benefits.

According to liquidity, employee benefits are presented as "employee benefits payable" and "long-term employee benefits payable" on the balance sheet.

(2) Short-term employee benefits

In the current period, the Group has accrued for the actual wages, bonuses, medical insurance for employees based on standard rate, work injury insurance and maternity insurance and other social insurance and housing fund incurred and these are recognised as liabilities and corresponding costs in the profit or loss.

(3) Post-employment benefits

Post-employment benefit plan includes defined contribution plans and defined benefit plans. Defined contribution plans are post-employment benefit plans which an entity pays a fixed amount of fee to an independent fund and has no further payment obligation. Defined benefit plans are post-employment benefit plans other than defined contribution plans.

Defined contribution plans

Defined contribution plans include basic pension insurance, unemployment insurance, etc.

The contribution amount calculated according to the define contribution plan is recognized as a liability as the employee provides services, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

Defined benefit plans

For defined benefit plans, independent actuaries estimate the actuarial value at the balance sheet date to determine the cost of welfare by using the projected unit credit method. The Group recognizes the following components of employee benefits cost arising from defined benefit plan:

① service cost, comprising current service cost, past service cost and any gain or loss on settlement.

Current service cost is the increase in the present value of the defined benefit plan obligation resulting from employee service in the current period. Past service cost is the increase or decrease in the present value of the defined benefit plan obligation for employee service in prior periods, resulting from a plan amendment.

② net interest on the net defined benefit plan liabilities or assets, including interest income on plan assets, interest cost on the defined benefit plan obligation and interest on the effect of the asset ceiling.

③ changes as a result of re-measurement of the net defined benefit liabilities or assets.

Item① and item② above should be recognized in profit or loss for the current period unless another accounting standard requires or permits the inclusion of the employee benefit costs in the cost of assets.

Item③ shall be recognized in other comprehensive income and shall not be reclassified to profit or loss in a subsequent period. On termination of defined benefit plans, other comprehensive income previously recognized is transferred to retained earnings.

(4) Termination benefits

The Group provides for termination benefits to the employees and shall recognise an employee benefits liability for termination benefits, with a corresponding charge to the profit or loss for the current period, at the earlier of the following dates: When the Group cannot unilaterally withdraw the offer of the termination benefits because of an employment termination plan or a redundancy proposal; or when the Group recognises the costs or expenses relating to a restructuring that involves the payment of the termination benefits.

When the Group implements an internal retirement plan, the economic compensation before the formal retirement date is attributable to the termination benefits. The salaries and social insurance payment to be paid for the early-retired employee are recognized as one-off expense in profit or loss for the current period between the date when the employee stops rendering service and formal retirement. Economic compensation after the date of formal retirement (such as normal pension) shall be accounted for as post-employment benefits.

(5) Other long-term employee benefits

Other long-term employee benefits provided by the Group to the employees satisfied the conditions for classifying as a defined contribution plan; those benefits shall be accounted for in accordance with the above requirements relating to defined contribution plan. When the benefits satisfied a defined benefit plan, it shall be accounted for in accordance with the above requirements relating to defined benefit plan, but the movement of net liabilities or assets in re-measurement of defined defined benefit plan shall be recorded in profit or loss for the current period or cost of relevant assets.

26. Provisions

A provision is recognised for an obligation related to a contingency if all the following conditions are satisfied:

(1) The Group has a present obligation;

(2) It is probable that an outflow of economic benefits will be required to settle the obligation; and

(3) The amount of the obligation can be estimated reliably.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

If all or part of the expenditure necessary for settling the provision is expected to be compensated by a third party, the amount of compensation is separately recognized as an asset when it is basically certain to be received. The recognized compensation amount shall not exceed the carrying amount of the provision.

27. Share-based Payment and Equity Instruments

(1) Types of share-based payment

The Group's share-based payment is classified into equity-settled share-based payment and cash-settled share-based payment.

(2) Recognition method of the fair value of equity instruments

If an active market exists for the equity instruments such as stock option granted by the Group, the fair value of the equity instrument shall be determined according to the quoted price in the active market. If an active market does not exist, the fair value of the equity instrument shall be determined by using the option pricing model. The Group considers the following factors when selecting the model: A) the exercise price of the option; B) the validity period of the option; C) current price of underlying stock; D) expected volatility of the stock price; E) expected dividend of the stock; F) risk-free interest rate within the validity period of the option.

(3) Basis for the best estimate of exercisable equity instruments

At each balance sheet date of the waiting period, the Group revises the number of equity instruments that will ultimately vest based on the best estimate of the latest number of eligible employees and other subsequent information. On vesting date, the number of expected vested equity instruments should be agreed with the actual number vested.

(4) Accounting treatments for the implementation, modification and termination of share-based payment plans

Equity-settled share-based payment is measured by the fair value of the equities instruments granted to employees. As to an equity-settled share-based payment that the right may be exercised immediately after the grant, the fair value of the equity instruments shall, on the date of the grant, be charged to the relevant cost or expense and the capital reserves shall be adjusted accordingly. As to an equity-settled share-based payment that the right cannot be exercised until the vesting period comes to an end or until the prescribed performance conditions are met, then on each balance sheet date within the vesting period, the services obtained in the current period shall, based on the best estimate of the number of vested equity instruments, be charged to the relevant costs or expenses at the fair value of the equities instruments on the date of the grant, and the capital reserves shall be adjusted accordingly. After the vesting date, the confirmed related costs or expenses and the total owner's equity will not be adjusted.

Cash-settled share-based payments is measured by the fair value of liability undertaken by the Group at the mean of share or other equity instruments. As to a cash-settled share-based payment instruments that the right may be exercised immediately after the grant, the fair value of the liability undertaken by the Group shall, on the date of the grant, be charged to the relevant costs or expenses, and the liabilities shall be increased accordingly. As to a cash-settled share-based payment that the right may not be exercised until the vesting period comes to an end or until the specified performance conditions are met, on each balance sheet date with in the vesting period, the services obtained in the current period shall, based on the best estimate of the information about the vesting conditions, be charged to the relevant costs or expenses and the corresponding liabilities at the fair value of the liability undertaken by the Group. On each balance sheet date and settlement date before the settlement of related liabilities, the fair value of liabilities is re-measured, and the changes are included in the current profit and loss.

When the Group modifies the share-based payment plan, if the fair value of the distributed equity instrument is increased due to the modification, the increment of the obtained services shall be recognized accordingly; if the quantity of the distributed equity instrument is increased due to the modification, the increment of obtained services shall be recognized accordingly. The increase in the fair value of equity instruments refers to the difference between the fair value of equity instruments before and after modification on the modification date. If the modification decreases the fair value of equity instruments granted or adopt other terms and conditions unfavorable to the employees, the accounting treatment for the services obtained will continue, and be deemed that the change has never occurred unless the Group cancelled some or all of the granted equity instruments.

If the granted equity instruments are canceled or settled within the vesting period (except that canceled due to failure to meet the vesting conditions), the Group shall regard the canceling or settlement as acceleration of the vest, and immediately recognize the amount supposed to be recognized within the residual vesting period in the current profit and loss and capital reserves. If employees or other parties can choose to meet the conditions of unfeasible rights but fail to meet them within the waiting period, the Group will take it as the cancellation of the instrument for granting rights and interests.

28. Other Financial Instruments such as Preference Shares, Perpetual Bonds

(1) Distinction between financial liabilities and equity instruments

The Group classifies the financial instrument or its components as a financial asset, financial liabilities or equity instruments at initial recognition, according to the contract terms of the financial instrument issued

and its economic substance, not only in legal form, and in conjunction with the definition of financial assets, financial liabilities and equity instruments.

(2) Accounting treatment for preference shares, perpetual bonds

The Group initially recognizes and measures financial instrument in accordance with the standards of financial instrument. On the basis of the category of financial instrument issued, interest is accrued or dividends are paid at each balance sheet date according to the relevant accounting standards. For the financial instrument classified as equity instrument, the interest or dividend paid is treated as profit distribution of the Group, and the repurchase and cancellation of the financial instrument is treated as the movement in equity. For the financial instrument classified as financial liability, the interest or dividend paid is treated as borrowing cost, and gains or losses arising from the repurchase or redemption of financial instrument is recognized in profit or loss for the current period.

When the Group issues financial instrument, the relevant transaction costs such as handling charges and commission are recognized the initial amount of issued instrument if it is classified as debt instrument measured at amortized cost. The transaction costs are deducted against equity if it is classified as equity instrument.

29. Revenue

(1) General principles

The Group recognizes the revenue when it satisfied its performance obligation stated in the contract, that is, when the control of the good or service is transferred to the customer.

If the contract comprises two or more performance obligations, the Group allocates the transaction price to each performance obligation based on the proportion of sales price for the goods or service committed by each performance obligation at the commencement date of the contract. Revenue is recognized the allocated transaction for each performance obligation.

If one of the following conditions is satisfied, the Group satisfies its performance obligation over time;

Otherwise, the performance obligation is satisfies at a point in time:

- ① The customer simultaneously receives and consumes the economic benefits provided by the Group's performance as the Group's performs its obligation;
- ② The Group's performance produces good that the customer control as the good is created;
- ③ The Group's performance produces goods without an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the Group shall recognize the revenue over time by measuring the progress toward complete satisfaction of that performance obligation. If the progress cannot be reasonably measured and the Group is expected to be compensated for the costs already incurred, revenue shall be recognized to the extent of the costs that have been incurred until the progress can be reasonably measured.

For performance obligation satisfied at a point in time, the Group recognizes revenue at the time when the control of good or service is transferred to the customer. The Group considers the following indications when determining whether the control of good or service is transferred to the customer:

- ① The Group has a present right to payment for good or service, i.e. the customer has a present payment obligation for the good
- ② The Group has transferred the legal title of the good to the customer, i.e. the customer has the legal title.
- ③ The Group has transferred the physical good to the customer, i.e. the customer has physical possession.
- ④ The Group has transferred the significant risks and rewards of ownership of the good to the customer, i.e., the customer has the significant risks and rewards of ownership.
- ⑤ The customer has accepted the good.
- ⑥ Other indications that the customer has the control of the good.

(2) Specific methods

The Group's revenue is mainly derived from sale of goods.

Sale of goods

The Group produces and sells feed, seedling, animal protection, hog and aquatic products.

The Group recognizes the revenue when the customers collect the goods by door or the goods have been delivered to the designated location, and the customers accept the goods and obtain the control of goods.

The credit periods granted by the Group to customers are consistent with the practice in each industry and have no significant financing components.

The Group's cooperation model with franchiser is buyout sales, and sales revenue recognition is consistent with the direct sales model.

Some contracts with customers have sales rebate arrangements, resulting in variable consideration. The Group determines the best estimate of variable consideration on the basis of expectation or the most likely value to occur. The transaction price that includes variable consideration does not exceed the value by which it is highly unlikely that a material reversal of the cumulative recognised revenue will occur when the related uncertainty is removed.

For the sale of goods with sales return clauses, revenue recognition is limited to extent of cumulative recognized revenue that is unlikely to be materially reversed. The Group recognizes a liability according to the expected refund. The carrying amount of the returned goods less than the estimated cost to recover the goods (including the decline in value for the returned goods) is recognized as an asset at the same time.

30. Contract costs

Contract costs include the incremental costs of obtaining a contract and costs to fulfill a contract.

Incremental costs of obtaining a contract are the cost only incurred if the contract is obtained (i.e. commission). The Group expects to recover these costs and recognized as an asset of incremental costs of obtaining a contract. Other expenditures of obtaining a contract except for the incremental costs expected to be recovered, are recognized in profit or loss for the current period when incurred.

The Group recognizes the costs to fulfill a contract as an asset if the costs are incurred for fulfilling the performance obligation of the contract, do not fall within the scope of other accounting standards, such as inventory, and meet the following criteria:

- ① The costs directly related to a contract or an anticipated contract that can specifically identify, including direct labor, direct materials, manufacturing overheads (or similar expenses), costs explicitly chargeable to the customer and other costs incurred solely for the contract;
- ② The costs generate or enhance resources of the Group that will be used in satisfying performance obligations in the future.
- ③ The cost is expected to be recovered.

Assets recognized from costs of obtaining a contract and costs to fulfill a contract (hereinafter referred to as "assets related to contract cost") shall be amortized in the profit or loss for the current period on the same basis as revenue recognition of goods or services related to such assets. If the amortization period does not exceed one year, it is recognized in profit or loss for the current period when it occurs.

When the carrying amount of the assets related to the contract cost is greater than the difference between the following two items. The Group shall make provision for impairment of the excess amount and recognize as impairment loss:

- ① The remaining consideration that the Group is expected to be received as a result of the transfer of the goods or services related to the asset;
- ② Costs probably incurred for transferring of the relevant goods or services.

31. Government grants

A government grant is recognized when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value. If fair value cannot be reliably determined, it is measured at a nominal amount of RMB 1.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets.

For government grants with unspecified purpose, the amount of grants used to form a long-term asset is regarded as government grants related to an asset, the remaining amount of grants is regarded as government grants related to income. If it is not possible to distinguish, the amount of grants is treated as government grants related to income.

A government grant related to an asset is offset against the carrying amount of the related asset, or recognized as deferred income and amortized to profit or loss over the useful life of the related asset on a reasonable and systematic manner. A grant that compensates the Group for expenses or losses already incurred is recognized in profit or loss or offset against related expenses directly. A grant that compensates the Group for expenses or losses to be incurred in the future is recognized as deferred income, and included in profit or loss or offset against related expenses in the periods in which the expenses or losses are

recognized. Government grants measured at nominal amounts are directly recognized in the profit or loss for the current period. The Group applies the same method to the same or similar government grant. A grant related to ordinary activities is recognized as other income or offset against related expenses based on the economic substance. A grant not related to ordinary activities is recognized as non-operating income. For repayment of a government grant, if the government grant is offset against the carrying amount of the related asset at the time of recognition, the carrying amount of the related asset shall be adjusted. If there is related deferred income, the repayment is offset against the carrying amount of the deferred income, and any excess is recognized in profit or loss for the current period. Otherwise, the repayment is recognized immediately in profit or loss for the current period.

If the government directly appropriates the interest subsidy to the lending bank, the Group recognized the loan as the amount received, and interest expense is calculated using the loan principal and policy-related preferential interest rate. If the government directly appropriates the interest subsidy to the Group, the interest subsidy is offset against interest expense.

32. Deferred tax assets and deferred tax liabilities

Income tax comprises of current tax and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that they relate to transactions or items recognised directly in equity and goodwill arising from a business combination.

Deferred tax assets and deferred tax liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

All the taxable temporary differences are recognized as deferred tax liabilities except for those incurred in the following transactions:

- (1) initial recognition of goodwill, or assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss)(except for individual transactions in which the initial recognition of assets and liabilities results in equal amounts of taxable temporary differences and deductible temporary differences);
- (2) taxable temporary differences associated with investments in the Group, associates and joint ventures, and the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group recognizes a deferred tax asset for the deductible temporary differences, deductible losses and tax credits carried forward to subsequent periods, to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, deductible losses and tax credits can be utilized, except for those incurred in the following transactions:

- (1) a transaction that is not a business combination and that affects neither accounting profit nor taxable profit (or deductible loss) (except for individual transactions in which the initial recognition of assets and liabilities results in equal amounts of taxable temporary differences and deductible temporary differences);
- (2) deductible temporary differences associated with investments in the Group, associates and joint ventures, the corresponding deferred tax asset is recognized when both of the following conditions are satisfied: it is probable that the temporary difference will reverse in the foreseeable future; and it is probable that taxable profits will be available in the future against which the temporary difference can be utilized.

At the balance sheet date, the Group measures the deferred tax assets and deferred tax liabilities according to the applicable tax rate during the period when the assets are expected to be recovered or the liabilities are settled, and reflect the income tax impact of the expected asset recovery or liability settlement method on the balance sheet date.

At the balance sheet date, the Group reviews the carrying amount of any deferred tax asset. If it is probable that sufficient taxable profits will not be available in future periods to allow the benefit of the deferred tax asset to be utilized, the carrying amount of the deferred tax asset is reduced. Any such reduction in amount is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and deferred tax liabilities are presented as net amounts after offsetting when both of the following criteria are met:

- (1) The taxpayer of the Company has the legal right to net settlement of current tax assets and current tax liabilities;
- (2) Deferred tax assets and deferred tax liabilities are related to income taxes levied by the same tax collection authority on the same taxpayer within the Company.

33. Leases

(1) Identification of leases

At inception of a contract, the Group, as a lessee or a lessor, shall assess whether the customer under the contract has the right to obtain substantially all of the economic benefits from use of the identified asset during the period of use and has the right to direct the use of the identified asset during the period of use. The Group considers the contract to be a lease or to include a lease if one of the parties to the contract conveys the right to control the use of one or more identified assets for a certain period of time in exchange for consideration.

(2) The Group acts as the lessee

At the commencement date, the Group recognizes the right-of-use assets and lease liabilities for all leases, except for short-term leases and leases of low value assets that are accounted for according to the simplified method.

For the accounting policy of the right-of-use assets, see Note III.34.

Lease liabilities are initially measured at the present value of the outstanding lease payments at the commencement date of the lease using the interest rate implicit in the lease. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate shall be used as the discount rate. The lease payments include: fixed payments and in-substance fixed payments; if there are lease incentives, the relevant amount of lease incentives shall be deducted; variable lease payments depending on an index or a rate; the exercise price of the option provided that the lessee is reasonably certain that the option will be exercised; the amount to be paid to exercise the option to terminate the lease if the lease term reflects that the lessee will exercise the option to terminate the lease; and the amount expected to be payable based on the residual value of the security provided by the lessee. The interest expense of the lease liability in each period of the lease term shall be calculated in accordance with the fixed periodic interest rate and recorded into the profit or loss of the current period. The variable lease payment not included in the measurement of lease liabilities shall be recorded into the current profit or loss when actually incurred.

Short-term leases

A short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less, except for a lease that contains a purchase option.

The Group records the lease payment amount of short-term lease into the cost of relevant assets or current profit or loss in each period of the lease term according to the straight-line method

Leases of Low-value assets

Leases of low value assets refer to lease of a single leased asset whose value is less than RMB40,000 when it is a brand-new asset.

The Group includes the lease payment of the low-value asset lease into the cost of the relevant asset or current profit or loss in each period of the lease term according to the straight-line method

For low-value asset leases, the Group chooses to apply the above simplified treatment depending on the specific circumstances of each lease.

Lease modifications

A lessee shall account for a lease modification as a separate lease if both: (i) the lease modifies the scope of the lease by adding the right to use one or more underlying assets; and (ii) the increase in consideration must be commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If a lease modification is not accounted for as a separate lease, at the effective date of the lease modification, the Group reallocates the consideration in the modified lease, redetermines the lease term, and remeasures the present value of lease liability according to the revised lease payments and revised discount rate.

If a lease modification results in a reduction in the scope of the lease or a shortening of the lease term, the Group reduces the carrying amount of the right-of-use asset accordingly and recognizes the gain or loss related to partial termination or full termination of the lease in profit or loss for the current period.

If all other lease modifications result in the remeasurement of the lease liabilities, the Group makes a corresponding adjustment to the carrying amount of right-of-use asset.

(3) The Group acts as the lessor

When the Group acts as the lessor, the leases that substantially transfer all the risks and rewards related to the ownership of the assets are recognized as finance leases, and other leases other than finance leases are recognized as operating leases.

Finance leases

In the case of finance leases, the Group takes the net investments in the lease as the carrying amounts of finance lease receivables at the commencement date, and the net lease investments are the sum of the

unguaranteed residual value and the present value of the lease payments receivable at the commencement date discounted at the implicit interest rate. The Group, as the lessor, calculates and recognizes interest income for each period of the lease term at a fixed periodic rate. The variable lease payments obtained by the Group as the lessor and not included in the measurement of the net lease investments shall be recorded into the current profit or loss when actually incurred.

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

Operating lease

For the rent in the operating lease, the Group shall recognize the profit or loss of the current period in accordance with the straight-line method during each period of the lease term. The initial direct costs incurred in connection with the operating lease shall be capitalized, allocated on the same basis as the recognition of rental income during the lease term and recorded into the current profit or loss in installments. The variable lease payments obtained in connection with the operating lease and not included in the lease payments shall be recorded into the current profit or loss when actually incurred.

Lease modifications

The Group treats it as a new lease for accounting treatment from the effective date of the modification, and the amount of lease payments received in advance or receivable related to the lease before the modification will be regarded as the amount of new lease payments.

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

If the finance lease modification is not accounted for as a separate lease, the Group will deal with the modified lease under the following circumstances: ① If the modification takes effect on the commencement date of the lease, the lease will be classified as an operating lease, and the Group will treat it as a new lease from the effective date of the lease modification, and take the net investment in lease before the effective date of the lease modification as the carrying amount of the leased asset; ② If the modification takes effect on the commencement date of the lease, the lease will be classified as a finance lease, and the Group will conduct accounting treatment in accordance with the provisions of the "Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments" concerning the modification or renegotiation of the contract.

(4) Subleases

When the Group acts as a sublease lessor, it classifies the sublease based on the right-of-use assets generated from the original lease. If the original lease is a short-term lease and the Group uses the simplified method to account for the original lease, the sublease shall be classified as an operating lease.

34. Right-of-use assets

(1) Criteria for recognition of right-of-use assets

A right-of-use asset represents the right of the Group, as a lessee, to utilize the leased assets over the duration of an agreed-upon lease term.

On the commencement date, the right-of-use assets shall be initially measured at cost. The cost includes: the initial measurement of the lease liability; for the amount of lease payments paid on or before the commencement date of the lease term, if there is a lease incentive, the relevant amount of lease incentive already enjoyed will be deducted; initial direct costs incurred by the Group as the lessee; the costs which the Group, as the lessee, expects to incur in dismantling and removing the leased assets, restoring the premises on which the leased assets are located or restoring the leased assets to the state agreed in the lease terms. The Group, as the lessee, shall recognize and measure the costs of demolition and restoration in accordance with the Accounting Standards for Business Enterprises No. 13 - "Contingencies". Subsequent adjustments are made for any remeasurement of the lease liability.

(2) Depreciation method of the right-of-use assets

The Group uses the straight line method of depreciation. Where the Group, as the lessee, can reasonably determine that it obtains the ownership of the leased assets upon expiration of the lease term, depreciation shall be accrued over the remaining useful life of the leased assets. Where it is impossible to reasonably determine that the ownership of the leased asset can be acquired at the expiration of the lease term,

depreciation shall be accrued in the shorter period between the lease term and the remaining useful life of the leased asset.

(3) See Note III. 23 for the impairment test method of the right-of-use assets and the loss allowance.

35. Production safety fund

In accordance with the relevant regulations, the Group extracts production safety fund at the rate of 1% of operating revenue from the general freight business in the previous year.

When the production safety fund is charged to the cost of relevant products or current profit or loss, it is also included in the "special reserve" account.

When the safety production fund is used in accordance to regulations, it is directly deducted from special reserve if it is charged to current profit or loss; if it forms a fixed asset, the expense is firstly summarised through construction in progress, and then recognised as a fixed asset when the safety project is completed; at the same time, it will be deducted from the special reserve in accordance with the cost of fixed asset, and the same amount of accumulated depreciation will be recognised. At the same time, the cost of fixed assets is deducted from the special reserve and accumulated depreciation of the same amount is recognised. No depreciation will be provided for the fixed assets in subsequent periods.

36. Repurchase Shares

When the Group repurchase its own shares, those shares are treated as treasury stock before they are cancelled or transferred. All the expenditures relating to the repurchased shares are recorded as the cost of treasury stock. The consideration and transaction costs paid in share repurchase reduce the shareholders' equity. No profit or loss is recognized when repurchasing, transferring or canceling the Group's shares.

When the treasury stock is transferred, the difference between the actual amount received and the carrying amount of treasury stock is recognized in capital reserve. Any excess is recognized in surplus reserve and retained earnings. When the treasury stock is cancelled, the share capital should be reduced to the extent of the total par value and the number of shares cancelled. The difference between the carrying amount and par value of the treasury stock cancelled is recognized in capital reserve. Any excess is recognized in surplus reserve and retained earnings.

37. Hedge Accounting

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Group will assess the effectiveness of the hedging instrument.

The Group assesses an ongoing basis to determine that the hedging instrument actually have been highly effective throughout the financial reporting periods for which they were designated. The hedge relationship is ceased if it is unsatisfactory. Hedging accounting should meet the following requirements for the effectiveness of hedging:

- ① There is an economic relationship between hedged items and hedging instruments.
- ② The impact of credit risk does not dominate in the change of value caused by the economic relationship between hedged items and hedging instruments.
- ③ The hedging ratio of the hedging relationship should be equal to the ratio of the number of hedged items actually hedged by the enterprise to the actual number of corresponding hedging instruments. It should not reflect the imbalance of the relative weight of the hedged item and the hedging instrument. This imbalance will cause the hedge to be invalid and may give accounting results that are inconsistent with objectives of the hedge accounting.

The Group ceases the use of hedge accounting if one of the following situation is exist:

- ① The hedging relationship is no longer meets the risk management objectives due to changes in risk management objectives.
- ② The hedging instrument is expired, sold, the contract is terminated or has been exercised.
- ③ The economic relationship between the hedged item and the hedging instrument is no longer existed, or the impact of credit risk does not dominate in the change of value caused by the economic relationship between hedged items and hedging instruments.
- ④ The hedging relationship is no longer satisfied other conditions for using hedging accounting.

Fair value hedge

Fair value hedge refers to a hedge of the exposure to changes in fair value of a recognized asset or liability or an unrecognized firm commitment, or a component of any such item, that is attributable to a particular risk. This change in fair value would affect the Group's profit or loss, or other comprehensive income.

Any gain or loss arising from fair value hedge is recognized in profit or loss for the current period. Gain or loss of hedged item arising from the exposure of risk is recognized in profit or loss for the current period, and adjusted the carrying amount of hedged items not measure at fair value accordingly.

If the hedged item is a financial instrument (or its component) measured at amortized cost, any adjustment to the carrying amount of the hedged item is amortized to profit or loss. The amortization is based on a recalculated effective interest rate at the date that amortization begins.

When unrecognized firm commitment is designated as a hedged item, the cumulative change in the fair value of the hedged item subsequent to its designation is recognized as an asset or a liability with a corresponding gain or loss recognized in profit or loss for the current period. When an asset is obtained or a liability is committed through the fulfillment of confirmed commitment, the initial amount of such asset or liability is adjusted according to the cumulative change in the fair value of recognized hedged item.

Cash flow hedging

Cash flow hedge refers to a hedge of exposure from cash flow changes. This variability in cash flows is attributable to a particular risk associated with a recognized asset or liability or a highly probably forecast transaction and can affect profit or loss.

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized as cash flow hedging reserve in other comprehensive income. Any remaining gain or loss on the hedging instrument that is hedged ineffective is recognized in profit or loss for the current period.

For cash flow hedging, when the hedged item is an expected transaction, and a non-financial asset or non-financial liability arising from the expected transaction, or fair value hedge accounting is applicable to a commitment arising the expected transaction of non-financial assets or non-financial liability, the Group transfers the cash flow hedging reserve previously recognized in the other comprehensive income to the initial recognition amount of such asset or liability.

For cash flow hedges that do not fall into the above situations, the Group transfers cash flow hedging reserve previously recognized in the other comprehensive income to profit or loss for the period when the profit or loss is impacted by the expected cash flow being hedged.

If the cash flow hedging reserve recognized in the other comprehensive income is a loss, the entire or part of the loss is not expect to be recovered in the future accounting period, the Group transfers the unrecovered portion from the other comprehensive income to profit or loss.

When the Group ceases the use of hedging accounting for cash flow hedges, the cumulative cash flow hedging reserve recognized in the other comprehensive income is retained if the hedged cash flow is expected to occur in the future. The cash flow hedging reserve is treated in accordance with the accounting policies of cash flow hedging mentioned above when the expected transaction has occurred. The cumulative cash flow hedging reserve recognized in the other comprehensive income is transferred to profit or loss for the current period if the hedged cash flow is not expected to be occurred in the future. If the hedged cash flow is no longer probable to be occurred in the future but it may still be expected to be occurred, the cumulative cash flow hedging reserve recognized in the other comprehensive income is retained until the expected transaction has occurred, it is then treated in accordance with the accounting policies of cash flow hedging mentioned above.

38. Significant accounting judgments and estimates

The Group assesses the significant accounting estimates and key assumptions on an ongoing basis, based on the historical experience and other factors, including reasonable expectation of future events.

It is probable that the significant adjustment risk to the carrying amount of assets and liability in the next accounting period will arise from the following significant accounting judgments and key assumptions:

Measurement of expected credit losses on accounts receivable

The Group calculates the expected credit loss of accounts receivable through the default risk exposure of accounts receivable and the expected credit loss rate of accounts receivable. The Group determines the expected credit loss rate based on the probability and loss rate of default. When determining the expected credit loss rate, the Group uses internal historical credit loss experience and other data, and adjusts the historical data in conjunction with current conditions and forward-looking information. When considering forward-looking information, the indicators used by the Group include the risk of economic downturn, changes in the external market environment, technological environment and customer situation. The Group regularly monitors and reviews assumptions related to the calculation of expected credit losses.

Impairment of goodwill

The Group assesses the impairment of goodwill at least once a year. The Group shall evaluate the value in use for the cash-generating units to which goodwill has been allocated. When assessing the value in use, the

Group requires to estimate the expected future cash flows from the cash-generating unit and select an appropriate discount rate to calculate the present value.

Deferred tax asset

To the extent that there is likely that there will be sufficient profits to offset losses, deferred tax assets should be recognized for all unutilized tax losses. The management requires using many judgments to estimate the time and amount of future taxable profits, in conjunction with tax planning strategies, to determine the amount of deferred tax assets that should be recognized.

39. Changes in significant accounting policies, accounting estimates and correction of errors in prior periods

(1) Significant changes in accounting policies

Interpretation of Accounting Standards for Business Enterprises No. 16

The Ministry of Finance issued the Interpretation of Accounting Standards for Business Enterprises No. 16 (Cai Kuai [2022] No. 31) (hereinafter referred to as "Interpretation No. 16") in November 2022.

Interpretation No. 16 stipulates that for an individual transaction that is not a business combination, that affects neither accounting profit nor taxable income (or a deductible loss) at the time of the transaction, and that the initial recognition of assets and liabilities results in an equal amount of taxable temporary differences and deductible temporary differences, for taxable temporary differences and deductible temporary differences arising from the initial recognition of assets and liabilities, the corresponding deferred tax liabilities and deferred tax assets shall be recognized respectively at the time of transaction in accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 18 - Income Tax. For the above transactions that occurred between the beginning of the earliest period for which the above provisions are first applied to the presentation of the financial statements and the implementation date of this Interpretation, the enterprise shall adjust the cumulative impact to the opening retained earnings and other relevant financial statement items of the earliest period for financial statements presentation in accordance with the above provisions. The above accounting treatment provisions shall come into effect on January 1, 2023.

If the lease liabilities and right-of-use assets recognized by the Group for leasing business result in taxable temporary differences and deductible temporary differences, adjustments shall be made in accordance with the provisions of Interpretation No. 16.

The effect of the implementation of the above accounting policies on the consolidated balance sheet as at December 31, 2023 and the consolidated income statement for the year 2023 is as follows:

Consolidated balance sheet items(December 31, 2023)	Amounts affected
Deferred tax assets	11,777,845.55
Deferred tax liabilities	-1,703,869.36
Retained earnings	10,711,077.58
Non-controlling interests	2,770,637.33

Consolidated income statement items(2023)	Amounts affected
Income tax expenses	-3,724,049.38

The effect of the implementation of the above accounting policies on the consolidated balance sheet as at December 31, 2022 and the consolidated income statement for the year 2022 is as follows:

Consolidated balance sheet items (December 31, 2022)	Amounts before adjustments	Adjustment amounts	Amounts after adjustments
Deferred tax assets	745,943,292.33	232,606,703.57	978,549,995.90
Deferred tax liabilities	231,742,064.98	222,849,038.04	454,591,103.02
Retained earnings	10,520,540,626.11	7,632,520.71	10,528,173,146.82
Non-controlling interests	1,525,208,718.44	2,125,144.82	1,527,333,863.26

Consolidated income statement items (2022)	Amounts before adjustments	Adjustment amounts	Amounts after adjustments
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Consolidated income statement items (2022)	Amounts before adjustments	Adjustment amounts	Amounts after adjustments
Income tax expenses	658,278,689.76	-4,221,571.36	654,057,118.40

The effect of the implementation of the above accounting policies on the consolidated balance sheet as at January 1, 2022 is as follows:

Consolidated balance sheet items (January 1, 2022)	Amounts before adjustments	Adjustment amounts	Amounts after adjustments
Deferred tax assets	734,134,076.01	206,265,922.64	940,399,998.65
Deferred tax liabilities	184,588,950.76	200,729,828.47	385,318,779.23
Surplus reserve	746,430,806.85	25,250.46	746,456,057.31
Retained earnings	7,894,011,164.82	4,418,939.03	7,898,430,103.85
Non-controlling interests	1,472,249,227.12	1,091,904.68	1,473,341,131.80

(2) Changes in significant accounting estimates

The Group has no significant changes in accounting estimates during the year.

IV. Taxation

1. Main types of taxes and corresponding tax rates

Tax	Tax base	Statutory tax rate
Value-added tax (VAT)	Taxable value-added amount (the taxable amount is calculated based on the balance of taxable sales multiplied by the applicable tax rate after deducting the allowable input tax for the current period)	Tax exemption、3%、5%、6%、9%、10%、13%
City maintenance and construction tax	Turnover tax paid	1%、5%、7%
property tax	For ad valorem basis, 1.2% of residual value of the property after deduction of 30% of original value; For rental basis, 12% of rental income.	1.2%、12%
Corporate income tax	Taxable income	Please refer to Note IV. 1 Note

Note: Except for the following tax entity who are subjected to different corporate income tax rates, all other tax entity within the scope of consolidation uses 25% corporate income tax rate.

