

TABLE OF CONTENTS

	Pa
I. INTERPRETATION	2
II. CORPORATE INFORMATION	3
III. MANAGEMENT DISCUSSION AND ANALYSIS	4
IV. SIGNIFICANT MATTERS	12
V. CHANGES IN SHARES AND SHAREHOLDERS	13
VI. DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT	16
VII. OTHER INFORMATION	18
VIII. FINANCIAL STATEMENTS (UNAUDITED)	176.A

INTERPRETATION

I e, , e e e e, ebe e m a e ef e a :

AS a e	rea	O d a a e ed e SSE a m a a e f RMB1.00 e a e eC n a ' a e c a, a, c b e d a d a d e d RMB
AFR	rea	A e a e e a m e a
B a d	rea	e b a d f d e c f e C n a
C a PRC	rea	T e P e, e' R e c f C a
D e c ()	rea	e d e c () f e C n a
EBITDA	rea	E a b e f e e e, a, d e, e c a a d a m a
HS a e	rea	F e a e ed e SEHK a m a a e f RMB1.00 e a e eC n a ' a e c a, a, c b e d a d a d e d H K d a
H K	rea	H K S e c a A d m a e R e f e P e, e' R e c f C a a
H K L R e	rea	R e G e e L EMC / S a T m f C a) T E T E M C / S a M e L 6 /

MANAGEMENT DISCUSSION AND ANALYSIS

As of 30 June 2023, the net income before income tax of 62% of the Company's revenue, and 44% of the revenue before income tax of the Company, and the net income of the Company. Net income before income tax of 38% of the Company's revenue, and 56% of the revenue before income tax of the Company, compared to the revenue of the Company.

II. COMPETITIVE STRENGTH DURING THE REPORTING PERIOD

Established in 1907, the Company is a leading manufacturer and supplier of 100% pure cement, with a total capacity of 500 MVA. Since the establishment of SSE in 1994, the Company has been committed to providing high-quality products and services, and has been recognized as a leading manufacturer of cement in the industry. The Company has a long history of providing high-quality products and services, and has been recognized as a leading manufacturer of cement in the industry. The Company has a long history of providing high-quality products and services, and has been recognized as a leading manufacturer of cement in the industry.

During the Reporting Period, the Company has achieved a significant increase in its production capacity, and has been recognized as a leading manufacturer of cement in the industry. The Company has a long history of providing high-quality products and services, and has been recognized as a leading manufacturer of cement in the industry.

Please refer to the "3. COMPETITIVE STRENGTH DURING THE REPORTING PERIOD" section of the Company's 2022 Annual Report for details.

III. DISCUSSION AND ANALYSIS ON BUSINESS OPERATION

In the first half of 2023, the Company achieved a significant increase in its production capacity, and has been recognized as a leading manufacturer of cement in the industry. The Company has a long history of providing high-quality products and services, and has been recognized as a leading manufacturer of cement in the industry.

In the first half of 2023, the Company achieved a significant increase in its production capacity, and has been recognized as a leading manufacturer of cement in the industry. The Company has a long history of providing high-quality products and services, and has been recognized as a leading manufacturer of cement in the industry.

MANAGEMENT DISCUSSION AND ANALYSIS

[illegible]

De Re, Pe d, e C n a ad eed ee a d cab de e v me ,v c c
eff a ee e, edc em , edc c m a d c .T cea e a e a e

MANAGEMENT DISCUSSION AND ANALYSIS

IV. MAJOR OPERATIONS DURING THE REPORTING PERIOD

1. Changes of Items in Income Statement and Cash Flow Statement

Unit: RMB

	Amount	Amount	Change (%)
	2023	2022	
Operating income	15,831,572,500	14,389,448,963	10.02
Operating profit	11,971,182,161	10,357,040,560	15.58
Operating profit attributable to equity holders of the company	691,696,836	709,133,292	-2.46
Operating profit attributable to equity holders of the company and non-controlling interests	802,033,113	723,755,898	10.82
Operating profit attributable to equity holders of the company and non-controlling interests	245,237,036	164,831,907	48.78
Operating profit attributable to equity holders of the company and non-controlling interests	58,342,983	45,693,691	27.68
Operating profit attributable to equity holders of the company and non-controlling interests	2,127,167,281	1,267,008,618	67.89
Operating profit attributable to equity holders of the company and non-controlling interests	2,221,519,537	-3,121,618,364	28.83
Operating profit attributable to equity holders of the company and non-controlling interests	2,054,800,997	226,934,452	-1,005.46

- (1) The decrease of operating profit attributable to equity holders of the company and non-controlling interests of 2023 compared with 2022 is mainly due to the decrease of operating profit attributable to equity holders of the company and non-controlling interests.
- (2) The decrease of operating profit attributable to equity holders of the company and non-controlling interests of 2023 compared with 2022 is mainly due to the decrease of operating profit attributable to equity holders of the company and non-controlling interests.
- (3) The decrease of operating profit attributable to equity holders of the company and non-controlling interests of 2023 compared with 2022 is mainly due to the decrease of operating profit attributable to equity holders of the company and non-controlling interests.

MANAGEMENT DISCUSSION AND ANALYSIS

2. Assets and Liabilities

Unit: RMB

	Cash and cash equivalents	Prepaid expenses and other receivables	Accounts receivable	Other receivables	Inventory	Other assets
	Balance	Proportion (%)	Balance	Proportion (%)	Balance	Balance
Head office and subsidiaries	1,519,104		41,711,538	0.06	96.36	Long-term equity investments
Non-current assets	326,222,154	0.50	545,960,470	0.85	40.25	Intangible assets
Current assets	2,168,543,120	3.31	1,382,631,200	2.15	56.84	Scale of RMX business
RMX - foreign exchange	1,763,558,225	2.69	979,311,070	1.52	80.08	Lease of RMX
Other receivables	1,443,195,375	2.20	915,096,046	1.42	57.71	Held for sale
Lease liabilities	1,323,512,847	2.02	759,905,754	1.18	74.17	Lease of RMX
Long-term investments	63,948,399	0.10	47,606,682	0.07	34.33	M&A

MANAGEMENT DISCUSSION AND ANALYSIS

3. Other explanations

(1) Capital structure, capital liquidity and financial resources

At the end of the reporting period, the company's total assets were RMB32.062 billion, and the total liabilities were RMB27.719 billion.

At the end of the reporting period, the company's total assets were RMB33.500 billion, and the total liabilities were RMB14.530 billion. The company's financial resources were as follows:

Unit: RMB

	Capital balance	Quantity
Working capital	2,759,660,780	2,786,503,163
1-2 years	2,697,294,180	2,421,597,318
2-5 years	4,106,559,584	4,206,408,619
Above 5 years	454,729,500	654,082,887
Total	10,018,244,044	10,068,591,987

The company's financial resources, including the company's total assets of RMB4.512 billion, are as follows:

The company's financial resources (including the company's total assets) decreased by 51.1% at the end of the reporting period, and the company's financial resources decreased by 52.0% at the end of the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

(2) Pledge of assets

Major restrictions on assets by the end of the Reporting Period

Unit: RMB

	Currency balance
Capital balance	298,064,699
Net receivable	2,020,000
Factorial receivable	400,499
Prepaid	5,556,870
Inventory	22,265,201
Total	328,307,269

The company's assets are pledged to the bank (see Note VII (28)). As of 30 June 2023, the company's assets are pledged to the bank for a total of RMB5,273,086,977 (31 December 2022: RMB4,829,073,769), of which RMB4,527,632,382 are pledged to the bank for the purpose of financing.

The company's assets are pledged to the bank (see Note VII (1), VII (3), VII (5), VII (59)).

(3) Risks of foreign exchange rate fluctuation

The company's assets are pledged to the bank (see Note VII (28)). As of 30 June 2023, the company's assets are pledged to the bank for a total of RMB5,273,086,977 (31 December 2022: RMB4,829,073,769), of which RMB4,527,632,382 are pledged to the bank for the purpose of financing.

Capital expenditure

MANAGEMENT DISCUSSION AND ANALYSIS

CHANGES IN SHARES AND SHAREHOLDERS

1. STRUCTURE OF SHARES

Due to the Report Period, there is no change in the number of shares and the structure of the Company.

2. SHAREHOLDERS

(1) The total number of shares of the Company as at 30 June 2023, is the same as the number of shares of the Company as at 31 December 2022, which is 63,229,000 shares, the same as the number of shares of the Company as at 31 December 2021.

(2) Shareholding of the top 10 registered shareholders of the Company as at 30 June 2023

Unit: million shares

Rank	Shareholder Name	Category	Number of Shares	Percentage (%)
1	HKSCC Nominees Limited	Holder	734,719,989	35.04
2	HOLCHIN B.V.	Holder	451,333,201	21.53
3	Hong Kong Cement Co., Ltd.	Holder	338,060,739	16.12
4	Hong Kong Cement Co., Ltd.	Holder	32,211,000	1.57

CHANGES IN SHARES AND SHAREHOLDERS

(3) Substantial shareholders' and other persons' interests and short positions in the shares and underlying shares of the Company

As at 30 June 2023, the following persons (including Dec, the chief executive officer of the Company) had beneficially owned 5% or more of the issued shares of the Company as recorded in the register of members of the Company as at 30 June 2023. The following table shows the details of the shares and underlying shares of the Company held by the substantial shareholders as at 30 June 2023:

Person's Name	Number of Shares	Percentage of Issued Shares	Percentage of Voting Rights
Hong Kong Cement Co., Ltd.	451,333,201	33.14	21.53
Hong Kong Cement Co., Ltd.	417,902,467	56.88	19.93
Hong Kong Cement Co., Ltd.	869,235,668		41.46
Hong Kong Cement Co., Ltd.	451,333,201	33.14	21.53
Hong Kong Cement Co., Ltd.	384,210,624	52.29	18.33
Hong Kong Cement Co., Ltd.	835,543,825		39.85
Hong Kong Cement Co., Ltd.	451,333,201	33.14	21.53
Hong Kong Cement Co., Ltd.	384,210,624	52.29	18.33
Hong Kong Cement Co., Ltd.	835,543,825		39.85
Hong Kong Cement Co., Ltd.	338,060,739	24.82	16.12
Hong Kong Cement Co., Ltd.	338,060,739	24.82	16.12
Hong Kong Cement Co., Ltd.	338,060,739	24.82	16.12

CHANGES IN SHARES AND SHAREHOLDERS

[illegible]

N e: T e, e ce a e ca e d b e e d e d e a e a a e f e C m a a a 30 J e 2023.

Sae a d c ed ab e, a a 30 J e 2023, e (e a ed ec , e a d e c ef eled e f eC na) ad ee 5% me f e ae a d de ae a ec ded e e e e ed be e, b eC na de Sec 336 f eSFO c dfa bed c ed e C na a d eSEHK de e, fD 2a d 3 fPa XV f eSFO.

(4) Purchase, Sale or Redemption of listed securities of the Company

De Re, Pe d, e e eC na a f do da e, c a ed, d edee med a
ed ede f eC na, edae f e, .

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

1. CHANGE ON THE PROFILE OF DIRECTOR, SUPERVISOR AND SENIOR MANAGEMENT DURING THE REPORTING PERIOD

The -elected Dec, M. Ta Te Hee, a bee a, ed a e H c mHead f Lea a d
De e, me ce Ja a 2023.

The State, M.Z. Ya' a bee a ed a e de e e a ma a f e O e ea Re a d c ma a f O ma 15 Ma c 2023.

The enclosed Decree, M. J. A. H. 1, a bee a / ed a a de, e de d ec f W de
I f ma C .. Ld. 26 Jy 2023.

2. DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

A a 30 Jde 2023, e e e a d f e D ec , e a d c e f e c e f e C n a e a e, e de a e a d d e b e e f e C n a a d / a f a c a e d c v a (e m e a f Pa XV f e SFO) c e e f e d e C n a a d e S E H K v e a D 7 a d 8 f Pa XV f e SFO (c d a e e c e a e a e d e e d a e e d e c f e SFO); a e c d e e e e e d b e e, e de S e c 352 f e SFO; a e e f e d e C n a a d e S E H K e M de C d e e A e d 10 e H K L R e e e a f :

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

3. INTERESTS OF DIRECTORS AND SUPERVISORS IN MATERIAL TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

During the Reporting Period, the Directors and Supervisors have not entered into any material transactions, arrangements or contracts with the Company.

4. THE COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Directors and Supervisors. All Directors and Supervisors have confirmed that they have complied with the Model Code. The Company has also adopted the Model Code for Directors and Supervisors. All Directors and Supervisors have confirmed that they have complied with the Model Code.

5. EMPLOYEE

As at 30 June 2023, the Company had 19,654 employees (including full-time employees).

The Company has adopted a human resources management system, which includes recruitment, training, performance appraisal, compensation and benefits. The Company has also adopted a human resources management system, which includes recruitment, training, performance appraisal, compensation and benefits.

During the Reporting Period, the Company has adopted a human resources management system, which includes recruitment, training, performance appraisal, compensation and benefits. The Company has also adopted a human resources management system, which includes recruitment, training, performance appraisal, compensation and benefits.

OTHER INFORMATION

1. REVIEW OF UNAUDITED INTERIM RESULT

T e C m a a e d a a d c m m e e (Add C m m e e) e m f e f e e c e c m a c e a e
a c a b e c d e v c a e d A v e d 14 e H K L R e . T e Add C m m e e
e b e f e e a d d e f e f a c a e c e d e m a a e m a d e e a
c f e G a e a v d a d c e a d e e e B a d . T e Add C m m e e a e e e d

FINANCIAL STATEMENTS (UNAUDITED)

I. AUDITOR'S REPORT

FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED BALANCE SHEET — continued

30 June 2023

Unit: RMB

	NOTE VII	Cumulative balance	Quarterly balance
Current Assets			
Monetary assets	20	706,300,000	593,415,661
Non-monetary assets	21	748,840,928	729,227,787
Accrued assets	22	7,409,905,544	8,366,283,316
Contract assets	23	748,180,890	681,610,930
Employee benefits payable	24	165,246,080	131,081,719
Tax payable	25	550,672,065	692,510,079
Other payable	26	1,443,195,375	915,096,046
Non-current assets	27	4,617,236,825	4,427,049,341
Other non-current assets		91,233,353	88,609,421
Total Current Assets		16,480,811,060	16,624,884,300
Non-current Assets			
Long-term assets	28	7,224,034,426	7,282,088,824
Deferred assets	29	4,511,667,894	4,426,286,852
Lease assets	30	1,323,512,847	759,905,754
Long-term non-monetary assets	31	2,411,172,569	2,837,076,467
Long-term employee benefits payable	32	63,948,399	47,606,682
Provisions	33	425,487,269	442,260,626
Deferred income	34	282,301,933	291,877,454
Deferred assets	19	672,343,598	586,568,845
Other non-current assets	35	104,940,000	104,940,000
Total Non-current Assets		17,019,408,935	16,778,611,504
TOTAL LIABILITIES		33,500,219,995	33,403,495,804
Shareholders' Equity			
Share capital	36	2,096,599,855	2,096,599,855
Capital reserve	37	2,080,731,537	1,975,889,177
Less: Treasury shares	38	610,051,971	610,051,971
Other comprehensive income	39	131,765,072	-175,257,484
Specified reserve	40	37,644,851	37,644,851
Surplus reserve	41	1,111,880,257	1,111,880,257
Retained earnings	42	23,133,736,300	23,009,600,343
Total Shareholders' Equity		27,718,775,757	27,446,305,028
Non-current assets		4,343,493,151	3,391,875,433
Total Shareholders' Equity		32,062,268,908	30,838,180,461
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		65,562,488,903	64,241,676,265

Legal representative:
L. Ye

Financial representative:
C. e. Qa

Accounting representative:
W. X.

