



凤祥食品

# ANNUAL REPORT 2021 年報



## 山東鳳祥股份有限公司 Shandong Fengxiang Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)  
(於中華人民共和國註冊成立的股份有限公司)

股份代號 Stock Code : 9977

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# CORPORATE INFORMATION

## 公司基本情況

Legal Name in Chinese 法定中文名稱	山東鳳祥股份有限公司
Legal Name in English 法定英文名稱	Shandong Fengxiang Co., Ltd.
Legal Representative 法定代表人	Mr. Liu Zhiguang 劉志光先生
Executive Directors 執行董事	Mr. Liu Zhiguang 劉志光先生 Mr. Xiao Dongsheng 肖東生先生 Mr. Wang Jinsheng (resigned on 30 March 2022) 王進聖先生(於2022年3月30日辭任)
Non-executive Directors 非執行董事	Mr. Liu Xuejing 劉學景先生 Mr. Zhang Chuanli 張傳立先生 Mr. Ow Weng Cheong (resigned on 30 March 2022) 區永昌先生(於2022年3月30日辭任)
Independent non-executive Directors 獨立非執行董事	Mr. Guo Tianyong 郭田勇先生 Mr. Chung Wai Man 鍾偉文先生 Ms. Zhao Yinglin 趙迎琳女士
Supervisors 監事	Mr. Zhang Jun 張軍先生 Mr. Chen Dehe 陳德賀先生 Ms. Lian Xianmin 廉憲敏女士
Authorised Representatives 授權代表	Mr. Liu Zhiguang 劉志光先生 Mr. Shi Lei 石磊先生
Secretary to the board of directors (the “Board of Directors”) 董事會(「董事會」)秘書	Mr. Shi Lei 石磊先生

**Joint Company Secretaries**  
聯席公司秘書

**Mr. Shi Lei**  
石磊先生  
**Ms. Yu Wing Sze**  
余詠詩女士

**Audit Committee**  
審計委員會

**Mr. Chung Wai Man (Chairman)**  
鍾偉文先生(主席)  
**Mr. Guo Tianyong**  
郭田勇先生  
**Ms. Zhao Yinglin**  
趙迎琳女士

**Nomination Committee**  
提名委員會

**Mr. Liu Zhiguang (Chairman)**  
劉志光先生(主席)  
**Mr. Guo Tianyong**  
郭田勇先生  
**Ms. Zhao Yinglin**  
趙迎琳女士

**Remuneration Committee**  
薪酬委員會

**Mr. Guo Tianyong (Chairman)**  
郭田勇先生(主席)  
**Mr. Liu Zhiguang**  
劉志光先生  
**Mr. Chung Wai Man**  
鍾偉文先生

**Registered Office**

註冊辦事處

Liumiao Village, Anle Town, Yanggu County  
Liaocheng City, Shandong Province  
PRC  
中國  
山東省聊城市  
陽穀縣安樂鎮劉廟村

**Headquarters in the PRC**

中國總部

Liumiao Village, Anle Town, Yanggu County  
Liaocheng City, Shandong Province  
PRC  
中國  
山東省聊城市  
陽穀縣安樂鎮劉廟村

**Company's Website**  
公司網站

[www.fengxiang.com](http://www.fengxiang.com)

# CORPORATE INFORMATION

## 公司基本情況

Principal Place of Business in Hong Kong	14th Floor, Golden Centre 188 Des Voeux Road Central Hong Kong
香港主要營業地點	香港 德輔道中 188號金龍中心 14樓
Website of the Stock Exchange for Publishing the Annual Report	www.hkexnews.hk
登載年度報告的聯交所網站	
Location where copies of Annual Report are kept	Liumiao Village, Anle Town, Yanggu County Liaocheng City, Shandong Province PRC
年度報告備置地點	中國 山東省聊城市 陽穀縣安樂鎮劉廟村
Place of Listing of H Shares	The Stock Exchange of Hong Kong Limited (the "Stock Exchange")
H股上市地點	香港聯合交易所有限公司(「聯交所」)
Stock Short Name	FENGXIANG CO
股票簡稱	鳳祥股份
Stock Code	9977
股份代號	
H Share Registrar	Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong
H股過戶登記處	香港中央證券登記有限公司 香港 灣仔 皇后大道東183號 合和中心 17樓1712–1716號舖

Hong Kong Legal Adviser

香港法律顧問

Fangda Partners  
26th Floor, One Exchange Square  
8 Connaught Place  
Central  
Hong Kong  
方達律師事務所  
香港  
中環  
康樂廣場8號  
交易廣場1期26樓

Independent Auditor (the “Auditor”)

獨立核數師(「核數師」)

BDO China SHU LUN PAN Certified Public Accountants LLP (Public Interest Entity Auditor recognised in accordance with the Financial Reporting Accounting Ordinance)  
No. 61 East Nanjing Road  
Huangpu District, Shanghai  
PRC  
立信會計師事務所(特殊普通合伙)(於《財務彙報會計條例》下的認可公眾利益實體核數師)  
中國  
上海市黃浦區  
南京東路61號

Compliance Adviser

合規顧問

Southwest Securities (HK) Capital Limited  
40/F, Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong  
西證(香港)融資有限公司  
香港  
銅鑼灣  
希慎道33號  
利園一期40樓

Principal Bankers

主要往來銀行

China Development Bank, Shandong Branch  
Agricultural Development Bank of China, Yanggu Sub-Branch  
Industrial Bank, Liaocheng Branch  
國家開發銀行山東省分行  
中國農業發展銀行陽穀縣支行  
興業銀行聊城分行

# MAJOR FINANCIAL INDICATORS AND KEY OPERATING DATA

## 主要財務指標及主要經營數據

### KEY FINANCIAL DATA

#### 主要財務數據

		For the year ended 31 December	
		截至12月31日止年度	
		2021	2020
		2021年	2020年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Revenue	收入	4,416,764	3,901,615
Gross profit	毛利	557,939	603,246
Net profit	淨利潤	47,075	151,615
Net profit attributable to the shareholders of the Company	歸屬母公司股東的淨利潤	50,911	152,640
Basic earnings per share (in RMB cents)	每股基本盈利(人民幣分)	3.6	12.8

# MAJOR FINANCIAL INDICATORS AND KEY OPERATING DATA

## 主要財務指標及主要經營數據

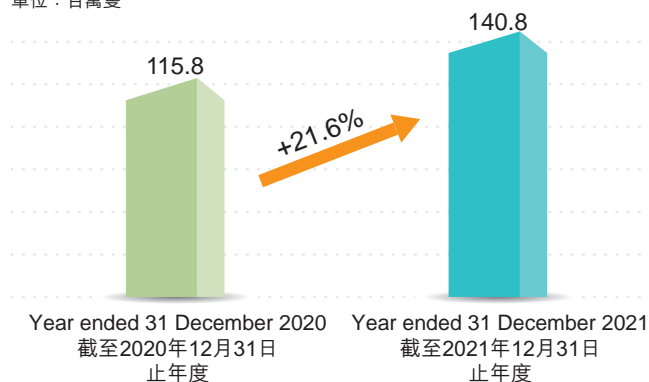
### KEY OPERATING DATA

#### 主要經營數據

##### White-feathered broilers bred

##### 白羽肉雞飼養量

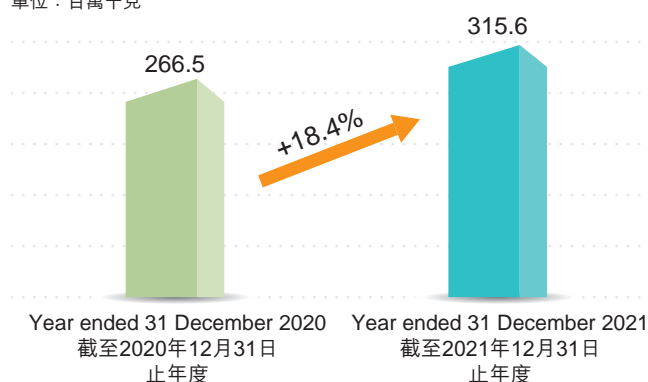
unit: million birds  
單位：百萬隻



##### White-feathered broilers processed

##### 白羽肉雞加工量

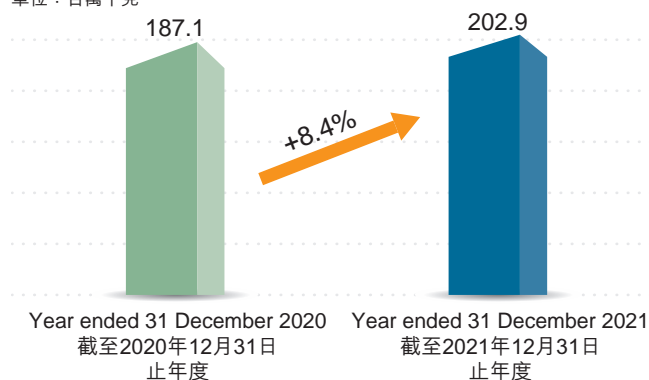
unit: million kg  
單位：百萬千克



##### Sales volume of raw chicken meat products

##### 生雞肉製品銷量

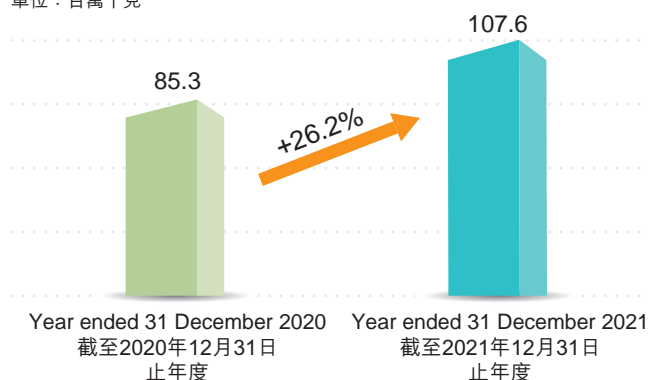
unit: million kg  
單位：百萬千克



##### Sales volume of processed chicken meat products

##### 深加工雞肉製品銷量

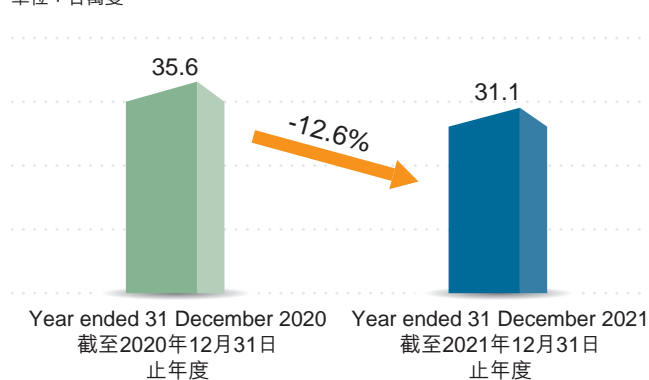
unit: million kg  
單位：百萬千克



##### Sales volume of chicken breeds

##### 雞苗銷量

unit: million birds  
單位：百萬隻





# 2021 MAJOR EVENTS

## 二零二一年大事記

### JANUARY

一月



On 6 January, Fengxiang won the “Best Mass Consumption and Service Company” award at the 5th Hong Kong Golden Stocks Awards Ceremony.

1月6日，在第五屆金港股年度頒獎盛典上，鳳祥股份榮獲「最佳大消費及服務公司」大獎。



On 8 January, “iShape (優形)” (“iShape (優形)”) won the Gold Award for China Innovative Marketing at the 2020 China Innovative Marketing Summit and China Innovative Marketing Award Ceremony, creating a new model of fan marketing.

1月8日，在2020中國創新營銷峰會暨中國創新營銷大獎頒獎典禮上，優形斬獲中國創新營銷金獎，打造粉絲營銷新樣本。

In March, China Internet Weekly of Chinese Academy of Social Sciences, Deben Consultation and eNet Research Centre jointly released the list of “2020 Light Fashion Brands”. “iShape (優形)” was selected as one of the TOP50 light fashion brands in 2020.

3月，中國社科院《互聯網周刊》、德本諮詢和eNet研究院聯合發佈「2020年度輕時尚品牌」榜單。優形入選2020輕時尚品牌TOP50。

At the end of March, the cumulative sales volume of ready-to-eat chicken breast products under the “iShape (優形)” brand exceeded 100 million packages, breaking the consumption record of ready-to-eat chicken breast products in China.

3月底，「優形」品牌即食雞胸肉產品累計銷量突破1億包。這創造了我國即食雞胸肉的消費紀錄。

### MARCH

三月

### MAY

五月



On 7 May, “iShape (優形)” won the “Industry Transformation and Innovation Award” by Tmall.

5月7日，優形榮膺天貓頒出的「產業轉型創新獎」。



On 21 May, “iShape (優形)” joined hands with Wan Qian and Wu Minxia to send a warm message to the powerful angel and love baseball team (強棒天使愛心棒球隊), the prototype of “Bang! Youth” (《棒！少年》), and continuously provided the youth of the baseball team with nutritious meat protein.

5月21日，優形攜手萬茜、吳敏霞寄語《棒！少年》原型強棒天使愛心棒球隊，為棒球少年們持續提供營養肉蛋白。

In June, the new flavor of “iShape (優形)” chicken breast protein bar “Oolong Cinnamon” was launched to upgrade and innovate the chicken breast protein bar products.

6月，優形雞胸肉蛋白棒「烏龍肉桂」新口味上市，優形雞胸肉蛋白棒升級換新。



In June, during the “6.18” period, “iShape (優形)” was the top seller on both Tmall and JD.com, and secured the top seller in the chicken breast industry.

6月，「6.18」期間，優形取得天貓京東雙料銷冠，穩坐雞胸肉行業銷量第一。

### JUNE

六月

JULY  
七月



In July, "iShape (優形)" was the "Chief Treasure Brand" and made its debut at the scene of Alibaba's top IP "Taobao Creation Festival".

7月，在阿里頂級IP「淘寶造物節」現場，優形作為「首席寶藏品牌」C位出道。



In July, the new product of "Buzha π" under "iShape (優形)" was launched.

7月，優形「不炸π」新品上市。



On 22 July, Fengxiang donated the first batch of seven tons of chicken meat materials to support the people of Henan, and provided nutritious and high-protein supplies for the front line of flood relief.

7月22日，鳳祥股份首批捐贈七噸雞肉物資馳援河南人民，為抗洪救災一線提供營養高蛋白食品。

OCTOBER  
十月

On 11 October, Fengxiang successfully entered the European high-end catering market after the approval as a preferred supplier by JD Wetherspoon, a fast food chain/bar giant in the United Kingdom.

10月11日，鳳祥股份通過英國連鎖快餐／酒吧巨頭JD Wetherspoon優選供應商審核，成功進入歐洲高端餐飲市場。

In August, the "YoYo Children Chicken Pie" under the "iShape (優形)" brand was launched to enter the market of chicken supplement for children.

8月，優形旗下「每日優優兒童雞肉派」上市，填補兒童雞肉輔食類市場。



In August, "iShape (優形)" was the top seller in the chicken meat product category at the Tik Tok 818 Trendy Products Festival, further strengthening its leading position of the light food brand.

8月，優形斬獲雞肉品類抖音818新潮好物節銷冠，進一步夯實其領先輕食品牌地位。



AUGUST  
八月

## 2021 MAJOR EVENTS

### 二零二一年大事記

#### DECEMBER

十二月



On 8 December, People's Daily reported on the "Fengxiang Experience" titled "Live Streaming Ecommerce Helps Revitalise Villages".

12月8日，《人民日報》以《直播帶貨助力鄉村振興》為題，報道「鳳祥經驗」。

On 10 December, Fengxiang was selected as one of the "2021 Green Manufacturing List" announced by the Ministry of Industry and Information Technology, thus becoming a "green factory" at a national level.

12月10日，鳳祥股份入選工信部公示的「2021年度綠色製造名單」，由此成為國家級「綠色工廠」。



On 14 December, the annual new product of "Buzha π" under "iShape (優形)" won the "2021 Innovative Marketing Product Award".

12月14日，優形旗下年度新品「不炸π」，榮獲「2021年度創新營銷產品獎」。

In December, on the basis of "green factory" at municipal and provincial levels, Fengxiang successfully won the honour of "green factory" at national level.

12月，鳳祥股份在取得市級、省級「綠色工廠」的基礎上，成功榮獲國家級「綠色工廠」榮譽。

In December, "iShape (優形)" launched two new products successively, including the new generation of chicken breast protein bars in three new flavours of "Signature Braised Pork, Szechuan Tengjiao and Classic Spicy" as well as "Jia'ge Chicken Drumstick".

12月，優形連續推出兩款新品，其中包括：「招牌鹵肉、川香藤椒、經典香辣」三種新口味的新一代雞胸肉蛋白棒，以及「加個雞腿」。



At the end of December, the construction of Fengxiang's intelligent and efficient integrated breeding and processing project, a major construction project in Shandong, was progressing smoothly, with new broiler farms with battery caged systems, breeder farms, feedmill, hatcheries and fully automatic slaughtering plants having been completed and successively put into operation.

12月底，山東省重大建設項目——鳳祥智能高效養殖加工一體化工程項目建設進展順利，新建籠養肉雞場、種雞場、飼料廠、孵化場及全自動屠宰產都已完成建設並陸續投產運行。

In early November, Fengxiang completed a production order from a customer in the United Arab Emirates, Fengxiang's first exportation of its processed chicken meat products to the Middle East.

11月上旬，鳳祥股份完成阿聯酋客戶的生產訂單，鳳祥深加工雞肉製品第一次出口中東。



In November, "iShape (優形)" once again secured the omnichannel top-seller at the 11.11 Festival.

11月，優形蟬聯雙十一全渠道銷冠。

#### NOVEMBER

十一月



Mr. Liu Zhiguang  
劉志光先生  
Chairman of Board of Directors  
董事會主席

## ACHIEVING REMARKABLE SUCCESS WITH INNOVATION AND PURSUING GROWTH AMID STABILITY

Dear shareholders and investors,

Thanks to all of you, together we had gone through an extraordinary year in 2021.

Looking back on 2021, we were under triple pressure from demand contraction, supply shortage and weakening expectations as remarked at the Central Economic Work Conference.

Despite the triple pressure and the ongoing threat of the global outbreak of coronavirus disease ("COVID-19"), Fengxiang still maintained a positive attitude and advantages for its rapid development, and continuously adjusted and further optimised its industry structure.

"iShape (優形)" achieved the expected results, continued to support the new retail segment, and secured our leadership in the industry; new exports witnessed a strong rebound in the second half of the year with the market share hitting new high; the innovation trial of new centralised procurement also delivered remarkable performance.

## 正合奇勝，穩中爭先

各位尊敬的股東，各位尊敬的投資人：

感謝各位，我們共同度過了2021這不平凡的一年。

回顧2021年，借用中央經濟工作會議的定調，我們也面臨需求收縮、供給受阻和預期轉弱的三重壓力。

在三重壓力及新型冠狀病毒疫情（「新冠疫情」）對全球持續的威脅下，鳳祥仍然保持了高速發展的積極態度和優勢，並且繼續調整和進一步優化了產業結構。

優形實現了預期業績，繼續撐起我們的新零售板塊，領跑全行業；新出口在下半年強力回升，市場佔有率再創新高；新集採的創新試驗取得了顯著成效。

# CHAIRMAN'S STATEMENT

## 董事會主席報告書

Looking forward to 2022, the combination of regional conflicts and the pandemic will trigger continuous simmering of the global supply chain crisis, fluctuations in commodity prices, and restructuring of the existing international division of labor in such challenging circumstances; the monetary policies in developed countries will be further tightened, and the spillover effect will also exert a significant impact on the economic recovery of emerging economies, which will even provoke regional financial crisis; severe global inflation will pose challenges; soaring energy prices will lead to inevitable undertakings in green transformation in the long run.

In the face of the complex external situation, Fengxiang will continue to face core missions of tapping demand, securing supply and making expectation adjustments, aiming to seek breakthroughs in innovation and gather development momentum amid growth.

In 2022, Fengxiang will uphold the basic principle of "Achieving Remarkable Success with Innovation and Pursuing Growth Amid Stability", and as quoted from the Resolution of the Central Committee of the Communist Party of China on the Major Achievements and Historical Experience of the Party over the Past Century, insist on "high-quality development in which innovation is the primary driver, coordination is an endogenous trait, eco-friendly growth prevails, openness to the world is the only way, and shared growth is the ultimate goal, with a view to propelling transformative changes in the quality, efficiency, and impetus of economic development." In the coming year, we will continue to ensure stable operation of the breeding and B2B businesses and expand the new retail business through innovations in mechanism, products and models with the aim of building a Fengxiang strategic community consisting of shareholders, employees and partners, thereby creating stronger and newer momentum, promoting quality development of our businesses and realising our strategic vision.

展望2022年，局部地區衝突疊加疫情因素，引發全球供應鏈危機的持續發酵，大宗商品的價格波動，現有國際分工格局將在考驗中重構；發達國家貨幣政策進一步收緊，溢出效應還將嚴重影響到新興經濟體的經濟復甦，甚至會引發局部金融危機；全球通脹形勢嚴峻；能源價格飆升，綠色轉型任重道遠。

在複雜的外部形勢之下，鳳祥將繼續面對如何挖掘需求、保障供給與預期調整的核心任務，在創新中求突破，在發展中聚勢能。

2022年，鳳祥將把握「正合奇勝，穩中爭先」的基本原則，堅持「以創新為第一動力、協調成為內生特點、綠色成為普遍形態、開放成為必由之路、共用成為根本目的的高質量發展，推動經濟發展質量變革、效率變革、動力變革。」（引自《中共中央關於黨的百年奮鬥重大成就和歷史經驗的決議》），在新的一年，繼續通過機制創新、產品創新、模式創新，全力做穩養殖與B端業務，全力做大新零售業務，構建包括股東、員工、合作夥伴在內的鳳祥戰略共同體，創造更大與更新動能，推動公司業務高質量發展，實現戰略願景。

Our major strategic initiatives are as follows:

First, we will continue to focus on the main businesses, commence comprehensive transformation and upgrade, introduce quality strategic investors, and optimise resource allocation.

Secondly, we will continue to improve our digital marketing capability, capture unprecedented opportunities arising from the integration and differentiation between interest e-commerce and traditional e-commerce, and enhance our market competitiveness.

Thirdly, we will continue to carry out in-depth channel deployment to accomplish the parallel development of core cities and lower-tier markets.

We still hope that, with the fast growth in the next couple of years, "Fengxiang" will achieve growth amid stability, and continue to maintain its leading position in the export and centralised procurement industries; the "iShape (優形)" brand will become a quality brand with the most energy, influence and reputation on the chicken breast and healthy food markets of China and help reshape a new "Fengxiang (鳳祥)", and Fengxiang will successively evolve into a brand-new consumer goods entity that sets a benchmark for the traditional food companies in terms of marketisation, digitalisation and horizontalisation.

We look forward to your continuous trust and support.

Thank You!

**Shandong Fengxiang Co., Ltd.**  
*Chairman of the Board of Directors*  
**Liu Zhiguang**

其中包括如下重大戰略舉措：

第一，繼續聚焦主業，全面轉型升級，引進優質戰略投資者，優化資源配置。

第二，繼續提高數字化營銷能力，把握興趣電商與傳統電商融合變異的難得機遇，提高市場競爭力。

第三，繼續加深渠道佈局，實現核心城市與下沉市場的齊頭並進。

我們仍然希望，通過未來幾年的快速發展，「鳳祥」穩中求進，繼續在出口與集採端保持行業領先；用「優形」再造一個新的「鳳祥」，讓「優形」成為中國雞胸肉市場健康食品市場最具年輕化、影響力和美譽度的優質品牌，也讓鳳祥成為傳統食品企業向市場化、數字化、扁平化消費品「新物種」進化的成功典範。

誠望得到諸位的繼續信任與支持。

謝謝！

山東鳳祥股份有限公司  
董事會主席  
劉志光

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The following discussion and analysis also contain certain amounts and percentage figures that have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them and all monetary amounts shown are approximate amounts only.

## COMPANY PROFILE

### Introduction

Shandong Fengxiang Co., Ltd. (the “Company” or “Fengxiang” together with its subsidiaries, the “Group”) is the largest white-feathered broiler meat exporter and the leading retail enterprise of chicken meat food in the People’s Republic of China (the “PRC”), which was established as a joint stock limited liability company in the PRC on 17 December 2010 and listed on the Main Board of the Stock Exchange on 16 July 2020 (stock code: 9977).

The Group is principally based in Shandong in the PRC and produces and sells processed chicken meat products and raw chicken meat products mainly from white-feathered broilers. The main products include (i) processed chicken meat products; (ii) raw chicken meat products; and (iii) chicken breeds. The Group also produced a small portion of chicken meat products from Sichuan Mountain Black-Bone Chicken bred in Sichuan in the PRC, in which part of the production facilities were based. Such business operation ceased on 28 May 2021 through a disposal of its 90% equity interests of Xingwen Tianyang Jishi Food Development Co., Ltd.\* (興文天養極食食品發展有限公司) (“Xingwen Tianyang”) and Xingwen Tianyang ceased to be a subsidiary of the Company. Apart from its leading domestic market position in the PRC, the Group has an established and growing export business supplying a wide range of premium quality chicken meat products to overseas customers in Japan, Malaysia, the European Union, the Middle East, the United Kingdom, Korea, Mongolia and Singapore. The Group’s white-feathered chicken meat products are halal certified by adopting Islamic slaughter rituals.

The Group adopts an integrated “poultry to plate” model which enables it to control every stage of the poultry lifecycle, allowing the Group to effectively manage quality and cost throughout the process starting from the breeding of broilers to the distribution and sale of chicken meat products.

以下討論及分析亦包括若干經約整的數額及百分比數字。因此，若干表格中合計一欄數字未必為其上所列數字的算術總和，而所有列示金額僅為概約金額。

## 公司概況

### 簡介

山東鳳祥股份有限公司(「本公司」或「鳳祥」或「鳳祥股份」，連同其附屬公司，合稱「本集團」)為中華人民共和國(「中國」)最大的白羽肉雞出口商及領先的雞肉食品零售企業，於2010年12月17日在中國成立為股份有限公司，並於2020年7月16日在聯交所主板上市(股份代號：9977)。

本集團主要位於中國山東，主要用白羽肉雞生產及銷售深加工雞肉製品及生雞肉製品。主要產品包括(i)深加工雞肉製品；(ii)生雞肉製品；及(iii)雞苗。本集團亦用於中國四川(部分生產設施位於此地)養殖的四川山地烏骨雞生產一小部分雞肉製品。該業務營運已於2021年5月28日透過出售興文天養極食食品發展有限公司(「興文天養」)的90%權益而終止且興文天養已不再為本公司附屬公司。除在中國國內市場的領先地位外，本集團亦擁有成熟並不斷壯大的出口業務，向日本、馬來西亞、歐盟、中東、英國、韓國、蒙古及新加坡的海外客戶供應多種優質雞肉製品。本集團的白羽雞肉製品採用伊斯蘭屠宰儀式進行清真認證。

本集團採用一體化「從農場到餐桌」模式，使本集團能夠控制家禽生命週期的每個階段，從而有效管理從肉雞養殖到雞肉製品分銷及銷售整個流程的質量及成本。

### Business Segments

#### Processed Chicken Meat Products

The Group markets its processed chicken meat products under “鳳祥食品 (Fovo Foods)” (“Fovo Foods”), “iShape (優形)” and “五更爐 (Wu Genglu)” (“Wu Genglu”) brands. Processed chicken meat products comprise cooked, semi-cooked and seasoned chicken meat products. Depending on the processing methods, these processed products are required to be chilled or frozen. The raw chicken meat the Group uses in its processed chicken meat production is either supplied by itself, or procured from independent third party suppliers in the PRC and overseas. The cooked chicken meat products comprise ready-to-eat chicken meat products and frozen chicken meat products, which are fully cooked and sterilised (end consumers will need to reheat the frozen cooked chicken meat products before consumption according to the instructions provided on the packaging). The semi-cooked chicken meat products are processed, chilled or frozen and boxed (end consumers will need to further process (including steaming, grilling, roasting or frying) such semi-cooked chicken meat products before consumption according to the instructions provided on the packaging). The seasoned chicken meat products include raw chicken meat flavoured with certain ingredients or spices. The Group also offers ready-to-cook pre-prepared meal solutions, including Chinese cuisine. For the year ended 31 December 2021, the sales volume of processed chicken meat products was 107.6 million kilogram (“kg”) (31 December 2020: 85.3 million kg). Revenue from sale of processed chicken meat products (after elimination of inter-segment transactions) grew by 29.4% to RMB2,295.4 million for the year ended 31 December 2021 (31 December 2020: RMB1,773.4 million), representing 52.0% of the Group’s total revenue.

### 業務分部

#### 深加工雞肉製品

本集團以「鳳祥食品」、優形及「五更爐」品牌推廣深加工雞肉製品。深加工雞肉製品包括雞肉熟食製品、雞肉半熟食製品及調味雞肉製品。該等深加工產品需冷藏或冷凍，視乎加工方法而定。本集團於深加工雞肉生產中所使用的生雞肉由其自身供應，或向中國及海外的獨立第三方供應商採購。雞肉熟食製品包括即食雞肉製品及冷凍雞肉製品，均已完全煮熟並消毒（最終消費者於食用前需根據包裝上的指示重新加熱冷凍雞肉熟食製品）。雞肉半熟食製品已經加工、冷藏或冷凍及包裝（最終消費者於食用前需根據包裝上的指示進一步加工（包括清蒸、炙烤、燒烤或油炸）雞肉半熟食製品）。調味雞肉製品採用生雞肉與若干原料或香辛料調製而成。本集團亦提供預先加工的即烹肉類食品，包括中式菜餚。截至2021年12月31日止年度，深加工雞肉製品的銷量為107.6百萬千克（「千克」）（2020年12月31日：85.3百萬千克）。銷售深加工雞肉製品所得收入（於對銷分部間交易後）增長29.4%至截至2021年12月31日止年度的人民幣2,295.4百萬元（2020年12月31日：人民幣1,773.4百萬元），佔本集團總收入的52.0%。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Raw Chicken Meat Products

The Group offers raw white-feathered chicken meat products, which include whole frozen chickens and chicken portions, such as chicken wings, chicken breast, chicken drumsticks, chicken drumettes, bone-in chicken thighs, boneless chicken fillets, chicken head, chicken feet and chicken legs. The Group's broilers are then cut into portions according to its internal or customers' requirements, which will be chilled or frozen depending on the product nature. For the year ended 31 December 2021, the sales volume of raw chicken meat products increased by 8.4% to 202.9 million kg (31 December 2020: 187.1 million kg). Revenue from external sale of raw chicken meat products dropped by 0.5% to RMB1,913.3 million for the year ended 31 December 2021 (31 December 2020: RMB1,922.7 million), representing 43.3% of the Group's total revenue.

### Chicken Breeds

The Group sells some of its chicken breeds hatched from broiler eggs to other independent third parties for breeding into broilers. The sales volume of the Group's chicken breeds is based on the average selling prices of chicken breeds, which is market-driven. The Group sells chicken breeds to local chicken farmers and other poultry business operators, who are independent third parties. For the year ended 31 December 2021, the sales volume of chicken breeds was 31.1 million birds (31 December 2020: 35.6 million birds). Revenue from external sale of chicken breeds dropped by 24.0% to RMB64.8 million for the year ended 31 December 2021 (31 December 2020: RMB85.3 million), representing 1.5% of the Group's total revenue.

### 生雞肉製品

本集團提供生白羽雞肉製品，其中包括冷凍全雞及雞部位，如雞翅尖、雞胸、雞小腿、雞翅根、帶骨雞腿、無骨雞柳、雞頭、雞爪及雞腿。本集團屆時將根據內部或客戶要求將肉雞切成各個部位，並根據產品性質將其冷藏或冷凍。截至2021年12月31日止年度，生雞肉製品的銷量增加8.4%至202.9百萬千克(2020年12月31日：187.1百萬千克)。對外銷售生雞肉製品所得收入減少0.5%至截至2021年12月31日止年度的人民幣1,913.3百萬元(2020年12月31日：人民幣1,922.7百萬元)，佔本集團總收入的43.3%。

### 雞苗

本集團銷售一部分由種蛋孵化成的雞苗予其他獨立第三方，以飼養成肉雞。本集團的雞苗銷量基於受市場驅動的雞苗平均售價。本集團向當地雞農及其他家禽業務經營者(均為獨立第三方)銷售雞苗。截至2021年12月31日止年度，雞苗的銷量為31.1百萬隻(2020年12月31日：35.6百萬隻)。對外銷售雞苗所得收入下跌24.0%至截至2021年12月31日止年度的人民幣64.8百萬元(2020年12月31日：人民幣85.3百萬元)，佔本集團總收入的1.5%。





### Other Products

The Group sells other products, including sale of broilers that cannot satisfy the Group's quality requirements and excess broiler eggs that exceed the Group's internal needs, by-products (such as chicken feather, chicken blood and unused chicken organs), black-bone chicken meat products (such business operation ceased on 28 May 2021), packing materials and other miscellaneous products. Revenue from external sale of other products grew by 19.2% to RMB143.3 million for the year ended 31 December 2021 (31 December 2020: RMB120.2 million), representing 3.2% of the Group's total revenue.

### BUSINESS REVIEW

Focusing on three main pillars covering industry restructuring, product innovation and upgrade, and productivity improvement, "iShape (優形)" brand achieved rapid development and took the lead in the new retail business, accelerating revenue growth to hit a record high in 2021.

### 其他產品

本集團銷售其他產品，包括銷售淘汰雞及超出本集團內部需要的多餘種蛋、副產品（如雞毛、雞血及尚未使用的雞隻內臟）、烏骨雞肉製品（該業務營運已於2021年5月28日終止）、包裝材料和其他雜項產品。截至2021年12月31日止年度，對外銷售其他產品所得收入增長19.2%至人民幣143.3百萬元（2020年12月31日：人民幣120.2百萬元），佔本集團總收入的3.2%。

### 業務回顧

2021年，圍繞產業結構調整、產品創新升級、產能效率提升這三大主題，優形品牌實現了快速發展，挑起了新零售業務的大樑，助力鳳祥收入取得歷史最佳成績。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

During the year ended 31 December 2021 (the “Reporting Period”), the Group achieved sales revenue of RMB4,416.8 million (2020: RMB3,901.6 million), representing a year-on-year increase of 13.2%, with net profit of RMB47.1 million (2020: RMB151.6 million), representing a year-on-year decrease of 69.0%. The main reasons for the profit decline are primarily attributable to (i) the increase in the costs of animal feed due to the year-on-year increase in the price of raw materials such as corn and soybean meal; (ii) the increase in selling and marketing expenses as a result of the increase in resources invested by the Group in its new retail business; and (iii) the decrease in the selling prices of raw chicken meat products due to the impact of COVID-19 epidemic which led to a drop in the demand for such products.

### (I) Observation of Current Trends

#### 1. China is Entering an Era of Quality and Personalised Consumption

We notice signs of China entering an era of new consumption, mainly characterised by: (i) China's GDP per capita has crossed the threshold of US\$10,000, and consumption has become the primary driver of economic growth for six consecutive years; (ii) the combination of three major waves of change — people, traffic channels and supply chains has led to an unprecedented transformation in the cost structure of consumer goods in China.