Taxpayer	Income tax rate (%)
Guangdong Haid Group Co., Limited	15
Enping Fengwo Agriculture and Animal Husbandry Co., Ltd.	25, Tax exemption
Yangxi Fengwo Ecological Agriculture Co., Ltd.	Tax exemption
Yangjiang Yangdong Fengwo Agriculture and Animal Husbandry Co., Ltd.	Tax exemption
Enping Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Gaozhou Sanhe animal husbandry co., ltd.	Tax exemption
Yingde Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Hunan Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Yueyang Yitun Agriculture and Animal Husbandry Co., Ltd.	Tax exemption
Yueyang Fengtun Ecological Agriculture Co., Ltd.	Tax exemption
Guigang City Tantang district Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Pingnan Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Pingguo Yitun Ecological Agriculture Co., Ltd.	Tax exemption

Taxpayer	Income tax rate (%)
Guiping Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Hengyang Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Guigang City Gangbei District Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Duyun Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Rongjiang Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Binyang Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Yicheng Yitun Ecological Agriculture Co., Ltd.	25, Tax exemption
Zixing Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Changning Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Guigang Dongqiang Breeding Co., Ltd.	Tax exemption
Shaoguan City Zhenjiang District Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Shandong Yitun Ecological Agriculture Co., Ltd.	20
Laizhou Zhizhuren Animal Husbandry Co., Ltd.	Tax exemption
Qinzhou Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Feicheng Heruifeng Agricultural Technology Co., Ltd.	Tax exemption
Weifang Xuheng Agricultural Technology Co., Ltd.	Tax exemption
Gaotang Huayu Pig Raising Co., Ltd.	Tax exemption
Guizhou Aikexin Pig Breeding Co., Ltd.	25, Tax exemption
Binyang Heji Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Qinzhou Qinnan Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Huayuan Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Baojing Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Yingde Yitun Pig Breeding Co., Ltd.	Tax exemption
Hengnan Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Longan Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Youxian Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Wengyuan Yitun Pig Breeding Co., Ltd.	Tax exemption
Fufeng Yitun Ecological Agriculture Co., Ltd.	25, Tax exemption
Linyou Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Laibin Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Yantai Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Yantai Zhizhuren Animal Husbandry Co., Ltd.	Tax exemption
Guiyang Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Gaozhou Haiyuan Agriculture Co., Ltd.	Tax exemption
Ruyuan Yitun Pig Breeding Co., Ltd.	Tax exemption
Luoding Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Hunan Yitun Technology Co., Ltd.	Tax exemption
Heyuan Yitun Agriculture Development Co., Ltd.	Tax exemption
Yangjiang Peilin Breeding Service Co., Ltd.	Tax exemption

Taxpayer	Income tax rate (%)
Weifang Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Guilin Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Hengyang Jisheng Agriculture and Animal Husbandry Development Co., Ltd.	Tax exemption
Chuzhou Yitun Ecological Agriculture Co., Ltd.	Tax exemption
Zhangzhou Yidu Ecological Agriculture Development Co., Ltd.	Tax exemption
Guangdong Heyinte Biotechnology Group Co., Ltd.	15
Guangzhou Haishengyuan Biotechnology Co., Ltd.	20
Guangzhou Motai Feed Technology Co., Ltd.	20
Guangzhou Haiyiyuan Biotechnology Co., Ltd.	20
Shanxi Haid Agriculture and Animal Husbandry Co., Ltd.	Tax exemption
Yangling Haid Feed Co., Ltd.	15
Gansu Haid Feed Co., Ltd.	15, Tax exemption
Weinan Haid Feed Co., Ltd.	20
Wuwei Haid Feed Co., Ltd.	20
Liaocheng Haixin Enterprise Management Consulting Co., Ltd.	20
Anyang Haiyue Feed Technology Co., Ltd.	20
Zoucheng Haiyue Enterprise Management Consulting Co., Ltd.	20
Yinan Haiyue Biotechnology Co., Ltd.	20
Foshan Haipu Feed Co., Ltd.	20
Qingyuan Haibei Biotechnology Co., Ltd.	15
KINGHILL HOLDINGS PTE.LTD.	17
KINGHILL PTE.LTD.	17
Haid Egypt Co.,Ltd	22.5
Haid Egypt Aquatic Co.,Ltd	22.5
KINGHILL RESOURCES PTE.LTD.	17
VINH LONG HAILIANKE BIOTECHNOLOGY CO., LTD	Tax exemption
KINGHILL AGRI PTE.LTD.	17
PT.HAIDA AGRICULTURE INDONESIA	22
PT.HAIDA SURABAYA TRADING	22
PT HISENOR TECHNOLOGY INDONESIA	22
HAID FEED BANGLADESH LIMITED	3, 10, 15
PT HAIDA BIOTECHNOLOGY INDONESIA	22
Dachuan Biotechnology Co., Ltd.	27.5
PT HISENOR GENETICS INDONESIA	22
Hisenor Aquatic Seed Industry Technology Pte.Ltd.	17
KINGHILL INVESTMENT (SINGAPORE) PTE.LTD.	17
KINGHILL INTERNATIONAL (SINGAPORE) PTE.LTD.	17
Guangdong Haixingnong Group Co., Ltd.	12.5
Zhanjiang Haixingnong Marine Biotechnology Co., Ltd.	12.5

Taxpayer	Income tax rate (%)
Zhanjiang Haijingzhou Marine Biotechnology Co., Ltd.	12.5
Hainan Haixingnong Marine Biotechnology Co., Ltd.	12.5
Zhangzhou Haijingzhou Marine Biotechnology Co., Ltd.	12.5
Nantong Haijingzhou Biotechnology Co., Ltd.	12.5
Shanwei Haijingzhou Marine Biotechnology Co., Ltd.	12.5
Guangzhou Hailingxian Food Co., Ltd.	20
Dongying Haijingzhou Biotechnology Co., Ltd.	12.5
Zhuhai Haixingnong Agricultural and Aquatic Seed Industry Technology Co., Ltd.	12.5
Tangshan Haijingzhou Biotechnology Co., Ltd.	12.5
Raoping Haizenong Marine Biotechnology Co., Ltd.	12.5
Yancheng Haizenong Agricultural Seed Technology Co., Ltd.	12.5
Huizhou Haizenong Marine Biotechnology Co., Ltd.	12.5
Guangzhou Haizehui Fishery Development Co., Ltd.	12.5
Zhaoqin Haizehui Fishery Development Co., Ltd.	12.5
Guangzhou Haizexin Marine Biotechnology Co., Ltd.	12.5
Yangxi Haizexin Marine Biotechnology Co., Ltd.	12.5
Guangzhou Nansha Haishengyuan Aquaculture Technology Co., Ltd.	12.5
Shanwei Haizenong Marine Biotechnology Co., Ltd.	12.5
Yongji Haijingzhou Fishery Technology Co., Ltd.	12.5
Jingtai Haijingzhou Fishery Technology Co., Ltd.	12.5
Shanwei Haijingzhou Marine Biotechnology Co., Ltd.	12.5
Shandong Haizenong Marine Biotechnology Co., Ltd.	12.5
Zhejiang Haixingnong Marine Biotechnology Co., Ltd.	12.5
Jiangmen Haizenong Marine Biotechnology Co., Ltd.	12.5
Zhenyuan Haisheng Protein Feed Co., Ltd.	20
Guangze Haisheng Biotechnology Co., Ltd.	20
Xinjiang Xiyu Haihua Products Co., Ltd.	20
Haida Supply Chain Management (Zhuhai) Co., Ltd.	15
HAID INTERNATIONAL (SINGAPORE) PTE. LTD.	17
HAID BIOTECHNOLOGY INDUSTRY (SINGAPORE) PTE. LTD.	17
Sanya Fengmu Agricultural Development Co., Ltd.	15
Guizhou Delian Zhiyun Network Technology Co., Ltd.	20
Sihui Haifeng Ecological Agriculture Co., Ltd.	Tax exemption
Chaoyang Haihong Agricultural Development Co., Ltd.	20
Dandong Haiyufeng Agricultural Development Co., Ltd.	20
Zhuhai Rongchuan Feed Co., Ltd.	15
Zhuhai Ronghai Aquaculture Technology Co., Ltd.	12.5
Haid International Group Limited	8.25, 16.5
China Haida Feed Group(HK)Limited	16.5, Tax exemption

Taxpayer	Income tax rate (%)
Rickworth Investments Limited	Tax exemption
Hong Kong Longreat Trading Co., Limited	16.5
HAID FEED COMPANY LIMITED	15
DONG NAI HAID FARM COMPANY LIMITED	15
PANASIA TRADING RESOURCES LIMITED	Tax exemption
SHENG LONG INTERNATIONAL LTD.	Tax exemption
SHENG LONG BIO-TECH INTERNATIONAL CO., LTD	10, 15, 17, 20, Tax exemption
SHENG LONG BIOTECH (HAI DUONG) INTERNATIONAL CO., LTD	Tax exemption
LONG SHENG INTERNATIONAL CO., LTD	15, 20
Hisenor International Limited	Tax exemption
KEMBANG SUBUR INTERNATIONAL LTD.	24
NAMDUONG VIETNAM AQUATIC HATCHERY CO., LTD.	Tax exemption
SHENG LONG BIO TECH(M)SDN.BHD.	24
PRIME WORLD CO., LTD.	24
SHENG LONG AQUA TECHNOLOGY (M) SDN. BHD.	24
THANG LONG(VINH LONG)BIOTECH CO.,LTD	Tax exemption
Zhuhai Hailong Biotechnology Co., Ltd.	15
Yunnan Haid Biotechnology Co., Ltd.	15
Guangdong Mutai Biotechnology Co., Ltd.	20
Zhaoqing Haid Feed Co., Ltd.	20
Wuhan Shuijiyuan Biotechnology Co., Ltd.	20
LANKING PTE.LTD.	17
Haid Lanking International Trading Inc.	Note 1
LANKING NEMO(SG) PTE.LTD.	17
LANKING RICKWORTH PTE.LTD.	17
HAIDMARINO CIA.LTDA.	Tax exemption
Lanking Nano PTE.LTD.	17
HAI DUONG HAID COMPANY LIMITED	15
HAI DAI COMPANY LIMITED	15
VINH LONG HAI DAI CO.,LTD	Tax exemption
BINH DINH HAI LONG CO.,LTD	Tax exemption
HISTAR VIETNAM AQUATIC BREEDING COMPANY LIMITED	20
BINH PHUOC HAI LONG COMPANY LIMITED	Tax exemption
Guangzhou Changsheng Logistics Co., Ltd.	20
Guangzhou Cangyouliang Trading Co., Ltd.	20
Guangzhou Danong Enterprise Management Co., Ltd.	20
Hengyang Yunyi Biotechnology Co., Ltd.	20
Suixian Haiding Veterinary Service Co., Ltd.	20
Yuncheng Haiding Veterinary Service Co., Ltd.	20

Taxpayer	Income tax rate (%)
Liaocheng Haiding Veterinary Service Co., Ltd.	20
Shan County Haiding Veterinary Service Co., Ltd.	20
Xinxiang Haiding Feed Co., Ltd.	20
Xinxiang Hairuida Feed Co., Ltd.	20
Heze Haiding Feed Technology Co., Ltd.	15
Heze Dingxin Veterinary Service Co., Ltd.	20
Jining Haiding Veterinary Service Co., Ltd.	20
Jining Sishui Dingxin Veterinary Service Co., Ltd.	20
Feixian Hairuida Veterinary Service Co., Ltd.	20
Yinan Dingxin Veterinary Services Limited	20
Tengzhou Fengcheng Feed Co., Ltd.	20
Binzhou Haiding Veterinary Service Co., Ltd.	20
Donge Dingxin Aquaculture Service Co., Ltd.	20
Heze Haiding Ecological Breeding Co., Ltd.	Tax exemption
Junan Haiding Veterinary Service Co., Ltd.	20
Sihong Haiding Feed Co., Ltd.	20
Linyi Dingxin Culture Co., Ltd.	Tax exemption
Linyi Haiding Veterinary Service Co., Ltd.	20
Linyi Haiding Lusheng Feed Co., Ltd.	20
Qinggang Fengcheng Baizun Feed Co., Ltd.	20
Suihua Fengcheng Baizun Feed Co., Ltd.	20
Chengwu Fengcheng Feed Co., Ltd.	20
Weifang Binhai Haiding Feed Co., Ltd.	20
Linyi Dinghao Culture Co., Ltd.	Tax exemption
Dongying Dinghao Culture Co., Ltd.	Tax exemption
Xuzhou Hairuida Feed Co., Ltd.	20
Linyi Haiding Ruminant Biological Feed Co., Ltd.	20
Gansu Fengying Technology Co., Ltd.	20
Qingdao Dinghao Fengying International Trade Co., Ltd.	20
Juxian Haiding Feed Co., Ltd.	20
Liaocheng Fengcheng Feed Co., Ltd.	20
Yinan Haiding Biotechnology Co., Ltd.	20
HAIID GROUP HAIDING AGRICULTURE AND ANIMAL HUSBANDRY KAZAKHSTAN CO., Ltd.	20
Yancheng Haida Biological Stall Food Co., Ltd.	20
Guangzhou Heshengtang Biotechnology Co., Ltd.	20
Henan Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	20
Anyang Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	20
Guangdong Hairuite Supply Chain Management Co., Ltd.	20
Guangdong Bairong Aquatic Breeding Group Co., Ltd.	12.5

Taxpayer	Income tax rate (%)
Yangxin Bairong Aquatic Breeding Co., Ltd.	12.5
Jingzhou Bairong Aquatic Breeding Co., Ltd.	12.5
Shandong Bairong Aquatic Breeding Co., Ltd.	12.5
Hainan Bairong Aquatic Breeding Co., Ltd.	12.5
Zhaoqing Baishengyuan Aquatic Breeding Co., Ltd.	12.5
Guangdong Baishengyuan Aquatic Breeding Co., Ltd.	12.5
Qingyuan Baishengyuan Aquatic Breeding Co., Ltd.	12.5
Hunan Innovation Biotechnology Co., Ltd.	15
Zhuhai Haibei Supply Chain Management Co., Ltd.	15
Guangdong Shunde Haid Biotechnology Co., Ltd.	20
Shijiazhuang Weike Biotechnology Co., Ltd.	15
Shenyang Haid Feed Co., Ltd.	20
Jiangsu Haihe Agriculture and Animal Husbandry Co., Ltd.	20
Xuzhou Haihe Feed Co., Ltd.	20
Lianyungang Haihe Feed Co., Ltd.	20
Xuzhou Haidahe New Feed Co., Ltd.	20
Anshan Dachuan Feed Technology Co., Ltd.	20
Haid Pet Food Co., Ltd.	20
Haid Pet Food (Weihai) Co., Ltd.	20
Wuhan Zeyi Investment Co., Ltd.	20
Guangzhou Punong Investment Management Co., Ltd.	20
Jiaxiang Haiying Food Co., Ltd.	Tax exemption
Linxi Haiying Food Co., Ltd.	Tax exemption
Yiyuan Haiying Food Co., Ltd.	Tax exemption
Zouping Haiying Food Co., Ltd.	Tax exemption
Binzhou Haiying Food Co., Ltd.	Tax exemption
Dezhou Haiying Food Co., Ltd.	Tax exemption
Guangzhou Yuannong Investment Management Co., Ltd.	20
Qingdao Huaxin Feed Co., Ltd.	20
Qingdao Zhizhuxia Experimental Technology Co., Ltd.	Tax exemption
Linyi Zhizhuxia Breeding Technology Service Co., Ltd.	20
Yantai Haixin Animal Husbandry Co., Ltd.	20
Hunan Jinhuilong Technology Co., Ltd.	15
Yueyang Jinhuilong Biotechnology Co., Ltd.	20
Shijiazhuang Huilong Feed Co., Ltd.	20
Handan Huilong Feed Co., Ltd.	20
Huaian Huilong Feed Co., Ltd.	20
Ganzhou Hailong Feed Co., Ltd.	20
Zhuhai Dachuan Biotechnology Co., Ltd.	20

Taxpayer	Income tax rate (%)
Guangzhou Mingersi Biotechnology Co., Ltd.	20
Guangzhou Shunkang Aquaculture Co., Ltd.	20
Zhanjiang Rongda Feed Co., Ltd.	20
Guangzhou Ronghai Aquaculture Technology Co., Ltd.	20
Zhongshan Ronghai Aquaculture Co., Ltd.	12.5
Guangzhou Rongda Aquaculture Technology Co., Ltd.	12.5
Jiangmen Ronghai Aquaculture Technology Co., Ltd.	12.5
Zhongshan Yugezi Food Co., Ltd.	Tax exemption
Guangxi Ronghai Fishery Co., Ltd.	12.5
Zhongshan Rongda Aquatic Fingerlings Co., Ltd.	12.5
Foshan Rongda Aquatic Fingerlings Co., Ltd.	12.5
Guangzhou Ronghai Seedling Technology Co., Ltd.	12.5
Mianyang Zhonggui Feed Co., Ltd.	20
Dali Haiwang Feed Co., Ltd.	20
Dali Haizhi Trading Co., Ltd.	20
Yunnan Zhonggui Feed Co., Ltd.	20
Chongqing Hainong Veterinary Service Co., Ltd.	20
Guiyang Haida Zhihai Feed Co., Ltd.	20
Qijing Zhihai Feed Co., Ltd.	20
Haile (Luliang) Biotechnology Co., Ltd.	20
Yibin Zhihai Feed Co., Ltd.	20
Meishan Haid Zhihai Feed Co., Ltd.	20
Guangzhou Xingnong Ecological Agriculture and Animal Husbandry Development Co., Ltd.	20
Ezhou Haifeng Ecological Agriculture Co., Ltd.	Tax exemption
Qingyuan Ronghai Food Technology Co., Ltd.	15
Liuzhou Haid Feed Co., Ltd.	20
Guangdong Qingyuan Guanghong Feed Co., Ltd.	20
Hainan Haid Aquatic Seed Industry Development Co., Ltd.	12.5
Dongguan Haiqi Feed Co., Ltd.	20
Mianyang Hailong Feed Co., Ltd.	20
Meishan Haid Biotechnology Co., Ltd.	20
Guangzhou Nongzhidao Feed Co., Ltd.	20
Yingkou Dachuan Feed Technology Co., Ltd.	20
Yancheng Runchuan Agricultural Technology Co., Ltd.	20
Jiangxi Gunan Bencao Technology Collaborative Innovation Co., Ltd.	20
Jiangxi Renxintang Biotechnology Co., Ltd.	20
Guangxi Rongchuan Feed Co., Ltd.	20
Heshan Haiwei Feed Co., Ltd.	20
Leizhou Hailong Biotechnology Co., Ltd.	20

Taxpayer	Income tax rate (%)
Sichuan Hailong Biotechnology Co., Ltd.	20
Nanning Dachuan Biotechnology Co., Ltd.	20
Yongzhou Haid Biotechnology Co., Ltd.	20
Jiangsu Haid Biotechnology Co., Ltd.	20
Guiyang Haida Biotechnology Co., Ltd.	20
Guilin Haid Biotechnology Co., Ltd.	20
Guiyang Dachuan Biotechnology Co., Ltd.	20
Foshan Lianduoli Feed Co., Ltd.	20
Guangdong Haifulai Biotechnology Co., Ltd.	20
Qingyuan Haikun Biotechnology Co., Ltd.	20
Qingyuan Hailier Biotechnology Co., Ltd.	20
Guangdong Haiqi Investment Co., Ltd.	20
Heze Haibo Youmei Technology Service Co., Ltd.	20
Hubei Haiqi Technology Service Co., Ltd.	20
Kaifeng Haiqi Technology Service Co., Ltd.	20
Sichuan Haiqi Technology Service Co., Ltd.	20
Xishui Haiqi Technical Service Co., Ltd.	20
Kunming Haiqi Technology Service Co., Ltd.	20
Mianyang Haiqi Culture Technology Co., Ltd.	20
Ya an Haiqi Culture Technology Co., Ltd.	20
Nanchang Haiqi Veterinary Medicine Co., Ltd.	20
Hengyang Haiqi Technology Service Co., Ltd.	20
Jingzhou Haiqi Technology Service Co., Ltd.	20
Jingshan Haiqi Technology Service Co., Ltd.	20
Huaihua Haiqi Technology Service Co., Ltd.	20
Jieshou Haiqi Technology Service Co., Ltd.	20
Changde Haide Veterinary Drug Operation Co., Ltd.	20
Guiyang Aizhu Livestock and Poultry Technical Service Co., Ltd.	20
Guangzhou Haiqi Technology Co., Ltd.	20
Meizhou Haiqi Technology Co., Ltd.	20
Zhangzhou Haiqi Veterinary Medicine Co., Ltd.	20
Maoming Haiqi Technology Co., Ltd.	20
Yangjiang Haiqi Technology Co., Ltd.	20
Qingyuan Haiqi Technology Co., Ltd.	20
Gansu Muqi Agricultural Technology Co., Ltd.	20
Raoping Haide Biotechnology Co., Ltd.	20
Yulin Haiqi Biotechnology Co., Ltd.	20
Qinzhou City Pubei County Haiqi Biotechnology Co., Ltd.	20
Xingtai Haiqi Aquaculture Technology Service Co., Ltd.	20

Taxpayer	Income tax rate (%)
Suixi Haihe Veterinary Drug Co., Ltd.	20
Yangchun Haihe Veterinary Medicine Co., Ltd.	20
Luoding Haihe Veterinary Medicine Co., Ltd.	20
Yangling Haiqi Agricultural Technology Co., Ltd.	20
Yangling Huashite Testing Technology Co., Ltd.	20
Bobai Haihe Veterinary Drug Co., Ltd.	20
Jiangmen Haiqi Technology Co., Ltd.	20
Guangzhou Haifeng Aquaculture Service Co., Ltd.	Tax exemption
Shaoyang Haid Feed Co., Ltd	20
Foshan Dazhi Biotechnology Co., Ltd.	20
Taishan Debao Feed Co., Ltd.	20
Maoming Debao Agriculture and Animal Husbandry Co., Ltd.	20
Guangzhou Debao Nongshan Feed Co., Ltd.	20
Foshan Hanheng Luggage Manufacturing Co., Ltd.	20
Guangzhou Jiutian Qingtan Livestock Farm Co., Ltd.	20
Shaoguan Dachuan Biotechnology Co., Ltd.	20
Guangdong Huashite Testing Technology Co., Ltd.	20
Tianjin Haida Biotechnology Co., Ltd.	20
Yunnan Hairui Biotechnology Co., Ltd.	20
Henan Haid Jiuzhou Biotechnology Co., Ltd.	20
Chaozhou Haid Biotechnology Co., Ltd	20
Haixin (Tianjin) Biotechnology Co., Ltd.	20
Haixin Biological (Beijing) Technology Co., Ltd.	20
Dalian Haixin Biotechnology Co., Ltd.	20
Shenzhen Haixin Biotechnology Co., Ltd.	20
Tongliao Haida Biotechnology Co., Ltd.	20
Guangzhou Haihan Financial Technology Co., Ltd.	20
Nantong Fengmu Trading Co., Ltd.	20
Sichuan Haimufeng Agriculture Co., Ltd.	20
Leizhou Yuexiu Haishengyuan Shrimp Culturing Technology Co., Ltd.	12.5
Dongying Haishengyuan Aquaculture Co., Ltd.	12.5
Weifang Haixin Biotechnology Co., Ltd.	20
Wudi Haishengyuan Aquaculture Co., Ltd.	12.5
Changyi Haijingzhou Biotechnology Co., Ltd.	12.5
Yuncheng Haishengyuan Fishery Technology Co., Ltd.	12.5
Hubei Haid Breeding Technology Co., Ltd.	20
Qianjiang Hailong Biotechnology Co., Ltd.	20
Zhuhai Chenzhe Private Equity Fund Management Co., Ltd.	20
Guiyang Haiyue Feed Technology Co., Ltd.	20

Taxpayer	Income tax rate (%)
Inner Mongolia Haishan Feed Co., Ltd.	20
Huizhou Haid Biotechnology Co., Ltd.	20
Guangzhou Wallace Testing Technology Co., Ltd.	20
Huaibei Haid Biological Feed Co., Ltd.	20
Guigang Hailong Biotechnology Co., Ltd.	20
Xinyi Fengmu Trading Co., Ltd.	20
Guizhou Haid Feed Co., Ltd.	20
Pizhou Hai Ruminant Feed Co., Ltd.	20
Nanping Haid Biotechnology Co., Ltd.	20
Xishui ChenKe Feed Technology Co., Ltd.	15
Taikun Feed (Tuanfeng) Co., Ltd.	20
HAID (ECUADOR) FEED CIA.LTDA.	Tax exemption
Xinyu Haihe Biotechnology Co., Ltd.	20
Zhuhai Haiyue Agriculture and Animal Husbandry Co., Ltd.	20
Qingyuan Haifulai Biotechnology Co., Ltd.	20
Guangdong Kenong Culture Co., Ltd.	20
Fuzhou Hailong Biotechnology Co., Ltd.	20
Guangzhou Rongchuan Feed Co., Ltd.	12.5, 25
Zhanjiang Haid Feed Co., Ltd.	12.5, 25
Taizhou Haid Biological Feed Co., Ltd.	12.5, 25
Changzhou Haid Biological Feed Co., Ltd.	12.5, 25
Guangzhou Nansha Haid Biotechnology Co., Ltd.	12.5, 25

Note 1: The subsidiary Haid Lanking International Trading Inc applies multiple tax rates under the U.S. federal tax. The subsidiary had a loss at the year and was not subject to federal tax. The California tax was payable as income tax at 8.84% and the subsidiary Haid Lanking International Trading Inc was payable only at the minimum tax of USD800 for the current year.

2. Tax preferential treatments and approval documents

(1) Value-added tax (VAT)

In accordance with document Caishui [2001] No. 121 jointly issued by the Ministry of Finance and the State Administration of Taxation, the Company and its subsidiaries are exempted from VAT on their feed products, which has been filed with the competent tax authorities.

According to Interim Regulation of People's Republic of China on Value-Added Tax Article 15, agricultural producers are exempted from value-added tax when selling self-produced agricultural products. The Company and its subsidiaries are eligible for value-added tax exemption when selling self-produced products.

According to Application of the Low VAT Rate and the Simple VAT Collection Policy on Some Goods Caishui [2009] No. 9, and Notice on the Degenerate VAT Collection Rate Policy Caishui [2014] No. 57, both issued by the Ministry of Finance and State Taxation Administration, sales of self-produced biological products made of microorganisms, microbial metabolites, animal toxins, human or animal blood or tissues are subject to VAT at a simple rate of 3%.

According to Announcement on Clarifying the VAT Exemption Policy for Small-scale VAT Taxpayers Caishui [2023] No.1, and Announcement on VAT Exemption Policy for Small-scale VAT Taxpayers Caishui [2023] No.19 both issued by the Ministry of Finance and State Taxation Administration, from 1 January 2023 to 31 December 2027, small-scale value-added tax taxpayers with sales less than RMB100,000 are exempt from value-added tax; tax rate for small-scale value-added tax taxpayers reduces from 3% to 1% on taxable sales income; tax rate for prepaid VAT items reduces from 3% to 1%.

According to Announcement on the Renewal of the Implementation of the VAT Policy on Financing Guarantees for Farmers, Small-scale VAT Taxpayers and Private Firms Caishui [2023] No.18 issued by the Ministry of Finance and State Taxation Administration, from 1 August 2023 to 31 December 2027, guarantee fee income for VAT taxpayers from providing financial guarantees on borrowings and bonds to farmers, small-scale VAT taxpayers and private firms, and re-guarantee fee income for the above business are exempt from value-added tax.

According to Announcement on Tax Policies to Further Support Entrepreneurship and Employment of Key Groups Caishui [2023] No.15 issued by the Ministry of Finance, State Taxation Administration, Ministry of Human Resources and Social Security and Ministry of Agriculture and Rural Development, from 1 January 2023 to 31 December 2027, VAT taxpayers which recruit people from poverty, or sign labor contract with over one year's duration and social insurance in law, with persons who have been registered as unemployed for more than half a year at the public employment service organisations of Ministry of Human Resources and Social Security, and who hold an Employment and Entrepreneurship Certificate or an Employment and Unemployment Registration Certificate, can enjoy deduction of VAT, urban maintenance and construction tax, education surcharge and local education surcharge and corporate income tax in order within three years according to the number of people actually recruited. The fixed deduction amount is RMB 6,000 per person per year with a maximum increase of 30%, and the people's governments of provinces, autonomous regions and municipalities may determine the specific fixed deduction amount within this range according to the actual situation in the region. The tax basis for urban maintenance and construction tax, education surcharge and local education surcharge is the amount of VAT payable before enjoying the above tax policies.

According to the relevant regulations on value-added tax in the Socialist Republic of Vietnam, the feed and feed related industries will be exempted from value-added tax from 2016, and the rental income of the Company's cold storage in Vietnam will be subject to value-added tax at 5%.

(2) Corporate income tax

According to the provisions of Article 28 of the Enterprise Income Tax Law of People's Republic of China (PRC), the enterprise income tax shall be levied at a reduced rate of 20% for eligible small and low-profit enterprises; The enterprise income tax will be levied at the reduced rate of 15% for high-tech enterprises that the state needs to give priority support. If the Company and its subsidiaries meet the above conditions, the enterprise income tax shall be levied at preferential tax rates.

According to Announcement on Taxation on Further Implementing the Preferential Income Tax Policy for Small and Micro Enterprises, Caishui [2023] No.12 issued by the Ministry of Finance, State Taxation Administration, the portion of the annual taxable income of small and micro-profit enterprises is included in the taxable income at a reduced rate of 25%, and the enterprise income tax is paid at a rate of 20%. The Announcement extends to 31 December 2027.

In accordance with Article 27 of the Corporate Income Tax Law of the People's Republic of China and Article 86 of the Regulation on the Implementation of the Corporate Income Tax Law of the People's Republic of China, Enterprise income from livestock and poultry raising shall be exempted from enterprise income tax; Enterprise income tax will be levied on the income of enterprises engaged in mariculture and inland aquaculture by half. The above income earned by the Company and its subsidiaries is subject to corporate income tax under preferential policies.

In accordance with Notice of the Ministry of Finance and State Administration of Taxation on Announcing the Scope of Primary Processing of Agricultural Products Covered by Preferential Policies on Corporate Income Tax (for Trial Implementation) (Caishui [2008] No. 149) and Supplementary notice on the scope of primary processing of agricultural products enjoying preferential enterprise income tax (Caishui [2011] No. 26), if the primary processed products produced by enterprises fall within the scope of primary processing of agricultural products that enjoy the preferential policies of enterprise income tax, enterprises shall be exempted from enterprise income tax. The above income earned by the Company and its subsidiaries is subject to corporate income tax under preferential policies.

According to the Announcement on the Renewal of the Enterprise Income Tax Policy for the Western Development (Ministry of Finance Announcement 2020 No. 23), from January 1, 2021 to December 31, 2030, the enterprise income tax will be levied at a reduced rate of 15% on enterprises with encouraged industries located in the western region. Subsidiaries of the Group established in the western region to which the announcement belongs are subject to corporate income tax at the rate of 15%.

According to the Announcement on Strengthening Pre-tax Deduction in Support of Science and Technology Innovation, Caishui [2023] No.7 issued by Ministry of Finance and the State Administration of

Taxation, enterprises enjoy 100% pre-tax deductions for research and development expenses and 200% amortisation on the cost of intangible assets since January 1, 2023,

In accordance with Notice of the Ministry of Finance on Enterprise Income Tax Preferential Policies of Hainan Free Trade Port. (Caishui [2020] No. 31), from January 1, 2020 to December 31, 2024, the enterprise income tax is levied at a reduced rate of 15% on the encouraged industrial enterprises registered in Hainan Free Trade Port and operating substantially. Subsidiaries of the Group established within the territory covered by the above policy are subject to corporate income tax at the rate of 15%.

According to the Announcement on Renewal of the Implementation of Preferential Tax Policies for Microfinance Companies, Caishui [2023] No. 54 issued by Ministry of Finance and the State Administration of Taxation, for microfinance companies within the Group with establishment approved by the local financial supervision and administration authorities at the provincial level, 1% loan loss reserve of the year-end loan balances is deductible before tax.

In accordance with Notice on Preferential Policies on Corporate Income Tax in Hengqin Guangdong-Macao Cooperation-in-depth zone, Caishui [2022] No.19 issued by the Ministry of Finance and the State Administration of Taxation, subsidiaries of the Group established within Hengqin Guangdong-Macao Cooperation-in-depth zone covered by the above policy are subject to corporate income tax at the rate of 15%.

Subsidiary of the Group registered in the British Virgin Islands, is exempted from corporate income tax according to the local tax law.

Under the Hong Kong Tax Ordinance, the Group's locally incorporated subsidiaries are subject to profits tax at 16.50%. Plus, the offshore income of HKIH is declared exempt from profits tax. Non-locally registered subsidiaries which have their actual operations and management offices located in Hong Kong and are engaged in qualified finance business, are Hong Kong tax resident enterprises, enjoying the preferential policy of halving the profits tax of treasury center business (8.25%).

Subsidiaries of the Company registered in Malaysia subject to a corporate income tax rate of 24% in accordance with the Malaysian tax law.

Subsidiaries of the Company registered in Singapore subject to a corporate income tax rate of 17% in accordance with the Singaporean tax law.

According to the local tax laws of Ecuador, enterprises enjoy a tax exemption period of 12 years from the issuance of the first invoice, and the tax rate after the tax exemption period is 25%. Subsidiaries of the Company registered in Ecuador is still within tax exempt period as of the end of 2023.

Subsidiaries of the Company registered in Indonesia subject to a corporate income tax rate of 22% in accordance with the Indonesian tax law.

Subsidiary of the Company registered in Egypt subject to a corporate income tax rate of 22.5% in accordance with the Egyptian tax law.

Subsidiary of the Company registered in Bangladesh subject to multi-level tax rate according to the local tax laws of Bangladesh. As of the end of 2023, Bangladesh Haid is at a deficit and is not subject to income tax.

Subsidiary of the Company registered in Vietnam subject to a corporate income tax rate following the beneath income tax policy:

- ① Corporate income tax exempts for the first two years from the year in which the profit was generated for the first time by the company, then half for the subsequent four years in according to the preferential tax policy. SHENG LONG BIOTECH (HAI DUONG) INTERNATIONAL CO., LTD, VINH LONG HAILIANKE BIOTECHNOLOGY CO., LTD, BINH PHUOC HAI LONG COMPANY LIMITED have not begun to profit and the above enterprises are exempted from income tax.
- ② In accordance with the preferential policies of the Vietnamese government on new investment and industries in difficult areas, Sheng Long Bio-Tech enjoyed a preferential corporate income tax rate at 10% and 15% for different factories in different areas, rental income for cold storage and sales of raw materials were subject to tax rate at 10%. Sales of raw material is taxed at 20%. Animal insurance is taxed at 17%. Other income was subject to a tax rate at 20%.
- ③ In accordance with the Vietnam's Local Income Tax Policy, Sales of self-produced feed for LONG SHENG INTERNATIONAL LTD.and HAID FEED COMPANY LIMITED is taxed at 15%, income from farming for HAI DAI COMPANY LIMITED and DONG NAI HAID FARM COMPANY LIMITED is taxed at 15%, income from agricultural processing for HAI DUONG HAID COMPANY LIMITED is taxed at 15%, and all trading income is taxed at 20%.

- ④ In accordance with the Vietnam's Local Income Tax Policy, NAMDUONG VIETNAM AQUATIC HATCHERY CO.,LTD. is exempted from income tax from saling cultured shrimps.
- ⑤ Corporate income tax exempts for the first four years from the year in which the profit was generated for the first time by the company, then half for the subsequent nine years in according to the preferential tax policy. VINH LONG HAI DAI CO.,LTD profited in 2021; THANG LONG(VINH LONG)BIOTECH CO.,LTD profited in 2022; BINH DINH HAI LONG CO.,LTD profited in 2023.

(3) Other taxes

According to the Announcement on Tax Policies for Further Supporting the Development of Small and Micro Enterprises and Individual Entrepreneurs, Caishui [2023] No.12 issued by the Ministry of Finance and the State Administration of Taxation, from 1 January 2023 to 31 December 2027, VAT small-scale taxpayers and individual business are subject to 50% reduction on resource tax (excluding water resource tax), urban maintenance and construction tax, property tax, urban land-use tax, stamp duty (excluding stamp duty on securities transactions), cultivated land occupancy tax, and surcharges on education fees and local education surcharges.

V. Notes to Key Items in Consolidated Financial Statements

1. Cash at bank and on hand

Item	2023.12.31	2022.12.31
Cash on hand	178,407.26	456,386.59
Cash at bank	5,128,158,706.62	1,882,056,187.18
Other monetary funds	347,859,314.27	370,241,371.30
Accrued interest on deposits	256,350.64	7,832,721.62
Total	5,476,452,778.79	2,260,586,666.69
Including: Total overseas deposits	1,515,348,609.91	468,657,117.65

Note: For cash with restriction as at December 31,2023, please refer to Note V. 27. Assets with restricted ownership or right-of-use assets.

2. Held-for-trading financial assets

Item	2023.12.31	2022.12.31
Held-for-trading financial assets	1,286,752,498.95	699,942,009.75
Including: Derivative financial assets	270,014,574.45	439,630,197.91
Bank financial products	1,016,737,924.50	260,311,811.84
Total	1,286,752,498.95	699,942,009.75

3. Notes receivable

Type	2023.12.31			2022.12.31		
	Book value	Loss allowance	Carrying amount	Book value	Loss allowance	Carrying amount
Bank acceptance bills	4,833,343.60	-	4,833,343.60	5,649,969.84	-	5,649,969.84
Commercial acceptance bill	1,000,000.00	21,940.62	978,059.38	-	-	-
Usance letters of credit	6,510,119.02	-	6,510,119.02	1,251,634.20	-	1,251,634.20
Total	12,343,462.62	21,940.62	12,321,522.00	6,901,604.04	-	6,901,604.04

(1) The Group had no pledged notes receivable at the end of the year.

(2) Outstanding endorsed or discounted bills that have not matured at the end of the year.

Type	Amount derecognized at year end	Amount recognized at year end

Type	Amount derecognized at year end	Amount recognized at year end
Bank acceptance bill	71,701,923.00	-
Commercial acceptance bill	-	67,245.20
Total	71,701,923.00	67,245.20

(3) As of the end of the reporting period, the Group had no bills transferred to accounts receivable due to the failure of the drawer to perform the contract.

(4) Classification by loss allowance method

Type	2023.12.31		Loss allowance		Book value
	Book value Amount	Percentage (%)	Amount	Expected credit loss rate (%)	
Loss allowance on an individual basis	-	-	-	-	-
Loss allowance by group	12,343,462.62	100.00	21,940.62	0.18	12,321,522.00
Including:					
Banker acceptance bill	4,833,343.60	39.16	-	-	4,833,343.60
Commercial acceptance bill	1,000,000.00	8.10	21,940.62	2.19	978,059.38
Usance letter of credit	6,510,119.02	52.74	-	-	6,510,119.02
Total	12,343,462.62	100.00	21,940.62	0.18	12,321,522.00

Continued:

Type	2022.12.31		Loss allowance		Book value
	Book value Amount	Percentage (%)	Amount	Expected credit loss rate (%)	
Loss allowance on an individual basis	-	-	-	-	-
Loss allowance by group	6,901,604.04	100.00	-	-	6,901,604.04
Including:					
Banker acceptance bill	5,649,969.84	81.86	-	-	5,649,969.84
Commercial acceptance bill	-	-	-	-	-
Usance letter of credit	1,251,634.20	18.14	-	-	1,251,634.20
Total	6,901,604.04	100.00	-	-	6,901,604.04

(5) Additions, recoveries or reversals of provision for the current period

	Loss allowance
Amount as at 2023.01.01	-
Additions	21,940.62
Recoveries or reversals	-
Write-offs	-
Amount as at 2023.12.31	21,940.62

(6) As of the end of the reporting period, there is no notes receivable write-off in this group.

4. Accounts receivable

(1) Disclosure by aging

Aging	2023.12.31	2022.12.31
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Aging	2023.12.31	2022.12.31
Within 1 year	1,966,303,199.85	1,865,803,147.34
1 to 2 years	282,115,922.02	174,116,530.78
2 to 3 years	86,424,377.99	111,174,788.59
3 to 4 years	58,450,212.31	27,320,410.68
4 to 5 years	15,071,942.69	16,405,157.01
More than 5 years	18,898,758.21	22,028,650.67
Subtotal	2,427,264,413.07	2,216,848,685.07
Less: Loss allowance	370,550,754.71	264,840,804.02
Total	2,056,713,658.36	1,952,007,881.05

(2) Classified by loss allowance method

Type	2023.12.31		Loss allowance		Book value
	Book value	Percentage (%)	Amount	Expected credit loss rate (%)	
	Amount			Amount	
Loss allowance on an individual basis	306,545,670.75	12.63	237,383,558.85	77.44	69,162,111.90
Loss allowance by group	2,120,718,742.32	87.37	133,167,195.86	6.28	1,987,551,546.46
Including:					
Accounts receivable from feed and relevant customers	2,112,580,209.85	87.04	132,996,949.62	6.30	1,979,583,260.23
Accounts receivable from materials trade customers	8,138,532.47	0.33	170,246.24	2.09	7,968,286.23
Total	2,427,264,413.07	100.00	370,550,754.71	15.27	2,056,713,658.36

Continued:

Type	2022.12.31		Loss allowance		Book value
	Book value	Percentage (%)	Amount	Expected credit loss rate (%)	
	Amount			Amount	
Loss allowance on an individual basis	215,697,249.53	9.73	144,096,100.43	66.80	71,601,149.10
Loss allowance by group	2,001,151,435.54	90.27	120,744,703.59	6.03	1,880,406,731.95
Including:					
Accounts receivable from feed and relevant customers	1,987,173,385.93	89.64	120,497,292.12	6.06	1,866,676,093.81
Accounts receivable from materials trade customers	13,978,049.61	0.63	247,411.47	1.77	13,730,638.14
Total	2,216,848,685.07	100.00	264,840,804.02	11.95	1,952,007,881.05

Accounts receivable assessed for impairment individually

Name	2023.12.31
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	Book value	Loss allowance	Expected credit loss rate (%)	Reasons for accrual
Customer 1	47,380,367.74	23,690,183.87	50.00	Estimated some of portion to be unrecoverable
Customer 2	23,747,505.01	20,035,515.81	84.37	Estimated some of portion to be unrecoverable
Remaining individual customers	235,417,798.00	193,657,859.17	82.26	Estimated some of portion to be unrecoverable
Total	306,545,670.75	237,383,558.85	77.44	/

Continued:

2022.12.31				
Name	Book value	Loss allowance	Expected credit loss rate (%)	Reasons for accrual
Customer 2	24,450,871.01	16,139,836.11	66.01	Estimated some of portion to be unrecoverable
Customer 3	9,003,105.88	9,003,105.88	100.00	Estimated to be unrecoverable
Remaining individual customers	182,243,272.64	118,953,158.44	65.27	Estimated some of portion to be unrecoverable
Total	215,697,249.53	144,096,100.43	66.80	/

Note: The expected credit loss rate of the remaining individual provision customers is the average proportion of the total individual provision for bad debts to the book balance of that portion of customers. Accounts receivable assessed for impairment by group

Grouped items: Accounts receivable from feed and relevant customers

	2023.12.31			2022.12.31		
	Book value	Loss allowance	Expected credit loss rate (%)	Book value	Loss allowance	Expected credit loss rate (%)
Within 1 year	1,899,445,833.59	48,952,065.06	2.58	1,835,063,093.03	49,699,500.59	2.71
1 to 2 years	168,603,778.10	49,465,153.46	29.34	104,577,590.23	33,533,330.94	32.07
2 to 3 years	24,902,716.41	15,801,892.21	63.45	24,727,060.47	17,431,334.81	70.49
3 to 4 years	6,580,410.20	5,730,367.34	87.08	14,251,554.78	11,292,915.24	79.24
4 to 5 years	7,829,682.12	7,829,682.12	100.00	3,083,043.01	3,069,166.13	99.55
More than 5 years	5,217,789.43	5,217,789.43	100.00	5,471,044.41	5,471,044.41	100.00
Total	2,112,580,209.85	132,996,949.62	6.30	1,987,173,385.93	120,497,292.12	6.06

Grouped items: Accounts receivable from materials trade customers

2023.12.31

2022.12.31

	Book value	Loss allowance	Expected credit loss rate (%)	Book value	Loss allowance	Expected credit loss rate (%)
Within 1 year	8,138,532.47	170,246.24	2.09	13,978,049.61	247,411.47	1.77

(3) Additions, recoveries or reversals of provision for the current period

	Loss allowance
Amount as at 2023.01.01	264,840,804.02
Additions	183,802,482.43
Recoveries or reversals	14,944,949.82
Write-offs	63,442,007.05
Addition due to Merger in current period	294,425.13
Amount as at 2023.12.31	370,550,754.71

There are no material loss allowances recovered or reversed in current period.

Accounts receivable actually written off in current period

Item	Amount
Accounts receivable written off	63,442,007.05

There are no significant accounts receivable write-off in current period.