FINANCIAL STATEMENTS (UNAUDITED)

BALANCE SHEET OF THE COMPANY

30 June 2023

Unit: RMB

	Notes	Current Balance	Previous Balance
Assets			
Capital		2,523,899,331	3,371,482,031
Reserves			41,711,538
Surplus		2,100,000	2,657,000
Accumulated Surplus	1	916,108,020	1,064,169,857
Receivable		13,896,316	6,006,461
Prepaid		297,556,324	202,336,689
Other Receivable	2	5,547,576,218	4,853,948,075
Inventory		238,353,168	317,520,810
Non-current Assets		1,580,000	1,580,000
Other Assets		90,575,707	30,437,969
Total Assets		9,631,645,084	9,891,850,430
Liabilities			
Long-term Debt		70,355,216	61,595,884
Long-term Debt	3	13,634,939,621	13,291,077,272
Other Debt		962,012,073	1,012,850,323
Other Non-current Liabilities		28,258,999	25,067,265
Fixed Assets		486,780,033	514,953,103
Current Liabilities		83,788,294	67,298,137
Reserves		46,891,859	49,684,572
Liabilities		109,425,634	110,473,423
Debt		19,999,516	19,235,220
Liabilities		9,760,107	10,875,947
Deferred Assets		31,824,938	7,589,057
Total Liabilities		15,484,036,290	15,170,700,203
TOTAL ASSETS		25,115,681,374	25,062,550,633

FINANCIAL STATEMENTS (UNAUDITED)

BALANCE SHEET OF THE COMPANY — continued

30 June 2023

Unit: RMB

	June 2023	June 2022
Assets		
Current Assets		
Monetary Assets	472,055,387	190,606,110
Accounts Receivable	283,405,586	273,190,074
Contract Assets	39,335,681	30,761,067
Prepaid Expenses	23,162,652	28,132,478
Other Current Assets	112,089,202	131,701,323
Non-current Assets	7,378,335,429	6,772,872,313
Intangible Assets	370,722,433	928,941,258
Total Assets	8,679,106,370	8,356,204,623
Liabilities		
Current Liabilities		
Accounts Payable	1,015,280,000	961,060,000
Contract Liabilities	2,197,570,500	2,196,795,791
Lease Liabilities	36,434,379	35,343,333
Other Current Liabilities	13,559,328	13,559,328
Provisions	6,864,253	6,864,253
Deferred Income	6,104,167	6,875,000
Total Current Liabilities	3,275,812,627	3,220,497,705
TOTAL LIABILITIES	11,954,918,997	11,576,702,328
Shareholders' Equity		
Share Capital	2,096,599,855	2,096,599,855
Capital Reserves	2,394,001,651	2,381,459,845
Reserves	610,051,971	610,051,971
Other Comprehensive Income	40,060,045	1,931,357
Surplus Reserves	1,111,880,257	1,111,880,257
Retained Earnings	8,208,392,630	8,507,891,676
Total Shareholders' Equity	13,160,762,377	13,485,848,305
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	25,115,681,374	25,062,550,633

Prepared by:
L. Ye

Financial Director:
C. Q. A.

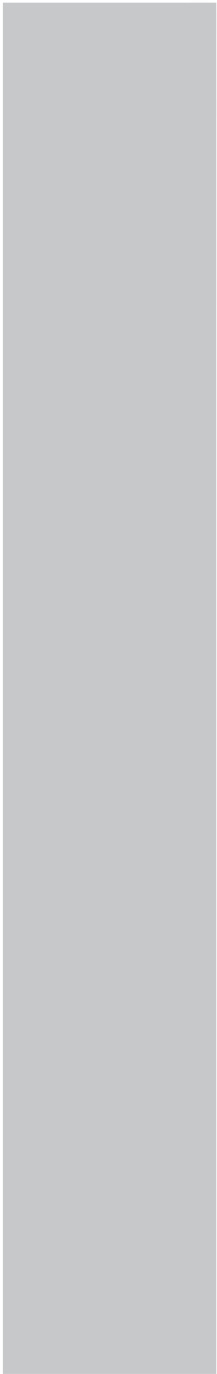
Accountant:

FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED INCOME STATEMENT

From January 1 to June 30, 2023

Unit: RMB



FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED INCOME STATEMENT — continued

For the period ended 30 June 2023

Unit: RMB

	Notes	Amount	Amount
		2023	2022
VI. Operating income, net of tax	39	106,086,375	198,854,792
(1) Operating income attributable to equity holders of the Company		43,492,412	121,168,915
(2) Operating income attributable to non-controlling interests		38,128,688	-12,585,879
1. Cost of sales		38,128,688	-12,585,879
(2) Operating income attributable to non-controlling interests		81,621,100	133,754,794
1. Earnings before income tax		81,621,100	133,754,794
(2) Operating income attributable to non-controlling interests		62,593,963	77,685,877
VII. Tax income		1,456,029,094	1,881,746,075
(1) Tax income attributable to equity holders of the Company		1,236,052,807	1,708,008,572
(2) Tax income attributable to non-controlling interests		219,976,287	173,737,503
VIII. Earnings before tax			
(1) Earnings before tax attributable to equity holders of the Company		0.58	0.77
(2) Earnings before tax attributable to non-controlling interests		0.57	0.77

For the period ended 30 June 2023, the consolidated income statement is prepared on the basis of the accounting records maintained by the Company and its subsidiaries.

Prepared by:
L. Ye

Facilitated by:
C. Q. A.

Accountant:
W. X.

FINANCIAL STATEMENTS (UNAUDITED)

INCOME STATEMENT OF THE COMPANY

For the period ended 30 June 2023

Unit: RMB

	Notes	Amount	Amount
		in thousands	in thousands
I. Operating income	4	1,727,451,377	2,355,799,380
Less: Cost of sales			
II. Operating profit			
III. Other income			
IV. Profit before income tax			
V. Income tax expense			
VI. Profit for the period			
VII. Earnings per share			
Basic earnings per share			
Diluted earnings per share			

FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 June 2023

Unit: RMB

	Notes	Amount	Amount
		2023	2022
I. Cash Flow from Operating Activities			
Cash received from sales of goods and services		14,420,847,563	13,666,422,401
Receipts from interest		25,993,271	47,465,337
Other cash receipts	57	327,124,718	244,383,744
Sub-total		14,773,965,552	13,958,271,482
Cash paid for purchases of goods and services		8,992,651,327	9,128,445,040
Cash paid for salaries and benefits		1,351,385,852	1,417,101,170
Paid for interest		1,641,378,037	1,606,349,339
Other cash payments	57	661,383,055	539,367,315
Sub-total		12,646,798,271	12,691,262,864
Net Cash Flow from Operating Activities		2,127,167,281	1,267,008,618
II. Cash Flow from Investing Activities			
Cash received from disposal of subsidiaries		2,231,088,671	3,093,000,000
Cash received from disposal of long-term assets		36,890,482	20,035,077
Net cash received from disposal of subsidiaries, long-term assets and other investments		15,611,513	13,075,326
Net cash received from disposal of subsidiaries and other investments			
Other cash receipts	57	145,236,441	131,718,387
Sub-total		2,428,827,107	3,257,828,790
Cash paid for acquisition of subsidiaries, long-term assets and other investments		1,818,834,799	3,650,384,164
Cash paid for acquisition of subsidiaries and other investments		2,200,000,000	2,459,575,331
Net cash paid for acquisition of subsidiaries and other investments			
Other cash payments	58	595,877,042	24,950,534
Other cash payments	57	35,634,803	244,537,125
Sub-total		4,650,346,644	6,379,447,154
Net Cash Flow from Investing Activities		2,221,519,537	-3,121,618,364

FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED CASH FLOW STATEMENT – continued

For the period ended 30 June 2023

Unit: RMB

	Notes	Amount	Amount
		in thousands	in thousands
III. Cash Flow from Operating Activities			
Cash received from sales of goods		20,655,906	139,000,000
Cash received from interest		1,867,518,405	2,738,373,470
Operating cash received from other activities	57	12,872,717	4,410,181
Sub-total of cash flow from operating activities		1,901,047,028	2,881,783,651
Cash paid for interest		2,621,362,885	816,720,321
Cash paid for dividends and other distributions		1,103,916,346	1,707,994,025
Operating cash paid for other activities	57	230,568,794	130,134,853
Sub-total of cash flow from operating activities		3,955,848,025	2,654,849,199
Net cash flow from operating activities		2,054,800,997	226,934,452
IV. Cash Flow from Investing Activities			
Cash paid for acquisition of subsidiaries		76,006,894	81,170,671
V. Net cash flow from financing activities	58	2,073,146,359	1,546,504,623
Add: Other cash flow from financing activities	58	6,616,021,778	8,550,475,141
VI. Cash flow from financing activities	58	4,542,875,419	7,003,970,518

Legal representative:
L. Ye

Financial controller:
C. Q. A.

Accounting officer:
W. X.

FINANCIAL STATEMENTS (UNAUDITED)

CASH FLOW STATEMENT OF THE COMPANY

For the period ended 30 June 2023

Unit: RMB

	Amount	Amount
	in thousands	in thousands
I. Cash Flow from Operating Activities		
Cash received from sale of goods and services	2,201,164,011	2,859,538,153
Receipts from interest	1,373,748	2,344,176
Other cash receipts	171,574,254	226,055,611
Sub-total cash from operating activities	2,374,112,013	3,087,937,940
Cash paid for purchase of goods	1,414,936,795	2,659,309,586
Cash paid for administrative expenses	151,334,946	175,502,826
Payment for interest	55,434,244	61,106,319
Other cash payments	342,098,522	760,058,932
Sub-total cash paid	1,963,804,507	3,655,977,663
Net Cash Flow from Operating Activities	410,307,506	568,039,723
II. Cash Flow from Investing Activities		
Cash received from disposal of long-term assets	2,200,000,000	3,093,000,000
Cash received from disposal of long-term assets	753,391,813	1,252,005,077
Net cash received from disposal of long-term assets, including disposal of subsidiaries	3,983,404	1,349,823
Net cash received from disposal of long-term assets		
Other cash receipts	1,739,850,000	1,090,186,632
Sub-total cash from investing activities	4,697,225,217	5,436,541,532
Cash paid for acquisition of subsidiaries, including acquisition of subsidiaries	26,673,592	23,066,982
Cash paid for acquisition of subsidiaries	2,200,000,000	230,000,000
Net cash paid for acquisition of subsidiaries	320,000,000	2,393,000,000
Other cash payments	2,002,472,140	2,573,984,011
Sub-total cash paid	4,549,145,732	

FINANCIAL STATEMENTS (UNAUDITED)

CASH FLOW STATEMENT OF THE COMPANY — continued

Firma e data del 30 giugno 2023

U : RMB

Amid f e

A

C

FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the period ended 30 June 2023

Unit: RMB

	30 June 2023									
	Share capital	Capital reserve	Other comprehensive income	Other reserves	Minority interest	Retained earnings	Other equity	Non-controlling interest	Total	
I. Balance at beginning of period	2,096,599,855	1,975,889,177	610,051,971	175,257,484	37,644,851	1,111,880,257	23,009,600,343	27,446,305,028	3,391,875,433	30,838,180,461
II. Balance at end of period	2,096,599,855	1,975,889,177	610,051,971	175,257,484	37,644,851	1,111,880,257	23,009,600,343	27,446,305,028	3,391,875,433	30,838,180,461
III. Movement during the period		104,842,360		43,492,412			124,135,957	272,470,729	951,617,718	1,224,088,447
(1) Tax effect of income				43,492,412			1,192,560,395	1,236,052,807	219,976,287	1,456,029,094
(2) Capital contribution from shareholders		104,842,360						104,842,360	816,587,940	921,430,300
1. Capital contribution									936,819,474	936,819,474
2. Share-based payment related expense		12,703,595						12,703,595		12,703,595
3. Other		92,138,765						92,138,765	120,231,534	28,092,769
(3) Profit distribution							1,068,424,438	1,068,424,438	84,946,509	1,153,370,947
Deduction of							1,068,424,438	1,068,424,438	84,946,509	1,153,370,947
(4) Share repurchase										
1. Share repurchase					137,938,809					
2. Share repurchase					137,938,809					
IV. Balance at end of period	2,096,599,855	2,080,731,537	610,051,971	131,765,072	37,644,851	1,111,880,257	23,133,736,300	27,718,775,757	4,343,493,151	32,062,268,908

FINANCIAL STATEMENTS (UNAUDITED)

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY

Firma e data del 30/06/2023

U : RMB

[illegible]

FINANCIAL STATEMENTS (UNAUDITED)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY OF THE COMPANY — continued

From the end of 2022 to the end of 2023

Unit: RMB

	From the end of 2022 to the end of 2023		From the end of 2021 to the end of 2022		From the end of 2020 to the end of 2021		From the end of 2019 to the end of 2020	
	Share Capital	Capital Reserve	Surplus Reserve	Other Reserve	Surplus Reserve	Other Reserve	Surplus Reserve	Other Reserve
I. Share Capital	2,096,599,855	2,429,495,032	610,051,971	30,331,199	1,111,880,257	8,364,839,311	13,423,093,683	
II. Share Capital	2,096,599,855	2,429,495,032	610,051,971	30,331,199	1,111,880,257	8,364,839,311	13,423,093,683	
III. Share Capital		12,037,333						

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

IV. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS — *continued*

2. Going concern — *continued*

Acc d 10, e m a e re f e G 10, c de a e G 10, a e 10 f ce 10 ca, a

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — *continued*

4. Business combinations — *continued*

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

7. Foreign currency transactions and translation of financial statements prepared in foreign currencies

F e e c e c a a c a e e c d e d , a e c , e c a c e c e b
a a e f e c e c a m a e , e c a e a e a a c d a e . A e
b a a c e e e d a e , f e c e c m e a e m a e a a e d e , e c a e a e
b a a c e e e d a e . A e e e c a e d f f e e c e a e a e , f , e c e , f
e a f e c e c b , e c f c a f a c a d c c f a e a f e d
f c a a a , c a e c a a e d a c c d a c e , c e f c a a a f b
c . N - m e a f e c e c e m e a e d a c a c a b e a a e d a e
e c a e a e , e a a c d a e , e e a m d e m a e d e
c a c e c e d c a e . N - m e a f e c e c e m e a e d a f a a e a e
a a e d a e , e c a e a e , e a e d a e c e f a a e a e d e e m e d .
T e e e c a e d f f e e c e a e e c e d , f a e c m e e e c m e
f e c e e d d e e d e a e f e - m e a e m

F e c c a f a d e c a f f e d a e a e a e d e e a e a e
e c a e a e f e e d c e c a f c o (U e a a e e c
e c a e a e a a e a e f e e c a e a e c a e, c e m b e a a e d a e
e c a e a e a e a e d a e e c a f c o e d). T e e f f e c f e c a e a e
c a e c a e a e e e e d a a a d e m e m e a e m e f c a f .

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – continued

8. Financial instruments

Financial assets and liabilities are measured at fair value. The fair value of financial assets and liabilities is determined by reference to the quoted market prices in an active market.

Recognition and derecognition of financial instruments

Financial assets are recognized when the company has entered into a contract that gives it the right to receive cash or another financial asset. Financial liabilities are recognized when the company has entered into a contract that gives it an obligation to deliver cash or another financial asset.

Financial assets are derecognized when the company has transferred all the risks and rewards of ownership to another entity. Financial liabilities are derecognized when the company has transferred all the obligations to another entity.

(1) Financial assets are classified as financial assets at amortized cost, financial assets at fair value through profit or loss, and financial assets at fair value through other comprehensive income.

(2) Financial assets are classified as financial assets at amortized cost, financial assets at fair value through profit or loss, and financial assets at fair value through other comprehensive income. Financial assets at fair value through profit or loss are further classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. Financial assets at fair value through other comprehensive income are further classified as financial assets at fair value through other comprehensive income and financial assets at fair value through other comprehensive income.

If the fair value of a financial asset or financial liability is not readily determinable, the company will use the fair value of the financial asset or financial liability as determined by reference to the quoted market prices in an active market. If the fair value of a financial asset or financial liability is not readily determinable, the company will use the fair value of the financial asset or financial liability as determined by reference to the quoted market prices in an active market.

Receivables are classified as receivables at amortized cost, receivables at fair value through profit or loss, and receivables at fair value through other comprehensive income. Receivables at fair value through profit or loss are further classified as receivables at fair value through profit or loss and receivables at fair value through other comprehensive income. Receivables at fair value through other comprehensive income are further classified as receivables at fair value through other comprehensive income and receivables at fair value through other comprehensive income.

Classification and measurement of financial assets

Financial assets are classified as financial assets at amortized cost, financial assets at fair value through profit or loss, and financial assets at fair value through other comprehensive income. Financial assets at fair value through profit or loss are further classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income. Financial assets at fair value through other comprehensive income are further classified as financial assets at fair value through other comprehensive income and financial assets at fair value through other comprehensive income.