The main characteristics of the transformation in consumption patterns are:

- (1) from “Made in China” to “Chinese market”;
- (2) from a country of major consumption to strong consumption;
- (3) from the pursuit of quantity and scale to the pursuit of quality and experience; and
- (4) from functional consumption to cultural consumption.

於2021年12月31日年度期間(「報告期內」)，本集團實現銷售收入人民幣4,416.8百萬元(2020年：人民幣3,901.6百萬元)，同比增長13.2%。實現淨利潤人民幣47.1百萬元(2020年：人民幣151.6百萬元)，同比下降69.0%。利潤下滑的主要原因是(i)原材料價格包括玉米及豆粕之價值按年上漲影響飼料成本增加；(ii)銷售、營銷費用因本集團增加對其新零售業務的資源投資而增加；及(iii)因新冠疫情影响令生雞肉製品之需求量減少而導致其售價降低。

### (- 趨勢觀察

#### 1. 中國進入品質化與個性化消費大時代

我們觀察到中國進入新消費時代的標誌，主要特徵為：(i)中國人均國內生產總值跨過1萬美元門檻，消費連續6年成為經濟增長的第一推動力；(ii)人、流量渠道及供應鏈三大浪潮的疊加，導致中國消費品成本結構發生前所未有的變化。

消費模式變革的主要特徵是：

- (1) 從「中國製造」，到「中國市場」；
- (2) 從消費大國，到消費強國；
- (3) 從追求數量與規模，到追求質量與體驗；及
- (4) 從功能消費，到文化消費。

### 2. Strong Growth in Chicken Breast and Processed Chicken Meat Products and Converging Choice of Food by Consumers

Over the past five years, changes in consumers' choice of food and beverage segment has witnessed a particularly obvious trend of consumption upgrade. Our major consumer groups, namely "Her Economy", "Generation Z" (those born in 1995–2009) and "Silver Economy" (those born before 1965), has shown convergence in their choice of food, which focus on choosing the "healthier", "tastier" and "more convenient" products.

With higher protein, lower fat and lower energy consumption, white-feathered broiler products witnessed substantial growth in the trend towards nutrition and consumption upgrade. According to Frost & Sullivan, the average growth rate of the white-feathered broiler market is expected to exceed 10% in the next five years, reaching RMB150 billion in 2025.

The white-feathered broiler industry has undergone comprehensive transformation and upgrade in recent years, from producing chicken breeds and raw chicken meat products primarily to mainly providing processed chicken meat products instead. The size of the processed chicken meat market is expected to exceed RMB60 billion in 2024.

Chicken breast, with its high protein and low fat characteristics, has become the fastest growing category in the healthy meal replacement market. After the creation of the ready-to-eat chicken breast products in 2017, "iShape (優形)" experienced a rapid market growth, with a compound growth rate of over 160% by 2019. The compound growth rate is expected to reach 60% from 2019 to 2024. In 2021, chicken breast products on two traditional major e-commerce platforms, namely Tmall and JD.com, grew by more than 38%, among which, "iShape (優形)" together with two other top brands, contributed 90% of the market growth (source: Ecdataway).

The highlight of online sales in 2021 was that apart from the traditional e-commerce platforms, interest e-commerce became another important marketing area for enterprises. Together with super IPs, it brought brand new imagination to the industry. Social and short video platforms such as Tik Tok, Xiaohongshu and Kuaishou became the competition centre in the era of e-commerce 2.0. The integration of the new generation interest e-commerce and traditional e-commerce will pose opportunity and challenge for enterprises. "iShape (優形)" paved its way with offline development and online growth, presenting an all-rounded channel win-win situation, and being the first brand to enter the incremental market to gain a dominant position. In August 2021, "iShape (優形)" commenced a strategic cooperation with Tik Tok. The turnover on the single platform of Tik Tok exceeded RMB15 million in the "818 Trendy Goods Festival", ranking first in the sales volume of the chicken meat product category.

### 2. 消費者選擇標準趨同，雞胸肉與深加工雞肉製品增長強勁

在過往五年，食品飲料領域的消費者選擇出現變化，消費升級趨勢尤為明顯。我們的主要消費族群，即「她經濟」、「Z世代」(於1995年至2009年出生)及「銀髮經濟」(於1965年前出生)對食品的選擇標準越來越趨同：「更健康」、「更美味」、「更便捷」。

由於具備高蛋白、低脂肪、低能耗三大優勢，白羽肉雞產品在營養與消費升級趨勢下出現重大增長。根據弗若斯特沙利文數據，預計未來五年白羽肉雞市場平均增長率超過10%，2025年將達到人民幣1,500億元規模。

白羽肉雞行業近年來全面轉型升級，由生產雞苗和生雞肉為主，逐漸過渡到深加工雞肉製品為主，預計2024年深加工雞肉市場規模超過人民幣600億元。

雞胸肉尤其以其高蛋白、低脂肪的鮮明特點，成為健康代餐市場增長最快的品類。於2017年，優形開創即食雞胸肉品類後，市場高速增長，2019年前年複合增長率超過160%，預計2019年到2024年複合增長率仍將接近60%。於2021年，天貓、京東兩大傳統主力電商平台上，雞胸肉產品增長超過38%；其中，優形等前三大品牌，貢獻了市場增長的90%(來源：Ecdataway數據威)。

在線銷售於2021年的最大特點是，興趣電商成為企業在傳統電商平台之外的另一重要營銷領域，與超級IP的碰撞，正在給行業帶來新的想像力。抖音、小紅書、快手等社交和短視頻平台正在成為電商2.0時代搶灘的重心，新一代興趣電商與傳統電商的互動融合，也將成為企業面臨的重要機會與挑戰。優形經歷線下佈局及線上井噴，締造全渠道共贏，成為率先進入增量市場爭得優勢地位的品牌。於2021年8月，優形與抖音達成戰略合作，在「818新潮好物節」中抖音單平台成交額就超過人民幣1,500萬元，排名雞肉品類銷量TOP 1。

### (II) Business Highlights

#### 1. “iShape (優形)”’s Continued Rapid Growth, Product Upgrade, Widening Taste and Increasing Brand Influence

“iShape (優形)” became the biggest highlight of this year. Products under the “iShape (優形)” series continued to maintain its rapid development, achieving sales revenue of RMB489.2 million (2020: RMB230.9 million) with a year-on-year growth of 111.8%. “iShape (優形)”’s share in the new retail business achieved a year-on-year growth to 51.6% from 29.1%, supporting half of the Company’s new retail business and future growth.

In particular, the growth rate of online and offline sales were 193.5% and 48.0%, respectively, with the revenue ratio of 6:4. Chicken breast single products under the “iShape (優形)” brand accounted for 46.7% of the retail revenue, representing an increase of 122.4% from 25.1% in the same period last year, while the protein bar single products recorded a year-on-year growth of 25.4% through the upgrade in taste and packaging.

All newly launched products, including “Buzha π”, “YoYo” and “Xiao Q”, have all passed the market test and officially joined the “iShape (優形)” series. From the product innovation of salad chicken breast, to the iteration of Chinese-flavored cuisine, and further to a series of multi-dimensional upgrade of traditional chicken products such as “Jia’ge chicken drumstick”, non-fried crispy chicken nuggets of “Buzha π”, “Gancuiburen” chicken breast chips, Yikou Buren sausage, etc., the “iShape (優形)” brand continued to grow, and a full-scene and low-calorie “iShape (優形)” family has been gradually established.

### (二) 業務亮點

#### 1. 優形保持高速增長，產品升級，味型拓寬，品牌影響力不斷增強

優形品牌成為本年度最大亮點，優形系列產品繼續保持高速發展，取得銷售收入人民幣489.2百萬元(2020年：人民幣230.9百萬元)，同比增長111.8%。優形在新零售業務的佔比由同期的29.1%上升到51.6%，撐起了公司新零售業務的半壁江山與未來增長。

其中，線上與線下增速分別為193.5%和48.0%，收入佔比約為6：4。優形項下，雞胸肉單品佔零售端收入由去年同期的25.1%提升到46.7%，同比增長122.4%；蛋白棒單品實現了口味與包裝的全新升級，同比增長25.4%。

新推出「優形不炸π」、「每日優優」及「優形小Q」等新品，均順利通過市場測試，正式加入優形陣營。從沙拉雞胸肉的產品創新，到結合中國飲食風味的口味迭代，再到「加個雞腿」、「不炸π」非油炸脆皮雞塊、「乾脆不忍」雞胸薯片、一口不忍腸等一系列對傳統雞肉產品的多維升級，優形品牌不斷壯大並正在逐步建立一個全場景低卡優形家族。

During the Reporting Period, according to the 180-day repurchase rate of the “iShape (優形)” flagship store, our members accounted for over 50% and non-members reached approximately 22%. In addition, in the 2021 “618” marketing campaign, “iShape (優形)” was selected as one of the TOP 100 cases in Tmall 618, with a year-on-year growth of 246.6% in Tmall flagship store and 56% in JD.com flagship store. At the same time, “iShape (優形)” also took two of the top five places (ranked 2nd and 5th) in the Tik Tok 618 livestream salesperson ranking for fresh food category. In August 2021, the monthly sales of “iShape (優形)” on Tik Tok platform amounted to RMB20.19 million. “iShape (優形)” was also selected as the only Chief Treasure Brand for the Taobao Festival of Creation (淘寶造物節) and the Chief Partner Brand for Tik Tok’s first e-commerce festival. In the “11.11 Festival” marketing campaign in 2021, the sales revenue of all “iShape (優形)”’s channels exceeded RMB30 million, once again securing the top-seller of the category. The sales from its flagship stores on the whole network recorded a year-on-year increase of 104.2%. The average rate of daily activity of Tik Tok e-commerce platform increased by 226% before the campaign, with the total number of offline sales stores exceeding 43,000.

## **2. Leading by New Retail, New Export Recovery, New Centralised Procurement Innovation, and Three Driving Forces to revitalise the Business**

- (1) New retail business: the new retail business continued to expand rapidly and achieved sales revenue of RMB948.1 million (2020: RMB793.4 million), representing a year-on-year growth of 19.5%, and accounting for 21.5% (same period: 20.3%) of its overall business.

於報告期內，優形旗艦店的180天複購率指標，會員超過50%，非會員接近22%。再者，2021年「618」營銷戰役，優形入選天貓618 TOP 100案例，天貓旗艦店同比增長246.6%，京東旗艦店同比增長56%。與此同時，抖音618生鮮類帶貨主播榜前五名，優形獨佔兩席（第二位、第五位），於抖音平台2021年8月份單月銷售額達到人民幣2,019萬元。優形還被選擇成為淘寶造物節唯一的首席寶藏品牌和抖音首屆電商節的首席合作品牌。2021年「雙11」營銷戰役，優形全渠道銷售收入超過人民幣3,000萬元，蟬聯品類第一，全網自有旗艦店銷售額同比增長104.2%，抖音電商平台日均活動值較活動前增長226%，線下銷售門店總數突破43,000家。

## **2. 新零售領跑，新出口復甦，新集採創新，三駕馬車盤活全局**

- (1) 新零售業務：業務繼續快速擴張，實現銷售收入人民幣948.1百萬元（2020年：人民幣793.4百萬元），同比增長19.5%，業務佔比達到21.5%（同期佔比20.3%）。

(2) New export business: the new export business achieved sales revenue of RMB976.5 million (2020: RMB865.0 million), representing a year-on-year growth of 12.9%, and accounting for 22.1% (same period: 22.2%) of its overall business. Under the pressure of the same period decline of 17.2% in the first half of the year, it achieved a strong rebound against the trend in the second half of the year, with a year-to-year increase of 27.3% and 29.3% in the Malaysian and European market, respectively, leading to a leap in the overall export. It was also worth mentioning that the products under the Fengxiang series entered the Middle East market for the first time and successfully gained a foothold. Furthermore, Fengxiang passed the stringent scrutiny of JD Wetherspoon, a fast food chain/bar giant in the United Kingdom, becoming the first chicken meat supplier from China in such company's history.

(3) New centralised procurement business: the new centralised procurement business achieved sales revenue of RMB901.7 million (2020: RMB809.9 million), representing a year-on-year growth of 11.3%, and accounting for 20.4% (same period: 20.8%) of its overall business; among which, the "Small B2B" business (small and medium-sized food and beverage chains, convenience store hot boxes, etc.) achieved the desired effect of a rapid advance.

### 3. Organisational Changes and Core Functional Upgrade due to Substantial Resources Investment in "iShape (優形)" and the New Retail Business

#### (1) Independent Operation of the New Retail Business in the Listed Companies System

- (a) established iShape Food Technology Co., Ltd. (優形食品科技有限公司) with the introduction of new retail business, professional team and relevant assets;
- (b) ensured stable operation of the B2B-end business, and invested substantial resources into the new retail business;

(2) 新出口業務：業務取得人民幣976.5百萬元(2020年：人民幣865.0百萬元)，同比增長12.9%，業務佔比達到22.1% (同期佔比22.2%)；在上半年同比下降17.2%的壓力下，下半年實現了強力反彈與逆勢回升，其中，馬來西亞與歐洲市場全年增長分別達到了27.3%與29.3%，帶動整體出口實現飛躍。尤其值得一提的是，鳳祥系列產品首度進入中東市場並站住了腳跟，並通過英國連鎖快餐／酒吧巨頭 JD Wetherspoon 的嚴苛審核，成為該公司史上第一家來自中國的雞肉供應商。

(3) 新集採業務：業務取得人民幣901.7百萬元(2020年：人民幣809.9百萬元)，同比增長11.3%，業務佔比達到20.4% (同期佔比20.8%)，其中「小B」業務(中小型餐飲連鎖企業、便利店熱箱等)達到了突進的預期效果。

### 3. 資源向優形與新零售業務大力傾斜的組織變革與核心職能升級

#### (1) 新零售業務在上市公司體系之內獨立運作

- (a) 已成立優形食品科技有限公司，注入新零售業務、專業團隊及相關資產；
- (b) 確保B端業務穩定運營，傾斜資源重倉加磅新零售業務；

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- (c) on the premise of stabilising the front-end integrated breeding and production capacity, actively deployed a strategic cooperation system for external meat source procurement to ensure the supply chain management capability; and
- (d) continued to increase brand building and marketing efforts to ensure the brand of “iShape (優形)” remains sustainable, healthy and value-added.

### *(2) Introduced Core R&D Management and Technology Team to Build and Optimise R&D System*

- (a) Basic Research and Application Development. Focusing on our target consumer’s insights and demand realisation, we continued to strengthen the speed and efficiency of product application and development; at the same time, based on the demand for continuous growth of brand value, we upgraded to open up and leverage domestic and foreign quality resources, established internal and external joint creation mechanism, developed core technologies, and kept abreast with multiple channels of the meat products and healthy food industry through active deployment and penetration;
- (b) Product Manager and Project Manager. We upgraded from the previous single-track responsibility system of a product manager to a cross-responsibility system of both the product manager and project manager, implemented Integrated Product Development (integrating the research and development (“R&D”) system, milestone key point management) product whole process management and formed a horizontal project team to ensure rapid product iteration and maintain the new fashion image; and

- (c) 在穩定前端一體化養殖供應能力的前提下，積極佈局外部肉源採購戰略合作體系，確保供應鏈管理能力；及
- (d) 繼續加大品牌建設與市場推廣力度，保證優形品牌持續健康的保值增值。

### *(2) 已引進核心研發管理與技術團隊，搭建和優化研發體系*

- (a) 基礎研究及應用開發。著眼於目標消費人群洞察及需求實現，繼續加強產品應用開發速度和效率；同時基於品牌價值持續增長需求，升級為打通與借助國內外優質資源，建立內外部共創機制，開發核心技術，同步向肉製品及健康美食產業的多賽道積極佈局與滲透；
- (b) 產品經理及項目經理。由過往的產品經理單軌負責制，升級為產品經理與項目經理的交叉負責制，實施集成產品開發(Integrated Product Development)(組合(研究與發展「研發」)體系，里程碑關鍵節點管理)產品全流程管理與橫向項目組，確保產品迭代加快，保持新銳時尚形象；及



- (c) Differentiation and Experience. We upgraded from the previous R&D system that focused only on product quality to that which emphasised the integration of R&D and market system. With market demand, consumer research and consumer insight as the guide, and with the ultimate consumer experience as the objective of our product development, we developed new products with strong product strength featuring unique concepts and core technology. In the whole process of R&D, we simultaneously pursued the overall improvement in product and service quality, and constantly explored better differentiation and experience.

### *(3) Upgraded the Logistics System and Implemented Cost Reduction and Efficiency Improvement*

- (a) the logistics procurement centre was set up at the end of 2020 to undertake the management functions of the headquarters;
- (b) model upgrade — from warehouse and distribution separation to warehouse and distribution integration for B2C to enhance efficiency; from cooperation and integration of a number of logistic providers to strategic cooperation with industry giants; adjusted delivery from one warehouse to delivery from separate warehouses to save time;
- (c) during the Reporting Period, warehousing capability grew by 10%, transportation volume grew by 13.5%, and customers sales volume grew by 50%; the average price per unit of new retail online delivery master contracts decreased by 56.3% compared with that of the same period in 2020; and
- (d) during the Reporting Period, we completed the information system construction and OEM supplier foundation deployment.

- (c) 差異化及體驗感。由過往研發體系只聚焦於產品品質，升級為研發與市場體系打通，以市場需求為導向，以消費者調研和洞察為指引，以消費者的極致體驗為產品開發目標，開發出具有獨到概念及核心技術植入的有強大產品力的新品，在研發全過程，同步追求產品和服務品質的全面提升，不斷追求更好的差異化和體驗感。

### *(3) 物流體系升級，實施降本增效*

- (a) 2020年底組建物流採購中心，承載總部管理職能；
- (b) 模式升級 — B/C由倉配分離統一到倉配一體化，提高效率；多家承運商合作整合為行業巨頭戰略合作；由工廠一倉發貨調整為調撥分倉發貨，減低耗時；
- (c) 報告期內，倉儲能力增長10%，運量增長13.5%，C端單量增長50%；新零售線上配送主合同每單平均價與2020年同比下降56.3%；及
- (d) 報告期內，完成信息系統建設與OEM供應商基礎佈局。

### (4) Production Efficiency Upgrade and Cost Control

During the Reporting Period, the Group's non-automated slaughterhouse improved significantly in terms of efficiency. The fully automated slaughterhouse has also gone from trial operation to mass production, with remarkable improvement in cutting efficiency. The cooked production line achieved considerable cost reduction and efficiency improvement.

### (4) 生產效率升級、成本把控

報告期內，本集團非自動化屠宰車間效率顯著提升，全自動化的屠宰車間已從試運營到開始量產，分割效率有更明顯的改善；熟調生產線降費提效取得顯著效果。

## (III) Strategic Path: Upgrading the Industry in the Region through “iShape (優形)”

### 1. Three-year Development Goal

We are committed to upgrading the industry of traditional chicken meat products and achieving quality growth with higher gross profit and brand premiums. We strive to build “iShape (優形)” as the most popular brand of chicken meat products and even low burden food to generate higher market value in the new retail business. At the same time, we also hope to achieve the expected objective of capacity expansion, steadily improve the quality of breeding, adapt to and meet the basic needs of key clients from business-end and “iShape (優形)” company, and ensure the improvement of supply chain management capabilities.

We will continue to develop and integrate market-based meat source procurement and the OEM system to accomplish stable development of new centralised procurement channel business.

## (三) 戰略路徑：以優形帶動全局實現產業升級

### 1. 三年發展目標

致力於傳統雞肉製品的產業升級，實現較高毛利水平、較高品牌溢價的優質增長。我們力爭將優形打造為最受歡迎的雞肉製品乃至低負擔食品品牌，為新零售業務持續創造更高市場價值。同時，希望實現產能擴充預期目標，穩定提高養殖質量，適應與滿足B端大客戶與優形公司基礎需求，確保供應鏈管理能力的提升。

繼續開拓與整合市場化肉源採購與OEM體系，實現新集採渠道業務的穩定發展。

### 2. Strategic Path: Adhering to the “123” Strategy, Focusing on Downstream Channel and Creating a Leading Chicken Meat Products Brand

According to the statistics in 2021, the Group continued to be the leading retailers and exporters of chicken meat products in the PRC. Over the past few years, the Company has been determined to transform and upgrade itself by implementing the “123” development strategy (“One Foundation, Two Major Markets and Three Driving Forces”), and the Company continued increasing the proportion of processed food products, expanding the retail business and building itself as China’s leading chicken meat products brand.

#### (1) “One Foundation”

We extend the Group’s advantage in its vertically integrated business model across the entire industry value chain and the industry ecological chain, and continue strict management on the quality of raw material supply, so as to ensure food quality and safety, offer consumers with quality-assured products and lay a solid foundation for product quality;

#### (2) “Two Major Markets”

We simultaneously develop the domestic market and the international market, ensure “same production line, same standard, same quality” for domestic sales and export sales, and facilitate the dual circulation of the domestic and international markets;

#### (3) “Three Driving Forces”

Firstly, we coordinate online and offline resources to focus on the development of new retail business. In line with the Group’s efforts in the development of B2C business, the new retail business mainly provides consumers with quality brand products including “iShape (優形)” and “Fengxiang” through channels such as online e-commerce, offline convenience stores and boutique supermarkets.

### 2. 戰略路徑：堅持「123」戰略，重點前移下游，創造領先的雞肉品牌

2021年數據顯示，本集團繼續成為中國領先的雞肉製品零售商與出口商。幾年來，公司決心轉型升級，實施「123」發展戰略（「一個基礎、兩大市場、三駕馬車」），不斷加大深加工食品比重，不斷拓展零售業務，創造中國領先的雞肉品牌。

#### (1) 「一個基礎」

將縱向一體化業務模式優勢擴展至全產業價值鏈與生態鏈持續，嚴格原料供應品質管理，確保食品質量安全，為消費者提供安心的產品，奠定堅實的品質基礎；

#### (2) 「兩大市場」

同步發展國內市場與國際市場，堅持內外銷「同線同標同質」，加速促進國內、國際雙循環；

#### (3) 「三駕馬車」

一是線上線下協力重點發展新零售業務。新零售，對應本集團在大力佈局發展的2C業務，主要通過線上電商、線下便利店及精品商超等渠道，直接向消費者提供「優形」、「鳳祥」等優質的品牌產品。

Secondly, we develop the new centralised procurement business for the food and beverage industry and convenience store system. In response to the Group's previous focus on the food and beverage industry, the new centralised procurement refers to the provision of group purchasing or procurement of high quality products to leading enterprises of the food and beverage industry, the convenience store system and the Group's customers, by leveraging its years of experience in serving McDonald's and KFC, and in line with the trend of the upgrading of procurement standards.

Thirdly, we construct the new export business through product optimisation and multiple channels. New export refers to the upgrading of the long-term leading position in the Company's export business, through accumulation of its export experience for over 20 years, to deliver supreme services and to achieve diversified channels through upgrading services, developing markets and expanding channels.

Through implementation of the new strategy, the domestic market and the international market supplement and boost each other. Great synergy and three driving forces are created among the new retail business, the new centralised procurement business and the new export business. With the quality and standard for serving global top food and beverage giants for years, the Group is committed to providing hundreds of millions of families and individual consumers with high-quality products and services, creating China's leading chicken meat product brand.

### 3. The Development Direction of "iShape (優形)"

The strategy of "iShape (優形)" is to achieve steady development of the chicken breast products, then gradually transform from high-end chicken breast products to "low-burden" meat products and healthy food.

We have been building "iShape (優形)" with the focus on "health needs", gradually transforming from rational brand philosophy of "high nutrition" and "high function" to emotional brand philosophy of "low physical burden", "low psychological burden". In our relentless pursuit of "professionalism" and "fashion", we continue to subdivide user groups and maximise the satisfaction of consumers' diversified needs.

二是面向餐飲行業與便利店系統開拓的新集採業務。新集採，對應本集團之前所重點佈局的餐飲行業，指本集團借助多年服務麥當勞、肯德基的經驗，順應採購標準升級趨勢，向餐飲行業與便利店系統的優秀企業以及集團客戶提供優質的團購或集採產品。

三是通過優化產品與多渠道構建的新出口業務。新出口，對應公司長期領先的出口業務的升級，指公司基於20多年出口積澱，升級服務，開發市場，拓寬渠道，實現服務的極致化與渠道的多元化。

本集團通過新戰略的實施，實現國內市場與國際市場的相互促進，新零售、新集採與新出口業務的高效協同、三輪驅動，以多年服務全球頂級餐飲巨頭的品質與標準，為億萬家庭和個人用戶提供優質產品和服務，創造中國領先的雞肉品牌。

### 3. 優形品牌發展方向

優形的戰略選擇是穩紮穩打做好雞胸肉產品，再逐步從高端雞胸肉產品擴充到「低負擔」的肉製品與健康食品。

搭建以「健康需求」為軸心的優形品牌光譜，從「高營養」、「高功能」的理性品牌訴求逐漸轉向「低身體負擔」、「低心理負擔」等情感品牌訴求，不懈追求「更專業」、「更時尚」，不斷細分用戶人群，最大程度地滿足消費者多元化的消費需求。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### FINANCIAL REVIEW

#### (I) Overall performance

For the year ended 31 December 2021, the Group experienced an increase of 13.2% in revenue as compared to that of 2020 with a decrease in net profit of 69.0% as compared to that of 2020. There was a decrease of 7.5% in gross profit as compared to that of 2020. The basic earnings per share was RMB3.6 cents in 2021. Set out below is the detailed information on the fluctuations in the Company's results for the year ended 31 December 2021.

### 財務回顧

#### (一) 整體業績

截至2021年12月31日止年度，本集團的收入較2020年增加13.2%，淨利潤較2020年下降69.0%。與2020年同期相比，毛利減少7.5%。2021年的每股基本盈利為人民幣3.6分。截至2021年12月31日止年度，本公司業績波動的詳情載列如下。

		For the year ended 31 December		
		截至12月31日止年度		
		2021	2020	Change
		2021年	2020年	變動
		RMB'000	RMB'000	(%)
		人民幣千元	人民幣千元	(%)
Total operating revenue	營業總收入	<b>4,416,764</b>	3,901,615	+13.2
Operating costs	營業成本	<b>3,858,825</b>	3,298,369	+17.0
Selling expenses	銷售費用	<b>345,019</b>	230,006	+50.0
Administrative expenses	管理費用	<b>89,311</b>	113,995	-21.7
R&D expenses	研發費用	<b>24,983</b>	21,399	+16.7
Finance costs	財務費用	<b>47,696</b>	53,029	-10.1
Other gains	其他收益	<b>13,392</b>	19,275	-30.5
Loss on changes in fair value	公允價值變動虧損	<b>(4,170)</b>	(27,158)	+84.6
Total profit	利潤總額	<b>48,744</b>	157,562	-69.1
Net profit	淨利潤	<b>47,075</b>	151,615	-69.0
Gross profit	毛利潤	<b>557,939</b>	603,246	-7.5
Gross profit margin	毛利率	<b>12.6%</b>	15.5%	-18.3
Net profit margin	淨利率	<b>1.1%</b>	3.9%	-72.6

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### 1. Revenue by products

### 1. 按產品劃分的收入

		Year ended 31 December		
		截至12月31日止年度		
		2021	2020	Change
		2021年	2020年	變動
		RMB'000	RMB'000	(%)
		人民幣千元	人民幣千元	(%)
Raw chicken meat products	生雞肉製品	1,913,256	1,922,651	-0.5
Processed chicken meat products	深加工雞肉製品	2,295,406	1,773,387	+29.4
Chicken breeds	雞苗	64,822	85,335	-24.0
Others	其他	143,280	120,242	+19.2
<b>Total</b>	<b>合計</b>	<b>4,416,764</b>	<b>3,901,615</b>	<b>+13.2</b>

During the Reporting Period, the Group's sales revenue increased due to (i) the Company efforts in putting its strategic focus on the retail business, leading to an increase in sales of processed chicken meat products, especially "iShape (優形)" products, resulting in a growth in revenue of processed chicken meat products, representing 52.0% (2020: 45.5%) of the total revenue; (ii) the decrease in unit price of chicken breeds resulting in a drop in revenue of chicken breeds, representing 1.5% (2020: 2.2%) of the total revenue; and (iii) increase in revenue from other by-products due to an increase in production capacity and sales volume, representing 3.2% (2020: 3.1%) of the total revenue.

報告期內，本集團銷售收入增加，乃由於(i)本公司戰略重心鎖定零售業務、使深加工雞肉製品尤其是優形產品銷售增加，致使深加工雞肉製品收入增長，佔總收入比重52.0% (2020年：45.5%)；(ii) 雞苗單價下降，致使雞苗收入減少，佔總收入比重1.5% (2020年：2.2%)；及(iii) 由於產能及銷量的增長，副產品收入增長，佔總收入比重3.2% (2020年：3.1%)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### 2. Sales volume and average selling price by products

<b>Raw chicken meat products</b>	<b>生雞肉製品</b>
Sales volume (per kg)	銷量(每千克)
Average selling price (RMB per kg)	平均售價(每千克人民幣)
<b>Processed chicken meat products</b>	<b>深加工雞肉製品</b>
Sales volume (per kg)	銷量(每千克)
Average selling price (RMB per kg)	平均售價(每千克人民幣)
<b>Chicken breeds</b>	<b>雞苗</b>
Sales volume (per bird)	銷量(每隻)
Average selling price (RMB per kg)	平均售價(每千克人民幣)

During the Reporting Period, the number of white-feathered broilers being slaughtered experienced a year-on-year increase of 18.4%, and the production and sales volume of chicken meat products both experienced corresponding growth. The growth of breeding, processing and sales are related. Raw chicken meat products were affected by market price fluctuations, resulting in a decline in average selling price; processed chicken meat products were not significantly affected by market price fluctuations, and the sales volume of the Company's "iShape (優形)" products with high gross profit recorded a rapid growth, with a slight increase in the average selling price. During the Reporting Period, the price of chicken breeds fluctuated significantly due to the market impact, with a drop in the average selling price. The Company also took the initiative to strategically reduce production, resulting in a decrease in the sales volume of chicken breeds.

### 2. 按產品劃分的銷量、平均售價

#### Year ended 31 December

截至12月31日止年度

2021	2020	Change
2021年	2020年	變動
		(%)
		(%)

202,911,040	187,120,104	+8.4
9.43	10.30	-8.2
107,572,326	85,255,855	+26.2
21.34	20.80	+2.6
31,082,052	35,570,166	-12.6
2.09	2.40	-13.1

報告期內，公司白羽肉雞宰殺量同比增長18.4%，雞肉製品的產銷量均保持相應增長，養殖、加工、銷售增長關係相匹配。生雞肉製品受市場價格波動影響，出現平均售價下跌；深加工雞肉製品受市場影響價格波動不明顯，且本公司高毛利的優形產品銷量高速增長，平均售價小幅上漲。報告期內，雞苗價格受市場影響價格波動較大，平均售價下跌，且公司亦主動戰略減產，雞苗銷量下降。

### 3. Revenue by geographic territory and products

### 3. 按地理區域分佈及產品劃分的收入

		Year ended 31 December		
		截至12月31日止年度		
		2021	2020	Change
		2021年	2020年	變動
		RMB'000	RMB'000	(%)
		人民幣千元	人民幣千元	(%)
Mainland China	中國內地	<b>3,440,302</b>	3,036,653	+13.3
Japan	日本	<b>369,488</b>	382,416	-3.4
Malaysia	馬來西亞	<b>275,957</b>	216,861	+27.3
European Union	歐盟	<b>262,068</b>	202,740	+29.3
Other countries	其他國家	<b>68,949</b>	62,945	+9.5
<b>Total</b>	<b>合計</b>	<b>4,416,764</b>	3,901,615	+13.2

During the Reporting Period, the Company's revenue growth in the Mainland China market was driven by an increase in processing capacity of breeding and the rapid growth in sales volume of the products under the "iShape (優形)" brand. Also, in light of the competitiveness of the Company's products and the re-structuring of the international landscape, during the Reporting Period, the Company continued to focus on the development of new retail business, new centralised procurement, and new export business, all of which have achieved positive results, leading to the growth in sales revenue from Malaysia, the European Union and other markets.

報告期內，公司飼養於加工產能增加，優形品牌產品銷量的高速增長，帶動中國內地市場收入增長。此外，得益於本公司產品的競爭力及國際格局重構，報告期內，本公司繼續專注於發展新零售、新集採及新出口業務，該等業務均取得顯著成果，使得馬來西亞、歐盟及其他市場的銷售收入實現增長。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### B2B and B2C sales revenue

The Company's B2B sales are mainly direct sales or distribution of products to domestic and international customers, primarily food service or industrial customers, fast food restaurants, and food retailers. B2C sales are primarily through online and offline platforms to the end consumers.

### B2B及B2C銷售收入

公司B2B銷售主要針對國內及國際客戶直銷或分銷產品，主要針對食品服務或工業客戶、速食餐廳、及食品零售商；B2C銷售主要通過線上及線下平台向最終消費者銷售產品。

#### For the year ended 31 December

截至12月31日止年度

		2021	2020	Change
		2021年	2020年	變動
		RMB'000	RMB'000	(%)
		人民幣千元	人民幣千元	(%)
B2B	B2B	3,468,675	3,108,203	+11.6
B2C	B2C	948,089	793,412	+19.5
Of which : Online	其中：線上	486,325	482,128	+0.9
Offline	線下	461,764	311,284	+48.3
Total	合計	4,416,764	3,901,615	+13.2

During the Reporting Period, the Company achieved rapid growth in its B2B and B2C businesses through further expansion of its customer base and growth in sales volume. Revenue from the B2B business increased by 11.6% compared with that of the same period in 2020. Revenue from the B2B business amounted to 78.5% (2020: 79.7%) of the total revenue, representing a decrease of 1.2%. In addition, products under the "iShape (優形)" series continued to maintain rapid growth, and its share in the new retail business achieved a year-on-year growth to 51.6% from 29.1%. Accordingly, revenue from the B2C business increased by 19.5% compared with that of the same period in 2020. Revenue from the B2C business reached 21.5% (2020: 20.3%) of the total revenue, representing an increase of 1.2%.

報告期內，公司客戶範圍進一步擴大，銷量增長，實現2B、2C業務的快速增長。與2020年同期相比，2B端收入增長11.6%，2B端業務收入佔比達到78.5%（2020年：79.7%），降低1.2%，此外，優形系列產品繼續保持高速發展，在新零售業務的佔比由2020年同期的29.1%上升到51.6%。故此，與2020年同期相比，2C端收入增長19.5%，2C端業務收入佔比達到21.5%（2020年：20.3%），增長1.2%。

### 5. Operating costs

The Group's operating costs increased by 17.0% to RMB3,858.8 million for the year ended 31 December 2021 (2020: RMB3,298.4 million), mainly due to (i) a 14.0% increase in the sales of white-feathered broilers reared by the Company; and (ii) rising costs of animal feeds due to the year-on-year increase in corn and soybean meal prices.

### 6. Administrative expenses

The Group's administrative expenses decreased by 21.7% to RMB89.3 million in 2021 (2020: RMB114.0 million), mainly due to less engagement with service suppliers after the listing which resulted in a decrease in service fees.