(4) The receivables by debtor with top five closing balance

The total accounts receivable from the top five debtors with the largest closing balance amounted to RMB 179,863,170.88, accounting for 7.41% of the total closing balance of accounts receivable, with the total corresponding closing balance of the provision for bad and doubtful debts being RMB 54,637,465.42.

5. Prepayments

(1) Prepayments disclosed by aging

Aging	2023.12.31		2022.12.31	
	Amount	Percentage %	Amount	Percentage %
Within 1 year	740,685,052.88	99.67	1,783,514,951.53	99.79
1 to 2 years	2,193,766.32	0.30	3,577,093.13	0.20
2 to 3 years	224,104.43	0.03	82,764.36	0.00
More than 3 years	52,002.52	0.00	107,440.31	0.01
Total	743,154,926.15	100.00	1,787,282,249.33	100.00

(2) There are no significant prepayments with aging for more than 1 year

(3) The prepayments by debtors with top five closing balance

The total amount of prepayments by debtors with top five closing balance was RMB 312,991,693.81, accounting for 42.12% of the closing balance of total prepayments.

6. Other receivables

Item	2023.12.31	2022.12.31
Interests receivable	-	-
Dividends receivable	-	-
Other receivables	957,972,560.29	1,322,999,051.80
Total	957,972,560.29	1,322,999,051.80

(1) Other receivable by aging

Aging	2023.12.31	2022.12.31
Within 1 year	939,309,075.66	1,272,712,082.84
1 to 2 years	22,822,637.83	51,430,153.93

Aging	2023.12.31	2022.12.31
2 to 3 years	9,671,533.81	10,278,760.31
3 to 4 years	3,933,348.89	4,397,277.57
4 to 5 years	1,596,269.24	4,387,762.13
5 years above	11,601,172.40	5,944,492.41
Subtotal	988,934,037.83	1,349,150,529.19
Less: Provision for bad and doubtful debts	30,961,477.54	26,151,477.39
Total	957,972,560.29	1,322,999,051.80

(2) Other receivable by nature

Aging	2023.12.31	2022.12.31
Futures margin	579,678,347.70	486,310,151.38
Security deposit	302,885,410.22	735,163,674.92
Accounts with external parties	48,282,506.34	53,599,036.22
Disbursement of social insurance and housing fund	15,521,594.18	13,091,720.42
Petty cash	8,641,549.33	7,505,369.08
Insurance compensation	1,232,895.58	23,793,192.43
Others	32,691,734.48	29,687,384.74
Total	988,934,037.83	1,349,150,529.19

(3) Provision for bad and doubtful debts

Loss allowance	The first stage	The second stage	The third stage	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (no credit impairment occurred)	Lifetime expected credit losses (credit impairment has occurred)	
Balance as at January 1, 2023	16,819,192.69	-	9,332,284.70	26,151,477.39
Balance as at January 1, 2023 in the current period				
- Transfer to the second stage	-	-	-	-
- Transfer to the third stage	-1,145,936.31	-	1,145,936.31	-
- Transfer out to the second stage	-	-	-	-
- Transfer out to the first stage	-	-	-	-
Additions	-4,935,431.27	-	10,335,765.97	5,400,334.70
Reversals	-	-	319,798.76	319,798.76
Write-offs	859,144.10	-	2,214,305.60	3,073,449.70
Other changes	161,330.01	-	2,641,583.90	2,802,913.91
Balance as at December 31, 2023	10,040,011.02	-	20,921,466.52	30,961,477.54

(4) Recognitions or recoveries or reversals of provision for bad and doubtful debts in current period

Category	2022.12.31	Category	2023.12.31
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		Recognitions	Recoveries or reversals	Write-off	Other	
Other receivables	26,151,477.39	5,400,334.70	319,798.76	3,073,449.70	2,802,913.91	30,961,477.54

There are no significant recoveries or reversals of provision for bad and doubtful debts in current period.

(5) Other receivables written off in the current period

Item	Amount written off
Other receivables written off	3,073,449.70

There are no significant other receivables written off in the current period.

(6) Other receivables with top five closing balance

Name of debtor	Payment nature	Book balance	Aging	Percentage of other receivables ending balance (%)	Provision for bad and doubtful debts
Customer A	Future margins	104,445,373.80	Within 1 year	10.56	-
Customer B	Security deposit	67,477,150.80	Within 1 year	6.82	674,771.51
Customer C	Future margins	44,490,997.20	Within 1 year	4.50	-
Customer D	Security deposit	44,121,997.00	Within 1 year	4.46	443,739.89
Customer E	Future margins	42,854,155.20	Within 1 year	4.33	-
Total		303,389,674.00		30.67	1,118,511.40

7. Inventories

(1) Inventory by type

Type	2023.12.31			2022.12.31		
	Book value	Loss allowance of inventories/ costs to fulfil a contract	Carrying amount	Book value	Loss allowance of inventories/ costs to fulfil a contract	Carrying amount
Raw materials	5,233,403,630.52	191,030.90	5,233,212,599.62	7,525,170,842.94	-	7,525,170,842.94
Work in progress	12,740,693.97	-	12,740,693.97	8,410,183.05	-	8,410,183.05
Finished goods	1,915,625,832.20	14,966,824.72	1,900,659,007.48	1,912,007,519.52	9,488,061.05	1,902,519,458.47
Consumable biological assets	2,836,463,342.99	51,759,769.58	2,784,703,573.41	3,191,348,654.19	7,005,245.27	3,184,343,408.92

Type	2023.12.31			2022.12.31		
	Book value	Loss allowance of inventories/ costs to fulfil a contract	Carrying amount	Book value	Loss allowance of inventories/ costs to fulfil a contract	Carrying amount
Costs to fulfil a contract	4,547,868.65	-	4,547,868.65	4,637,757.98	-	4,637,757.98
Total	10,002,781,368.33	66,917,625.20	9,935,863,743.13	12,641,574,957.68	16,493,306.32	12,625,081,651.36

(2) Loss allowance of inventories/costs to fulfil a contract

Item	2023.01.01	Additions during the year		Decreases during the year		2023.12.31
		Provision	Others	Reversed or written-off	Others	
Raw material	-	191,030.90	255,237.32	255,237.32	-	191,030.90
Finished goods	9,488,061.05	18,381,839.43	1,413,077.30	14,316,153.06	-	14,966,824.72
Consumable biological assets	7,005,245.27	57,738,341.38	-	12,983,817.07	-	51,759,769.58
Total	16,493,306.32	76,311,211.71	1,668,314.62	27,555,207.45	-	66,917,625.20

Provision for impairment of inventories (continued)

Item	Evidence of net realizable value/remaining consideration and upcoming cost	Reasons for reversals or write-off of provision for impairment of inventories
Raw material	The estimated selling price of related finished products minus the estimated costs to be incurred until completion, estimated sales expenses, and relevant taxes and fees.	Used to produce products and achieve sales
Finished goods	The estimated selling price of related finished products minus the estimated selling expenses and related taxes.	Goods have been sold
Consumable biological assets	The estimated selling price of related assets minus the estimated cost to be incurred until reaching the sellable state, estimated sales expenses, and relevant taxes and fees.	Cultivate to a saleable state to achieve sales

8. Assets held for sale and liabilities held for sale

Item	2023.12.31			2022.12.31		
	Book value	Loss allowance	Carrying amount	Book value	Loss allowance	Carrying amount
(1) Non-current assets held for sale	596,427.47	-	596,427.47	-	-	-
Including: Fixed assets	596,427.47	-	596,427.47	-	-	-

Item	2023.12.31			2022.12.31		
	Book value	Loss allowance	Carrying amount	Book value	Loss allowance	Carrying amount
(2) Assets included in disposal groups held for sale	-	-	-	-	-	-
Total	596,427.47	-	596,427.47	-	-	-

Note: In December 2023, the management of the Group decided to sell a certain office building to a third-party company and signed a sales contract. The proposed office building for sale was reported as Assets held-for-sale.

9. Non-current assets due within one year

Item	2023.12.31	2022.12.31
Long-term receivables due within 1 year	1,471,921.24	925,889.24
Debt investments due within 1 year	7,500,000.00	14,000,000.00
Total	8,971,921.24	14,925,889.24

10. Other current assets

Item	2023.12.31	2022.12.31
Rental expense	7,434,630.90	6,951,880.57
Insurance expense	20,054,852.55	15,839,380.46
Miscellaneous prepaid expense	33,982,814.38	28,004,564.33
Input VAT to be deducted and approved	121,686,137.98	80,005,440.16
Overpaid taxes and charges	66,553,291.91	81,268,203.97
Loans and advances to customers	9,383,151.54	229,252,757.17
Factoring receivables	142,245,827.06	87,325,714.86
Others	25,384,556.75	19,220,831.60
Total	426,725,263.07	547,868,773.12

(1) Loans and advances to customers

① Category by method of guarantee

Item	2023.12.31	2022.12.31
Secured loans	12,719,200.00	226,127,117.07
Loan on credit	-	190,000.00
Mortgage loan	-	2,450,000.00
Secured / mortgage loans	2,000,000.00	5,000,000.00
Add: Interests receivable	120,709.74	588,643.80
Subtotal	14,839,909.74	234,355,760.87
Less: Provision for impairment	5,456,758.20	5,103,003.70
Total	9,383,151.54	229,252,757.17

② Category by overdue

Item	2023.12.31	2022.12.31
Not overdue	7,306,960.81	224,977,086.44
Overdue	7,412,239.19	8,790,030.63
Add: Interests receivable	120,709.74	588,643.80
Subtotal	14,839,909.74	234,355,760.87

Item	2023.12.31	2022.12.31
Less: Provision for impairment	5,456,758.20	5,103,003.70
Total	9,383,151.54	229,252,757.17

(2) Factoring receivables by overdue

Item	2023.12.31	2022.12.31
Not overdue	132,820,379.09	68,769,101.24
Overdue	28,682,202.21	35,938,644.59
Add: Interests receivable	631,710.76	581,988.60
Subtotal	162,134,292.06	105,289,734.43
Less: Provision for impairment	19,888,465.00	17,964,019.57
Total	142,245,827.06	87,325,714.86

11. Debt investments

Item	2023.12.31			2022.12.31		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Entrust loans	7,500,000.00	-	7,500,000.00	14,000,000.00	-	14,000,000.00
Other	-	-	-	1,137.46	-	1,137.46
Subtotal	7,500,000.00	-	7,500,000.00	14,001,137.46	-	14,001,137.46
Less: debt investment due within one year	7,500,000.00	-	7,500,000.00	14,000,000.00	-	14,000,000.00
Total	-	-	-	1,137.46	-	1,137.46

(1) Additions, recoveries or reversals of loss allowance for the current period

Loss allowance	The first stage	The second stage	The third stage	Total
	Expected credit losses over the next 12 months	Lifetime expected credit losses (no credit impairment occurred)	Lifetime expected credit losses (credit impairment has occurred)	
Balance as at January 1, 2023	-	-	-	-
Balance as at January 1, 2023 in the current period	-	-	-	-
- Transfer to the second stage	-	-	-	-
- Transfer to the third stage	-	-	-	-
- Transfer out to the second stage	-	-	-	-
- Transfer out to the first stage	-	-	-	-
Additions	-	-	-	-
Reversals	-	-	-	-
Charge-offs	-	-	-	-
Write-offs	-	-	-	-
Other changes	-	-	-	-
Balance as at December 31, 2023	-	-	-	-

(2) There are no actual debt investments written off in this period.

12. Loans and advances to customers

(1) Loans and advances to customers by method of guarantee

Item	2023.12.31			2022.12.31		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
Secured loans	12,719,200.00	5,338,748.48	7,380,451.52	226,527,117.07	4,974,816.85	221,552,300.22
Loan on credit	700,000.00	10,500.00	689,500.00	1,690,000.00	30,187.93	1,659,812.07
Mortgage loan	-	-	-	2,450,000.00	36,115.11	2,413,884.89
Secured / mortgage loans	2,000,000.00	30,000.00	1,970,000.00	5,000,000.00	74,126.83	4,925,873.17
Add:						
Interests receivable	120,709.74	88,009.72	32,700.02	588,643.80	20,885.35	567,758.45
Subtotal	15,539,909.74	5,467,258.20	10,072,651.54	236,255,760.87	5,136,132.07	231,119,628.80
Less: Due within one year	14,839,909.74	5,456,758.20	9,383,151.54	234,355,760.87	5,103,003.70	229,252,757.17
Total	700,000.00	10,500.00	689,500.00	1,900,000.00	33,128.37	1,866,871.63

(2) Loans and advances to customers by overdue:

Item	2023.12.31			2022.12.31		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
Not overdue	8,006,960.81	120,104.40	7,886,856.41	226,877,086.44	3,836,326.43	223,040,760.01
Overdue	7,412,239.19	5,259,144.08	2,153,095.11	8,790,030.63	1,278,920.29	7,511,110.34
Add:						
Interests receivable	120,709.74	88,009.72	32,700.02	588,643.80	20,885.35	567,758.45
Subtotal	15,539,909.74	5,467,258.20	10,072,651.54	236,255,760.87	5,136,132.07	231,119,628.80
Less: Due within one year	14,839,909.74	5,456,758.20	9,383,151.54	234,355,760.87	5,103,003.70	229,252,757.17
Total	700,000.00	10,500.00	689,500.00	1,900,000.00	33,128.37	1,866,871.63

(3) Provision for impairment of loans

Provision for impairment of loans	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime Expected credit losses (not occurred credit impairment)	Lifetime Expected credit losses (occurred credit impairment)	

Provision for impairment of loans	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime Expected credit losses (not occurred credit impairment)	Lifetime Expected credit losses (occurred credit impairment)	
Balance at 1/1/2023	3,844,345.30	3,398.67	1,288,388.10	5,136,132.07
In the current period				
-Transfer into stage 2	-	-	-	-
-Transfer into stage 3	-	-	-	-
-Reversal back to stage 2	-	-	-	-
-Reversal back to stage 1	-	-	-	-
Accrual in the current period	-3,724,015.59	-848.79	4,055,990.51	331,126.13
Reversal in the current period	-	-	-	-
Sold off in the current period	-	-	-	-
Write off in the current period	-	-	-	-
Due within one year and reclassify into other current assets	109,829.71	2,549.88	5,344,378.61	5,456,758.20
Balance at 12/31/2023	10,500.00	-	-	10,500.00

13. Long-term receivables

(1) Long-term receivables by nature

Item	2023.12.31			2022.12.31			Discounted rate scope
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount	
Security deposits	158,868,425.18	-	158,868,425.18	104,994,720.67	-	104,994,720.67	
Amounts receivable by installments for subcontracting	20,232,025.89	-	20,232,025.89	21,157,915.14	-	21,157,915.14	3.43%~5.75%
Other	1,056,000.00	-	1,056,000.00	-	-	-	
Less: Unrealized financing income	1,679,006.27	-	1,679,006.27	2,307,476.05	-	2,307,476.05	
Subtotal	178,477,444.80	-	178,477,444.80	123,845,159.76	-	123,845,159.76	
Less: Long-term receivables due within one year	1,471,921.24	-	1,471,921.24	925,889.24	-	925,889.24	
Total	177,005,523.56	-	177,005,523.56	122,919,270.52	-	122,919,270.52	

Note: The closing long-term receivables primarily consisted of security deposits for rental and consumption of electricity.

(2) There were no long-term receivables overdue in the Group.

(3) There were no long-term receivables derecognized in the Group in the current period.

(4) There were no such cases in the current period where the Group had transferred a long-term receivable and continued to be involved in the assets or liabilities associated with that long-term receivable.

14. Long-term equity investments

Investee	Balance as at 12/31/2022	Impairment provision at 12/31/2022	Movements during the year								Balance as at 12/31/2023	Balance of provision for impairment as at 31/12/2023
			Increase in capital	Decrease in capital	Investment income recognized by equity method	Other comprehensive income	Other equity movements	Declared distribution of cash dividends or profits	Provisi-on for impairment	Other		
Associates:												
Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	8,644,042.80	-	-	-	-269,711.06	-	-	-	-	-	8,374,331.74	-
Bangpu Seed Technology Co., Ltd.	10,518,210.65	-	-	-	-357,434.09	-	-	-	-	-	10,160,776.56	-
Qingdao Nongken Beidahuang Trade Development Co., Ltd.	-	10,910,542.10	-	-	-	-	-	-	-	-	-	10,910,542.10
Vietnam Haid Yingtaogu Co., Ltd.	44,337,684.18	-	13,797,400.00	-	10,826,390.51	-788,212.16	-	-	-	-	68,173,262.53	-
Wujiaqu Taikun Plant Protein Co., Ltd.	59,593,198.20	-	-	-21,043,107.35	17,383,096.24	-	-	-	-	-	55,933,187.09	-
Alar Ruiliheng Biological Protein Co., Ltd.	65,816,050.69	-	-	-19,900,586.51	18,057,288.35	-	-	-13,654,194.15	-	-	50,318,558.38	-
Hutubi Tiangkang Plant Protein Co., Ltd.	-	-	21,700,000.00	-	-351,194.04	-	-	-	-	-	21,348,805.96	-
Guangzhou Hengjuchang Venture Capital Partnership (Limited Partnership)	120,087,297.25	-	-	-114,301,102.20	5,769,492.25	-	-	-11,555,687.30	-	-	-	-
Sichuan Zhihui Fishing Machine Technology Co., Ltd.	3,372,602.74	-	-	-	-1,008,000.00	-	-	-	-	-	2,364,602.74	-
Guangdong Zhongyu Duck Industry Co., Ltd.	2,813,801.66	-	-	-2,470,880.33	-342,921.33	-	-	-	-	-	-	-
Total	315,182,888.17	10,910,542.10	35,497,400.00	-157,715,676.39	49,707,006.83	-788,212.16	-	-25,209,881.45	-	-	216,673,525.00	10,910,542.10

15. Other non-current financial assets

Category	2023.12.31	2022.12.31
Equity instrument investments	248,683,611.24	266,944,754.12

16. Investment properties

Item	Buildings	Land use rights	Total
I. Total original book value			
1. As at 12/31/2022	30,542,251.76	3,227,973.73	33,770,225.49
2. Additions during the year	4,484,917.16	39,109.72	4,524,026.88
(1) Translation of foreign currency financial statements	-	39,109.72	39,109.72
(2) Other transfers in	4,484,917.16	-	4,484,917.16
3. Decrease during the year	-	-	-
(1) Disposals	-	-	-
(2) Other transfers out	-	-	-
4. As at 12/31/2023	35,027,168.92	3,267,083.45	38,294,252.37
II. Total accumulated depreciation or amortization			
1. As at 12/31/2022	6,913,637.51	-	6,913,637.51
2. Additions during the year	1,557,293.42	-	1,557,293.42
(1) Depreciation or amortization	831,400.98	-	831,400.98
(2) Others	725,892.44	-	725,892.44
3. Reductions during the year	-	-	-
(1) Disposals	-	-	-
(2) Other transfers out	-	-	-
4. As at 12/31/2023	8,470,930.93	-	8,470,930.93
III. Provision for impairment			
1. As at 12/31/2022	-	-	-
2. Additions during the year	-	-	-
(1) Provision	-	-	-
(2) Others	-	-	-
3. Decrease during the year	-	-	-
(1) Disposals	-	-	-
(2) Other transfers out	-	-	-
4. As at 12/31/2023	-	-	-
IV. Carrying amount			
1. As at 12/31/2023	26,556,237.99	3,267,083.45	29,823,321.44
2. As at 12/31/2022	23,628,614.25	3,227,973.73	26,856,587.98

17. Fixed assets

Item	2023.12.31	2022.12.31
Fixed assets	16,393,897,552.33	14,933,452,189.00
Fixed assets to be disposed of	19,617.95	-
Total	16,393,917,170.28	14,933,452,189.00

(1) Fixed assets

① Fixed assets

Item	Plant and buildings	Machinery and equipment	Motor vehicles	Electronic equipment	Other	Total
I. Cost:						
1.2023.01.01	9,951,697,761.75	8,903,048,293.84	402,083,389.42	554,041,755.58	545,728,551.94	20,356,599,752.53
2. Additions during the year	1,544,232,404.03	1,287,789,340.16	40,177,602.19	67,985,007.13	116,940,335.60	3,057,124,689.11
(1) Purchases	57,627,125.46	94,505,429.24	36,865,227.81	39,025,053.54	60,825,010.34	288,847,846.39
(2) Transfers from construction in progress	1,342,238,532.88	1,073,993,739.94	2,894,292.95	25,659,533.78	52,315,092.53	2,497,101,192.08
(3) Additions due to business combinations	143,136,587.27	123,249,722.31	982,500.00	3,246,622.39	3,928,581.28	274,544,013.25
(4) Translation differences in foreign currency statements	1,230,158.42	-3,959,551.33	-564,418.57	53,797.42	-128,348.55	-3,368,362.61
3. Decrease during the year	24,893,393.06	81,998,290.17	18,888,012.91	11,551,309.02	18,919,111.85	156,250,117.01
(1) Disposals or write-offs	20,180,445.90	81,998,290.17	18,888,012.91	11,551,309.02	18,919,111.85	151,537,169.85
(2) Other	4,712,947.16	-	-	-	-	4,712,947.16
4. As at 12/31/2023	11,471,036,772.72	10,108,839,343.83	423,372,978.70	610,475,453.69	643,749,775.69	23,257,474,324.63
II. Accumulated depreciation:						
1. As at 12/31/2022	1,563,735,512.50	3,080,597,767.60	210,934,093.48	340,534,612.32	226,500,099.10	5,422,302,085.00
2. Additions during the year	452,841,026.24	848,494,502.51	56,397,106.98	97,916,479.87	99,037,673.29	1,554,686,788.89
(1) Provision	417,024,076.57	793,740,135.53	56,152,912.46	96,140,976.49	97,173,514.61	1,460,231,615.66
(2) Increase in corporation mergers	36,328,845.42	56,414,457.47	642,674.93	1,776,126.23	1,928,102.77	97,090,206.82

Item	Plant and buildings	Machinery and equipment	Motor vehicles	Electronic equipment	Other	Total
(3) Translation differences in foreign currency statements	-511,895.75	-1,660,090.49	-398,480.41	-622.85	-63,944.09	-2,635,033.59
3. Decrease during the year	9,269,773.69	65,209,755.22	16,461,109.06	10,174,693.81	13,123,689.14	114,239,020.92
(1) Disposals or write-offs	8,399,122.33	65,209,755.22	16,461,109.06	10,174,693.81	13,123,689.14	113,368,369.56
(2) Other	870,651.36	-	-	-	-	870,651.36
4. As at 12/31/2023	2,007,306,765.05	3,863,882,514.89	250,870,091.40	428,276,398.38	312,414,083.25	6,862,749,852.97
III. Provision for impairment:						
1. As at 12/31/2022	767,870.28	15,541.33	280.00	18,464.82	43,322.10	845,478.53
2. Additions during the year	-	-	-	-	-	-
(1) Provision	-	-	-	-	-	-
(2) Other	-	-	-	-	-	-
3. Decrease during the year	947.42	6,845.33	-	4,104.64	6,661.81	18,559.20
(1) Disposals or write-offs	947.42	6,845.33	-	4,104.64	6,661.81	18,559.20
(2) Other	-	-	-	-	-	-
4. As at 12/31/2023	766,922.86	8,696.00	280.00	14,360.18	36,660.29	826,919.33
IV. Carrying amount:						
1. As at 12/31/2023	9,462,963,084.81	6,244,948,132.94	172,502,607.30	182,184,695.13	331,299,032.15	16,393,897,552.33
2. As at 12/31/2022	8,387,194,378.97	5,822,434,984.91	191,149,015.94	213,488,678.44	319,185,130.74	14,933,452,189.00

② There were no temporarily idle fixed asset in the current period.

③ There were no fixed assets leased out under operating leases in the current period.

④ Fixed assets without ownership certificates

Item	Carrying amount	Reason why certificates of ownership are pending
House and building	771,811,590.54	In progress

⑤ The group have no offsetting of government subsidies against the book value of fixed assets in this period.

(2) Fixed assets to be disposed of

Item	2023.12.31	2022.12.31	Reason for disposal
Mechanical equipment	19,617.95	-	No longer meets the needs of production and operation

18. Construction in progress

Item	2023.12.31	2022.12.31
Construction in progress	687,708,201.87	1,377,352,318.21
Construction materials	-	-
Total	687,708,201.87	1,377,352,318.21

(1) Construction in progress

① Details of construction in progress

Project	2023.12.31			2022.12.31		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Book value
Supporting construction for animal health projects	46,491,365.97	-	46,491,365.97	67,939,417.13	-	67,939,417.13
Supporting construction for feed projects	368,677,361.38	-	368,677,361.38	995,263,895.73	-	995,263,895.73
Supporting construction for farming projects	247,584,588.38	-	247,584,588.38	179,262,339.43	-	179,262,339.43
Supporting construction for butcher projects	1,026,265.94	-	1,026,265.94	108,859,359.30	-	108,859,359.30
Supporting construction for other projects	23,928,620.20	-	23,928,620.20	26,027,306.62	-	26,027,306.62
Total	687,708,201.87	-	687,708,201.87	1,377,352,318.21	-	1,377,352,318.21

② Movements of major construction in progress

Project	2022.12.31	Additions	Transfers to fixed assets	Transfers to other long-term assets	Other decreases	Accumulated capitalized interest	Including: interest capitalized in 2023	Interest rate for capitalization in 2023(%)	2023.12.31	Sources of funding
Supporting construction for animal health projects	61,160,935.98	51,256,720.25	66,571,817.65	-	-	2,227,020.47	583,881.02	4.05	45,845,838.58	Self-raised
Supporting construction for feedstuff projects	854,141,897.36	737,078,578.49	1,367,325,002.67	-	-	-	-	-	223,895,473.18	Fundraising, self-raised
Supporting construction for farming projects	99,875,202.46	232,098,421.71	169,256,204.38	-	-	-	-	-	162,717,419.79	Self-raised
Supporting construction for butcher projects	107,650,546.46	32,289,542.85	139,866,649.31	-	-	-	-	-	73,440.00	Self-raised
Total	1,122,828,582.26	1,052,723,263.30	1,743,019,674.01	-	-	2,227,020.47	583,881.02	4.05	432,532,171.55	-

③ There was no provision for impairment of construction in progress in the current period.

19. Productive biological assets

(1) Measured by cost

Item	Animal husbandry	Aquaculture		Other	Total
	Breeding Pig	Seed shrimp	Fingerling		
I. Original book value					
1. As at 12/31/2022	660,756,727.25	22,164,395.21	14,481,714.87	14,139,924.21	711,542,761.54
2. Additions during the year	566,714,711.44	90,152,559.84	11,971,821.64	22,596,392.04	691,435,484.96
(1) Purchase	30,482,710.68	26,080,146.05	3,266,856.77	7,735,679.94	67,565,393.44
(2) Self-cultivated	536,253,386.25	63,979,793.68	8,704,964.87	14,860,712.10	623,798,856.90
(3) Additions due to translation differences in foreign currency statements	-21,385.49	92,620.11	-	-	71,234.62
(4) Other	-	-	-	-	-
3. Decrease during the year	684,099,059.51	84,430,285.83	19,935,440.21	18,659,264.52	807,124,050.07
(1) Disposals	684,099,059.51	84,426,414.51	17,342,279.41	7,235,495.18	793,103,248.61
(2) Other	-	3,871.32	2,593,160.80	11,423,769.34	14,020,801.46
4. As at 12/31/2023	543,372,379.18	27,886,669.22	6,518,096.30	18,077,051.73	595,854,196.43
II. Accumulated depreciation					
1. As at 12/31/2022	184,806,214.42	8,341,070.98	2,155,244.80	7,442,653.43	202,745,183.63
2. Additions during the year	149,943,792.88	82,532,858.37	4,241,749.96	5,608,325.45	242,326,726.66
(1) Provision	149,954,530.53	82,491,090.12	4,241,749.96	5,608,325.45	242,295,696.06
(2) Additions due to translation differences in foreign currency statements	-10,737.65	41,768.25	-	-	31,030.60
(3) Other	-	-	-	-	-
3. Decrease during the year	198,607,086.03	79,114,077.40	5,152,398.92	12,974,031.50	295,847,593.85
(1) Disposal	198,607,086.03	79,114,077.40	4,240,739.77	1,550,262.16	283,512,165.36
(2) Other	-	-	911,659.15	11,423,769.34	12,335,428.49
4. As at 12/31/2023	136,142,921.27	11,759,851.95	1,244,595.84	76,947.38	149,224,316.44
III. Provision for impairment					
1. As at 12/31/2022	-	-	-	-	-
2. Additions during the year	-	-	-	-	-

Item	Animal husbandry	Aquaculture		Other	Total
	Breeding Pig	Seed shrimp	Fingerling		
(1) Provision	-	-	-	-	-
(2) Other increase	-	-	-	-	-
3. Decrease during the year	-	-	-	-	-
(1) Disposals	-	-	-	-	-
(2) Other	-	-	-	-	-
4. As at 12/31/2023	-	-	-	-	-
IV Carrying amount					
As at 12/31/2023	407,229,457.91	16,126,817.27	5,273,500.46	18,000,104.35	446,629,879.99
As at 12/31/2022	475,950,512.83	13,823,324.23	12,326,470.07	6,697,270.78	508,797,577.91

(2) There were no productive biological assets measured at fair value in the current period.

20. Right-of-use assets

Item	Land use rights	House and building	Machinery equipment	Transportation equipment	Electronic equipment	Others	Total
I. Original book value							
1.As at 12/31/2022	1,604,864,310.01	884,789,570.87	356,949,284.26	17,812,699.78	2,377,474.59	34,886,354.04	2,901,679,693.55
2.Additions during the year	216,252,924.42	185,046,161.16	49,862,614.14	5,897,234.85	2,638,094.94	1,517,629.92	461,214,659.43
(1) Rent in	207,544,645.91	189,077,741.32	50,144,054.98	5,842,088.59	2,671,580.33	1,700,055.88	456,980,167.01
(2) Lease liability adjustment	8,737,105.26	-4,223,848.13	270,571.14	55,146.26	-33,485.39	-182,425.96	4,623,063.18
(3) Translation differences in foreign currency statements	-28,826.75	-163,654.38	-552,011.98	-	-	-	-744,493.11
(4) Increase from business combination	-	355,922.35	-	-	-	-	355,922.35
(5) Other	-	-	-	-	-	-	-
3.Decrease during the year	58,410,212.56	144,309,547.15	27,847,813.72	1,479,714.41	131,332.70	7,263,378.39	239,441,998.93
(1) Lease termination	58,410,212.56	144,309,547.15	27,847,813.72	1,479,714.41	131,332.70	7,263,378.39	239,441,998.93
(2) Other	-	-	-	-	-	-	-
4. As at 12/31/2023	1,762,707,021.87	925,526,184.88	378,964,084.68	22,230,220.22	4,884,236.83	29,140,605.57	3,123,452,354.05
II. Accumulated depreciation							
1. As at 12/31/2022	214,344,939.61	206,398,813.35	89,878,432.17	5,981,071.44	1,303,998.69	12,000,334.24	529,907,589.50
2. Additions during the year	136,928,129.86	134,664,990.64	49,188,571.02	5,231,837.66	887,756.13	6,524,702.49	333,425,987.80
(1) Provision	136,945,522.67	134,490,670.16	49,464,577.01	5,231,837.66	887,756.13	6,524,702.49	333,545,066.12
(2) Translation differences in foreign currency statements	-17,392.81	-33,300.92	-276,005.99	-	-	-	-326,699.72
(3) Increase from business combination	-	207,621.40	-	-	-	-	207,621.40
(4) Other	-	-	-	-	-	-	-
3.Decrease during the year	15,921,512.74	63,370,195.69	13,199,555.79	834,947.16	92,075.71	6,684,630.42	100,102,917.51

Item	Land use rights	House and building	Machinery equipment	Transportation equipment	Electronic equipment	Others	Total
(1) Lease termination	15,921,512.74	63,370,195.69	13,199,555.79	834,947.16	92,075.71	6,684,630.42	100,102,917.51
(2) Other decrease	-	-	-	-	-	-	-
4.As at 12/31/2023	335,351,556.73	277,693,608.30	125,867,447.40	10,377,961.94	2,099,679.11	11,840,406.31	763,230,659.79
III. Provision for impairment							
1.As at 12/31/2022	-	-	-	-	-	-	-
2.Additions during the year	-	-	-	-	-	-	-
(1) Provision	-	-	-	-	-	-	-
(2) Other increase	-	-	-	-	-	-	-
3.Decrease during the year	-	-	-	-	-	-	-
(1) Lease termination	-	-	-	-	-	-	-
(2) Other decrease	-	-	-	-	-	-	-
4.As at 12/31/2023	-	-	-	-	-	-	-
IV Carrying amount							
1.As at 12/31/2023	1,427,355,465.14	647,832,576.58	253,096,637.28	11,852,258.28	2,784,557.72	17,300,199.26	2,360,221,694.26
2.As at 12/31/2022	1,390,519,370.40	678,390,757.52	267,070,852.09	11,831,628.34	1,073,475.90	22,886,019.80	2,371,772,104.05

As of the end of the period, the Company recognized lease expenses related to the short-term leases and leases of low-value assets, see Note XI.71 Lease.

21. Intangible assets

(1) Details of intangible assets

Item	Land use rights	Patented or Unpatented technologies	Software use rights and trademark rights	Marketing network, sea use right and others	Total
I. Original book value					
1. As at 12/31/2022	1,510,567,190.55	241,403,431.20	315,495,974.30	99,805,244.86	2,167,271,840.91
2. Additions during the year	207,005,325.02	8,911,886.79	35,664,851.35	-	251,582,063.16

Item	Land use rights	Patented or Unpatented technologies	Software use rights and trademark rights	Marketing network, sea use right and others	Total
(1) Purchase	150,735,252.62	1,860,000.00	3,835,358.14	-	156,430,610.76
(2) Transfers from Internal R&D	-	7,000,000.00	-	-	7,000,000.00
(3) Transfers from constructions in progress	28,000.00	51,886.79	31,292,980.72	-	31,372,867.51
(4) Transfers from business combination	56,242,072.40	-	536,512.49	-	56,778,584.89
(5) Other	-	-	-	-	-
3. Decrease during the year	7,481,992.44	-	402,542.57	-	7,884,535.01
(1) Disposals	4,913,692.96	-	377,204.87	-	5,290,897.83
(2) Translation differences in foreign currency statement	2,568,299.48	-	25,337.70	-	2,593,637.18
(3) Other	-	-	-	-	-
4. As at 12/31/2023	1,710,090,523.13	250,315,317.99	350,758,283.08	99,805,244.86	2,410,969,369.06
II. Accumulated depreciation					
1. As at 12/31/2022	186,540,619.26	147,597,436.73	157,533,257.36	45,793,467.44	537,464,780.79
2. Additions during the year	38,486,193.82	22,097,003.24	34,001,859.88	3,160,929.30	97,745,986.24
(1) Provision	36,819,397.17	22,097,003.24	33,956,330.48	3,160,929.30	96,033,660.19
(2) Transfers from business combination	1,666,796.65	-	45,529.40	-	1,712,326.05
(3) Other	-	-	-	-	-
3. Decrease during the year	459,310.23	-	240,743.35	-	700,053.58
(1) Disposals	194,131.03	-	232,427.81	-	426,558.84
(2) Translation differences in foreign currency statement	265,179.20	-	8,315.54	-	273,494.74
(3) Other	-	-	-	-	-
4. As at 12/31/2023	224,567,502.85	169,694,439.97	191,294,373.89	48,954,396.74	634,510,713.45
III. Provision for impairment					

Item	Land use rights	Patented or Unpatented technologies	Software use rights and trademark rights	Marketing network, sea use right and others	Total
1. As at 12/31/2022	-	10,307,844.71	-	-	10,307,844.71
2. Additions during the year	-	-	-	-	-
(1) Provision	-	-	-	-	-
(2) Other	-	-	-	-	-
3. Decrease during the year	-	-	-	-	-
(1) Disposals	-	-	-	-	-
(2) Other	-	-	-	-	-
4. As at 12/31/2023	-	10,307,844.71	-	-	10,307,844.71
IV. Carrying amount					
1. As at 12/31/2023	1,485,523,020.28	70,313,033.31	159,463,909.19	50,850,848.12	1,766,150,810.90
2. As at 12/31/2022	1,324,026,571.29	83,498,149.76	157,962,716.94	54,011,777.42	1,619,499,215.41

The carrying amount of intangible assets arising from internal research and development is 7.34% of the total carrying amount of intangible assets at the period end.

Land use rights without ownership certificates

Item	Carrying amount	Reason why certificates of ownership are pending
Land use rights	43,425,691.71	In progress

22. Development costs

Project	2022.12.31	Additions during the year	Decrease during the year	2023.12.31
Development costs	18,906,101.80	18,201,884.60	7,000,000.00	30,107,986.40

For details, refers to Note VI. Research and development expenses.