Financial assets are measured at fair value. The fair value of financial assets is determined by reference to the quoted market prices in an active market. The fair value of financial liabilities is determined by reference to the quoted market prices in an active market.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

8. Financial instruments — continued

Classification and measurement of financial assets — continued

The above measurement of financial assets depends on the classification of:

Debt instrument investment measured at amortised cost

Financial assets are classified as financial assets measured at amortised cost if the financial asset meets the following conditions: the business model for managing the financial asset is to hold the financial asset to collect the contractual cash flows; the contractual cash flows are solely payments of principal and interest. Financial assets measured at amortised cost are initially measured at fair value, and subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the financial asset is derecognised, impaired, or matures.

Debt instruments investment at fair value through other comprehensive income

Financial assets are classified as financial assets at fair value through other comprehensive income if the business model for managing the financial asset is to hold the financial asset to collect the contractual cash flows and to sell the financial asset. The contractual cash flows are solely payments of principal and interest. Financial assets at fair value through other comprehensive income are initially measured at fair value, and subsequently measured at fair value. Changes in the fair value of the financial assets are recognised in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss is recognised in profit or loss. Dividends received from the financial assets are recognised in profit or loss when they are received. Other income, such as interest, is recognised in profit or loss when it is received. The financial assets are classified as financial assets at fair value through other comprehensive income if they are held for a period of time and are not held for trading.

Equity instruments investment at fair value through other comprehensive income

The Group's equity investments are classified as equity instruments at fair value through other comprehensive income if they are held for a period of time and are not held for trading. The equity instruments are initially measured at fair value, and subsequently measured at fair value. Changes in the fair value of the equity instruments are recognised in other comprehensive income. When the equity instrument is derecognised, the cumulative gain or loss is recognised in profit or loss. Dividends received from the equity instruments are recognised in profit or loss when they are received. Other income, such as interest, is recognised in profit or loss when it is received. The equity instruments are classified as equity instruments at fair value through other comprehensive income if they are held for a period of time and are not held for trading.

Financial assets at fair value through profit or loss

Equity investments are classified as financial assets at fair value through profit or loss if they are held for trading. The financial assets are initially measured at fair value, and subsequently measured at fair value. Changes in the fair value of the financial assets are recognised in profit or loss. Dividends received from the financial assets are recognised in profit or loss when they are received. Other income, such as interest, is recognised in profit or loss when it is received. The financial assets are classified as financial assets at fair value through profit or loss if they are held for trading.

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

8. Financial instruments – *continued*

Te G' f a c a a b e a e, a e c , c a f e d f a c a a b e a f a a d e
 f , f a c a a b e c a e d a a m e d c . F f a c a a b e a f a a d e
 f , e e a a a c c a e d e c c a e d f f e c e
 e d, a d a a c c e a f a c a a b e c a e d a a m e d c a e c d e d e
 a a m e c e d.

T e ~~o~~ b e ~~o~~ r e m e a ~~o~~ r e m e f f a c a a b e d e d c a f c a a f :

F a c a a b e a f a a d e f a c a a b e e d f a d (c d d e a e a a e f a c a a b e) a d e d e a e d a e c a f a a d e f a c a a b e d f a d (c d d e a e a a e f a c a a b e) a e a b e d e a a e d a f a a d e e c e f e d e a c c e e a c a d e f a a d e a e e c e d f f e d e d . F f a c a a b e d e a e d a a e d a f a a d e f f a c a a b e a e m a e a f a a d e . C a d e f a a d e c a d e d b c a d e e G c e d a e e c e d e c m e e e c m e e e c a d e f a a d e a e e c e d f f e d e d . U e c a d e f a a d e c a d e d b c a d e e G c e d e c e d e c m e e e c m e m a e e a d a c c m m a c e f e G a e c e a c a d e f a a d e (c d d e a m f n a c f c a d e c e d) f f e d e e d .

So, d f f a c a a b e a e d b e d e m e a d d a a m e d c b d e e f f e c e e e a e m e d.

O eba fe, eced ced e, eG ef m e ma me ea me fa ca a e
mea ed a am ed c a d deb me e me a fa a de e
c me e e c me a d ec e e

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – continued

8. Financial instruments – continued

Impairment of financial instruments – continued

For the six months ended 30 June 2023, the Group has not identified any significant impairment of financial instruments. The Group's financial instruments are primarily cash, accounts receivable, and other receivables. The Group's financial instruments are classified as financial assets and are measured at amortized cost. The Group's financial instruments are subject to credit risk, which is the risk that the counterparty will fail to meet its contractual obligations. The Group's financial instruments are subject to credit risk, which is the risk that the counterparty will fail to meet its contractual obligations. The Group's financial instruments are subject to credit risk, which is the risk that the counterparty will fail to meet its contractual obligations.

The Group's financial instruments are subject to credit risk, which is the risk that the counterparty will fail to meet its contractual obligations. The Group's financial instruments are subject to credit risk, which is the risk that the counterparty will fail to meet its contractual obligations. The Group's financial instruments are subject to credit risk, which is the risk that the counterparty will fail to meet its contractual obligations.

Pea e efe N eX.3f eG ' c eaf dee m fca cea e ced a d

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – *continued*

8. *— continued*

Derivative financial instruments

The Group uses derivative financial instruments to hedge its foreign currency exposure. The Group uses forward contracts to hedge its foreign currency exposure. The Group uses forward contracts to hedge its foreign currency exposure.

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

9. Inventories — *continued*

A e b a a c e e e d a e, e e e a e a e d a e e e f c a d e e a a b e a d e. If e c
f e e e e a e e e e a a b e a d e, a_v f d e c e a d e f e e
e c e d f f e o e e d. If f a c a_v e e e e d e_v f
d e c e a d e f e e e e a d e e e e a a b e a d e b e e a e
c a a m_v, e a m_v f e e d e e e d e e f e a m_v f e_v e
f e e e a d e c e d f f e o e e d.

Ne ea abe afe ee maed e , ce e d a c e f b e e ee maed
c c me ad ee maede e e ad e eaed afe ece a ma e e ae. Te
f dec e afe made a d d a ba , ded a f e e afe
a ad e c , e , f dec e afe made a cae ba . F
e e eaed a ee f , d c ma d a d d e a m e a e a , a d f c e
f a e , e de ca ma , a d f d f d ma e emb e , a a e m f m
e e m , e , f dec e afe f e e a e made a c m a ba .

(1) Methods and criteria for recognizing contract assets

T e G $\frac{1}{2}$, e e e d c a c a e c a c a b e e b a a c e e e b a e d e
c e a b e e e $\frac{1}{2}$ e f m a c e f b a a a d $\frac{1}{2}$ e $\frac{1}{2}$ a m e . T e G $\frac{1}{2}$, f f e
c a c a e a a c a c a b e $\frac{1}{2}$ d e e a m c a c a d , e e e e a m $\frac{1}{2}$.

C a c a e efe e c de a e' c a e f d e ce a e
G a a fe ed a c me e a c d ed me e a e
a a e f me.

(2) *Method of determining and accounting for expected credit losses on contract assets*

De a f e G 𐎠𐎡𐎴, de e m a 𐎠𐎡𐎴 d a d a c c 𐎠𐎡𐎴 𐎠𐎡𐎴 e a m e f e 𐎠𐎡𐎴 e c e d c e d e
f c a c a e a e e f N e V. 8.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – *continued*

11. Long-term equity investments

Long-term equity investments are measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee.

When the investee is a subsidiary, the investment is measured at cost less impairment. For a subsidiary, the investment is measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee. When the investee is an associate or joint venture, the investment is measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee. When the investee is a subsidiary, the investment is measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee. When the investee is an associate or joint venture, the investment is measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee. When the investee is a subsidiary, the investment is measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee. When the investee is an associate or joint venture, the investment is measured at cost less impairment, and the carrying amount is adjusted for any change in the share of dividends and other distributions received from the investee.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

11. Long-term equity investments — continued

Under the cost method, the investment cost is measured at the acquisition cost. If the investee declares dividends, the cost method is used to calculate the dividend income. The cost method is used to calculate the dividend income.

The cost method is used to calculate the dividend income. The cost method is used to calculate the dividend income. The cost method is used to calculate the dividend income.

Under the cost method, the investment cost is measured at the acquisition cost. If the investee declares dividends, the cost method is used to calculate the dividend income. The cost method is used to calculate the dividend income.

Under the cost method, the investment cost is measured at the acquisition cost. If the investee declares dividends, the cost method is used to calculate the dividend income. The cost method is used to calculate the dividend income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

11. Long-term equity investments — continued

On the date of acquisition, the Company determines the fair value of the investment. If the fair value is higher than the carrying amount, the difference is recognized as a gain. If the fair value is lower than the carrying amount, the difference is recognized as a loss. The Company uses the cost method to account for long-term equity investments. The carrying amount of the investment is increased or decreased by the Company's share of the investee's net income or loss. Dividends received from the investee are recognized as income. The Company recognizes impairment losses on long-term equity investments when the carrying amount is not recoverable. Impairment losses are recognized in the profit or loss account.

12. Fixed assets

(1) Confirmation conditions

At the end of the reporting period, the Company determines whether there is any indication that the carrying amount of fixed assets may not be recoverable. Indications include: (1) The carrying amount of the fixed asset is significantly higher than its fair value; (2) The fixed asset is idle or its use is restricted; (3) The fixed asset is physically damaged or obsolete; (4) The fixed asset is subject to depreciation or amortization; (5) The fixed asset is subject to impairment losses. If there are any indications, the Company estimates the recoverable amount of the fixed asset. The recoverable amount is the maximum of the fair value less costs to sell and the value in use. If the carrying amount is higher than the recoverable amount, the difference is recognized as an impairment loss.

The Company uses the cost method to account for fixed assets. The carrying amount of the fixed asset is increased or decreased by the Company's share of the investee's net income or loss. Dividends received from the investee are recognized as income. The Company recognizes impairment losses on fixed assets when the carrying amount is not recoverable. Impairment losses are recognized in the profit or loss account.

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — *continued*

14. Borrowing costs — *continued*

Capitalized borrowing costs are calculated based on the weighted average of the borrowing costs incurred during the period. The capitalized borrowing costs are included in the cost of the related asset. The capitalized borrowing costs are calculated based on the weighted average of the borrowing costs incurred during the period. The capitalized borrowing costs are included in the cost of the related asset.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – continued

16. Intangible assets

Measurement, useful life, impairment

Intangible assets are recognized at cost. The cost of an intangible asset acquired separately is the amount of cash or cash equivalents paid, or the fair value of other consideration given, to acquire the asset from the supplier. For an intangible asset acquired as part of a business combination, the cost is the fair value of the asset at the acquisition date. Intangible assets are measured at cost less accumulated amortization and impairment losses. Amortization is calculated on a straight-line basis over the useful life of the asset. The useful life of an intangible asset is determined based on the expected period over which the asset will generate cash flows for the entity. Intangible assets with an indefinite useful life are not amortized.

Intangible assets are tested for impairment at the end of each reporting period. An intangible asset is impaired if its carrying amount exceeds its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. If an intangible asset is impaired, the impairment loss is recognized in profit or loss. An impairment loss is reversed if the asset's carrying amount increases and the reversal does not exceed the carrying amount that would have been determined had no impairment been recognized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – continued

17. Impairment of long-term assets

The Group deems impairment exists when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the maximum of the asset's fair value less costs of disposal and its value in use. When the carrying amount of an asset exceeds its recoverable amount, the carrying amount is reduced to its recoverable amount. The impairment loss is recognized in the profit or loss. The impairment loss for long-term assets is not reversed.

The recoverable amount of an asset is determined by comparing the asset's fair value less costs of disposal and its value in use. The fair value less costs of disposal is the amount that the asset could be sold for in an orderly transaction between market participants at the measurement date. The value in use is the present value of the future cash flows expected to be derived from the asset. The recoverable amount is the maximum of the fair value less costs of disposal and the value in use.

When the recoverable amount of an asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The impairment loss is recognized in the profit or loss. The impairment loss for long-term assets is not reversed.

For the Group, the impairment loss for long-term assets is not reversed. The impairment loss for long-term assets is not reversed.

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

20. Employee benefits — continued

Post-employment benefits (the defined contribution plan) — continued

The company's employees are enrolled in the defined contribution plan. The company pays the contributions to the plan on behalf of the employees. The company does not have any other obligations under the plan.

The company's employees are enrolled in the defined contribution plan. The company pays the contributions to the plan on behalf of the employees. The company does not have any other obligations under the plan.

21. Lease liabilities

The company's lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate. The company's lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate.

The company's lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate. The company's lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate.

The company's lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate. The company's lease liabilities are measured at the present value of the lease payments, discounted using the incremental borrowing rate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – continued

22. Provisions

Except for the case of a doubtful receivable, the company does not recognize any other provisions. The company recognizes provisions for doubtful receivables, based on the following criteria:

- (1) The balance of the receivable is overdue for more than 90 days;
- (2) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue;
- (3) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue.

The company recognizes provisions for doubtful receivables based on the following criteria: (1) The balance of the receivable is overdue for more than 90 days; (2) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue; (3) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue.

23. Share-based payments

The company recognizes share-based payments based on the following criteria: (1) The balance of the receivable is overdue for more than 90 days; (2) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue; (3) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue.

The company recognizes share-based payments based on the following criteria: (1) The balance of the receivable is overdue for more than 90 days; (2) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue; (3) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue.

The company recognizes share-based payments based on the following criteria: (1) The balance of the receivable is overdue for more than 90 days; (2) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue; (3) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue.

The company recognizes share-based payments based on the following criteria: (1) The balance of the receivable is overdue for more than 90 days; (2) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue; (3) The balance of the receivable is overdue for more than 90 days, and the company has taken measures to recover it, but the balance of the receivable is still overdue.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

23. Share-based payments — continued

When the share-based payment arrangement is established, the company shall determine the fair value of the share-based payment. The fair value of the share-based payment shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued.

The fair value of the share-based payment shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued.

24. Preference shares and other financial instruments

On the issuance of the preference shares, the company shall determine the fair value of the preference shares. The fair value of the preference shares shall be determined based on the fair value of the equity instrument issued.

(1) The fair value of the preference shares shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued.

(2) When the company issues the preference shares, the fair value of the preference shares shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued.

On the issuance of the preference shares, the company shall determine the fair value of the preference shares. The fair value of the preference shares shall be determined based on the fair value of the equity instrument issued.

For the preference shares, the company shall determine the fair value of the preference shares. The fair value of the preference shares shall be determined based on the fair value of the equity instrument issued. The fair value of the equity instrument issued shall be determined based on the fair value of the equity instrument issued.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – *continued*

25. Revenue from contracts with customers

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

We are engaged in a fixed performance business. The contract revenue is recognized when the performance obligation is satisfied. The contract revenue is measured at the fair value of the consideration received or receivable. The contract revenue is measured at the fair value of the consideration received or receivable. The contract revenue is measured at the fair value of the consideration received or receivable.

Sales contracts of goods

Sales contracts of goods are entered into with customers. The contract revenue is recognized when the performance obligation is satisfied. The contract revenue is measured at the fair value of the consideration received or receivable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — *continued*

25. Revenue from contracts with customers — *continued*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES – continued

27. Government grants

Government grants are recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

Government grants are recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

Government grants are recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

Government grants are recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

28. Deferred income tax

Deferred income tax is recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

Deferred income tax is recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

(1) Deferred income tax is recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

(2) Deferred income tax is recognized when the company can reasonably be assured that it will receive the grants and that it will comply with the conditions attached to the grants. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized. If the company is not able to receive the grants, the grants are not recognized.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

28. Deferred income tax — continued

A deferred income tax asset is recognized for deductible temporary differences, and a deferred income tax liability is recognized for taxable temporary differences, except for the following: (1) where the taxable temporary difference arises from the initial recognition of goodwill; (2) where the taxable temporary difference arises from the initial recognition of an intangible asset that is not deductible for tax purposes; and (3) where the taxable temporary difference arises from the initial recognition of an investment in a subsidiary, an associate, or a joint venture, and the investor or the joint venturer is able to control the distribution of the profit of the investee and it is probable that no dividend will be paid out for the foreseeable future.

(1) For deductible temporary differences, a deferred income tax asset is recognized for the amount of the deferred income tax that is expected to be used to offset the taxable income in the future.