### 7. Selling expenses

The Group's selling expenses increased by 50.0% to RMB345.0 million in 2021 (2020: RMB230.0 million), mainly due to the increase in resources invested by the Group in its new retail business.

### 8. R&D expenses

The Group's R&D expenses increased by 16.7% to RMB25.0 million in 2021 (2020: RMB21.4 million), mainly due to increased investment in R&D with the establishment of a multi-level new product R&D system.

### 9. Finance costs

The Group's finance costs for the year ended 31 December 2021 slightly decreased by 10.1% to RMB47.7 million (for the year ended 31 December 2020: RMB53.0 million), which was mainly due to the capitalisation of interest on construction in progress in 2021 of RMB8.8 million.

### 5. 營業成本

本集團截至2021年12月31日止年度營業成本上升17.0%至人民幣3,858.8百萬元(2020年：人民幣3,298.4百萬元)，主要由於(i)本公司白羽肉雞飼養銷量增加14.0%；及(ii)玉米、豆粕價格同比上漲，造成飼料成本上漲。

### 6. 管理費用

本集團2021年的管理費用下降21.7%至人民幣89.3百萬元(2020年：人民幣114.0百萬元)，主要由於上市後委聘的服務供應商減少導致服務費用的減少。

### 7. 銷售費用

本集團2021年的銷售費用上升50.0%至人民幣345.0百萬元(2020年：人民幣230.0百萬元)，主要由於本集團增加對新零售業務的資源投資。

### 8. 研發費用

本集團2021年的研發費用上升16.7%至人民幣25.0百萬元(2020年：人民幣21.4百萬元)，主要由於本公司搭建多層次新品研發體系，加大研發投入所致。

### 9. 融資成本

本集團截至2021年12月31日止年度的融資成本略微下降10.1%至人民幣47.7百萬元(截至2020年12月31日止年度：人民幣53.0百萬元)，主要由於2021在建工程利息資本化(人民幣8.8百萬元)所致。

### 10. Total profit

During the Reporting Period, the significant decline in profit before income tax was primarily due to (i) the increase in the costs of animal feed due to the year-on-year increase in the price of raw materials such as corn and soybean meal; (ii) the increase in selling and marketing expenses as a result of the increase in resources invested by the Group in its new retail business; and (iii) the decrease in the selling prices of raw chicken meat products due to the impact of COVID-19 epidemic which led to a drop in the demand for such products. For the foregoing reasons, the Group's profit before income tax decreased significantly by 69.1% to RMB48.7 million for the year ended 31 December 2021 (for the year ended 31 December 2020: RMB157.6 million).

### (II) Opening Figures of the Balance Sheets during the Interim Period and the Reporting Period in 2021

There is a slight difference between the opening figures of the interim balance sheet in 2021 and the opening figures during the Reporting Period, mainly because the Group prepared the year-end financial report for 2021 with the adoption of fair value measurement instead of the costs method measurement for the biological assets as previously adopted in the preparation of the interim results report. With reference to the similar industry practices, and in view of the material fluctuations in the market price of biological assets during the year, the management believes that the use of fair value measurement can better reflect the accuracy of biological assets measurement. Accordingly, the measurement of the opening figures in the year-end balance sheet of 2021 was changed to the use of fair value measurement to be consistent with the measurement model of biological assets for the current year, and provide readers of the statements with comparable and reliable financial information.

### 10. 溢利總額

報告期內，除所得稅前溢利大幅下降，主要歸因於(i)原材料價格包括玉米及豆粕之價值按年上漲影響飼料成本增加；(ii)銷售、營銷費用因本集團增加對其新零售業務的資源投資而增加；及(iii)因新冠疫情的影響令生雞肉製品之需求量減少而導致其售價降低。基於上述原因，截至2021年12月31日止年度，本集團的除所得稅前溢利大幅減少69.1%至人民幣48.7百萬元（截至2020年12月31日止年度：人民幣157.6百萬元）。

### (二) 2021年度中期及本報告期資產負債表期初數據

2021年度中期資產負債表期初數據與本報告期初數據存在些微差異，其中主要原因為本集團在編製2021年度年末財務報告時，並非按照編製中期業績報告時對生物資產採用成本法計量，而是採用公允價值計量。參考了同業操作，以及鑒於生物資產市場價格年內存在較大的波動，管理層認為對生物資產使用公允價值計量更能反映生物資產計量的準確性。因此，2021年度年末資產負債表期初數據變更為使用公允價值計量，以使該計量與本年度生物資產計量模式一致，為報告使用者提供了可比、可靠的財務信息。

### (III) Analysis on Capital Resources

#### 1. Liquidity and capital resources

The Group has funded its operations principally with cash generated from its operations, borrowings and shareholders' capital contributions. The Group's primary uses of cash in 2021 were for working capital purposes and capital expenditures for expansion and improvement of production equipment and facilities.

#### 2. Capital structure

As at 31 December 2021, the registered capital of the Company was RMB1,400,000,000 and the total number of issued shares of the Company was 1,400,000,000 shares, comprising 1,045,000,000 domestic shares ("Domestic Shares") and 355,000,000 H shares ("H Shares") with a nominal value of RMB1.0 each.

As at 31 December 2021, the total borrowings of the Group amounted to RMB2,460.9 million, representing an increase of 55.1% as compared to that of 31 December 2020. The increase was mainly attributable to: (i) the grant of a two-year term loan of RMB300.0 million by state-owned commercial banks at a relatively low interest rate ranging from 3.85% to 3.95% for the purpose of financing the Group's daily operations, benefiting from the financial support policies promulgated by the PRC government; (ii) the grant of a 5.5-year project loan of RMB500.0 million by commercial banks to expand the whole broiler industrial chain of breeding, slaughtering and processing capacity; and (iii) the Group's borrowings were renewed normally upon expiration during 2021. The abovementioned new medium and long-term borrowings have improved the Company's capital structure, effectively strengthened the Company's capability against uncertain risks in the market, and provided sufficient capital reserves for the normal operation and rapid development of the Group.

### (三) 資本資源分析

#### 1. 流動資金及資本資源

本集團的業務資金主要來自其經營所產生的現金、借貸以及股東資本出資。於2021年，本集團的主要現金用途為營運資金目的以及擴大及改善生產設備及設施所需資本開支。

#### 2. 資本架構

於2021年12月31日，本公司註冊資本為人民幣1,400,000,000元，本公司已發行股份總數為1,400,000,000股股份，包括1,045,000,000股內資股（「內資股」）及355,000,000股H股（「H股」），每股面值為人民幣1.0元。

於2021年12月31日，本集團借款總額人民幣2,460.9百萬元，較2020年12月31日增加55.1%。增加主要是因為：(i)本集團受益於中國政府財政支持政策，獲得國有商業銀行以較低利率（介於3.85%至3.95%）授出兩年期定期貸款人民幣300.0百萬元，用於日常經營所需資金；(ii)獲得商業銀行授出5.5年期項目貸款人民幣500.0百萬元，以擴大肉雞全產業鏈養殖、屠宰、加工生產能力；及(iii)於2021年，本集團到期借款得以正常續貸。以上新增中長期借款，改善了本公司的資本結構，有效增加了本公司抵抗市場帶來的不確定風險的能力，為本集團正常運行和快速發展提供了充足資金儲備。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The Group monitors capital using a gearing ratio, which is total borrowings divided by total equity. The Group's policy is to maintain a stable gearing ratio. The gearing ratio as at 31 December 2021 was 72.4% (31 December 2020: 46.8%).

The Group has entered into hedging activities in relation to the commodity prices of soybean meal and corn to mitigate the impact of raw material price fluctuations on the Group's operating activities. During the Reporting Period, the position in corn futures accounted for 6.84% of the annual purchase volume and the position in soybean meal accounted for 1.75% of the annual purchase volume. As at 31 December 2021, the above positions in futures were closed out and the profit on closing out the positions amounted to RMB1.6 million.

### 3. Contingent liabilities and pledge of assets

The Group's bank borrowings as at 31 December 2021 were secured by (i) mortgages of the Group's lands situated in the PRC with aggregate net carrying values of RMB57.7 million (31 December 2020: RMB26.0 million); (ii) pledge of the Group's bank deposits of RMB472.4 million (31 December 2020: RMB266.1 million); (iii) pledge of certain of the Group's property, plant and equipment with aggregate net carrying amount of RMB667.8 million (31 December 2020: RMB277.0 million); and (iv) guarantee from a related party for loans up to RMB313.0 million (31 December 2020: RMB49.0 million).

As at 31 December 2021, the Group did not have any material contingent liabilities.

## PRINCIPAL RISKS AND UNCERTAINTIES

The results and business operations of the Group are affected by a number of risks and uncertainties directly or indirectly related to the business of the Group. Primary risk factors known to the Group are outlined as follows:

本集團採用資本負債比率(即借款總額除以權益總額)監管資本。本集團之政策為保持穩定資產負債比率。於2021年12月31日，資本負債比率為72.4% (2020年12月31日：46.8%)。

本集團已就豆粕、玉米的商品價格進行對沖活動，以緩解原材料價格波動對本集團經營活動產生的影響。於報告期內，玉米期貨建倉佔全年採購量的6.84%，豆粕建倉佔全年採購量的1.75%，於2021年12月31日，上述持倉期貨品種均已平倉，平倉盈利人民幣1.6百萬元。

### 3. 或然負債及資產抵押

本集團於2021年12月31日的銀行借款以(i)抵押本集團位於中國的總賬面淨值為人民幣57.7百萬元(2020年12月31日：人民幣26.0百萬元)的土地；(ii)抵押本集團人民幣472.4百萬元(2020年12月31日：人民幣266.1百萬元)的銀行存款；(iii)抵押本集團總賬面淨值為人民幣667.8百萬元(2020年12月31日：人民幣277.0百萬元)的若干物業、廠房及設備；及(iv)關聯方提供貸款擔保額至人民幣313.0百萬元(2020年12月31日：人民幣49.0百萬元)。

於2021年12月31日，本集團並無任何重大或然負債。

## 重大風險及不確定性

本集團的業績及業務營運受到與本集團業務直接或間接相關的眾多風險及不明朗因素影響。主要風險概述如下：

### Price Risks

Price risks refer to the losses of costs increase or profits decrease due to the fluctuation of the purchase price and the sales price. We operate in a competitive industry, where the raw materials and products are commodities, all of which have been subject to significant price fluctuations. We are exposed to the risk of fluctuations of commodity prices, including prices of corn and soybean meals (which are our primary animal feed ingredients), chicken breeds and poultry products in China. Fluctuations in these commodity prices have had and are expected to continue to have an effect on our profitability. Commodity prices generally fluctuate with market conditions, including supply and demand, diseases, government policies and weather conditions in major agricultural and farming regions.

### Health Risks

Health risks refer to the risks of outbreak of diseases among or attributed to chicken. A lot of countries have encountered animal diseases, including but not limited to, foot-and-mouth disease, avian influenza and other animal diseases. Avian influenza, in particular H5N1 virus, H7N9 virus and H5N6 virus, is a type of disease which spreads through poultry and is capable of killing millions of poultry and may, in some circumstances, be transmitted to humans, causing symptoms such as fever, cough, sore throat, muscle aches and, in severe cases, breathing problems and pneumonia that may be fatal. Outbreak of diseases in neighbouring areas of any of our production facilities could raise concerns of the public and our customers on the safety and quality of our products. To solve health risks, the Group has implemented comprehensive procedures to prevent diseases among our breeders and broilers and focuses on reaction measures in response to any potential risk of disease outbreak. The Group has a technical specialist responsible for collecting information relating to livestock disease and providing early warning. In particular, we implemented a disease and mortality rate monitoring programme whereby our staff will check and remove dead breeders and broilers and will inform our veterinarians accordingly. Our veterinarians monitor the mortality rate of breeders and broilers on a daily basis and we maintain records of their health conditions throughout their lifespan. Such records include feed consumption, mortality, daily egg production, average egg weight, medication, vaccinations and disinfection records.

### 價格風險

銷售價格的波動導致成本上升或利潤下降的損失。我們在一個充滿競爭的行業經營，當中的主要原材料及產品均為商品並且有顯著的價格波動。我們面臨商品價格波動的風險，包括中國的玉米及豆粕（為我們的主要飼料原料）、雞苗及雞肉製品價格。商品價格通常隨市況（包括供需、政府政策及主要農牧區的天氣狀況）起伏。

### 健康風險

健康風險是指生雞爆發疾病或生雞引發的疾病的風險。眾多國家爆發過動物疾病，包括但不限於口蹄疫、禽流感及其他動物疾病。禽流感（尤其是H5N1病毒、H7N9病毒及H5N6病毒）為一種在家禽中傳播的疾病，能夠殺死成百萬的家禽，且於一些情況下，會傳播給人類，引起發燒、咳嗽、喉嚨疼痛、肌肉痛等症狀，且於嚴重情況下引發可能致命的呼吸疾病及肺炎。我們任何生產設施的鄰近地區爆發疾病或會引起公眾及我們的客戶對我們產品的安全和質量的關注。對於健康風險，本集團已實行全面的種雞及肉雞疾病防控程序，並重點關注應對任何疾病爆發的潛在風險的響應措施。本集團的一名技術專員負責收集禽類疾病的相關資訊並進行預警。具體而言，我們實施了疾病及死亡率監控計劃，藉此，我們的員工將會檢查及清除已死亡的種雞及肉雞，並根據情況通知我們的獸醫。我們的獸醫每日監控種雞及肉雞的死亡率，而我們記錄其整個生命週期的健康狀況。該等記錄包括飼料消耗、死亡率、日產蛋量、平均蛋重、藥物治療、疫苗接種及消毒記錄。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Food Safety Risks

Food safety risks refer to risks of severe customer complaints, large-scale product recalls and other negative effects resulted from unqualified product and food safety indicators due to deficient food safety management system as well as early warning mechanism. To solve possible food safety risks, we have established and maintain a quality control system covering each stage of our operations. In addition to our quality control system covering each stage of our operations, we have established a food safety control system covering issues related to our R&D, supplier certification and management, procurement, production, storage, transportation and sales and distribution activities, and has obtained, among other things, (i) ISO22000 (Food Safety) Certificate; (ii) ISO9001 (Quality) Certificate; (iii) GLOBALG.A.P. (Global Good Agricultural Practices Certification); and (iv) HACCP Certification.

### Safety Production Risks

Safety production risks refer to risks of corporate property loss, temporary production suspensions or tarnished reputation due to production safety accidents caused by deficient safety management system or inadequate accident preventive measures. The Group has formulated food safety and management system manuals and procedure documents in accordance with the requirements of Food Safety Law of the PRC, GB/ T27341-2009 Hazard Analysis and Critical Control Point (HACCP) System — General Requirements for Food Production Enterprises and other laws and regulations and relevant industry standards. Further, the results of our bacteria tests on our chicken meat products have complied with the Fresh and Frozen Poultry Product National Standards of the PRC and we procure our raw materials, Parent Stock Day-old Chicks and frozen chicken meat products from third party suppliers that have obtained the necessary licences and permits.

### 食品安全風險

食品安全風險是指食品安全管理體系不完善和預警機制執行不到位等導致產品食品安全指標不合格，造成嚴重客戶投訴、產品大規模召回和其他負面影響的風險。針對食品安全方面可能存在的風險，我們已制定並持續使用貫穿各個業務階段的質量控制系統。除貫穿各個業務階段的質量控制系統外，我們亦建立了食品安全控制系統，以解決與研發、供應商認證及管理、採購、生產、儲存、運輸以及銷售與分銷活動有關的問題，且已獲得(其中包括)：(i) ISO22000(食品安全)認證；(ii) ISO9001(質量)認證；(iii) GLOBALG.A.P.全球良好農業操作規範認證；及(iv) HACCP認證等。

### 安全生產風險

安全生產風險是指安全管理制度不健全或事故防範措施不到位，導致生產安全事故，造成企業財產損失、生產暫時中止或聲譽受損的風險。本集團亦已根據《中華人民共和國食品安全法》的規定、GB/T27341-2009危害分析與關鍵控制點(HACCP)體系—食品生產企業通用要求以及其他法律法規及相關行業標準制定食品安全及管理體系指南及程序文件。此外，雞肉製品細菌測試結果符合中國鮮、凍禽產品國家標準，我們從已獲得所需牌照及許可證的第三方供應商採購原材料、父母代種雞苗及冷凍雞肉製品。此外，我們於往績記錄期間並未收到客戶或消費者的任何產品責任索賠。

### Epidemic Risks

Epidemic risks are the major risks faced by the development of animal husbandry. Outbreaks of health epidemics such as COVID-19, the severe acute respiratory syndrome, Middle East Respiratory Syndrome as well as the Ebola virus could materially and adversely affect our business operations. The Group will continue to monitor closely the development of the epidemics, assess and react actively its impacts on the Group's financial position and operating results, and ensure hygiene measures have been adopted. Vehicles, staff, visitors and relevant equipment entering and exiting the breeder and broiler farms are required to undergo a disinfection process and be logged, and our staff are prohibited from bringing their uniforms out of the enclosed farm area to minimise the chance of introducing bacteria from the external environment.

In addition, the ongoing epidemic of COVID-19 since late 2019 has caused significant disruption to the PRC and worldwide economic activities. To cope with the risks caused by the COVID-19 pandemic, the Company has established an epidemic prevention and containment team and formulated a comprehensive and stringent prevention and control plan according to the development trend of the epidemic and national policies, and strived to ensure employee safety, stable production and smooth sales.

### Financial risks

The Group's unrestricted monetary funds was RMB1,375 million, of which the funds deposited with GMK Finance Co., Ltd. ("GMK Finance"), which is also controlled by GMK Holdings Group Co., Ltd. ("GMK Holdings"), was RMB1,041 million. As at the date of this annual report, the deposits with GMK Finance decreased to RMB802 million. As a result of the overdue debts of GMK Holdings and its subsidiaries, there is a risk that the bank borrowings of RMB1,078 million guaranteed by them will be called for early repayment by the borrowers in advance and the Group is not able to estimate the proportion of the recoverability of the funds placed with GMK Finance yet. If the bank calls for early repayment of borrowings and/or all or part of the deposits with GMK Finance cannot be recovered, it may have a material adverse effect on our financial position. No provision for impairment has been made by the Company's management for this matter. The Company is actively negotiating with GMK Holdings, and is being informed that it is conducting debt arrangements with its subsidiaries. The Company is also carefully following up the situation and considering deposit protection measures to safeguard the interests of the Group and the shareholders of the Company as a whole.

### 疫病風險

疫病風險是畜牧行業發展中面臨的主要風險。衛生疫情(例如新冠疫情、嚴重急性呼吸系統綜合症、中東呼吸綜合症及埃博拉病毒)爆發亦會對我們的業務營運造成重大不利影響。本集團將繼續密切監察疫情的進展情況，並評估及積極回應其對集團財務狀況及經營業績的影響，並確保已採取衛生措施。所有人員在進入種雞場及肉雞場所在封閉區域前均需穿上本集團提供的制服及鞋子。我們禁止員工將其制服帶離封閉場區以將由外部環境帶入細菌的幾率降至最低。

此外，自2019年年底以來的新冠疫情持續疫情對中國及世界經濟活動造成重大干擾。為了應對由新冠疫情大流行引起的風險，本公司已成立疫情防控小組，結合疫情發展趨勢及國家政策，指定全方位的嚴格防控方案，全力保障員工安全、生產平穩、銷售順暢。

### 財務風險

本集團未受限貨幣資金共計人民幣1,375百萬元，其中，存放在與其同受新鳳祥控股集團有限公司(「新鳳祥控股」)控制的新鳳祥財務有限公司(「新鳳祥財務」)的資金為人民幣1,041百萬元，截至本年報日期，存放於新鳳祥財務的存款降為人民幣802百萬元。由於新鳳祥控股及其附屬公司債務逾期，可能引發其提供擔保的本集團銀行借款人民幣1,078百萬元存在被借款人提前收回的風險，且本集團尚無法估計存放於新鳳祥財務資金的可收回性比例。如出現銀行借款提前收回及／或於新鳳祥財務存放的資金沒法全部或部分收回，可能會對我們財務情況造成重大不利影響。本公司管理層未就該事項進行計提減值準備。本公司正積極與新鳳祥控股進行磋商，並獲悉其正與附屬公司進行債務安排，並且對有關情況進行審慎跟蹤及考慮存款的保障措​​施，以維護本集團及本公司股東整體利益。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Policy and Regulation Risks

We are subject to laws, rules and regulations inside and outside the PRC. Changes in domestic and foreign economic environment and the continuous development of the poultry industry could result in the relevant laws and regulations and industry policies being adjusted accordingly. Such changes may, to a certain extent, result in uncertainties in the future business development and operating results of the Group.

### SIGNIFICANT INVESTMENTS, ACQUISITIONS AND DISPOSALS

Save as disclosed in this annual report, during the Reporting Period, the Group did not have any other significant investments, acquisitions or disposals.

### HUMAN RESOURCES

As at 31 December 2021, the Group had 7,524 employees who were directly employed by the Group, of which 7,520 employees were employed in the PRC and 4 employees were located in Japan. The remuneration packages for the employees include salary, bonuses and allowances. As required by the PRC regulations, the Group (i) participates in social insurance schemes operated by the relevant local government authorities, and (ii) maintains mandatory pension contribution plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance. The Group also provides continuing education and training programmes to its employees to improve their skills and develop their potential. The Company also adopted two share award schemes on 24 June 2020 and 10 December 2021, respectively, and any full-time or part-time employees of the Group (including any director of the Company (the "Director")) are eligible participants under the said schemes. In 2021, the Company granted awards to certain selected participants to recognise their contribution and to provide them with incentives to retain them for the continual operation and development of the Group.

### 政策法規風險

我們需遵守中國境內外的法律、法規和規章。國內外經濟環境的變化以及家禽業的不斷發展，可能會導致相關法律法規和產業政策的調整。該等變動在一定程度上可能導致本集團未來業務發展及經營業績的不確定性。

### 重大投資、收購及出售事項

除本年報所披露者外，於報告期內，本集團並無任何其他重大投資、收購或出售事項。

### 人力資源

於2021年12月31日，本集團有7,524名直接受僱於本集團的僱員，其中在中國僱用7,520名僱員及4名僱員位於日本。僱員薪酬待遇包括薪金、獎金及津貼。按照中國法規規定，本集團(i)參加由相關地方政府機構運作的社會保險計劃，及(ii)設立強制性養老金供款計劃並投購醫療保險、工傷保險、失業保險及生育險。本集團亦向僱員提供持續教育及培訓課程，以提高其技能及發揮其潛能。於2020年6月24日及2021年12月10日，本公司亦分別採納兩項股份獎勵計劃，且本集團任何全職或兼職僱員(包括任何本公司董事(「董事」))均為上述計劃下的合資格參與者。於2021年，本公司向若干選定參與者授出獎勵以表彰彼等的貢獻，並向彼等提供獎勵以為本集團的持續經營及發展留任該等人士。

## BUSINESS OUTLOOK

### Market Forecast and Outlook

#### 1. Challenges and risks:

- (1) continuous increase in costs of animal feed, such as corn, soybean meal;
- (2) decrease in the selling prices of raw chicken meat products due to the impact of COVID-19 epidemic which led to a drop in the demand for such products; and
- (3) intensified competition due to more industry competitors.

#### 2. Opportunities and potential development:

- (1) increasing and rapid growth in healthy-food market, with chicken breast as the main ingredient;
- (2) improvement in the efficiency of convenience stores, Tmall and other advantageous distribution channels, and a rapid rise in new e-commerce platforms such as Tik Tok, Kuaishou;
- (3) accumulation of strength and rapid amplification of energy of the “iShape (優形)” brand value; and
- (4) re-structuring of the international landscape opening opportunities for us to enter into more overseas markets.

#### 3. Long-term growth strategies:

- (1) in terms of business model, the Group will continue to focus on its main businesses, fully release production capacity, safeguard business growth, increase sales revenue, speed up inventory turnover and accelerate the recovery of trade receivable, while continuing to adopt cost reduction and efficiency enhancement measures to increase operating cash flows;
- (2) in terms of financial management, the Group will further improve its capability to cope with financial risks, optimise its debt structure, reduce short-term liabilities and increase long-term liabilities to minimise the pressure of short-term debt repayment;

## 業務展望

### 市場預測和展望

#### 1. 挑戰與風險：

- (1) 玉米、豆粕等飼料成本持續上升；
- (2) 因新冠疫情的影響令生雞肉製品之需求量減少而導致其售價降低；及
- (3) 更多同業發力，競爭態勢進一步白熱化。

#### 2. 機會與空間：

- (1) 以雞胸肉為主要原料的健康美食市場更快速的增長；
- (2) 便利店、天貓等優勢分銷渠道效率的提升，抖音、快手等新電商平台的快速崛起；
- (3) 優形品牌價值的蓄勢與能量快速放大；及
- (4) 國際格局重構為進入更多海外市場提供機遇。

#### 3. 長期增長策略：

- (1) 業務模式上，本集團將繼續聚焦主業，充分釋放產能，保障業務增長，增加銷售收入，加快庫存周轉，加快應收賬款回收，同時持續採用降本增效措施，增加經營性現金流；
- (2) 財務管理上，本集團將進一步提高財務風險應對能力，優化債務結構，減少短期負債，增加長期負債，減輕短期償債壓力；

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- (3) in terms of talent strategy, the Group launched share award schemes to implement long-term, medium-term and short-term incentives during the Reporting Period to attract and retain talent, and set up a new partnership mechanism for breeding and retail ends;
  - (4) in terms of internal driving force, the Group will shape itself to become an effective central driver for the market and R&D development, build a multi-level R&D and marketing system for new products according to user needs, and continue to ensure an increase in the market share of single salad chicken breast market, while focusing on innovating new single products;
  - (5) continue to improve the membership operation and service capabilities, realise joint creation of brands and products, strengthen the advantage of knowing the consumers preferences, and continue to pursue the leading position of the mid-to-high-end products;
  - (6) continue to strengthen rapid organisational change and learning capability, and continue to promote the rapid evolution of our enterprise with digital marketing approach; and
  - (7) continue to strengthen the construction of sales channels to extend its presence to the sinking markets and normal-temperature meat market, and deeply enrich and improve the strategic partnership system, and optimise and enhance the peripheral ecosystem of our enterprise.
- (3) 在人才戰略上，本集團在報告期內已推出股份獎勵計劃，實施長、中、短期立體激勵，吸引與留住人才，在養殖與零售兩端，同步搭建新型的合夥人機制；
  - (4) 在內在驅動力上，本集團將塑造其成為市場與研發的中樞引擎效力，圍繞用戶需求，搭建多層次新品研發推廣體系，繼續確保沙拉雞胸肉大單品市場佔有率提高的，同時著力培育新的大單品；
  - (5) 繼續提高會員運營與服務能力，實現品牌共創與產品共創，鞏固消費者喜好先發優勢，繼續追求在中高端產品層次的領先優勢；
  - (6) 繼續加強組織變革速度與學習能力，以數字營銷方面為抓手，繼續推進企業的快速進化；及
  - (7) 繼續加大銷售渠道建設力度，向下沉市場與常溫肉品市場深入延伸，深層次豐富完善戰略合作夥伴體系，優化提升企業周邊生態系統。

# BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理層履歷

### DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### 董事、監事及高級管理層

The Directors, supervisors (the “Supervisors”) and senior management of the Company during the year ended 31 December 2021 and up to the date of this annual report are set out below:

本公司於截至2021年12月31日止年度內及截至本年報日期的董事、監事(「監事」)和高級管理層載列如下：

#### DIRECTORS

##### 董事

Name 姓名	Position in the Company 公司職位
Mr. Liu Zhiguang 劉志光先生	Chairman of the Board of Directors and executive Director 董事會主席兼執行董事
Mr. Xiao Dongsheng 肖東生先生	Executive Director and general manager 執行董事兼總經理
Mr. Wang Jinsheng (resigned on 30 March 2022) 王進聖先生 (於2022年3月30日辭任)	Executive Director, vice general manager and general manager of the breeding department 執行董事、副總經理兼養殖事業部總經理
Mr. Liu Xuejing 劉學景先生	Non-executive Director 非執行董事
Mr. Zhang Chuanli 張傳立先生	Non-executive Director 非執行董事
Mr. Ow Weng Cheong (resigned on 30 March 2022) 區永昌先生 (於2022年3月30日辭任)	Non-executive Director 非執行董事
Mr. Guo Tianyong 郭田勇先生	Independent non-executive Director 獨立非執行董事
Ms. Zhao Yinglin 趙迎琳女士	Independent non-executive Director 獨立非執行董事
Mr. Chung Wai Man 鍾偉文先生	Independent non-executive Director 獨立非執行董事

The biographical details of the Directors are set out as follows:

### Executive Directors

**Mr. Liu Zhiguang**, aged 42, the chairman of the Board of Directors and an executive Director. He was appointed as the chairman of the Board of Directors on 1 November 2018 and a Director on 6 December 2010. He is primarily responsible for formulating corporate strategy, planning, business development and supervising the overall operations of the Group. He is the chairman of the nomination committee and a member of the remuneration committee of the Company.

Mr. Liu Zhiguang has over 18 years of experience in corporate and business management and 11 years of experience in the poultry industry. He joined the Group in December 2010. Mr. Liu Zhiguang has been the vice-chairman of the board of directors and president of GMK Holdings since October 2009. He also has been the deputy secretary of party committee of GMK Holdings since December 2017. He was a representative of the Twelfth and the Thirteenth Shandong Provincial People's Congress. Mr. Liu Zhiguang obtained a bachelor's degree in economics from Central University of Finance and Economics in the PRC in June 2002. Mr. Liu Zhiguang also graduated from the University of Cambridge in the United Kingdom with a master's degree in philosophy in July 2006. Mr. Liu Zhiguang is one of the controlling shareholders of the Company and the son of Mr. Liu Xuejing, the non-executive Director.

**Mr. Xiao Dongsheng**, aged 50, an executive Director and the general manager of the Company. He was appointed as a Director on 1 November 2018. He is primarily responsible for the sales and marketing functions of the Group. He is also a director of iShape Food Technology Co., Ltd. ("iShape Food Technology") (formerly known as Fengxiang Food Co., Ltd.) and Fengxiang Foods (Japan) Co., Ltd.

Mr. Xiao has over 24 years of experience in corporate and business management. He joined the Group in December 2010. He has been a general manager and the general manager of international marketing centre of Shandong Fengxiang Food Development Co., Ltd. ("Fengxiang Food Development") since December 2011. He has also been a general manager of iShape Food Technology since June 2019. Mr. Xiao obtained a bachelor's degree in engineering from Nanjing University of Chemical Technology (currently known as Nanjing Tech University) in the PRC in July 1994.

董事的履歷詳情載列如下：

### 執行董事

劉志光先生，42歲，為董事會主席兼執行董事。彼於2018年11月1日及2010年12月6日分別獲委任為董事會主席及董事。彼主要負責制定企業策略、策劃、業務發展及監督本集團的整體營運。彼為本公司提名委員會主席及薪酬委員會成員。

劉志光先生在企業及業務管理方面擁有逾18年經驗，且於家禽業擁有11年經驗。彼於2010年12月加入本集團。自2009年10月起，劉志光先生一直擔任新鳳祥控股董事會副主席兼總裁。自2017年12月起，彼亦一直擔任新鳳祥控股的黨委副書記。彼為第十二屆及第十三屆山東省人民代表大會的代表。劉志光先生於2002年6月獲得中國中央財經大學經濟學學士學位。劉志光先生亦於2006年7月畢業於英國劍橋大學，並獲得哲學碩士學位。劉志光先生為本公司控股股東之一且為非執行董事劉學景先生的兒子。

肖東生先生，50歲，為本公司執行董事兼總經理。彼於2018年11月1日獲委任為董事。彼主要負責本集團銷售及營銷職能。彼亦為優形食品科技有限公司（「優形食品科技」）（前稱為鳳祥食品有限公司）及鳳祥食品株式會社的董事。

肖先生在企業及業務管理方面擁有逾24年經驗。彼於2010年12月加入本集團。自2011年12月起，彼於山東鳳祥食品發展有限公司（「鳳祥食品發展」）發展擔任總經理兼國際營銷中心總經理。自2019年6月起，彼亦於優形食品科技擔任總經理。肖先生於1994年7月獲得中國南京化工學院（現稱南京工業大學）工學學士學位。

# BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理層履歷

### Non-executive Directors

**Mr. Liu Xuejing**, aged 70, the founder of the Company and a non-executive Director. He was appointed as a Director on 6 December 2010. He is primarily responsible for providing advice to the Board of Directors.

Mr. Liu Xuejing has over 37 years of experience in corporate and business management and 30 years of experience in the poultry industry. He served as a director of Fengxiang Food Development from April 1997 to December 2000. He was the chairman of the Board of Directors from 6 December 2010 to 1 November 2018. He has also been the chairman of the board of directors of Xiangguang Copper since December 2005. Mr. Liu Xuejing has been the chairman of the board of directors and secretary of party committee of GMK Holdings since October 2009 and December 2012, respectively. He was a representative of the Ninth, the Tenth, the Eleventh, the Twelfth and the Thirteenth National People's Congress. Mr. Liu Xuejing completed his high school education at Yanggu County Anlezhen High School in China in July 1969. Mr. Liu Xuejing is one of the controlling shareholders of the Company and the father of Mr. Liu Zhiguang, the executive Director.

**Mr. Zhang Chuanli**, aged 60, is the non-executive Director of our Company. He was appointed as a Director on 6 December 2010. Mr. Zhang is primarily responsible for providing professional advice and judgment to the Board of Directors.

Mr. Zhang has over 25 years of experience in corporate and business management. He served as a director of Fengxiang Food Development from April 1997 to December 2000. Mr. Zhang has been a director of Zhongke Fengxiang Biotechnology Co., Ltd. since August 2001. Mr. Zhang has been a director of GMK Holdings and Shandong Fengxiang (Group) Co., Ltd. ("Fengxiang Group") since March 2015 and December 2016, respectively. Mr. Zhang graduated from Liaocheng Teachers College in mathematics in the PRC in January 1981. He completed a three-year part-time course in economic management at Shandong Ganbu Hanshou University in the PRC in June 1993.

### 非執行董事

**劉學景先生**，70歲，本公司創始人兼非執行董事。彼於2010年12月6日獲委任為董事。彼主要負責向董事會提供意見。

劉學景先生在企業及業務管理方面擁有逾37年經驗及於家禽業方面擁有30年經驗。彼自1997年4月至2000年12月擔任鳳祥食品發展董事。彼自2010年12月6日至2018年11月1日擔任董事會主席。並自2005年12月起一直擔任祥光銅業董事長。自2009年10月及2012年12月起，劉學景先生分別一直擔任新鳳祥控股董事會主席及黨委書記。彼為第九屆、第十屆、第十一屆、第十二屆及第十三屆全國人民代表大會的代表。劉學景先生於1969年7月在位於中國的陽穀縣安樂鎮中學完成了高中教育。劉學景先生為本公司控股股東之一且為執行董事劉志光先生的父親。

**張傳立先生**，60歲，為本公司非執行董事。彼於2010年12月6日加入本公司擔任董事。張先生主要負責向董事會提供專業意見和判斷。

張先生在企業及業務管理方面擁有逾25年經驗。彼自1997年4月至2000年12月擔任鳳祥食品發展董事。自2001年8月起一直擔任中科鳳祥生物工程股份有限公司董事。張先生自2015年3月及2016年12月起分別擔任新鳳祥控股及山東鳳祥(集團)有限責任公司(「鳳祥集團」)的董事。張先生於1981年1月畢業於中國聊城師範專科學校數學專業。彼於1993年6月在中國山東幹部函授大學完成了三年制經濟管理兼讀課程。

### Independent Non-executive Directors

**Mr. Guo Tianyong**, aged 53, an independent non-executive Director. He was appointed as a Director on 8 August 2019. He is the chairman of the remuneration committee and a member of the audit committee and the nomination committee of the Company.