23. Goodwill

(1) Book value of goodwill

The name of the invested entity or the matter of forming goodwill	2022.12.31	Additions during the year		Decrease during the year		2023.12.31
		Business Combination	Disposals	Disposals	Effect of translation of foreign currency statement	
Guangzhou Runchua	50,000.00	-	-	-	-	50,000.00
Taizhou Haid	578,247.88	-	-	-	-	578,247.88
Guangzhou Haihe	76,663.70	-	-	-	-	76,663.70
Dongguan Haid	2,831,241.61	-	-	-	-	2,831,241.61
Sanshuifanling	4,841,934.68	-	-	-	-	4,841,934.68
Dalian Haid Rongchuan	32,178.11	-	-	-	-	32,178.11
Qingyuan ronghai	1,218,130.86	-	-	-	-	1,218,130.86
Zhanjiang Hiseno	4,100,845.79	-	-	-	-	4,100,845.79
PANASIA TRADING RESOURCES LIMITED	43,758,509.65	-	-	-	742,021.08	44,500,530.73
SHENG LONG BIOTECH INTERNATIONAL CO.,LTD	5,641,648.04	-	-	-	-95,666.46	5,737,314.50
Kaifeng Haid	8,838,854.56	-	-	-	-	8,838,854.56
Guangzhou Heshengtang Pharmaceutical	127,116.22	-	-	-	-	127,116.22
Haid Livestock Veterinary Research Institute	5,809,578.76	-	-	-	-	5,809,578.76
Hunan Innovation	19,210,769.76	-	-	-	-	19,210,769.76
Sichuan Hailinger	76,410,471.64	-	-	-	-	76,410,471.64
Jiaxing Haid	8,312,415.28	-	-	-	-	8,312,415.28
Rongcheng Yandunjiao	33,087.10	-	-	-	-	33,087.10
Shandong Daxin	115,902,036.20	-	-	-	-	115,902,036.20
Hunan Jinhuilong	2,400,475.64	-	-	-	-	2,400,475.64
Feicheng & Ruifeng	57,092,523.20	-	-	-	-	57,092,523.20
Weifang Xuheng	30,507,361.78	-	-	-	-	30,507,361.78
Jianong Lianyungang KEMBANG SUBUR INTERNATIONAL LTD.	587,209.55	-	-	587,209.55	-	-
Gaotang Huayu	348,096.84	-	-	-	-5,902.74	353,999.58
Zhongshan Yugezhi	1,455,358.51	-	-	-	-	1,455,358.51
Gaozhou Haiyuan	9,620,427.34	-	-	-	-	9,620,427.34
	2,799,980.27	-	-	-	-	2,799,980.27

The name of the invested entity or the matter of forming goodwill	2022.12.31	Additions during the year		Decrease during the year		2023.12.31
		Business Combination	Disposals	Disposals	Effect of translation of foreign currency statement	
Yunnan Zhonggui	3,088,765.62	-	-	-	-	3,088,765.62
Qingdao Haihe	220,674.27	-	-	-	-	220,674.27
Hainan Zhuangmei	1,999,796.32	-	-	-	-	1,999,796.32
Jiangxi Jiabo	17,826,753.49	-	-	-	-	17,826,753.49
Jiangmen Debao	24,182,145.13	-	-	-	-	24,182,145.13
Ganzhou Lianduol	4,228,394.10	-	-	-	-	4,228,394.10
Xishui Chenke	-	55,850,881.86	-	-	-	55,850,881.86
Total	454,131,691.90	55,850,881.86	587,209.55	-	843,590.28	510,238,954.49

Note: When acquiring the non-controlling interests of a subsidiary, the Company records goodwill at the amount by which the paid combination cost exceeds the Company's share of the fair value of the acquiree's identifiable net assets obtained in the combination, and changes in the current period include the effect of translation of foreign currency statement after the investment of goodwill generated by the acquisition of overseas subsidiaries

(2) Provision for impairment of goodwill

Name of investee or events from which goodwill arose	2022.12.31	Additions during the year		Decreases during the year		2023.12.31
		Provision	Disposal	Disposal	Effect of translation of foreign currency statement	
Guangzhou Runchuan	50,000.00	-	-	-	-	50,000.00
Guangzhou Haihe	76,663.70	-	-	-	-	76,663.70
SHENG LONG BIO-TECH INTERNATIONAL CO.,LTD	5,641,648.04	-	-	-	-95,666.46	5,737,314.50
Hunan Innovation	4,038,440.41	-	-	-	-	4,038,440.41
Sichuan Hailinger	76,410,471.64	-	-	-	-	76,410,471.64
Shandong Daxin	3,328,423.01	-	-	-	-	3,328,423.01
Feicheng & Runfeng	15,128,355.67	31,895,032.48	-	-	-	47,023,388.15
Weifang Xuheng	14,300,670.14	10,983,760.78	-	-	-	25,284,430.92
KEMBANG SUBUR INTERNATIONAL LTD.	348,096.84	-	-	-	-5,902.74	353,999.58
Jianong Lianyungang	587,209.55	-	587,209.55	-	-	-

Name of investee or events from which goodwill arose	2022.12.31	Additions during the year	Decreases during the year		2023.12.31
		Provision	Disposal	Effect of translation of foreign currency statement	
Jiangxi Jiabo	-	3,112,320.66	-	-	3,112,320.66
Total	119,909,979.00	45,991,113.92	587,209.55	101,569.20	165,415,452.57

Note: The Group calculated the recoverable amounts by discounting the expected future cash flows, which was prepared by the management based on the past performance and expectation for future market development within the next 5 year, and the cash flow growth rate adopted for subsequent years was expected to be 0.00% (previous period: 0.00%). As of December 31, 2023, according to the impairment test results, the Group recognized provision for impairment of goodwill of RMB 165,415,452.57 (At the end of previous period: 119,909,979.00).

24. Long-term deferred expenses

Item	2022.12.31	Additions during the year	Decreases during the year		2023.12.31
			Amortization for the year	Other decreases	
Rental expense	1,414,552.02	185,451.04	165,979.40	-	1,434,023.66
Transfer fee for contracted management rights	4,892,986.22	49,763.75	1,625,664.52	-	3,317,085.45
Improvement and decoration expense	164,207,685.69	63,954,321.19	56,205,610.37	-	171,956,396.51
Other	12,884,189.69	5,310,339.13	3,737,881.53	-	14,456,647.29
Total	183,399,413.62	69,499,875.11	61,735,135.82	-	191,164,152.91

25. Deferred tax assets and deferred tax liabilities

(1) Deferred tax assets and deferred tax liabilities not offsetting

Item	2023.12.31		2022.12.31	
	Deductible or taxable temporary differences	Deferred tax assets/ deferred tax liabilities	Deductible or taxable temporary differences	Deductible or taxable temporary differences
Deferred tax assets:				
Loss of credit impairment	339,706,460.38	80,759,541.27	275,968,248.03	66,087,983.52
Provisions for impairment of assets	77,807,321.23	13,354,884.63	36,072,813.20	8,579,536.09
Organization cost	21,267,938.38	4,255,174.46	29,904,713.68	6,224,304.01
FA Depreciation	6,823,237.93	933,580.74	6,968,133.18	910,957.48
Intangible assets amortization	-	-	81,296.08	20,324.04
Deductible losses	2,379,004,825.07	485,092,998.76	2,184,320,203.43	447,651,553.99
Accrued expense	162,730,663.14	18,084,583.38	125,381,614.75	15,060,568.78
Unrealized profits of intra-group transactions	255,702,951.70	47,732,629.19	280,407,870.37	59,912,897.43

Item	2023.12.31		2022.12.31	
	Deductible or taxable temporary differences	Deferred tax assets/ deferred tax liabilities	Deductible or taxable temporary differences	Deductible or taxable temporary differences
Gain/Loss on movements in fair value	27,551,786.89	6,637,512.72	50,051,128.80	12,161,047.32
Deferred income	196,031,730.43	40,147,181.86	155,094,076.50	32,600,844.20
Employee compensation	190,725,246.59	33,927,157.33	230,255,789.29	40,274,956.33
Equity incentive amount	-	-	47,481,976.07	7,122,296.41
Advertising expense	115,892.93	19,635.06	12,099,316.27	3,016,187.56
Accrued tax deduction	308,798,901.13	46,319,835.17	308,798,901.13	46,319,835.17
Lease liabilities	1,380,844,985.35	250,593,173.69	1,282,984,742.23	232,606,703.57
Subtotal	5,347,111,941.15	1,027,857,888.26	5,025,870,823.01	978,549,995.90
Deferred tax liabilities:				
Value-added assessment from business combination not under common control				
Valuation of financial instruments held for trading and derivative financial instruments	220,717,586.50	54,282,438.80	29,084,922.12	3,135,037.28
FA Depreciation	588,445,866.29	121,433,436.20	526,050,437.97	113,203,197.77
Intangible asset amortization	9,301,919.58	1,608,530.89	13,296,678.41	2,175,831.68
Expected profits to be distributed by overseas subsidiaries	308,798,901.13	46,319,835.17	308,798,901.13	46,319,835.17
Right of use assets	1,314,563,113.06	237,111,458.78	1,233,910,263.08	222,849,038.04
Other	107,689,115.32	16,197,204.24	73,850,737.53	11,077,610.63
Subtotal	2,815,876,653.20	540,164,525.90	2,441,254,293.43	454,591,103.02

(2) Deferred tax assets or liabilities presented on a net offset basis

Item	Offset amount of deferred tax assets and liabilities at the end of the period	Deferred tax assets or liabilities after offset at the end of the period	Offset amount of deferred tax assets and liabilities at the end of last year	Deferred tax assets or liabilities after offset at the end of last year
Deferred tax assets	354,408,026.34	673,449,861.92	-	978,549,995.90
Deferred tax liabilities	354,408,026.34	185,756,499.56	-	454,591,103.02

(3) Details of unrecognized deferred tax assets from deductible temporary differences and deductible losses

Item	2023.12.31	2022.12.31
Deductible temporary differences	31,676,614.20	38,788,327.82
Deductible losses	145,368,419.81	398,842,118.67
Total	177,045,034.01	437,630,446.49

(4) Expiration of deductible tax losses for unrecognised deferred tax assets

Year	2023.12.31	2022.12.31	Note
2023	—	17,139,807.43	
2024	34,435,436.48	15,356,172.30	
2025	30,857,785.68	75,300,644.47	
2026	23,988,649.48	106,565,960.38	
2027	37,975,287.88	184,479,534.09	
2028	18,111,260.29	—	
Total	145,368,419.81	398,842,118.67	

26. Other non-current assets

Item	2023.12.31			2022.12.31		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Prepayments for equipment and constructions	169,583,168.25	-	169,583,168.25	131,068,641.89	-	131,068,641.89
Prepayments for acquisition of other long-term assets	70,103,566.22	-	70,103,566.22	62,001,878.93	-	62,001,878.93
Factoring accounts receivable	35,000,000.00	525,000.00	34,475,000.00	-	-	-
Total	274,686,734.47	525,000.00	274,161,734.47	193,070,520.82	-	193,070,520.82

27. Assets with limited ownership or use rights

Item	2023.12.31	
	Ending carrying amount	Reason for restriction
Cash at bank and on hand	108,947,754.71	Land reclamation deposit, letter of credit deposit, guarantee deposit, bank guarantee, etc.
Bills receivable	67,245.20	Endorsed but unexpired notes receivable that have not been terminated for confirmation
Fixed assets	6,189,438.42	Property preservation
Total	115,204,438.33	

Note: Jiangxi Jiabo Biotechnology Co., Ltd., a subsidiary of the company, was applied for property preservation due to litigation, involving an amount of RMB 2.3617 million in current period.

28. Short-term loans

(1) Classification of short-term loans

Item	2023.12.31	2022.12.31
Credit loan	1,378,714,852.59	2,662,948,081.55
Guaranteed loan	11,000,000.00	233,314,100.00
Bill discounted	-	3,311,269.56
Accrued interest	6,421,360.41	11,235,801.45
Total	1,396,136,213.00	2,910,809,252.56

Note: Unsecured loans included guaranteed loans provided by inter-group members.

(2) There were no overdue short-term loans as of the end of current period.

29. Held-for-trading financial liabilities

Item	2023.12.31	2022.12.31
Held-for-trading financial liabilities	22,203,844.99	46,533,780.00
Including: Derivative financial liabilities	22,203,844.99	46,533,780.00
Total	22,203,844.99	46,533,780.00

30. Notes payable

Item	2023.12.31	2022.12.31
Banker acceptance bills	5,155,754,992.46	2,122,850,987.41
Domestic Letter of Credit	741,859,888.52	1,379,357,530.92
Total	5,897,614,880.98	3,502,208,518.33

Note: There were no notes payable due and unpaid at the end of this period.

31. Accounts payable

Item	2023.12.31	2022.12.31
Accounts payable with aging within one year	4,444,284,967.32	5,165,514,814.36
Accounts payable with aging over one year	299,009,532.73	175,664,621.89
Total	4,743,294,500.05	5,341,179,436.25

Note: There were no significant accounts payable with aging over one year.

32. Advances from customers

Item	2023.12.31	2022.12.31
Rental fee	4,983,594.55	3,922,795.42
Other	499,559.00	-
Total	5,483,153.55	3,922,795.42

Note: There were no significant advances from customers with aging over one year.

33. Contract liabilities

Item	2023.12.31	2022.12.31
Advances from customers	1,937,760,139.45	1,720,519,173.21
Less: Contract liabilities included in other non-current liabilities	15,546,408.08	-
Total	1,922,213,731.37	1,720,519,173.21

Note: There were no significant contract liabilities with aging over one year.

34. Employee benefits payable

Item	2022.12.31	Accrued during the year	Decreased during the year	2023.12.31
Short-term employee benefits	1,407,074,253.38	5,643,626,759.91	5,372,361,492.02	1,678,339,521.27
Post-employment benefits - defined contribution plans	1,655,707.51	257,361,094.82	257,893,919.00	1,122,883.33
Termination benefits	882,438.80	11,788,087.77	9,533,241.63	3,137,284.94
Other benefits due within one year	-	-	-	-
Total	1,409,612,399.69	5,912,775,942.50	5,639,788,652.65	1,682,599,689.54

(1) Short-term employee benefits

Item	2022.12.31	Accrued during the year	Decreased during the year	2023.12.31
Salaries, bonus, allowances	1,091,136,263.08	4,872,510,272.25	4,675,582,504.13	1,288,064,031.20
Staff welfare	12,045,774.49	195,435,591.35	190,895,486.64	16,585,879.20
Social insurances	185,405.07	130,964,998.81	130,688,272.15	462,131.73
Including: 1. Medical insurance	91,805.73	113,788,598.41	113,462,837.13	417,567.01
2. Work-related injury insurance	58,243.36	9,017,742.04	9,067,229.53	8,755.87
3. Maternity insurance	11,482.16	2,229,788.33	2,241,270.49	-
4. Serious disease subsidies	23,873.82	5,928,870.03	5,916,935.00	35,808.85
Housing Fund	139,421.69	50,319,790.09	50,268,335.43	190,876.35
Labor union fees	1,236,350.32	10,074,909.48	9,964,401.15	1,346,858.65
Staff and workers' education fee	503,033.31	17,231,252.69	16,237,364.14	1,496,921.86
Short-term profit - sharing plan	301,828,005.42	367,089,945.24	298,725,128.38	370,192,822.28
Total	1,407,074,253.38	5,643,626,759.91	5,372,361,492.02	1,678,339,521.27

(2) Defined contribution plans

Item	2022	Accrued during the year	Decreased during the year	2023
Post-employment benefits	1,655,707.51	257,361,094.82	257,893,919.00	1,122,883.33
Including: 1. Basic pension insurance	1,612,206.73	248,091,702.82	248,594,447.82	1,109,461.73
2. Unemployment insurance	43,500.78	9,269,392.00	9,299,471.18	13,421.60
3. Annuity	-	-	-	-
Total	1,655,707.51	257,361,094.82	257,893,919.00	1,122,883.33

35. Taxes payable

Item	2023.12.31	2022.12.31
VAT	13,034,800.22	12,462,506.29
City construction tax	491,059.96	477,641.20
Corporate income tax	203,794,032.48	150,747,448.70
Individual income tax	11,063,298.47	22,035,819.03
Property tax	10,706,235.94	6,836,833.30
Stamp tax	14,493,966.10	12,543,670.05
Educational surcharges	380,644.79	429,867.18
Land use tax	3,438,211.96	3,038,500.74
Environmental protection tax	423,429.96	423,954.50
Water resource tax	160,136.74	247,227.30
Tax withheld	1,078,656.78	1,168,090.73
Others	815,460.68	416,887.32

Item	2023.12.31	2022.12.31
Total	259,879,934.08	210,828,446.34
36. Other payables		
Item	2023.12.31	2022.12.31
Interests payable	-	-
Dividends payable	3,886,356.36	3,279,944.00
Other payables	835,290,015.21	465,456,374.76
Total	839,176,371.57	468,736,318.76
(1) Dividends payable		
Item	2023.12.31	2022.12.31
Projects of minority shareholder	3,886,356.36	3,279,944.00
(2) Note: There were no significant dividends payable with aging over one year.		
(3) Other payables (listed by nature)		
Item	2023.12.31	2022.12.31
Security deposits	422,451,414.31	324,136,553.24
Expense reimbursement	15,885,044.34	9,226,075.12
Rents	30,080,800.22	29,046,714.16
Employee stock ownership plan payments	240,880,932.60	-
Payables to external parties	112,510,967.06	89,973,758.84
Payables for equity transfer	6,081,935.84	7,638,716.74
Other	7,398,920.84	5,434,556.66
Total	835,290,015.21	465,456,374.76
Note: There were no significant other payables with aging over one year.		
37. Non-current liabilities due within one year		
Item	2023.12.31	2022.12.31
Long-term loan due within one year	717,771,010.44	935,157,182.09
Long-term payables due within one year	39,348,128.58	12,700,230.98
Lease liability due within one year	298,082,375.56	310,640,401.87
Total	1,055,201,514.58	1,258,497,814.94
(1) Long-term loan due within one year		
Item	2023.12.31	2022.12.31
Guaranteed loans	3,000,000.00	-
Unsecured loans	709,740,701.22	920,547,864.04
Accrued interest	5,030,309.22	14,609,318.05
Total	717,771,010.44	935,157,182.09
(2) Long-term payables due within one year		
Item	2023.12.31	2022.12.31
Security deposits	100,000.00	100,000.00
Sea area usage fee	3,374,282.08	3,374,282.08
Other	35,873,846.50	9,225,948.90
Total	39,348,128.58	12,700,230.98
38. Other current liabilities		

Item	2023.12.31	2022.12.31
Water and electricity	80,392,840.14	76,485,710.23
Steam or other fuel or power charges	37,256,272.50	38,682,228.89
Transportation and warehousing charges	24,347,868.09	25,391,165.59
Office and meeting service charges	25,589,547.39	22,719,072.82
Travel charges	21,151,616.09	16,970,098.73
Rents	2,914,969.89	1,863,857.40
Vehicle costs	17,327,056.83	16,546,669.62
Research and development expenses	3,740,190.07	3,255,888.85
Business promotion expenses	13,210,036.60	10,461,949.12
Repair costs	4,325,870.38	3,645,503.08
Entrusted cultivation charges	282,756,366.38	245,383,230.15
Output VAT to be transferred	35,816,108.60	22,738,049.75
Guarantee compensation reserve	18,585,055.12	18,385,511.11
Hedged items - procurement commitments and foreign exchange forwards	-	18,733,646.90
Other	43,461,966.67	38,435,890.00
Total	610,875,764.75	559,698,472.24

39. Long-term loans

Item	2023.12.31	Interest rate	2022.12.31	Interest rate
Credit loans	3,712,999,490.93	2.8%-3.6% 5YLPR-5BP~20BP 6M LIBOR+1.7%	5,986,955,063.46	1.59%~4.61%
Guaranteed loans	27,500,000.00	4.00% 1YLPR+50BP	-	-
Accrued interest	5,030,309.22	-	14,609,318.05	-
Subtotal	3,745,529,800.15	-	6,001,564,381.51	-
Less: long-term loans due within one year	717,771,010.44		935,157,182.09	
Total	3,027,758,789.71	-	5,066,407,199.42	-

40. Lease liability

Item	2023.12.31	2022.12.31
Lease liability	2,414,446,543.18	2,432,879,154.33
Less: unrecognized financing costs	496,815,621.25	511,812,331.16
Subtotal	1,917,630,921.93	1,921,066,823.17
Less: lease liability due within one year	298,082,375.56	310,640,401.87
Total	1,619,548,546.37	1,610,426,421.30

Note: During 2023 the interest expense of lease liabilities was RMB 77.4672 million, which is included in the financial expense - unrecognized financing costs.

41. Long-term payables

Item	2023.12.31	2022.12.31
Long-term payables	65,410,255.77	53,910,873.61

Item	2023.12.31	2022.12.31
Special payables	-	-
Total	65,410,255.77	53,910,873.61

Long-term payables (listed by nature of payment)

Item	2023.12.31	2022.12.31
Guarantee deposit	19,038,898.28	7,555,433.97
Obligations under equity transfers	5,000,000.00	5,000,000.00
Sea use right fee	33,018,248.52	36,446,248.53
Other payables	55,462,090.99	28,430,116.95
Less: Unrecognized financing costs	7,760,853.44	10,820,694.86
Subtotal	104,758,384.35	66,611,104.59
Less: long-term payables due within one year	39,348,128.58	12,700,230.98
Total	65,410,255.77	53,910,873.61

42. Long-term employee benefits payable

Item	2023.12.31	2022.12.31
Post-employment benefits-net liabilities of defined benefit plans	-	-
Dismissal benefits	-	-
Long-term profit sharing plans	483,651,182.01	494,786,634.21
Subtotal	483,651,182.01	494,786,634.21
Less: Long-term employee benefits payable due within one year	370,192,822.28	301,828,005.42
Total	113,458,359.73	192,958,628.79

43. Deferred income

Item	2022.12.31	Additions during the year	Reductions during the year	2023.12.31	Reason for deferral
Government grant	299,528,716.40	82,995,715.14	47,712,282.65	334,812,148.89	Receipt of government grant

For the government grant which was recognized as deferred income, refer to Note VIII. Government grant.

44. Other non-current liabilities

Item	2023.12.31	2022.12.31
Contingent consideration	26,000,000.00	-
Advance discount payment	15,546,408.08	-
Unearned rent	12,448,243.65	145,885.76
Total	53,994,651.73	145,885.76

45. Share capital (Unit: share)

Item	2022.12.31	Movements during the year (+, -)				Subtotal	2023.12.31
		New issuance	Stock dividends	Shares converted from capital reserve	Other		
Total shares	1,661,161,061.00	2,588,909.00	-	-	-	2,588,909.00	1,663,749,970.00

Note: The increase in share capital during this reporting period is the number of shares increased due to the exercise of equity incentive objects.

46. Capital reserve

Item	2022.12.31	Additions during the year	Reductions during the year	2023.12.31
Share premium	4,475,375,823.14	317,815,985.60	50,212,748.59	4,742,979,060.15
Other capital reserves	824,685,254.83	12,331,583.33	164,454,814.72	672,562,023.44
Total	5,300,061,077.97	330,147,568.93	214,667,563.31	5,415,541,083.59

Note:

- (1) The current increase or decrease in capital stock premium is the difference between the amount received or paid by the minority shareholder equity exchange and the share of net assets of the subsidiary enjoyed at the time of transfer.
- (2) The increase in other capital reserves in the current period is the portion of the equity settled share-based payment amount implemented in the equity incentive plan that belongs to the parent company (see Note XII for details). The decrease in this period is mainly due to the adjustment of other capital reserve funds where the deductible amount before tax for equity incentives exceeds the recognized cost.

47. Treasury stock

Item	2022.12.31	Additions during the year	Reductions during the year	2023.12.31
Repurchase stock	792,321,152.16	300,081,705.48	-	1,092,402,857.64

Note: The increase in this period is the amount paid by the Company for repurchasing the Company's stock for equity incentive plans or employee stock ownership plans.

48. Other comprehensive income

Other comprehensive income attributable to the parent company in the balance sheet:

Item	2022.12.31	Movements during the year		2023.12.31
		After-tax amount	Less: previously recognized in OCI amount transferred to profit or loss	
I.Items that will not be reclassified to profit or loss	-	-	-	-
II.Items that may be reclassified to profit or loss	300,049,768.45	-1,009,394.14	-	299,040,374.31
1. Cash flow hedging reserves	343,105,696.10	14,324,188.55	-	357,429,884.65
2. Translation differences in foreign currency financial statement	-	-15,333,582.69	-	-
Other comprehensive income total	300,049,768.45	-1,009,394.14	-	299,040,374.31

Other comprehensive income attributable to the parent company in the income statement:

Item	Movements during the year
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	Before-tax amount	Less: previously recorded in other comprehensive income and transferred to profit or loss in the current period	Less: Income tax expenses	Less: After tax attributable to minority shareholders	After tax attributable to the parent company
I.Items that will not be reclassified to profit or loss	-	-	-	-	-
II.Items that may be reclassified to profit or loss	388,777,389.36	343,105,696.10	53,774,179.49	7,093,092.09	1,009,394.14
1. Cash flow hedging reserves	411,204,064.14	343,105,696.10	53,774,179.49	-	14,324,188.55
2. Translation differences in foreign currency in financial statement	-22,426,674.78	-	-	7,093,092.09	15,333,582.69
Other comprehensive income total	388,777,389.36	343,105,696.10	53,774,179.49	7,093,092.09	1,009,394.14

Note: The net amount of other comprehensive income after tax incurred in the current period is RMB - 8,102,486.23. Among them, the net amount of other comprehensive income attributable to the shareholders of the parent company after tax incurred in the current period is RMB-1,009,394.14; the net amount after tax of other comprehensive income attributable to minority shareholders in the current period is RMB-7,093,092.09

49. Special reserve

Item	2022.12.31	Additions during the year	Reductions during the year	2023.12.31
Safety production cost	-	398,575.53	-	398,575.53

Note: The special reserve increased in this period is the safety production cost extracted by the Company based on 1.00% of the actual operating income of the previous year's ordinary freight business in accordance with relevant regulations.

50. Surplus reserve

Item	2022.12.31	Additions during the year	Reductions during the year	2023.12.31
Statutory surplus reserve	830,580,530.50	1,294,454.50	-	831,874,985.00

Note: According to the Company's articles of association, if the cumulative amount of the statutory reserve fund is more than 50% of the registered capital of the company, the surplus reserve may not be withdrawn. In this period, statutory surplus reserves will be withdrawn according to the limit.

51. General risk preparation

Item	2022.12.31	Additions during the year	Reductions during the year	2023.12.31
General risk allowance	4,834,904.00	1,556,581.55	3,791,705.35	2,599,780.20

52. Retained earnings

Item	Amount in current period	Amount in previous period	Appropriation or distribution percentage
Retained earnings as at 12/31/2022 (before adjustment)	10,528,173,146.82	7,894,011,164.82	--

Item	Amount in current period	Amount in previous period	Appropriation or distribution percentage
Total adjustments for opening retained earnings(“+” for increase; “-” for decrease)	-	4,418,939.03	--
Retained earnings as at 01/01/2023 (after adjustment)	10,528,173,146.82	7,898,430,103.85	
Add: Net profits for the year attributable to shareholders of the Company	2,741,256,374.98	2,957,330,734.56	--
Less: Appropriation for statutory surplus reserve	1,294,454.50	84,124,473.19	
Appropriation for general risk preparation	-2,235,123.80	-4,170,124.55	
Common Stock dividends payable	744,065,037.90	247,633,342.95	
Retained earnings as at 12/31/2023	12,526,305,153.20	10,528,173,146.82	

Note: Due to the retrospective adjustment of the Accounting Standards for Business Enterprises and related new regulations, the retained earnings at the beginning of the period was affected by RMB 4,418,939.03. The impact of changes in accounting policies on retained earnings at the beginning of the period can be found in Note III. 39. Significant changes in accounting policies & accounting estimates.

53. Operating income and operating cost

(1) Operating income and operating cost

Item	2023		2022	
	Income	Cost	Income	Cost
Principal activities	115,961,051,970.83	106,239,082,310.98	104,609,239,672.05	94,975,445,630.46
Other operating activities	156,116,772.14	41,536,154.70	106,177,813.87	28,134,469.77
Total	116,117,168,742.97	106,280,618,465.68	104,715,417,485.92	95,003,580,100.23

(2) Operating income and operating cost by products

Main product category	2023		2022	
	Income	Cost	Income	Cost
Feed sales	95,956,237,795.73	87,775,522,325.73	84,892,419,774.07	78,060,758,981.95
Animal protection products sales	1,094,616,254.63	552,554,966.91	1,044,659,775.65	535,805,808.94
Agricultural sales	15,492,073,854.16	14,526,212,163.23	12,455,629,441.65	10,354,911,388.63
Trade business	3,400,500,883.54	3,384,436,709.49	6,167,203,348.23	6,023,530,323.85
Others	173,739,954.91	41,892,300.32	155,505,146.32	28,573,596.86
Total	116,117,168,742.97	106,280,618,465.68	104,715,417,485.92	95,003,580,100.23

(3) Operating income and operating costs are divided according to the time of commodity transfer

Item	2023					
	Sales of goods		Other		Total	
	Income	Cost	Income	Cost	Income	Cost
Operating income from principal activities	115,943,428,788.0 6	106,238,726,165.3 6	17,623,182.77	356,145.62	115,961,051,970.8 3	106,239,082,310.9 8
Including: Satisfied at a point in time	115,943,428,788.0 6	106,238,726,165.3 6	-	-	115,943,428,788.0 6	106,238,726,165.3 6
Satisfied over time	-	-	17,623,182.77	356,145.62	17,623,182.77	356,145.62
Operating income from other operating activities	-	-	156,116,772.14	41,536,154.70	156,116,772.14	41,536,154.70
Including: Satisfied at a point in time	-	-	128,420,806.0 3	21,838,194.1 4	128,420,806.03	21,838,194.14

Item	2023		Other		Total	
	Sales of goods Income	Cost	Income	Cost	Income	Cost
Satisfied over time	-	-	-	-	-	-
Operating income from leases	-	-	27,695,966.11	19,697,960.56	27,695,966.11	19,697,960.56
Total	115,943,428,788.06	106,238,726,165.36	173,739,954.91	41,892,300.32	116,117,168,742.97	106,280,618,465.68

54. Taxes and surcharges

Item	2023	2022
Urban maintenance and construction tax	5,041,886.30	5,093,481.64
Educational surcharge and Local educational surcharge	3,972,223.23	4,006,079.50
Stamp duty	61,678,078.11	56,295,735.80
Property tax	44,872,674.00	36,145,169.11
Land usage tax	17,787,104.55	15,625,234.11
Environmental protection tax	1,760,264.94	1,604,112.87
Embankment protection cost	1,166,422.99	1,890,724.63
Others	2,275,992.14	2,607,693.02
Total	138,554,646.26	123,268,230.68

55. Selling and distribution expenses

Item	2023	2022
Employee compensation	1,699,956,672.18	1,482,738,666.62
Travel expense	283,108,064.00	252,806,732.56
Business promotion expense	197,466,970.50	139,825,359.25
Equity incentive expense	-72,397.59	42,154,913.32
Others	78,683,703.11	63,461,396.48
Total	2,259,143,012.20	1,980,987,068.23

56. General and administrative expenses

Item	2023	2022
Employee compensation	1,623,742,542.38	1,589,278,406.89
Travel expense	124,644,915.87	92,657,962.86
Office expense	546,650,566.56	511,922,443.74
Training and consulting service charges	127,770,405.44	81,058,612.74
Equity incentive expense	14,074,525.92	139,024,865.82
Others	179,856,191.23	169,872,934.71
Total	2,616,739,147.40	2,583,815,226.76

57. Research and development expenses

Item	2023	2022
Employee compensation	467,907,240.17	433,776,962.76
Materials	116,282,096.49	94,505,156.07
Travel expense	44,886,389.38	33,307,843.10
Office expense	121,125,274.27	100,994,669.97
Training and consulting service charges	17,734,028.97	10,130,093.83
Expense on R&D entrusted to external parties	12,873,488.50	6,258,201.21
Equity incentive expense	569,143.97	30,003,920.43
Others	3,502,752.28	2,258,642.76
Total	784,880,414.03	711,235,490.13

58. Financial expenses

Item	2023	2022
Total interest expenses	434,808,591.01	493,321,918.85
Less: Interest income	64,284,395.34	47,519,969.08
Add: Net exchange losses/gains	-1,087,065.87	11,010,010.53
Add: Unrecognized financing costs	77,467,207.57	81,621,735.49
Add: Bank charges	65,602,052.88	58,330,386.82
Total	512,506,390.25	596,764,082.61

59. Other income

Item	2023	2022
Government grant	91,934,088.91	134,749,089.80
Other items arising in the daily operating activities that should be charged directly to other income	20,704,196.88	8,329,314.23

Item	2023	2022	
Total	112,638,285.79	143,078,404.03	
Note: For the details of government grant, refer to Note VIII Government grant.			
60. Investment income			
Item	2023	2022	
Income from long-term equity investments accounted for using the equity method	49,850,706.07	47,855,406.41	
Investment income from disposal of long-term equity investments	30,991,423.96	-5,963,295.45	
Investment income from holding held-for-trading financial assets	1,169,386.67	7,465,210.66	
Interest income from debt investments	326,833.38	530,942.74	
Investment income from holding other non-current financial assets	1,503,844.94	16,905,664.74	
Investment income from disposal of held-for-trading financial assets	162,325,000.74	201,589,342.10	
Financial assets measured at amortized cost cease to recognize earnings	-521,219.60	-1,262,095.66	
Total	245,645,976.16	267,121,175.54	
61. Gains/ (losses) from changes in fair value			
Source of the changes in fair value	2023	2022	
Held-for-trading financial assets	-19,067,696.33	11,233,447.63	
Held-for-trading financial liabilities	19,611,136.00	-32,445,293.88	
Other non-current financial assets	-16,802,796.88	-4,737,266.30	
Other	1,099,948.31	-	
Total	-15,159,408.90	-25,949,112.55	
62. Credit impairment losses ("-" for losses)			
Item	2023	2022	
Loss allowance on accounts receivable	-169,804,518.53	-133,025,192.76	
Loss allowance on loans, factoring and financial guarantees	-28,046,262.70	-18,799,943.17	
Total	-197,850,781.23	-151,825,135.93	
63. Impairment losses ("-" for losses)			
Item	2023	2022	
Impairment losses on inventories	-75,228,096.30	-16,984,381.62	
Impairment losses on long-term equity investments	-	-5,455,271.05	
Impairment losses on goodwill	-45,991,113.92	-29,429,025.81	
Total	-121,219,210.22	-51,868,678.48	
64. Gains from assets disposal ("-" for losses)			
Item	2023	2022	
Gains from disposals of fixed assets	-5,577,057.30	1,142,121.34	
Gains from disposals of intangible assets	197,180.00	-	
Gains from disposals of right-of-use assets	8,394,760.98	5,580,762.47	
Total	3,014,883.68	6,722,883.81	
65. Non-operating income			
Item	2023	2022	Amount included in non-recurring gains or losses for the current year

Item	2023	2022	Amount included in non-recurring gains or losses for the current year
Gain on disposal of non-current assets resulted from damage or obsolescence	7,682.89	310,096.64	7,682.89
Insurance compensation	28,058,404.73	12,676,185.71	28,058,404.73
Debt repayment income	8,093,105.72	7,506,366.68	8,093,105.72
Negative goodwill	-	812,610.97	-
Default income	8,239,912.17	9,639,820.99	8,239,912.17
Compensation	11,066,339.57	4,515,082.73	11,066,339.57
Others	9,902,368.73	8,395,703.33	9,902,368.73
Total	65,367,813.81	43,855,867.05	65,367,813.81

66. Non-operating expenses

Item	2023	2022	Amount included in non-recurring gains or losses for the current year
Loss on disposal of non-current assets resulted from damage or obsolescence	25,009,313.47	46,910,039.94	25,009,313.47
Donation expenditure	17,918,740.52	23,201,324.51	17,918,740.52
Loss in damage and scrap of inventory	2,946,296.82	5,935,884.98	2,946,296.82
Default expenditure	12,955,120.28	23,996,599.29	12,955,120.28
Fines forfeits and penalty expenditure	4,228,645.49	4,856,843.82	4,228,645.49
Others	35,953,465.76	19,277,469.53	35,953,465.76
Total	99,011,582.34	124,178,162.07	99,011,582.34

67. Income tax expenses

(1) Details of income tax expenses

Item	2023	2022
Current tax expense for the year based on tax law and regulations	659,721,751.81	632,068,644.45
Changes in deferred tax assets/liabilities	-13,084,732.13	21,988,473.95
Total	646,637,019.68	654,057,118.40

(2) Reconciliation between income tax expenses and profits/losses before tax:

Item	2023	2022
Profits/losses before tax	3,518,152,643.90	3,822,724,528.68
Expected income tax expenses at applicable tax rate	527,722,896.59	573,408,679.30
Effect of different tax rates applied by subsidiaries	507,543,812.39	421,981,563.79
Adjustment to income tax of previous years	-7,511,208.89	12,539,019.95
Effect of non-taxable income	-287,357,033.54	-389,281,309.65
Effect of non-deductible costs, expenses and losses	28,452,091.81	108,492,193.49
Effect on opening balance of deferred tax due to changes in tax rate	2,126,544.94	-28,748,149.82

Item	2023	2022
Effect of using the deductible temporary differences or deductible losses for which no deferred tax asset was recognized in previous	-100,672,357.86	-628,337.35
Effect of deductible temporary differences or deductible losses for which no deferred tax asset was recognized this year	38,124,517.42	7,151,970.41
Effect of research and development expenses over-deduction	-61,792,243.18	-50,858,511.72
Income tax expenses	646,637,019.68	654,057,118.40
68. Notes to Cash flow statement		
(1) Cash received from other operating activities		
Item	2023	2022
Operating receivables	1,102,004,570.92	829,193,429.43
Fiscal subsidies	129,565,336.22	151,493,300.61
Interest income of deposit	71,860,766.32	47,519,969.08
Others	61,815,496.94	43,275,275.35
Total	1,365,246,170.40	1,071,481,974.47
(2) Cash paid for other operating activities		
Item	2023	2022
Operating payables	956,025,271.35	1,360,321,003.99
Other expenses	1,577,575,961.07	1,261,621,277.02
Total	2,533,601,232.42	2,621,942,281.01
(3) Cash received from other investing activities		
Item	2023	2022
Collection of deposit of long-term assets	50,019,465.23	10,514,283.98
Obtaining net cash received by subsidiaries	-	60,220.93
Total	50,019,465.23	10,574,504.91
(4) Cash paid for other investing activities		
Item	2023	2022
Deposit of acquisitions of long-term assets、bills、letters of credit etc.	23,453,842.66	56,933,976.70
(5) Cash received for other financing activities		
Item	2023	2022
Bills, loans, deposit of letters of credit	43,770,813.17	17,015,584.74
Bank swap settlement funds	74,001,114.50	-
Stock ownership plan subscription funds	240,880,932.60	-
Total	358,652,860.27	17,015,584.74
(6) Cash paid for other financing activities		
Item	2023	2022
Bills, loans, deposit of letters of credit	36,447,899.07	70,355,377.55
Restricted stock repurchase	300,070,255.47	-
Payment for loans and interests of external correspondents	-	1,562,500.00
Payment for financial leasing	356,284,774.41	363,189,867.67

Item	2023	2022
Expense of bonds issuing	-	3,470,198.72
Bank swap settlement funds	48,176,128.00	-
Payment for acquisition of non-controlling interest in current and previous year	420,563,661.93	58,929,504.49
Total	1,161,542,718.88	497,507,448.43

(7) Movements in liabilities arising from financing activities

Item	2022	2023	
		Cash inflow	Cash outflow
Short-term loan	2,910,809,252.56	8,713,098,007.27	10,445,436,272.96
Long-term loan	6,001,564,381.51	1,091,425,683.57	3,512,934,610.99
Lease liability	1,921,066,823.17	-	356,284,774.41
Total	10,833,440,457.24	9,804,523,690.84	14,314,655,658.36

(Continued)

Item	Non-cash movement			2023
	Interest accrued	Fair value changes	Other	
Short-term loan	162,912,256.68	-	54,752,969.45	1,396,136,213.00
Long-term loan	208,305,506.51	-	-42,831,160.45	3,745,529,800.15
Lease liability	77,467,207.57	-	275,381,665.60	1,917,630,921.93
Total	448,684,970.76	-	287,303,474.60	7,059,296,935.08

Note: The other of Short-term loan and long-term loan are mainly the opening balance amount of non-same controlled consolidated enterprises and the exchange rate changes of foreign currency loan during the period. The other of the lease liability is mainly new leases in the current period.