(2) For taxable temporary differences, a deferred income tax liability is recognized for the amount of the deferred income tax that is expected to be paid in the future. However, a deferred income tax liability is not recognized for taxable temporary differences arising from the initial recognition of goodwill, an intangible asset that is not deductible for tax purposes, or an investment in a subsidiary, an associate, or a joint venture, and the investor or the joint venturer is able to control the distribution of the profit of the investee and it is probable that no dividend will be paid out for the foreseeable future.

A liability for deferred income tax is recognized for the amount of the deferred income tax that is expected to be paid in the future. However, a liability for deferred income tax is not recognized for taxable temporary differences arising from the initial recognition of goodwill, an intangible asset that is not deductible for tax purposes, or an investment in a subsidiary, an associate, or a joint venture, and the investor or the joint venturer is able to control the distribution of the profit of the investee and it is probable that no dividend will be paid out for the foreseeable future.

The carrying amount of a deferred income tax asset is reduced if it is more likely than not that some or all of the deferred income tax asset will not be realized. The carrying amount of a deferred income tax liability is increased if it is more likely than not that some or all of the deferred income tax liability will be realized. The amount of the deferred income tax asset that is expected to be realized is determined based on the amount of the deferred income tax liability that is expected to be realized.

When the carrying amount of a deferred income tax asset is reduced, the amount of the deferred income tax asset that is expected to be realized is determined based on the amount of the deferred income tax liability that is expected to be realized. The amount of the deferred income tax asset that is expected to be realized is determined based on the amount of the deferred income tax liability that is expected to be realized. The amount of the deferred income tax asset that is expected to be realized is determined based on the amount of the deferred income tax liability that is expected to be realized.

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

V. MAJOR ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES — continued

33. Other significant accounting judgments and estimates — continued

Judgments

In the process of preparing the Group's accounts, management has made effective judgments, assumptions and estimates, which may affect the financial effects and amounts recorded in the financial statements:

Business model

The classification of financial assets as measured at amortized cost or at fair value depends on the Group's business model for managing the assets. Factors considered by the Group include the objective of the cash flows, the ability to hold the assets for the long term, and the impact of the classification of financial assets on the financial statements. The classification of financial assets as measured at amortized cost or at fair value is a result of management's judgment and estimation. The classification of financial assets as measured at amortized cost or at fair value is a result of management's judgment and estimation. The classification of financial assets as measured at amortized cost or at fair value is a result of management's judgment and estimation.

Characteristics of contract cash flow

The classification of financial assets as measured at amortized cost or at fair value depends on the Group's business model for managing the assets. Factors considered by the Group include the objective of the cash flows, the ability to hold the assets for the long term, and the impact of the classification of financial assets on the financial statements. The classification of financial assets as measured at amortized cost or at fair value is a result of management's judgment and estimation. The classification of financial assets as measured at amortized cost or at fair value is a result of management's judgment and estimation. The classification of financial assets as measured at amortized cost or at fair value is a result of management's judgment and estimation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

33. Other significant accounting judgments and estimates – *continued*

Provision for decline in value of inventory

Useful lives and residual values of fixed assets

Provisions — Mine restoration obligations

34. Changes in significant accounting policies and accounting estimates

I acc da ce l e, e a N. 16 f e Acc S a d a d f B e E e, e (ASBE) (ASBE [2022] N. 31, e e a f e e f e e d a l e, e a N. 16), Acc f D e f e e d T a e A e a d L a b e A f m l d o a T a a c f c e l a R e c E e m D e N A, - a b e e e f f e c e c e 1 J a 2023, a e e, e m e e a e f m e e a f a c e. T e G, m e e d e a b e a c c, c c e 1 J a 2023. T e m e a f a d f c a m a c e G, f a c a a d e f e a .

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VI. TAXATION — continued

1. Major categories of taxes and respective tax rates — continued

Category	Tax base	Tax rate
Value added tax	<p>For goods sold, processed goods, and services provided, the tax base is the net sales amount excluding VAT. The tax rate is 13% for goods sold, 12% for processed goods, and 6% for services provided.</p> <p>For goods sold, processed goods, and services provided, the tax base is the net sales amount excluding VAT. The tax rate is 13% for goods sold, 12% for processed goods, and 6% for services provided.</p>	1.2%, 12%
Land use tax	<p>For land use, the tax base is the land area. The tax rate is 0.5%.</p>	—
Income tax	<p>For income, the tax base is the taxable income. The tax rate is 25%.</p>	—
Land acquisition tax	<p>For land acquisition, the tax base is the land area. The tax rate is 0.5%.</p>	—

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

1. Major categories of taxes and respective tax rates – *continued*

2. Tax Concessions

T e G 司, 司 da 司 E 司 a E 司 ee 司 C ., L.d. a 司 a ed Ce fcae f
H 司 ad Ne Tec 司 ca E e, eb H 司 P ca Sce ce & Tec 司 De a me
2022. P 司 da e E e, el c me Ta La f e PRC, eab ec ma 司lec a
edced a' a e f 15% f e ea (2022: 15%).

T e G 4, 5 da H a C e m e (H e a X a 4) C ., L d. a 4 a e d C e f c a e f H 4
a d N e T e c 4 c a E e v, e b H e a P c a S c e c e & T e c 4 D e v a m e
2022. P 4 4 e E e v, e l c m e T a L a f e P R C, e a b e c m a 4 b l e c a
e d c e d a 4 a e f 15% f e e a (2022: 25%).

T e G 4, 5 b da H 4, 5 S 4, 5 e - Ne B 4, 5 d 4, 5 Mae a Tec 4, 5 (H 4, 5) C ., L.d. a 4, 5 a ed Ce f ca e f H 4, 5 a d Ne Tec 4, 5 ca E e 4, 5 e b H 4, 5 e P ca S ce ce & Tec 4, 5 De a me 2022. P 4, 5 4, 5 e E e 4, 5 e l c me Ta 4, 5 La f e PRC, e ab e c ma 4, 5 e c a ed c ed a 4, 5 a e f 15% f e ea (2022: 25%).

The Group's total assets as at 31 December 2021 were RMB1,000 million, an increase of 15% from RMB860 million at the end of 2020. The Group's total liabilities as at 31 December 2021 were RMB500 million, an increase of 15% from RMB430 million at the end of 2020. The Group's total equity as at 31 December 2021 were RMB500 million, an increase of 15% from RMB430 million at the end of 2020.

T e G e' d o d a H a C e m e T e c M a a e m e (W a) C ., L d. a a e d C e f c a e f H a d N e T e c c a E e , e b H o b e P c a S c e c e & T e c D e a m e 2020. P a e E e , e l c m e T a L a f e P R C , e a b e c m a o b e c a e d c e d a a e f 15% f e e a (2022: 15%).

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VI. TAXATION – continued

2. Tax Concessions – continued

2.2 VAT

Based on the VAT Prefecture Level Reform Comprehensive Pilot Zone (U.S. and Lab. Service) of the Comprehensive Pilot Zone (Ca. S. [2015] N. 78), the company is eligible for the VAT refund of 70%.

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS

1. Cash and bank balances

	Cash balance	Other balance
Cash	2,409,502	1,100,172
Bank deposits	4,540,465,917	6,549,623,633
Other cash and bank balances	1,009,769,401	487,617,987
Total	5,552,644,820	7,038,341,792
Amount due to: deposits, deposits	1,456,971,349	1,152,053,351
Other:		
Other cash and bank balances	Cash balance	Other balance
Deposits from the bank	158,306,155	134,135,878
Deposits from the bank	17,789,762	20,987,510
Deposits from the bank	119,062,813	160,128,771
Deposits from the bank		100,003,372
Cash and bank balances		65,297,973
Fixed deposits	711,704,702	
Other deposits	2,905,969	7,064,483
Total	1,009,769,401	487,617,987

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

2. Held for trading financial assets

	C l. b a a c	Q, e b a a c e
De a e f a c a a e l e e a e a,		41,711,538
O e	1,519,104	
T a	1,519,104	41,711,538

3. Notes receivable

(1) Classification of notes receivable

	C l. b a a c	Q, e b a a c e
Ba A c c e, a c e B	326,222,154	545,960,470
Le : P f b a d d e b f e e c e a b e		
T a	326,222,154	545,960,470

(2) Among them, pledged notes receivable are as follows:

	P . l c a b a
Ba A c c e, a c e B	2,020,000
T a	2,020,000

(3) Bills endorsed or discounted but not yet due at the balance sheet date are as follows:

	D c . l	N D c . l
Ba A c c e, a c e B		292,448,965
T a		292,448,965

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

4. Accounts receivable

(1) An ageing analysis of accounts receivable is as follows:

Ageing analysis of accounts receivable	Carrying amount	Q/e carrying amount
Within 6 months	1,781,603,416	1,130,096,842
6 to 12 months	325,091,044	164,377,772
Over 12 months	2,106,694,460	1,294,474,614
1 to 2 years	136,515,523	129,150,787
2 to 3 years	57,912,324	34,853,374
Over 3 years	96,052,534	102,009,512
Less: Provisions for bad debts of accounts receivable	228,631,721	177,857,087
Total	2,168,543,120	1,382,631,200

(2) Disclosure by bad debt accrual method

	C a r r y i n g a m o u n t					Q u a r t e r l y c a r r y i n g a m o u n t				
	B a l a n c e a t t h e b e g i n n i n g o f t h e p e r i o d		P r o v i s i o n f o r b a d d e b t s		C a r r y i n g a m o u n t	B a l a n c e a t t h e b e g i n n i n g o f t h e p e r i o d		P r o v i s i o n f o r b a d d e b t s		
	A m o u n t	(%)	A m o u n t	(%)		A m o u n t	(%)	A m o u n t	(%)	
	A m o u n t	(%)	A m o u n t	(%)	A m o u n t	(%)	A m o u n t	(%)		
Receivable from customers	99,947,502	4	96,975,649	97	2,971,853	98,103,130	6	95,999,329	98	2,103,801
Receivable from other parties	2,297,227,339	96	131,656,072	6	2,165,571,267	1,462,385,157	94	81,857,758	6	1,380,527,399
Amount due from customers	469,497,456	/	60,760,105	/	408,737,351	183,447,115	/	24,530,689	/	158,916,426
Amount due from other parties	1,346,572,826	/	65,557,923	/	1,281,014,903	903,041,479	/	46,640,148	/	856,401,331
Amount due from other parties	481,157,057	/	5,338,044	/	475,819,013	375,896,563	/	10,686,921	/	365,209,642
Total	2,397,174,841	/	228,631,721	/	2,168,543,120	1,560,488,287	/	177,857,087	/	1,382,631,200

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

4. Accounts receivable – continued

(2) Disclosure by bad debt accrual method – continued

Receivable's credit bad debt's percentage of the total receivable's :

	Credit bad debt's percentage of the total receivable's				
	Balance at the beginning of the period	Balance at the end of the period	Percentage (%)	Ratio (%)	
Ce A	11,551,093	11,551,093	100	100	100
Ce B	9,028,779	9,028,779	100	100	100
Ce C	6,047,509	6,047,509	100	100	100
Ce D	5,254,652	5,254,652	100	100	100
Ce E	5,052,525	5,052,525	100	100	100
Others	63,012,944	60,041,091	95	95	95
Total	99,947,502	96,975,649	97	97	97

Receivable's credit bad debt's percentage of the total receivable's :

Category of cement receivable:

	Category of cement receivable		
	Balance at the beginning of the period	Balance at the end of the period	Percentage (%)
Within 6 months	402,808,913	40,280,891	10
6-12 months	45,103,842	9,922,845	22
1-2 years	17,125,403	6,678,907	39
2-3 years	5,911	3,015	51
Others	4,453,387	3,874,447	87
Total	469,497,456	60,760,105	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

4. Accounts receivable – continued

(2) Disclosure by bad debt accrual method – continued

Category of concrete receivable:

	Balance at the beginning of the period	Change during the period	Balance at the end of the period	Percentage of the total balance
Within 6 months	998,821,366	29,964,641	3	
6 to 12 months	232,808,853	9,312,354	4	
1 to 2 years	87,497,425	12,249,640	14	
2 to 3 years	17,863,239	7,323,928	41	
Over 3 years	9,581,943	6,707,360	70	
Total	1,346,572,826	65,557,923		

Category of other business receivables:

	Balance at the beginning of the period	Change during the period	Balance at the end of the period	Percentage of the total balance
Within 6 months	379,973,136			
6 to 12 months	47,178,350	471,784		1
1 to 2 years	30,012,099	900,363		3
2 to 3 years	22,035,284	2,203,528		10
Over 3 years	1,958,188	1,762,369		90
Total	481,157,057	5,338,044		

(3) Movement in provision for bad debts:

	Opening balance	Provision for the period	Reversal of provision	Write-off	Closing balance
Bad debt provision	177,857,087	82,724,568	30,913,790	1,036,144	228,631,721
Total	177,857,087	82,724,568	30,913,790	1,036,144	228,631,721

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS — *continued*

4. Accounts receivable — *continued*

(4) *Accounts receivable written off during the period:*

A 元
-

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

5. Receivables financing — *continued*

B e d ed d c ~~d~~ ed b ~~d~~ e d ~~d~~ a e a f :

A a 30 J e 2023, e G , e d e e b ece abe , e e e ade
v a abe d c ed ba f ca .Te G , ma a e me c de ed a e a d
e a d f e , f e e b a e bee b a a a fe ed a d e ef e
de ec ed e e b ece abe a d a m de , e .Te G , c
e me e e de ec ed b ece abe med e e a e a ce ba
f e e b a e e e e a m de e b de .A a 30 J e 2023, e
ma' m e , e f m c e me e , e e e a m f b e b
ece abe e d ed b e G , , e d c ed ba , c a m ed
RMB1,928,574.873 (31 Decembe 2022: RMB1,931,042,708).

(1) *An aging analysis of prepayments is as follows:*

A a 30 de 2023, e e a fca v e a me a e 1 ea . (31 Decembe 2022 N).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

6. Prepayments – continued

(2) The top 5 of the balance of prepayment:

	C u. b a l a n c e	Percentage of total amount (%)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS — *continued*

7. Other receivables — *continued*

Other receivables — continued

(2) Other receivables are classified by nature as follows:

Currency	Balance
Q/e	ba a ce

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

7. Other receivables – continued

Other receivables – continued

(4) The top 5 of the balance of other receivables:

Name	C L. ba a. c	Account	Percentage (%)	C L. ba a. c
Financial assets	162,411,200	W 1 ea	23	
Sec d E ac	45,000,000	1 2 ea	6	
T d G e me	38,927,223	O e 3 ea	6	38,927,223
F Ma a d	38,600,000	W 1 ea , 1 2 ea , 2 3 ea	6	
Ff l e-e e, e a	35,000,000	W 1 ea	5	
T a /	319,938,423	/	46	38,927,223

8. Inventories

(1) Classification of inventories

	C L. ba a. c			Q, e ba a. c		
	Ba a. c	P L		Ba a. c	P f	
	ca L. a L.	c L. L. a L. / a L.	Ca L. a L.	ca L. a L.	dec e a L. / a L.	Ca L. a L.
Ra me a	975,742,031	157,890	975,584,141	1,079,394,528	248,377	1,079,146,151
W v, e	760,164,617	165,122	759,999,495	813,687,931	165,122	813,522,809
F ed d	1,208,469,807		1,208,469,807	1,049,131,023		1,049,131,023
S a e, a	861,265,077	118,990,591	742,274,486	575,607,905	742,274,486	463,322,029
T a	3,805,641,532	119,313,603	3,686,327,929	3,517,821,387		

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

8. Inventories – *continued*

	Q/e	Dec ea e	W e- ff a d	C
	ba a ce	P	Re e a	ba a c
Ra ma e a	248,377	—	90,487	157,890
W v e	165,122	—	—	165,122
F ed d	—	—	—	—
Ş a e a	112,285,876	16,563,005	8,496,936	118,990,591
T a	112,699,375	16,563,005	8,587,423	119,313,603

	C	Q
Re a ed	779,838,567	642,158,558
O e	39,392,032	35,295,971
T a	819,230,599	677,454,529