Mr. Guo has nearly 31 years of experience in banking and finance industry. Mr. Guo is currently an independent director of Ping An Bank Co., Ltd. (stock code: 000001) since November 2016, the shares of which are listed on the Shenzhen Stock Exchange and Aa Industrial Belting (Shanghai) Co Ltd (stock code: 603580) since October 2018, the shares of which are listed on the Shanghai Stock Exchange. He has also been an independent non-executive director of Ping An Healthcare and Technology Company Limited (stock code: 01833) since May 2018, the shares of which are listed on the Main Board of the Stock Exchange. Mr. Guo has been serving as a professor at the Central University of Finance and Economics in the PRC since September 1999.

### 獨立非執行董事

**郭田勇先生**，53歲，為獨立非執行董事。彼於2019年8月8日獲委任為董事。彼為本公司薪酬委員會主席以及審計委員會及提名委員會成員。

郭先生在銀行及金融業方面擁有近31年經驗。郭先生自2016年11月起至今擔任平安銀行股份有限公司（股份代號：000001）獨立董事，該公司的股票在深圳證券交易所上市，自2018年10月起擔任艾艾精密工業輸送系統（上海）股份有限公司（股份代號：603580）獨立董事，該公司的股票在上海證券交易所上市。彼亦自2018年5月起擔任平安健康醫療科技有限公司（股份代號：01833）獨立非執行董事，該公司的股票在聯交所主板上市。郭先生自1999年9月起一直在中國中央財經大學擔任教授。

## BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### 董事、監事及高級管理層履歷

Mr. Guo was also involved in the management in various public companies, including as an independent director of Digiwin Software Co., Ltd. (stock code: 300378) from May 2014 to May 2020, the shares of which are listed on the Shenzhen Stock Exchange. Mr. Guo also served as an independent director of Hundsun Technologies Inc. (stock code: 600570) from October 2014 to October 2021 and an independent director of Bank of Guiyang Co., Ltd. from March 2010 to July 2017; as an independent director of Zhejiang Orient Holdings Co., Ltd. (stock code: 600120) from October 2017 to October 2020, the shares of which are listed on the Shanghai Stock Exchange. He was also an independent non-executive director of Jiangxi Bank Co., Ltd. (stock code: 01916) from March 2016 to May 2019, the shares of which are listed on the Main Board of the Stock Exchange.

**Ms. Zhao Yinglin**, aged 56, an independent non-executive Director. She was appointed as a Director on 28 May 2021. She is a member of the audit committee and the nomination committee of the Company.

Ms. Zhao has 22 years of experience in corporate and business management. She was the general manager of the investment management department of China Life Property & Casualty Insurance Company Limited between October 2007 and March 2020 and the chief investment officer of PICC Health Insurance Company Limited from March 2020 to February 2021. Ms. Zhao completed her postgraduate studies in finance and investment and received her doctorate degree in economics from the Northwest University in the PRC in July 2000. She obtained the Securities Practitioners Qualifications Certificate from the Securities Association of China in February 2004 and obtained the Independent Director Qualification Certificate from the Shanghai Stock Exchange in March 2014.

**Mr. Chung Wai Man**, aged 58, an independent non-executive Director. He was appointed as a Director on 8 August 2019. He is the chairman of the audit committee and a member of the remuneration committee of the Company.

郭先生曾參與多家上市公司的管理，包括於2014年5月至2020年5月擔任鼎捷軟件股份有限公司(股份代號：300378)獨立董事，該公司的股票在深圳證券交易所上市。郭先生亦於2014年10月至2021年10月擔任恒生電子股份有限公司(股份代號：660570)獨立董事，並於2010年3月至2017年7月擔任貴陽銀行股份有限公司獨立董事；於2017年10月至2020年10月擔任浙江東方金融控股集團股份有限公司(股份代號：600120)獨立董事，該等公司的股票在上海證券交易所上市。彼亦於2016年3月至2019年5月擔任江西銀行股份有限公司(股份代號：01916)獨立非執行董事，該公司的股票在聯交所主板上市。

**趙迎琳女士**，56歲，為獨立非執行董事。彼於2021年5月28日獲委任為董事。彼為本公司審計委員會成員及提名委員會成員。

趙女士在企業及業務管理方面有22年經驗。彼自2007年10月至2020年3月在中國人壽財產保險股份有限公司任投資管理部總經理，自2020年3月至2021年2月在中國人民健康保險股份有限公司任首席投資執行官。趙女士於2000年7月在西北大學經濟管理學院完成金融與投資專業學習，並獲得研究生學歷，經濟學博士學位。彼於2004年2月獲中國證券業協會證券從業人員資格證書；於2014年3月獲上海證券交易所獨立董事資格證書。

**鍾偉文先生**，58歲，為獨立非執行董事。彼於2019年8月8日獲委任為董事。彼為本公司審計委員會主席及薪酬委員會成員。



# BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理層履歷

Mr. Chung has over 30 years of experience in accounting, taxation and finance. Mr. Chung has served as an independent non-executive director of Net Pacific Financial Holdings Limited (stock code: 5QY) since June 2018, the shares of which are listed on the Singapore Exchange Limited and E Lighting Group Holdings Limited (stock code: 08222) since September 2014, the shares of which are listed on GEM of the Stock Exchange. Mr. Chung has been the general manager of Yipei Global Capital Limited since May 2021.

Mr. Chung obtained a bachelor's degree in social sciences from University of Hong Kong in December 1989 and a master's degree in international business management from City University of Hong Kong in November 1998. Mr. Chung has been an associate member of the Hong Kong Institute of Certified Public Accountants since April 1995 and a fellow of The Association of Chartered Certified Accountants in the United Kingdom since November 1999.

鍾先生在會計、稅務及金融方面擁有逾30年經驗。鍾先生自2018年6月至今擔任利通太平洋金融控股有限公司(股份代號:5QY)之獨立非執行董事,該股份於新加坡交易所有限公司上市。鍾先生亦自2014年9月至今擔任壹照明集團控股有限公司(股份代號:08222)之獨立非執行董事,該公司的股份於聯交所GEM上市。鍾先生自2021年5月起擔任藝沛環球資本有限公司總經理。

鍾先生於1989年12月獲得香港大學社會科學學士學位及於1998年11月獲得香港城市大學國際商業管理碩士學位。鍾先生自1995年4月起一直為香港會計師公會會員,自1999年11月起一直為英國特許公認會計師公會資深會員。

## SUPERVISORS

### 監事

Name 姓名	Position in the Company 公司職位
Mr. Zhang Jun 張軍先生	Shareholders representative Supervisor 股東代表監事
Mr. Chen Dehe 陳德賀先生	Shareholders representative Supervisor 股東代表監事
Ms. Lian Xianmin 廉憲敏女士	Employees representative Supervisor 職工代表監事

The biographical details of the Supervisors are set out as follows:

**Mr. Zhang Jun (張軍)**, aged 34, the chairman of the board of Supervisors (the "Board of Supervisors") and a shareholders representative Supervisor.

Mr. Zhang joined GMK Holdings in March 2012. Mr. Zhang has been the secretary of the chairman of GMK Holdings since December 2017 and the environmental safety manager of the environmental safety and project management department under the office of the board of directors of GMK Holdings since January 2021. Mr. Zhang completed his education specialising in computer and network management from the Shandong Advanced School of Finance in the PRC in June 2007 and obtained a bachelor's degree in management (by way of distance learning) from the Shandong Agricultural University in the PRC in January 2019.

監事履歷詳情如下:

張軍先生, 34歲, 為監事會(「監事會」)主席及股東代表監事。

張先生於2012年3月加入新鳳祥控股。自2017年12月至今, 張先生一直擔任新鳳祥控股總裁秘書, 並自2021年1月至今, 一直擔任新鳳祥控股董事局辦公室安環和項目管理部安環管理經理。張先生於2007年6月完成了中華人民共和國山東高級財經學校計算機與網絡管理專業的學習, 並於2019年1月獲得中華人民共和國山東農業大學的管理學學士學位(通過遠程學習)。

## BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### 董事、監事及高級管理層履歷

**Mr. Chen Dehe**, aged 33, a shareholders representative Supervisor. He was appointed as a Supervisor on 1 November 2018.

Mr. Chen joined the Group in February 2013. Mr. Chen served as a secretary to the general manager of the Company from December 2013 to October 2016 and a vice manager of the administrative department of the Company from October 2016 to March 2018. He also served as an executive manager of the Company from March 2018 to April 2019. He was a deputy director of Yanggu Xiangyu Biological Technology Co., Ltd. from April 2019 to September 2019 and served as director since December 2020. He has been the supervisor of Fengxiang Food Development, Shandong Fengxiang Industrial Co., Ltd. ("Fengxiang Industrial") and iShape Food Technology since January 2016.

Mr. Chen obtained a bachelor's degree in mathematics and applied mathematics from Suihua College in the PRC in June 2011.

**Ms. Lian Xianmin**, aged 34, an employees representative Supervisor. She was appointed as a Supervisor on 1 November 2018.

Ms. Lian joined the Group in March 2012. She was a worker of Fengxiang Food Development from March 2012 to November 2012. She then served as the planning clerk and the head of the comprehensive department at Fengxiang Food Development from November 2012 to November 2013 and from November 2013 to March 2014, respectively. She worked as the head of the planning division and a manager of the planning department at Fengxiang Industrial from March 2014 to January 2015 and from January 2015 to May 2016, respectively. She then worked as a manager of the operational planning department of the Company from May 2016 to September 2016. She also worked as a manager of production planning department and a manager of operational planning department at Fengxiang Food Development from September 2016 to July 2017 and from July 2017 to September 2018, respectively. She has been a director of the operational planning department at Fengxiang Food Development since September 2018. She has also been the general manager of the domestic customer department I at Fengxiang Industrial, a subsidiary of the Company, since August 2020.

Ms. Lian completed her education (by way of distance learning) specialising in accounting from Shandong University of Science and Technology in the PRC in July 2016.

**陳德賀先生**，33歲，為股東代表監事。彼於2018年11月1日獲委任為監事。

陳先生於2013年2月加入本集團。陳先生自2013年12月至2016年10月擔任本公司總經理秘書，並自2016年10月至2018年3月擔任本公司行政部副經理。彼亦自2018年3月至2019年4月擔任本公司行政經理。自2019年4月至2019年9月，彼擔任陽穀祥雨生物科技有限公司副總監並自2020年12月起擔任總監。自2016年1月起，彼擔任鳳祥食品發展、山東鳳祥實業有限公司（「鳳祥實業」）及優形食品科技監事。

陳先生於2011年6月獲得中國綏化學院數學與應用數學專業學士學位。

**廉憲敏女士**，34歲，為職工代表監事。彼於2018年11月1日獲委任為監事。

廉女士於2012年3月加入本集團，自2012年3月至2012年11月為鳳祥食品發展員工。彼隨後自2012年11月至2013年11月及2013年11月至2014年3月分別擔任鳳祥食品發展計劃員及綜合科科長。自2014年3月至2015年1月及自2015年1月至2016年5月，彼分別擔任鳳祥實業計劃科科長及計劃部經理。彼隨後自2016年5月至2016年9月擔任本公司運營計劃部經理。彼亦自2016年9月至2017年7月及自2017年7月至2018年9月，分別擔任鳳祥食品發展生產計劃部經理及運營計劃部經理。自2018年9月至今，彼一直擔任鳳祥食品發展運營計劃部總監。彼自2020年8月起一直擔任本公司附屬公司鳳祥實業的重客一部部門總監。

廉女士於2016年7月於中國山東科技大學（通過遠程學習）完成了會計專業的學習。

# BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理層履歷

### SENIOR MANAGEMENT

#### 高級管理層

<b>Name</b> 姓名	<b>Position in the Company</b> 公司職位
Mr. Xiao Dongsheng 肖東生先生	General manager 總經理
Mr. Wang Jinsheng (resigned on 30 March 2022) 王進聖先生 (於2022年3月30日辭任)	Vice general manager and general manager of the breeding department 副總經理兼養殖事業部總經理
Mr. Wang Zhixian 汪之現先生	Vice general manager 副總經理
Mr. Meng Tao 孟濤先生	Vice general manager 副總經理
Ms. Zhou Jinying 周勁鷹女士	Vice general manager 副總經理
Mr. Shi Lei 石磊先生	Chief financial officer, vice general manager, secretary to the Board of Directors and joint company secretary 首席財務總監、副總經理、董事會秘書兼聯席公司秘書

The biographical details of senior management of the Company are set out as follows:

For biographical details of Mr. Xiao Dongsheng (肖東生), please refer to “Directors — Executive Directors” of this section.

本公司高級管理層履歷詳情如下：

有關肖東生先生的履歷詳情，請參閱本章節的「董事 — 執行董事」。

## BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### 董事、監事及高級管理層履歷

**Mr. Wang Zhixian**, aged 56, a vice general manager of the Company. He is primarily responsible for the food safety and quality management functions of the Group.

Mr. Wang has over 20 years of experience in food safety and quality management industry. He joined the Group in August 2001. He was a vice general manager of Fengxiang Food Development from August 2001 to August 2011. He served as a vice general manager of food business department of Fengxiang Food Development from August 2011 to July 2016. Mr. Wang served as a general manager and an executive director of Xingwen Tianyang from July 2016 to October 2019 and from May 2016 to October 2019, respectively. He has been a general manager of Fengxiang Industrial since December 2011.

Mr. Wang completed his education specialising in Chinese enterprise operator project from Peking University in the PRC in July 2017. He also completed his education specialising in refrigeration from Shandong Commercial School in the PRC in July 1986.

**Mr. Meng Tao**, aged 54, a vice general manager of the Company. He is primarily responsible for the operational planning and supply chain centre of the Group.

Mr. Meng has over 32 years of experience in meat product industry. He joined the Group in February 2013. He was a vice general manager of production department of Fengxiang Food Development from February 2013 to November 2013. He served as a general manager of production department of Fengxiang Industrial from November 2013 to September 2016. Mr. Meng served as a vice general manager of Fengxiang Food Development from September 2016 to February 2018.

Mr. Meng completed his education specialising in mechanical engineering from Beijing Union University in the PRC in August 1989. Mr. Meng was awarded the Post Experience Certificate in engineering business management from The University of Warwick in the United Kingdom in November 2002.

汪之現先生，56歲，為本公司副總經理。彼主要負責本集團食品安全及質量管理職能。

汪先生在食品安全及質量管理行業擁有逾20年經驗。彼於2001年8月加入本集團。彼自2001年8月至2011年8月擔任鳳祥食品發展副總經理。自2011年8月至2016年7月，彼擔任鳳祥食品發展食品業務部副總經理。自2016年7月至2019年10月及自2016年5月至2019年10月，汪先生分別擔任興文天養總經理及執行董事。自2011年12月起，彼擔任鳳祥實業總經理。

汪先生於2017年7月完成了中國北京大學中國企業經營項目的學習。彼亦於1986年7月完成了中國山東省商業學校製冷專業的學習。

孟濤先生，54歲，為本公司副總經理。彼主要負責分管本集團運營規劃和供應鏈中心。

孟先生在肉類產品行業擁有逾32年經驗。彼於2013年2月加入本集團。彼自2013年2月至2013年11月擔任鳳祥食品發展生產部副總經理。彼自2013年11月至2016年9月擔任鳳祥實業生產部總經理。孟先生自2016年9月至2018年2月擔任鳳祥食品發展副總經理。

孟先生於1989年8月完成了中國北京聯大機械工程學院機械工程專業的學習。孟先生於2002年11月獲英國華威大學頒發的工程商務管理進修證書。

## BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### 董事、監事及高級管理層履歷

**Ms. Zhou Jinying**, aged 49, a vice general manager of the Company. She is the person-in-charge of the business of “iShape (優形)”, and is also the general manager of marketing centre.

Ms. Zhou has over 24 years of experience in marketing and media industry. She joined the Group in February 2018. She has been a vice general manager of the Company since February 2018.

Prior to joining the Group, Ms. Zhou served as a general manager of the brand management centre and a chief brand officer at GMK Holdings from September 2016 to April 2018. She was a vice general manager and chief brand officer of GMK Holdings from April 2018 to January 2019.

Ms. Zhou obtained a bachelor's degree in cultural business management from Beijing Film Academy in the PRC in June 1998.

**Mr. Shi Lei**, aged 36, the chief financial officer, the vice general manager, the secretary to the Board of Directors and a joint company secretary of the Company. He is primarily responsible for the financial aspects of the Group.

Mr. Shi has over 12 years of experience in finance, accounting and management. He joined the Group in June 2013. He was a vice general manager of financial budget and analysis department of the Company from June 2013 to November 2013. He served as a financial manager of the Company from November 2013 to December 2015. He then served as an assistant director of financial centre of the Company from December 2015 to February 2018. He was a supervisor of Xingwen Tianyang from May 2016 to June 2021 and has been a supervisor of Yucheng Fengming Food Co., Ltd. since August 2017.

**周勁鷹女士**，49歲，為本公司副總經理。彼為優形業務負責人，亦為市場中心總經理。

周女士在營銷及媒體行業擁有逾24年經驗。彼於2018年2月加入本集團。彼自2018年2月起擔任本公司副總經理。

加入本集團之前，周女士自2016年9月至2018年4月擔任新鳳祥控股品牌管理中心總經理兼首席品牌官。彼自2018年4月至2019年1月擔任新鳳祥控股副總經理及首席品牌官。

周女士於1998年6月在中國獲得北京電影學院文化事業管理學士學位。

**石磊先生**，36歲，為本公司財務總監、副總經理、董事會秘書兼聯席公司秘書。彼主要負責本集團的財務事宜。

石先生在財務、會計及管理方面具備逾12年的經驗。彼於2013年6月加入本集團。彼自2013年6月至2013年11月擔任本公司財務預算及分析部門副總經理。彼自2013年11月至2015年12月擔任本公司財務經理。彼隨後自2015年12月至2018年2月擔任本公司財務中心主任助理。彼自2016年5月至2021年6月擔任興文天養監事，及自2017年8月起擔任禹城鳳鳴食品有限公司監事。

# BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理層履歷

Mr. Shi obtained a bachelor's degree in financial management from Qingdao Agricultural University in the PRC in July 2007. He also completed his education specialising in Chinese manager project from Peking University in the PRC in April 2017. He obtained a qualification certificate for accountant issued by Qingdao Southern District Finance Bureau in July 2008. He completed a chief financial officer programme of the China Europe International Business School in November 2018.

Save as disclosed in this annual report, none of the Directors, Supervisors and senior management (i) hold any other directorship in other publicly listed companies in the last three years; (ii) has any relationship with any other Directors, Supervisors, senior management, substantial shareholders or controlling shareholders of the Company; (iii) hold any other position in the Company or other members of the Group; (iv) hold any other interest in the shares of the Company with the meaning of Part XV of the SFO; and (v) has other information relating to him/her that should be disclosed pursuant to the events under Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

## UPDATE ON DIRECTORS' INFORMATION

### Change of Directors

Mr. Ow has been an executive Director since 1 November 2018 and has been re-designated as a non-executive Director with effect from 19 April 2021. Mr. Ow has resigned from his position as a non-executive Director on 30 March 2022.

Mr. Zhang Ye has resigned from his position as an independent non-executive Director and a member of the audit committee and the nomination committee of the Company on 19 April 2021. Mr. Zhang's resignation became effective after the election of a new independent non-executive Director at the annual general meeting held on 28 May 2021 (the "2020 AGM").

石先生於2007年7月獲得中國青島農業大學財務管理學士學位。彼亦於2017年4月完成了中國北京大學中國經理人項目的學習。彼於2008年7月獲青島市南區財政局頒發的會計從業資格證書。彼於2018年11月在中國中歐國際工商學院完成首席財務官課程。

除本年度報告所披露者外，董事、監事及高級管理人員(i)並無於過往三年於其他公眾上市公司擔任任何其他董事職務；(ii)與本公司任何其他董事、監事、高級管理人員、主要股東或控股股東概無任何關係；(iii)並無於本公司或本集團其他成員公司擔任任何職位；(iv)並無於本公司股份中擁有《證券及期貨條例》第XV部所界定之權益；及(v)並無其他有關彼等之資料須根據《香港聯合交易所有限公司證券上市規則》(「上市規則」)第13.51(2)(h)至13.51(2)(v)條所述事項予以披露。

## 董事資料更新

### 董事變動

區永昌先生，自2018年11月1日起擔任執行董事，並自2021年4月19日起轉任為非執行董事。區先生已於2022年3月30日辭任非執行董事職務。

張曄先生已於2021年4月19日提出辭去本公司獨立非執行董事、審計委員會及提名委員會成員職務。張先生之辭任於2021年5月28日舉行的股東週年大會(「2020年股東週年大會」)上選舉新任獨立非執行董事後生效。

## BIOGRAPHIES OF DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

### 董事、監事及高級管理層履歷

On 19 April 2021, the Board of Directors resolved to propose to nominate Ms. Zhao Yinglin as an independent non-executive Director, a member of the audit committee and the nomination committee of the Company, which was approved at the 2020 AGM with the term of office commencing from 28 May 2021 until the expiry of the term of office of the fourth session of the Board of Directors.

On 30 March 2022, Mr. Wang Jinsheng has resigned from his position as an executive Director.

The Board of Directors resolved to propose, each of Ms. Zhou Jinying and Mr. Shi Lei as an executive Director, with the term of office of not more than three years and subject to the approval by the shareholders at the upcoming annual general meeting to be held on Tuesday, 31 May 2022 (the “AGM”).

For the biographical details of Mr. Shi and Ms. Zhou, please refer to “Senior Management” of this section or the Company’s announcement dated 30 March 2022.

### Changes of Supervisors

On 31 March 2021, Mr. Kong Xiangwei resigned from his position as a shareholders representative Supervisor of the Company and the chairman of the Board of Supervisors.

The Board of Supervisors resolved to propose to nominate Mr. Zhang Jun as a shareholders representative Supervisor, which was approved at the 2020 AGM with the term of office commencing from 28 May 2021 until the expiry of the term of office of the fourth session of the Board of Supervisors.

### Change of Joint Company Secretary and Process Agent

Ms. Siu Pui Wah resigned as the joint company secretary of the Company and the agent for the acceptance of service of process and notices on behalf of the Company in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Process Agent”) with effect from 28 November 2021. Ms. Yu Wing Sze was appointed as the joint company secretary of the Company and the Process Agent with effect from the same date.

於2021年4月19日，董事會決議建議提名趙迎琳女士為本公司獨立非執行董事、審計委員會及提名委員會成員，並於2020年股東週年大會上獲得批准，任期自2021年5月28日起至第四屆董事會任期屆滿為止。

於2022年3月30日，王進聖先生辭去執行董事職務。

董事會決議建議提名周勁鷹女士及石磊先生各自為執行董事，任期不超過三年，且須待於2022年5月31日(星期二)舉行的應屆股東週年大會(「股東週年大會」)上獲股東批准。

有關石先生及周女士的履歷詳情，請參閱本節的「高級管理層」或本公司日期為2022年3月30日之公告。

### 監事變動

2021年3月31日，孔祥偉先生提呈辭任本公司股東代表監事及監事會主席的職務。

監事會通過決議，建議提名張軍先生為股東代表監事，並於2020年股東週年大會上獲得批准，任期自2021年5月28日起至第四屆監事會任期屆滿時止。

### 聯席公司秘書及法律程序代理人變動

蕭佩華女士辭任本公司聯席公司秘書及根據香港法例第622章公司條例第16部所指在香港代表本公司接受法律程序文件及通知的法律程序代理人(「法律程序代理人」)，自2021年11月28日起生效。余詠詩女士獲委任為本公司之聯席公司秘書及法律程序代理人，自同日起生效。

The Board of Directors is pleased to present its report together with the audited consolidated financial statements of the Company for the year ended 31 December 2021.

### PRINCIPAL BUSINESS

The principal business of the Company is the R&D, processing and sale of chicken meat products made with white-feathered broilers. Main products include processed chicken meat products and raw chicken meat products.

### RESULTS

The annual results for the year ended 31 December 2021 are set out in the consolidated income statement on pages 142 to 144 of this annual report.

### DIVIDENDS DISTRIBUTION

The Company has adopted in its general dividend policy. The Company has implemented a three-year dividend plan, pursuant to which, in the absence of certain special circumstances, if the Company records profit for the year and its accumulated undistributed profit is positive, and is capable of meeting the actual demand for distribution, the Company shall distribute dividends in cash, and the aggregate profits distributed in cash for such three years shall not be less than 30% of the total distributable profits realised for the latest three years as set out in the Company's consolidated financial statements and the dividends to be distributed in each particular year shall be decided by the Board of Directors. Any proposed distribution of dividends shall be formulated by the Board of Directors and shall be subject to approval at the shareholders' meeting. A decision to declare or to pay any dividends in the future, and the amount of any dividends, will depend on a number of factors, including our results of operations, cash flows, financial condition, capital adequacy ratio, payments by our subsidiaries of cash dividends to us, business prospects, statutory, regulatory and contractual restrictions on our declaration and payment of dividends and other factors that the Board of Directors may consider important.

董事會欣然提呈本公司截至2021年12月31日止年度之報告及經審核綜合財務報表。

### 主要經營業務

本公司主要經營業務是用白羽雞為原材料，研發、加工及推銷雞肉製品。主要產品包括深加工雞肉製品、生雞肉製品。

### 業績

截至2021年12月31日止年度業績載於本年報第142頁至第144頁的合併利潤表中。

### 股息分配

本公司已採納一般股息政策。本公司已實施三年期股息計劃，根據該計劃，除若干特殊情況外，倘本公司在當年錄得利潤且累計未分配利潤為正並且能滿足實際分派需要，本公司應當採取現金方式分派股息，三年內以現金方式分派的利潤總額不應少於本公司綜合財務報表所載最近三年實現的可供分配利潤總額的30%，且每一特定年度將予分派的股息須由董事會釐定。任何分派股息的計劃須由董事會制定並須經股東大會批准。未來宣派或派付任何股息的決定及任何股息的金額將取決於多項因素，包括我們的經營業績、現金流量、財務狀況、資本充足率、附屬公司向我們派付的現金股息、業務前景、有關我們宣派及派付股息的法定、監管及合同限制，以及董事會可能認為重要的其他因素。



# REPORT OF BOARD OF DIRECTORS

## 董事會報告

According to the applicable PRC laws and the articles of association of the Company (the “Articles of Association”), we will pay dividends out of our profit after tax only after we have made the following allocations:

- recovery of accumulated losses, if any;
  - allocations to the statutory reserve equivalent to 10% of our profit after tax, and, when the statutory reserve reaches and is maintained at or above 50% of our registered capital, no further allocations to this statutory reserve will be required;
  - allocations, if any, to a discretionary common reserve fund that are approved by our shareholders in a shareholders’ meeting; and
  - allocation of employee welfare funds to be borne by the Company.
- 彌補累積虧損(如有)；
  - 將稅後利潤的10%分配至法定儲備，倘法定儲備達至且維持在我們註冊資本的50%或以上，則無須再分配至該法定儲備；
  - 經由股東於股東大會上批准的金額(如有)，可分配至任意公積金；及
  - 分配僱員福利基金(由本公司承擔)。

The Articles of Association stipulates that the Company may distribute dividends by means of cash, stock or a combination of cash and stock. There is no assurance that we will be able to declare dividends of such any amount each year or in any year.

根據適用中國法律及本公司《公司章程》(「《公司章程》」)，我們將僅在作出下述分配後，方會從稅後利潤中派付股息：

《公司章程》規定，本公司可以現金、股票或現金與股票相結合的方式分派股息。概不保證我們將能夠每年或任何一個年度宣派該等任何金額的股息。

Pursuant to the Notice of the State Administration of Taxation on Issues Concerning Individual Income Tax Collection and Management after the Repeal of Guo Shui Fa [1993] No. 045 (Guo Shui Han [2011] No. 348), individuals who are resident outside the PRC and who hold shares issued in Hong Kong by domestic non-foreign invested enterprises enjoy preferential tax rate in accordance with the tax conventions between Mainland China and the country where the residents reside and the tax arrangements between the Mainland China and Hong Kong (Macao). Individual shareholders will be generally subject to a withholding tax rate of 10% when domestic non-foreign invested enterprises which issue shares in Hong Kong distribute dividends to their shareholders, unless otherwise required by the regulations of relevant tax laws and tax conventions. Pursuant to the Notice on the Issues Concerning Withholding the Enterprises Income Tax on the Dividends Paid by Chinese Resident Enterprises to H Share Holders Who Are Overseas Non-resident Enterprises (Guo Shui Han [2008] No. 897) of the State Administration of Taxation, we are obliged to withhold and pay enterprise income tax at the rate of 10% from dividends paid or payable for H Shares when distributing dividends to non-resident enterprise shareholders of H Shares. No tax is payable in Hong Kong in respect of dividends paid by us according to the current practice of the Hong Kong Inland Revenue Department. Shareholders are recommended to consult their tax advisers regarding the tax implication in the PRC, Hong Kong and other tax implications arising from their holding and disposal of H Shares of the Company.

The Board of Directors has resolved not to declare any final dividend for the year ended 31 December 2021 (2020: RMB0.03 per share). As at the date of this annual report, the Board of Directors is not aware of any shareholders of the Company (the "Shareholders") who have waived or agreed to waive any dividends.

根據《國家稅務總局關於國稅發[1993]045號文件廢止後有關個人所得稅徵管問題的通知》(國稅函[2011]348號)，境外居民個人持有境內非外商投資企業在香港發行的股票，按照中國內地與居民居住國的稅收協定和中國內地與香港(澳門)的稅收安排，享受優惠稅率。在香港發行股票的境內非外商投資企業向股東分配股息時，除有關稅法和稅收協定另有規定外，個人股東一般按10%的預提稅率繳納。根據《國家稅務總局關於中國居民企業向境外非居民企業H股股東派發股息扣繳企業所得稅有關問題的通知》(國稅函[2008]897號)，我們在向非居民企業H股股東派發股息時，有義務從已支付或應支付的H股股息中按10%的稅率扣繳企業所得稅。根據香港稅務局現行慣例，我們在香港支付股息無須繳稅。關於股東持有及出售本公司H股的中國、香港及其他稅務影響，本公司建議股東自行諮詢稅務顧問。

董事會已議決不宣派截至2021年12月31日止年度的任何末期股息(2020年：每股人民幣0.03元)。於本年報日期，董事會並不知悉任何本公司股東(「股東」)已放棄或同意放棄任何股息。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### ANNUAL GENERAL MEETING

The AGM of the Company will be held on Tuesday, 31 May 2022. The notice of the AGM will be published and dispatched to the Shareholders in due course in the manner as required by the Listing Rules.

### CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, 26 May 2022 to Tuesday, 31 May 2022 (both days inclusive), during which period no transfer of Shares will be effected. In order to be qualified to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the H Share Registrar of the Company, namely Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (in respect of H Shareholders), or to the Company's registered office in the PRC at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, PRC (in respect of domestic Shareholders) no later than 4:30 p.m. on Wednesday, 25 May 2022.

### 股東週年大會

本公司將於2022年5月31日(星期二)舉行股東週年大會。股東週年大會通告將於適當時候按《上市規則》規定的方式刊登及向股東寄發。

### 暫停辦理股份過戶登記

為確定可出席股東週年大會並於會上投票之資格，本公司將於2022年5月26日(星期四)至2022年5月31日(星期二)(包括首尾兩天)暫停辦理股份過戶登記手續，期間不接受任何股份轉讓登記。為符合出席股東週年大會並於會上投票之資格，所有過戶文件連同相關股票須不遲於5月25日(星期三)下午四時三十分送達本公司H股股份過戶登記處，即香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712–16號舖(就H股股東而言)，或本公司中國註冊辦事處，地址為中國山東省聊城市陽穀縣安樂鎮劉廟村(就內資股股東而言)。

## BUSINESS REVIEW

A fair review of the business and a discussion and analysis of the Group's performance during the year and the material factors underlying its results and financial position are provided in the "Management Discussion and Analysis" on pages 14 to 42 of this annual report. Description of the principal risks and uncertainties faced the Group can be found throughout this annual report. Particulars of important events affecting the Group that have occurred after 31 December 2021, if any, can also be found in the notes to the Consolidated Financial Statements.

In addition, more details regarding the Group's performance by reference to financial key performance indicators and environmental policies, as well as compliance with relevant laws and regulations which have a significant impact on the Group, are provided in the "Management Discussion and Analysis" of this annual report. Each of the above-mentioned relevant contents form an integral part of this report of Board of Directors (the "Report of Board of Directors").

## FINANCIAL SUMMARY

A summary of the Company's results, assets and liabilities for the last five financial years are set out on page 344 of this annual report. This summary does not form part of the audited consolidated financial statements.

## AUDIT QUALIFICATION FOR THE YEAR ENDED 31 DECEMBER 2021

### The Board of Directors and Audit Committee's View and the Plan to Address the Opinion

#### (I) Qualified opinion in 2021

As set out above, the Auditor has expressed a qualified opinion in the independent auditors' report relating to the audit of the consolidated financial statements of the Group for the year ended 31 December 2021. The Board of Directors would like to provide the following additional information:

## 業務回顧

本集團於本年度內業務的公平回顧及本集團表現的討論及分析，以及與其業績及財務狀況相關的重大因素已載列於本年報第14至第42頁的「管理層討論及分析」。有關本集團面對之主要風險及不確定因素之描述已載於本年報內。2021年12月31日之後發生的影響本集團的重要事件的詳細信息(如有)也載列於綜合財務報表的附註中。

此外，本年報的「管理層討論及分析」中還提供了有關本集團財務關鍵績效指標和環境政策方面表現的更多詳細信息，以及對本集團有重大影響的相關法律法規的合規情況。上述相關內容是本董事會報告(「董事會報告」)不可分割的組成部分。

## 財務概要

本集團於過往五個財政年度的業績、資產及負債概要載列於本年報第344頁。此概要不構成經審核綜合財務報表的一部份。

## 截至2021年12月31日止年度的審計保留意見

### 董事會及審計委員會的觀點及解決該意見的計劃

#### (一) 於2021年的保留意見

誠如上文所述，核數師已於獨立核數師報告中就本集團截至2021年12月31日止年度的綜合財務報表的審計發表保留意見。董事會謹此提供以下補充資料：

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

The Company was notified by GMK Holdings, the controlling Shareholder, that its subsidiaries had overdue debts recently. Among such subsidiaries, GMK Finance was involved in overdue repayment disputes, pursuant to which, a creditor filed a civil complaint against GMK Finance, and the guarantors for such loans, including Mr. Liu Xuejing (controlling Shareholder and non-executive Director), GMK Holdings and certain of its subsidiaries are named as defendants (“Debt Dispute”). GMK Holdings, by itself and through its subsidiaries, currently provides guarantees for some of the loans obtained by the Group from banks, and provides deposits, loan facilities (including term loans and entrusted loans) and bill financing services to the Group.