69. Supplementary information on cash flow statement

(1) Supplement to cash flow statement

Item	2023	2022
1. Reconciliation of net profit/loss to cash flows from operating activities:		
Net profit/loss	2,871,515,624.22	3,168,667,410.28
Add: Provisions for impairment losses	121,219,210.22	51,868,678.48
Provisions for credit losses	197,850,781.23	151,825,135.93
Depreciation of fixed assets, depreciation of investment properties, and depreciation of productive biological assets	1,703,358,712.70	1,462,444,685.72
Depreciation of right-of-use assets	333,545,066.12	329,235,542.65
Amortization of intangible assets	96,033,660.19	89,628,217.92
Amortization of long-term deferred expenses	61,735,135.82	56,807,419.96
Losses from disposal of fixed assets, intangible assets, and other long-term assets ("-" for gains)	-3,014,883.68	-6,722,883.81
Losses on retirement of fixed assets ("-" for gains)	25,001,630.58	46,599,943.30
Losses from changes in fair value ("-" for gains)	15,159,408.90	25,949,112.55
Financial expenses ("-" for income)	520,191,951.07	574,943,654.34
Losses arising from investment ("-" for gains)	-245,645,976.16	-267,121,175.54

Item	2023	2022
Decrease in deferred tax assets ("-" for increase)	306,745,783.71	-47,283,849.84
Increase in deferred tax liabilities ("-" for decrease)	-282,612,682.31	69,272,323.79
Decrease in gross inventories ("-" for increase)	3,219,695,285.97	-3,678,052,574.02
Decrease in operating receivables ("-" for increase)	403,337,820.29	-611,296,935.98
Increase in operating payables ("-" for decrease)	3,301,925,234.56	5,167,163,903.56
Expense of equity incentive	14,515,002.80	220,848,526.26
Others	37,817,933.31	13,117,115.36
Net cash flows from operating activities	12,698,374,699.54	6,817,894,250.91
2. Investing and financing activities not requiring the use of cash:		
Conversion of debt into capital	-	-
Convertible bonds due within one year	-	-
New right-of-use assets in the current period	-	-
3. Change in cash and cash equivalents:		
Cash as at 12/31/2023	5,367,248,673.44	2,122,149,250.34
Less: cash as at 12/31/2022	2,122,149,250.34	1,681,109,971.07
Add: cash equivalents as at 12/31/2023	-	-
Less: cash equivalents as at 12/31/2022	-	-
Net increase/decrease in cash and cash equivalents	3,245,099,423.10	441,039,279.27
(2) Net cash flows from acquisition of subsidiaries during the year		
Item	2023	
Cash or cash equivalents paid in the current period for business combinations incurred during the year	95,177,915.57	
including: Xishui Chenke Feed Technology Co., LTD	95,177,915.57	
Less: Cash and cash equivalents held by subsidiaries at acquisition date	45,934,635.97	
including: Xishui Chenke Feed Technology Co., LTD	45,934,635.97	
Net cash outflows for acquisition of subsidiaries	49,243,279.60	
(3) No net cash from disposal of subsidiaries by the Company during the period		
(4) Details of cash and cash equivalents		
Item	12/31/2023	12/31/2022
1.Cash	5,367,248,673.44	2,122,149,250.34
Including: Cash on hand	178,407.26	456,386.59
Digital currency	-	-
Bank deposits available on demand	5,114,839,576.53	1,871,133,546.65
Other monetary funds available on demand	252,230,689.65	250,559,317.10
Cash at central bank available on demand	-	-
Amounts due from banks	-	-
Loans to banks	-	-
2. Cash equivalents	-	-
Including: Bond investments with a maturity of 3 months or less	-	-
3. Cash and cash equivalents as at 12/31/2023	5,367,248,673.44	2,122,149,250.34

Item	12/31/2023	12/31/2022	
Including: Restricted cash and cash equivalents held by the Company or subsidiaries of the Group	-	-	
70. Monetary items in foreign currencies			
(1) Monetary Items in foreign currencies			
Item	Balance in foreign currency as at 12/31/2023	Exchange rate	Balance translated to RMB as at 12/31/2023
Cash at bank and on hand	—	—	806,088,075.57
Including:USD	39,246,058.74	7.082700	277,968,060.24
VND	1,359,936,083,824.00	0.000290	394,912,791.31
MYR	27,572,956.31	1.541550	42,505,081.29
INR	136,044,339.77	0.085146	11,583,631.81
EGP	226,554,406.27	0.229055	51,893,310.33
IDR	55,649,087,978.44	0.000460	25,619,476.71
BDT	24,945,221.13	0.064370	1,605,723.88
Bills receivable	—	—	6,510,119.00
Including:INR	76,458,303.90	0.085146	6,510,119.00
Accounts receivable	—	—	1,086,533,002.28
Including:USD	55,229,834.70	7.082700	391,176,350.23
VND	1,830,626,540,701.00	0.000290	531,596,922.59
MYR	12,175,596.98	1.541550	18,769,287.32
INR	113,562,243.32	0.085146	9,669,371.15
EGP	59,806,202.93	0.229055	13,698,880.99
IDR	264,180,413,587.49	0.000460	121,622,190.00
Other receivables	—	—	5,910,185.40
Including:USD	88,845.57	7.082700	629,266.52
VND	10,747,181,931.00	0.000290	3,120,881.71
MYR	69,978.98	1.541550	107,876.07
INR	2,601,314.22	0.085146	221,491.51
EGP	5,570,667.06	0.229055	1,275,986.46
IDR	1,087,471,716.28	0.000460	500,645.35
BDT	839,487.00	0.064370	54,037.78
Long-term receivables	—	—	7,708,127.53
Including:USD	26,240.19	7.082700	185,851.39
VND	9,533,544,600.00	0.000290	2,768,452.68
INR	23,653,156.00	0.085146	2,013,971.70
IDR	5,951,341,380.00	0.000460	2,739,851.76
Short-term loans	—	—	399,897,728.12
Including:USD	3,177,143.37	7.082700	22,502,753.35
VND	934,702,950,774.00	0.000290	271,429,044.17
INR	537,759,686.85	0.085146	45,788,088.12

Item	Balance in foreign currency as at 12/31/2023	Exchange rate	Balance translated to RMB as at 12/31/2023
IDR	130,714,693,723.15	0.000460	60,177,842.48
Accounts payable	—	—	588,919,604.67
Including:USD	35,369,069.95	7.082700	250,508,511.74
VND	851,100,071,151.00	0.000290	247,151,545.45
MYR	238,693.95	1.541550	367,958.58
INR	156,588,298.60	0.085146	13,332,867.80
EGP	82,690,138.57	0.229055	18,940,549.83
IDR	127,326,869,628.78	0.000460	58,618,171.27
Employee compensation payable	—	—	89,059,949.23
Including:USD	1,692,768.79	7.082700	11,989,373.51
VND	230,100,433,980.00	0.000290	66,819,026.09
MYR	425,523.33	1.541550	655,965.34
INR	43,516,908.13	0.085146	3,705,290.81
EGP	3,048,903.60	0.229055	698,365.14
IDR	10,553,051,514.41	0.000460	4,858,366.37
BDT	5,181,947.58	0.064370	333,561.97
Taxes payable	—	—	24,081,870.19
Including:USD	858.82	7.082700	6,082.76
VND	60,579,805,975.50	0.000290	17,591,812.26
MYR	361,918.08	1.541550	557,914.69
INR	1,074,815.55	0.085146	91,516.25
EGP	8,538,891.64	0.229055	1,955,871.71
IDR	6,886,337,954.08	0.000460	3,170,301.28
BDT	11,004,679.87	0.064370	708,371.24
Other payables	—	—	8,874,365.37
Including:USD	115,684.82	7.082700	819,360.87
VND	21,361,345,228.00	0.000290	6,203,136.00
MYR	86,512.18	1.541550	133,362.82
INR	9,862,082.90	0.085146	839,716.94
EGP	189,700.90	0.229055	43,451.85
IDR	1,801,539,395.80	0.000460	829,384.60
BDT	92,470.00	0.064370	5,952.29
Non-current liabilities due within one year	—	—	83,079,580.95
Including:USD	11,247,801.57	7.082700	79,664,804.18
VND	9,245,529,607.86	0.000290	2,684,815.81
EGP	2,401,787.35	0.229055	550,140.24
IDR	390,595,758.95	0.000460	179,820.72

Item	Balance in foreign currency as at 12/31/2023	Exchange rate	Balance translated to RMB as at 12/31/2023
Long-term loans	—	—	48,687,510.12
Including:USD	6,000,000.00	7.082700	42,496,200.00
IDR	13,448,391,845.76	0.000460	6,191,310.12

(2) Overseas business entities

Name of business entity	Recording currency	Principal place of business	Basis for determination of recording currency
KINGHILL HOLDINGS PTE.LTD.	USD	Singapore	Major local currency
KINGHILL PTE.LTD.	USD	Singapore	Major local currency
Haid Egypt Co.,Ltd	EGP	Egypt	Major local currency
Haid Egypt Aquatic Co.,Ltd	EGP	Egypt	Major local currency
KINGHILL RESOURCES PTE.LTD.	USD	Singapore	Major local currency
VINH LONG HAILIANKE BIOTECHNOLOGY CO., LTD	VND	Vietnam	Major local currency
KINGHILL AGRI PTE.LTD.	USD	Singapore	Major local currency
PT.HAIDA AGRICULTURE INDONESIA	IDR	Indonesia	Major local currency
PT.HAIDA SURABAYA TRADING	IDR	Indonesia	Major local currency
PT HISENOR TECHNOLOGY INDONESIA	IDR	Indonesia	Major local currency
HAID FEED BANGLADESH LIMITED	BDT	Bengali	Major local currency
PT HAIDA BIOTECHNOLOGY INDONESIA	IDR	Indonesia	Major local currency
Dachuan Biotechnology Co., Ltd.	BDT	Bengali	Major local currency
PT HISENOR GENETICS INDONESIA	IDR	Indonesia	Major local currency
Hisenor Aquatic Seed Industry Technology Pte.Ltd.	USD	Singapore	Major local currency
KINGHILL INVESTMENT (SINGAPORE) PTE.LTD.	USD	Singapore	Major local currency
KINGHILL INTERNATIONAL (SINGAPORE) PTE.LTD.	USD	Singapore	Major local currency
HAID INTERNATIONAL (SINGAPORE) PTE. LTD.	USD	Singapore	Major local currency
HAID BIOTECHNOLOGY INDUSTRY (SINGAPORE) PTE. LTD.	USD	Singapore	Major local currency
Haid International Group Limited	USD	Hong Kong	Major local currency
China Haida Feed Group(HK)Limited	USD	Hong Kong	Major local currency
Rickworth Investments Limited	USD	Hong Kong	Major local currency
Hong Kong Longreat Trading Co.,Limited	USD	Hong Kong	Major local currency
HAID FEED COMPANY LIMITED	VND	Vietnam	Major local currency
DONG NAI HAID FARM COMPANY LIMITED	VND	Vietnam	Major local currency
PANASIA TRADING RESOURCES LIMITED	USD	Hong Kong	Major local currency
SHENG LONG INTERNATIONAL LTD.	USD	Hong Kong	Major local currency

Name of business entity	Recording currency	Principal place of business	Basis for determination of recording currency
SHENG LONG BIO-TECH INTERNATIONAL CO.,LTD	VND	Vietnam	Major local currency
SHENG LONG BIO - TECH INTERNATIONAL CO., LTD - NINH THUAN BRANCH	VND	Vietnam	Major local currency
SHENG LONG BIOTECH (HAI DUONG) INTERNATIONAL CO., LTD	VND	Vietnam	Major local currency
LONG SHENG INTERNATIONAL CO.,LTD	VND	Vietnam	Major local currency
Hisenor International Limited	USD	Hong Kong	Major local currency
KEMBANG SUBUR INTERNATIONAL LTD.	MYR	Malaysia	Major local currency
NAMDUONG VIETNAM AQUATIC HATCHERY CO.,LTD.	VND	Vietnam	Major local currency
SHENG LONG BIO TECH(M)SDN.BHD.	MYR	Malaysia	Major local currency
PRIME WORLD CO., LTD.	USD	Malaysia	Major local currency
SHENG LONG AQUA TECHNOLOGY (M) SDN. BHD.	MYR	Malaysia	Major local currency
THANG LONG(VINH LONG)BIOTECH CO.,LTD	VND	Vietnam	Major local currency
LANKING PTE.LTD.	USD	Singapore	Major local currency
Haid Lanking International Trading Inc.	USD	The United States of America	Major local currency
LANKING NEMO(SG) PTE.LTD.	USD	Singapore	Major local currency
SHENGLONG BIO-TECH(INDIA)PRIVATE LIMITED	INR	India	Major local currency
LANKING RICKWORTH PTE.LTD.	USD	Singapore	Major local currency
HAIDMARINO CIA.LTDA.	USD	Ecuador	Major local currency
Lanking Nano PTE.LTD.	USD	Singapore	Major local currency
HAI DUONG HAID COMPANY LIMITED	VND	Vietnam	Major local currency
HAI DAI COMPANY LIMITED	VND	Vietnam	Major local currency
VINH LONG HAI DAI CO.,LTD	VND	Vietnam	Major local currency
BINH DINH HAI LONG CO.,LTD	VND	Vietnam	Major local currency
HISTAR VIETNAM AQUATIC BREEDING COMPANY LIMITED	VND	Vietnam	Major local currency
BINH PHUOC HAI LONG COMPANY LIMITED	VND	Vietnam	Major local currency
HAID GROUP HAIDING AGRICULTURE AND ANIMAL HUSBANDRY KAZAKHSTAN CO., Ltd.	USD	Kazakhstan	Major local currency
HAID (ECUADOR) FEED CIA.LTDA.	USD	Ecuador	Major local currency

71. Lease

(1) Lessee

Item	2023
Short-term lease charges	75,788,187.51
Low value lease charges	165,979.40

Item	2023
Total	75,954,166.91

(2) Leaser

Operating lease

① Rental income

Item	2023
Rental income	27,695,966.11
Including: Income related to variable lease payments not included in lease collections	-

VI Research and development expenditure

(1) Research and development expenditure

Item	2023		2022	
	Expensed amount	Capitalized amount	Expensed amount	Capitalized amount
Employee compensation	467,907,240.17	8,406,666.67	433,776,962.76	9,614,244.13
Materials expenses	116,282,096.49	638,431.79	94,505,156.07	5,120,774.30
Travel expenses	44,886,389.38	162,018.07	33,307,843.10	161,838.44
Office expenses	121,125,274.27	2,678,624.89	100,994,669.97	2,529,911.62
Training and consulting service fee	17,734,028.97	138,917.93	10,130,093.83	107,562.33
Expense on R&D entrusted to external parties	12,873,488.50	-	6,258,201.21	-
Equity incentive expense	569,143.97	158,709.25	30,003,920.43	496,022.89
Other expenses	3,502,752.28	6,018,516.00	2,258,642.76	3,466.67
Total	784,880,414.03	18,201,884.60	711,235,490.13	18,033,820.38

(2) Development expenditure

Item	12/31/2022	Increase		Decrease		12/31/2023
		Internal development expenditure	Other additions	Recognized as Intangible assets	Recorded in P/L in the current period;	
Development of animal protection products and healthy breeding model	2,521,350.12	6,295,535.23	-	7,000,000.00	-	1,816,885.35
Development of breeding techniques for families	5,038,255.53	2,890,983.44	-	-	-	7,929,238.97
Application and development of feed additives	11,346,496.15	9,015,365.93	-	-	-	20,361,862.08
Total	18,906,101.80	18,201,884.60	-	7,000,000.00	-	30,107,986.40

Note: The Group has no significant capitalized research and development projects during the current period.

VII. Interests in Other Entities

1. Interests in Subsidiaries

(1). Structure of the Group

In addition to the below subsidiaries, the Company still has 354 indirectly controlled subsidiaries, which business scopes include feed production and breeding, etc, mainly distributed in 26 provinces and cities in China, as well as Southeast Asia, Egypt and other countries.

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guangzhou Runchuan Investment Co., Ltd.	147,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Business combination involving entities under common control
Guangzhou Haiwei Feed Co., Ltd.	1,170	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Business combination involving entities under common control
Guangzhou Rongchuan Feed Co., Ltd.	1,310	Guangzhou, Guangdong	Guangzhou, Guangdong	Sales	100		Business combination involving entities under common control
Foshan Haihang Feed Co., Ltd.	1,000	Foshan, Guangdong	Foshan, Guangdong	Production and Sales	87.5		Business combination involving entities under common control
Guangzhou Dachuan Feed Co., Ltd.	1,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Business combination involving entities under common control
Hubei Haid Feed Co., Ltd.	2,000	Wuhan, Hubei	Wuhan, Hubei	Production and Sales	100		Business combination involving entities under common control
Guangdong Hinder Biotechnology Group Co., Ltd.	8,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	97	3	Establishment
Shanxi Haid Agriculture and Animal Husbandry Co., Ltd.	2,000	Yangling, Shanxi	Yangling, Shanxi	Production and Sales	67		Establishment

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Hunan Haid Bio-Feed Co., Ltd.	1,500	Changde, Hunan	Changde, Hunan	Production and Sales	100		Establishment
Guangzhou Haihe Feed Co., Ltd.	10,764.24	Guangzhou, Guangdong	Guangzhou, Guangdong	Sales	100		Establishment
Foshan Haipu Feed Co., Ltd.	300	Foshan, Guangdong	Foshan, Guangdong	Sales	87.5		Establishment
Qingyuan Haibei Biotechnology Co., Ltd.	10,000	Qingyuan, Guangdong	Qingyuan, Guangdong	Production and Sales	100		Establishment
Zhanjiang Haid Feed Co., Ltd.	1,300	Zhanjiang, Guangdong	Zhanjiang, Guangdong	Production and Sales	100		Establishment
Jiangmen Haid Feed Co., Ltd.	8,000	Jiangmen, Guangdong	Jiangmen, Guangdong	Production and Sales	100		Establishment
Chengdu Haid Biotechnology Co., Ltd.	1,300	Xinjin, Sichuan	Xinjin, Sichuan	Production and Sales	100		Establishment
Taizhou Haid Bio-Feed Co., Ltd.	1,660	Xinghua, Jiangsu	Xinghua, Jiangsu	Production and Sales	100		Establishment
Jingzhou Haid Feed Co., Ltd.	9,860	Jingzhou, Hubei	Jingzhou, Hubei	Production and Sales	100		Establishment
Dongguan Haid Feed Co., Ltd.	1,000	Dongguan, Guangdong	Dongguan, Guangdong	Production and Sales	100		Business combination involving entities not under common control
Fujian Haid Feed Co., Ltd.	9,850	Changtai, Fujian	Changtai, Fujian	Production and Sales	100		Establishment
Zhejiang Haid Feed Co., Ltd.	9,810	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Production and Sales	100		Establishment
Guangxi Haid Feed Co., Ltd.	9,460	Qinzhou, Guangxi	Qinzhou, Guangxi	Production and Sales	100		Establishment
Kinghill Holdings Pte.Ltd.	5,234.01 (USD)	Singapore	Singapore	Investment	100		Establishment
Jiangxi Haid Feed Co., Ltd.	7,370	Nanchang, Jiangxi	Nanchang, Jiangxi	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guangzhou Haid Feed Co., Ltd.	1,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Trading	100		Business combination involving entities not under common control
Maoming Hailong Feed Co., Ltd.	9,210	Maoming, Guangdong	Maoming, Guangdong	Production and Sales	100		Establishment
Nanchang Haid Biotechnology Co., Ltd.	300	Nanchang, Jiangxi	Nanchang, Jiangxi	Production and Sales	100		Establishment
Zhuhai Rongchuan Feed Co., Ltd.	3,000	Zhuhai, Guangdong	Zhuhai, Guangdong	Production and Sales	100		Establishment
Foshan Sanshuifanling Feed Co., Ltd.	200	Foshan, Guangdong	Foshan, Guangdong	Production and Sales	100		Business combination involving entities not under common control
Dalian Haid Rongchuan Trading Co., Ltd.	5,000	Dalian, Liaoning	Dalian, Liaoning	Trading	100		Business combination involving entities not under common control
Haid International Group Limited	3,837 (USD)	Hong Kong	British Virgin Islands	Trading	100		Establishment
Changzhou Haid Bio-Feed Co., Ltd.	2,000	Liyang, Jiangsu	Liyang, Jiangsu	Production and Sales	100		Establishment
Tianjin Haid Feed Co., Ltd.	15,000	Tianjin	Tianjin	Production and Sales	97	3	Establishment
Jiangmen A&T Xinhui Feed Co., Ltd.	250	Jiangmen, Guangdong	Jiangmen, Guangdong	Production and Sales	80		Business combination involving entities not under common control
Tianmen Haid Feed Co., Ltd.	500	Tianmen, Hubei	Tianmen, Hubei	Production and Sales	100		Establishment
Zhuhai Hailong Biotechnology Co., Ltd.	1,000	Zhuhai, Guangdong	Zhuhai, Guangdong	Production and Sales	100		Establishment
Yangjiang Haid Feed Co., Ltd.	500	Yangjiang, Guangdong	Yangjiang, Guangdong	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guigang Haid Feed Co., Ltd.	500	Guigang, Guangxi	Guigang, Guangxi	Production and Sales	100		Establishment
Yiyang Haid Feed Co., Ltd.	5,000	Yiyang, Hunan	Yiyang, Hunan	Production and Sales	99	1	Establishment
Nantong Haid Biotechnology Co., Ltd.	10,000	Nantong, Jiangsu	Nantong, Jiangsu	Production and Sales	100		Establishment
Yunnan Haid Biotechnology Co., Ltd.	500	Kunming, Yunnan	Kunming, Yunnan	Production and Sales	100		Establishment
Guangdong Mutai Biotechnology Co., Ltd. (Note 1)	500	Zhuhai, Guangdong	Zhuhai, Guangdong	Production and Sales	100		Establishment
Zhaoqing Haid Feed Co., Ltd.	500	Gaoyao, Guangdong	Gaoyao, Guangdong	Production and Sales	100		Establishment
Wuhan Aquaera Biotechnology Co., Ltd.	500	Ezhou, Hubei	Ezhou, Hubei	Production and Sales	100		Establishment
Shenzhen Longreat Trading Co., Ltd.	200	Shenzhen, Guangdong	Shenzhen, Guangdong	Trading	70		Establishment
Lanking Pte.Ltd.	9,232.16 (dollar)	Singapore	Singapore	Trading	100		Establishment
Hunan Dongting Haid Feed Co., Ltd.	2,000	Dongting, Hunan	Dongting, Hunan	Production and Sales	100		Establishment
Zhangzhou Haid Feed Co., Ltd.	2,000	Zhangzhou, Fujian	Zhangzhou, Fujian	Production and Sales	85		Establishment
Anhui Haid Feed Co., Ltd.	1,000	Chizhou, Anhui	Chizhou, Anhui	Production and Sales	100		Establishment
Xiangtan Haid Feed Co., Ltd.	2,000	Xiangtan, Hunan	Xiangtan, Hunan	Production and Sales	100		Establishment
Guangzhou Changsheng Logistics Co., Ltd.	1,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Transportation Service	100		Establishment
Guangzhou Danong Enterprise Management Co., Ltd.	50	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Shandong Haiding Agriculture and Animal Husbandry Co., Ltd.	10,000	Heze, Shandong	Heze, Shandong	Sales	55		Establishment
Xishui Haid Feed Co., Ltd.	300	Huanggang, Hubei	Huanggang, Hubei	Production and Sales	100		Establishment
Yancheng Haid Bio-Feed Co., Ltd.	3,000	Yancheng, Jiangsu	Yancheng, Jiangsu	Production and Sales	100		Establishment
Honghu Haid Feed Co., Ltd.	700	Honghu, Hubei	Honghu, Hubei	Production and Sales	100		Establishment
Kaifeng Haid Feed Co., Ltd.	2,000	Kaifeng, Henan	Kaifeng, Henan	Production and Sales	100		Business combination involving entities not under common control
Guangzhou Heshengtang Biotechnology Co., Ltd.	1,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Business combination involving entities not under common control
Guangzhou Heshengtang Veterinary Pharmaceutical Co., Ltd.	6,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Business combination involving entities not under common control
Guangdong Haid Livestock Veterinary Research Institute Co., Ltd.	3,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Research and Trading	100		Business combination involving entities not under common control
Henan Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	1,000	Luoyang, Henan	Luoyang, Henan	Production and Sales	67		Establishment
Suqian Haid Feed Co., Ltd.	2,000	Siyang, Jiangsu	Siyang, Jiangsu	Production and Sales	100		Establishment
Huaihua Haid Feed Co., Ltd.	1,300	Huaihua, Hunan	Huaihua, Hunan	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guangzhou Meinong Investment Management Co., Ltd.	787.86	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Guangdong Hairuite Supply Chain Management Co., Ltd. (Note 2)	1,000	Zhuhai, Guangdong	Zhuhai, Guangdong	Sales	100		Establishment
Guangzhou Haijian Investment Co., Ltd.	12,150	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Hunan Innovation Biotechnology Limited	1,688	Hengyang, Hunan	Hengyang, Hunan	Production and Sales	100		Business combination involving entities not under common control
Guangzhou Haishengke Investment Co., Ltd.	26,127	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Sanming Haid Feed Co., Ltd.	3,500	Sanming, Fujian	Sanming, Fujian	Production and Sales	100		Establishment
Qingyuan Haid Biotechnology Co., Ltd.	1,000	Qingyuan, Guangdong	Qingyuan, Guangdong	Production and Sales	100		Establishment
Xuancheng Haid Biotechnology Co., Ltd.	500	Xuancheng, Anhui	Xuancheng, Anhui	Production and Sales	100		Establishment
Guangdong Shunde Haid Biotechnology Co., Ltd.	500	Shunde, Guangdong	Shunde, Guangdong	Sales	100		Establishment
Jiaxing Haid Yongwang Bio-Feed Co., Ltd.	2,388	Jiaxing, Zhejiang	Jiaxing, Zhejiang	Production and Sales	80		Business combination involving entities not under common control
Shijiazhuang Weike Biotechnology Co., Ltd.	1,000	Jinzhou, Hebei	Jinzhou, Hebei	Production and Sales	70		Business combination involving entities not under common control

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Chongqing Haid Feed Co., Ltd.	2,500	Chongqing	Chongqing	Production and Sales	100		Establishment
Shenyang Haid Feed Co., Ltd.	300	Shenyang, Liaoning	Shenyang, Liaoning	Production and Sales	85		Establishment
Jiangsu Haihe Agriculture and Animal Husbandry Co., Ltd.	1,000	Xuzhou, Jiangsu	Xuzhou, Jiangsu	Sales	67		Establishment
Anshan Dachuan Feed Technology Co., Ltd.	300	Anshan, Liaoning	Anshan, Liaoning	Sales	100		Establishment
Guangzhou Haiyuan Factoring Co., Ltd.	15,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Commercial factoring	100		Establishment
Haid Pet Care Co., Ltd.	5,000	Weihai, Shandong	Weihai, Shandong	Sales	100		Establishment
Ganzhou Haid Biotechnology Co., Ltd.	5,000	Ganzhou, Jiangxi	Ganzhou, Jiangxi	Production and Sales	100		Establishment
Foshan Haid Beacon Feed Co., Ltd.	500	Foshan, Guangdong	Foshan, Guangdong	Production and Sales	60		Establishment
Guangzhou Punong Investment Management Co., Ltd.	460	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Guangzhou Yannong Investment Management Co., Ltd.	1,975.81	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Liyang Jiu He Feed Co., Ltd.	880	Liyang, Jiangsu	Liyang, Jiangsu	Production and Sales	80		Business combination involving entities not under common control
Shaoguan Haid Biotechnology Co., Ltd.	1,500	Shaoguan, Guangdong	Shaoguan, Guangdong	Production and Sales	100		Business combination involving entities not under common control

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Shandong Daxin Group Co., Ltd.	5,204	Qingdao, Shandong	Qingdao, Shandong	Research and Trading	60		Business combination involving entities not under common control
Huaian Hailong Feed Co., Ltd.	5,000	Huai'an, Jiangsu	Huai'an, Jiangsu	Production and Sales	100		Business combination involving entities not under common control
Hunan Jinhuilong Technology Co., Ltd.	10,000	Yueyang, Hunan	Yueyang, Hunan	Investment	51		Business combination involving entities not under common control
Fuzhou Haid Feed Co., Ltd.	8,500	Fuzhou, Fujian	Fuzhou, Fujian	Production and Sales	100		Establishment
Zhaoqing Gaoyao Haid Biological Technology Co., Ltd.	8,000	Zhaoqing, Guangdong	Zhaoqing, Guangdong	Production and Sales	100		Establishment
Nanning Haid Biotechnology Co., Ltd.	12,000	Nanning, Guangxi	Nanning, Guangxi	Production and Sales	100		Establishment
Ganzhou Hailong Feed Co., Ltd.	500	Ganzhou, Jiangxi	Ganzhou, Jiangxi	Production and Sales	100		Establishment
Guangzhou Haiyuan Microfinance Co., Ltd.	50,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Micro-credit service	100		Establishment
Jiangmen Rongchuan Feed Co., Ltd.	18,500	Jiangmen, Guangdong	Jiangmen, Guangdong	Production and Sales	100		Establishment
Chongqing Kaizhou Haid Biotechnology Co., Ltd. (Note 1)	3,500	Chongqing	Chongqing	Sales	100		Establishment
Meizhou Haid Biotechnology Co., Ltd.	9,000	Meizhou, Guangdong	Meizhou, Guangdong	Production and Sales	70		Establishment
Yicheng Haid Biological Technology Co., Ltd.	4,500	Xiangyang, Hubei	Xiangyang, Hubei	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Zhuhai Dachuan Biotechnology Co., Ltd. (Note 3)	4,800	Zhuhai, Guangdong	Zhuhai, Guangdong	Production and Sales	100		Establishment
Hexian Haid Biotechnology Co., Ltd.	9,000	Ma'anshan, Anhui	Ma'anshan, Anhui	Research and Trading	100		Establishment
Guangzhou Nansha Haid Technology Co., Ltd.	10,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Establishment
Guangzhou Shunkang Aquaculture Co., Ltd.	310	Guangzhou, Guangdong	Guangzhou, Guangdong	Sales	100		Establishment
Tianjin Rongchuan Feed Co., Ltd.	23,170	Tianjin	Tianjin	Production and Sales	70		Establishment
Zhanjiang Rongda Feed Co., Ltd.	4,000	Zhanjiang, Guangdong	Zhanjiang, Guangdong	Sales	100		Establishment
Huainan Haid Biological Feed Co., Ltd.	8,400	Huainan, Anhui	Huainan, Anhui	Production and Sales	100		Establishment
Maoming Haid Biological Technology Co., Ltd.	6,000	Maoming, Guangdong	Maoming, Guangdong	Sales	100		Establishment
Guangzhou Ronghai Breeding Technology Co., Ltd.	2,400	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Sichuan Rongchuan Feed Co., Ltd.	9,000	Meishan, Sichuan	Meishan, Sichuan	Production and Sales	100		Establishment
Yulin Haid Feed Co., Ltd.	4,500	Yulin, Guangxi	Yulin, Guangxi	Production and Sales	100		Establishment
Sichuan Haile Agriculture and Animal Husbandry Co., Ltd.	3,000	Chengdu, Sichuan	Chengdu, Sichuan	Investment and Sales	55		Establishment

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guangzhou Xingnong Ecological Agriculture and Animal Husbandry Development Co., Ltd.	2,900	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Qingyuan Ronghai Food Technology Co., Ltd. (Note 4)	7,100	Qingyuan, Guangdong	Qingyuan, Guangdong	Production and Sales	96.67	3.33	Business combination involving entities not under common control
Guangzhou Haiyin Financing Guarantee Co., Ltd.	25,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Financing guarantee	100		Establishment
Qinzhou Hailong Feed Co., Ltd.	4,000	Qinzhou, Guangxi	Qinzhou, Guangxi	Production and Sales	100		Establishment
Hainan Haid Biotechnology Co., Ltd.	2,500	Wenchang, Hainan	Wenchang, Hainan	Production and Sales	100		Establishment
Liuzhou Haid Feed Co., Ltd.	500	Liuzhou, Guangxi	Liuzhou, Guangxi	Production and Sales	100		Establishment
Jiangsu Haixin Biotechnology Co., Ltd. (Note 5)	3,000	Huai'an, Jiangsu	Huai'an, Jiangsu	Production and Sales	100		Business combination involving entities not under common control
Gaoan Haid Biotechnology Co., Ltd.	4,000	Yichun, Jiangxi	Yichun, Jiangxi	Production and Sales	100		Establishment
Shanghai Gaohaid Biotechnology Co., Ltd.	2,500	Shanggao, Jiangxi	Shanggao, Jiangxi	Production and Sales	100		Establishment
Qingyuan Hailong Biological Technology Co., Ltd.	13,000	Qingyuan, Guangdong	Qingyuan, Guangdong	Production and Sales	100		Establishment
Guangdong Haid International Trade Co., Ltd.	10,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Trading	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guangzhou Nansha Haid Biotechnology Co., Ltd.	700	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Establishment
Yancheng Haiwei Biological Technology Co., Ltd.	6,000	Yancheng, Jiangsu	Yancheng, Jiangsu	Production and Sales	100		Establishment
Hainan Haid Aquatic Seed Industry Development Co., Ltd.	1,500	Wenchang, Hainan	Wenchang, Hainan	Production and Sales	100		Establishment
Wuzhou Haid Biotechnology Co., Ltd.	2,500	Wuzhou, Guangxi	Wuzhou, Guangxi	Production and Sales	100		Establishment
Dongguan Haiqi Feed Co., Ltd.	500	Dongguan, Guangdong	Dongguan, Guangdong	Production and Sales	100		Establishment
Zhangzhou Haiheng Feed Co., Ltd.	500	Zhangzhou, Fujian	Zhangzhou, Fujian	Production and Sales	100		Establishment
Deyang Dachuan Agriculture and Animal Husbandry Technology Co., Ltd.	4,000	Deyang, Sichuan	Deyang, Sichuan	Production and Sales	100		Establishment
Mianyang Hailong Feed Co., Ltd.	500	Mianyang, Sichuan	Mianyang, Sichuan	Production and Sales	70	13.53	Establishment
Meishan Haid Biotechnology Co., Ltd.	500	Meishan, Sichuan	Meishan, Sichuan	Production and Sales	100		Establishment
Guangzhou Nongzhidao Feed Co., Ltd.	1,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	60		Establishment
Yingkou Dachuan Feed Technology Co., Ltd.	1,200	Yingkou, Liaoning	Yingkou, Liaoning	Production and Sales	100		Establishment
Jiesou Haid Feed Co., Ltd.	1,500	Fuyang, Anhui	Fuyang, Anhui	Production and Sales	100		Establishment
Anlu Haid Feed Co., Ltd.	2,000	Xiaogan, Hubei	Xiaogan, Hubei	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Jingzhou Haihe Biological Technology Co., Ltd.	4,000	Jingzhou, Hubei	Jingzhou, Hubei	Production and Sales	100		Establishment
Hainan Zhuangmei Agriculture and Animal Husbandry Co., Ltd.	4,000	Danzhou, Hainan	Danzhou, Hainan	Production and Sales	100		Business combination involving entities not under common control
Yancheng Runchuan Agricultural Science And Technology Co., Ltd.	100	Yancheng, Jiangsu	Yancheng, Jiangsu	Production and Sales	100		Establishment
Zigong Hailong Biological Technology Co., Ltd.	3,000	Zigong, Sichuan	Zigong, Sichuan	Production and Sales	100		Establishment
Jiangxi Jiabo Biological Engineering Co., Ltd.	8,000	Jiujiang, Jiangxi	Jiujiang, Jiangxi	Production and Sales	60		Business combination involving entities not under common control
Guangxi Rongchuan Feed Co., Ltd.	500	Nanning, Guangxi	Nanning, Guangxi	Production and Sales	100		Establishment
Dali Haid Biotechnology Co., Ltd.	4,000	Dali, Yunan	Dali, Yunan	Production and Sales	100		Establishment
Guangzhou Haid Technology Development Co., Ltd.	1,310	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Establishment
Heshan Haiwei Feed Co., Ltd.	500	Jiangmen, Guangdong	Jiangmen, Guangdong	Production and Sales	100		Establishment
Ganzhou Lianduoli Feed Technology Co., Ltd.	2,000	Ganzhou, Jiangxi	Ganzhou, Jiangxi	Production and Sales	70		Business combination involving entities not under common control
Maoming Haiwei Feed Co., Ltd.	1,000	Maoming, Guangdong	Maoming, Guangdong	Production and Sales	70		Establishment

Subsidiary	Registered capital (RMB ten thousand d)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Leizhou Hailong Biotechnology Co., Ltd.	500	Zhanjiang, Guangdong	Zhanjiang, Guangdong	Production and Sales	100		Establishment
Sichuan Hailong Biotechnology Co., Ltd.	500	Meishan, Sichuan	Meishan, Sichuan	Production and Sales	100		Establishment
Qinzhou Haiwei Feed Co., Ltd.	3,500	Qinzhou, Guangxi	Qinzhou, Guangxi	Production and Sales	100		Establishment
Yancheng Rongchuan Biotechnology Co., Ltd.	6,000	Yancheng, Jiangsu	Yancheng, Jiangsu	Production and Sales	100		Establishment
Nanning Dachuan Biotechnology Co., Ltd.	900	Nanning, Guangxi	Nanning, Guangxi	Production and Sales	100		Establishment
Yongzhou Haid Biotechnology Co., Ltd.	500	Yongzhou, Hunan	Yongzhou, Hunan	Production and Sales	100		Establishment
Jiangsu Haid Biotechnology Co., Ltd.	1,000	Yancheng, Jiangsu	Yancheng, Jiangsu	Production and Sales	100		Establishment
Guiyang Haid Biotechnology Co., Ltd.	500	Guiyang, Guizhou	Guiyang, Guizhou	Production and Sales	100		Establishment
Wuwei Haimu Biotechnology Co., Ltd.	2,500	Wuwei, Gansu	Wuwei, Gansu	Production and Sales	100		Establishment
Guilin Haid Biotechnology Co., Ltd.	500	Guilin, Guangxi	Guilin, Guangxi	Production and Sales	100		Establishment
Inner Mongolia Haid Feed Co., Ltd.	2,500	Bayannur, Inner Mongolia	Bayannur, Inner Mongolia	Production and Sales	100		Establishment
Guiyang Dachuan Biotechnology Co., Ltd.	500	Guiyang, Guizhou	Guiyang, Guizhou	Production and Sales	100		Establishment
Xingtai Haid Biotechnology Co., Ltd.	3,000	Xingtai, Hebei	Xingtai, Hebei	Production and Sales	100		Establishment
Foshan Lianduoli Feed Co., Ltd.	50	Foshan, Guangdong	Foshan, Guangdong	Sales	100		Establishment
Guangdong Haifulai Biotechnology Co., Ltd.	5,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Research and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Liupanshui Haid Biotechnology Co., Ltd.	2,000	Liupanshui, Guizhou	Liupanshui, Guizhou	Production and Sales	100		Establishment
Guangdong Haiqi Investment Co., Ltd.	3,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Investment	100		Establishment
Nanning Haililai Biotechnology Co., Ltd.	1,000	Nanning, Guangxi	Nanning, Guangxi	Production and Sales	70		Establishment
Shaoyang Haid Feed Co., Ltd.	1,000	Shaoyang, Hunan	Shaoyang, Hunan	Production and Sales	100		Establishment
Jiangmen Debao Group Co., Ltd.	8,362.52	Jiangmen, Guangdong	Jiangmen, Guangdong	Production and Sales	100		Business combination involving entities not under common control
Shaoguan Dachuan Biotechnology Co., Ltd.	500	Shaoguan, Guangdong	Shaoguan, Guangdong	Production and Sales	100		Establishment
Liaoning Haid Biotechnology Co., Ltd.	2,000	Liaoning, Shenyang	Liaoning, Shenyang	Production and Sales	100		Establishment
Guizhou Hailongwang Biotechnology Co., Ltd.	50	Qiannan, Guizhou	Qiannan, Guizhou	Sales	100		Establishment
Guangdong Huashite Testing Technology Co., Ltd.	1,200	Guangzhou, Guangdong	Guangzhou, Guangdong	Research and Sales	100		Establishment
Tianjin Haid Biotechnology Co., Ltd. (Note 6)	1,000	Tianjin	Tianjin	Production and Sales	100		Establishment
Dali Dachuan Biotechnology Co., Ltd.	2,500	Dali, Yunnan	Dali, Yunnan	Production and Sales	100		Establishment
Yunnan Hairui Biotechnology Co., Ltd.	3,500	Qujing, Yunnan	Qujing, Yunnan	Production and Sales	100		Establishment
Henan Haidajiuzhou Biotechnology Co., Ltd.	1,000	Zhumadian, Henan	Zhumadian, Henan	Production and Sales	75		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Enshi Haida Biotechnology Co., Ltd.	1,500	Enshi, Hubei	Enshi, Hubei	Production and Sales	100		Establishment
Ningguo Haid Biotechnology Co., Ltd.	3,000	Xuancheng, Anhui	Xuancheng, Anhui	Production and Sales	65		Establishment
Chaozhou Haid Biotechnology Co., Ltd.	1,000	Chaozhou, Guangdong	Chaozhou, Guangdong	Sales	100		Establishment
Tianjin Haixin Biotechnology Co., Ltd.	1,000	Tianjin	Tianjin	Production and Sales	100		Establishment
Nanshan Haid Biotechnology (Jinhu) Co., Ltd.	5,000	Huai'an, Jiangsu	Huai'an, Jiangsu	Production and Sales	70		Establishment
Tongliao Haid Biotechnology Co., Ltd.	1,000	Tongliao, Inner Mongolia	Tongliao, Inner Mongolia	Production and Sales	100		Establishment
Guangzhou Haihan Finance Technology Co., Ltd.	200	Guangzhou, Guangdong	Guangzhou, Guangdong	Commercial service	100		Establishment
Guangdong Haizhihui Breeding Technology Service Co., Ltd.	10,000	Guangzhou, Guangdong	Guangzhou, Guangdong	Research and Sales	53	15	Establishment
Jiangsu Haiwei Feed Co., Ltd.	2,500	Huai'an, Jiangsu	Huai'an, Jiangsu	Production and Sales	100		Establishment
Hubei Haid Seed Technology Co., Ltd.	1,000	Ezhou, Hubei	Ezhou, Hubei	Research and Sales	100		Establishment
Qianjiang Hailong Biotechnology Co., Ltd.	1,000	Qianjiang, Hubei	Qianjiang, Hubei	Production and Sales	100		Establishment
Zhuhai Chenzhe Private Equity Fund Management Co., Ltd. (Note 5)	1,000	Zhuhai, Guangdong	Zhuhai, Guangdong	Investment	100		Establishment
Pingjiang Bairuilai Biotechnology Co., Ltd.	1,500	Yueyang, Hunan	Yueyang, Hunan	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Guiyang Haiyue Feed Technology Co., Ltd.	1,000	Guiyang, Guizhou	Guiyang, Guizhou	Production and Sales	100		Establishment
Inner Mongolia Haishan Feed Co., Ltd.	300	Hohhot, Inner Mongolia	Hohhot, Inner Mongolia	Production and Sales	60		Establishment
Huizhou Haid Biotechnology Co., Ltd.	880	Huizhou, Guangdong	Huizhou, Guangdong	Production and Sales	100		Other method
Guangzhou Hualaike Testing Technology Co., Ltd.	200	Guangzhou, Guangdong	Guangzhou, Guangdong	Production and Sales	100		Establishment
HuaiBei Haid Bio-Feed Co., Ltd.	1,000	HuaiBei, Anhui	HuaiBei, Anhui	Production and Sales	100		Establishment
Guigang Hailong Biotechnology Co., Ltd.	500	Guigang, Guangxi	Guigang, Guangxi	Production and Sales	100		Establishment
Xinyi Fengmu Trading Co., Ltd	500	Xuzhou, Jiangsu	Xuzhou, Jiangsu	Trading	100		Establishment
Guizhou Haid Feed Co., Ltd.	500	Zunyi, Guizhou	Zunyi, Guizhou	Production and Sales	100		Establishment
Pizhou Haid Ruminant Feed Co., Ltd	500	Xuzhou, Jiangsu	Xuzhou, Jiangsu	Production and Sales	100		Establishment
Nanping Haid Biotechnology Co., Ltd.	1,800	Nanping, Fujian	Nanping, Fujian	Production and Sales	80		Establishment
Xishui Chenke Feed Technology Co., Ltd	5,200	Xishui, Hubei	Xishui, Hubei	Production and Sales	65		Business combination involving entities not under common control
Quzhou Haid Huilong Bio-Feed Co., Ltd	1,000	Quzhou, Zhejiang	Quzhou, Zhejiang	Production and Sales	100		Establishment
HAID (ECUADOR) FEED CIA.LTDA.	10 (dollar)	Ecuador	Ecuador	Production and Sales	95	5	Establishment
Xinyu Haihe Biotechnology Co., Ltd	200	Xinyu, Jiangxi	Xinyu, Jiangxi	Production and Sales	100		Establishment

Subsidiary	Registered capital (RMB ten thousand)	Principal place of business	Place of registration	Business nature	Shareholding %		Acquisition method
					Direct	Indirect	
Zhuhai Haiyue Agriculture and Animal Husbandry Co., Ltd.	2,000	Zhuhai, Guangdong	Zhuhai, Guangdong	Production and Sales	100		Establishment
Qingyuan Haifulai Biotechnology Co., Ltd	1,000	Qingyuan, Guangdong	Qingyuan, Guangdong	Production and Sales	100		Establishment
Guangdong Konong Culture Co., Ltd	500	Guangzhou, Guangdong	Guangzhou, Guangdong	Others	100		Establishment
Fuzhou Hailong Biotechnology Co., Ltd.	3,000	Fuzhou, Fujian	Fuzhou, Fujian	Production and Sales	100		Establishment

Note:

Note 1: Guangzhou Hailong Feed Co., Ltd., a subsidiary of the Company, is renamed as Guangdong Mutai Biotechnology Co., Ltd. in March 2023.