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

11. Long-term equity investments

	C a l c u l a t e d				C a l c u l a t e d	
	I n c o m e				C a l c u l a t e d	
	e c c l e d				C a l c u l a t e d	
	Q u a r t e r l y	Q u a r t e r l y	Q u a r t e r l y	Q u a r t e r l y	C a l c u l a t e d	C a l c u l a t e d
	b a s e	e n d	e n d	e n d	b a s e	b a s e
I. J o i n t e n v e s t m e n t s	—	—	—	—	—	—
II. A s s o c i a t e d e n v e s t m e n t s						
T b e H o l d i n g s - e c						
B o d y M a e a						
G u o C ., L d.	345,368,185	- 759,300	- 161,789	—	344,447,096	—
S a a W a 'a						
H u a C e m e						
C ., L d.	90,786,053	- 954,662	—	—	89,831,391	—
Z a a l e T a .						
C c e e C ., L d.	2,687,409	444,599	—	—	3,132,008	—
C e f e l e e						
E n d e H o b e						
C ., L d.	45,000	—	—	- 45,000	—	—
M d O m a L L C	—	1,618,350	—	29,599,518	31,217,868	—
S o a	438,886,647	348,987	- 161,789	29,554,518	468,628,363	—
T a	438,886,647	348,987	- 161,789	29,554,518	468,628,363	—

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

12. Investment in other equity instruments

		C a. l		E t
		a a		
		accr a		
		L a		
		L c		
		c		
		L c	Fa a	a
E t e m				
ed c m a e 1		11,724,466		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

13. Fixed assets – continued

(1) Fixed assets

	Br L.	Mac L. a.	O c	T a. , a L.	T a
I. O a, ce					
1. Q e baa ce	18,032,658,256	22,479,965,845	315,334,664	492,897,822	41,320,856,587
2. Add	3,324,655,715	3,967,422,361	31,878,339	27,706,137	7,351,662,552
(1) P c a e	16,298,953	7,873,624	2,211,327	2,030,543	28,414,447
(2) T a f e d f m					
c c v, e	1,945,931,995	1,319,546,110	4,933,396	7,136,112	3,277,547,613
(3) B e c n b a	1,261,770,025	2,419,713,054	22,211,820	14,724,688	3,718,419,587
(4) T a a d f f e e ce					
f f a c a a e n e					
d e m a e d					
f e c e ce	100,654,742	220,289,573	2,521,796	3,814,794	327,280,905
3. Red c	18,447,736	54,925,136	11,261,679	10,691,635	95,326,186
(1) D v, a e e n e	18,447,736	54,925,136	11,261,679	10,691,635	95,326,186
4. C baa ce	21,338,866,235	26,392,463,070	335,951,324	509,912,324	48,577,192,953
II. Acc m a e d d e, e c a					
1. Q e baa ce	5,243,882,654	12,282,713,922	231,270,797	349,234,190	18,107,101,563
2. Add	1,060,949,593	2,556,080,413	29,125,480	35,497,184	3,681,652,670
(1) P					

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

13. Fixed assets – continued

(2) Fixed assets that are temporarily idle are as follows:

	Original value	Accumulated depreciation	Impairment loss	Carrying amount
Buildings	657,798,289	420,505,567	3,814,296	233,478,426
Machinery and equipment	941,098,160	833,016,074	3,735,949	104,346,137
Office equipment	8,096,163	7,704,713	—	391,450
Transportation equipment	23,334,856	23,334,856	—	—
Total	1,630,327,468	1,284,561,210	7,550,245	338,216,013

(3) Fixed assets leased under operating leases are as follows:

	Buildings	Machinery and equipment	Office equipment	Transportation equipment	Total
Original value	21,613,672	15,977,124	1,140,721	1,075,921	39,807,438
Lease liability	6,586,481	3,141,484	111,547	—	9,839,512
Contract liability	15,027,191	12,835,640	1,029,174	1,075,921	29,967,926
Accumulated depreciation	—	—	—	—	—
Prepaid expenses	11,763,455	15,270,258	1,100,944	1,032,885	29,167,542
Prepaid expenses	726,706	55,432	1,104	—	783,242
Lease liability	4,512,357	2,927,513	101,040	—	7,540,910
Contract liability	7,977,804	12,398,177	1,001,008	1,032,885	22,409,874
Carrying amount	7,049,387	437,463	28,166	43,036	7,558,052
Accumulated depreciation	—	—	—	—	—
Prepaid expenses	9,850,217	706,866	39,777	43,036	10,639,896

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

14. Construction in progress

	C u. b a a . c	Q. e . b a a . c e
C o n s t r u c t i o n i n p r o g r e s s	4,582,095,135	6,457,406,302
M a t e r i a l s c o n s u m e d i n c o n s t r u c t i o n i n p r o g r e s s	111,390,712	118,059,329
T a	4,693,485,846	6,575,465,631

Construction in progress

(1) Construction in progress

	C u. b a a . c		Q. e . b a a . c e		
	B a a . c	P	B a a . c e f	P	C a
	c a .	a .	c a .	a .	a .
	a .	a .	a .	a .	a .
H u a x i n A l u m i n u m S e e					
P . l e c	402,250,501	402,250,501	168,685,149	—	168,685,149
H u a x i n I n t e r n a t i o n a l S e e					
P . l e c	360,725,532	360,725,532	320,927,576	—	320,927,576
W a n g d e l d e a P a a a					
a . a . a . a . f					
30 . m . f					
m e c a c a a d a d a e					
P . l e c	334,162,925	334,162,925	450,095,359	—	450,095,359
H u a x i n H u a x i n G e e					
B u d . M a e a B					
T . M a c e - m a d e S a d					
P . l e c	331,553,446	331,553,446	2,333,601,120	—	2,333,601,120
H u a x i n E . m e a					
E . l e e . S e e P . l e c	293,521,811	293,521,811	273,965,578	—	273,965,578
H u a x i n C e m e n t S e e					
P . l e c	265,625,210	265,625,210	253,654,853	—	253,654,853
H u a x i n P a c a n S e e					
P . l e c	124,350,032	124,350,032	112,696,862	—	112,696,862
W a n g d e C e m e n t a f					
e . a . a d e . a					
P . l e c	108,725,518	108,725,518	82,328,919	—	82,328,919
S e e P . l e c f H u a x i n					
I . d e a P a	67,313,041	67,313,041	54,936,600	—	54,936,600
F u c T e m a P . l e c	10,098,919	10,098,919	438,975,207	—	438,975,207
O e	2,273,498,671	10,269,530	1,957,269,549	10,269,530	1,967,539,079
T a	4,571,825,605	10,269,530	6,447,136,772	10,269,530	6,457,406,302

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO THE FINANCIAL STATEMENTS – continued

14. Construction progress – continued

Construction progress – continued

(2) Changes of major construction projects are as below:

	Balance at the beginning of the year	Added	Completed	Transferred	Decreased	Balance at the end of the year	Percentage of completion	Percentage of completion	Accumulated amount of completed	Included in cost of sales	Carrying amount	Settlement method
	(RMB)	(RMB)	(RMB)	(RMB)	(RMB)	(RMB)	(%)	(%)	(RMB)	(RMB)	(RMB)	
Construction progress	4,388,719,238	168,685,149	457,510,192	208,235,938	15,729,502	4,022,501,501	N/A	N/A	14,309,055	3,458,736	3.99	Settlement by bank transfer
Construction progress	4,388,719,238	168,685,149	457,510,192	208,235,938	15,729,502	4,022,501,501	N/A	N/A	14,309,055	3,458,736	3.99	Settlement by bank transfer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS — continued

14. Construction in progress — continued

Construction in progress — continued

(3) Provision for impairment of construction in progress:

	Q/e ba a ce	I c ea e d/e e ea	Dec ea e d/e e ea	C l. ba a c	Rea f e,
Fa a C P /ec f H a E re a E ee	1,520,583	—	—	1,520,583	T e, /ec a bee e ded beca e e e ca ca be ca ed
L d P /ec f H a E re a E ee	5,473,353	—	—	5,473,353	T e, /ec a bee e ded a da f a v a
M R P /ec f E, C ma	1,892,993	—	—	1,892,993	T e, /ec a bee e ded a da f afe v d e v e m f m
M f He a ba , Z	485,436	—	—	485,436	T e, /ec a bee e ded a da f a v a
Ha a X da P /ec	897,165	—	—	897,165	Pe f ma ce ree e, /ec a
T a	10,269,530	—	—	10,269,530	/

Ma a c l. c l. a

	Acc l. ba a c	C l. ba a c l, a l. Ca l. a	Acc l. ba a ce	Q/e ba a ce l ma v	Ca l. a
S, rec a e, re	111,390,712	111,390,712	118,059,329	—	118,059,329
T a	111,390,712	111,390,712	118,059,329	—	118,059,329

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

15. Right-of-use assets

	Land use rights	Buildings	Mac	Accumulated depreciation	Total
	at the beginning of the period	at the beginning of the period	at the beginning of the period	at the beginning of the period	at the beginning of the period
I. Opening balance					
1. Opening balance	367,562,632	374,906,684	372,644,142	356,783	1,115,470,241
2. Add	321,824,286	267,089,266	435,713,180	418,562	1,025,045,294
(1) Newly obtained	305,364,935	266,962,118	435,713,180	405,181	1,008,445,414
(2) Transfer from investment property					
Transfer from investment property					
Transfer from investment property					
Transfer from investment property					
(3) Decrease	1,064,239	127,148	—	—	1,204,768
(4) Decrease	15,395,112	—	—	—	15,395,112
3. Reduction	5,072,286	11,669,832	121,783,508	139,026	138,664,652
(1) Depreciation	5,072,286	11,669,832	121,783,508	139,026	138,664,652
(2) Other	—	—	—	—	—

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

16. Intangible assets

	Local currency		Million US dollars		US dollars		Ten thousand US dollars
	Balance at the beginning of the period	Balance at the end of the period	Balance at the beginning of the period	Balance at the end of the period	Balance at the beginning of the period	Balance at the end of the period	Balance at the end of the period
I. Other intangible assets							
1. Other intangible assets	3,500,417,326	12,694,047,327	565,426,793	168,200,597	294,634,392	17,222,726,435	
2. Add	35,561,668	33,531,172	4,480,817	—	24,946,997	98,520,654	
(1) Purchase	—	3,507,280	4,482,417	—	390,945	8,380,642	
(2) Internal Research and Development	—	—	—	—	—	—	
(3) Business Combination	—	—	—	—	20,531,269	20,531,269	
(4) Transfer from							
Construction, etc.	21,671,471	—	—	—	903,440	22,574,911	
(5) Transfer from							
Financial assets							
Disposal of							
Intangible assets	13,890,197	30,023,892	1,600	—	3,121,343	47,033,832	
3. Reduce	—	171,127,268	—	—	2,919,342	174,046,610	
(1) Disposal	—	171,127,268	—	—	2,919,342	174,046,610	
4. Other intangible assets	3,535,978,994	12,556,451,231	569,907,610	168,200,597	316,662,047	17,147,200,479	
II. Accumulated amortization							
1. Other intangible assets	613,848,915	937,427,857	149,467,615	63,778,064	226,209,726	1,990,732,177	
2. Add	38,192,970	471,693,645	30,159,698	7,382,225	31,096,131	578,524,669	
(1) Purchase	37,732,204	470,500,433	30,159,698	7,382,225	13,245,205	559,019,765	
(2) Business Combination	—	—	—	—	16,630,007	16,630,007	
(3) Transfer from							
Financial assets							
Disposal of							
Intangible assets	460,766	1,193,212	—	—	1,220,919	2,874,897	
3. Reduce							

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

17. Goodwill

(1) Gross value of goodwill

	Q/e ba a ce	I ce ea e b e c mb a	Dec ea e D y a	C ba a c
Hua Cement (Dahe) C., Ltd.	189,057,605	—	—	189,057,605
Cambodia Cement Co., Ltd. T Fac C., Ltd.	125,767,908	—	—	125,767,908
Hua J Cement (Y) a) C., Ltd.	101,685,698	—	—	101,685,698
Shanghai East Cement (H K) Limited	69,557,768	—	—	69,557,768
Hua Cement (E.) C., Ltd.	21,492,135	—	—	21,492,135
NETNIX LIMITED	59,573,587	—	—	59,573,587
Hua Xida Bond Ma e a C., Ltd.	79,313,263	—	—	79,313,263
CHILANGA Cement PLC Y e a C Y	87,794,908	—	—	87,794,908
C ee C.	8,119,042	—	—	8,119,042
Hua Hua R C ee C., Ltd	5,809,669	—	—	5,809,669
Hua Hua Dace C ee C.	—	16,533,093	—	16,533,093

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

18. Long-term deferred expenditures

	Q/e ba a ce	Add	A m a	C ba a c
M e de e , m e c	142,164,060	4,191,853	18,728,946	127,626,967
Re ca e , e e	467,558,944	—	23,249,117	444,309,827
O e				

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS — continued

19. Deferred tax assets/Deferred tax liabilities — continued

(2) Deferred income tax liabilities

	C	ba a c	Q, e	ba a ce
	Ta ab	D	Ta ab e	
	, a	, c a	e, n a	De fe ed c me
	, c	ab	d ffe e ce	a b e
Ca, a a f e e				
De e a b	133,054,578	33,263,644	129,092,745	32,273,186
Ca e fa a e f e				
e e me	43,356,513	10,839,128	45,447,873	11,361,968
e me				
Ca e fa a e f e				
-o e a e	24,397,272	6,099,319	21,205,538	5,301,385
Val a a e ca				
a e b e				
c mb a				
e e, e de				
c m m c	1,278,146,437	322,477,217	1,315,571,953	328,892,988
De, e ca d ffe e ce f				
f ed a e be ee				
acc d a d a ba	2,159,176,847	433,737,463	1,125,940,448	260,008,875
O e	208,649,118	35,494,517	250,360,656	45,922,402
T a	3,846,780,765	841,911,288	2,887,619,213	683,760,804

(3) Deferred income tax assets and deferred income tax liabilities are presented at the net amount after eliminated:

	A	C	D	O, e
	ba a c	ba a c	ba a c	ba a c
	ab	a	ab	a
	a	a	a	a
	ab	a	b	ab
De fe ed c me a b e	169,567,690	448,809,898	97,191,959	387,429,400
De fe ed c me a b e	169,567,690	672,343,598	97,191,959	586,568,845



NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

22. Accounts payable – *continued*

The accounts payable are categorized as follows: for the period ended 30 June 2023, the accounts payable are as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS — *continued*

24. Employee benefits payable — *continued*

(2) *Disclosure of short-term benefits*

	Q/e balance	Add	Reduction	Balance
I. Short-term employee benefits payable, including:				
Salaries and wages payable	82,720,628	938,044,784	921,536,700	99,228,712
II. Staff welfare	354,218	107,141,037	106,398,756	1,096,499
III. Short-term employee benefits payable, including:	2,986,055	103,709,119	86,346,185	20,348,989
Medical insurance	2,448,964	95,956,684	78,580,823	19,824,825
Housing fund	468,612	7,542,079	7,615,449	395,242
Maternity insurance	68,479	210,356	149,913	128,922
IV. Housing fund	1,911,908	77,545,932	78,301,724	1,156,116

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

25. Taxes payable

	C	U. ba a. c	Q, e	U. ba a. ce
E e, e c ne a'		202,716,879		192,343,209
VAT		170,975,980		240,537,438
Re ce a'		2,987,097		7,369,590
E ne a a'		25,652,206		40,688,021
I d a c ne a'		24,547,719		21,147,193
O e		123,792,185		190,424,628
T a		550,672,065	692,51 NN06 T17 e	550,672,065

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

26. Other payables – continued

Other payables

(1) Details of other payables

	C L. ba a. c	Q/e ba a ce
De /	411,122,263	319,848,785
N -c ba e de 'b ba d e		
va be	192,475,852	179,732,967
Pa be f e ac a d e	141,946,792	139,785,187
Am c eced be afa de n a ece /	7,738,759	74,882,462
G e me b	5,000,000	5,000,000
O e	154,133,238	106,518,109
T a	912,416,904	825,767,510

(2) Significant other payables aging more than one year of the Group are as follows:

	C L. ba a. c	Rea f - e / a me
Pa be -c ba e de	139,288,798	U de Pa me
Pa be f e ac a d e	126,208,109	C e a me
T a	265,496,907	/

27. Non-current liabilities due within one year

	C L. ba a. c	Q/e ba a ce
L e mb de e ea	2,087,909,618	2,193,087,502
L e m a be de e ea	2,269,793,851	2,084,119,248
Lea e ab e de e ea	259,533,356	149,842,591
T a	4,617,236,825	4,427,049,341

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

28. Long-term borrowings

Categories of long-term borrowings

	C l. ba a. c	Q, e ba a. ce
Guaranteed b (e 1)	7,377,474,044	6,995,926,978
Cred b	1,908,480,000	2,224,500,000
Pledged b (e 2)	25,990,000	250,420,000
Mortgaged b		4,329,348
L-e mb due e ea Guaranteed b	1,659,159,618	- 1,197,898,154
L-e mb due e ea Cred b	413,040,000	- 898,000,000
L-e mb due e ea Pledged b	15,710,000	- 92,860,000
L-e mb due e ea Mortgaged b		- 4,329,348
T a	7,224,034,426	7,282,088,824

Note: eca fca f l-e mb :

Note 1: A a 30 J e 2023 a d 31 Dece mbe 2022, e a a eed b f e G, e e a a eed b e e e G.