### *Basis of qualified opinion*

As the Group is not able to estimate the proportion of the recoverability amounts of deposits and related accrued interests in GMK Finance for the year ended 31 December 2021, the Auditor has not been provided with sufficient and appropriate audit evidence regarding the possible impact of the abovementioned matter on the deposits and the reasons for not recognising impairment, they were unable to make a judgment as to whether adjustments to the related disclosures in the consolidated financial statements are necessary. The Auditor’s audit opinion on the consolidated financial statements for the year ended 31 December 2021 was qualified accordingly.

The Group did not make any impairment for the year ended 31 December 2021 and as at 31 December 2021 due to the following reasons: (i) the Debt Dispute is beyond the control, and without any fault, of the Company and the Directors; (ii) the Debt Dispute is still ongoing and at an early stage and the Board of Directors cannot predict the timing and outcome of the actions initiated by the creditor; (iii) as at the date of the Report of Board of Directors, the Group has a deposit (including related accrued interests) amounting to approximately RMB885 million in GMK Finance and such deposits reduced to RMB802 million as at the date of this annual report. Despite the Debt Dispute, GMK Finance is still carrying out its business as usual under proper regulation and supervision by the China Banking and Insurance Regulatory Commission, and the Group’s withdrawal and utilisation of deposits for daily operations and its collection of deposit interests remains normal. In particular, from 1 January 2022 up to the date of this annual report, the Group has made withdrawals of approximately RMB239 million.

本公司接獲控股股東新鳳祥控股的通知，其附屬公司近日出現債務逾期情況。當中新鳳祥財務涉及逾期還款糾紛，據此，債權人已針對新鳳祥財務發出民事起訴狀，控股股東兼非執行董事劉學景先生、新鳳祥控股及其若干附屬公司作為該等貸款之擔保人，同時被列為被告（「債務糾紛」）。新鳳祥控股及通過其附屬公司現時為本集團向銀行獲取的部分貸款提供擔保，以及向本集團提供存款、貸款融通（包括定期貸款及委託貸款）及票據融資服務。

### *保留意見基準*

由於本集團尚無法估計於截至2021年12月31日止年度在新鳳祥財務的存款及相關應計利息的可收回性比例，而核數師並未就上述事項對存款的可能影響以及並無確認減值的原因獲提供充分及適當之審計憑證，彼等無法判斷是否有必要對綜合財務報表的相關披露作出調整。因此核數師就截至2021年12月31日止年度的綜合財務報表的審計意見為保留意見。

由於以下原因，本集團於截至2021年12月31日止年度及於2021年12月31日並無作出任何減值：(i) 債務糾紛並非本公司及董事所能控制，亦非本公司及董事之過；(ii) 債務糾紛仍在進行中，處於初期階段，且董事會無法預測債權人發起行動的時間及結果；(iii) 本集團於新鳳祥財務的存款（包括相關應計利息）金額於董事會報告日期約人民幣885百萬元並於本年報日期，降低至約人民幣802百萬元。儘管發生債務糾紛，新鳳祥財務仍在中國銀行保險監督管理委員會的適當監管下照常開展業務，並且本集團就日常經營而提取及動用存放的存款以及收取存款利息仍然正常，尤其是自2022年1月1日起直至本年報日期，本集團已提取約人民幣239百萬元。

### Removal of audit qualification

To address the qualified opinion, the Board of Directors is in the progress of making assessment of possible solutions to recover the deposits and related accrued interests, depending on the development and negotiation of the Debt Dispute. The Board of Directors has been actively discussing with GMK Holdings to understand its debt arrangement with its subsidiaries, and will update the Auditor regarding the progress of the overdue debts. It is also currently considering deposit protection measures to safeguard the interests of the Group and the Shareholders as a whole. The Group has not experienced any difficulty in withdrawing its monies from GMK Finance on demand according to its daily capital needs, the Group will withdraw the remaining deposits from GMK Finance gradually according to its daily capital needs. If the Group is able to collect the remaining deposits in 2022, then the qualification on the related issue is expected to be removed by the year ending 31 December 2022.

### (II) Material uncertainties in relation to going concern

As at 31 December 2021, the Group's current liabilities mainly comprise of short-term borrowings made by the Group with banks or other financial institutions, amounting to approximately RMB1,731 million, of which approximately RMB1,078 million is guaranteed by GMK Holdings, by itself and through its subsidiaries and there is a risk that such borrowings would be called for early repayment, indicating the existence of material uncertainties that may cast significant doubt about the ability of the Company to continue as a going concern.

As at the date of the Report of the Board of Directors and this annual report, excluding such guaranteed loans, the Company still has monetary funds of approximately RMB800 million and RMB802 million, respectively. Also, despite the Debt Dispute, the guaranteed loans had not been called for repayment yet. The Group has been actively communicating with the relevant lenders in relation to the status of the Group's business, operations, financial position and cash position which remain normal and stable, and that the Group has sufficient financial resources to support the repayment of the loan in accordance with the original repayment schedule. The Directors are confident that the relevant lenders will not exercise the rights to require the Group to repay the loan immediately before the original contractual repayment date. In addition, the Group has been negotiating with certain financial institutions, which have indicated intentions to grant new loans to the Group and secure Company's loan renewals. Given the Group's good credit history over the past years and its ability to provide sufficient collateral with other assets, the Directors are confident new loans can be obtained at a reasonable cost.

### 消除審計保留意見

為解決保留意見，董事會正在評估可能的解決方案，以收回存款及相關應計利息，這取決於債務糾紛的發展及磋商。董事會一直在積極與新鳳祥控股展開討論，以了解其與附屬公司的債務安排，並將向核數師提供有關逾期債務的最新進展。董事會目前亦正在考慮存款的保障設施，以維護本集團及股東整體利益。本集團在根據其日常資金需求按需求向新鳳祥財務提取資金方面並未遇到任何困難，本集團將根據其日常資金需求逐步從新鳳祥財務提取剩餘存款。倘若本集團可於2022年度收回剩餘存款，則預期可於截至2022年12月31日止年度前消除對相關問題的保留意見。

### (二) 有關持續經營的重大不確定因素

於2021年12月31日，本集團的流動負債主要包括本集團向銀行或其他金融機構作出的短期借款，金額約為人民幣1,731百萬元，其中約人民幣1,078百萬元由新鳳祥控股及通過其附屬公司擔保，並且存在有關借款被要求提前償還的風險，這表明存在可能導致對本公司持續經營能力產生重大疑慮的重大不確定性。

於本董事會報告日期及本年報日期，除該等擔保貸款外，本公司仍有貨幣資金分別約人民幣800百萬元及人民幣802百萬元。此外，儘管發生債務糾紛，但該等擔保貸款尚未被要求償還。本集團一直積極與相關貸款人溝通有關本集團的業務、經營、財務狀況及現金狀況均保持正常和穩定的狀況，並且本集團有足夠的財務資源來支持按照原定還款時間表償還貸款，董事有信心有關貸款人將不會行使有關權利以要求本集團於原定合同還款日期之前立即償還貸款。此外，目前公司續貸正常，而且本集團一直在與若干金融機構進行談判磋商，他們已表示其有意向本集團授出新貸款。鑒於本集團過往良好信貸歷史及提供足夠其他資產抵押的能力，董事有信心，能夠按合理成本獲得新貸款。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

As at the date of the Report of Board of Directors, given that (i) the Group's current assets amount to approximately RMB3,331 million, which exceeds the deposits and interests accrued in GMK Finance by approximately RMB2,449 million; (ii) the Group maintains its ability to raise adequate funding according to its needs through borrowings; (iii) the Group will continue to focus on its main businesses, fully release production capacity to achieve business growth, increase sales revenue, speed up inventory turnover and accelerate the recovery of trade receivable, while continuing to adopt cost reduction and efficiency enhancement measures; (iv) the Group will further improve its capability to cope with financial risks, optimise its debt structure, reduce short-term liabilities and increase long-term liabilities to minimise the pressure of short-term debt repayment; (v) the Group will support the controlling Shareholders in actively attracting strategic investors and strive to properly address the current debt risks as soon as possible; and (vi) the Group will continue to implement measures aiming at improving the working capital and cash flows of the Group, the Directors are of the opinion that, the Group will have sufficient funds to finance its operations and to meet its financial obligations within twelve months from 31 December 2021, and therefore are of the view that the Group would be able to continue as a going concern.

### (III) The Audit Committee's view

During the audit process, the audit committee of the Company (the "Audit Committee") reviewed the management's position above and agreed with such position addressing the issues.

## ENVIRONMENTAL POLICY

The Group is subject to the PRC national and local environmental laws and regulations, including but not limited to the Environmental Protection Law of the PRC, the Law on the Prevention and Treatment of Water Pollution of the PRC and the Law for the Prevention and Treatment of Air Pollution of the PRC. In particular, there are environmental regulations concerning the treatment of wastewater produced by our slaughtering and processing facilities and we are subject to annual inspection by the regulatory authorities for compliance with these laws and regulations. Failure to comply with applicable PRC environmental protection laws and regulations may result in significant consequences, including administrative, civil and criminal penalties, liability for damages and negative publicity. Further, such failure to comply, or allege on failure to comply, with the relevant PRC laws, regulations or government policies on environmental protection, may lead to costly litigation or penalty imposed by the relevant judicial or governmental authorities. We emphasise on environmental protection and strive to minimise the environmental impact brought by our business operations.

鑒於(i)本集團截至本董事會報告日期的流動資產約為人民幣3,331百萬元，超逾於新鳳祥財務的存款及應計利息約人民幣2,449百萬元；(ii)本集團維持其能力根據需要透過借款籌集充足資金；(iii)本集團繼續聚焦主業，充分釋放產能擴張帶來業務增長，增加銷售收入並加快庫存週轉，加快應收賬款的回收，同時持續採用進行降本增效措施；(iv)本集團將進一步提高財務風險應對能力，優化債務結構，減少短期負債，增加長期負債，減輕短期償債壓力；(v)本集團支持控股股東積極引進戰略投資者，力爭儘快妥善化解目前的債務風險；及(vi)本集團將繼續實施旨在改善本集團營運資金及現金流量的措施，董事認為，本集團於2021年12月31日起計12個月內將有充足資金為其運營提供資金及履行其財務責任，因此認為本集團能夠持續經營。

### (三) 審計委員會的觀點

於審計過程中，本公司審計委員會（「審計委員會」）已審查管理層的上述立場，並同意其解決該等問題的立場。

## 環境政策

本集團須遵守中國國家及地方環保法律法規，包括但不限於《中華人民共和國環境保護法》、《中華人民共和國水污染防治法》及《中華人民共和國大氣污染防治法》，尤其是關於我們屠宰加工設施所產生污水的處理的環保法規，而我們須接受監管機構年檢以確保遵守該等法律法規。倘我們未能遵守適用的中國環境保護法律法規，可能會帶來嚴重後果，包括行政、民事及刑事處罰、損害賠償責任以及負面報導。此外，該等未能遵守或被指控未遵守有關環境保護的相關中國法律、法規或政府政策，可能會導致費用高昂的訴訟或受到相關司法或政府部門的處罰。我們注重環保並努力將我們業務運營對環境的影響降至最低。

The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage these risks.

There had been no material administrative penalties imposed on the Group as a result of non-compliance with any PRC laws or regulations in relation to environmental protection during the year ended 31 December 2021.

The Board of Directors has authorised the senior management to control and monitor the ESG performance for the daily management of ESG. As reported by the senior management, the Board of Directors considers that the Group's ESG performance, with respect to the subject areas and individual aspects that are set out in Appendix 27 to the Listing Rules, has been satisfactory.

## RELATIONSHIP WITH STAKEHOLDERS

### Employees

As at 31 December 2021, we had 7,524 employees who were directly employed by us, of which 7,520 employees were employed in the PRC and four employees were located in Japan.

The remuneration packages for our employees include salary, bonuses and allowances. Except for Japanese employees who obey Japanese laws and regulations, as required by the PRC regulations, we participate in social insurance schemes operated by the relevant local government authorities and maintain mandatory pension contribution plans, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance for some of our employees. We also contribute to housing provident fund for some of our employees. No forfeited contribution was used by the employer to reduce the contribution payable in the future years. Details of the defined contribution and benefit scheme of the Group for the year ended 31 December 2021 are set out in note (XX) to the consolidated financial statements.

When we make hiring decisions, we take into account factors such as our business strategies, our development plans, industry trends and the competitive environment. We recruit our employees based on a number of factors such as their work experience, educational background and vacancy needs. We endeavour to attract and retain appropriate and suitable personnel to serve the Group.

本集團已制定旨在遵守當地環境及其他法律的環境政策及程序。管理層定期進行審查以識別環境風險，並確保所實行的制度足以管理該等風險。

於截至2021年12月31日止年度期間，本集團未因違反有關環境保護的中國法律或法規而受到重大行政處罰。

董事會授權予高級管理層，以讓其對日常環境、社會及管治管理工作，對環境、社會及管治表現進行控制及監察。按照高級管理層的匯報，董事會認本集團的環境、社會及管治在《上市規則》附錄二十七中的所列的主要範疇和各層面而言，均令人滿意。

### 與主要利益相關者的關係

#### 僱員

於2021年12月31日，我們有7,524名直接受僱於我們的僱員，其中包括位於中國的7,520名僱員及四名位於日本的僱員。

僱員薪酬待遇包括薪金、獎金及津貼。除日本僱員服從日本法律法規外，按照中國法規規定，我們參加由相關地方政府機構運作的社會保險計劃，並為部分僱員設立強制性退休金供款計劃並投購醫療保險、工傷保險、失業保險及生育險。我們亦為部分僱員支付住房公積金供款。概無已沒收的供款可供僱主用以減少於未來數年應付的供款。本集團截至2021年12月31日止年度的設定提存及福利計劃詳情載於合併財務報表附註(二十)。

當我們作出僱傭決定時，會考慮業務策略、發展計劃、行業趨勢和競爭環境等因素。我們基於僱員的工作經驗、教育背景及職位空缺需求等眾多因素來聘請僱員。我們致力於吸引並留住適當和合適的人員來為本集團服務。



# REPORT OF BOARD OF DIRECTORS

## 董事會報告

We provide continuing education and training programmes to our employees to improve their skills and develop their potential. We also adopt evaluation programmes through which our employees can receive feedback. We foster strong employee relations by offering various staff benefits and personal development support. Our subsidiaries in China have established labour unions in accordance with the applicable PRC law. We are not subject to any collective bargaining agreements. As at the date of this annual report, we had not experienced any material labour disputes or claims.

The Company also adopted two share award schemes on 24 June 2020 and 10 December 2021, respectively, and any full-time or part-time employees of the Group (including any Director) are eligible participants under the said schemes. In 2021, the Company granted awards to certain selected participants to recognise their contribution and to provide them with incentives to retain them for the continual operation and development of the Group.

### Customers

We had a diversified customer base of over 3,000 customers globally, including internationally renowned food processors and traders as well as fast food restaurant chains (and their poultry meat suppliers and sourcing agents). We exported to countries including Japan, Malaysia, the European Union, Korea, the Middle East, the United Kingdom, Mongolia and Singapore. We also sell our products to our distributors whose designated sales regions are all within the PRC.

For the year ended 31 December 2021, the Group's sales to its five largest customers accounted for 25.01% (2020: 27.21%) of the Group's total sales and sales to the largest customer accounted for 11.39% (2020: 12.38%).

### Suppliers

We procured (i) raw materials for the production of our animal feeds, including corn, soybean meal, soybean oil and wheat, and (ii) Parent Stock Day-old Chicks for the production of our chicken meat products in the PRC. We also procured raw chicken meat products from third party suppliers domestically as well as from overseas (generally from Brazil) for producing our processed chicken meat products in order to meet customers' growing demand. During the Reporting Period, we have entered into hedging activities in relation to the commodity prices of soybean meal and corn.

我們向僱員提供繼續教育及培訓課程，以提高其技能及發揮其潛能。我們亦採納評估計劃，據此，僱員可收到反饋意見。我們通過提供多種員工福利及個人發展支持來促進牢固的僱員關係。我們於中國的附屬公司已根據適用中國法律成立工會。我們並不受到任何集體談判協議規限。截至本年報日期，我們尚未發生任何重大的勞資糾紛或索賠。

於2020年6月24日及2021年12月10日，本公司亦分別採納兩項股份獎勵計劃，且本集團任何全職或兼職僱員(包括任何董事)均為上述計劃下的合資格參與者。於2021年，本公司向若干選定參與者授出獎勵以表彰彼等的貢獻，並向彼等提供獎勵以為本集團的持續經營及發展留任該等人士。

### 客戶

我們在全球擁有由逾3,000名客戶所組成的多元化客戶群，包括國際知名食品加工商及貿易商以及快餐連鎖店(及其禽肉供應商及採購代理)。我們出口到國家包括日本、馬來西亞、歐洲聯盟、韓國、中東、英國、蒙古及新加坡。我們亦將產品售予我們的分銷商，彼等的指定銷售區域均位於中國境內。

截至2021年12月31日止年度，本集團對五大客戶的銷售額佔本集團銷售總額的25.01% (2020年：27.21%)，其中對最大客戶的銷售額佔11.39% (2020年：12.38%)。

### 供應商

我們採購(i)原材料(包括玉米、豆粕、豆油及小麥)以生產飼料，及(ii)父母代種雞苗以在中國生產雞肉製品。為生產深加工雞肉製品以迎合不斷增長的客戶需求，我們亦從國內第三方供應商及海外(通常從巴西)採購生雞肉製品。於報告期內，我們已就豆粕、玉米的商品價格進行對沖活動。

For the year ended 31 December 2021, purchases from the Group's five largest suppliers accounted for 16.37% (2020: 28.26%) of the Group's total purchases and purchases from the largest supplier accounted for 6.45% (2020: 8.16%).

Save as disclosed in this annual report, during the year ended 31 December 2021, none of the Directors or the Supervisors or any of their associates or any shareholders (which, to the best knowledge of the Directors and Supervisors own more than 5% of the number of issued shares of the Company) had any interest in the Company's five largest customers and suppliers.

## SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 December 2021 are set out in note (XXX) to the consolidated financial statements.

As at 31 December 2021, the issued share capital of the Company was 1,400,000,000 shares (of which 1,045,000,000 were Domestic Shares and 355,000,000 were H Shares).

## RESERVES

Details of movements in the reserves of the Group during the year ended 31 December 2021 are set out in the consolidated statement of changes in owners' equity.

## DISTRIBUTABLE RESERVES

As at 31 December 2021, pursuant to the relevant laws and regulations, the Company has distributable reserves of RMB1,225.3 million in total available for distribution (2020: RMB1,220.4 million).

## BANK LOANS AND OTHER BORROWINGS

Particulars of bank loans and other borrowings of the Company as at 31 December 2021 are set out in note (XVI), note (XXIII), note (XXV) and note (XXVII) to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year ended 31 December 2021 are set out in note (VIII) to the consolidated financial statements.

截至2021年12月31日止年度，本集團自五大供應商的採購額佔本集團採購總額的16.37%（2020年：28.26%），其中自最大供應商的採購額佔6.45%（2020年：8.16%）。

除本年報所披露者外，截至2021年12月31日止年度，概無董事或監事或其任何聯繫人士或股東（據董事及監事所深知，擁有超過5%之公司已發行股份數）於公司五大客戶和供應商中擁有任何權益。

## 股本

本公司截至2021年12月31日止年度之股本變動詳情載於合併財務報表附註(三十)。

於2021年12月31日，本公司已發行股本為1,400,000,000股，其中，1,045,000,000股為內資股，355,000,000股為H股。

## 儲備

本集團於截至2021年12月31日止年度之儲備變動詳情載於合併所有者權益變動表中。

## 可供分派儲備

於2021年12月31日，根據相關法律法規，本公司可供分派的儲備合共為人民幣1,225.3百萬元（2020年：人民幣1,220.4百萬元）。

## 銀行貸款及其他借貸

本集團於2021年12月31日之銀行貸款及其他借貸詳情載列於合併財務報表附註(十六)、附註(二十三)、附註(二十五)及附註(二十七)。

## 物業、廠房及設備

本公司截至2021年12月31日止年度之物業、廠房及設備變動詳情載於合併財務報表附註(八)。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### SUFFICIENCY OF PUBLIC FLOAT

As at the date of this annual report and based on the information publicly available to the Company and to the best knowledge of the Directors, the Company has maintained the minimum public float of 25% as required under the Listing Rules.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the PRC laws that would oblige the Company to offer new shares on a pro rata basis to existing Shareholders.

### SERVICE CONTRACTS OF DIRECTORS AND SUPERVISORS

According to the Articles of Association, the terms of service of both the Directors and the Supervisors are for three years, and all Directors and Supervisors are subject to re-appointment or re-election upon the expiry of their term. Each of the executive Directors, non-executive Directors, independent non-executive Directors and Supervisors has entered into a service contract with a term of three years with the Company. None of the Directors or Supervisors has or is proposed to have a service contract which is not determinable by the Company or any of its subsidiaries within one year without payment of compensation (other than statutory compensation).

### INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent and remain so as at the date of this annual report.

### 足夠公眾持股量

於本年報日期，根據公開予本公司之資料及據董事所深知，本公司已按《上市規則》規定維持25%的最低公眾持股量。

### 優先購買權

在《公司章程》或中國法律中，並無規定本公司有責任按比例向現有股東提呈發售新股的優先購買權條文。

### 董事和監事之服務合約

根據《公司章程》的規定，董事和監事的任期均為三年，所有董事和監事的任期屆滿，均應重新任命或重選。每一位執行董事、非執行董事、獨立非執行董事及監事已分別與本公司訂立一項為期三年的服務合約。概無董事或監事與本公司或其任何附屬公司訂定或建議簽訂任何不得在一年內於毋須作出賠償下(法定賠償除外)將其終止之服務合約。

### 獨立非執行董事之獨立性

根據《上市規則》第3.13條之規定，本公司已收悉每名獨立非執行董事有關其獨立性之年度確認書。本公司認為所有獨立非執行董事均具獨立性，且於本年報日期仍然如此。

## SECURITIES TRANSACTIONS OF DIRECTORS AND SUPERVISORS

### Securities Transactions of Directors and Supervisors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as a code of conduct for securities transactions by the Directors and Supervisors. The Company has made specific enquiries with each Director and Supervisor and each of them confirmed that he or she had complied with all required standards under the Model Code during the Reporting Period and up to the date of this annual report.

## INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests and short positions of the Directors, Supervisors and chief executives in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning as defined in Part XV of the Securities and Futures Ordinance (the “SFO”), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO), or to be entered in the register to be kept pursuant to section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 to the Listing Rules are as follows:

### 董事及監事的證券交易

#### 董事及監事的證券交易

本公司已採納《上市規則》附錄十所載的《上市發行人董事進行證券交易的標準守則》(《標準守則》)，作為董事及監事進行證券交易的行為守則。本公司已向各董事及監事作出具體查詢並獲各董事及監事確認，於報告期內及直至本年報日期已遵守《標準守則》項下規定的所有標準。

### 董事、監事及最高行政人員於公司股份、相關股份及債券中擁有的權益及淡倉

於2021年12月31日，董事、監事及最高行政人員於本公司或其任何相聯法團(定義見《證券及期貨條例》(《證券及期貨條例》)第XV部)的任何股份、相關股份及債券中，擁有根據《證券及期貨條例》第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉(包括根據《證券及期貨條例》有關條文被當作或視為擁有的權益及淡倉)，或根據《證券及期貨條例》第352條須記入所存置的登記冊內的權益及淡倉，或根據《上市規則》附錄十所載的《標準守則》須另行知會本公司及聯交所的權益及淡倉如下：

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### (a) The Company

Name of Directors/ Supervisors	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of Shares of the Company <sup>(1)</sup> 於本公司相關 股份類別中 所佔概約權益 百分比 <sup>(1)</sup>	Approximate percentage of interest in the total share capital of the Company <sup>(2)</sup> 於本公司總股本 中所佔概約權益 百分比 <sup>(2)</sup>
董事／監事姓名	權益性質	股份類別	股份數目		
Mr. Liu Zhiguang <sup>(3)</sup> 劉志光先生 <sup>(3)</sup>	Interests held jointly with another person 與另一人士共同持有之 權益	Domestic Shares 內資股	1,045,000,000 (L)	100%	74.64%
Mr. Liu Xuejing <sup>(3)</sup> 劉學景先生 <sup>(3)</sup>	Interest in controlled corporation 受控法團之權益	Domestic Shares 內資股	992,854,500 (L)	95.01%	70.92%
Mr. Xiao Dongsheng <sup>(4)</sup> 肖東生先生 <sup>(4)</sup>	Beneficiary of a trust 信託受益人	H Shares H股	3,216,000 (L)	0.91%	0.23%
Mr. Ow Weng Cheong <sup>(4)(5)</sup> 區永昌先生 <sup>(4)(5)</sup>	Beneficiary of a trust 信託受益人	H Shares H股	200,000 (L)	0.056%	0.014%
Mr. Wang Jinsheng <sup>(4)(5)</sup> 王進聖先生 <sup>(4)(5)</sup>	Beneficiary of a trust 信託受益人	H Shares H股	200,000 (L)	0.056%	0.014%
Ms. Lian Xianmin <sup>(4)</sup> 廉憲敏女士 <sup>(4)</sup>	Beneficiary of at rust 信託受益人	H Shares H股	341,600 (L)	0.10%	0.02%

#### Notes:

- (1) The calculation is based on the percentage of shareholding in Domestic Shares or H Shares, respectively.
- (2) The calculation is based on the total number of 1,045,000,000 Domestic Shares in issue and 355,000,000 H Shares in issue.
- (3) Fengxiang Group and Shandong Fengxiang Investment Co., Ltd. ("Fengxiang Investment") are wholly owned by GMK Holdings. GMK Holdings is owned as to 51% by Mr. Liu Xuejing, 9% by Ms. Zhang Xiuying (Mr. Liu Xuejing's spouse), 20% by Mr. Liu Zhiguang and 20% by Mr. Liu Zhiming, respectively. Guangdong Hengqin Zhengxing Investment Centre (Limited Partnership) ("Zhengxing Investment") (formerly known as Guangdong Hengqin Fengxiang Equity Investment Centre (Limited Partnership)) is held as to 99% by Guangdong Hengqin Shangchen Investment Limited Partnership (Limited Partnership) ("Shangchen Investment") (formerly known as

### (a) 本公司

Name of Directors/ Supervisors	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of Shares of the Company <sup>(1)</sup> 於本公司相關 股份類別中 所佔概約權益 百分比 <sup>(1)</sup>	Approximate percentage of interest in the total share capital of the Company <sup>(2)</sup> 於本公司總股本 中所佔概約權益 百分比 <sup>(2)</sup>
董事／監事姓名	權益性質	股份類別	股份數目		
Mr. Liu Zhiguang <sup>(3)</sup> 劉志光先生 <sup>(3)</sup>	Interests held jointly with another person 與另一人士共同持有之 權益	Domestic Shares 內資股	1,045,000,000 (L)	100%	74.64%
Mr. Liu Xuejing <sup>(3)</sup> 劉學景先生 <sup>(3)</sup>	Interest in controlled corporation 受控法團之權益	Domestic Shares 內資股	992,854,500 (L)	95.01%	70.92%
Mr. Xiao Dongsheng <sup>(4)</sup> 肖東生先生 <sup>(4)</sup>	Beneficiary of a trust 信託受益人	H Shares H股	3,216,000 (L)	0.91%	0.23%
Mr. Ow Weng Cheong <sup>(4)(5)</sup> 區永昌先生 <sup>(4)(5)</sup>	Beneficiary of a trust 信託受益人	H Shares H股	200,000 (L)	0.056%	0.014%
Mr. Wang Jinsheng <sup>(4)(5)</sup> 王進聖先生 <sup>(4)(5)</sup>	Beneficiary of a trust 信託受益人	H Shares H股	200,000 (L)	0.056%	0.014%
Ms. Lian Xianmin <sup>(4)</sup> 廉憲敏女士 <sup>(4)</sup>	Beneficiary of at rust 信託受益人	H Shares H股	341,600 (L)	0.10%	0.02%

#### 附註：

- (1) 分別以內資股或H股的持股百分比為基準計算。
- (2) 以合共1,045,000,000股已發行內資股及355,000,000股已發行H股為基準計算。
- (3) 新鳳祥控股全資擁有鳳祥集團及山東鳳祥投資有限公司(「鳳祥投資」)。劉學景先生、張秀英女士(劉學景先生的配偶)、劉志光先生及劉志明先生分別持有新鳳祥控股51%、9%、20%及20%的股份。廣東橫琴正星投資中心(有限合夥)(「正星投資」)(原名為廣東橫琴鳳祥股權投資中心(有限合夥))由廣東橫琴上辰投資合夥企業(有限合夥)(「上辰投資」)(原名為廣東橫琴新鳳祥光明投資合夥企業(有限合夥))及廣東橫琴鵬途投資有限公司(「鵬途投資」)(原名為新鳳祥光明投資管理有限公司)分別持有99%及1%的股份。上辰投資由劉志明先生、

Guangdong Hengqin Xinfengxiang Guangming Investment Limited Partnership (Limited Partnership) and 1% by Guangdong Hengqin Pengtu Investment Co., Ltd. ("Pengtu Investment") (formerly known as Xinfengxiang Guangming Investment Management Co., Ltd.). Shangchen Investment is controlled by Mr. Liu Zhiming and Pengtu Investment as to 99% and 1%, respectively. Pengtu Investment is entirely controlled by Mr. Liu Zhiming, which is the general partner of Shangchen Investment and Zhengxing Investment. As such, by virtue of the SFO, Mr. Liu Zhiguang is deemed to be interested in the shares held by GMK Holdings and Zhengxing Investment as interests held jointly with another person.

- (4) Mr. Xiao Dongsheng, Mr. Ow Weng Cheong, Mr. Wang Jinsheng and Ms. Lian Xianmin have been granted the awarded shares under the 2020 Share Award Scheme and/or 2021 Share Award Scheme. They are deemed to be interested in the issued share capital of the Company for the awarded shares which have been granted to them pursuant to Part XV of the SFO.
- (5) Mr. Ow Weng Cheong and Mr. Wang Jinsheng resigned from their positions as Directors on 30 March 2022.
- (6) The letter "L" denotes a long position in the Shares.

鵬途投資分別控制99%及1%。鵬途投資由劉志明先生完全控制，是為上辰投資及正星投資的普通合夥人。因此，根據《證券及期貨條例》，劉志光先生被視為在新鳳祥控股及正星投資持有的股份中擁有與另一人共同持有的權益。

- (4) 肖東生先生、區永昌先生、王進聖先生及廉憲敏女士已根據2020年股份獎勵計劃及／或2021年股份獎勵計劃獲授獎勵股份，根據《證券及期貨條例》第XV部，彼等已被視作就其獲授的獎勵股份而於本公司已發行股本中擁有權益。
- (5) 區永昌先生及王進聖先生於2022年3月30日辭任董事。
- (6) 英文字母「L」表示該等股份的好倉。

### (b) Associated Corporation

### (b) 相聯法團

Name of Directors	Nature of interest	Associated Corporation	Number of Shares	Percentage of shareholding in associated corporation
董事姓名	權益性質	相聯法團	股份數目	於相聯法團的持股百分比
Mr. Liu Zhiguang 劉志光先生	Beneficial owner 實益擁有人	GMK Holdings 新鳳祥控股	792,000,000	20.00%
Mr. Liu Xuejing 劉學景先生	Beneficial owner 實益擁有人	GMK Holdings 新鳳祥控股	2,019,600,000	51.00%
	Interest in controlled corporation <sup>(1)</sup> 受控法團之權益 <sup>(1)</sup>	Fengxiang Investment 鳳祥投資	50,000,000	100.00%
	Interest in controlled corporation 受控法團之權益	Fengxiang Group 鳳祥集團	1,126,000,000	100.00%

Note:

- (1) Fengxiang Investment and Fengxiang Group are wholly-owned by GMK Holdings.

附註：

- (1) 鳳祥投資與鳳祥集團由新鳳祥控股全資擁有。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

Save as disclosed above, as at 31 December 2021, none of the Directors, Supervisors or chief executives or their associates have or are deemed to have any interests and short positions in the Shares, underlying shares or debentures of the Company or its associated corporations (within the meaning as defined in Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which they were taken or deemed to have under such provisions of the SFO), or pursuant to section 352 of the SFO, required to be entered in the register referred therein, or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at 31 December 2021, to the best knowledge of the Directors, the following persons (not being the Directors or Supervisors or chief executives) had interests or short positions in the Shares or underlying shares which were required to be entered in the register referred to in section 336 of the SFO by the Company or would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

除上文所披露者外，於2021年12月31日，概無董事、監事或最高行政人員或彼等聯繫人士於或被視為本公司或其相聯法團（定義見《證券及期貨條例》第XV部）的股份、相關股份或債券中擁有任何根據《證券及期貨條例》第XV部第7及第8分部須知會本公司及聯交所的權益及淡倉（包括根據《證券及期貨條例》有關條文被當作或視為擁有的權益及淡倉），或根據《證券及期貨條例》第352條須記入該條所述之登記冊內的權益及淡倉，或根據《標準守則》須另行知會本公司及聯交所的權益及淡倉。

### 主要股東於股份和相關股份中的權益和淡倉

於2021年12月31日，就董事所深知，以下人士（並非董事或監事或最高行政人員）於股份或相關股份擁有本公司根據《證券及期貨條例》第336條須記入該條所述之登記冊或根據《證券及期貨條例》第XV部第2及第3分部條文須向本公司披露的權益或淡倉：

Name of Shareholders	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of Shares of the Company <sup>(1)</sup> 於本公司相關股份類別中所佔概約權益百分比 <sup>(1)</sup>	Approximate percentage of interest in the total share capital of the Company <sup>(2)</sup> 於本公司總股本中所佔概約權益百分比 <sup>(2)</sup>
股東名稱	權益性質	股份類別	股份數目		
Ms. Zhang Xiuying <sup>(3)</sup> 張秀英女士 <sup>(3)</sup>	Interest of spouse 配偶權益	Domestic Shares 內資股	992,854,500(L)	95.01%	70.92%
Mr. Liu Zhiming <sup>(4)(5)</sup> 劉志明先生 <sup>(4)(5)</sup>	Interest in controlled corporation 受控法團之權益	Domestic Shares 內資股	52,145,500(L)	4.99%	3.72%
	Interests held jointly with another person 與另一人士共同持有之權益	Domestic Shares 內資股	992,854,500(L)	95.01%	70.92%
GMK Holdings <sup>(4)</sup> 新鳳祥控股 <sup>(4)</sup>	Beneficial Interest 實益權益	Domestic Shares 內資股	198,654,500(L)	19.01%	14.19%
	Interest in controlled corporation 受控法團之權益	Domestic Shares 內資股	794,200,000(L)	76.00%	56.73%
Fengxiang Group <sup>(6)</sup> 鳳祥集團 <sup>(6)</sup>	Beneficial Interest 實益權益	Domestic Shares 內資股	627,000,000(L)	60.00%	44.79%

Name of Shareholders	Nature of interest	Class of Shares	Number of Shares	Approximate percentage of interest in the relevant class of Shares of the Company <sup>(1)</sup> 於本公司相關股份類別中所佔概約權益百分比 <sup>(1)</sup>	Approximate percentage of interest in the total share capital of the Company <sup>(2)</sup> 於本公司總股本中所佔概約權益百分比 <sup>(2)</sup>
股東名稱	權益性質	股份類別	股份數目		
Fengxiang Investment <sup>(6)</sup> 鳳祥投資 <sup>(6)</sup>	Beneficial Interest 實益權益	Domestic Shares 內資股	167,200,000(L)	16.00%	11.94%
Sun Dafei 孫達飛	Beneficial owner 實益擁有人	H Shares H股	22,109,000(L)	6.23%	1.58%
Hwa-An International Limited Hwa-An International Limited	Beneficial owner 實益擁有人	H Shares H股	34,909,000(L)	9.83%	2.49%
Dragonstone Capital Management Limited Dragonstone Capital Management Limited	Investment manager 投資經理	H Shares H股	31,808,000(L)	8.96%	2.27%
CICFH New Dynamics Investment SPC CICFH New Dynamics Investment SPC	Beneficial owner 實益擁有人	H Shares H股	29,705,000(L)	8.36%	2.12%
Central Huijin Investment Ltd. <sup>(7)</sup> Central Huijin Investment Ltd. <sup>(7)</sup>	Interest in controlled corporation 受控法團之權益	H Shares H股	6,558,000(L)	1.85%	0.47%

**Notes:**

- (1) The calculation is based on the percentage of shareholding in Domestic Shares or H Shares, respectively.
- (2) The calculation is based on the total number of 1,045,000,000 Domestic Shares in issue and 355,000,000 H Shares in issue.
- (3) Ms. Zhang Xiuying and Mr. Liu Xuejing are spouses, and therefore Ms. Zhang Xiuying is deemed to have interest in all of Mr. Liu Xuejing's interests in the Company by virtue of the SFO.
- (4) Zhengxing Investment is held as to 99% by Shangchen Investment and 1% by Pengtu Investment. Shangchen Investment is controlled by Mr. Liu Zhiming and Pengtu Investment as to 99% and 1%, respectively. Pengtu Investment is entirely controlled by Mr. Liu Zhiming, which is the general partner of Shangchen Investment and Zhengxing Investment. As such, by virtue of the SFO, Mr. Liu Zhiming is deemed to be interested in the shares held by Zhengxing Investment.