Note 2: Guangdong Hairuite Pet Nutrition Technology Co., Ltd., a subsidiary of the Company, is renamed as Guangdong Hairuite Supply Chain Management Co., Ltd. in March 2023.

Note 3: Heshan Ronghai Feed Co., Ltd., a subsidiary of the Company, is renamed as Zhuhai Dachuan Biotechnology Co., Ltd. in August 2023.

Note 4: Qingyuan Ronghai Breeding Technology Co., Ltd., a subsidiary of the Company, is renamed as Qingyuan Ronghai Food Technology Co., Ltd. in August 2023.

Note 5: Jiangsu Dachuan Biotechnology Co., Ltd., a subsidiary of the Company, is renamed as Jiangsu Haixin Biotechnology Co., Ltd. in February 2023.

Note 6: Hebei Haimu Biotechnology Co., Ltd., a subsidiary of the Company, is renamed as Tianjin Haid Biotechnology Co., Ltd. in May 2023.

(2). Significant Non-Wholly-Owned Subsidiaries

Subsidiary	Non-controlling interests (%)	Profit/Loss of Current Period attributable to non-controlling interests	Dividends declared for non-controlling interests for Current Period	Closing balance of non-controlling interests
PANASIA TRADING RESOURCES LIMITED	20.00	50,663,287.31	7,293,595.17	172,966,400.02

(3). Key Financial Information of Significant Non-Wholly-Owned Subsidiaries

(RMB ten thousand)

Subsidiary	2023.12.31					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
PANASIA TRADING RESOURCES LIMITED	157,584.33	59,359.94	216,944.27	123,938.05	1,596.43	125,534.48

Continued (1):
 (RMB ten thousand)

Subsidiary	2022.12.31					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
PANASIA TRADING RESOURCES LIMITED	120,175.55	49,638.98	169,814.53	97,761.87	62.66	97,824.53

 Continued (2):
 (RMB ten thousand)

Subsidiary	2023			
	Operating Income	Net profit	Total comprehensive income	Net cash flows from operating activities
PANASIA TRADING RESOURCES LIMITED	458,465.05	25,331.64	25,331.64	49,778.91

 Continued (3):
 (RMB ten thousand)

Subsidiary	2022			
	Operating Income	Net profit	Total comprehensive income	Net cash flows from operating activities
PANASIA TRADING RESOURCES LIMITED	296,814.42	11,494.13	11,494.13	2,415.68

(4). Transactions caused the change in Share of Owner's Equity of Subsidiaries but control the Subsidiaries

① Changes in Share of Owner's Equity of Subsidiaries

Subsidiary	Timing of equity Chang	Shareholding percentage before changes (%)		Shareholding percentage after changes (%)	
		Direct	Indirect	Direct	Indirect
		Guangdong Yiheng Investment Co., Ltd.	2023-3		51.00
Mianyang Zhonggui Feed Co., Ltd	2023-2		72.00		82.00
Laiyang Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	2023-3		85.00		100.00
Yunnan Hairui Biotechnology Co., Ltd.	2023-4	64.00		100.00	
Jiangmen Debao Group Co., Ltd.	2023-7	80.00		100.00	
Zhongshan Yugezi Food Co., Ltd	2023-7		60.00		100.00
Yunnan Zhonggui Feed Co., Ltd	2023-9		80.00		83.00
HAID BIOTECHNOLOGY INDUSTRY (SINGAPORE) PTE. LTD.	2023-9		100.00		88.00
HAID INTERNATIONAL (SINGAPORE) PTE. LTD.	2023-9		88.00		100.00
Yichang Zhihai Agriculture and Animal Husbandry Co., Ltd	2023-9		72.00		84.00

② Impact of Transactions on Non-Controlling Interests and Owner's equity Attributable to the parent company

Item	Guangdong Yiheng Investment Co., Ltd.	Mianyang Zhonggui Feed Co., Ltd	Laiyang Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	Yunnan Hairui Biotechnology Co., Ltd.
Acquisition cost / consideration of disposal				
--Cash	375,603,500.00	8,219.80	1,500,000.00	15,600,000.00
--Fair value of non-cash assets				
Total acquisition cost / consideration of disposal	375,603,500.00	8,219.80	1,500,000.00	15,600,000.00
Less: Share of subsidiary's net assets at the percentage of shareholding acquired or disposed	352,500,504.85	260,417.69	1,208,018.31	11,060,999.67
Difference: Adjustment to capital reserve	-23,102,995.15	252,197.89	-291,981.69	-4,539,000.33
Continued:				
Item	Jiangmen Debao Group Co., Ltd.	Zhongshan Yugezi Food Co., Ltd	Yunnan Zhonggui Feed Co., Ltd	Yichang Zhihai Agriculture and Animal Husbandry Co., Ltd
Acquisition cost / consideration of disposal				
--Cash	26,812,500.00	400,000.00	150,000.00	150,000.00
--Fair value of non-cash assets				
Total acquisition cost / consideration of disposal	26,812,500.00	400,000.00	150,000.00	150,000.00
Less: Share of subsidiary's net assets at the percentage of shareholding acquired or disposed	15,659,147.41	-4,232,197.80	29,466.70	694,757.90
Difference: Adjustment to capital reserve	-11,153,352.59	-4,632,197.80	-120,533.30	544,757.90

Business Combinations Involving Entities Not under Common Control

(1). Business Combinations Involving Entities Not under Common Control Incurred in the current period

Acquiree	Investment date	Investment cost	Investment %	Investment method	Acquisition date	Basis for determination of acquisition date	Acquiree's revenue from acquisition date to period-end	Acquiree's net profit from acquisition date to period-end
Xishui Chenke Feed Technology Co., Ltd	2023-9-13	121,177,915.57	65.00	Acquisition	2023-9-13	When control over acquiree was obtained	479,465,801.94	3,221,978.26

(2). Combination Costs and Goodwill

Item	Xishui Chenke Feed Technology Co., Ltd
Combination costs	
Cash	95,177,915.57
Fair value of non-cash assets	-
Fair value of debt issued or undertaken	-
Fair value of equity securities issued	-
Fair value of contingent consideration	26,000,000.00
Fair value of previously-held equity investment on the acquisition date	-
Total combination cost	121,177,915.57
Less: Share of fair value of identifiable net assets obtained	65,327,033.71
Goodwill/ combination cost less than the fair value of the identifiable net assets	55,850,881.86

(3). Identifiable Assets and Liabilities of Acquirees at Acquisition Date

Item	Xishui Chenke Feed Technology Co., Ltd	
	Fair value at acquisition date	Carrying amount at acquisition date
Assets:		
Current assets	153,389,903.76	153,389,903.76
Non-current assets	233,103,292.06	174,802,038.97
Liabilities:		
Current liabilities	246,899,279.77	246,899,279.77
Non-current liabilities	39,090,787.27	33,889,002.62
Net assets	100,503,128.78	47,403,660.34
Less: Non-controlling interests	-	-
Net assets acquired	100,503,128.78	47,403,660.34

Note: The fair value of identifiable assets and liabilities was determined by the audited or appraised value which were approved by both the acquirer and the acquiree.

Reverse acquisition

No reverse acquisition occurred in the current period.

Business Combinations Involving Entities under Common Control

No business combinations involving entities under common control occurred in the current period.

Disposal of Subsidiaries

No external disposal of subsidiaries occurred in the current period.

Changes in the Scope of Consolidation Due to Other Reasons

(1) New Subsidiaries established in the Current Period

Subsidiary	Time of incorporation	Registered capital	Place of registration	Principal place of business
Hisenor Aquatic Seed Industry Technology Pte.Ltd.	2023-1	USD 10.00	Singapore	Singapore
Guilin Yipu Ecological Agriculture Co., Ltd	2023-2	RMB 10,000,000.00	Guilin, Guangxi	Guilin, Guangxi
Jiangmen Haiqi Technology Co., Ltd	2023-2	RMB 100,000.00	Jiangmen, Guangdong	Jiangmen, Guangdong
Guangdong Konong Culture Co., Ltd	2023-2	RMB 5,000,000.00	Guangzhou, Guangdong	Guangzhou, Guangdong
Zhuhai Haibei Supply Chain Management Co., Ltd.	2023-3	RMB 5,000,000.00	Zhuhai, Guangdong	Zhuhai, Guangdong
Juxian Haiding Feed Co., Ltd	2023-3	RMB 10,000,000.00	Rizhao, Shandong	Rizhao, Shandong
Guigang Hailong Biotechnology Co., Ltd.	2023-3	RMB 5,000,000.00	Guigang, Guangxi	Guigang, Guangxi
Raoping Haizenong Marine Biotechnology Co., Ltd	2023-3	RMB 50,000,000.00	Chaozhou, Guangdong	Chaozhou, Guangdong
Yancheng Haize Agricultural Seed Technology Co., Ltd	2023-4	RMB 10,000,000.00	Yancheng, Jiangsu	Yancheng, Jiangsu
HISTAR VIETNAM AQUATIC BREEDING COMPANY LIMITED	2023-4	VND 100,000,000.00	Vietnam	Vietnam
Yantai Haixin Animal Husbandry Co., Ltd	2023-5	RMB 10,000,000.00	Yantai, Shandong	Yantai, Shandong
Huizhou Haizenong Marine Biotechnology Co., Ltd	2023-6	RMB 20,000,000.00	Huizhou, Guangdong	Huizhou, Guangdong
Guangzhou Haizexin Marine	2023-6	RMB	Guangzhou,	Guangzhou,

Subsidiary	Time of incorporation	Registered capital	Place of registration	Principal place of business
Biotechnology Co., Ltd		20,000,000.00	Guangdong	Guangdong
Guangzhou Haizehui Fisheries Development Co., Ltd	2023-6	RMB 10,000,000.00	Guangzhou, Guangdong	Guangzhou, Guangdong
BINH PHUOC HAI LONG COMPANY LIMITED	2023-6	USD 3,600.00	Vietnam	Vietnam
Xinyi Fengmu Trading Co., Ltd	2023-6	RMB 5,000,000.00	Xuzhou, Jiangsu	Xuzhou, Jiangsu
Shandong Haizenong Marine Biotechnology Co., Ltd	2023-6	RMB 20,000,000.00	Shandong Dongying	Shandong Dongying
Guizhou Haid Feed Co., Ltd.	2023-7	RMB 5,000,000.00	Zunyi, Guizhou	Zunyi, Guizhou
Qingyuan Hailier Biotechnology Co., Ltd	2023-7	RMB 5,000,000.00	Qingyuan, Guangdong	Qingyuan, Guangdong
Qingyuan Haikun Biotechnology Co., Ltd	2023-8	RMB 5,000,000.00	Qingyuan, Guangdong	Qingyuan, Guangdong
Pizhou Haid Ruminant Feed Co., Ltd	2023-8	RMB 5,000,000.00	Xuzhou, Jiangsu	Xuzhou, Jiangsu
HAID INTERNATIONAL (SINGAPORE) PTE. LTD.	2023-8	USD 15,000,000.00	Singapore	Singapore
HAID BIOTECHNOLOGY INDUSTRY (SINGAPORE) PTE. LTD.	2023-8	USD 1,000.00	Singapore	Singapore
Liaocheng Fengcheng Feed Co., Ltd	2023-9	RMB 2,000,000.00	Liaocheng, Shandong	Liaocheng, Shandong
Yangxi Haizexin Marine Biotechnology Co., Ltd	2023-9	RMB 20,000,000.00	Yangjiang, Guangdong	Yangjiang, Guangdong
KINGHILL INVESTMENT (SINGAPORE) PTE.LTD.	2023-9	USD 1.00	Singapore	Singapore
Nanping Haid Biotechnology Co., Ltd.	2023-9	RMB 18,000,000.00	Nanping, Fujian	Nanping, Fujian
KINGHILL INTERNATIONAL (SINGAPORE) PTE.LTD.	2023-9	USD 1.00	Singapore	Singapore
Yinan Haiding Biotechnology Co., Ltd	2023-9	RMB 5,000,000.00	Linyi, Shandong	Linyi, Shandong
Linyi Haiding Ruminant Biological Feed Co., Ltd	2023-9	RMB 10,000,000.00	Linyi, Shandong	Linyi, Shandong
Quzhou Haid Huilong Bio-Feed Co., Ltd	2023-10	RMB 10,000,000.00	Quzhou, Zhejiang	Quzhou, Zhejiang
Zhejiang Haixingnong Marine Biotechnology Co., Ltd	2023-10	RMB 20,000,000.00	Taizhou, Zhejiang	Taizhou, Zhejiang
Chaoyang Haihong Agricultural Development Co., Ltd	2023-10	RMB 5,000,000.00	Chaoyang, Liaoning	Chaoyang, Liaoning
Xinyu Haihe Biotechnology Co., Ltd	2023-11	RMB 2,000,000.00	Xinyu, Jiangxi	Xinyu, Jiangxi
Jiangmen Haizenong Marine Biotechnology Co., Ltd	2023-11	RMB 1,000,000.00	Jiangmen, Guangdong	Jiangmen, Guangdong
Chuzhou Yidu Ecological Agriculture Co., Ltd	2023-11	RMB 1,000,000.00	Chuzhou, Anhui	Chuzhou, Anhui
Zhuhai Haiyue Agriculture and Animal Husbandry Co., Ltd.	2023-11	RMB 20,000,000.00	Zhuhai, Guangdong	Zhuhai, Guangdong
Qingyuan Haifulai Biotechnology Co., Ltd	2023-11	RMB 10,000,000.00	Qingyuan, Guangdong	Qingyuan, Guangdong
HAID GROUP HAIDING	2023-11	USD 100,000.00	Kazakhstan	Kazakhstan

Subsidiary	Time of incorporation	Registered capital	Place of registration	Principal place of business
AGRICULTURE AND ANIMAL HUSBANDRY KAZAKHSTAN CO., Ltd.				
Fuzhou Hailong Biotechnology Co., Ltd.	2023-12	RMB 30,000,000.00	Fuzhou, Fujian	Fuzhou, Fujian
Zhangzhou Yidu Ecological Agriculture Development Co., Ltd	2023-12	RMB 1,000,000.00	Zhangpu, Fujian	Zhangpu, Fujian
Dandong Haiyufeng Agricultural Development Co., Ltd	2023-12	RMB 5,000,000.00	Liaoning Dandong	Liaoning Dandong
Shanwei Haizexin Marine Biotechnology Co., Ltd	2023-12	RMB 20,000,000.00	Shanwei, Guangdong	Shanwei, Guangdong

(2) Subsidiaries deregistered in the current period

Subsidiary	Method of equity disposal	The date of equity disposal	Net assets at disposal date	Net profit on the date of disposal
Baotou Haicheng Feed Co., Ltd.	Dissolved	2023/1/6	-	-
Zhaoqing Ronghai Aquaculture Technology Co., Ltd.	Dissolved	2023/2/2	-	2,385.00
Tacheng Xiyu Haisheng Agricultural Development Co., Ltd.	Dissolved	2023/3/2	-	-
Xuchang Haihe Feed Co., Ltd.	Dissolved	2023/4/17	-	1,164.50
Jining Fengcheng Feed Co., Ltd.	Dissolved	2023/7/13	-	-9,511.75
Wugang Yitun Ecological Agriculture Co., Ltd.	Dissolved	2023/8/10	-	5,887.27
Guangdong Haid Biotechnology Co., Ltd.	Dissolved	2023/8/14	-	374.39
Hengyang Yitun Ecological Agriculture Co., Ltd.	Dissolved	2023/8/18	-	415,122.67
Guangzhou Haiyi Investment Co., Ltd.	Dissolved	2023/9/20	-	-
Shouguang Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	Dissolved	2023/9/27	-	-2,538,266.57
Nano South Limited	Dissolved	2023/10/26	-	91,173.77
Oceanic Forward Ventures Limited	Dissolved	2023/10/26	-	41,961.02
Power Spring Investments Limited	Dissolved	2023/10/26	-	41,630.57
Link Tide Limited	Dissolved	2023/10/26	-	41,679.70
Ganong (Lianyungang) Animal Husbandry Technology Co., Ltd.	Dissolved	2023/11/30	-	227,501.73
Meizhou Yitun Pig Breeding Co., Ltd.	Dissolved	2023/12/5	-	-344,126.74
Guangzhou Zecan Investment Management Co., Ltd.	Dissolved	2023/12/5	-	60
Guangdong Haid Poverty Alleviation Investment Development Co., Ltd.	Dissolved	2023/12/5	-	1,621.68
Guangdong Hairuike Biotechnology Co., Ltd.	Dissolved	2023/12/14	-	-5,776,944.51
Guangzhou Chenzhao Investment Co., Ltd.	Dissolved	2023/12/19	-	2,880,579.69

Subsidiary	Method of equity disposal	The date of equity disposal	Net assets at disposal date	Net profit on the date of disposal
Guangzhou Haifengchang Enterprise Management Co., Ltd.	Dissolved	2023/12/20	-	-
Yingkou Fengmu Agricultural Development Co., Ltd.	Dissolved	2023/12/22	-	-8,436,354.62
Yibin Yucan Veterinary Service Co., Ltd.	Dissolved	2023/12/28	-	182,731.01

(3) New Subsidiaries acquired by other methods

Subsidiary	Acquisition date	Cost of acquisition
Guangzhou Jiutian Qingtan Livestock and Poultry Farm Co., Ltd	2023-01-03	-
Guiyang Aizhu Livestock Technology Service Co., Ltd	2023-03-28	-
Guizhou Delian Zhiyun Network Technology Co., Ltd	2023-08-25	650,000.00

Note: The subsidiaries mentioned above did not constitute a business on the acquisition date.

7. Interests in Associates

① The Group had no significant joint ventures or associates during the period

② Summary of Financial Information of Insignificant joint ventures or associates

Item	2023.12.31/ 2023	2022.12.31/ 2022
Associates:		
Total carrying amount of investments	216,673,525.00	315,182,888.17
Totals calculated as shareholding percentage		
--Net profit	49,717,167.08	46,505,412.37
--Other comprehensive income	-788,212.16	-
--Total comprehensive income	48,928,954.92	46,505,412.37

VIII. Government grants

1. There were no government grants recognized in other receivables at the period end.

2. Government grants recognized in deferred income

(1) Government grants recognized in deferred income, and subsequently measured using the gross presentation method

Item	As at 12/31/2022	Additions during the year	Recognition in profit and loss	Other changes	As at 12/31/2023	Presentation item recognized in profit and loss	Related to asset/income
Development Support Fund	21,150,984.24	8,901,100.00	2,217,146.30	-	27,834,937.94	Other income	Related to asset
Development Support Fund	1,085,073.94	9,850,000.00	167,352.12	-	10,767,721.82	Other income	Related to income
Research grants	8,870,705.05	15,173,300.00	1,529,083.13	-	22,514,921.92	Other income	Related to asset
Research grants	6,132,591.44	5,375,100.00	7,633,424.30	-	3,874,267.14	Other income	Related to income

Item	As at 12/31/2022	Additions during the year	Recognitio n in profit and loss	Other chang es	As at 12/31/2023	Presentatio n item recognized in profit and loss	Related to asset/inco me
Grants for production activities	214,304,931.29	40,478,948.94	27,092,818.83	-	227,691,061.40	Other income	Related to asset
Grants for production activities	14,281,219.05	-	1,863,975.87	-	12,417,243.18	Other income	Related to income
Government incentive grants	5,733,405.87	917,788.20	535,396.28	-	6,115,797.79	Other income	Related to asset
Government incentive grants	9,900.00	500,000.00	500,000.00	-	9,900.00	Other income	Related to income
Others	25,385,323.36	1,799,478.00	3,800,350.96	-	23,384,450.40	Other income	Related to asset
Others	85,143.27	-	24,920.04	-	60,223.23	Other income	Related to income
Total	297,039,277.51	82,995,715.14	45,364,467.83	-	334,670,524.82		

(2) Government grants recognized in deferred income, and subsequently measured using the net amount method

Item	As at 12/31/2022	Addition s during the year	Recognition in profit and loss	Other changes	As at 12/31/2023	Presentatio n item recognized in profit and loss	Related to asset/incom e
Financial discount	2,489,438.89	-	211,889.53	- 2,135,925.29	141,624.07	Financial expenses	Related to asset

3. Government grants recognized in profit and loss, and subsequently measured using the gross presentation method

Item	Recognized in profit and loss for the previous year	Recognized in profit and loss for the current year	Presentation item recognized in profit and loss	Related to asset/income
Development Support Fund	24,515,314.91	2,217,146.30	Other income	Related to asset
Development Support Fund	45,451,277.35	10,314,067.74	Other income	Related to income
Research grants	451,048.52	1,529,083.13	Other income	Related to asset
Research grants	8,145,639.56	11,918,652.30	Other income	Related to income
Grants for production activities	20,736,806.34	27,092,818.83	Other income	Related to asset
Grants for production activities	4,455,514.72	11,692,119.39	Other income	Related to income

Item	Recognized in profit and loss for the previous year	Recognized in profit and loss for the current year	Presentation item recognized in profit and loss	Related to asset/income
Government incentive grants	204,372.37	535,396.28	Other income	Related to asset
Government incentive grants	8,633,919.00	13,554,402.58	Other income	Related to income
Other grants	5,599,928.09	3,800,350.96	Other income	Related to asset
Other grants	16,555,268.94	9,280,051.40	Other income	Related to income
Total	134,749,089.80	91,934,088.91		

4. Government grants used net amount method to write-down related costs

Item	Related cost write-down for the previous year	Related cost write-down for the current year	Presentation item recognized in related costs	Related to asset/income
Financial discount	1,135,475.02	2,572,024.89	Financial expenses	Related to income

5. No government grants refunded in the current year.

IX. Risks Management of Financial Instruments

The main financial instruments of the Group include cash at bank and on hand, notes receivable, accounts receivable, other receivables, non-current assets due within one year, other current assets, entrusted loan issued and advances to customer, held-for-trading financial assets, debt investments, other non-current financial assets, long-term receivables, notes payable, accounts payable, other payables, short-term loans, held-for-trading liabilities, non-current liabilities due within one year, long-term loans, lease liability and long-term payables. Details of various financial instruments have been disclosed in the relevant notes. The risks associated with these financial instruments and the risk management policies adopted by the Group to reduce these risks are described below. The management of the Group manages and monitors these exposures to ensure that the above risks are controlled within a limited range.

1. Objectives and Policies of Risk Management

The major risks caused by the Group's financial instruments are credit risk, liquidity risk and market risk (including exchange rate risk, interest rate risk and commodity price risk).

The Group's purpose in risk management is to achieve an appropriate balance between risk and return, minimize the negative impact of risk on the Group's operating performance. Based on the purpose of risk management, the basic strategy of the Group's risk management is to identify and analyze various kind of risks faced by the Group, set up an appropriate risk tolerance bottom line and design the internal control process to monitor the risk level. The Group reviews the risk management policy and relevant internal control system to adapt to the changes of market or operations regularly. The Group's internal audit department also reviews regularly or randomly whether the performance of internal control system is complied with the risk management policy.

The Board of Directors is responsible for planning and establishing the Group's risk management structure, formulating the Group's risk management policies and related guidelines, and supervising the implementation of risk management measures. The Group has formulated risk management policies to identify and analyze the risks faced by the Group. These risk management policies specify specific risks and cover many aspects such as management of market risk, credit risk and liquidity risk. The Group regularly assesses changes in the market environment and the Group's operating activities to decide whether to update the risk management policies and systems. Risk management of the Group is carried out by the relevant departments in accordance with the policies approved by the Board of Directors, and these departments identify, evaluate and hedge relevant risks through close cooperation with other business units of the Group.

The Group diversifies the risks of financial instruments through appropriate diversified investments and business portfolios, and reduces the risk of concentration in a single industry, specific region, or specific counterparty by formulating appropriate risk management policies.

(1) Credit Risk

Credit risk refers to the risk that the counterparty fails to fulfill its contractual obligations, resulting in financial losses to the Group.

The Group manages credit risk on the basis of portfolio. Credit risk mainly arises from bank deposits, notes receivable, accounts receivable, other receivables, Long-term receivables, entrusted loan issued and advances to customer etc.

The Group's bank deposits are mainly deposited in financial institutions with reputation and high credit ratings. The Group expects that the credit risk of bank deposits is low.

With regard to notes receivable, accounts receivable, other receivables, loans and advances to customers, the Group establishes relevant policies to control credit risk exposure. The Group assesses the credit qualification of customers based on their financial status, credit records and other factors, such as current market conditions, and sets corresponding credit periods. The Group monitors the credit records of customers on a regular basis. For customers with poor credit records, the Group will issue reminders in writing, shorten the credit period or cancel the credit period, so as to ensure that the overall credit risk of the Group is within the controllable range.

The debtors of the Group are spread in different industry and geographic region. The Group continuously performs credit assessment on the debtors and purchase credit guarantee insurance when necessary.

The Group's maximum tolerated credit risk exposure is the book value of every financial asset on the balance sheet. The Group also faces credit risk for providing financial guarantee. Please refer to Note XIII. 2.

Accounts receivable due from the top five customers of the Group account for 7.41% of total accounts receivable (2022: 10.35%). Other receivables due from the top five companies with outstanding debts of the Group account for 30.67% of total accounts receivable (2022: 42.64%).

(2) Liquidity Risk

Liquidity risk is the risk that the Group is short of funds to deliver cash or other financial assets or meet other settlement obligations.

Each subsidiary of the Group is responsible for cash flow forecast. The financial companies of the Group monitors the long-term and short-term capital requirements at the group level based on the cash flow forecasts of each subsidiary. The Group coordinates the surplus funds within the group through the funding pool plan setup in the large financial institutions, and ensure that each member has sufficient cash reserves to meet the payment obligations due for settlement. In addition, the Group entered into financing credit agreements with main business banks to support the Group in meeting its obligations related to commercial bills.

The Group raises working capital through funds generated from operating business, bank and other borrowings. As of December 31, 2023, the Group's unused bank loan amount was RMB 25.967 billion (December 31, 2022: RMB 20.554 billion).

(3) Market Risk

Market risk of financial instrument is the risk of fluctuation in the fair value or future cash flow due to changes of market price, including interest rate risk, foreign exchange rate risk and other price risk.

Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. Interest rate risk can arise from confirmed interest-bearing financial instruments and unrecognized financial instruments.

The Group's interest rate risk mainly arises from long-term and short term interest-bearing bank loans. Financial liabilities with floating interest rates causes interest rate risks in cash flow to the Group and Financial liabilities with fixed interest rates causes interest rate risks in fair value to the Group. The Group determines the proportion of fixed and floating interest rate contracts according to current market situation and maintain the appropriate mixture of the instruments with fixed and floating interest rate by regular review and monitoring.

The Group closely monitors the impact of changes in interest rates on the Group's interest rate risk. The Group does not currently have an interest rate hedging policy. However, management is responsible for monitoring interest rate risk and will consider hedging significant interest rate exposures as and when required. An increase in interest rates could increase the cost of new interest-bearing debt and interest expense on the Group's outstanding interest-bearing debt with floating interest rates and have a material adverse effect on the Group's financial results. Management will make timely adjustments based on the latest market conditions.

Foreign Exchange rate risk

Foreign exchange rate risk is the risk of fluctuation of fair value or future cash flow of financial instrument due to the changes of foreign exchange rate. Foreign exchange rate risk can arise from financial instrument measured at foreign currency instead of reporting currency.

The Group's principal business is operated in China and settled in RMB. The raw materials purchased and imported by the Group have achieved a certain scale, and there is an increase in the transactions amount of overseas subsidiaries of the Group overseas uses with other currencies other than RMB as their functional currency. Therefore, fluctuations in RMB exchange rate have exerted certain impact on the Group's business operations.

As of December 31, 2023, the Group's major monetary items in foreign currencies are financial assets and financial liabilities denominated in US dollar, Vietnamese dong, Rupiah (refer to Note V. 70 (1) Monetary items in foreign currencies for more details). Since other currencies are used less frequently and the amount is relatively small, changes in their exchange rates has no significant impact on the business activities of the Group.

The Group closely monitors the impact of exchange rate movements on the Group's exchange rate risk and continuously monitors the size of the Group's foreign currency transactions and foreign currency assets and liabilities in order to minimize its exposure to foreign exchange risk. To this end, the Group seeks to hedge its foreign exchange risk by entering into forward exchange contracts or currency swap contracts as appropriate.

Other price risk

Other price risk is the fluctuation risk due to the changes of market prices besides foreign exchange risk and interest rate risk due to whether individual financial instrument or its issuer or all similar financial instruments traded in the market. It may be affected by the changes of the price of goods or equity instrument. Other price risk can arise from changes in commodity prices, stock market indices, equity instrument prices, and other risk variables.

The Company upholds the basic principle of serving spot goods -- the spot procurement program, and regards risk control as the core principle. Meanwhile, it will adopt one or more than one arbitrage tool for hedging to avoid the commodity price risk and credit risk etc., and changes in the fair value or cash flow of the arbitrage tool are expected to offset all or part of the changes in the fair value or cash flow of the hedged item, in which way, the impact of price fluctuations in raw materials and commodities on production and operations can thus be mitigated.

2. Capital Management

The objective of the Group's capital management policy is to safeguard the Group's ability to continue as a going concern, thereby providing returns to shareholders and benefiting other stakeholders, while maintaining an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the method of financing, 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 Group monitors its capital structure on the basis of gearing ratio (i.e. total liabilities divided by total assets). As of December 31, 2023, the Group's gearing ratio was 53.27% (December 31, 2022: 56.47%).

3. Hedging

(1) Risk management of hedging business

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on hedged risk	Economic relationships between hedged items and related hedging instruments	Achievement of expected risk management objectives on effectiveness	Effect of corresponding hedging activities on risk exposure
Exchange rate risk	Locking in the exchange rate risk of foreign currency assets and foreign currency liabilities held by the group.	Exchange rate fluctuations result in corresponding exchange gains and losses on the foreign currency assets and	There is an economic relationship between the hedged item and the hedging instrument, which causes the hedging instruments and the value of hedged items to change in opposite directions due to	The expected risk management objectives can be achieved.	Purchasing hedging instruments to reduce the impact of exchange rate risk exposure.

Item	Corresponding risk management strategies and objectives	Qualitative and quantitative information on hedged risk	Economic relationships between hedged items and related hedging instruments	Achievement of expected risk management objectives on effectiveness	Effect of corresponding hedging activities on risk exposure
Commodity price risk	Locking in the commodity price risk of the group.	liabilities held by the group. The fluctuation of raw material and finished goods leads to the fluctuations in the group's operating income and operating costs.	encountering the same hedged risk. There is an economic relationship between the hedged item and the hedging instrument, which causes the hedging instruments and the value of hedged items to change in opposite directions due to encountering the same hedged risk.	The expected risk management objectives can be achieved.	Purchase hedging instruments to reduce the impact of commodity price risk exposure.

(2) Conducting eligible hedging businesses and applying hedge accounting

② Type of hedging risk

Item	Carrying amount related to hedged items and hedging instruments	Cumulative fair value hedge adjustments of hedged items included in the carrying amount of recognized hedged items	Hedge effectiveness and sources of ineffective portion	Relevant effects of hedge accounting on the Company's financial statements
Exchange rate risk	4,452,295.16	Note 1	There was no ineffective portion resulting from exchange rate risk during the period of the financial statement.	Except for hedging costs, the changes in fair value of hedging instruments are offset against exchange gains and losses arising from foreign currency assets/liabilities, and the difference after offsetting is recognized in other comprehensive income.
Commodity price risk	256,386,080.00	Note 2	Refer to the categories of hedges for details.	Refer to the categories of hedges for details.

③ Categories of hedges

Item	Carrying amount related to hedged items and hedging instruments	Cumulative fair value hedge adjustments of hedged items included in the carrying amount of recognized hedged items	Hedge effectiveness and sources of ineffective portion	Relevant effects of hedge accounting on the Company's financial statements
Commodity price risk—Cash flow	256,386,080.00	Note 2	Note 2	The effective portion of the changes in fair value of hedging instruments is

hedge	firstly recognized in other comprehensive income, and transferred to the current operating income or operating costs as the sales of the hedged item are carried forward.
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Note 1: The Group reduces the exchange rate fluctuation risk of foreign currency assets and liabilities such as foreign currency monetary funds, foreign currency bank borrowings, foreign currency accounts payable, etc. through forward exchange contracts, foreign exchange option contracts, foreign exchange swap contracts, and currency swap contracts. The forward exchange contracts and foreign exchange option contracts signed by the Group meet the application conditions of hedging accounting.

On December 31, 2023, the Group held the forward exchange contract with a nominal amount of USD 64,380,878.39. According to the above agreement, the Group may or has the right to sell dollars at a fixed exchange rate on the lock in maturity date, with the aim of hedging foreign currency risks arising from internal transactions within the Group that cannot be offset in the consolidated financial statements.

On December 31, 2023, the Group held the forward foreign exchange contract with a nominal amount of IDR 154,000,000 0.00. According to the above agreement, the Group may or has the right to sell rupiahs at a fixed exchange rate on the lock in maturity date, with the aim of hedging foreign currency risks arising from internal transactions within the Group that cannot be offset in the consolidated financial statements. The Group separates the intrinsic value and time value of options and only designates changes in the intrinsic value of options as hedging instruments; The Group separates the forward and spot elements of forward contracts and only designates changes in the value of spot elements as hedging instruments; The Group separates the foreign exchange basis of financial instruments and only designates financial instruments excluding foreign exchange basis as hedging instruments.

Note 2: The Group engages in the production and machining of feed products as well as hogs breeding. The Group designates foreign currency forwards and commodity futures contracts as hedging instrument for the expected procurement and sales, so as to avoid the risk of cash flow changes caused by the prospective commodity prices and exchange rate fluctuations.