Note 2: A a 30 J e 2023 a d 31 Dece mbe 2022, de a d a d a f c a e a c e, d, eed b f e G, a e e N e VII. 59.

Other e, c d e e a e a e:

A a 30 J e 2023, e a a e e a e f e a b e b e e 2.65% - 7.79% (31 Dece mbe 2022: 2.65% - 7.15%).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS — continued

29. Bonds payable — continued

(2) Changes in bonds payable (Excluding preference shares, perpetual bonds and other financial instruments classified as financial liabilities)

Name	Par value	Issue date	Term	Interest	Original balance	Interest expense	Amortization	Prepaid	Effective	Carrying amount
Overseas bond 2020	100	19 November 2020	5 years	1,973,460,000	2,080,547,640	—	1,053,741	—	78,524,492	2,160,125,873
Bond issued by the company 2021 (Prepaid)	100	25 August 2021	3 years	1,300,000,000	1,298,627,200	—	416,000	—	—	1,299,043,200
Convertible bond 2022 (Convertible bond) (Prepaid) (Convertible bond) (Prepaid)	100	19 July 2022	3 years	500,000,000	498,982,550	—	199,283	—	—	499,181,833
Convertible bond 2022 (Convertible bond) (Prepaid) (Convertible bond) (Prepaid)	100	19 July 2022	5 years	400,000,000	399,186,041	—	159,426	—	—	399,345,467
Total	/	/	/	4,173,460,000	4,277,343,431	—	1,828,450	—	78,524,492	4,357,696,373

(3) Notes to other financial instruments classified as financial liabilities

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

30. Lease liabilities

	C	Q/e
Balance	Balance	Balance
Lease liabilities	1,583,046,203	909,748,345
Lease liabilities due within one year	259,533,356	149,842,591

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

35. Other non-current liabilities

	C L. ba a. c	Q/e 1 ba a ce
Ad a ce a e f d	104,940,000	104,940,000
T a	104,940,000	104,940,000

36. Share capital

	Q/e 1 ba a ce	C L. ba a. c
L ed a e e c f ad		
RMB d a a e	1,361,879,855	1,361,879,855
O e ea ed f e a e	734,720,000	734,720,000
T a a e ca, a	2,096,599,855	2,096,599,855

37. Capital reserve

Q/e 1



NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

38. Treasury shares

	Q/e ba a ce	Add	Redu c	C ba a c
T ea a e f e				

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

42. Retained earnings

	Amount in RMB	Amount of 2022
Retained earnings at the beginning of the period	23,009,600,343	22,405,681,711
Add: Net profit for the period		
Less: Dividends paid (Add: Dividends received)		
Retained earnings at the end of the period	23,009,600,343	22,405,681,711
Add: Net profit for the period		
Less: Dividends paid (Add: Dividends received)		
Retained earnings at the end of the period	1,192,560,395	2,698,868,510
Less: Dividends paid (Add: Dividends received)		
Retained earnings at the end of the period	1,068,424,438	2,094,949,878
Retained earnings at the end of the period	23,133,736,300	23,009,600,343

43. Operating income and costs

(1) Operating income and operating costs

	Amount in RMB	Amount in RMB	Amount in RMB	Amount in RMB
	Income	Cost	Income	Cost
Operating income	15,661,304,291	11,849,623,754	14,231,621,784	10,326,709,591
Operating costs	170,268,209	121,558,407	157,827,179	30,330,969
Total	15,831,572,500	11,971,182,161	14,389,448,963	10,357,040,560

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

44. Tax and surcharges

	A C L	A M f e v e d
C m e a c e a d c a	27,064,666	24,866,701
E d u c a t i o n	14,869,528	13,113,929
R e c e i v e	161,753,440	130,966,209
R e a d e r s	27,521,766	22,761,158
L a b o r	29,004,340	23,183,490
G e n e r a l	25,769,620	30,059,533
O t h e r	37,194,431	22,966,058
T o t a l	323,177,792	267,917,078

45. Selling expenses

	A C L	A M f e v e d
C o m m u n i c a t i o n	225,787,834	227,664,572
S a l e	229,603,500	272,909,423
S a l e	61,868,525	62,592,110
D e p r e c i a t i o n	52,842,244	50,450,982
O t h e r	121,594,733	95,516,205
T o t a l	691,696,836	709,133,292

46. Administrative expenses

	A C L	A M f e v e d
S a l e	408,306,319	393,599,739
D e p r e c i a t i o n	119,874,900	88,238,164
O f f i c e	116,995,803	89,743,514
O t h e r	156,856,091	152,174,481
T o t a l	802,033,113	723,755,898

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

47. Finance costs

	A C	A m f e v v e d
Interest expense	315,768,191	149,218,223
Interest income	58,883,536	44,998,331
Exchange loss	22,690,761	54,476,345
Other	11,043,142	6,135,671
Total	245,237,036	164,831,907

48. Other gains

	A C	A m f e v v e d
Transfer from non-current assets held for sale	21,891,302	42,194,824
Amortization of deferred income	11,854,081	11,904,525
Other	45,059,543	43,909,319
Total	78,804,926	98,008,668

Other non-current assets held for sale were measured at RMB56,913,624 and were valued.

49. Investment income

	A C	A m f e v v e d
Gain from investment in equity instruments	348,987	4,137,669
Income (expense) from investment in equity instruments	1,104,878	
Interest income from fixed deposits and other financial assets	32,830,984	23,611,779
Dividend income from equity instruments		917,725
Interest income from deposits and other financial assets		900,000
Total	34,284,849	21,291,835

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

50. Gains (losses) from changes in fair value

Structure of the financial asset	Amount at the beginning of the period	Amount at the end of the period
Hedge-related financial assets	41,711,538	17,811,422
Other financial assets	3,191,734	-1,345,678
Total	38,519,804	16,465,744

51. Impairment losses on credit

Structure of the financial asset	Amount at the beginning of the period	Amount at the end of the period
Lease receivables		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

53. (Losses) gains on disposal of assets

	A	A.m.f e
	C. L. .	v. v. e d
L e d, a f f e d a e	650,644	- 1,269,886
(L e)/Ga d, a f a b e a e		
Ga d, a f - f e a e	5,960,443	21,791
T a	5,309,799	- 1,248,095

54. Non-operating income

	A	A.m.f e	A.m.f e
	C. L. .	v. v. e d	- e d f e e d
T a f m d, a f - d e a e	319,309	531,398	319,309
I c d : Ga d, a f f e d a e	319,309	531,398	319,309
G e m e a	2,000		2,000
O e	6,127,184	2,361,049	6,127,184
T a	6,448,493	2,892,447	6,448,493

55. Non-operating expenses

	A	A.m.f e	A.m.f e
	C. L. .	v. v. e d	- e d f e e d
T a d, a f - d e a e	6,549,553	6,404,592	6,549,553
I c d : L e e e m e f f e d a e	6,549,553	6,404,592	6,549,553
D a	8,982,796	7,971,480	8,982,796
O e	13,090,607	24,355,789	13,090,607
T a	28,622,956	38,731,861	28,622,956

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – *continued*

57. Notes to items of statement of cash flows

(1) *Other cash receipts relating operating activities*

	A C C O U N T	A m o u n t f e d
Receivable from customers	213,948,407	139,278,736
Government subsidies	45,820,559	40,738,215
Interest income	58,883,536	44,998,331
Others	8,472,216	19,368,462
T a	327,124,718	244,383,744

(2) *Other cash payments relating to operating activities*

	A C C O U N T	A m o u n t f e d
Depreciation and amortization	208,355,283	144,919,094
Office administration expenses	165,603,486	134,081,386
Others	287,424,286	260,366,835
T a	661,383,055	539,367,315

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

59. Assets with restricted titles or right to use

	C u r r e n t	Q u e r r y
Ca a d b a b a a c e	298,064,699	422,320,014
N e e c e a b e	2,020,000	2,720,000
Acc u e c e a b e F a c t	400,499	26,413,178
F e d a e	5,556,870	5,687,992
I a b e a e	22,265,201	27,492,441
T a	328,307,269	484,633,625

U e f e c e d m e a d , e f e N e VII.1.

A a 30 J u n e 2023, e G u , b a e d - e m b b , e d b d a d d e a c a a f RMB5,556,870 (31 D e c e m b e r 2022: RMB5,687,992) a c a e a , e a e e f e N e VII.20 f e - e m b .

A a 30 J u n e 2023, e G u , b a e d - e m b b , e d b a d e a c a a f RMB22,265,201 (31 D e c e m b e r 2022: RMB22,645,577) a c a e a , e a e e f e N e VII.20 f e - e m b .

T e e e e f e G u , b a e d e e , e d e d b a b a - e m b (N e VII.28), a d e a e a e b a a c e f e b a e c e , d e e e e e a a , m a e RMB5,273,086,977 a a 30 J u n e 2023 (31 D e c e m b e r 2022: a a , m a e RMB4,829,073,769), f c e b a a c e f e b a e c e , d e e e f 4,527,632,382 a , c e a d b e e e a e d f m e , e d e a e e , d a e .

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VII. NOTES TO ITEMS IN THE CONSOLIDATED FINANCIAL STATEMENTS – continued

60. Foreign currency monetary items

	Original	Exchange rate	CNY balance
Carrying balance			
Initial USD	85,875,882	7.2258	620,521,949
CNY	18,098,659	1.0000	18,098,659
EUR	1,257,999	7.8771	9,909,380
ZAR	1,698,772	0.3864	656,371
HKD	62,373	0.9220	57,508
RUB	162,793	0.0834	13,570
ZMW	3,787	0.4151	1,572
KES	5,245	0.0515	270
TZS	69,300	0.0031	216
CHF	11	8.0614	89
SGD	2	5.5000	11
Accrued expense			
Initial USD	729,445		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VIII. CHANGES IN SCOPE OF CONSOLIDATION

1. Business combinations not involving enterprises under common control

(1) Business combinations not involving enterprises under common control

Name of the acquiree	Acquisition date	Consideration paid		Percentage of ownership obtained	Date of acquisition	Fair value of identifiable intangible assets	
		Amount	Unit			Amount	Unit
Huaxin Cement Co., Ltd. (Huaxin Cement Co., Ltd.)	17 April 2023	35,000,000	RMB	70%	17 April 2023	53,817,765	RMB
Omni Cement Co., Ltd. (Omni Cement Co., Ltd.)	5 April 2023	1,338,581,611	RMB	59.58%	5 April 2023	293,528,643	RMB

(2) Acquisition consideration and goodwill

Acquisition consideration	Fair value of identifiable intangible assets	
	Amount	Unit
— Cash	35,000,000	RMB
— Other	—	—
Total acquisition consideration	35,000,000	RMB
Less: Fair value of identifiable intangible assets	18,466,907	RMB
Goodwill	16,533,093	RMB

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

VIII. CHANGES IN SCOPE OF CONSOLIDATION — continued

1. Business combinations not involving enterprises under common control — continued

(3) Identifiable assets and liabilities of acquiree at the acquisition date

	Ha Lu a. Hu a. L. Da. L.			
	C L. C	C L., LTD	O a. C L. C	a. C L. C
	Fa a. L.	Ca L.	Fa a. L.	Ca L.
	ac L.	a L.	ac L.	a L.
	a	ac L. a	a	ac L. a
A e :	45,583,536	45,583,536	3,281,035,014	3,695,175,339
Ca a d ba ba a ce	315,635	315,635	1,446,571,729	1,446,571,729
Hed-f - ad f a ca				
a e	—	—	1,460,417	1,460,417
Acc ece abe	15,870,295	15,870,295	163,267,949	163,267,949
Pe a me	—	—	11,871,436	11,871,436
O e ece abe	—	—	14,198,650	14,198,650
I e e	4,374,934	4,374,934	335,029,730	335,029,730
L e me	—	—	—	—
e me	—	—	29,599,518	29,599,518
F ed a e	25,022,672	25,022,672	1,173,425,601	1,660,649,513
C c v e	—	—	16,864,927	16,864,927
R - f e a e	—	—	11,760,208	11,760,208
I a be a e	—	—	3,901,262	3,901,262
De fe ed a a e	—	—	73,083,587	—
Lab e :	19,202,240	19,202,240	1,034,338,789	1,034,338,789
S - e mb	—	—	627,697,000	627,697,000
Acc v a abe	15,863,217	15,863,217	102,624,066	102,624,066
C ac ab	36,330	36,330	9,724,063	9,724,063
E n ee be ef v a abe	—	—	21,073,743	21,073,743
Ta e v a abe	2,087,223	2,087,223	37,735,550	37,735,550
O e v a abe	1,215,470	1,215,470	72,529,671	72,529,671
N - e ab e e	—	—	—	—
e ea	—	—	510,246	510,246
O e e Lab e	—	—	2,510,124	2,510,124
Lea e ab e	—	—	11,588,273	11,588,273
L e me n ee	—	—	—	—
be ef v a abe	—	—	17,084,065	17,084,065
De fe ed a ab e	—	131,261,988	131,261,988	—
Ne A e	26,381,296	26,381,296	2,246,696,225	2,660,836,550
Le : M e e	7,914,389	7,914,389	908,114,614	1,075,510,134
Ne a e ac ed	18,466,907	18,466,907	1,338,581,611	1,585,326,416

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

1. Business combinations not involving enterprises under common control — *continued*

T e G ~~u~~, e, ce fe a ~~u~~ ~~u~~ e, ~~u~~ c a e c de a ~~u~~, me de e m e
e f a a ~~u~~ e f e ~~u~~ e c c ~~u~~ a ' a e a d a b e a a e d a e f, ~~u~~ c a e, a d e
f a a ~~u~~ e a a e d a e f, ~~u~~ c a e, e e e d a b e e e G ~~u~~, ' ~~u~~ e b e e m a e.