**附註:**

- (1) 分別以內資股或H股的持股百分比為基準計算。
- (2) 以合共1,045,000,000股已發行內資股及355,000,000股已發行H股為基準計算。
- (3) 張秀英女士與劉學景先生是配偶，因此，根據《證券及期貨條例》，張秀英女士被視為在劉學景先生所擁有的本公司所有權益中擁有權益。
- (4) 正星投資由上辰投資及鵬途投資分別持有99%及1%的股份。上辰投資由劉志明先生、鵬途投資分別控制99%及1%。鵬途投資由劉志明先生完全控制，是為上辰投資及正星投資的普通合夥人。因此，根據《證券及期貨條例》，劉志明先生被視為在正星投資持有的股份中擁有權益。



# REPORT OF BOARD OF DIRECTORS

## 董事會報告

- (5) Fengxiang Group and Fengxiang Investment are wholly owned by GMK Holdings, while GMK Holdings is owned as to 51% by Mr. Liu Xuejing, 9% by Ms. Zhang Xiuying (Mr. Liu Xuejing's spouse), 20% by Mr. Liu Zhiguang and 20% by Mr. Liu Zhiming, respectively. By virtue of the SFO, Mr. Liu Zhiming is deemed to be interested in the shares directly or indirectly held by GMK Holdings.
- (6) Fengxiang Group and Fengxiang Investment are wholly owned by GMK Holdings. By virtue of the SFO, GMK Holdings is deemed to be interested in the Shares held by Fengxiang Group and Fengxiang Investment.
- (7) China Galaxy International Securities (Hong Kong) Co., Limited is a controlled corporation by Central Huijin Investment Ltd. By virtue of the SFO, Central Huijin Investment Ltd. is deemed to be interested in the 6,558,000 Shares held by China Galaxy International Securities (Hong Kong) Co., Limited.
- (8) The letter "L" denotes a long position in the Shares.

Save as disclosed above, as at 31 December 2021, the Company has not been notified by any other person (excluding the Directors or Supervisors or chief executives), who had interests or short positions in the Shares or underlying shares of the Company which would fall to be disclosed pursuant to Divisions 2 and 3 of Part XV of the SFO, or required to be entered in the register kept by the Company under section 336 of the SFO.

## PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

Save as the 2020 Share Award Scheme and 2021 Share Award Scheme as disclosed in this annual report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period and up to the date of this annual report.

## DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this annual report, at no time during the Reporting Period, was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors or Supervisors to acquire benefits by means of acquisition of Shares in, or debentures of, the Company or any other body corporate, and none of the Directors or Supervisors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

- (5) 新鳳祥控股全資擁有鳳祥集團及鳳祥投資，而劉學景先生、張秀英女士(劉學景先生的配偶)、劉志光先生及劉志明先生分別持有新鳳祥控股51%、9%、20%及20%的股份。根據《證券及期貨條例》，劉志明先生被視為於新鳳祥控股直接及間接持有的股份中擁有權益。
- (6) 新鳳祥控股全資擁有鳳祥集團及鳳祥投資。根據《證券及期貨條例》，新鳳祥控股被視為於鳳祥集團及鳳祥投資持有的股份中擁有權益。
- (7) 中國銀河國際證券(香港)有限公司為由Central Huijin Investment Ltd.控制的法團。根據《證券及期貨條例》，Central Huijin Investment Ltd.被視為於中國銀河國際證券(香港)有限公司持有的6,558,000股股份中擁有權益。
- (8) 英文字母「L」表示該等股份的好倉。

除上文所披露者外，於2021年12月31日，本公司尚未接獲任何其他人士(董事或監事或最高行政人員除外)通知，表示其於本公司股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及第3分部須予披露，或須記入根據《證券及期貨條例》第336條須由本公司存置的登記冊的權益或淡倉。

## 購買、出售或贖回上市證券

除本年報所披露的2020年股份獎勵計劃及2021年股份獎勵計劃外，於報告期內至本年報日期期間，本公司或其任何附屬公司概無購買、出售或贖回任何本公司之上市證券。

## 董事及監事購買股份或債券之權利

除本年報所披露者外，本公司或其任何附屬公司於報告期內任何時間概無訂立任何安排，致使董事或監事可藉購買本公司或任何其他法人團體之股份或債券而獲益，以及並無董事或監事或其配偶或18歲以下之子女獲授予任何權利以認購本公司或任何其他法人團體之股本或債務證券，或已行使任何該等權利。

## ISSUANCE OF DEBENTURES

During the year ended 31 December 2021, no issuance of debentures was made by the Company.

## DIRECTORS' INTERESTS IN COMPETING BUSINESS

As at 31 December 2021, none of the Directors is interested in any business, apart from the Group's businesses, which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

## INFORMATION RELATING TO NON-COMPETITION UNDERTAKING

On 24 June 2020, Mr. Liu Xuejing, our non-executive Director, Ms. Zhang Xiuying, Mr. Liu Zhiguang, the chairman of the Board of Directors and executive Director, GMK Holdings, Fengxiang Group, Fengxiang Investment, Zhengxing Investment, Shangchen Investment and Pengtu Investment (collectively, the "Controlling Shareholders") executed the non-competition undertaking (the "Non-competition Undertaking") in favour of the Company.

Pursuant to the Non-Competition Undertaking, the Controlling Shareholders have jointly and severally made irrevocable covenants to the Company that during the Relevant Period (as defined below), each of the Controlling Shareholders, will not and will procure that its respective close associates will not:

- (a) solely or jointly with a third party, engage in or participate in any commercial business or activity (domestic or abroad) which constitute or may constitute competition with our principal business directly or indirectly in any manner (including but not limited to investments, merger and acquisitions, associations, joint ventures, cooperation, partnerships, contracting or operating leases, purchases of shares of listed companies or equity participation) (the "Restricted Business") (in each case whether as a Director, Shareholder (other than being a Director or Shareholder of the Group), partner, agent or otherwise and whether for profit, reward or interest otherwise);
- (b) directly or indirectly, hold any interest or obtain any control domestically or abroad in any business entities, institutions or economic organisations, which constitute or may constitute competition with our principal business (in each case whether as a Director or Shareholder (other than being a Director or Shareholder of the Group), partner, agent or otherwise and whether for profit, reward or interest otherwise);

## 債券發行

於截至2021年12月31日止年度期間，本公司並無發行債券。

## 董事於競爭業務之權益

於2021年12月31日，概無董事於本集團業務之外與本集團業務構成或可能構成直接或間接競爭的任何業務中擁有利益。

## 有關不競爭承諾書之資料

2020年6月24日，我們的非執行董事劉學景先生、張秀英女士、董事長兼執行董事劉志光先生、新鳳祥控股、鳳祥集團、鳳祥投資、正星投資、上辰投資及鵬途投資(合稱「控股股東」)簽署了有利於本公司的不競爭承諾書(「不競爭承諾書」)。

根據不競爭承諾書的規定，控股股東亦已共同及個別向本公司作出不可撤銷承諾，於有關期間(定義見下文)，各控股股東不會並將其各自的緊密聯繫人不會：

- (a) 單獨或與第三方共同以任何形式從事或參與與我們的主要業務直接或間接構成或可能構成競爭的國內或國外商業業務或活動(包括但不限於投資、併購、聯營公司、合資企業、合作、夥伴關係、承包或經營租賃、購買上市公司股份或參股)(「受限制業務」)(於每種情況下，無論以董事、股東(本集團董事或股東除外)、合作夥伴、代理或其他身份，且無論是否為利潤、報酬或其他利益)；
- (b) 於國內或國外直接或間接於與我們的主要業務構成或可能構成競爭的任何商業實體、機構或經濟組織中持有任何權益或獲得任何控制權(於每種情況下，無論以董事或股東(本集團董事或股東除外)、合作夥伴、代理或其他身份及無論是否為利潤、報酬或其他利益)；

- (c) directly or indirectly, induce or attempt to induce, any director, manager, consultant or employee of the Group to terminate his service contract or employment contract with the Group, whether or not such act of that person would constitute a breach of that person's service contract or employment contract;
- (d) without the prior consent from the Company, make use of any information pertaining to the principal business of the Group which may have come to their knowledge in the capacity as the Controlling Shareholders for any purpose of engaging in any commercial activities (except for activities related to the Group) or obtaining his personal benefits; and
- (e) directly or indirectly, solicit any customer or supplier or employee of the Group for employment by them to engage in the Restricted Business.

The restrictions as set out in (a) and (b) above are not applicable to circumstances where any of the Controlling Shareholders or its close associates invests in, holds, engages in or participates in less than 5% of the equity interests and does not take part in the business management in any other companies (whether listed or not) which engage in business competing with our business.

The Controlling Shareholders confirm that since the date of listing ("Listing Date") (i.e. 16 July 2020) and up to 31 December 2021, none of them carried on, participated or was interested or engaged in or held any other business which is or may be in competition with the business of any member of the Group from time to time. Relying on this confirmation and the fact that all executive Directors (with one of them being the Controlling Shareholders) have devoted their time and resources in different business activities of the Group, the independent non-executive Directors are satisfied that the Non-Competition Undertaking was fully complied with by the Controlling Shareholders and the executive Directors since the Listing Date and up to 31 December 2021.

- (c) 直接或間接誘使或試圖誘使本集團任何董事、經理、顧問或僱員終止其與本集團的服務合約或僱傭合約，不論該人士的行為是否違反該人士的服務合約或僱傭合約；
- (d) 未經本公司事先同意，為從事任何商業活動（與本集團相關的活動除外）或為謀取其個人利益而利用作為控股股東所知悉的與本集團主要業務有關的任何資料；及
- (e) 直接或間接招攬本集團任何客戶、供應商或僱員從事受限制業務。

上文(a)及(b)項所載的限制不適用於任何控股股東或其緊密聯繫人投資、持有、從事或參與任何其他公司（從事與我們業務構成競爭的業務，無論上市與否）5%以下的股權及並無參與業務管理的情況。

控股股東確認自上市日期（「上市日期」，即2020年7月16日）起至2021年12月31日止，彼等並無不時開展、參與或擁有權益或從事或持有任何其他與本集團任何成員公司的業務構成或可能構成競爭的業務。基於此確認，以及所有執行董事（其中一名為控股股東）均將其時間和資源投入到本集團的不同業務活動中，獨立非執行董事確信，自上市日期起至2021年12月31日，控股股東及執行董事已全面遵守不競爭承諾。

### CONNECTED TRANSACTIONS

On 28 May 2021, Fengxiang Industrial, a wholly-owned subsidiary of the Company (as the purchaser) and Yanggu Xiangguang Copper Co., Ltd. (陽穀祥光銅業有限公司) (“Xiangguang Copper”), an associate of GMK Holdings, a controlling Shareholder and a connected person of the Company (as the vendor) entered into the asset transfer agreement, pursuant to which Fengxiang Industrial agreed to acquire machineries and equipment which are associated with and currently used by Yanggu Sewage Water Treatment Plant from Xiangguang Copper at a consideration of RMB23,125,900 (equivalent to approximately HK\$27,288,600). The Company has complied with the applicable disclosure requirements under Chapter 14A of the Listing Rules, details of which are set out in the Company’s announcement dated 28 May 2021.

On 10 December 2021, the Company adopted a share award scheme (the “2021 Share Award Scheme”) to recognise the contributions by certain employees of the Group and to provide them with incentives in order to retain them and to attract suitable personnel. On the same day, an aggregate of 23,487,800 awarded shares (the “2021 Awarded Shares”) were granted to 63 selected employees under the 2021 Share Award Scheme (accounts for approximately 6.62% of the total number of issued H Shares and approximately 1.68% of the total issued share capital of the Company as at the date of this annual report) and 2,609,800 reserved shares will be kept for the time being in the pool of the Trust Fund as reserves for future grants of awarded shares to the selected employees. 4,043,700 2021 Awarded Shares were granted to selected employees who is a connected person (“Connected Selected Employees”). The transactions contemplated under the grant to the Connected Selected Employees constitute connected transactions of the Company under Chapter 14A of the Listing Rules. As the grant to the Connected Selected Employees, either (i) forms part of the remuneration package of the director service contract, or (ii) all of the applicable percentage ratios are below 0.1% and the grant of 2021 Awarded Shares is on normal commercial terms, such grant to each of them is fully exempt from reporting, announcement and independent Shareholders’ approval under Rules 14A.73(6) and 14A.95, and/or 14A.76(1) of the Listing Rules. For details, please refer to the Company’s announcement dated 10 December 2021.

### 關連交易

於2021年5月28日，本公司全資附屬公司鳳祥實業（作為買方）與陽穀祥光銅業有限公司（「祥光銅業」，為控股股東及本公司關連人士新鳳祥控股之聯繫人）（作為賣方）訂立資產轉讓合同，據此，鳳祥實業同意向祥光銅業收購陽穀縣第二污水處理廠相關及目前使用的機器及設備，代價為人民幣23,125,900元（相當於約27,288,600港元）。本公司已遵守《上市規則》第14A章適用的披露規定，詳情載於本公司日期為2021年5月28日的公告。

於2021年12月10日，本公司採納股份獎勵計劃（「2021年股份獎勵計劃」），以表彰本集團若干僱員的貢獻並為彼等提供獎勵，以留住彼等並吸引合適的人才。同日，本公司根據2021年股份獎勵計劃將合共23,487,800股獎勵股份（「2021年獎勵股份」）授予63名獲選僱員（佔於本年報日期本公司已發行H股總數約6.62%及已發行股本總額約1.68%），而2,609,800股保留股份將暫時存入信託基金池中，作為日後向獲選僱員授予獎勵股份的儲備。4,043,700股2021年獎勵股份授予屬關連人士的獲選僱員（「關連獲選僱員」）。根據《上市規則》第14A章，向關連獲選僱員的授予項下擬進行的交易構成本公司關連交易。由於向關連獲選僱員的授予(i)屬於董事服務合約中薪酬待遇的一部分；或(ii)所有適用百分比率均低於0.1%，且授予2021年獎勵股份乃按正常商業條款進行，故根據《上市規則》第14A.73(6)條及第14A.95條及／或第14A.76(1)條，向彼等各自的有關授予獲全面豁免遵守申報、公告及獨立股東批准規定。有關詳情，請參閱本公司日期為2021年12月10日的公告。

### CONTINUING CONNECTED TRANSACTIONS

The Group has entered into certain transactions with its connected persons which constitute continuing connected transactions of the Group under Chapter 14A of the Listing Rules, and shall be disclosed below under the requirement of Chapter 14A of the Listing Rules. The transactions as listed below are entered into in the ordinary and usual course of business and on normal commercial terms or better.

As all of the applicable percentage ratios (other than the profit ratio) calculated under New Product Sales Framework Agreement, Logistics Services Framework Agreement and Procurement and Outsourcing Framework Agreement are more than 0.1% but less than 5%, therefore, the transactions contemplated thereunder calculated are subject to the reporting, announcement and annual review requirements but will be exempted from the independent Shareholders' approval requirement under Chapter 14A of the Listing Rules. As all of the applicable percentage ratios (other than the profit ratio) under the Deposit Services Framework Agreement and the Bill Financing Framework Agreement are more than 5%, the transactions contemplated thereunder are subject to the reporting, announcement, annual review, circular and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

We have applied for, and the Stock Exchange has granted, a waiver to exempt the non-exempt continuing connected transactions in relation to the Logistics Services Framework Agreement and the Bill Financing Framework Agreement under Rule 14A.35 and Rule 14A.36 of the Listing Rules, subject to the condition that the annual transaction values shall not exceed their respective estimated annual caps.

### 持續關連交易

本集團已與其關連人士訂立若干交易，其構成《上市規則》第14A章下的持續關連交易，須根據《上市規則》第14A章於下文中披露。以下所列的交易於一般及日常業務過程中並按正常或更佳商業條款訂立。

由於根據新產品銷售框架協議、物流服務框架協議及採購及外包框架協議計算的所有適用百分比率(盈利比率除外)均超過0.1%但低於5%，故計算其項下擬進行的交易須遵守《上市規則》第14A章項下的申報、公告及年度審閱規定，惟獲豁免遵守獨立股東批准規定。由於存款服務框架協議及票據融資框架協議項下的所有適用百分比率(盈利比率除外)均超過5%，故其項下擬進行的交易須遵守《上市規則》第14A章項下的申報、公告、年度審閱、通函及獨立股東批准的規定。

我們已根據《上市規則》第14A.35條及第14A.36條就物流服務框架協議及票據融資框架協議向聯交所申請且聯交所已授予豁免遵守不獲豁免之持續關連交易，但前提條件是相關年度交易價值不得超過其各自的估計年度上限。

## Non-exempt continuing connected transactions

### 1. Sales of poultry products and by-products

The Company entered into the product sales framework agreement with GMK Holdings (for itself and on behalf of its subsidiaries and associates (“GMK Group”)) and Xiangrui International Stock Holding Group Company Ltd. (for itself and on behalf of its subsidiaries and associates (“Xiangrui Group”)) on 25 June 2020, pursuant to which the Group would sell poultry products and by-products to the members of GMK Group and Xiangrui Group. On 28 August 2021, the Company and GMK Holdings further entered into the new product sales framework agreement (the “New Product Sales Framework Agreement”), pursuant to which the Group shall sell commodities including poultry products, by-products and other livestock and poultry breeding waste materials such as mixture of paddy husk and chicken manure to GMK Group. The New Product Sales Framework Agreement is for a term commencing from 28 August 2021 and ending on 31 December 2022, which will be renewable for a term of three years upon mutual consent of all parties to the agreement and subject to compliance by the Company with the requirements under the Listing Rules and other applicable laws and regulations. The supply prices of poultry products and by-products that are to be sold under the New Product Sales Framework Agreement are determined with reference to the market price. The market price refers to (i) the price paid by an independent third party which purchases such commodities at the time, or (ii) the price charged when providing such commodities to an independent third party at that time under normal commercial transaction conditions within Liaocheng, Shandong Province. GMK Holdings is the controlling Shareholder, hence is a connected persons of the Company and as a result, the transactions contemplated under the New Product Sales Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For details, please refer to the Company’s announcement dated 28 August 2021.

## 不獲豁免持續關連交易

### 1. 出售禽肉製品及副產品

本公司已於2020年6月25日與新鳳祥控股(為其本身及代表其附屬公司及聯營公司(「新鳳祥集團」))、祥瑞國際控股集團股份有限公司(為其本身及代表其附屬公司及聯營公司(「祥瑞集團」))訂立商品銷售框架協議,據此,本集團向新鳳祥集團及祥瑞集團的成員公司銷售禽肉製品及副產品。於2021年8月28日,本公司與新鳳祥控股進一步訂立新商品銷售框架協議(「新商品銷售框架協議」),據此,本集團須向新鳳祥集團出售禽肉製品、副產品以及其他畜禽及家禽養殖廢料(如稻殼及雞糞的混合物)等商品。新產品銷售框架協議有效期為自2021年8月28日起至2022年12月31日止,經協議各方同意可續期三年,但前提是本公司須遵守《上市規則》及其他適用法律法規的規定。該新產品銷售框架協議下出售的禽肉製品及副產品的供應價格參照市價而定。市價指(i)於山東省聊城市範圍內在正常商業交易情況下(i)獨立第三方購買有關商品時所支付的價格,或(ii)向獨立第三方提供有關商品時所收取的價格。新鳳祥控股為控股股東,因此為本公司關連人士,根據《上市規則》第14A章,新產品銷售框架協議項下擬進行的交易構成本公司的持續關連交易。有關詳情,請參閱本公司日期為2021年8月28日的公告。

### 2. Procurement of logistic services

The Company entered into the logistics services framework agreement with Qingdao Xiangguang Logistics Co., Ltd. ("Xiangguang Logistics") (the "Logistics Services Framework Agreement") on 25 June 2020, pursuant to which the Group may procure Logistics Services from Xiangguang Logistics. The Logistics Services Framework Agreement is for a term commencing on the Listing Date and ending on 31 December 2022, and which will be renewable for a term of three years upon mutual consent of all parties to the agreement and subject to compliance by the Company with the requirements under the Listing Rules and other applicable laws and regulations. In considering whether to engage Xiangguang Logistics to provide the logistics services, the Company will regularly compare the prevailing market price of similar logistics services in the market which is ascertained by, among other methods, obtaining quotations from independent third party logistics service providers. Xiangguang Logistics is a company that is ultimately wholly-owned by Mr. Liu Zhiguang and Mr. Liu Zhiming, hence a connected person of the Company and as a result, the transactions contemplated under the Logistics Services Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For details, please refer to the section headed "Connected Transactions" in the prospectus of the Company dated 30 June 2020 (the "Prospectus").

### 2. 採購物流服務

本公司於2020年6月25日與青島祥光物流有限公司（「祥光物流」）訂立物流服務框架協議（「物流服務框架協議」），據此，本集團可從祥光物流採購物流服務。物流服務框架協議的有效期為自上市日期起至2022年12月31日止，經協議各方同意可續期三年，但前提是本公司須遵守《上市規則》及其他適用法律法規的規定。在考慮是否聘請祥光物流提供物流服務時，本公司將定期比較市場當時類似物流服務的現行市價，該價格通過（其中包括）獲取獨立第三方物流服務供應商所報價格釐定。祥光物流為一間由劉志光先生及劉志明先生最終全資擁有之公司，因此，彼等為本公司關連人士，故而根據《上市規則》第14A章，物流服務框架協議下擬進行的交易構成本公司的持續關連交易。有關詳情，請參閱本公司日期為2020年6月30日的招股章程（「招股章程」）中「關連交易」一節。

### 3. Receiving procurement and outsourcing services

The Company entered into a framework agreement with GMK Group on 28 August 2021, for the provision of raw materials and processing services for production materials to the Group (the "Procurement and Outsourcing Framework Agreement"). The Procurement and Outsourcing Framework Agreement is for a term from 28 August 2021 and ending on 31 December 2022, which will be renewable for a term of three years upon mutual consent of all parties to the agreement and subject to compliance with the Company with the requirements under the Listing Rules and other applicable laws and regulations. The pricing of the raw materials, consumption goods and/or services under the Procurement and Outsourcing Framework Agreement shall be determined with reference to the market price. The market price refers to (i) the price charged by an independent third party which provides such raw materials, consumption goods and/or services at the time, or (ii) the price charged when providing such raw materials, consumption goods and/or services to an independent third party at that time under normal commercial transaction conditions within Liaocheng, Shandong Province. GMK Holdings is the controlling Shareholder, hence is a connected persons of the Company and as a result, the transactions contemplated under the New Product Sales Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For details, please refer to the Company's announcement dated 28 August 2021.

### 3. 接受採購及外包服務

本公司於2021年8月28日與新鳳祥集團就向本集團提供原材料及生產材料加工服務訂立框架協議（「採購及外包框架協議」）。採購及外包框架協議的有效期為自2021年8月28日起至2022年12月31日止，經協議各方同意可續期三年，但前提是本公司須遵守《上市規則》及其他適用法律法規的規定。採購及外包框架協議項下原材料、消費品及／或服務的定價應參照市價釐定。市價指於山東省聊城市範圍內在正常商業交易情況下(i)獨立第三方提供有關原材料、消費品及／或服務時所收取的價格，或(ii)向獨立第三方提供有關原材料、消費品及／或服務時所收取的價格。新鳳祥控股為控股股東，因此為本公司關連人士，根據《上市規則》第14A章，新產品銷售框架協議項下擬進行的交易構成本公司的持續關連交易。有關詳情，請參閱本公司日期為2021年8月28日的公告。



### 4. Deposit of funds

The Company has renewed the deposit services framework agreement (the "Deposit Service Framework Agreement") with GMK Finance on 31 August 2020, pursuant to which GMK Finance will provide deposit services to the Group. The Deposit Service Framework Agreement is for a term of two years commencing from 1 January 2021 and ending on 31 December 2022, and which will be renewable upon mutual consent of all parties to the agreement and subject to compliance by the Company with the requirements under the Listing Rules and other applicable laws and regulations. The deposit interest rates offered by GMK Finance to the Group shall comply with the benchmark deposit interest rates promulgated by the People's Bank of China from time to time (if any) for financial institutions such as GMK Finance, and the Group's deposit interest rates shall be the same as those offered by GMK Finance to independent third parties (or better), and the Group will only deposit its funds with GMK Finance if the rates quoted by GMK Finance are no less favourable than the quotes of deposit rates offered by two other banks offering deposit services obtained by the Group. GMK Finance is held as to 52.5% by GMK Holdings, the controlling Shareholder, and as to 47.5% by Xiangguang Copper, a company in which GMK Holdings ultimately holds more than 30%. Accordingly, GMK Finance is a connected person of the Company and as a result, the transactions contemplated under the Deposit Service Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For details, please refer to the Company's announcement dated 31 August 2020 and circular dated 30 September 2020.

### 4. 存入款項

本公司於2020年8月31日與新鳳祥財務續簽存款服務框架協議(「存款服務框架協議」)，據此，新鳳祥財務將向本集團提供存款服務。存款服務框架協議的有效期自2021年1月1日起至2022年12月31日止為期兩年，經協議各方同意後方可續期，但前提是本公司須遵守《上市規則》及其他適用法律法規的規定。新鳳祥財務向本集團提供的存款利率應符合中國人民銀行不時為金融機構(如新鳳祥財務)所頒佈的存款基準利率(如有)，且本集團存款利率應與新鳳祥財務向獨立第三方提供的利率相同(或更優)，且本集團僅在新鳳祥財務所提供的利率不遜於其他兩家銀行所提供的有關存款服務的存款利率時，方會將資金存入新鳳祥財務。新鳳祥財務由控股股東新鳳祥控股持有52.5%，及由祥光銅業(新鳳祥控股最終持有逾30%的股權)持有47.5%。因此，新鳳祥財務為本公司關連人士，故而根據《上市規則》第14A章，存款服務框架協議下擬進行的交易構成本公司的持續關連交易。有關詳情，請參閱本公司日期為2020年8月31日的公告及日期為2020年9月30日的通函。

### 5. Receiving financial assistance by the discounting of commercial bills

The Company entered into a framework agreement with GMK Finance on 25 June 2020, for the provision of financial assistance by GMK Finance to the Group through the discounting of commercial bills (the “Bill Financing Framework Agreement”) based on the prevailing market rates for such financing. The Bill Financing Framework Agreement is for a term commencing from the Listing Date and ending on 31 December 2022, which will be renewable for a term of three years upon mutual consent of all parties to the agreement and subject to compliance with the Company with the requirements under the Listing Rules and other applicable laws and regulations. The finance department of the Company will regularly (in any event, no less frequently than twice every calendar year) review the interest rates that are charged by two other independent third party banks or financial institutions for the rates offered for the discounting of commercial bills quoted by GMK Finance, and will only discount commercial bills with GMK Finance if the rates offered by it are at least as favourable as those offered by independent third party banks or financial institutions. GMK Finance is held as to 52.5% by GMK Holdings, the controlling Shareholder and as to 47.5% by Xiangguang Copper, a company in which GMK Holdings ultimately holds more than 30%. Accordingly, GMK Finance is a connected person of the Company and as a result, the transactions contemplated under the Bill Financing Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. For details, please refer to the section headed “Connected Transactions” in the Prospectus.

### 5. 通過貼現商業票據接受財務資助

本公司與新鳳祥財務於2020年6月25日就新鳳祥財務按有關融資的現行市價通過商業票據貼現為本集團提供財務資助而訂立框架協議（「票據融資框架協議」）。票據融資框架協議的有效期限為自上市日期起至2022年12月31日止，經協議各方同意可續期三年，但前提是本公司須遵守《上市規則》及其他適用法律法規的規定。本公司財務部門將定期（無論如何不少於每日曆年兩次）審核另外兩家獨立第三方銀行或金融機構就新鳳祥財務所提供的商業票據貼現利率所收取的利率，僅在新鳳祥財務提供的利率不遜於獨立第三方銀行或金融機構所提供者的情況下，本公司才會與其進行商業票據貼現。新鳳祥財務由控股股東新鳳祥控股持有52.5%，由祥光銅業（新鳳祥控股最終持有逾30%的股權）持有47.5%。因此，新鳳祥財務為本公司關連人士，根據《上市規則》第14A章，票據融資框架協議下擬進行的交易構成本公司的持續關連交易。有關詳情，請參閱招股章程「關連交易」一節。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

The following table sets forth the respective annual caps and actual amounts for the non-exempt continuing connected transactions of the Company for the year ended 31 December 2021:

下表載列本公司截至2021年12月31日止年度不獲豁免之持續關連交易的各自年度上限及實際金額：

### Continuing connected transactions

持續關連交易

	For the year ended 31 December 2021	
	Annual caps	Actual amounts
	年度上限	實際金額
	(RMB'000)	(RMB'000)
	(人民幣千元)	(人民幣千元)
I. Continuing connected transactions subject to the annual reporting and announcement requirements 須遵守年度申報及公告規定的持續關連交易		
1. New Product Sales Framework Agreement 新商品銷售框架協議	20,000	11,481
2. Logistics Services Framework Agreement 物流服務框架協議	18,200	1,509
3. Procurement and Outsourcing Framework Agreement 採購及外包框架協議	10,000	4,095
II. Continuing connected transactions subject to the annual reporting, announcement, circular and independent Shareholders' approval requirements 須遵守年度申報、公告、通函及獨立股東批准規定的持續關連交易		
4. Deposit Service Framework Agreement (Note 1) 存款服務框架協議(附註1)	1,350,000	1,235,106
5. Bill Financing Framework Agreement (Note 2) 票據融資框架協議(附註2)	600,000	46,606

#### Notes:

- (1) The annual caps and actual amounts being the maximum daily balance of deposits (including interests accrued thereon).
- (2) The annual cap and actual amounts being the maximum daily closing balances of loans obtained through the discounting of commercial bills of the Group with GMK Finance.

#### 附註：

- (1) 年度上限及實際金額為存款的每日最高存款結餘(包括應計利息)。
- (2) 年度上限及實際金額指本集團透過向新鳳祥財務貼現商業票據取得的貸款的最高每日收市結餘。

The independent non-executive Directors have, for the purpose of Rule 14A.55 of the Listing Rules, reviewed the continuing connected transactions set out above and have confirmed that these continuing connected transactions have been entered into by the Group (i) in the ordinary and usual course of its business; (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; and (iii) in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the Company's Shareholders as a whole. The annual transaction values of the above continuing connected transactions did not exceed the annual caps in relation to the respective continuing connected transactions.

Pursuant to Rule 14A.56 of the Listing Rules, the Auditor were engaged to report on the Group's continuing connected transactions in accordance with "Standards on Other Assurance Engagements for Certified Public Accountants of China No. 3101-Assurance Engagements Other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The Auditor has not qualified its report in respect of the continuing connected transactions disclosed above by the Group. A copy of the Auditor's letter has been provided by the Company to the Stock Exchange.

Save as disclosed above, the Group had not entered into any connected transaction during the Reporting Period and up to the date of this annual report, which is required to be disclosed under Chapter 14A of the Listing Rules.

就《上市規則》第14A.55條而言，獨立非執行董事已審閱上述各項持續關連交易，並已確認該等持續關連交易已由本集團(i)於一般及日常業務過程中訂立；(ii)按正常商業條款或不遜於本集團向獨立第三方提供或獨立第三方向本集團提供的條款訂立；及(iii)根據協議條款進行，而該等條款屬公平合理，並符合本公司股東的整體權益。上述持續關連交易的年度交易價值並無超出有關持續關連交易的年度上限。

根據《上市規則》第14A.56條，核數師已獲聘請根據中國註冊會計師其他鑑證服務第3101號—歷史財務信息審計或審閱以外的鑑證業務及參照香港會計師公會發出的《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」以匯報本集團關連交易。核數師並無就本集團上文披露的持續關連交易作出保留意見的報告。本公司已向聯交所提供核數師函件的副本。

除上述所披露者外，本集團於報告期內及直至本年報日期並無訂立任何根據《上市規則》第14A章須予披露的任何關連交易。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### DIRECTORS' AND SUPERVISORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in this annual report, no Director or Supervisor or an entity connected with a Director or Supervisor was materially interested, either directly or indirectly, in any transaction, arrangement or contract which is significance in relation to the business of the Group to which the Company or any of its subsidiaries or fellow subsidiaries was a party subsisting during the year ended 31 December 2021 or at the end of the year ended 31 December 2021.

### CONTRACT OF SIGNIFICANCE

Save as disclosed in this annual report, no contract of significance was entered into between the Company, or one of its subsidiary companies, and a controlling Shareholder or any of its subsidiaries during the year ended 31 December 2021.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 December 2021 between the Company and a person other than a Director or Supervisors or any person engaged in the full-time employment of the Company.