At the end of the reporting period, the balance of cash flow reserves is as follows:

Cash flow hedge	Notional quantity of hedging instrument (tons)	Carrying amount of hedging instrument		Items presented for assets and liabilities that include hedging instruments	Changes in fair value of the invalid part of hedge
		Assets	Liabilities		
Commodity price risk - Expected sales	259,568.00	256,386,080.00	-	Held-for-trading financial assets	-

Continued:

Cash flow hedge	The amount of closing positions of hedging instruments but not yet carried forward to profit or loss at the end of the period	Impact of Income tax	Cash flow hedging reserves
Commodity price risk - Expected sales	158,442,735.13	53,774,179.49	361,054,635.64

(3) Conducting hedges for risk management with expectation to achieve risk management objectives but not applying hedge accounting

Item	Reasons for not applying hedge accounting	Effect on the financial statements
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Commodity price risk	The Group has not officially designated hedging instruments and hedged items	The profit or loss of Held-for-trading financial assets or liabilities are directly recognized in the profit or loss arising from changes in fair value and investment income.
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4. Transfer of financial assets

(1) Classification of transfer methods

Item	Nature of financial assets transferred	Amount of financial assets transferred	Status of derecognition	Basis for determining derecognition
Discount of notes	Bank acceptance notes discounted but unexpired	71,701,923.00	Derecognized	Bank acceptance notes discounted are accepted by banks with higher credit ratings, with minimal credit and deferred payment risks. Almost all risks and rewards have already been transferred during discounting, thereby the recognition is terminated.
Endorsement of notes	Commercial acceptance notes endorsed but unexpired	67,245.20	Not derecognized	Due to the relatively high credit risk and deferred payment risk of commercial acceptance notes receivable, the risks and rewards related to the notes during endorsement have not been transferred, thereby recognition has not been terminated.
Total		71,769,168.20		

(2) Financial assets derecognised due to transfer

Item	Modalities for the transfer of financial assets	Amount of financial assets derecognized	Gain or loss relating to derecognition
Bank acceptance notes discounted but unexpired	Bill discounted	71,701,923.00	-404,249.41

(3) Continued Involvement in the Transfer of Assets Financial Assets

Item	Method of assets transfer	Amount of assets resulting from continued involvement	Amount of liabilities resulting from continued involvement
Commercial acceptance notes endorsed but unexpired	Endorsement of notes	67,245.20	67,245.20

X. Disclosures of Fair Value

The level in which fair value measurement is categorized is determined by the level of the fair value hierarchy of the lowest level input that is significant to the entire fair value measurement. The levels are defined as follows:

Level 1 inputs: unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 inputs: inputs that are unobservable for assets or liabilities. (unobservable input)

Items and Amount Measured at Fair Value

As at December 31, 2023, assets and liabilities measured at fair value based on the three levels above are shown as follows:

Item	Level 1	Level 2	Level 3	Total
I. Recurring fair value measurement				

Item	Level 1	Level 2	Level 3	Total
1. Held-for-trading financial assets	261,116,260.0	-	1,025,636,238.9	1,286,752,498.9
	1	-	4	5
(1) Derivative financial assets	261,116,260.0	-	8,898,314.44	270,014,574.45
	1	-	-	-
(2) Financial Products	-	-	1,016,737,924.5	1,016,737,924.5
	-	-	0	0
2. Other non-current financial assets	-	-	248,683,611.24	248,683,611.24
Total assets measured at fair value on a recurring basis	261,116,260.0	-	1,274,319,850.1	1,535,436,110.1
	1	-	8	9
3. Held-for-trading financial liabilities	20,449,620.00	-	1,754,224.99	22,203,844.99
Total liabilities measured at fair value on a recurring basis	20,449,620.00	-	1,754,224.99	22,203,844.99

The Group uses the date of occurrence of the event that results in the transition between levels as the point at which the transition between levels is recognized. During the year, there was no transition between Level 1 and Level 2, nor was there any transfer to or from Level 3 in the fair value measurement of the Group's financial assets and financial liabilities.

For financial instruments traded in an active market, the Group determines their fair values using their quoted prices in an active market; for financial instruments not traded in an active market, the Group uses valuation techniques to determine their fair values. The valuation models used are mainly discounted cash flow models and market comparable company models, etc. The inputs to the valuation techniques mainly include risk-free interest rates, benchmark interest rates, exchange rates, credit spreads, liquidity premiums, and illiquidity discounts.

XI. Related Parties and Related-Party Transactions

1. Parent company

Name	Place of registration	Business nature	Registered capital (RMB ten thousand)	Shareholding Percentage in the Company (%)	Percentage of voting rights in the Company (%)
Guangzhou Haihao Investment Co., Ltd. (hereinafter referred to as "Guangzhou Haihao")	Guangzhou, Guangdong	Investment, trading, import and export of commodities and technologies	3,000.00	54.73	54.73

Information on the Company's parent company:

Guangzhou Haihao is the ultimate controlling party of the Company and was established on September 27, 2006. Mr Hua Xue holds 39.75% of equity in Guangzhou Haihao, and is the ultimate controller of the Company.

The ultimate controlling party of the Company is: Xue Hua.

In the reporting period, change of the registered capital of the parent company is as follows: (RMB ten thousand)

As at 31/12/2022	Addition	Reduction	As at 31/12/2023
3,000.00	-	-	3,000.00

2. Information on the subsidiaries of the Company

For information on the subsidiaries of the Company, refer to Note VII.1.

3. Information on joint ventures and associates of the Company

For information on the important joint ventures and associates of the Company, refer to Note VII.7.

Joint ventures and associates that have related-party transactions and balance with the Group during this year or previous year are as follows:

Names of joint ventures or associates	Relationship with the Group
Alaer Ruili Heng Sheng Protein Co., Ltd.	Associate, the Group holds 35% of equity

Names of joint ventures or associates	Relationship with the Group
Wujiaqu Taikun Plant Protein Co., Ltd.	Associate, the Group holds 35% of equity
Bangpu Seed Technology Co., Ltd.	Associate, the Group holds 16% of equity
Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	Associate, the Group holds 49% of equity
Sichuan Zhihui Fishing Machine Technology Co., Ltd.	Associate, the Group holds 40% of equity
Guangdong Zhongyu Duck Industry Co., Ltd.	Former associate, the Group held 49% and sold all the share during the period
Guangzhou Hengjuchang Venture Capital Partnership (Limited partnership)	Former associate, the Group held 33.46653%, and it was cancelled during the period

4. Information on other related parties

Name	Relationship with the Group
Guangdong Haihaowan Development Co., Ltd.	Subsidiary of holding shareholder Guangzhou Haihao
Guangzhou Haoyue Biotechnology Development Co., Ltd.	Subsidiary of holding shareholder Guangzhou Haihao
Luoding Xingfa Xingji Agriculture and Animal Husbandry Development Co., Ltd.	Subsidiary of the associate Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.
Ping'anfa Agriculture Co., Ltd.	A wholly-owned subsidiary of the associate, Vietnam Haid Yingtaogu Farm Co., Ltd. Key management, resigned from the position of employee representative supervisor and chairman of the Supervisory Committee of the Sixth Supervisory Committee of the Company in September 2023, and continued to serve in the Company after resigning from the above positions.
Zhenxiong Qi	Key management
Mingzhong Chen	Key management
Zhijian Huang	Key management

5. Transactions with related parties

(1) Purchases/sales

① Purchase of goods/receiving of services

Related party	Nature of transaction	2023	2022
Alaer Ruili Heng Sheng Protein Co., Ltd.	Raw material	236,780,332.08	160,656,964.48
Wujiaqu Taikun Plant Protein Co., Ltd.	Raw material	214,034,525.36	169,559,403.43
Ping'anfa Agriculture Co., Ltd.	Raw material, Agricultural products	7,074,065.22	2,788,201.68
Sichuan Zhihui Fishing Machine Technology Co., Ltd.	Engineering equipment	4,187,521.00	-
Bangpu Seed Technology Co., Ltd.	Raw material, Agricultural products	3,172,800.00	3,331,880.00
Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	Agricultural products	405,699.82	312,464.00

② Sales of goods/rendering of services

Related party	Nature of transaction	2023	2022
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Related party	Nature of transaction	2023	2022
Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	Feed and animal healthcare products	87,974,883.19	85,733,206.56
Ping'anfa Agriculture Co., Ltd.	Feed and animal healthcare products	80,869,024.67	64,577,209.07
Guangdong Zhongyu Duck Industry Co.Ltd.	Feed and animal healthcare products	6,426,761.89	13,855,118.42
Alaer Ruili Heng Sheng Protein Co., Ltd.	Services	300,000.00	406,785.71
Wujiaqu Taikun Plant Protein Co., Ltd.	Services	300,000.00	450,000.00
Luoding Xingfa Xingji Agriculture and Animal Husbandry Development Co., Ltd.	Feed and animal healthcare products	9,240.00	7,289,347.50
Bangpu Seed Technology Co., Ltd	Feed and animal healthcare products	5,500.00	1,100.00
Guangdong Haihaowan Development Co., Ltd.	Agricultural products, Feed and animal healthcare products	5,411.50	116,536.51
Guangzhou Haoyue Biotechnology Development Co., Ltd.	Services	-	11,490.00
Sichuan Zhihui Fishing Machine Technology Co., Ltd.	Agricultural products, Feed and animal healthcare products	-	7,482.50

(2) Trust/contracting arrangement

No such transactions during the reporting period.

(3) Lease

① As the lessor

Lessee	Type of assets leased	Lease income recognized in 2023	Lease income recognized in 2022
Guangzhou Haihao Investment Co., Ltd.	House building	54,000.00	54,000.00

② As the lessee

Lessor	Type of assets leased	Lease expense paid in 2023	Lease expense paid in 2022
Mingzhong Chen	House building	1,438,880.00	1,420,742.90

Note: The price in the above lease with the related parties was determined based on market prices upon negotiation.

The Company did not acquire any new right-of-use assets during the year as the lessee.

Interest expense on lease liabilities recognized by the Company as lessee during the year:

Lessor	Type of assets leased	Interest expense recognized in 2023	Interest expense recognized in 2022
Mingzhong Chen	House building	42,327.49	92,332.43

(4) Guarantee

No such transactions during the reporting period.

(5) Funding from related party

No such transactions during the reporting period.

(6) Transfer of assets and debt restructuring

Related party	Nature of transaction	2023	2022
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Related party	Nature of transaction	2023	2022
Guangzhou Hengjuchang Venture Capital Partnership (Limited partnership)	49% equity interest in Guangdong Yiheng Investment Co., LTD	375,603,500.00	-

(7) Remuneration of key management personnel

Information about remuneration is as follows:

(RMB ten thousand)

Item	2023	2022
Remuneration of key management personnel	6,968.77	5,624.34

(8) Other related party transactions

No such transactions during the reporting period.

6. Receivables from and payables to related parties

(1) Receivables from related parties

Item	Related party	2023.12.31		2022.12.31	
		Book value	Provision for bad and doubtful debts	Book value	Provision for bad and doubtful debts
Long-term receivables	Guangzhou Haoyue Biotechnology Development Co., Ltd. (Note 1)	15,210,000.00	-	-	-
Other receivables	Mingzhong Chen	999,810.00	-	-	-
Prepayment	Alaer Ruili Heng Sheng Protein Co., Ltd	789,390.60	-	961,821.15	-
Prepayment	Wujiaqu Taikun Plant Protein Co., Ltd	502,489.01	-	240,071.72	-
Other non-current assets	Sichuan Zhihui Fishing Machine Technology Co., Ltd.	33,441.00	-	597,000.00	-
Accounts receivable	Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	19,074.00	418.50	21,600.00	490.32
Accounts receivable	Luoding Xingfa Xingji Agriculture and Animal Husbandry Development Co., Ltd.	6,600.00	144.81	-	-
Accounts receivable	Guangdong Haihaowan Development Co., Ltd.	2,867.50	62.91	-	-
Accounts receivable	Guangdong Zhongyu Duck Industry Co.Ltd.	-	-	6,791,454.22	1,482,169.01
Other receivables	Guangdong Zhongyu Duck Industry Co.Ltd.	-	-	5,977,747.20	3,432,594.77
Other receivables	Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	-	-	12,544.17	420.23
Long-term receivables	Mingzhong Chen	-	-	999,810.00	-
Prepayment	Bangpu Seed Technology Co., Ltd	-	-	360,000.00	-

Note 1: The Company has signed the "House Lease Contract" with Guangzhou Haoyue Biotechnology Development Co., LTD. The company intended to rent the building of Haoyue Biology located in the Science Park west of HL18G-06 Hualong Avenue, Hualong Town, Panyu District, Guangzhou, and paid a deposit of RMB 15,210,000.00 according to the contract.

(2) Payables to related parties

Item	Related party	2023.12.31	2022.12.31
Notes payable	Alaer Ruili Heng Sheng Protein Co., Ltd	71,900,000.00	35,175,000.00
Notes payable	Wujiaqu Taikun Plant Protein Co., Ltd	13,275,000.00	40,425,000.00
Contract Liabilities	Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	561,196.37	538,769.56
Non-current liabilities within 1 year	Mingzhong Chen	461,241.06	1,346,355.78
Account payables	Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	54,339.50	-
Other payables	Foshan Haihang Xingfa Agriculture and Animal Husbandry Development Co., Ltd.	-	1,849.00
Other payables	Zhijian Huang	-	16,106.82
Other payables	Zhenxiong Qi	-	3,396.70
Lease liabilities	Mingzhong Chen	-	442,919.72

XII. Share-based Payments

1. The summary of share-based payments

Type of grantee	Granted in the Current Period		Exercised in the Current Period		Vested in the Current Period		Expired in the Current Period	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
First grant of stock option incentive plan in 2021 (Note 1)	-	-	2,588,909.00	48,050,151.04	-	-	16,037,163.00	361,086,256.88
Stock option incentive plan reserved awarded in 2021 (Note 2)	-	-	-	-	-	-	1,558,580.00	17,268,095.20
Four phases of the core team employee stock ownership Plan(Note 3)	-	-	-	-	1,194,582.00	94,503,382.02	-	-
Employee stock ownership plan in 2023(Note 4)	10,272,108.00	240,880,932.60	-	-	-	-	10,272,108.00	240,880,932.60
Total	10,272,108.00	240,880,932.60	2,588,909.00	48,050,151.04	1,194,582.00	94,503,382.02	27,867,851.00	619,235,284.68

Note 1: A total of 2,588,909.00 stock options in the first exercise period of the first grant of the 2021 Stock Option Incentive Plan were exercised in the current period, and a total of 6,271,803.00 stock options which had been unlocked and had not yet been exercised expired in the current period; a total of 8,449,320.00 stock options in the third exercise period of the first grant of the 2021 Stock Option Incentive Plan lapsed in the current period due to the failure to meet the conditions for exercise; some of the stock option incentive recipients of the first grant left their jobs or were released from labor relations, violated professional ethics or damaged the interests of the Company, and the stock options granted to them which had not yet met the conditions for exercise were 1,316,000 stock options.

Note 2: A total of 1,208,180.00 stock options reserved for the second exercise period under the 2021 Stock Option Incentive Plan lapsed during the current period due to the failure to meet the exercise conditions; 350,400.00 stock options granted to some of the incentive recipients of the reserved stock options that had not yet met the exercise conditions were cancelled and lapsed due to the recipients' departure from the Company or termination of the labor relationship, violation of professional ethics, or detriment to the Company's interests.

Note 3: As of December 31, 2023, the four phases of the core team Employee Stock Ownership Plan will expire and the unlocking conditions will be achieved.

Note 4: On July 17, 2023, the Company's Third Extraordinary General Meeting of 2023 considered and passed the resolution related to the 2023 Employee Stock Ownership Plan, and a total of 10,272,108.00 resolutions were granted, which lapsed during the current period due to inability to meet the conditions for exercising the rights.

Stock options or other equity instruments issued and outstanding at the end of 12/31/2023

Type of grantee	Stock options issued and outstanding at the end of 12/31/2023		Other equity instruments issued and outstanding at the end of 12/31/2023	
	Range of exercise prices	Remaining term of the contract	Range of exercise prices	Remaining term of the contract
2021 Stock Option Incentive Plan Initial Grant	RMB 59.21	5.33-41.33 months	-	-
2021 Stock Option Incentive Plan Reserved for grant	RMB 59.21	4.50-40.50 months	-	-

2. Information on equity-settled share-based payments

Method to determine the fair value of equity instruments at grant dates	Using Black-Scholes option pricing model to calculate fair value of the Company's share options
Significant parameters of grant date fair value of equity instruments	Risk-free rate, historical stock price volatility, dividend yield
Basis for determining the number of equity instruments for which options are exercisable	When the equity instruments granted for each period satisfy the performance conditions set by the Company for the corresponding judgment period.
Reasons for significant differences between current and prior period estimates	None.
Accumulated amount in capital reserve for equity-settled	675,644,122.30

3. Information on cash-settled share-based payments

No such events occurred during the reporting period.

4. Current share payment expenses

Type of granting object	Payment of expenses in equity - settled shares
First grant of stock option incentive plan in 2021	-8,837,010.92
Stock option incentive plan reserved awarded in 2021	12,377,427.40
Four phases of the core team employee stock ownership Plan	10,974,586.32
Total	14,515,002.80

5. Information on modification and termination of share-based payments

No such event during the reporting period.

XIII. Commitments and Contingencies

1. Significant Commitments

As at December 31, 2023, there is no significant commitment to be disclosed.

2. Contingencies

Contingent liabilities arising from guarantee provided to other entities and related financial impacts.

As at December 31, 2023, the Group provided guarantees for the following loans:

Company Name	Guarantee	Amount (RMB ten thousand)	Period	Note
1. Subsidiaries				
Wholly-owned subsidiaries and holding subsidiaries within the scope of consolidation	Bank loan financing and payable for raw material purchased	246,762.98	1-10 years	
2. Other companies				
Farmers and distributors of holding subsidiaries	Guarantees for financings to purchase the Group's products	151,208.71	1-3 years	
Total		397,971.69		

As at December 31, 2023, the Group had no other contingencies to be disclosed.

XIV. Post balance sheet events

1. Explanation of important non-adjustment events after the balance sheet date

As at April 19, 2024, the Group had no material post-balance sheet non-adjusting events to be disclosed.

2. Profit appropriations after balance sheet date

Profit distributions or dividends proposed	According to the profit distribution plan approved by the Board of Directors on April 19, 2024, it is planned to issue a cash dividend of RMB 5 (including tax) per 10 shares based on the total capital stock of the repurchased shares deducted from the share registration date when the future distribution plan is implemented (that is, the amount of share capital that can participate in the distribution on the share registration date when the future distribution plan is implemented). The distribution plan will be implemented after the approval is granted of the general meeting of shareholders.
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3. Significant sales returns

As at April 19, 2024, the Group has no material sales returns to be disclosed.

4. Other events after the balance sheet date

As at April 19, 2024, there is no such event to be disclosed.

XV. Other Significant Events

1. Correction of Accounting Errors in Prior Periods

There was no correction of accounting errors in prior periods during the reporting period.

2. Significant Debt Restructuring

There was no significant debt restructuring during the reporting period.

3. Significant Asset Swap

There was no significant asset swap during the reporting period.

4. Transfer and Sales of significant assets

There was no such event during the reporting period.

5. Division report

According to the Group's internal organizational structure, management requirements and internal reporting system, the Group's operating business is divided into five reporting divisions. These reporting divisions are determined on the basis of financial information required by the Company's daily internal management. The Group's management periodically evaluates the results of operations of these reporting divisions to determine the allocation of resources to them and to evaluate their performance.

(1) The Group's reporting divisions include:

Feed division, producing and selling feed and related products;

Animal protection division, production and sales of animal protection and related products;
Aquaculture Division, raising and selling agricultural products and related products;
Trading division, selling raw materials related to feed and animal welfare;
Other divisions, Group headquarters and divisions that support the operations of the above related divisions.

Division reports information according to the accounting policies adopted in each division to report to management and measurement standard, the accounting policies and measurement basis and when preparing financial statements of the accounting policy and consistent measurement basis.

(2) Divisions profit or loss, assets and liabilities

Current or end of period	Feed division	Animal protection division	Aquaculture Division	Trading division	Other divisions	Offset	Total
Operating income	103,283,277,745.16	1,380,643,464.21	15,510,539,038.72	14,039,590,215.60	502,303,481.13	-	116,117,168,742.97
Including: transaction income from third party	95,956,237,795.73	1,094,616,254.63	15,492,073,854.16	3,400,500,883.54	173,739,954.91	-	116,117,168,742.97
Revenue from inter-divisional transactions	7,327,039,949.43	286,027,209.58	18,465,184.56	10,639,089,332.06	328,563,526.22	-	-
Operating Costs and expenses	98,878,111,978.39	1,072,959,904.28	15,693,878,048.60	13,862,530,380.85	860,388,930.27	-	112,453,887,429.56
Net profit	3,484,907,155.65	233,716,099.41	-322,104,189.94	302,668,337.22	-28,139,712.85	-799,532,065.27	2,871,515,624.22
Total Assets	29,992,987,319.00	1,726,224,483.99	12,347,600,237.72	3,361,717,469.63	29,210,810,508.49	-	44,746,735,775.61
Total Liabilities	16,529,177,628.39	1,056,895,195.58	9,499,377,812.35	1,684,883,398.86	16,568,590,350.42	-	23,835,418,850.22

6. Others

There were no other significant events to be disclosed during the reporting period.

XVI. Notes to the Company's financial statements

1. Other Receivables

Item	As at 12/31/2023	As at 12/31/2022
Interest receivables	-	-
Dividend receivables	-	-
Other receivables	11,769,046,063.77	13,125,884,408.71
Total	11,769,046,063.77	13,125,884,408.71

(1) Other receivables

① Other receivables by aging

Aging	As at 12/31/2023	As at 12/31/2022
Within 1 year	11,760,586,478.27	13,118,142,082.44
1 to 2 years	3,071,617.00	8,578,062.40
2 to 3 years	4,965,925.40	774,640.00
3 to 4 years	774,640.00	-
4 to 5 years	-	59,809.00
Over 5 years	60,809.00	2,050.00
Sub-total	11,769,459,469.67	13,127,556,643.84
Less: Provision for bad and doubtful debts	413,405.90	1,672,235.13
Total	11,769,046,063.77	13,125,884,408.71

② Other receivables disclosed by nature

Item	As at 12/31/2023	As at 12/31/2022
Guarantee deposit	1,430,171.38	129,779,191.38
Futures margin	20,045,550.00	-
Receivable due from related parties with the scope of consolidation	11,726,869,013.02	12,978,097,436.52
Petty cash	339,079.55	1,034,700.00
Others	20,775,655.72	18,645,315.94
Total	11,769,459,469.67	13,127,556,643.84

③ Recoveries or reversals of provision for bad and doubtful debts in the current period

	Stage 1 12-month expected credit losses	Stage 2 Lifetime expected credit losses (credit impairment has not yet occur)	Stage 3 Lifetime expected credit losses (credit impairment has occurred)	Total
Provision for bad and doubtful debts				
Balance at 31/12/2022	1,672,235.13	-	-	1,672,235.13
In the current period				
-Transfer into stage 2	-	-	-	-
-Transfer into stage 3	-	-	-	-
-Reversal back to stage 2	-	-	-	-
-Reversal back to stage 1	-	-	-	-
Accrual in the current period	-1,258,829.23	-	-	-1,258,829.23

	Stage 1	Stage 2	Stage 3	Total
Provision for bad and doubtful debts	12-month expected credit losses	Lifetime expected credit losses (credit impairment has not yet occur)	Lifetime expected credit losses (credit impairment has occurred)	
Reversal in the current period	-	-	-	-
Write-off in the current period	-	-	-	-
Balance at 31/12/2023	413,405.90	-	-	413,405.90

There was no significant allowance for bad debts to be turned back or recovered during current period.

④ There were no written-off in other receivables during current period.

⑤ Other receivables with top five debtors

Debtor	Payment nature	Book balance	Aging	Proportion in total other receivables (%)	Provision for bad and doubtful debts
Unit 7	Receivable due from related parties with the scope of consolidation	1,703,410,653.01	Within one year	14.47	-
Unit 8	Receivable due from related parties with the scope of consolidation	1,089,620,653.73	Within one year	9.26	-
Unit 9	Receivable due from related parties with the scope of consolidation	375,737,482.80	Within one year	3.19	-
Unit 10	Receivable due from related parties with the scope of consolidation	284,895,915.79	Within one year	2.42	-
Unit 11	Receivable due from related parties with the scope of consolidation	283,519,338.14	Within one year	2.41	-
Total		3,737,184,043.47		31.75	

2. Long-Term Equity Investments

Item	2023.12.31			2022.12.31		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
Investment in Subsidiary	10,975,910,004.18	8,112,320.66	10,967,797,683.52	9,492,891,848.44	-	9,492,891,848.44
Investment in Associate	10,160,776.56	-	10,160,776.56	10,518,210.65	-	10,518,210.65
Total	10,986,070,780.74	8,112,320.66	10,977,958,460.08	9,503,410,059.09	-	9,503,410,059.09