Deregistration of subsidiaries

T e G ~~1~~, de e ~~2~~ e ed 2 ~~3~~ b d a e d ~~4~~ ~~5~~ e ea. I f m f e e ~~6~~ b d a e a f :

	P	a	c	b	R a	a
Hwa / Ne Bo d Mae a (W a) C ., LTD	60%	De e a				
Hwa / Ne Bo d Mae a (Ha a) C ., LTD	100%	De e a				

H ₂ a' C cee(W ₂ a cada)C .,Ld.	E ab	re
C a' aH ₂ a' C ceeC .,Ld.	E ab	re
Z a' a' a' H ₂ a' S' ea C ceeC .,Ld	E ab	re
C a' a' H ₂ a' J' C ceeC .,Ld	E ab	re
Z a' a' a' H ₂ a' X' a' C ceeC .,Ld	E ab	re
Na' H ₂ a' P' daB' d' Mae a Tec' C .	E ab	re
Taca' H ₂ a' L' eC ceeC .,Ld	E ab	re
C a' a' H ₂ a' T' C ceeC .,Ld	E ab	re
C a' a' H ₂ a' T' C ceeC .,Ld	E ab	re
H ₂ a' a' a' Ja' re Ne Mae a Tec' C .	E ab	re
Na' H ₂ a' J' C ceeC .,Ld	E ab	re
Ya' a' H ₂ a' Ja' a' C ceeC .,Ld	E ab	re
H ₂ a' Ta ba' C cee(W ₂ a a a')C .,Ld.	E ab	re
H ₂ a' C cee(W ₂ a' a' a')C .,Ld.	E ab	re
C a' a' H ₂ a' Ba C ceeC .,Ld	E ab	re
Na c' H ₂ a' Ne B' d' Mae a C .,Ld	E ab	re
H ₂ a' Ne B' d' Mae a (W ₂ d')C .,Ld.	E ab	re
C a' a' H ₂ a' S' fe' C ceeC .,Ld	E ab	re
H ₂ a' L' c (C a' a')C .,Ld	E ab	re
AbaH d' Ld	E ab	re
S a' a' H ₂ a' P' e C ceeC .,Ld	E ab	re

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

IX. INTERESTS IN OTHER ENTITIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

IX. INTERESTS IN OTHER ENTITIES — continued

1. Equity interests in subsidiaries — continued

(1) Components of the Group — continued

Name of the subsidiary	Place of incorporation	Place of business	Nature of business	Registered capital, RMB'000	Percentage of ownership (%)	
					Direct	Indirect
Huaxin Cement (Leiqing) Co., Ltd.	Leiqing	Leiqing	Production and sale of cement	20,000	90	—
Huaxin Cement (Heilongjiang) Co., Ltd.	Xiangyang	Xiangyang	Production and sale of cement	20,000	100	—
Huaxin Cement (Wangji) Co., Ltd.	Wangji	Wangji	Production and sale of cement	20,200	100	—
Huaxin Cement Co., Ltd.	Fengcheng	Fengcheng	Production and sale of cement	20,000	100	—
Huaxin Cement (Dahua) Co., Ltd.	Dahua	Dahua	Production and sale of cement	18,000	100	—
Huaxin Cement (Jingmen) Co., Ltd.	Jingmen	Jingmen	Production and sale of cement	17,961	51	—
Huaxin Cement (Sangong) Co., Ltd.	Sangong	Sangong	Production and sale of cement	15,000	80	—
Huaxin Cement (Yichang) Co., Ltd.	Yichang	Yichang	Production and sale of cement	15,000	100	—
Huaxin Cement (Xiangyang) Co., Ltd.	Xiangyang	Xiangyang	Production and sale of cement	14,000	100	—
Huaxin Cement (Chongqing) Co., Ltd.	Chongqing	Chongqing	Production and sale of cement	14,000	100	—
Huaxin Cement (Kunming Deyuan) Co., Ltd.	Kunming	Kunming	Production and sale of cement	14,000	100	—
Yunnan Sae-ened Cement Co., Ltd.	Kunming	Kunming	Production and sale of cement	13,038	—	100
Huaxin Cement Nanhai Co., Ltd.	Nanhai	Nanhai	Production and sale of cement	USD2,800	—	100
Huaxin Cement (Zhangji) Co., Ltd.	Zhangji	Zhangji	Production and sale of cement	10,000	60	40
Huaxin Cement (Liaoning) Co., Ltd.	Liaoning	Liaoning	Production and sale of cement	10,000	—	100
Huaxin Cement (Dongying) Co., Ltd.	Dongying	Dongying	Production and sale of cement	9,500	69	—
Huaxin Cement (Jingmen) Co., Ltd.	Jingmen	Jingmen	Production and sale of cement	8,080	100	—
Huaxin Cement (Fangshan) Co., Ltd.	Fangshan	Fangshan	Production and sale of cement	8,000	70	—
Huaxin Cement (Yongji) Co., Ltd.	Yongji	Yongji	Production and sale of cement	8,000	80	—
Huaxin Cement (Macau) Co., Ltd.	Macau	Macau	Production and sale of cement	6,500	100	—
Huaxin Cement (Ezhou) Co., Ltd.	Ezhou	Ezhou	Production and sale of cement	6,000	67	33
Huaxin Cement (Wuxi) Co., Ltd.	Wuxi	Wuxi	Production and sale of cement	6,000	70	30
Cambridge Cement Co., Ltd.	Cambridge	Cambridge	Production and sale of cement	6,000	—	68

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

IX. INTERESTS IN OTHER ENTITIES – *continued*

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

IX. INTERESTS IN OTHER ENTITIES — continued

1. Equity interests in subsidiaries — continued

(1) Components of the Group — continued

Name of the entity	Place of incorporation	Place of business	Nature of business	RMB'000	Percentage of ownership (%)	
					Direct	Indirect
Huaxin Taffcl e me (C b) Ne B d Mae a C .,L.d.	C b	C b	P d c a d a e f a d e a e	10,000	—	51
Huaxin A d e a e (W d e) C .,L.d.	W d e	W d e	P d c a d a e f a d e a e	9,250	—	100
Huaxin Ne B d Mae a (C a a a) C .,L.d.	C a a a	C a a a	P d c a d a e f e a e a	21,300	—	100
F m Pa Ne B d Mae a C .,L.d	F m	F m	P d c a d a e f e a e a	10,000	—	70
Huaxin Ne B d Mae a (Z d) C .,L.d	Z d	Z d	P d c a d a e f e a e a	10,000	—	100
Huaxin (L/a) Ne Mae a E a P e c C .,L.d	L/a	L/a	P d c a d a e f e a e a	6,000	—	70
Huaxin Ne B d Mae a (H a) C .,LTD	H a	H a	P d c a d a e f e a e a	5,000	100	—
Huaxin C d J B d Mae a (W d e) C .,LTD	W d e	W d e	P d c a d a e f e a e a	5,000	—	55
Huaxin Ne B d Mae a C ., L.d.	W a	W a	P d c a d a e f e a e a	5,000	100	—
Huaxin Ne B d Mae a (K d m) C .,L.d.	K d m	K d m	P d c a d a e f e a e a	5,000	—	100
Huaxin Ne B d Mae a (L d a) C .,L.d	L d a	L d a	P d c a d a e f e a e a	5,000	—	55
Huaxin Ne B d Mae a (E) E C .,L.d.	E	E	P d c a d a e f e a e a	4,000	—	100
Huaxin Ne B d Mae a (Z d d) C .,L.d.	Z d d	Z d d	P d c a d a e f e a e a	3,500	—	100
Huaxin E a e E e e C ., L.d	W a	W a	E a d e a d c d a d a e d , a	100,000	100	—
W a C a a d H a E a e E e e	W a	W a	E a d e a d c d a d a e d , a	10,000	—	100
Huaxin E a e E e e (W d e) C .,L.d	W d e	W d e	E a d e a d c d a d a e d , a	6,000	—	100
Huaxin E a e E e e (Z d a) C .,L.d.	Z d a	Z d a	E a d e a d c d a d a e d , a	6,000	—	80

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

IX. INTERESTS IN OTHER ENTITIES — continued

1. Equity interests in subsidiaries — continued

(1) Components of the Group — continued

Name of the subsidiary	Place of incorporation	Place of business	Nature of business	Registered capital (RMB'000)	Percentage of ownership (%)	
					Direct	Indirect
Huaxin Cement (Xian) Co., Ltd.	Xian	Xian	Manufacturing of cement	5,000	—	100
Huaxin Cement (Shaanxi) Co., Ltd.	Shaanxi	Shaanxi	Manufacturing of cement	5,000	—	100
Huaxin Cement (Chongqing) Co., Ltd.	Chongqing	Chongqing	Manufacturing of cement	4,100	—	100
Huaxin Cement (Lanzhou) Co., Ltd.	Lanzhou	Lanzhou	Manufacturing of cement	4,000	—	100
Hubei Dahe Fertilizer Engineering and Technology Co., Ltd.	Hubei	Hubei	Production of fertilizer	6,000	100	—
Hubei Pacific Engineering Co., Ltd.	Hubei	Hubei	Production of fertilizer	3,400	—	100
Hubei Engineering and Technology Co., Ltd.	Hubei	Hubei	Manufacturing of machinery	19,000	100	—
Hubei Cement (Hubei) Engineering and Technology Co., Ltd.	Hubei	Hubei	Manufacturing of machinery	13,000	—	100
Yanhuang Coking and Chemical Co., Ltd.	Yanhuang	Yanhuang	Laboratory and testing	30,000	—	100
Yonghe Xing Chemical Co., Ltd.	Yonghe	Yonghe	Laboratory and testing	4,500	—	100
Hubei (Hubei) Engineering Co., Ltd.	Hubei	Hubei	Engineering	USD25,000	60	40
Yanhuang Building Materials Engineering Co., Ltd.	Yanhuang	Yanhuang	Engineering	305,883	100	—
Hubei Cement (Wujiang) Co., Ltd.	Wujiang	Wujiang	Manufacturing of cement	40,000	100	—
Hubei Cement Co., Ltd.	Wujiang	Wujiang	Manufacturing of cement	13,500	100	—
Hubei Anhui Cement Co., Ltd.	Wujiang	Wujiang	Manufacturing of cement	5,000	100	—
Note: The above information is for the subsidiaries of the Group, and the above information is for the subsidiaries of the Group.						

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

IX. INTERESTS IN OTHER ENTITIES – continued

1. Equity interests in subsidiaries – continued

(2) Significant non-wholly subsidiaries

Subsidiary	Shareholding percentage (%)	Paid-up capital (RMB)	Total assets (RMB)	Total liabilities (RMB)	Net assets (RMB)
Huaxin H K (China A share)					
Ilum Limited	49%	95,734,987	95,692,930	57,545,826	38,147,104
Huaxin H K Gee					
Bold Mae a C., Ltd					

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

IX. INTERESTS IN OTHER ENTITIES – continued

2. Equity interests in joint ventures or associates

(1) Joint ventures or associates

Name	Partner	Partner	Partner	Registered Capital	Proportion (%)	Accounting Method
Xiaohu - ec Building Materials Group Co., Ltd.	Tbe	Tbe	Production and sales of building materials	272,760,000	43%	Equity method
Saia Wa A Huaxi Cement Co., Ltd.	Saia	Saia	Production and sales of building materials	100,000,000	49%	Equity method
Zaia Ta. C. ce	Saia	Saia	Manufacturing and sales of building materials & equipment	10,000,000	30%	Equity method

(2) Summarized financial information of insignificant joint ventures and associates

	Carrying Amount / Assets	Quoted Price / Assets
Joint ventures: G. ca. amount of net assets based on the value of the equity interest - Net value - Other comprehensive income - Total comprehensive income		- 2,937,060 - 2,937,060
Associates: G. ca. amount of net assets based on the value of the equity interest	437,410,495	438,886,647

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

2. Transfers of financial assets – *continued*

A a 30 de 2023, e ca a m f de ba ace, a ce b e d e d e f e e me f acc a a be d c ed e ba b e G, a RMB1,928,574,873 (31 Dec mbre 2022: RMB1,931,042,708). A a 30 de 2023, e m e a ed f m1 12 m. P da e e a f e La f Ne a bel me e de f c m me ca me a a e e f ec e a a e G, (C I me f e e e a ace, a ce ba def . Te G, c de a e a e a fe d b a a a e a de ad, de ec ed e m a d e e ed ca a m f acc a a be. Te m me, e f m e C e me a de c a e a d e d c ed ca f e da e ca a m . Te G, f e, a e fa a de f e C I me f ca .

A a 30 J e 2023, a e e e e c e d e d a e f a f e b e G . N
c m e e e e e e e c e d f e e e e a a a c c m a e b a a a e f e
G . C e I e m e d e c e d f a c a a e . E d e m e e e e d b a c a
e e d e e a .

T e G , e , e d a , a e f f m f a c a e d d a c e f
b e , m a c d c e d , d a d m a e f e e c a e a d
e e a e c e . F a c a e f e G , m a c e d f c a a d b a
b a a c e , e d f a d f a c a a e , e e c e a b e , f a c e c e a b e , a c c e c e a b e .

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS — *continued*

3. Financial Instruments — *continued*

The Group's debt is classified into financial assets and liabilities based on the nature of the debt. The Group's debt is classified into financial assets and liabilities based on the nature of the debt.

Credit risk

The Group's credit risk is managed by the Group's credit management department. The Group's credit risk is managed by the Group's credit management department. The Group's credit risk is managed by the Group's credit management department.

The Group's credit risk is managed by the Group's credit management department. The Group's credit risk is managed by the Group's credit management department. The Group's credit risk is managed by the Group's credit management department.

The Group's credit risk is managed by the Group's credit management department. The Group's credit risk is managed by the Group's credit management department. The Group's credit risk is managed by the Group's credit management department.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS — continued

3. Financial Instruments — continued

Credit risk — continued

Criteria for judging significant increase in credit risk

The Group assesses the credit risk of financial assets at each reporting date to determine whether there has been a significant increase in credit risk since initial recognition. When determining whether there has been a significant increase in credit risk, the Group considers a range of factors, including the debtor's financial position, business performance, and the economic environment. The Group also considers the debtor's payment history and the Group's experience with similar debtors. The Group uses a three-stage model to assess credit risk. Stage 1 is for financial assets that have not experienced a significant increase in credit risk since initial recognition. Stage 2 is for financial assets that have experienced a significant increase in credit risk since initial recognition. Stage 3 is for financial assets that are in default or are expected to be in default within the next 12 months. The Group's credit risk assessment is based on the Group's internal credit rating system, which is subject to regular review and update.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS — continued

3. Financial Instruments — continued

Credit risk — continued

Definition of credit-impaired asset — continued

The credit-impaired asset is a financial asset that is not expected to be able to generate all of the cash flows that are contractually due to the reporting entity.

The credit-impaired asset is a financial asset that is not expected to be able to generate all of the cash flows that are contractually due to the reporting entity. The credit-impaired asset is a financial asset that is not expected to be able to generate all of the cash flows that are contractually due to the reporting entity.

Liquidity risk

The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due. The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due.

The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due. The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due.

The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due. The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due.

The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due. The liquidity risk is the risk that the reporting entity will not be able to meet its financial obligations as they fall due.

30 June 2023

	W L 1 a	1 2 a	2 5 a	0 5 a	T a
S -e mb	718,847,385				718,847,385
N e v a a b e	748,840,928				748,840,928
Acc v v a a b e	7,409,905,544				7,409,905,544
O e v a a b e	1,443,195,375				1,443,195,375
L -e mb	2,378,067,239	2,930,785,308	4,327,237,663	541,569,899	10,177,660,109
B d v a a b e	128,653,280	1,391,492,548	3,133,497,881	162,678,295	4,816,322,004
L -e m v a a b e	2,269,793,851	2,266,191,112	268,721,354	40,563,936	4,845,270,253
Lea e a b e	259,533,356	313,178,368	778,331,018	548,051,247	1,899,093,989
T a	15,356,836,958	6,901,647,336	8,507,787,916	1,292,863,377	32,059,135,587

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS — *continued*

3. Financial Instruments — *continued*

Market risk

Interest rate risk

The Group's exposure to interest rate risk arises from its financial assets and liabilities. The Group's policy is to manage interest rate risk by using a variety of financial instruments.

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

3. Financial Instruments – *continued*

Market risk – continued

Foreign exchange risk — continued

[illegible]

I c ea e/
 (dec ea e) I c ea e/
 e e (dec ea e)
 I c ea e/
 (dec ea e) c m e e e a
 e c a e e e f c m e a e de '
 a e % a f e a' e % a

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

X. RISKS ASSOCIATED WITH FINANCIAL INSTRUMENTS — *continued*

4. Capital management

The management's objective is to ensure the company has sufficient capital to maintain its business operations and to provide a return to shareholders. The management will monitor the capital structure and make adjustments as necessary to ensure the company has sufficient capital to maintain its business operations and to provide a return to shareholders.