### 董事及監事於重大交易、安排或合約中的權益

除本年報所披露者外，概無董事或監事或與董事或監事有關連之實體直接或間接於截至2021年12月31日止年度內或於截至2021年12月31日止年度末存續的本公司或其任何附屬公司或同系附屬公司作為訂約方並且對本集團業務而言屬重大的任何交易、安排或合約中擁有重大權益。

### 重大合約

除本年報所披露者外，於截至2021年12月31日止年度內，本公司或本公司之附屬公司與控股股東或其任何附屬公司之間概無訂立任何重大合約。

### 管理合約

截至2021年12月31日止年度，本公司概無就本公司全部或任何部份重大業務的管理及行政事務與除董事或監事或本公司全職僱員之外的個人訂立或存有任何合約。

## DIRECTORS' PERMITTED INDEMNITY PROVISION

The Company has arranged appropriate insurance cover for Directors' liabilities in respect of legal actions arising out of corporate activities against the Directors during the year ended 31 December 2021 as at the date of this annual report.

Except for such insurances, at no time during the Reporting Period and up to the date of this annual report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company or associated companies.

## RELATED PARTY TRANSACTIONS

Details of the material related party transactions undertaken by the Group in its normal course of business are set out in note X to the financial statements. The Company has complied with the applicable requirements under the Listing Rules for those related party transactions which constituted continuing connected transactions under the Listing Rules, which are set out in the paragraph headed "Continuing Connected Transactions" on pages 76 to 83.

Save as disclosed above, no other related party transactions disclosed in the consolidated financial statements constituted a notifiable connected transaction as defined under the Listing Rules.

## EMOLUMENT POLICY AND DIRECTORS' REMUNERATION

Our employees are generally remunerated by way of fixed salary. Our remuneration policies are formulated based on the performance of individual employees and are reviewed regularly. A remuneration committee was set up for reviewing the Company's emolument policy and structure for all remuneration of the Directors and senior management of the Company, having regard to the Company's operating results, individual performance of the Directors and senior management and comparable market practices.

Details of the emoluments of the Directors and the Supervisors and five highest paid individuals for the year ended 31 December 2021 are set out in note X to the financial statements.

## 董事之獲准許彌償條文

本公司已為董事安排適當之責任保險，就董事於本年報日期截至2021年12月31日止年度期間因企業活動而引致對其展開的法律訴訟提供保障。

除該等保險外，在報告期內及直至本報告日期止任何時間，均未曾有或現有生效的任何獲准許彌償條文惠及本公司或聯營公司的任何董事。

## 關連方交易

本集團於一般業務過程中進行之重大關連方交易詳情載於財務報表附註十。本公司已遵守《上市規則》對該等根據《上市規則》構成持續關連交易的關連人士交易的適用規定，該等規定載於第76至83頁「持續關連交易」一段。

除上文所披露者外，綜合財務報表所披露之其他關連人士交易並不構成《上市規則》所界定之須予公佈關連交易。

## 薪酬政策及董事薪酬

我們一般以固定薪金之方式向僱員提供薪酬。我們的薪酬政策乃根據個別僱員的表現編製，並會定期予以審核。我們已成立薪酬委員會，以審閱本公司之薪酬政策及本公司董事及高級管理層之所有薪酬結構，當中考慮到本公司之經營業績、董事及高級管理層之個別表現以及可比較市場慣例。

董事和監事及五名最高薪人士於截至2021年12月31日止年度的薪酬詳情載於財務報表附註十。

### IMPLEMENTATION OF EQUITY INCENTIVE PLAN

#### 2020 Share Award Scheme

The Board of Directors has approved the adoption of the share award scheme (“2020 Share Award Scheme”) on 4 June 2020, and effective from the Listing Date. The 2020 Share Award Scheme is not a share option scheme and is not subject to the provisions of Chapter 17 of the Listing Rules. On 22 June 2020, the Company established a trust in connection with the 2020 Share Award Scheme (the “2020 Trust”) and has appointed Bank of Communications Trustee Limited (the “BOC Trustee”) as trustee to administer the 2020 Trust. Pursuant to the 2020 Share Award Scheme, the grant of award (the “2020 Awarded Shares”) by the Board of Directors to the selected participants may vest in the form of H Shares or the net sale proceeds of the 2020 Awarded Shares in cash in accordance with the 2020 Share Award Scheme.

#### Purposes

The purposes of the 2020 Share Award Scheme is to recognise the contribution by the Group’s personnel and to provide them with incentives in order to retain them for the continual operation and development of the Group, to stimulate further development of the Group, and to provide retirement protection to the Group’s personnel.

#### Participants

Pursuant to the 2020 Share Award Scheme, any full-time or part-time employees of the Group (including any Director) are eligible participants of the 2020 Share Award Scheme.

#### Administration

The 2020 Share Award Scheme shall be subject to the administration of the Board of Directors and BOC Trustee in accordance with the scheme rules and the trust deed. The decision of the Board of Directors with respect to any matter arising under the 2020 Share Award Scheme (including the interpretation of any provision) shall be final and binding. BOC Trustee shall hold the trust fund in accordance with the terms of the trust deed.

### 股權激勵計劃實施情況

#### 2020年股份獎勵計劃

董事會已於2020年6月4日批准採納並自上市日期起生效的股份獎勵計劃(「2020年股份獎勵計劃」)。2020年股份獎勵計劃並非購股權計劃，不受《上市規則》第十七章的條文規管。於2020年6月22日，本公司已就2020年股份獎勵計劃成立信託(「2020年信託」)，並已委任交通銀行信託有限公司為受託人(「交通銀行受託人」)管理2020年信託。根據2020年股份獎勵計劃，董事會向選定參與者授出的獎勵(「2020年獎勵股份」)可以H股的形式或根據2020年股份獎勵計劃以現金授出2020年獎勵股份銷售所得款項淨額的形式歸屬。

#### 目的

2020年股份獎勵計劃的目的在於表彰本集團人員作出的貢獻並向其提供獎勵，以為本集團的持續經營及發展留任該等人士，促進本集團的進一步發展並向本集團的人員提供退休保障。

#### 參與者

根據2020年股份獎勵計劃，本集團任何全職或兼職僱員(包括任何董事)均為2020年股份獎勵計劃的合資格參與者。

#### 管理

2020年股份獎勵計劃將由董事會及交通銀行受託人根據計劃規則及信託契據管理。董事會對2020年股份獎勵計劃項下任何事宜(包括對任何條文的詮釋)所作決定將屬最終決定及具有約束力。交通銀行受託人將根據信託契據的條款持有信託基金。

### Duration

Subject to any early termination as may be determined by the Board of Directors, the 2020 Share Award Scheme shall be valid and effective for a term of 10 years commencing on the date of listing.

### Scheme Limit and Entitlement

The Board of Directors shall not make any further award which will result in the maximum number of new H Shares that can be allotted and issued for the purpose of the 2020 Share Award Scheme in any financial year is 3% of the total number of issued share capital in the H Shares at the relevant time (i.e. 10,650,000 H Shares). The maximum number of new H Shares that can be allotted and issued to a selected employee in any 12-month period shall not exceed 1% of the total number of issued share capital in the H Shares at the relevant time (i.e. 3,550,000 H Shares).

### Grant

After the Board of Directors has decided to make a grant to any selected employee, the Board of Directors shall send a grant notice to such selected employee with a copy thereof to the BOC Trustee within 14 business days after the grant was made. Such selected employee shall confirm acceptance of the awarded shares by signing and returning to the Board of Directors the acceptance form within 14 business days after the date of the relevant grant notice.

### Vesting and conditions

The Board of Directors is entitled to impose any conditions (the "2020 Vesting Conditions") as it deems appropriate in its absolute discretion with respect to the vesting of the 2020 Awarded Shares on the selected employee, and shall set out the relevant 2020 Vesting Conditions and the 2020 Awarded Shares in the relevant grant notice.

Subject to the terms and conditions of the 2020 Share Award Scheme and the fulfilment of all 2020 Vesting Conditions on such selected participant as specified in the 2020 Share Award Scheme and the relevant grant notice, the respective awarded shares held by the BOC Trustee on behalf of the selected participant shall vest in such selected participant in accordance with the vesting schedule as set out in the relevant grant notice.

### 年期

除非董事會決定提前終止，否則2020年股份獎勵計劃將於上市日期起計10年內有效及生效。

### 計劃上限及資格

倘在任何財政年度可就2020年股份獎勵計劃配發及發行新H股數目上限為於有關時間H股已發行股本總額的3% (即10,650,000股H股)，則董事會不得進一步授出獎勵。在任何12個月期間可向獲選僱員配發及發行的新H股數目上限不得超過於有關時間已發行H股股本總額的1% (即3,550,000股H股)。

### 授出

在董事會決定向任何獲選僱員授出獎勵股份後，董事會應在授予後的14個營業日內向該等獲選僱員發出授予通知，並將其副本送交交通銀行受託人。該等獲選僱員應在有關授予通知日期後的14個營業日內，通過簽署並向董事會返還接納表格以確認接納所授予的股份。

### 歸屬及條件

董事會有權就獲選僱員的2020年獎勵股份的歸屬施加其全權酌情認為適當的任何條件 (「2020年歸屬條件」)，並應在有關授予通知中列明相關2020年歸屬條件及2020年獎勵股份。

根據2020年股份獎勵計劃的條款及條件以及待2020年股份獎勵計劃及有關授予通知中所規定就選定參與者歸屬獎勵股份的所有2020年歸屬條件達成後，交通銀行受託人根據其規定代表選定參與者持有的各獎勵股份將根據有關授予通知中列出的歸屬時間表歸屬於有關選定參與者。



# REPORT OF BOARD OF DIRECTORS

## 董事會報告

On 26 June 2020, the Board of Directors granted to 18 selected participants 2,050,000 2020 Awarded Shares under the 2020 Share Award Scheme (the "Planned Share Award"). Subject to the compliance with applicable PRC laws and regulations and the relevant restrictions of the terms of the 2020 Share Award Scheme and the Listing Rules, the Company has instructed the BOC Trustee to purchase 2,050,000 H Shares from the open market for the 2020 Share Award Scheme at any time after the completion of the Global Offering until 29 September 2020.

On 30 September 2020, the Company granted to 18 selected participants 820,000 2020 Awarded Shares, and of which have already been vested, representing 40% of the Planned Share Award.

The table below sets out the movements of 2020 Awarded Shares during the period from 1 January 2021 to 31 December 2021:

於2020年6月26日，董事會根據2020年股份獎勵計劃向18名選定參與者授出2,050,000股2020年獎勵股份（「計劃股份獎勵」）。為遵守適用中國法律法規及2020年股份獎勵計劃條款以及《上市規則》相關限制，本公司已指示交通銀行受託人於全球發售完成後直至2020年9月29日的任何時間為2020年股份獎勵計劃自公開市場購買2,050,000股H股。

於2020年9月30日，本公司向18名選定參與者授出的820,000股2020年獎勵股份已獲歸屬，佔計劃股份獎勵的40%。

下表載列於2021年1月1日至2021年12月31日期間2020年獎勵股份的變動：

Name	Date of grant	Vesting date <i>(Note 1)</i>	Number of awarded shares				Outstanding as at 31 December 2021
			As at 1 January 2021	Granted during the year	Vested during the year	Cancelled/lapsed during the year	
姓名	授出日期	歸屬日期 <i>(附註1)</i>	於2021年1月1日	於年內授出	於年內歸屬	於年內註銷/失效	於2021年12月31日尚未行使
<b>Connected Selected Employees</b>							
<b>關連獲選僱員</b>							
Mr. Xiao Dongsheng 肖東生先生	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	180,000	—	60,000	—	120,000
Mr. Ow Weng Cheong (resigned on 30 March 2022) 區永昌先生(於2022年3月30日辭任)	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	120,000	—	40,000	—	80,000 <i>(Note 2)</i> <i>(附註2)</i>
Mr. Wang Jinsheng (resigned on 30 March 2022) 王進聖先生(於2022年3月30日辭任)	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	120,000	—	40,000	—	80,000 <i>(Note 2)</i> <i>(附註2)</i>
Mr. Shi Lei 石磊先生	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	60,000	—	20,000	—	40,000
Ms. Lian Xianmin 廉憲敏女士	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	30,000	—	10,000	—	20,000
Mr. Wang Zhixian 汪之現先生	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	48,000	—	16,000	—	32,000
<b>Others</b>							
<b>其他</b>							
Employees 僱員	26 June 2020 2020年6月26日	30 June 2021 2021年6月30日	672,000	—	224,000	—	448,000
<b>Total</b> <b>合計</b>			<b>1,230,000</b>	<b>—</b>	<b>410,000</b>	<b>—</b>	<b>820,000</b>

*Notes:*

1. The awarded shares granted on 26 June 2020 shall be vested in four tranches with the vesting schedule as follows: (i) as to 40% of the 2020 Awarded Shares on 30 September 2020; (ii) as to 20% of the 2020 Awarded Shares on 30 June 2021; (iii) as to 20% of the 2020 Awarded Shares on 30 June 2022; and (iv) as to 20% of the 2020 Awarded Shares on 30 June 2023.
2. The outstanding awarded shares (unvested) as at 31 December 2021 were lapsed on 30 March 2022 due to the employee's resignation.

**2021 Share Award Scheme**

The Board of Directors has approved the adoption of the 2021 Share Award Scheme on 10 December 2021. The 2021 Share Award Scheme is not a share option scheme and is not governed by the provisions of Chapter 17 of the Listing Rules. Pursuant to the 2021 Share Award Scheme, the grant of 2021 Awarded Shares by the Board of Directors to the selected participants may vest in the form of H Shares.

**Purposes**

Considering the continual operation and further development of the Group, the purpose and objective of the 2021 Share Award Scheme are to recognise the contributions by certain employees of the Group and to provide them with incentives in order to retain them and to attract suitable personnel.

**Participants**

Pursuant to the 2021 Share Award Scheme, any full-time or part-time employees of the Group (including any Director) of any member of the Group at any time during the trust period are eligible participants of the 2021 Share Award Scheme.

**Administration**

The 2021 Share Award Scheme shall be subject to the administration of the Board of Directors and the trustee (the "Futu Trustee") in accordance with the scheme rules and the trust deed. The decision of the Board of Directors with respect to any matter arising under the 2021 Share Award Scheme (including the interpretation of any provision) shall be final and binding. Trustee shall hold the trust fund in accordance with the terms of the trust deed.

**Duration**

Subject to any early termination as may be determined by the Board of Directors pursuant to the scheme rules, the 2021 Share Award Scheme shall be valid and effective for a term of 10 years commencing on the adoption date.

*附註：*

1. 於2020年6月26日授予的獎勵股份將分四期歸屬，歸屬時間表如下：(i) 於2020年9月30日為2020年獎勵股份的40%；(ii) 於2021年6月30日為2020年獎勵股份的20%；(iii) 於2022年6月30日為2020年獎勵股份的20%；及(iv) 於2023年6月30日為2020年獎勵股份的20%。
2. 由於僱員辭職，於2021年12月31日未授予的獎勵股份(未歸屬)已於2022年3月30日失效。

**2021年股份獎勵計劃**

董事會已於2021年12月10日批准採納2021年股份獎勵計劃。2021年股份獎勵計劃並非購股權計劃，不受《上市規則》第十七章的條文規管。根據2021年股份獎勵計劃，董事會向選定參與者的授出可以H股的形式歸屬。

**目的**

考慮到本集團的持續經營及進一步發展，2021年股份獎勵計劃的目的及目標在於表彰本集團若干僱員的貢獻並為彼等提供獎勵，以留住彼等並吸引合適的人才。

**參與者**

根據2021年股份獎勵計劃，本集團任何成員公司於信託期任何時間的任何全職或兼職僱員(包括任何董事)均為2021年股份獎勵計劃的合資格參與者。

**管理**

2021年股份獎勵計劃將由董事會及受託人(「富途受託人」)根據計劃規則及信託契據的管理。董事會對2021年股份獎勵計劃項下任何事宜(包括對任何條文的詮釋)所作決定將屬最終決定及具有約束力。富途受託人將根據信託契據的條款持有信託基金。

**年期**

除非董事會根據計劃規則決定提前終止，否則2021年股份獎勵計劃將於採納日期起計10年內有效及生效。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### *Scheme Limit and Entitlement*

The Board of Directors shall not make any further award which will result in the aggregate number of the Shares awarded by the Board of Directors under the 2021 Share Award Scheme exceeding 10% of the issued share capital of the Company from time to time (i.e. 140,000,000 H Shares). The maximum number of Shares which may be awarded to a selected employee under the 2021 Share Award Scheme shall not exceed 1% of the issued share capital of the Company in any 12-month period (i.e. 14,000,000 H Shares).

### *Grant*

After the Board of Directors has decided to make a grant to any selected employee, the Board of Directors shall send a grant notice to such selected employee with a copy thereof to Futu Trustee within five business days after the grant was made. Such selected employee shall confirm acceptance of the awarded shares by signing and returning to the Board of Directors the acceptance form within five business days after the date of the relevant grant notice.

### *Vesting and conditions*

Subject to the terms and condition of the 2021 Share Award Scheme and the fulfillment of all vesting conditions to the vesting of the awarded shares on such selected employee as specified in the 2021 Share Award Scheme and the relevant grant notice, the respective awarded shares held by Futu Trustee on behalf of the selected employee pursuant to the provision hereof shall vest in such selected employee in accordance with the vesting schedule as set out in the relevant grant notice.

On 10 December 2021, an aggregate of 23,487,800 2021 Awarded Shares were granted to 63 selected participants the by the Board of Directors under the 2021 Share Award Scheme, and 2,609,800 reserved shares will be kept for the time being in the pool of the Trust Fund as reserve for future grants of 2021 Awarded Shares to the selected employees (the "Reserved Shares"). 4,043,700 2021 Awarded Shares were granted to the Connected Selected Employees. The number of 2021 Awarded Shares underlying the relevant awards represents 23,487,800 H Shares. The 2021 Awarded Shares and the Reserved Shares shall be purchased from the open market out of cash contributed by the Group. As no new Shares will be issued by the Company pursuant to the grant, it will not result in any dilution effect on the shareholdings of existing Shareholders. For details, please refer to the Company's announcement dated 10 December 2021.

### *計劃上限及資格*

倘進一步授出獎勵股份將導致董事會根據2021年股份獎勵計劃已授予的股份總數超過本公司不時已發行股本的10% (即140,000,000股H股)，則董事會不得進一步授出獎勵。於任何12個月期間，根據2021年股份獎勵計劃可授予獲選僱員的最高股份數量不得超過本公司已發行股本的1% (即14,000,000股H股)。

### *授出*

在董事會決定向任何獲選僱員授出獎勵股份後，董事會應在授予後的五個營業日內向該等獲選僱員發出授予通知，並將其副本送交富途受託人。該等獲選僱員應在有關授予通知日期後的五個營業日內，通過簽署並向董事會返還接納表格以確認接納所授予的股份。

### *歸屬及條件*

根據2021年股份獎勵計劃的條款及條件以及待2021年股份獎勵計劃及有關授予通知中所規定就獲選僱員歸屬獎勵股份的所有歸屬條件獲達成後，富途受託人根據其規定代表獲選僱員持有的各獎勵股份將根據有關授予通知中列出的歸屬時間表歸屬於有關獲選僱員。

於2021年12月10日，董事會根據2021年股份獎勵計劃向63名選定參與者授出共23,487,800股2021年獎勵股份。而2,609,800股保留股份將暫時存入信託基金池中，作為日後向獲選僱員授予2021年獎勵股份的儲備（「保留股份」）。4,043,700股2021年獎勵股份授予關連獲選僱員。相關獎勵涉及的2021年獎勵股份數目指23,487,800股H股。本集團將以現金出資方式立從公開市場上購買2021年獎勵股份及保留股份。由於本公司將不會根據授予發行新股份，故不會對現有股東的股權造成任何攤薄影響。詳情請參閱本公司日期為2021年12月10日的公告。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

The table below sets out the movements of 2021 Awarded Shares during the period from 1 January 2021 to 31 December 2021:

下表載列於2021年1月1日至2021年12月31日期間2021年獎勵股份的變動：

Name	Date of grant	Vesting date	Vesting period	Number of awarded shares				
				As at 1 January 2021	Granted during the year	Vested during the year	Cancelled/lapsed during the year	Outstanding as at 31 December 2021
姓名	授出日期	歸屬日期	歸屬期間	於2021年1月1日	於年內授出	於年內歸屬	於年內註銷/失效	於2021年12月31日尚未行使
<b>Connected Selected Employees</b>								
<b>關連獲選僱員</b>								
Mr. Xiao Dongsheng	10 December 2021	—	30 April 2023 to 30 April 2025	—	2,916,000	—	—	2,916,000
肖東生先生	2021年12月10日	—	2023年4月30日至2025年4月30日	—	2,916,000	—	—	2,916,000
Mr. Wang Zhixian	10 December 2021	—	30 April 2023 to 30 April 2025	—	350,100	—	—	350,100
汪之現先生	2021年12月10日	—	2023年4月30日至2025年4月30日	—	350,100	—	—	350,100
Mr. Shi Lei	10 December 2021	—	30 April 2023 to 30 April 2025	—	486,000	—	—	486,000
石磊先生	2021年12月10日	—	2023年4月30日至2025年4月30日	—	486,000	—	—	486,000
Ms. Lian Xianmin	10 December 2021	—	30 April 2023 to 30 April 2025	—	291,600	—	—	291,600
廉憲敏女士	2021年12月10日	—	2023年4月30日至2025年4月30日	—	291,600	—	—	291,600
<b>Others</b>								
<b>其他</b>								
Employees	10 December 2021	—	30 April 2023 to 30 April 2025	—	4,043,700	—	—	4,043,700
僱員	2021年12月10日	—	2023年4月30日至2025年4月30日	—	4,043,700	—	—	4,043,700
<b>Total</b>					<b>23,487,800</b>	<b>—</b>	<b>—</b>	<b>23,487,800</b>
<b>合計</b>					<b>23,487,800</b>	<b>—</b>	<b>—</b>	<b>23,487,800</b>

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### CHARITABLE DONATIONS

The donations made by the Group during the year ended 31 December 2021 amounted to RMB719,780.

### USE OF NET PROCEEDS FROM LISTING

The shares of the Company were listed on the Main Board of the Stock Exchange on 16 July 2020 by way of global offering, raised total net proceeds of HK\$1,081.5 million (i.e. equivalent to approximately RMB975.3 million) (the "Net Proceeds") after deducting professional fees, underwriting commissions and other related listing expenses. As stated in the Prospectus, the intended uses of the Net Proceeds are set out below:

### 慈善捐款

本集團於截至2021年12月31日止年度作出慈善捐款人民幣719,780元。

### 上市所得款項淨額用途

本公司股份於2020年7月16日以全球發售的方式在聯交所主板上市，經扣除專業費用、包銷佣金和其他相關上市費用後，籌集所得款項淨額合共1,081.5百萬港元(即約人民幣975.3百萬元)(「所得款項淨額」)。誠如招股章程所述，所得款項淨額擬定用途如下：

Intended use of Net Proceeds	Allocation of Net Proceeds	Amount of net proceeds utilised up to 31 December 2021	Balance of Net Proceeds unutilised as at 31 December 2021	Intended timetable for use of the unutilised Net Proceeds
	所得款項淨額的分配 RMB million 人民幣百萬元	截至2021年12月31日已動用所得款項淨額金額 RMB million 人民幣百萬元	截至2021年12月31日未動用所得款項淨額結餘 RMB million 人民幣百萬元	使用未動用所得款項淨額擬定時間表
(i) approximately 45.0% of the total net proceeds will be invested in the expansion of our breeding and production capacities of white-feathered broilers through the procurement of facilities necessary for the broiler farms with battery cage systems, slaughtering and processing plant, breeder farms, hatchery, feedmill and organic fertiliser plant 所得款項淨額總額的約45.0%將投資於我們的白羽肉雞飼養及產能擴充，透過為帶有籠養系統的肉雞場、屠宰加工廠、種雞場、孵化場、飼料加工廠和有機肥料廠採購所需設備的方式實現產能擴充	438.9	316.9	122.0	December 2022  2022年12月
(ii) approximately 42.5% of the total net proceeds will be used to repay existing borrowings 所得款項淨額總額的約42.5%將用於償還現有借款	414.5	414.5	0	—

Intended use of Net Proceeds	Allocation of Net Proceeds	Amount of net proceeds utilised up to 31 December 2021 截至2021年12月31日已動用所得款項淨額金額 RMB million 人民幣百萬元	Balance of Net Proceeds unutilised as at 31 December 2021 截至2021年12月31日未動用所得款項淨額結餘 RMB million 人民幣百萬元	Intended timetable for use of the unutilised Net Proceeds 使用未動用所得款項淨額擬定時間表	
(iii)	approximately 10.0% of the total net proceeds will be invested in the brand development and penetration of our existing B2C processed chicken meat products sales channels (both online and offline) through targeted sales and marketing campaigns 所得款項淨額總額的約10.0%將投資於透過定向銷售及營銷活動對我們現有B2C深加工雞肉製品銷售渠道(線上及線下)進行品牌開發及滲透	97.5	97.5	0	—
(iv)	approximately 2.5% of the total net proceeds will be invested in strengthening our R&D capabilities to (i) diversify our product portfolio of processed chicken meat products and ready-to-eat chicken meat products to capture more business opportunities both domestically and overseas; and (ii) to improve our expertise and technical knowhow in relation to our product quality, production techniques and efficiency to strengthen our competitiveness in the market 所得款項淨額總額的約2.5%將投資於增強我們的研發能力以(i)促進深加工雞肉製品及即食雞肉製品產品組合的多樣化，從而把握更多國內外業務機會；及(ii)提升有關產品品質、生產技術及效率的專業知識及技術訣竅，從而增強我們在市場上的競爭力	24.4	24.4	0	—
<b>Total</b> 總計		975.3 <sup>(Note)</sup> 975.3 <sup>(附註)</sup>	853.3	122.0	

**Note:** The Net Proceeds have been adjusted to take into account the actual professional fees, underwriting commissions and other related listing expenses incurred by the Company.

**附註：** 所得款項淨額已根據本公司實際發生的專業費用、承銷佣金及其他相關上市費用進行了調整。

# REPORT OF BOARD OF DIRECTORS

## 董事會報告

During the Reporting Period, the Company actively promoted the expansion of production capacity. Compared to 2020, the Company has (i) built ten new broiler farms with battery caged systems, three new broiler cage conversion farms and four breeder farms; (ii) built one new feedmill with production capacity of 400,000 tonnes per annum under production; (iii) built a new fully automatic slaughtering plant with an annual capacity of 80 million broilers under production; and (iv) built a new hatchery with an annual capacity of 50 million chicken breeds under production. Compared to 2021, the Company has built one new broiler farm, seven broiler cage conversion farms and five farms with battery caged systems under construction as at 31 March 2021. The Group will continue to utilise the net proceeds in accordance with the intended purposes as set out in the Prospectus. The above intended timetable for use of the unutilised net proceeds is based on the best estimation of future market conditions and business operations made by the Company, and is still subject to change based on current and future development of market conditions and actual business needs.

## SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

### Proposed Initial Public Offering of A Shares

On 29 January 2021, the Board of Directors has resolved and approved to commence the relevant preparation related to the proposed initial public offering of A shares of the Company. The Company has engaged Huatai United Securities Co., Ltd. as the pre-listing tutoring institution and submitted the registration application for pre-listing tutoring with the Shandong Supervisory Commission (山東證監局) of the China Securities Regulatory Commission (中國證券監督管理委員會) on 29 January 2021. As at the date of this annual report, the Company is in the stage of pre-listing tutoring procedure and has not commenced filing the application for the proposed initial public offering of A shares of the Company.

報告期內，本公司積極推進擴大產能建設，相比2020年，(i) 新建籠養肉雞場10座、籠養肉雞改造場3座及種雞場4座；(ii) 新增一間年產40萬噸飼料廠並投入運營；(iii) 新增一間年可屠宰8,000萬隻全自動屠宰場並投入運營；及(iv) 新增年可孵化5,000萬隻雞苗的孵化場並投入運營。相比2021年，於2022年3月31日，新建肉雞場一座、籠養肉雞改造場七座，在建籠養改造場五座。本集團繼續按招股章程所載的擬定用途使用所得款項淨額。上述使用未動用所得款項淨額擬定時間表乃根據本公司對未來市場狀況及業務營運的最佳估計而作出，且仍會根據當前及未來市場狀況的發展以及實際業務需求而有所變動。

### 於報告期內及期後重大事項

#### 建議首次公開發售A股

2021年1月29日，董事會已決議及批准開始有關首次公開發行本公司A股股份之編製。本公司聘請華泰聯合證券有限責任公司為上市前輔導機構，並於2021年1月29日向中國證券監督管理委員會山東證監局提交了上市前輔導登記申請。於本年報日期，本公司正處於預上市輔導階段，尚未開始進行有關擬議中的本公司A股首次公開發行的申請。

### Adoption of CASBE

Since the date on which the H Shares of the Company became listed on the Stock Exchange, the Company has been preparing its financial statements under both China Accounting Standards for Business Enterprises (“CASBE”) and International Financial Reporting Standards (“IFRSs”). In order to facilitate the application process of the proposed issue of the A shares of the Company, and to align the financial information disclosure of the Company in both markets, the Board of Directors considered and approved a resolution on 19 April 2021 in relation to the change of its basis for preparation of the overseas financial statements from IFRSs to CASBE, which was approved by the Shareholders at the 2020 AGM on the proposed amendments to the Articles of Association.

### Amendments to the Articles of Association

In view of the adoption of CASBE, the Company amended the relevant articles of the Articles of Association in relation to the preparation of the financial statements of the Company which shall be in accordance with CASBE and the requirements of applicable laws and regulations. The resolution in relation to the above amendments was considered and approved by the Shareholders at the 2020 AGM.

Save as disclosed above, during the Reporting Period and up to the date of this annual report, there had been no material change to the Articles of Association. The Articles of Association is available on the websites of the Company and the Stock Exchange.

### 採納中國企業會計準則

自本公司H股於聯交所上市之日以來，本公司一直根據中國企業會計準則（「中國企業會計準則」）及國際財務報告準則（「國際財務報告準則」）編製其財務報表。為方便本公司擬發行A股的申請程序，並使本公司在兩個市場的財務資料披露保持一致，董事會於2021年4月19日審議通過了關於將境外財務報表的編製基礎由國際財務報告準則變更為中國企業會計準則的決議案，該決議案已由股東於2020年股東週年大會上批准建議修訂公司章程。

### 修訂公司章程

鑒於採納中國企業會計準則，本公司已修訂有關編製本公司財務報表的公司章程相關條文，以符合中國企業會計準則及適用法律法規的規定。有關上述修訂的決議案乃經股東於2020年股東週年大會上審議及批准。

除上文所披露者外，報告期內及直至本年報日期，公司章程概無重大變動。公司章程可於本公司及聯交所網站查閱。



# REPORT OF BOARD OF DIRECTORS

## 董事會報告

### Change of Overseas Auditors

In view of the above change to the standards in the preparation of the Company's overseas financial statements, the Board of Directors also proposed to change the Company's overseas auditor from BDO Limited to BDO China SHU LUN PAN Certified Public Accountants LLP, which was approved by the Shareholders at the 2020 AGM.

### COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company has complied with all the applicable code provisions of the Corporate Governance Code ("CG Code") under Appendix 14 to the Listing Rules. The Company will continue to review and monitor its corporate governance practice to ensure the compliance of the CG Code. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 103 to 126 of this annual report.

### AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has reviewed together with the management and the Board of Directors the accounting principles and policies adopted by the Company, the audited annual results and the audited consolidated financial statements of the Company for the year ended 31 December 2021. The Audit Committee also recommended and submitted the annual results and the consolidated financial statements for the year ended 31 December 2021 to the Board of Directors for approval.

### AUDITOR

The financial statements of the Group for the year ended 31 December 2021 have been audited by BDO China SHU LUN PAN Certified Public Accountants LLP.

### 更換境外核數師

鑒於上述編製本公司境外財務報表準則的變化，董事會亦建議將本公司的境外核數師由香港立信德豪會計師事務所有限公司變更為立信會計師事務所(特殊普通合夥)並經股東於2020年股東週年大會上批准。

### 遵守企業管治守則

報告期內，本公司已遵守《上市規則》附錄十四項下之《企業管治守則》(「企業管治守則」)的所有適用守則條文。本公司將繼續檢討及監察其企業管治常規，以確保遵守企業管治守則。有關本公司所採納的企業管治常規詳情載於本年報第103至126頁之企業管治報告。

### 審計委員會

本公司的審計委員會(「審計委員會」)已與管理層及董事會審閱本公司採納的會計原則及政策、本公司截至2021年12月31日止年度的經審計年度業績及經審核綜合財務報表。審計委員會亦已向董事會建議及提交截至2021年12月31日止年度的年度業績及綜合財務報表以獲批准。

### 核數師

本集團截至2021年12月31日的財務報表已經立信會計師事務所(特殊普通合夥)審計。

### MEMBERS OF THE BOARD OF DIRECTORS

As at the date of this report, the composition of the Board of Directors is as follows:

Executive Directors: Mr. Liu Zhiguang  
Mr. Xiao Dongsheng

Non-executive Directors: Mr. Liu Xuejing  
Mr. Zhang Chuanli

Independent non-executive Directors: Mr. Guo Tianyong  
Ms. Zhao Yinglin  
Mr. Chung Wai Man

By order of the Board of Directors  
**Liu Zhiguang**  
*Chairman of the Board of Directors*

Shandong, PRC, 30 March 2022

### 董事會成員

於本報告日期，董事會由以下人員構成：

執行董事： 劉志光先生  
肖東生先生

非執行董事： 劉學景先生  
張傳立先生

獨立非執行董事： 郭田勇先生  
趙迎琳女士  
鍾偉文先生

承董事會命  
**劉志光**  
董事會主席

山東，中國，2022年3月30日

# REPORT OF BOARD OF SUPERVISORS

## 監事會報告

### COMPOSITION OF THE BOARD OF SUPERVISORS

As at the end of the Reporting Period, our Board of Supervisors comprised three members. Pursuant to the Articles of Association, the Board of Supervisors shall comprise two Shareholders representatives and one employees representative. Ms. Lian Xianmin was elected at the employees representative meeting while the other Supervisors were elected and appointed at the annual general meeting of the Company. Each of the Supervisors elected by the employees or by the Shareholder is appointed for a term of three years, which is renewable upon re-election and re-appointment. For details of the incumbent Supervisors, please refer to the section headed “Details of Directors, Supervisors and Senior Management” in this annual report.