(1) Investment in Subsidiary

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year				2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period	Allowance for impairment during the current Period	Others		
Guangzhou Haiwei Feed Co., Ltd.	17,958,890.83	-	-87,899.60	-	-	-	17,870,991.23	-
Guangzhou Rongda Aquatic Products Technology Co., Ltd.	667,256.91	-	-2,209.46	-	-	-	665,047.45	-
Guangzhou Dachuan Feed Co., Ltd.	21,483,739.09	-	-988,237.32	-	-	-	20,495,501.77	-
Qinzhou Hailong Feed Co., Ltd.	5,358,533.71	-	35,039,600.87	-	-	-	40,398,134.58	-
Guangzhou Haihe Feed Co., Ltd.	107,692,400.00	-	-	-	-	-	107,692,400.00	-
Dongguan Haid Feed Co., Ltd.	24,513,006.45	-	103,108.80	-	-	-	24,616,115.25	-
Huilong Feed Co., Ltd.	68,683.08	-	10,984.06	-	-	-	79,667.14	-
Jiangmen Haid Feed Co., Ltd.	86,282,616.55	-	583,644.92	-	-	-	86,866,261.47	-
Hainan Haid Biotechnology Co., Ltd.	220,865.32	-	59,956,283.12	-	-	-	60,177,148.44	-
Haid Egypt Co.,Ltd	626,139.68	-	-275,870.81	-	-	-	350,268.87	-
Maoming Hailong Feed Co., Ltd.	95,277,626.69	-	-38,820.47	-	-	-	95,238,806.22	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Sihong Haiding Feed Co., Ltd.	155,549.52	-	-2,799.73	-	-	-	152,749.79	-
Junan Haiding Feed Co., Ltd.	263,387.99	-	-12,617.47	-	-	-	250,770.52	-
Yichang Zhihai Agriculture and Animal Husbandry Co., Ltd.	67,184.98	-	-2,161.37	-	-	-	65,023.61	-
Jiangmen A&T Xinhui Feed Co., Ltd.	26,334,092.54	-	5,833.15	-	-	-	26,339,925.69	-
Henan Haiding Feed Co., Ltd.	228,388.57	-	7,219.57	-	-	-	235,608.14	-
Zhuhai Hailong Biotechnology Co., Ltd.	21,402,662.74	-	-183,969.60	-	-	-	21,218,693.14	-
Gaoan Haid Biotechnology Co., Ltd.	42,283,772.21	-	-57,848.00	-	-	-	42,225,924.21	-
Yangjiang Haid Feed Co., Ltd.	10,043,084.28	-	144,694.42	-	-	-	10,187,778.70	-
Laiyang Haihe Agriculture and Animal Husbandry	132,511.14	-	-16,517.72	-	-	-	115,993.42	-
Hunan Haid Bio-Feed Co., Ltd.	21,746,185.59	-	-32,499.77	-	-	-	21,713,685.82	-
Qingzhou Haidinghe Xinsheng Feed Co., Ltd.	376,588.29	-	-1,513.24	-	-	-	375,075.05	-
Linyi Haiding Lusheng Feed Co., Ltd.	70,554.63	-	-1,210.53	-	-	-	69,344.10	-
Jingzhou Haid Feed Co., Ltd.	106,955,990.18	-	80,650.88	-	-	-	107,036,641.06	-
Guangzhou Nansha Haid Biotechnology Co., Ltd.	7,880,426.92	-	179,492.03	-	-	-	8,059,918.95	-
Ezhou Haid Feed Co., Ltd.	6,278,703.61	-	-90,816.34	-	-	-	6,187,887.27	-
Hubei Haid Feed Co., Ltd.	36,269,728.95	-	-194,837.94	-	-	-	36,074,891.01	-
Jiangxi Haid Feed Co., Ltd.	77,075,552.87	-	-62,194.60	-	-	-	77,013,358.27	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Yancheng Haiwei Biological Technology Co., Ltd.	40,265,862.14	-	20,263,121.96	-	-	-	60,528,984.10	-
Wuzhou Haid Biotechnology Co., Ltd.	25,677,292.44	-	49,285.85	-	-	-	25,726,578.29	-
Nanchang Haid Biotechnology Co., Ltd.	7,015,094.34	-	-14,162.45	-	-	-	7,000,931.89	-
Tianmen Haid Feed Co., Ltd.	10,208,574.98	-	-56,472.24	-	-	-	10,152,102.74	-
Dongguan Haiqi Feed Co., Ltd.	415,886.52	-	-197,925.29	217,961.23	-	-	-	-
Zhangzhou Haiheng Feed Co., Ltd.	702,757.29	-	1,947,473.44	-	-	-	2,650,230.73	-
Yiyang Haid Feed Co., Ltd.	53,315,953.49	-	76,758.56	-	-	-	53,392,712.05	-
Deyang Dachuan Agriculture and Animal Husbandry Technology Co., Ltd.	41,164,783.54	-	87,861.95	-	-	-	41,252,645.49	-
Hunan Dongting Haid Feed Co., Ltd.	22,765,887.44	-	-11,853.73	-	-	-	22,754,033.71	-
Mianyang Zhonggui Feed Co., Ltd.	79,542.37	-	2,315.47	-	-	-	81,857.84	-
Anhui Haid Feed Co., Ltd.	12,699,259.40	-	-30,917.13	-	-	-	12,668,342.27	-
Xiangtan Haid Feed Co., Ltd.	22,064,085.49	-	-12,481.48	-	-	-	22,051,604.01	-
Xishui Haid Feed Co., Ltd.	5,564,296.32	-	-39,804.75	-	-	-	5,524,491.57	-
Guangzhou Nongzhidao Feed Co., Ltd.	6,223,751.90	-	2,715.30	-	-	-	6,226,467.20	-
Guangzhou Rongchuan Feed Co., Ltd.	15,407,118.47	-	34,366.59	-	-	-	15,441,485.06	-
Mianyang Hailong Feed Co., Ltd.	4,108,943.85	-	-31,989.46	-	-	-	4,076,954.39	-
Zhanjiang Haid Feed Co.,	26,242,870.21	-	-134,273.42	-	-	-	26,108,596.79	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Ltd.								
Yingkou Dachuan Feed Technology Co., Ltd.	12,898,721.89	-	-5,682.89	-	-	-	12,893,039.00	-
Jiesou Haid Feed Co., Ltd.	15,993,638.24	-	57,357.19	-	-	-	16,050,995.43	-
Zhuhai Rongchuan Feed Co., Ltd.	44,537,778.54	-	-213,368.05	-	-	-	44,324,410.49	-
Weifang Binhai Haiding Feed Co., Ltd.	6,699.28	-	-1,319.87	-	-	-	5,379.41	-
Zhejiang Haid Feed Co., Ltd.	101,872,358.05	-	2,572.88	-	-	-	101,874,930.93	-
Anlu Haid Feed Co., Ltd.	20,373,354.65	-	118,331.04	-	-	-	20,491,685.69	-
Tianjin Haid Feed Co., Ltd.	152,339,192.85	-	-93,366.58	-	-	-	152,245,826.27	-
Fujian Haid Feed Co., Ltd.	104,493,124.96	-	-100,192.76	-	-	-	104,392,932.20	-
Yunnan Zhonggui Feed Co., Ltd.	252,191.39	-	-1,318.26	-	-	-	250,873.13	-
Nantong Haid Biotechnology Co., Ltd.	107,476,010.99	-	-100,933.72	-	-	-	107,375,077.27	-
Jingzhou Haihe Biological Technology Co., Ltd.	40,851,897.11	-	17,162.83	-	-	-	40,869,059.94	-
Qingdao Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	40,839.92	-	4,748.12	-	-	-	45,588.04	-
Chongqing Haizhi Feed Co., Ltd.	134,994.84	-	-16,384.57	-	-	-	118,610.27	-
Guangxi Haid Feed Co., Ltd.	96,172,367.69	-	-48,688.90	-	-	-	96,123,678.79	-
Hainan Zhuangmei Agriculture and Animal Husbandry Co., Ltd.	42,017,637.16	-	104,507.46	-	-	-	42,122,144.62	-
Foshan Sanshuifanling Feed	16,750,418.65	-	-66,886.06	-	-	-	16,683,532.59	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Co., Ltd.								
Guigang Haid Feed Co., Ltd.	8,801,570.82	-	60,890.30	-	-	-	8,862,461.12	-
Zigong Hailong Biological Technology Co., Ltd.	10,753,385.53	-	20,163,696.64	-	-	-	30,917,082.17	-
Guangzhou Hailong Feed Co., Ltd.	5,121,479.05	-	7,910,000.00	-	-	-	13,031,479.05	-
Zhaoqing Haid Feed Co., Ltd.	5,901,262.58	-	-6,896.02	-	-	-	5,894,366.56	-
Guangxi Rongchuan Feed Co., Ltd.	316,484.29	-	-7,129.24	-	-	-	309,355.05	-
Dali Haid Biotechnology Co., Ltd.	15,021,795.37	-	25,054,265.12	-	-	-	40,076,060.49	-
Zhangzhou Haid Feed Co., Ltd.	18,770,569.33	-	-11,724.78	-	-	-	18,758,844.55	-
Guangzhou Haid Technology Development Co., Ltd.	1,117,514.53	-	-19,005.88	-	-	-	1,098,508.65	-
Foshan Haihang Feed Co., Ltd.	25,507,893.35	-	-70,128.28	-	-	-	25,437,765.07	-
Heshan Haiwei Feed Co., Ltd.	72,294.28	-	4,984,467.15	-	5,000,000.00	-	56,761.43	5,000,000.00
Foshan Haipu Feed Co., Ltd.	7,881,459.13	-	-12,366.52	-	-	-	7,869,092.61	-
Qinzhou Haiwei Feed Co., Ltd.	35,079,947.46	-	23,010.37	-	-	-	35,102,957.83	-
Taizhou Haid Bio-Feed Co., Ltd.	24,695,819.44	-	-23,261.90	-	-	-	24,672,557.54	-
Ganzhou Lianduoli Feed Technology Co., Ltd.	19,186,276.07	-	10,829.35	-	-	-	19,197,105.42	-
Changzhou Haid Bio-Feed Co., Ltd.	31,200,971.81	-	-99,865.83	-	-	-	31,101,105.98	-
Maoming Haiwei Feed Co.,	7,916,307.15	-	-4,922.29	-	-	-	7,911,384.86	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Ltd.								
Chengdu Haid Biotechnology Co., Ltd.	20,268,948.97	-	-85,530.76	-	-	-	20,183,418.21	-
Yunnan Haid Biotechnology Co., Ltd.	9,828,177.95	-	734.11	-	-	-	9,828,912.06	-
Sichuan Hailong Biotechnology Co., Ltd.	209,945.69	-	27,644.76	-	-	-	237,590.45	-
Shandong Haiding Agriculture and Animal Husbandry Co., Ltd.	10,223,015.22	-	-35,558.55	-	-	-	10,187,456.67	-
Guangdong Hiner Biotechnology Group Co., Ltd.	90,497,106.52	-	-100,510.09	-	-	-	90,396,596.43	-
Linyi Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	66,733.21	-	6,273.20	-	-	-	73,006.41	-
Yancheng Rongchuan Biotechnology Co., Ltd.	10,495,071.14	-	50,177,520.74	-	-	-	60,672,591.88	-
Xuzhou Hairuida Feed Co., Ltd.	11,182.03	-	8,527.51	-	-	-	19,709.54	-
Jiangmen Debao Group Co., Ltd.	97,761,207.10	-	26,877,772.77	-	-	-	124,638,979.87	-
Guangzhou Denong Feed Co., Ltd.	94,877.34	-	68,010.44	-	-	-	162,887.78	-
Rongcheng Rongchuan Biotechnology Co., Ltd.	324,261.44	-	-15,615.29	-	-	-	308,646.15	-
Foshan Dazhi Biotechnology Co., Ltd.	332,504.15	-	197,630.22	-	-	-	530,134.37	-
Yuncheng Haiding Hongda Feed Co., Ltd.	501,488.29	-	5,794.01	-	-	-	507,282.30	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Taishan Debao Feed Co., Ltd.	122,189.28	-	69,725.80	-	-	-	191,915.08	-
Suixian Yuliang Haiding Feed Co., Ltd.	248,591.17	-	-8,967.82	-	-	-	239,623.35	-
Maoming Debao Agriculture and Animal Husbandry Co., Ltd.	66,597.63	-	48,466.49	-	-	-	115,064.12	-
Liaocheng Haiding Feed Co., Ltd.	567,347.67	-	-49,909.45	-	-	-	517,438.22	-
Wuwei Haid Feed Co., Ltd.	13,418.44	-	10,233.06	-	-	-	23,651.50	-
Jinan Haiding Farming And Animal Husbandry Co., Ltd.	76,890.95	-	-1,383.98	-	-	-	75,506.97	-
Naning Dachuan Biotechnology Co., Ltd.	9,092,848.48	-	42,248.09	-	-	-	9,135,096.57	-
Yongzhou Haid Biotechnology Co., Ltd.	-	-	5,000,000.00	-	-	-	5,000,000.00	-
Honghu Haid Feed Co., Ltd.	9,017,864.43	-	-21,339.56	-	-	-	8,996,524.87	-
Yancheng Haid Bio-Feed Co., Ltd.	31,932,647.84	-	-247,348.51	-	-	-	31,685,299.33	-
Guiyang Haid Biotechnology Co., Ltd.	-	-	5,000,000.00	-	-	-	5,000,000.00	-
Wuwei Haimu Biotechnology Co., Ltd.	10,441,022.63	-	15,094,840.56	-	-	-	25,535,863.19	-
Shanxian Zhongyi Haiding Feed Co., Ltd.	1,184,297.51	-	-18,883.94	-	-	-	1,165,413.57	-
Inner Mongolia Haid Feed Co., Ltd.	10,557,535.37	-	15,019,851.09	-	-	-	25,577,386.46	-
Kaifeng Haid Feed Co., Ltd.	31,403,020.35	-	230,796.86	-	-	-	31,633,817.21	-
Guiyang Dachuan Biotechnology Co., Ltd.	5,111,157.17	-	61,353.29	-	-	-	5,172,510.46	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Guangzhou Haishengyuan Biotechnology Co., Ltd.	11,642.38	-	-	-	-	-	11,642.38	-
Xingtai Haid Biotechnology Co., Ltd.	10,078,311.01	-	20,063,635.84	-	-	-	30,141,946.85	-
Xinxiang Haiding Feed Co., Ltd.	112,954.88	-	-19,745.34	-	-	-	93,209.54	-
Foshan Lianduoli Feed Co., Ltd.	74,920.41	-	-14,760.53	60,159.88	-	-	-	-
Heze Haiding Feed Technology Co., Ltd.	1,127,995.25	-	28,848.00	-	-	-	1,156,843.25	-
Jining Haiding Feed Co., Ltd.	526,215.35	-	17,149.25	-	-	-	543,364.60	-
Liupanshui Haid Biotechnology Co., Ltd.	5,000,000.00	-	15,000,000.00	-	-	-	20,000,000.00	-
Suqian Haid Feed Co., Ltd.	22,632,398.72	-	30,247.03	-	-	-	22,662,645.75	-
Nanning Haililai Biotechnology Co., Ltd.	7,409,035.06	-	-1,469.48	-	-	-	7,407,565.58	-
Feixian Hairuida Feed Co., Ltd.	743,403.22	-	-17,966.06	-	-	-	725,437.16	-
Shaoyang Haid Feed Co., Ltd.	5,305,861.39	-	5,055,831.36	-	-	-	10,361,692.75	-
Guangzhou Mutai Feed Technology Co., Ltd.	607,145.91	-	516,478.82	-	-	-	1,123,624.73	-
Huaihua Haid Feed Co., Ltd.	15,470,797.87	-	-77,757.92	-	-	-	15,393,039.95	-
Yantai Zhizhuren Feed Co., Ltd.	27,268.18	-	11,266.07	-	-	-	38,534.25	-
Yinan Haiding Feed Co., Ltd.	569,199.88	-	-12,956.05	-	-	-	556,243.83	-
Henan Mugaole Feed Co., Ltd.	391,914.41	-	23,034.65	-	-	-	414,949.06	-
Xinxiang Hairuida Feed Co.,	117,066.22	-	-619.54	-	-	-	116,446.68	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Ltd.								
Liaoning Haid Biotechnology Co., Ltd.	5,268,462.93	-	15,201,824.65	-	-	-	20,470,287.58	-
Guangdong Hairuite Pet Nitribution Technology Co., Ltd.	10,279,627.13	-	11,834,840.37	-	-	-	22,114,467.50	-
Hunan Innovation Biotechnology Limited	7,230,931.13	-	13,285.65	-	-	-	7,244,216.78	-
Guizhou Hailongwang Biotechnology Co., Ltd.	98,178.23	-	74,871.42	-	-	-	173,049.65	-
Sanming Haid Feed Co., Ltd.	36,263,399.88	-	-48,005.45	-	-	-	36,215,394.43	-
Hebei Haimu Biotechnology Co., Ltd.	592,584.63	-	59,462.54	-	-	-	652,047.17	-
Qingyuan Haid Biotechnology Co., Ltd.	14,181,868.37	-	76,493.06	-	-	-	14,258,361.43	-
Dali Dachuan Biotechnology Co., Ltd.	10,311,641.55	-	15,032,066.80	-	-	-	25,343,708.35	-
Guangdong Shunde Haid Biotechnology Co., Ltd.	6,000,023.86	-	-182,265.36	-	-	-	5,817,758.50	-
Xuancheng Haid Biotechnology Co., Ltd.	5,745,305.18	-	-1,596.41	-	-	-	5,743,708.77	-
Yunnan Hairui Biotechnology Co., Ltd.	22,487,925.99	-	15,652,632.24	-	-	-	38,140,558.23	-
Jiaxing Haid Yongwang Bio-Feed Co., Ltd.	15,330,699.99	-	-44,655.60	-	-	-	15,286,044.39	-
Gaomi Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	44,193.85	-	17,527.07	-	-	-	61,720.92	-
Henan Haidajiuzhou Biotechnology Co., Ltd.	7,718,041.00	-	64,647.28	-	-	-	7,782,688.28	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Guangzhou Haiyiyuan Biotechnology Co., Ltd.	18,714.67	-	-	-	-	-	18,714.67	-
Enshi Haida Biotechnology Co., Ltd.	5,000,000.00	-	10,000,000.00	-	-	-	15,000,000.00	-
Ningguo Haid Biotechnology Co., Ltd.	15,705,047.09	-	17,988.52	-	-	-	15,723,035.61	-
Xuzhou Zhongyi Haiding Agriculture and Animal Husbandry Co., Ltd.	7,487.10	-	9,913.27	-	-	-	17,400.37	-
Chongqing Haid Feed Co., Ltd.	26,957,385.66	-	-23,448.35	-	-	-	26,933,937.31	-
Tianjin Haixin Biotechnology Co., Ltd.	172,761.03	-	8,110,371.43	-	-	-	8,283,132.46	-
Shenyang Haid Feed Co., Ltd.	3,337,708.12	-	-17,933.40	-	-	-	3,319,774.72	-
Nanshan Haid Biotechnology (Jinhu) Co., Ltd.	21,502,343.05	-	14,110,539.96	-	-	-	35,612,883.01	-
Jieyang Haid Feed Co., Ltd.	5,259,441.81	-	-104,605.88	-	-	-	5,154,835.93	-
Lanling Haiding Hekangyuan Agriculture and Animal Husbandry Co., Ltd.	100,449.04	-	11,505.84	-	-	-	111,954.88	-
Jiangsu Haihe Agriculture and Animal Husbandry Co., Ltd.	7,091,929.11	-	-3,690.49	-	-	-	7,088,238.62	-
Baoji Haid Agriculture and Animal Husbandry Co., Ltd.	50,576.15	-	12,350.43	-	-	-	62,926.58	-
Lianyungang Haihe Feed Co., Ltd.	583,974.69	-	43,194.37	-	-	-	627,169.06	-
Xuzhou Haihe Feed Co., Ltd.	266,917.74	-	-3,324.65	-	-	-	263,593.09	-
Shanghai Gaohaid	25,590,807.21	-	9,919.72	-	-	-	25,600,726.93	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Biotechnology Co., Ltd.								
Gaotang Haiding Agriculture and Animal Husbandry Co., Ltd.	54,457.93	-	43,963.18	-	-	-	98,421.11	-
Anshan Dachuan Feed Technology Co., Ltd.	3,113,130.03	-	-	-	-	-	3,113,130.03	-
Jiangsu Haiwei Feed Co., Ltd.	25,026,442.62	-	-1,720.89	-	-	-	25,024,721.73	-
Qijing Zhihai Feed Co., Ltd.	209,971.63	-	-4,848.52	-	-	-	205,123.11	-
Yibin Zhihai Feed Co., Ltd.	527,466.63	-	-4,450.07	-	-	-	523,016.56	-
Xuzhou Haid Hexin Feed Co., Ltd.	371,930.88	-	-4,915.36	-	-	-	367,015.52	-
Guangdong Hairui Biotechnology Co., Ltd.	-	-	9,000,000.00	9,000,000.00	-	-	-	-
Shaoguan Haid Biotechnology Co., Ltd.	16,055,236.64	-	-10,928.55	-	-	-	16,044,308.09	-
Qianjiang Hailong Biotechnology Co., Ltd.	176,996.74	-	10,105,489.20	-	-	-	10,282,485.94	-
Ganzhou Haid Biotechnology Co., Ltd.	52,688,729.15	-	19,384.45	-	-	-	52,708,113.60	-
Pingjiang Bairuilai Biotechnology Co., Ltd.	1,084,536.16	-	14,064,467.93	-	-	-	15,149,004.09	-
Henan Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	6,812,259.67	-	-14,873.01	-	-	-	6,797,386.66	-
Fuzhou Haid Feed Co., Ltd.	86,203,057.33	-	44,510.05	-	-	-	86,247,567.38	-
Guiyang Haiyue Feed Co., Ltd.	-	-	10,000,000.00	-	-	-	10,000,000.00	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Liyang Jiu He Feed Co., Ltd.	66,469,334.33	-	-21,108.00	-	-	-	66,448,226.33	-
Haixin Biological (Beijing) Technology Co., Ltd.	20,127.66	-	15,349.53	-	-	-	35,477.19	-
Shaanxi Haid Agriculture and Animal Husbandry Co., Ltd.	13,688,107.54	-	-43,631.59	-	-	-	13,644,475.95	-
Haid Pet Care Co., Ltd.	10,945,138.07	-	-6,304.36	-	-	-	10,938,833.71	-
Foshan Haid Beacon Feed Co., Ltd.	4,912,208.10	-	-54,547.93	-	-	-	4,857,660.17	-
Yangling Haid Feed Co., Ltd.	266,480.35	-	10,638.90	-	-	-	277,119.25	-
Haid Pet Care (Weihai) Co., Ltd.	240,619.59	-	7,195.00	-	-	-	247,814.59	-
Inner Mongolia Haishan Feed Co., Ltd.	1,800,000.00	-	-	-	-	-	1,800,000.00	-
Lanzhou Haid Feed Co., Ltd.	25,785.02	-	-	-	-	-	25,785.02	-
Anyang Haihe Agriculture and Animal Husbandry Technology Co., Ltd.	322,926.17	-	-13,534.65	-	-	-	309,391.52	-
Huaibei Haid Bio-Feed Co., Ltd.	-	-	3,000,000.00	-	-	-	3,000,000.00	-
Xuchang Haihe Feed Co., Ltd.	20,975.04	-	-	20,975.04	-	-	-	-
Huizhou Haid Biotechnology Co., Ltd.	32,000,000.00	-	174,027.59	-	-	-	32,174,027.59	-
HAID (ECUADOR) FEED CIA.LTDA.	1,517,765.26	-	498,414,186.01	-	-	-	499,931,951.27	-
Anyang Haiyue Feed Technology Co., Ltd.	101,011.87	-	14,941.11	-	-	-	115,952.98	-
PT.HAIDA AGRICULTURE INDONESIA	1,710,431.88	-	-721,106.94	-	-	-	989,324.94	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year			Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period	Allowance for impairment during the current Period			
Qingyuan Hailong Biological Technology Co., Ltd.	132,337,574.91	-	121,150.65	-	-	-	132,458,725.56	-
Tengzhou Fengcheng Feed Co., Ltd.	312,857.25	-	-4,581.33	-	-	-	308,275.92	-
Guigang Hailong Biological Technology Co., Ltd.	-	-	26,533.45	-	-	-	26,533.45	-
Guiyang Haid Zhihai Feed Co., Ltd.	776,600.73	-	13,917.59	-	-	-	790,518.32	-
Guizhou Haid Feed Co., Ltd.	-	-	5,000,000.00	-	-	-	5,000,000.00	-
Shandong Daxin Group Co., Ltd.	287,231,561.09	-	-24,447.57	-	-	-	287,207,113.52	-
Pizhou Haid Feed Co., Ltd.	-	-	5,000,000.00	-	-	-	5,000,000.00	-
Qingdao Huaxin Feed Co., Ltd.	119,451.66	-	-14,057.92	-	-	-	105,393.74	-
Weifang Daxin Feed Co., Ltd.	175,470.77	-	-4,509.47	-	-	-	170,961.30	-
Xishui Chenke Feed Technology Co., Ltd	-	-	121,177,915.57	-	-	-	121,177,915.57	-
Yantai Daxin Feed Co., Ltd.	342,710.46	-	-4,618.60	-	-	-	338,091.86	-
Linyi Yihe Feed Co., Ltd.	691,022.09	-	458.52	-	-	-	691,480.61	-
Jiangsu Daxin Feed Co., Ltd. 司	284,378.34	-	-6,634.86	-	-	-	277,743.48	-
Shandong Daxin Agriculture and Animal Husbandry Technology Co., Ltd.	95,187.55	-	41,155.09	-	-	-	136,342.64	-
Nanping Haid Biotechnology Co., Ltd	-	-	14,400,000.00	-	-	-	14,400,000.00	-
Yantai Zhizhuren Animal Husbandry Co., Ltd.	174,062.33	-	-4,136.97	-	-	-	169,925.36	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Laizhou Zhizhu Animal Husbandry Co., Ltd.	270,460.71	-	44,881.96	-	-	-	315,342.67	-
Huaian Hailong Feed Co., Ltd.	51,842,031.45	-	-3,720.67	-	-	-	51,838,310.78	-
Guigang Donghuang Breeding And Breeding Co., Ltd.	287,648.08	-	13,151.01	-	-	-	300,799.09	-
Binzhou Haiding Feed Co., Ltd.	380,035.75	-	-6,840.21	-	-	-	373,195.54	-
Zhaoqing Gaoyao Haid Biological Technology Co., Ltd.	82,555,843.39	-	-5,050.89	-	-	-	82,550,792.50	-
Dali Haiwang Feed Co., Ltd.	212,471.72	-	-18,330.36	-	-	-	194,141.36	-
Hunan Jinhuilong Technology Co., Ltd.	51,594,726.19	-	34,020.88	-	-	-	51,628,747.07	-
Jiangsu Dachuan Biotechnology Co., Ltd.	24,860,696.55	-	-52,111.59	-	-	-	24,808,584.96	-
Shijiazhuang Huilong Feed Co., Ltd.	84,797.28	-	3,467.42	-	-	-	88,264.70	-
Handan Huilong Feed Co., Ltd.	243,286.67	-	-18,300.89	-	-	-	224,985.78	-
Nanning Haid Biotechnology Co., Ltd.	123,004,503.85	-	90,956.78	-	-	-	123,095,460.63	-
Yichang Haid Feed Co., Ltd.	653,592.43	-	-2,940.23	-	-	-	650,652.20	-
Liaocheng Daxin Feed Co., Ltd.	226,467.86	-	-20,953.62	-	-	-	205,514.24	-
Ganzhou Hailong Feed Co., Ltd.	5,271,510.93	-	-32,120.91	5,239,390.02	-	-	-	-
Maoming Haihang Feed Co., Ltd.	514,427.66	-	9,192.04	-	-	-	523,619.70	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Jiangmen Rongchuan Feed Co., Ltd.	86,208,135.63	-	100,164,487.92	-	-	-	186,372,623.55	-
Gansu Haid Feed Co., Ltd.	279,790.27	-	11,934.64	-	-	-	291,724.91	-
Weinan Haid Feed Co., Ltd.	229,103.32	-	15,867.80	-	-	-	244,971.12	-
Chongqing Kaizhou Haid Biotechnology Co., Ltd.	25,607,435.88	-	9,634,455.19	-	-	-	35,241,891.07	-
Yicheng Haid Biological Technology Co., Ltd.	45,507,729.08	-	63,381.34	-	-	-	45,571,110.42	-
Meizhou Haid Biotechnology Co., Ltd.	63,471,926.55	-	34,453.31	-	-	-	63,506,379.86	-
Pingnanhai Da Feed Co., Ltd.	12,790.26	-	22,624.98	-	-	-	35,415.24	-
Zhuhai Dachuan Biotechnology Co., LTD	813,447.74	-	47,881,489.11	-	-	-	48,694,936.85	-
Hexian Haid Biotechnology Co., Ltd.	90,903,159.22	-	44,236.99	-	-	-	90,947,396.21	-
Linyi Hedong Haiding Agriculture and Animal Husbandry Development Co., Ltd.	304,370.26	-	5,023.02	-	-	-	309,393.28	-
Linyi Haiding Feed Technology Co., Ltd.	396,240.70	-	-6,868.47	-	-	-	389,372.23	-
Tianjin Rongchuan Feed Co., Ltd.	164,959,770.17	-	-89,078.32	-	-	-	164,870,691.85	-
Zhanjiang Rongda Feed Co., Ltd.	6,218,712.46	-	35,062,619.10	-	-	-	41,281,331.56	-
Maoming Haid Biological Technology Co., Ltd.	61,472,214.03	-	39,762.23	-	-	-	61,511,976.26	-
Huainan Haid Biological Feed Co., Ltd.	85,062,283.85	-	37,733.08	-	-	-	85,100,016.93	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Sichuan Rongchuan Feed Co., Ltd.	91,237,849.89	-	23,870.81	-	-	-	91,261,720.70	-
Yulin Haid Feed Co., Ltd.	45,524,411.51	-	46,694.86	-	-	-	45,571,106.37	-
Zhongshan City Seawater Production And Aquaculture Co., Ltd.	1,668,299.28	-	-23,051.74	-	-	-	1,645,247.54	-
Qingyuan Haibei Biotechnology Co., Ltd.	22,072,344.17	-	91,976.90	-	-	-	22,164,321.07	-
Linyi Zhizhuxia Breeding Technology Service Co., Ltd.	73,540.31	-	-2,990.39	-	-	-	70,549.92	-
Shijiazhuang Weike Biotechnology Co., Ltd.	51,187,573.26	-	-34,088.43	-	-	-	51,153,484.83	-
Wuhan Aquaera Biotechnology Co., Ltd.	5,628,174.06	-	-3,126.70	-	-	-	5,625,047.36	-
Guangzhou Heshengtang Veterinary Pharmaceutical Co., Ltd.	22,612,218.17	-	-129,953.28	-	-	-	22,482,264.89	-
Guangzhou Nansha Haid Technology Co., Ltd	-	-	50,000,000.00	-	-	-	50,000,000.00	-
Guangzhou Heshengtang Biotechnology Co., Ltd.	3,330,000.00	-	-	-	-	-	3,330,000.00	-
Guangdong Haid Livestock Veterinary Research Institute Co., Ltd.	54,363,682.17	-	29,922,702.06	-	-	-	84,286,384.23	-
Sichuan Hailinger Biopharmaceutical Co., Ltd.	2,102,436.26	-	23,575.48	-	-	-	2,126,011.74	-
Zhuhai Haibei supply chain Management Co., LTD	-	-	14,240,000.00	-	-	-	14,240,000.00	-
Jiangxi Jiabo Biological Engineering Co., Ltd.	36,042,727.82	-	-41,274.84	-	3,112,320.66	-	32,889,132.32	3,112,320.66

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Guangdong Hisenor Group Co., Ltd.	9,066,505.84	-	45,251.63	-	-	-	9,111,757.47	-
Feicheng He Ruifeng Agricultural Science And Technology Co., Ltd.	578,342.26	-	2,862.44	-	-	-	581,204.70	-
Guangzhou Shunkang Aquaculture Co., Ltd.	114,329.66	-	3,086,798.05	-	-	-	3,201,127.71	-
Gaozhou Haiyuan Agriculture Co., Ltd.	259,475.59	-	31,696.56	-	-	-	291,172.15	-
Shanwei Haizenong Marine Biotechnology Co., Ltd.	37,222.03	-	23,575.39	-	-	-	60,797.42	-
Guangdong Bairong Aquatic Farming Group Co., Ltd.	2,905,092.53	-	-146,410.83	-	-	-	2,758,681.70	-
Weifang Xuheng Agricultural Science And Technology Co., Ltd.	210,352.02	-	5.60	-	-	-	210,357.62	-
Zhaoqing Baishengyuan Aquatic Products Co., Ltd.	152,290.76	-	28,425.62	-	-	-	180,716.38	-
Linyi Dinghao Breeding Co., Ltd.	88,380.42	-	-1,590.71	-	-	-	86,789.71	-
Sihui Haifeng Ecological Agriculture Co., Ltd.	482,066.74	-	30,661.42	-	-	-	512,728.16	-
Zhuhai Ronghai Breeding Technology Co., Ltd.	187,843.92	-	11,480.46	-	-	-	199,324.38	-
Tangshan Seaview Island Biotechnology Co., Ltd	-	-	29,961.27	-	-	-	29,961.27	-
Yueyang Yitun Agriculture and Animal Husbandry Co., Ltd.	684,844.21	-	13,160.99	-	-	-	698,005.20	-
Qingyuan Baishengyuan Aquatic Seed Co., Ltd.	70,896.57	-	8,182.53	-	-	-	79,079.10	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Hainan Hisenor Marine Biotechnology Co., Ltd.	3,740,498.88	-	-3,769.54	-	-	-	3,736,729.34	-
Qinzhou Yitun Ecological Agriculture Co., Ltd.	148,574.41	-	-8,862.02	-	-	-	139,712.39	-
Nantong Haijingzhou Biological Technology Co., Ltd.	186,118.80	-	12,413.42	-	-	-	198,532.22	-
Ezhou Haifeng Ecological Agriculture Co., Ltd.	202,391.14	-	-3,642.77	-	-	-	198,748.37	-
Pingnan Yitun Ecological Agriculture Co., Ltd.	1,351,457.42	-	-43,347.79	-	-	-	1,308,109.63	-
Wugang Yitun Ecological Agriculture Co., Ltd.	3,806.75	-	-	3,806.75	-	-	-	-
Changyi Haijingzhou Biological Technology Co., Ltd.	696,480.34	-	46,403.01	-	-	-	742,883.35	-
Guangxi Ronghai Fishery Co., Ltd.	339,310.50	-	21,043.18	-	-	-	360,353.68	-
Guiping Yitun Ecological Agriculture Co., Ltd.	14,218.50	-	-4,104.20	10,114.30	-	-	-	-
Hunan Yitun Technology Co., Ltd.	97,307.88	-	83,180.07	-	-	-	180,487.95	-
Zhanjiang Hisenor Marine Biotechnology Co., Ltd.	1,522,943.04	-	-15,579.48	-	-	-	1,507,363.56	-
Jingtai Haijingzhou Fishery Technology Co., Ltd.	167,463.17	-	-13,021.21	-	-	-	154,441.96	-
Yantai Yitun Ecological Agriculture Co., Ltd.	411,917.94	-	-53,379.34	-	-	-	358,538.60	-
Pingguo Yitun Ecological Agriculture Co., Ltd.	235,670.25	-	924.69	-	-	-	236,594.94	-
Yangxin Bairong Aquatic	866,922.03	-	-12,374.32	-	-	-	854,547.71	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Farming Co., Ltd.								
Guizhou Aikexin Swine Breeding Co., Ltd.	539,145.22	-	7,301.70	-	-	-	546,446.92	-
Shanwei Haijingzhou Marine Biological Technology Co., Ltd.	661,455.62	-	-44,322.99	-	-	-	617,132.63	-
Yancheng Runchuan Agricultural Science And Technology Co., Ltd.	174,536.49	-	-3,133.79	-	-	-	171,402.70	-
Guigang Qintang District Yitun Ecological Agriculture Co., Ltd.	12,282.92	-	-	-	-	-	12,282.92	-
Hubei Haid Seed Technology Co., Ltd.	13,653.69	-	5,013,542.71	-	-	-	5,027,196.40	-
Jingzhou Bairong Aquatic Farming Co., Ltd.	402,444.97	-	6,677.49	-	-	-	409,122.46	-
PT HISENOR TECHNOLOGY INDONESIA	259,119.01	-	-123,812.33	-	-	-	135,306.68	-
Hengyang Yitun Ecological Agriculture Co., Ltd.	14,442.12	-	-	14,442.12	-	-	-	-
Raoping Haizenong Marine Biotechnology Co., Ltd	-	-	10,835.05	-	-	-	10,835.05	-
Zhangzhou Haijingzhou Marine Biotechnology Co., Ltd.	776,397.57	-	-64,387.52	-	-	-	712,010.05	-
Guangzhou Hailingxian Food Co., Ltd.	14,127.33	-	26,212.84	-	-	-	40,340.17	-
Yongji Haijingzhou Fishery Science And Technology Co., Ltd.	215,834.38	-	-28,068.66	-	-	-	187,765.72	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Hengshan Yitun Ecological Agriculture Co., Ltd.	1,571,130.34	-	-30,803.44	-	-	-	1,540,326.90	-
Yangxi Fengwo Ecological Agriculture Co., Ltd.	1,615,112.40	-	-9,957.16	-	-	-	1,605,155.24	-
Binyang County Hejiyitun Ecological Agriculture Co., Ltd.	169,964.99	-	2,221.40	-	-	-	172,186.39	-
Yuncheng Haishengyuan Fishery Technology Co., Ltd.	42,948.49	-	27,202.30	-	-	-	70,150.79	-
Guigang Gangbei District Yitun Ecological Agriculture Co., Ltd.	1,078,198.33	-	-79,479.30	-	-	-	998,719.03	-
Guangdong Baishengyuan Aquatic Farming Co., Ltd.	34,265.83	-	51,433.00	-	-	-	85,698.83	-
Zhaqing Haizehui fishery development Co., LTD	52,106.56	-	-3,399.99	-	-	-	48,706.57	-
Guangzhou Ronghai Breeding Technology Co., Ltd.	24,442,363.26	-	63,358.04	-	-	-	24,505,721.30	-
Huayuan Yitun Ecological Agriculture Co., Ltd.	174,205.53	-	-15,986.18	-	-	-	158,219.35	-
DONG NAI HAID FARM COMPANY LIMITED	107,112.62	-	-48,802.26	-	-	-	58,310.36	-
Duyun Yitun Ecological Agriculture Co., Ltd.	890,750.05	-	-48,182.52	-	-	-	842,567.53	-
Yangjiang Yangdong Fengwo Agriculture and Animal Husbandry Co., Ltd.	374,560.33	-	-7,807.37	-	-	-	366,752.96	-
Gaotang Huayu Swine Co., Ltd.	119,523.54	-	-4,245.65	-	-	-	115,277.89	-
Dongying Haijingzhou	140,314.20	-	28,275.86	-	-	-	168,590.06	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Biotechnology Co., Ltd.								
Rongjiang County Yitun Ecological Agriculture Co., Ltd.	102,154.60	-	10,665.88	-	-	-	112,820.48	-
Enping Yitun Ecological Agriculture Co., Ltd.	588,414.30	-	18,033.72	-	-	-	606,448.02	-
Luoding Yitun Ecological Agriculture Co., Ltd.	325,554.93	-	42,975.07	-	-	-	368,530.00	-
Shandong Bairong Fisheries Fine Seed Co., Ltd.	709,751.00	-	14,936.64	-	-	-	724,687.64	-
Binyang Yitun Ecological Agriculture Co., Ltd.	1,171,149.55	-	-2,938.66	-	-	-	1,168,210.89	-
Meizhou Yitun Pig Breeding Co., Ltd.	53,613.56	-	21,350.41	74,963.97	-	-	-	-
Gaozhou Sanhe Animal Husbandry Co., Ltd.	647,374.08	-	-18,430.44	-	-	-	628,943.64	-
Hainan Bairong Aquatic Products Co., Ltd.	779,953.10	-	-83,175.88	-	-	-	696,777.22	-
Yicheng Yitun Ecological Agriculture Co., Ltd.	739,781.71	-	3,822.90	-	-	-	743,604.61	-
Longan County Yitun Ecological Agriculture Co., Ltd.	129,283.31	-	19,660.93	-	-	-	148,944.24	-
Hunan Yitun Ecological Agriculture Co., Ltd.	1,725,074.69	-	-99,074.15	-	-	-	1,626,000.54	-
Wengyuan County Yitun Pig Breeding Co., Ltd.	5,726.47	-	3,627.00	-	-	-	9,353.47	-
Zhanjiang Haijingzhou Marine Biotechnology Co., Ltd.	381,783.06	-	17,986.26	-	-	-	399,769.32	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Zixing Yitun Ecological Agriculture Co., Ltd.	288,369.73	-	-724.25	-	-	-	287,645.48	-
Yingde Yitun Ecological Agriculture Co., Ltd.	331,774.89	-	-37,784.54	-	-	-	293,990.35	-
Fufeng County Yitun Ecological Agriculture Co., Ltd.	570,144.12	-	13,772.25	-	-	-	583,916.37	-
Guangdong Haifulai Biotechnology Co., Ltd.	3,084,904.21	-	125,427.45	-	-	-	3,210,331.66	-
HAI DAI COMPANY LIMITED	31,600.82	-	-1,319.87	-	-	-	30,280.95	-
Zhuhai Haixing Agricultural Aquatic Seed Technology Co., Ltd	-	-	14,622,713.99	-	-	-	14,622,713.99	-
Hengyang County Jisheng Agriculture and Animal Husbandry Development Co., Ltd.	128,263.17	-	-509.07	-	-	-	127,754.10	-
Jiangmen Ronghai Aquaculture Technology Co., Ltd.	297,355.32	-	-8,387.92	-	-	-	288,967.40	-
Shaoguan Zhenjiang Yitun Ecological Agriculture Co., Ltd.	1,291,859.63	-	45,755.00	-	-	-	1,337,614.63	-
Heyuan Yitun Agricultural Development Co., Ltd.	83,645.70	-	116,547.63	-	-	-	200,193.33	-
Hainan Haid Aquatic Seed Industry Development Co., Ltd.	15,587,291.79	-	29,984,719.06	-	-	-	45,572,010.85	-
Yingde Yitun Pig Breeding Co., Ltd.	48,041.61	-	-8,922.47	-	-	-	39,119.14	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Linyou Yitun Ecological Agriculture Co., Ltd.	105,831.73	-	54,527.93	-	-	-	160,359.66	-
Ruyuan County Yitun Pig Breeding Co., Ltd.	26,645.05	-	9,007.32	-	-	-	35,652.37	-
Guangzhou Haishengke Investment Co., Ltd.	261,270,000.00	-	-	-	-	-	261,270,000.00	-
Linyi Dingxin Farming Co., Ltd.	203,274.95	-	-3,658.71	-	-	-	199,616.24	-
Guangzhou Haijian Investment Co., Ltd.	121,500,000.00	-	-	-	-	-	121,500,000.00	-
Youxian Yitun Ecological Agriculture Co., Ltd.	16,694.91	-	6,533.73	-	-	-	23,228.64	-
Guangzhou Punong Investment Management Co., Ltd.	4,600,000.00	-	-	-	-	-	4,600,000.00	-
Hengnan Yitun Ecological Agriculture Co., Ltd.	169,893.64	-	4,040.48	-	-	-	173,934.12	-
Guangzhou Yannong Investment Management Co., Ltd.	19,758,109.00	-	-	-	-	-	19,758,109.00	-
KINGHILL HOLDINGS PTE.LTD.	352,647,893.52	-	298,119,861.80	-	-	-	650,767,755.32	-
Guangzhou Xingnong Ecological Agriculture and Animal Husbandry Development Co., Ltd.	30,039,315.21	-	-121,847.90	-	-	-	29,917,467.31	-
Guangzhou Chenzhao Investment Co., Ltd.	40,000,000.00	-	-	40,000,000.00	-	-	-	-
Guangdong Haizhihui Breeding Technology Service Co., Ltd.	53,000,000.00	-	-	-	-	-	53,000,000.00	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Zhuhai Chenzhe Private Equity Fund Management Co., Ltd.	10,000,000.00	-	-	-	-	-	10,000,000.00	-
Guangzhou Runchuan Investment Co., Ltd.	1,469,812,949.78	-	-	-	-	-	1,469,812,949.78	-
Guangzhou Yitun Swine Industry Investment Co., Ltd.	11,102,158.80	-	-106,488.15	-	-	-	10,995,670.65	-
Enping Fengwo Agriculture and Animal Husbandry Co., Ltd.	904,965.33	-	-11,960.39	-	-	-	893,004.94	-
Guangzhou Meinong Investment Management Co., Ltd.	355,096,574.00	-	31,052,154.00	378,270,098.67	-	-	7,878,629.33	-
Guangzhou Haifengchang Enterprise Management Co., Ltd.	500,000.00	-	-	500,000.00	-	-	-	-
Guangzhou Danong Enterprise Management Co., Ltd.	500,000.00	-	-	-	-	-	500,000.00	-
LANKING PTE.LTD.	631,108,679.14	-	82,278,169.00	-	-	-	713,386,848.14	-
BINH DINH HAI LONG CO.,LTD	150,782.79	-	-113,414.64	-	-	-	37,368.15	-
Haid International Group Limited	244,689,517.90	-	3,744.34	-	-	-	244,693,262.24	-
HAI DUONG HAID COMPANY LIMITED	1,538,324.60	-	-523,016.69	-	-	-	1,015,307.91	-
SHENG LONG INTERNATIONAL LTD.	262,308.02	-	-	-	-	-	262,308.02	-
VINH LONG HAI DAI CO.,LTD	775,536.47	-	-376,268.14	-	-	-	399,268.33	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
SHENG LONG BIO-TECH INTERNATIONAL CO.,LTD	2,904,540.04	-	-113,805.54	-	-	-	2,790,734.50	-
THANG LONG(VINH LONG)BIOTECH CO.,LTD	152,202.14	-	16,598.86	-	-	-	168,801.00	-
LONG SHENG INTERNATIONAL CO.,LTD	215,648.20	-	-3,881.46	-	-	-	211,766.74	-
Haid Lanking International Trading Inc.	174,053.91	-	-3,117.83	-	-	-	170,936.08	-
HAID FEED COMPANY LIMITED	1,006,362.53	-	-279,720.51	-	-	-	726,642.02	-
SHENGLONG BIO-TECH(INDIA)PRIVATE LIMITED	916,262.32	-	-14,554.35	-	-	-	901,707.97	-
Guangzhou Haid Feed Co., Ltd.	14,139,332.68	-	38,175.61	-	-	-	14,177,508.29	-
Shenzhen Longreat Trading Co., Ltd.	1,537,089.13	-	-2,290.67	-	-	-	1,534,798.46	-
Guangzhou Changsheng Logistics Co., Ltd.	10,642,131.95	-	-2,705.69	-	-	-	10,639,426.26	-
Dalian Haid Rongchuan Trading Co., Ltd.	50,541,608.21	-	3,499.20	-	-	-	50,545,107.41	-
Sichuan Haile Agriculture and Animal Husbandry Co., Ltd.	16,502,976.53	-	-	-	-	-	16,502,976.53	-
Xinjiang Xiyu Haihua Products Co., Ltd.	54,345.60	-	-	54,345.60	-	-	-	-
Rongcheng Yandun Horn Fish Meal Co., Ltd.	14,140.87	-	-254.53	-	-	-	13,886.34	-
PT.HAIDA SURABAYA TRADING	131,284.06	-	-59,815.15	-	-	-	71,468.91	-
Haid Supply Chain	-	-	24,100,000.00	-	-	-	24,100,000.00	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year		Allowance for impairment during the current Period	Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period				
Management (Zhuhai) Co., Ltd								
Yingkou Fengmu Agricultural Development Co., Ltd.	52,623.60	-	59,699.08	112,322.68	-	-	-	-
Guangzhou Haiki Technology Co., Ltd.	1,618,463.31	-	137,261.51	-	-	-	1,755,724.82	-
Guangdong Haid International Trade Co., Ltd.	100,000,000.00	-	-	-	-	-	100,000,000.00	-
Sanya Fengmu Agricultural Development Co., Ltd.	26,514.13	-	-477.20	-	-	-	26,036.93	-
Guangzhou Anan Logistics Co., Ltd.	276,068.48	-	16,628.12	-	-	-	292,696.60	-
Xiyu Haisheng (Guangzhou) Supply Chain Co., Ltd.	72,922.19	-	8,416.30	-	-	-	81,338.49	-
Sichuan Haimufeng Agriculture Co., Ltd.	57,646.42	-	36,511.51	-	-	-	94,157.93	-
Guangdong Huashite Testing Technology Co., Ltd.	3,849.46	-	5,205.24	-	-	-	9,054.70	-
Guangzhou Haihan Treasury Technology Co., Ltd	-	-	500,000.00	-	-	-	500,000.00	-
Guangzhou Hualaike Testing Technology Co., Ltd	-	-	1,000,000.00	-	-	-	1,000,000.00	-
Shandong Fengying Food Co., Ltd.	432,461.81	-	3,086.86	-	-	-	435,548.67	-
Jiaxiang Haiying Food Co., Ltd.	100,865.40	-	-4,206.49	-	-	-	96,658.91	-
Linxi Haiying Food Co., Ltd.	118,416.13	-	-12,785.46	-	-	-	105,630.67	-
Yiyuan Haiying Food Co., Ltd.	142,544.28	-	-8,136.73	-	-	-	134,407.55	-
Zouping Haiying Food Co., Ltd.	156,966.32	-	-3,237.06	-	-	-	153,729.26	-

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year				Others	2023.12.31	Closing balance of provision for impairment
			Increase in the current period	Decrease in the current period	Allowance for impairment during the current Period				
Zhongshan Yugezi Food Co., Ltd.	339,187.56	-	7,742.36	-	-	-	346,929.92	-	
Binzhou Haiying Food Co., Ltd.	60,145.83	-	-11,861.27	-	-	-	48,284.56	-	
Qingyuan Ronghai Breeding Technology Co., Ltd.	70,437,316.49	-	32,431.12	-	-	-	70,469,747.61	-	
Guangzhou Haiyuan Factoring Co., Ltd.	50,175,045.91	-	3,059.21	-	-	-	50,178,105.12	-	
Guangzhou Haiyuan Microfinance Co., Ltd.	503,062,008.24	-	-57,910.82	-	-	-	503,004,097.42	-	
Guangzhou Haiyin Financing Guarantee Co., Ltd.	251,436,735.44	-	-61,293.58	-	-	-	251,375,441.86	-	
Hubei Haiqi Technical Service Co., Ltd.	504,766.84	-	-5,906.98	-	-	-	498,859.86	-	
Guangdong Haiqi Investment Co., Ltd	-	-	30,000,000.00	-	-	-	30,000,000.00	-	
Guangzhou Haifeng Breeding Service Co., Ltd.	38,568.33	-	16,168.22	-	-	-	54,736.55	-	
合计	9,492,891,848.44	-	1,916,596,736.00	433,578,580.26	8,112,320.66	-	10,967,797,683.52	8,112,320.66	

(2) Investment in Associate and joint ventures

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year							Other	2023.12.31	Closing Balance of Provision for Impairment
			Increase in the current period	Decrease in the current period	Investment gains or losses Recognized under the Equity Method	Adjustment in Other Comprehensive income	Changes in Other Equity	Cash Dividends or Profits declared	Provision for Impairments			
Associate												

Investee	2022.12.31	Impairment reserve beginning balance	Movements during the year					2023.12.31	Closing Balance of Provision for Impairment				
			Increase in the current period	Decrease in the current period	Investment gains or losses Recognized under the Equity Method	Adjustment in Other Comprehensive income	Changes in Other Equity			Cash Dividends or Profits declared	Provision for Impairment	Other	
Bangpu Seed Technology Co., Ltd	10,518,210.65	-	-	-	-	357,434.09	-	-	-	-	-	10,160,776.56	-

3. Operating income and operating cost

Item	Year ended 31/12/2023		Year ended 31/12/2022	
	Income	Cost	Income	Cost
Principal activities	2,872,467,800.14	1,272,475,149.10	2,686,425,953.01	1,290,424,971.73
Other operating activities	67,014,949.21	3,832,681.69	66,925,970.93	3,775,442.17
Total	2,939,482,749.35	1,276,307,830.79	2,753,351,923.94	1,294,200,413.90

4. Investment income

Item	Year ended 31/12/2023	Year ended 31/12/2022
Income from long-term equity investments by using the cost method	526,996,012.23	973,932,387.53
Income from long-term equity investments by using the equity method	-357,434.09	1,276,430.90
Investment income from disposal of long-term equity investments	-8,114,691.19	-1,469,137.47
Investment income from held-for-trading financial assets	-	5,713,078.32
Investment income from other non-current financial assets	1,503,844.94	1,256,326.21
Investment income from disposal of held-for-trading financial assets	2,289,298.75	3,390,304.05
Investment income from disposal of non-current financial assets	-	15,649,338.53
Total	522,317,030.64	999,748,728.07

XVII. Supplementary Information

1. Details of non-recurring gain or loss during the current period

Item	Year ended 31/12/2023	Note
Gain or loss on disposal of non-current assets	9,004,677.06	
Government grants charged to current profit or loss (excluding government grant given in the Company's ordinary course of business at fixed quotas or amounts as per government's uniform standards)	59,119,428.77	
Except for the effective hedging activities related to the Company's ordinary activities, profit or loss arising from changes in fair value of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, other non-current financial assets, and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities, other non-current financial assets.	147,165,591.84	
Profits or losses from external entrusted loans	326,833.38	
Reversal of provision for bad and doubtful debt where accounts receivable are individually tested for impairment	14,802,077.94	
Other non-operating incomes and expenses, except for the above	-8,642,137.95	
Other gain or loss satisfied the definition of non-recurring gain or loss	-	
Total non-recurring gain or loss	221,776,471.04	
Less: impact of Income tax	9,966,547.74	

Item	Year ended 31/12/2023	Note
Net amount of non-recurring gain or loss	211,809,923.30	
Less: impact of non-controlling interests (net of tax)	12,045,507.74	
Non-recurring gain or loss attributable to the ordinary shareholders	199,764,415.56	

2. Return on Equity (ROE) and Earnings per Share (EPS)			
Net profit of Reporting Period	Weighted average ROE (%)	EPS Basic EPS	Diluted EPS
Net profit attributable to ordinary shareholders of the Company	14.53	1.66	1.66
Net profit attributable to ordinary shareholders of the Company after deducting the non-recurring gain or loss	13.47	1.54	1.54