The company's capital management strategy is to maintain a stable capital structure and to ensure the company has sufficient capital to maintain its business operations and to provide a return to shareholders. The company will monitor the capital structure and make adjustments as necessary to ensure the company has sufficient capital to maintain its business operations and to provide a return to shareholders.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

XI. DISCLOSURE OF FAIR VALUE

1. Closing fair value of assets and liabilities measured at fair value

	C l a s s i f i c a t i o n			
	L 1	L 2	L 3	T a
I. C a s e s m e a s u r e d a t f a i r v a l u e				
(I) H e d - f a c i n g f a i r v a l u e	29,778,104			29,778,104
1. F a c i n g f a i r v a l u e	29,778,104			29,778,104
(1) I n d e b t				
(2) I n e q u i t y	29,778,104			29,778,104
2. F a c i n g f a i r v a l u e				
(II) O n e s m e a s u r e d a t f a i r v a l u e				
(III) O n e s m e a s u r e d a t f a i r v a l u e			962,012,073	962,012,073
(IV) I n d e b t				
(V) B a n k a c c o u n t s				
(VI) F a c i n g f a i r v a l u e		440,987,622		440,987,622
T a a c c o u n t s m e a s u r e d a t f a i r v a l u e	29,778,104	440,987,622	962,012,073	1,432,777,799
(VII) T a a c c o u n t s m e a s u r e d a t f a i r v a l u e				
(VIII) B a n k a c c o u n t s			153,971,521	153,971,521
1. B a n k a c c o u n t s				
P e f e e c e a c c o u n t s			153,971,521	153,971,521
T a a c c o u n t s m e a s u r e d a t f a i r v a l u e			153,971,521	153,971,521
II. N o n - c a s e s m e a s u r e d a t f a i r v a l u e				
(I) A c c o u n t s m e a s u r e d a t f a i r v a l u e				
T a a c c o u n t s m e a s u r e d a t f a i r v a l u e				
T a a c c o u n t s m e a s u r e d a t f a i r v a l u e				

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

XI. DISCLOSURE OF FAIR VALUE — *continued*

2. **Basis for determining the market price of Level 1 fair value measurement items on recurring and non-recurring bases**

The market price of the fair value measurement items of Level 1 fair value measurement items is determined based on the market price of the fair value measurement items as at 30 June 2023.

3. **Valuation techniques and qualitative and quantitative information of key inputs adopted for Level 3 fair value measurement items on recurring and non-recurring bases**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

XII. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

1. Information of major shareholders of the Company

Name of Shareholder	Address	Nature of Relationship	Registered Capital (RMB)	Percentage of Shareholding	
				Directly (%)	Indirectly (%)
Huaxin B.V.	Amsterdam, The Netherlands	Holder of 41.46% of the shares of Huaxin Cement Co., Ltd.	EUR 100,000	39.85	41.46
Huaxin G.P. Co., Ltd.	Hubei, China	Holder of 16.12% of the shares of Huaxin Cement Co., Ltd.	RMB340,000,000	16.12	16.12

Huaxin B.V. is the sole shareholder of Huaxin Cement Co., Ltd. Huaxin G.P. Co., Ltd. is the sole shareholder of Huaxin Cement Co., Ltd. The shareholding structure of Huaxin Cement Co., Ltd. is as follows:

2. The Company's subsidiaries

See Note IX(1) for details of the Company's subsidiaries.

3. The Company's joint associates

See Note IX(2) for details of the Company's joint associates.



NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

XII. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS — continued

5. Related party transactions

(1) Sales and purchase of goods, provision and receipt of services

Purchases of goods/receipts of services

Related Party	Nature of Transaction	Amount (RMB)	Amount (USD)
Hua Xin Cement Co., Ltd.	Purchase of raw materials	13,821,616	-
Hua Xin Cement Co., Ltd.	Receipt of services	1,079,892	-
Hua Xin Cement Co., Ltd.	Receipt of services	-	3,190,098
Hua Xin Cement Co., Ltd.	Purchase of raw materials	-	601,593

Sales of goods and provision of services:

Related Party	Nature of Transaction	Amount (RMB)	Amount (USD)
Hua Xin Cement Co., Ltd.	Sale of goods	7,590,307	7,707,983
Hua Xin Cement Co., Ltd.	Sale of goods	5,802,243	1,135,938
Hua Xin Cement Co., Ltd.	Provision of services	661,825	527,169

(2) Remuneration for key management personnel

Related Party	Amount (RMB)	Amount (USD)
Remuneration for key management personnel	14,377,628	10,522,057

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

XII. RELATED PARTY RELATIONSHIPS AND RELATED PARTY TRANSACTIONS — continued

6. Amounts due to/from related parties

(1) Account Receivable

R a t i o n a l			A m o u n t	C u r r e n c y	A m o u n t	A m o u n t	A m o u n t
			B a l a n c e	P e r i o d	B a l a n c e	P e r i o d	P e r i o d
			a t	b e g i n n i n g	a t	e n d	a t
Acc	Rece	able	T b e S	h a e H	- e c	X	a
			C e m e	C ., L d.			
					4,561,905		3,869,118
Acc	Rece	able	D i a	h a	L a f a	h e	C e m e
			C ., L d.				
							2,042,752
Acc	Rece	able	S a	h a	W a	' a	H a
			C e m e	C ., L d.			
					1,000,000		1,000,000
Acc	Rece	able	L a f a	h e	C e m e	Z	h a b
							28,039

(2) Accounts Payable

R a t i o n a l			C u r r e n c y	Q u e r t e r	B a l a n c e
Acc	Pa	able	H	m a	C e m e
			L d.		
				2,794,733	2,741,556
Acc	Pa	able	B a	m b	C e m e
			L m e d		
				577,753	565,355
Acc	Pa	able	H	c m	G
			S e	c e	L d
				482,797	460,052
Acc	Pa	able	L a	f a	h e
			S A		
				435,731	426,380
Acc	Pa	able	L a	f a	h e
			H c m	E	h a
			S.A.U.		
				157,927	155,202
Acc	Pa	able	H	c m	T a d
			L d		
				25,030	24,493
Acc	Pa	able	H	c m	T e c
			L d		
				732	716
Acc	Pa	able	L a	f a	h e
			L d		
				616	666
Acc	Pa	able	S	h	A f
			C (P)	L d	
Acc	Pa	able	C	e	f e
			L d		
					160,000
O	e	Pa	able	L a	f a
			h e	ASIA	SDN
			BHD		
				410,394	409,394
O	e	Pa	able	H	c m
			C		
				18,248	18,248
O	e	Pa	able	M a	e
			C ., L d.		
O	e	Pa	able	T b e	S
			h a	e	H
			- e c		
					10,534,132
O	e	Pa	able	X	a
			C e m e	C ., L d.	
					7,491

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

1. Closing fair value of assets and liabilities measured at fair value

The χ^2 test of the expected frequencies of the Pa-A-0 36, 48 and 60 m f m edae f a fe f e ced ae ee m ee c e v v a, ad ee ced ae v e d be ee ad a e a f 33%, 33% and 34% e v ec e . Sae f mPa A-1.1, A-2.1 and A-3 aea c χ^2 v e d f 24 m . Sae f v a A-1.2 ae χ^2 ced 2 bac e a 50% and 50%, ef bac ced f 36 m ad e ec dbac ced f 48 m . Sae f mPa A-2.2 ae χ^2 ced 1 bac a 100%, a c χ^2 v e d f 36 m . Sae f mPa B-0 aea c χ^2 v e d f 48 m .

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

XIII. SHARE-BASED PAYMENTS — *continued*

2. The equity-settled share-based payments are shown below:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

2. Contingencies – *continued*

147

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS

1. Accounts receivable

(1) Disclosure by aging

	Closing balance	Opening balance
Within 1 year		
1-6 months	729,665,941	964,564,999
6-12 months	92,729,324	56,587,366
Subtotal, 1 year	822,395,265	1,021,152,365
1-2 years	67,320,776	25,160,286
2-3 years	41,890,054	25,093,264
Over 3 years	17,568,861	17,372,129
Total	949,174,956	1,088,778,044

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS — continued

1. Accounts receivable — continued

(1) Disclosure by aging — continued

Disclosure by bad debt provision methods — continued

As at 30 June 2023, the balance of accounts receivable bad debt provision is as follows:

Name	Carrying amount				Ratio
	Carrying amount	Bad debt provision	Provision ratio	Provision ratio (%)	
U A	11,551,093	11,551,093		100	Accounts receivable
U B21 T/A (A) (c) (ec be) T/ETEMC /S/a (L) (J) e 202EMC /S/a (L) (J) e 2MCID 11191 N3 0 0 9 308.0327 532.0621 e					

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS — continued

1. Accounts receivable — continued

(1) Disclosure by aging — continued

Disclosure by bad debt provision methods — continued

Category of other business receivable

A t t r i b u t e	C u r r e n t b a l a n c e		E x p e c t e d l o s s r a t e (%)
	Acc o u n t s r e c e i v a b l e	B a l a n c e	
1-6 m	527,772		
6-12 m	117,592	1,176	1
1-2 yea	996,017	29,881	3
2-3 yea	378,022	37,802	10
O v e r 3 yea			90
T o t a l	2,019,403	68,859	

(2) Bad debt provision

C a t e g o r y	Q u a n t i t y b a s e d	P r o v i s i o n	C a l c u l a t e d b a d d e b t p r o v i s i o n		C u r r e n t b a l a n c e
			Rec e i v e a b l e	W e i g h t e d a v e r a g e	
Bad d e b t p r o v i s i o n a c c o u n t b a l a n c e	24,608,187	8,660,730	201,981		33,066,936
T o t a l	24,608,187	8,660,730	201,981		33,066,936

(3) As at 30 June 2023, the top 5 of other receivables were as follows:

	C u r r e n t b a l a n c e		P r o v i s i o n r a t e (%)	C u r r e n t b a l a n c e	
	acc o u n t s r e c e i v a b l e	B a l a n c e		acc o u n t s r e c e i v a b l e	B a l a n c e
F i n a n c i a l i n s t i t u t i o n s	165,738,087		17		
S e c u r i t i e s	119,239,422		13		
T r a d e r e c e i v a b l e s	36,984,418		4		
F i n a n c i a l i n s t r u m e n t s	33,785,722		4	7,141,914	
F i n a n c i a l i n s t r u m e n t s	31,978,195		3		
T o t a l	387,725,844		41	7,141,914	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS — continued

2. Other receivable

	C l. ba a. c	Q/e ba a ce
D de d ece abe		
O e ece abe	5,547,576,218	4,853,948,075
T a	5,547,576,218	4,853,948,075

(1) Disclosure by aging

A l.	C l. ba a. c	Q/e ba a ce
W 1 ea	2,769,582,579	1,660,386,549
1-2 ea	642,168,335	707,202,560
2-3 ea	441,908,148	976,056,381
O e 3 ea	1,680,536,052	1,557,389,880
Le : C ed a a ce	46,619,066	47,087,295
T a	5,487,576,048	4,853,948,075

(2) Classification by nature

Nat	C l. ba a. c	Q/e ba a ce
A m d e f m d a e a d e a e	5,461,018,185	4,839,400,820
Sec d e , d e , a d d e ,	42,857,427	45,095,662
O e	30,319,502	16,538,888
T a	5,534,195,114	4,901,035,370

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB (YUAN))

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

VII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS — continued

3. Long-term equity investments — continued

(1) Subsidiaries — continued

S-b a	Q/e ba a ce	Add a e ne	Dec ea e e ne	P L C L		
				C L ba a c	a L L	ba a c a L
Hua' Ce me (K' m D' c a) C ., L.d.	140,000,000	—	—	140,000,000		
Hua' Ce me (Le' a) C ., L.d.	180,000,000	—	—	180,000,000		
Hua' Ce me (Mac e) C ., L.d.	65,000,000	—	—	65,000,000		
Hua' Ce me (Q' a) C ., L.d.	240,000,000	—	—	240,000,000		
Hua' Ce me (Sa') C ., L.d.	120,000,000	—	—	120,000,000		
Hua' Ce me S' . C ., L.d.	24,600,000	—	—	24,600,000		
Hua' Ce me (Wa' a) C ., L.d.	190,000,000	—	—	190,000,000		
Hua' Ce me (W' a) C ., L.d.	42,000,000	—	—	42,000,000		42,000,000
Hua' Ce me (W' de) C ., L.d.	300,000,000	—	—	300,000,000		
Hua' Ce me (T be) C ., L.d.	50,000,000	—	—	50,000,000		
Hua' Ce me (Xa' a) C ., L.d.	14,658,136	—	—	14,658,136		
Hua' Ce me Xa' a Xa' ce C ., L.d.	40,000,000	—	—	40,000,000		
Hua' Ce me (Xa' a) C ., L.d.	140,000,000	—	—	140,000,000		
Hua' Ce me (Ya') C ., L.d.	653,713,479	—	—	653,713,479		
Hua' Ce me (Yc' a) C ., L.d.	505,589,562	—	—	505,589,562		
Hua' Ce me (Ye' a) C ., L.d.	55,500,000	—	—	55,500,000		
Hua' Ce me (Z a') C ., L.d.	60,000,000	—	—	60,000,000		
Hua' Ce me C' F' C ., L.d.	200,000,000	—	—	200,000,000		
Hua' Ce me (Z' .) C ., L.d.	340,000,000	—	—	340,000,000		
Hua' Ce me (Z') C ., L.d.	240,000,000	—	—	240,000,000		
Hua' (H' K') l e a a H d' L med	157,935,219	—	—	157,935,219		
Hua' Ne B' d' Mae a C ., L.d.	50,000,000	40,000,000	—	90,000,000		
Hua' Ce a A al e me (W' a) C ., L.d.	388,623,689	—	—	388,623,689		
Hua' E' me E' ee C ., L.d.	190,000,000	—	—	190,000,000		
Hua' Hua' Pac a' C ., L.d.	60,229,648	—	—	60,229,648		
Ma' d' S me l e me C ., L.d.	252,000,000	—	—	252,000,000		
W' a W' a' Hua' Ce me C ., L.d.	20,000,000	—	—	20,000,000		
Y' a Hua' C' . Mae a l e me H d' L.d.	977,000,000	—	—	977,000,000		
C' Lafa' S' O Ce me C ., L.d.	253,300,000	—	—	253,300,000		
C' Lafa' D e Ce me C ., L.d.	73,000,000	—	—	73,000,000		
C' Lafa' P e' La e C ee C ., L.d.	40,000,000	—	—	40,000,000		
C' Lafa' Ta ce' C ee C ., L.d.	29,000,000	—	—	29,000,000		
C' Lafa' Ya' Ce me C ., L.d.	4,000,000	25,738,100	—	29,738,100		
Hua' Hua' Gee B' d' Mae a C ., L.d.	1,235,000,000	—	—	1,235,000,000		
Hua' (Ha' a) l e me C ., L.d.	732,000,000	—	—	732,000,000		
Hua' P , e Ma a' me Hua' C ., L.d.	3,000,000	—	—	3,000,000		
Hua' Ne B' d' Mae a (Hua') C ., LTD	50,000,000	—	—	50,000,000		
T a	12,896,923,034	345,738,100	—	13,242,661,134		42,000,000

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

3. Long-term equity investments – *continued*

C a l e f e e d			C a l e f e e d	
l e n e			l e n e	
v / f			v / f	
e c e d			e c e d	
Q u e d e e	O e e		C a l e f e e d	C a l e f e e d
b a a c e	n e d	c a l e	b a a c e	b a a c e
5,368,185	- 759,300	- 161,789	344,447,096	
0,786,053	- 954,662		89,831,391	
6,154,238	- 1,713,962	- 161,789	434,278,487	
6,154,238	- 1,713,962	- 161,789	434,278,487	

	A	C	A	C
	Mil lions	Bil lions	of l lions	of Bil lions
Ma ve a	325,743,521	242,876,141	258,265,962	232,995,583
O ve a	1,401,707,856	1,365,546,781	2,097,533,418	2,064,252,085
T a	1,727,451,377	1,608,422,922	2,355,799,380	2,297,247,668

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

XVII. NOTES TO KEY ITEMS OF THE COMPANY'S FINANCIAL STATEMENTS — continued

5. Investment income

	A	A
Ga f m e me e me e de c me d	794,778,987	1,102,780,000
L e f m e me e me e de e me d	1,713,962	- 4,193,056
D de d c me f e - e f a c a a e d e d e d		917,725
I e me c me f e d - f - a d f a c a a e d e d e d	32,876,390	23,611,778
T a	825,941,415	1,123,116,447

XVIII.SUPPLEMENTARY INFORMATION

1. Breakdown of non-recurring profit or loss for the current period

	A
P f d a f - e a e	- 920,445
G e me a e c e d e f (e a a c a e c e e a e d e C m a ' b e a d a e e e f e d a m e d e e m e d e a a e m e d a c c d a c e e a a a d a d)	

FOR THE SIX MONTHS ENDED 30 JUNE 2023 (UNLESS OTHERWISE STATED, THE UNIT OF THE CURRENCY IS RMB YUAN)

2. Return on net assets and earnings per share (“EPS”)

P	R	L	P	(%)	Ba c EPS	D	EPS
Ne v f a b e d a	a e de f e C m a			4.24	0.58		0.57
Ne v f a f e dedc f - ec							
v f a b e d a	a e de f e C m a			4.16	0.56		0.56