### FUNCTIONS AND AUTHORITIES AND OPERATION OF THE BOARD OF SUPERVISORS

Pursuant to the Articles of Association, the functions and powers of the Board of Supervisors include, among other things:

- (I) to supervise the Directors, general manager and other senior management to ensure that they do not act in contravention of any laws, administrative regulations or the Articles of Association during the performance of their functions, and to propose removal of Directors and senior management who have violated laws, administrative regulations, the Articles of Association or the resolutions of the general meetings;
- (II) to require Directors and senior management to make corrections if their conduct has damaged the interests of the Company;
- (III) to review the financial position of the Company;
- (IV) to verify the financial information such as the financial report, business report and profit distribution proposal to be submitted by the Board of Directors to the general meetings and to appoint, in the name of the Company, certified public accountants and practicing auditors to assist in the re-examination of such information should any doubt arise in respect thereof;

### 監事會的組成

於報告期末，本公司監事會由三名成員組成。根據《公司章程》規定，監事會應由兩名股東代表和一名職工代表組成。廉憲敏女士在職工代表大會上當選，其他監事由本公司股東週年大會選舉和委任。由職工或股東選舉產生的監事每屆任期三年，可連選連任。有關現任監事的詳情，請參閱本年報「董事、監事及高級管理層履歷」一節。

### 監事會的職能和權限以及運作情況

根據《公司章程》，監事會的職能和權限包括（其中包括）：

- (一) 對董事、總經理和其他高級管理人員在執行職務時違反法律、行政法規或《公司章程》的行為進行監督，對違反法律、行政法規、《公司章程》或者股東大會決議的董事、高級管理人員提出罷免的建議；
- (二) 當董事、高級管理人員的行為損害本公司的利益時，要求其予以糾正；
- (三) 檢查公司的財務狀況；
- (四) 核對董事會擬提交股東大會的財務報告、營業報告和利潤分配方案等財務資料，發現疑問的，可以公司名義委託註冊會計師、執業審計師幫助複審；

- (V) to propose the convening of extraordinary general meetings and, in case the Board of Directors does not perform the obligations to convene and preside over the general meetings in accordance with Company Law, to convene and preside the general meetings;
- (VI) to submit proposals to the general meeting;
- (VII) to propose the convening of a provisional meeting of the Board of Directors;
- (VIII) to initiate legal proceedings against Directors and senior management in accordance with Article 151 of the Company Law; and
- (IX) to exercise other functions and powers stipulated by laws, administrative regulations and the Articles of Association.

- (五) 提議召開臨時股東大會，在董事會不履行《公司法》規定的召集和主持股東大會職責時召集和主持股東大會；
- (六) 向股東大會提出提案；
- (七) 提議召開董事會臨時會議；
- (八) 依照《公司法》第151條的規定，對董事、高級管理人員提起訴訟；及
- (九) 法律、行政法規及《公司章程》規定的其他職權。

## MEETING OF THE BOARD OF SUPERVISORS

During the Reporting Period, the Board of Supervisors had held four meetings and considered and approved proposals and matters including 2020 Work Report of the Board of Supervisors, 2020 Annual Report, Annual Profit Distribution Plan, Internal Control Report, Change of Internal Auditor, Election of the Chairman of the Fourth Session of the Board of Supervisors, 2021 Interim Results and Interim Report. The attendance of the Supervisors of the Company at meetings of the Board of Supervisors during the Reporting Period is listed below:

## 監事會會議

報告期內，監事會共召開了四次會議，審議通過了《2020年度監事會工作報告》、《2020年年度報告》、《年度利潤分配方案》、《內部監控報告》、《變更境外核數師》、《選舉第四屆監事會主席》、《2021年中期業績及中期報告》。等提案和事項。報告期內，本公司監事出席監事會會議的情況如下：

Supervisors	監事	Number of meetings attended <sup>(1)</sup> /Number of attendance required 出席會議次數 <sup>(1)</sup> / 需出席會議次數
Mr. Kong Xiangwei (resigned on 31 March 2021)	孔祥偉先生(於2021年3月31日辭任)	2/2
Mr. Chen Dehe	陳德賀先生	4/4
Ms. Lian Xianmin	廉憲敏女士	4/4
Mr. Zhang Jun	張軍先生	2/2

Note:

- (1) Attendance in meetings includes on-site attendance and attendance by way of telephone and video conference.

註：

- (1) 出席會議包括現場出席和電話、視頻會議出席。

# REPORT OF BOARD OF SUPERVISORS

## 監事會報告

### WORK OF THE BOARD OF SUPERVISORS DURING THE REPORTING PERIOD

During the Reporting Period, with a view to be committed to the Shareholders and the Company, the Board of Supervisors has diligently performed its duties of supervision pursuant to applicable laws and regulations and the Articles of Association. The Board of Supervisors continued to improve the supervisory methods to improve its effectiveness and influence so as to effectively protect the interests of the Shareholders and the Company to exercise its supervisory and counter balancing under the corporate governance of the Company and specifically carried out the following work:

1. supervised the operation of the Company in accordance with the law, the implementation of the Company's decision-making procedures, internal control system and the performance of duties by the Directors and senior management in accordance with the law, and the production, operation and management of the Company and other major matters. The Board of Supervisors is of the view that: the Company operates in strict accordance with the relevant laws and regulations and the provisions of the Articles of Association, etc., the decision-making procedures are legal and there are no irregularities in operation; the Directors and senior management of the Company can perform their duties faithfully and diligently in accordance with the relevant laws and regulations of the State and the relevant provisions of the Articles of Association, and no acts detrimental to the interests of the Company and its Shareholders have been found.
2. the Board of Supervisors inspected and supervised the financial situation of the Company for the year ended 31 December 2021 and checked the financial information such as financial report, business report and profit distribution plan to be submitted to the Shareholders' meeting by the Board of Directors, and the Board of Supervisors was of the opinion that: the Company conducted financial management in strict accordance with the requirements of relevant laws and regulations, its financial system was sound and effectively implemented, its capital was in good condition, and it could effectively prevent operational risks.

### 監事會在報告期內的工作情況

報告期內，監事會本著對股東和本公司負責的態度，按照適用的法律法規和《公司章程》的規定，認真履行監督職責。監事會不斷改進監督方式，提高監督的有效性和影響力，以有效地維護股東和本公司的利益，發揮其在公司治理下的監督和制衡作用。具體開展了以下工作：

1. 監督本公司依法運作情況，對本公司決策程序、內部控制制度的執行和董事、高級管理人員依法履行職務的情況進行了監督，對本公司生產、經營、管理等重大事項進行監督。監事會認為：公司嚴格按照有關法律、法規及《公司章程》等的規定規範運作，決策程序合法，不存在違規經營情況；本公司董事、高級管理人員能按照國家有關法律、法規和《公司章程》的有關規定，忠實勤勉地履行其職責，未發現任何有損於公司和股東利益的行為。
2. 監事會對本公司2021年度財務狀況進行檢查和監督，核對董事會擬提交股東大會的財務報告、營業報告和利潤分配方案等財務資料，監事會認為：本公司嚴格按照相關法律、法規的要求進行財務管理，財務制度健全且執行有效，資金狀況良好，能有效防範經營風險。

3. the Board of Supervisors has conducted a comprehensive inspection of the related party transactions of the Company and is of the opinion that: the parties to the transactions have followed the principle of “fairness and impartiality” and the transaction prices are fair and have not harmed the interests of the Company and other non-connected Shareholders.
  4. the Board of Supervisors supervised the internal control and concluded that: the Company follows the basic principles of internal control and has established a sound internal control system covering all aspects of the Company in accordance with its actual situation to ensure the safety, integrity and effective use of assets. The Company’s internal control organization is complete, and the internal audit department and personnel are fully equipped and in place to ensure that the implementation and supervision of the key activities of the Company’s internal control are adequate and effective.
  5. the Board of Supervisors inspected of the Company’s information disclosure matters and concluded that: as of the end of the Reporting Period, the Company has established the information disclosure related system in compliance with relevant laws and regulations, and the Company’s information disclosure was true, accurate, timely and complete, which could effectively protect the right to information of investors, especially the small and medium Shareholders.
3. 監事會對本公司發生的關聯方交易進行了全面檢查，認為：交易雙方遵循了「公平、公正」的原則，交易價格公允，沒有損害本公司和其他非關聯方股東的利益。
  4. 監事會對內部控制進行監督，認為：公司遵循內部控制的基本原則，按照自身的實際情況，建立健全了覆蓋本公司各環節的內部控制制度，保證了資產的安全、完整和有效使用。本公司內部控制組織機構完整，內部審計部門及人員配備齊全到位，保證了本公司內部控制重點活動的執行及監督充分有效。
  5. 對本公司信息披露事項進行檢查，認為：截止報告期末，本公司已經建立信息披露相關制度，符合相關法律、法規的規定，本公司信息披露真實、準確、及時、完整，能夠有效保障投資者特別是中小股東的知情權。

# REPORT OF BOARD OF SUPERVISORS

## 監事會報告

### WORK PLAN FOR 2022

In 2022, the Board of Supervisors will continue to faithfully and diligently perform its duties to further promote the improvement of the Company's corporate governance structure and the standardised operation of its business management, and to establish a good and honest image of the Company.

1. strengthen supervision of Directors and senior management in accordance with laws and urge the Company to further improve the governance structure and enhance the level of governance in accordance with the requirements of laws and regulations.
2. continue to strengthen and perform supervisory functions, keep abreast with and actively focus on major decision-making matters of the Company, and supervise and promote the legality of various decision-making procedures to better safeguard the rights and interests of Shareholders.
3. further strengthen the implementation of the internal control system by supervising and inspecting the Company's finances as well as supervising and inspecting the production and operation of the Company; strengthen the supervision and inspection of the enterprise, to prevent operational risks and to promote the healthy and stable development of the Company.

Save as disclosed above, the Board of Supervisors had no objection to other supervisory issues during the Reporting Period.

By order of the Board of Supervisors

**Zhang Jun**

*Chairman of the Board of Supervisors*

Shandong, PRC, 30 March 2022

### 2022年工作計劃

2022年，監事會將繼續忠實勤懇履行職責，進一步促進公司法人治理結構的完善和經營管理的規範運營，樹立公司良好的誠信形象。

1. 依法對董事、高級管理人員加強監督，按照法律法規的要求，督促公司進一步完善治理結構，提高治理水平。
2. 繼續加強、履行監督職能，及時掌握、主動關注公司重大決策事項，並監督促進各項決策程序的合法性，更好地維護股東的權益。
3. 通過對公司財務進行監督檢查以及對公司生產、經營情況的監督檢查，進一步加強內控制度的落實，加強對企業的監督檢查，防範經營風險，推動公司健康、穩定地發展。

除上述披露外，本報告期內，監事會對其他監事事項無異議。

承監事會命

**張軍**

*監事會主席*

山東，中國，2022年3月30日

The Board of Directors is committed to maintaining high corporate governance standards. The Board of Directors believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders and to enhance corporate value and accountability.

Since the H Shares of the Company were listed on the Main Board of the Stock Exchange on the Listing Date, the Company has been complying with the principles and code provisions as set out in the CG Code contained in Appendix 14 to Listing Rules throughout the period from the Listing Date to the date of this annual report.

The Company is committed to enhancing its corporate governance practices appropriate to the conduct and the growth of its business and to reviewing such practices from time to time to ensure that the Company complies with statutory and professional standards and align with the latest development.

## BOARD OF DIRECTORS

The Board of Directors oversees the Group's businesses, strategic decisions and performance and takes decisions objectively in the best interest of the Company.

The Board of Directors regularly reviews the contribution required from a Director to perform his/her responsibilities to the Company, and whether the Director is spending sufficient time performing them.

董事會始終致力維持高水平之企業管治標準。董事會相信，在為本公司提供框架以保障股東利益及提升企業價值和問責方面，高水平企業管治標準必不可少。

於上市日期，本公司H股於聯交所主板上市，自上市日期至本年報日期，本公司始終遵循《上市規則》附錄十四所載之企業管治守則原則及守則條文。

本公司始終致力提升適合本公司業務操守及發展之企業管治常規，並不時檢討該等常規，以確保本公司符合法定及專業標準，以及參照標準之最新發展。

## 董事會

董事會監察本集團業務、策略決策及表現，並客觀地作出決策以符合本公司最佳利益。

董事會定期檢討董事於履行其對本公司職責時所須作出之貢獻，以及其是否投入足夠時間以履行該等職責。



### Board of Directors Composition

The Board of Directors currently comprises seven Directors, consisting of two executive Directors, two non-executive Directors and three independent non-executive Directors. The current members of the Board of Directors are listed as follows:

#### Name

姓名

Mr. Liu Zhiguang

劉志光先生

Mr. Xiao Dongsheng

肖東生先生

Mr. Liu Xuejing

劉學景先生

Mr. Zhang Chuanli

張傳立先生

Mr. Guo Tianyong

郭田勇先生

Ms. Zhao Yinglin

趙迎琳女士

Mr. Chung Wai Man

鍾偉文先生

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

The biographical information of the Directors is set out in the section headed “Biographies of Directors, Supervisors and Senior Management” of this annual report.

Save as disclosed in this annual report, to the best knowledge of the Company, there are no financial, business, family, or other material relationships among members of the Board of Directors.

### 董事會組成

董事會現由七名董事組成，包括兩名執行董事、兩名非執行董事及三名獨立非執行董事。董事會現有成員名單如下：

#### Position in the Company

本公司職位

Chairman and executive Director

主席兼執行董事

Executive Director and general manager

執行董事兼總經理

Non-executive Director

非執行董事

Non-executive Director

非執行董事

Independent non-executive Director

獨立非執行董事

Independent non-executive Director

獨立非執行董事

Independent non-executive Director

獨立非執行董事

董事名單(按分類)亦根據《上市規則》於本公司不時公佈之所有公司通訊內予以披露。獨立非執行董事身份均已根據《上市規則》在所有公司通訊中明確說明。

董事之簡歷詳情載於本年報之「董事、監事及高級管理層履歷」一節。

除本年報所披露者外，據本公司所知，董事會成員之間概無財務、業務、家庭或其他重大關係。

### Chairman and General Manager

Mr. Liu Zhiguang is the Chairman of the Board of Directors and Mr. Xiao Dongsheng is the General Manager of the Group. The Chairman of the Board of Directors and the General Manager are two different positions, and their duties are clearly separated and set out in the Articles of Association.

The main duties of the Chairman are: to preside over Shareholders' general meetings, and convene and preside over meetings of the Board of Directors; to supervise and examine the implementation of the resolutions of the Board of Directors; to sign the shares, corporate bonds and other securities issued by the Company; to sign important documents of the Board of Directors and other documents that should be signed by the legal representative of the Company, and exercise functions and powers of the legal representative; in case of force majeure or major emergency in which a meeting of the Board of Directors cannot be held in time, to exercise the special right of disposal in respect of the business of the Company in compliance with laws and in the interests of the Company, and report to the Board of Directors afterwards; to organise formulation of regulations on the operation of the Board of Directors, and coordinate the operation of the Board of Directors; to listen to regular or irregular work reports of the senior management members of the Company, and propose guiding opinions on implementation of the resolutions of the Board of Directors; to nominate candidates for the general manager of the Company and secretary to the Board of Directors; to handle external affairs on behalf of the Company and sign economic contracts concerning investments, cooperative operations, joint ventures and loans; and to exercise other functions and powers specified in relevant laws, regulations or the Articles of Association and granted by the Board of Directors.

### 主席與總經理

劉志光先生為董事會主席，肖東生先生為本集團總經理。董事會主席與總經理為兩個不同職位，《公司章程》明確劃分了兩者職責。

主席主要職責：主持股東大會和召集、主持董事會會議；督促、檢查董事會決議的實施情況；簽署公司發行的股票、公司債券及其他有價證券；簽署董事會重要文件和應由公司法定代表人簽署的其他文件，行使法定代表人的職權；在發生不可抗力或重大危急情形，無法及時召開董事會會議的緊急情況下，對公司事務行使符合法律規定和公司利益的特別處置權，並在事後及時向董事會報告；組織制訂董事會運作的各項制度，協調董事會的運作；聽取公司高級管理人員定期或不定期的工作報告，對董事會決議的執行提出指導性意見；提名公司總經理、董事會秘書人選；代表公司處理對外事宜和簽訂包括投資、合作經營、合資經營、借款等在內的經濟合同；法律法規或《公司章程》規定，以及董事會授予的其他職權。

The principal duties of General Manager are: manage the business operations of the Company and report to the Board of Directors; organise the implementation of resolutions of the Board of Directors, annual business plans and investment plans of the Company; draft the Company's basic management system and plans for the establishment of the internal management structure of the Company; formulate the specific rules of the Company; propose to the Board of Directors to appoint or dismiss the deputy general manager, financial officer and other senior management members of the Company; appoint or dismiss management personnel and general staff other than those that should be appointed or dismissed by the Board of Directors, propose policies on the salaries, welfares, rewards and penalties related to the employees of the Company; propose the convening of a provisional meeting of the Board of Directors; decide on other issues of the Company within the authority granted by the Board of Directors; decide on the loan (both within the annual budget and extra-annual budget), external investment, purchase or sale of assets, acquisition, lease, mortgage, pledge or any other matters in relation to asset disposal and guarantee with an amount of less than 10% of the Company's audited total assets for the latest period; and exercise other functions and powers conferred in the Articles of Association and by the Board of Directors.

### Independent Non-Executive Directors

Since the Listing Date to the date of this annual report, the Board of Directors at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board of Directors with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each of the independent non-executive Directors in respect of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive Directors are independent and remain so as at the date of this annual report.

總經理主要職責：主持公司的生產經營管理工作，並向董事會報告工作；組織實施董事會決議、公司年度經營計劃和投資方案；擬訂公司的基本管理制度和內部管理機構設置方案；制定公司具體規章；提請董事會聘任或者解聘副總經理、財務負責人等其他高級管理人員；聘任或者解聘除應由董事會聘任或者解聘以外的負責管理人員及一般員工，擬定公司職工的工資、福利、獎懲制度；提議召開董事會臨時會議；在董事會授權的範圍內，決定公司的其他事項；決定單項金額為公司最近一期經審計總資產的10%以下的貸款（包括年度預算內和年度預算外）、對外投資、資產出售、收購、租賃、抵押、質押及其他資產處置和擔保及其他事項；《公司章程》和董事會授予的其他職權。

### 獨立非執行董事

從上市日期至本年報日期，董事會一直遵守《上市規則》有關規定，委任至少三名獨立非執行董事，佔董事會至少三分之一，其中一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專業知識。

本公司已根據《上市規則》第3.13條所載之獨立性指引，自各獨立非執行董事接獲有關彼之獨立性之年度書面確認書。本公司認為所有獨立非執行董事均具獨立性，且於本年報日期仍然如此。

### Appointment and Re-election of Directors

Each of the executive Directors, non-executive Directors and independent non-executive Directors has entered into a service contract with the Company for a term of three years commencing from the 2020 third extraordinary general meeting held on 13 November 2020 or the 2020 AGM held on 28 May 2021, which are subject to termination in accordance with their respective terms, and shall be subject to retirement by rotation once every three years.

In accordance with the Articles of Association, Directors shall be elected by the general meeting and may serve a term of three years and consecutive terms if re-elected. Any person appointed by the Board of Directors to fill a temporary vacancy on or as an addition to the Board of Directors shall hold office only until the next general meeting of the Company, and shall then be eligible for re-election.

### Responsibilities, Accountabilities and Contributions of the Board of Directors and Management

The Board of Directors should assume responsibility for leadership and control of the Company and is collectively responsible for directing and supervising the Company's affairs.

The Board of Directors directly, and indirectly through its committees, leads and provides direction to the management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board of Directors for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board of Directors for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

### 董事之委任與重選

每位執行董事、非執行董事及獨立非執行董事已分別與本公司訂立一項為期三年之服務合約。合約自2020年11月13日召開之2020年第三屆臨時股東大會或自2021年5月28日召開之2020年股東週年大會起計，根據各自期限終止，每三年輪值退任一次。

根據《公司章程》，董事應由股東大會選舉產生，任期3年，重選連任。為填補董事會某臨時空缺或增加董事會名額，董事會可委任任何人士為董事，該董事僅任職至公司下屆股東大會為止，並有資格重選連任。

### 董事會及管理層之責任、職責及貢獻

董事會應負責領導與管控本公司，並共同負責指導與監督本公司事務。

董事會直接並間接地透過其委員會，領導管理層，並透過制定與落實策略向管理層提供指導，監督本集團營運與財務表現，並確保建立健全之內部管控及風險管理制度。

全體董事，包括非執行董事及獨立非執行董事，均為董事會帶來不同領域之寶貴業務經驗、知識及專業精神，使其高效及有效運作。獨立非執行董事負責確保本公司維持高水平之監管報告制度，並就企業行動及營運提供有效之獨立判斷，有助維持董事會內之平衡。

所有董事均可全面及適時地獲得本公司一切資料，並可在適當情況下於提出請求後，尋求獨立專業意見以履行其對本公司之職責，費用概由本公司負責。

The Directors shall disclose to the Company details of other offices held by them.

The Board of Directors reserves for its decisions on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, election of director candidates and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board of Directors, directing and coordinating the daily operation and management of the Company are delegated to the management. The Company has arranged appropriate insurance coverage on Directors' liabilities in respect of any legal action taken against them arising out of corporate activities. The insurance coverage would be reviewed by the Company on an annual basis.

### Continuous Professional Development of Directors

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board of Directors remains informed and relevant.

Every newly appointed Director has received a formal and comprehensive induction on the first occasion of his appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. Such induction shall be supplemented by visits to the Company's key plant sites and meetings with senior management of the Company.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading materials on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During 2021, the Company organised training sessions conducted by the legal advisers for all Directors. The training sessions covered a wide range of relevant topics including directors' duties and responsibilities, continuing connected transaction, disclosure of interests and regulatory updates. In addition, relevant reading materials including compliance manual/legal and regulatory updates/seminar handouts have been provided to the Directors for their reference and studying.

董事須向本公司披露彼等擔任之其他職務詳情。

董事會負責決定所有重要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易（特別是或會涉及利益衝突之事宜）、財務資料、推選董事候選人及本公司其他重大營運事宜。有關執行董事會決定、指導及協調本公司日常營運及管理之責任轉授予管理層。本公司已就因公司事務而對董事提出之任何法律訴訟，安排授購適當之董事責任保險。本公司會每年審閱受保範圍。

### 董事之持續專業發展

為有效履行其責任及確保於具備全面資訊及切合所需之情況下對董事會作出貢獻，董事須不斷留意監管發展及變動。

每名新委任董事均會於首次接受委任時獲得正式且全面之入職介紹，以確保其對本公司業務及營運均有適當認知，以及完全知悉《上市規則》及有關監管規定規範下董事之職務及責任。有關就任須知還包括考察本公司主要廠房場地，並與本公司高級管理層會面。

董事應參與適當的持續專業發展以建立及更新自身的知識及技能。本公司將為董事安排內部舉辦之簡介會，並將於適當時向董事發出相關議題之閱讀資料。本公司鼓勵全體董事出席相關培訓課程，而費用概由本公司承擔。

於2021年期間，本公司安排法律顧問為全體董事提供多次培訓課程。該等培訓課程覆蓋多個相關話題，包括董事職責、持續關連交易、權益披露以及監管更新。此外，已向董事提供包括合規手冊／最新法律及監管諮詢／研討會講義在內之相關閱讀材料，供彼等參閱及研習。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The training records of the Directors for the year ended 31 December 2021 are summarised as follows:

截至2021年12月31日止年度，董事之培訓記錄總結如下：

Name of Directors	Attending training, briefings, seminars, conferences and workshops relevant to the Company's industry and business, director's duties and/or corporate governance	Reading news alerts, newspapers, journals, magazines and publications relevant to the Company's industry and business, director's duties and/or corporate governance
董事姓名	出席與本公司行業及業務、董事職責及／或公司治理相關之培訓、總結、研討、會議及講習課程	閱讀與本公司行業及業務、董事職責及／或公司治理相關之新聞快訊、報紙、期刊、雜誌及出版物
<b>Executive Directors</b>		
執行董事		
Mr. Liu Zhiguang	√	√
劉志光先生		
Mr. Xiao Dongsheng	√	√
肖東生先生		
Mr. Wang Jinsheng (resigned on 30 March 2022)	√	√
王進聖先生(於2022年3月30日辭任)		
<b>Non-executive Directors</b>		
非執行董事		
Mr. Liu Xuejing	√	√
劉學景先生		
Mr. Zhang Chuanli	√	√
張傳立先生		
Mr. Ow Weng Cheong (re-designated from executive Director to non-executive Director on 19 April 2021 and resigned on 30 March 2022)	√	√
區永昌先生(於2021年4月19日由執行董事轉任為非執行董事並於2022年3月30日辭任)		
<b>Independent non-executive Directors</b>		
獨立非執行董事		
Mr. Guo Tianyong	√	√
郭田勇先生		
Ms. Zhao Yinglin	√	√
趙迎琳女士		
Mr. ChungWaiMan	√	√
鍾偉文先生		

### BOARD COMMITTEES

The Board of Directors has established three committees namely, the Audit Committee, the remuneration committee (“Remuneration Committee”) and the nomination committee (“Nomination Committee”), each of which has been delegated responsibilities and reports back to the Board of Directors. The roles and functions of these committees are set out in their respective terms of reference. The terms of reference of each of these committees will be revised from time to time to ensure that they continue to meet the needs of the Company and to ensure compliance with the CG Code where applicable. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the Company’s website and the Stock Exchange’s website and are available to Shareholders upon request.

#### Audit Committee

The Audit Committee comprises three members, including three independent non-executive Directors, namely Mr. Chung Wai Man, Mr. Guo Tianyong and Ms. Zhao Yinglin. Mr. Chung Wai Man is the chairman of the Audit Committee.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code. The main duties of the Audit Committee are to make recommendations on the appointment, re-appointment and removal of the external auditors; to review and monitor the independence and objectiveness of the external auditors and the effectiveness of the audit procedure in accordance with applicable standards; the Audit Committee shall discuss the nature and scope of audit and the reporting requirements with the auditors before the commencement of audit; to review the financial information of the Company and its disclosure; to oversee the financial reporting system, internal control procedure and risk management of the Company; to enhance the communication between internal auditors and external auditors; and to develop a policy on engaging external auditors to supply non-audit services to our Board of Directors.

During the year ended 31 December 2021 and up to the date of this annual report, the Audit Committee held three meetings, during which matters such as the interim financial results and report for the six months ended 30 June 2021, annual results and report for the year ended 31 December 2020 and adoption of information disclosure and management measures, etc. were considered and internal control reports were discussed and reviewed.

### 董事委員會

董事會已成立三組委員會，即審計委員會、薪酬委員會（「薪酬委員會」）及提名委員會（「提名委員會」）。每組委員會均獲相關責任之委派並向董事會匯報。各組委員會之職務及職能載於各自職權範圍中。各組委員會之職權範圍將不時修改，以確保彼等繼續滿足公司需求，並在適用情況下符合企業管治守則。審計委員會、薪酬委員會及提名委員會之職權範圍刊登於本公司網站及聯交所網站，並可應要求時供股東查閱。

#### 審計委員會

審計委員會由三名獨立非執行董事組成，即鍾偉文先生、郭田勇先生及趙迎琳女士。審計委員會主席為鍾偉文先生。

審計委員會職權範圍之條款不會較企業管治守則所載條款寬鬆。審計委員會的主要職責是建議委聘、續聘或罷免外部核數師；按照適用標準審核及監督外部核數師的獨立性及客觀性以及審核過程的有效性；審計委員會應於審核工作開始前先與核數師討論審核性質及範疇及有關申報責任；審閱本公司的財務資料及其披露；監督本公司的財務申報制度、內部監控程序及風險管理；及制定政策，聘請外部核數師向董事會提供非審核服務以加強內部核數師與外部核數師的溝通。

截至2021年12月31日止年度及截至本年報日期，審計委員會召開了三次會議，會議期間審議了截至2021年6月30日止六個月的中期財務業績及報告、截至2020年12月31日之年度的年度業績及報告及採取信息披露管理措施等事項並討論及審閱了內部控制報告。

The Audit Committee also met the external auditors once without the presence of the executive Directors.

### Remuneration Committee

The Remuneration Committee two independent non-executive Directors, namely Mr. Guo Tianyong and Mr. Chung Wai Man and one executive Director, namely Mr. Liu Zhiguang. Mr. Guo Tianyong is the chairman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. The primary functions of the Remuneration Committee include to make recommendations to the Board of Directors on the remuneration policies and package of all Directors and senior management of the Company and the proper and transparent procedures for the formulation of remuneration policies; to review and approve the remuneration proposals of the management with reference to the corporate targets and objectives set by the Board of Directors; to make recommendations to the Board of Directors on remuneration package of individual executive directors and senior management members; this shall include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment; to make recommendations to the Board of Directors on the remuneration of non-executive Directors; to take into account the salary levels of comparable companies, time commitment and responsibilities and employment terms of other positions of the Group; to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that the compensation is in compliance with contractual terms. In the event of any inconsistency with contractual terms, the compensation shall also be fair and reasonable but not excessive; to review and approve the compensation arrangement for dismissal or removal of Directors for misconduct to ensure that it is in compliance with the contractual terms. In the event of any inconsistency with contractual terms, the compensation shall also be reasonable and appropriate; to ensure that no Director or any of their associates participate in the decision of their own remuneration; and other duties commissioned by the Board of Directors.

During the year ended 31 December 2021, the Remuneration Committee held three meetings, during which matters such as emolument policy and structure of the Company, Directors' remuneration packages and other related matters were discussed.

審計委員會亦在沒有執行董事出席之情況下與外聘核數師會晤一次。

### 薪酬委員會

薪酬委員會由兩名獨立非執行董事，即郭田勇先生及鍾偉文先生，及一名執行董事，即劉志光先生組成。薪酬委員會主席為郭田勇先生。

薪酬委員會職權範圍之條款不會較企業管治守則所載條款寬鬆。薪酬委員會的主要職能包括就公司董事及高級管理人員的全體薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；向董事會建議個別執行董事及高級管理人員的薪酬待遇。此應包括非金錢利益、退休金權利及賠償金額（包括喪失或終止職務或委任的賠償）；就非執行董事的薪酬向董事會提出建議；考慮同類公司支付的薪酬、須付出的時間及職責以及集團內其他職位的僱用條件；檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；確保任何董事或其任何連綿人不得參與釐定他自己的薪酬；及董事會授予的其他職權。

截至2021年12月31日止年度，薪酬委員會曾舉行三次會議，期間討論事項包含本公司之薪酬政策與架構、董事之薪酬待遇及其他相關事宜。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Pursuant to paragraph B.1.5 of the CG Code, the remuneration paid to the senior management by bands for the year ended 31 December 2021 is set out below:

Remuneration bands	薪酬中區間	Number of Individuals	人數
Nil to HK\$1,000,000	零至1,000,000港元	4	4

### Nomination Committee

The Nomination Committee comprises three members, including one executive Director, namely Mr. Liu Zhiguang, two independent non-executive Directors, namely Mr. Guo Tianyong and Ms. Zhao Yinglin. Mr. Liu Zhiguang is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. The principal duties of the Nomination Committee include (i) reviewing the selection criteria and procedures, structure, number, composition and diversity (including but not limited to gender, age, culture and education, expertise, skill, knowledge and term of office) of Directors and senior management annually and make suggestions on any proposed changes to the Directors and senior management based on the strategy of the Company; (ii) identifying and selecting qualified candidates to be nominated as Directors and senior management or make recommendations to the Board of Directors. As for the identification of suitable candidates, the Nomination Committee shall consider their merits and review measurable requirements with due regard to the benefits of diversity of Directors and senior management; (iii) making recommendations to the Board of Directors on the appointment or re-appointment of and the succession planning for Directors and senior management. The Nomination Committee shall at its discretion, together with the Board of Directors, take into account various factors, including the strategy of the Company, and the personnel skill, knowledge, experience and member diversity to be required; (iv) reviewing, at its discretion, the diversity policy and relevant measurable targets of the Board of Directors, supervise the implementation progress of the targets and make relevant disclosure in corporate governance report annually; (v) reviewing the independence of independent non-executive Directors; and (vi) other duties as authorised by the Board of Directors.

根據企業管治守則第B.1.5段，下表載列截至2021年12月31日止年度按區間劃分支付予高級管理層的薪酬：

### 提名委員會

提名委員會包含三名成員，一名執行董事，即劉志光先生，與兩名獨立非執行董事，即郭田勇先生及趙迎琳女士。提名委員會主席為劉志光先生。

提名委員會職權範圍之條款不會較企業管治守則所載條款寬鬆。提名委員會主要職責包括(一)每年審核董事及高級管理人員選拔標準與流程、架構、人數、組成及成員多元化(包括但不限於性別、年齡、文化及教育背景、專業經驗、技能、知識及服務任期)，並就任何為配合公司的戰略而擬對董事及高級管理人員作出的任何變動提出建議；(二)物色合資格擔任董事及高級管理人員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；在物色合適人選時，提名委員會應考慮候選人的優點及檢討可計量的目標，並應適當考慮董事會及高級管理層多元化的益處；(三)就董事及高級管理人員委任或重新委任以及繼任計劃向董事會提出建議，其中應酌情與董事會一同考慮本公司的企業戰略以及未來所需的人員技能、知識、經驗及成員多元化的需要等組合因素；(四)酌情檢討董事會多元化政策；檢討董事會為執行此政策而定的可計量目標，並監督達標的進度；及每年於企業管治報告內作出相關披露；(五)審核獨立非執行董事的獨立性；及(六)董事會授予的其他職權。

The Nomination Committee carries out the process of selecting and recommending candidates for directorships by making reference to the balance of expertise, skills, experience, professional knowledge, personal integrity and time commitments of such individuals, business, requirements of the Group and other relevant statutory requirements and regulations.

During the year ended 31 December 2021, the Nomination Committee held two meetings, during which matters such as structure, size and composition of the Board of Directors and the independence of the independent non-executive Directors were discussed. The Nomination Committee considered an appropriate balance of diversity perspectives of the Board of Directors is maintained.

The procedures for the appointment, re-election and removal of Directors are set out in the Articles of Association. The Nomination Committee will identify individuals suitably qualified to become Directors and make recommendations to the Board of Directors on the selection of individuals. The Nomination Committee will determine the composition of members of the Board of Directors based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The Nomination Committee will also make recommendations to the Board of Directors on the appointment or re-appointment of directors and succession planning for Directors (in particular the Chairman of the Board of Directors and the general manager), taking into account the Company's corporate strategy and mix of skills, knowledge, experience and diversity needed in the future.

The Board of Directors has adopted a board diversity policy which sets out the objective and approach to achieve and maintain diversity on the Board of Directors. The board diversity policy provides that the Company should endeavour to ensure that the members of the Board of Directors have the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of the Group's business strategy. Pursuant to the board diversity policy, we seek to achieve Board diversity through the consideration of a number of factors, including but not limited to professional experience, skills, knowledge, age, gender, cultural and education background, ethnicity and length of service. The Nomination Committee shall review this policy and the measurable objectives at least annually, and as appropriate, to ensure the continued effectiveness of the Board of Directors.

提名委員會在甄選及推薦董事候選人的過程中，會參考該等人士的專門技術、技能、經驗、專業知識、個人操守及時間承諾的平衡、業務、本集團的要求及其他相關法定要求及法規。

截至2021年12月31日止年度，提名委員會曾舉行兩次會議，期間討論事項包含董事會之架構、規模與構成，及獨立非執行董事之獨立性。提名委員會認為董事會已在成員多元化方面保持適當平衡。

董事之委任、重選連任及罷免程序載於《公司章程》細則。提名委員會可物色具備合適資格可擔任董事之人選，並就有關人士之挑選向董事會提出建議。提名委員會在委任董事會成員候選人時將會考慮多項因素，包括並不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期等。提名委員會亦可根據本公司企業戰略並綜合未來發展所需技能、知識、經驗及多樣性，就董事之委任或重新委任以及董事(尤其是董事會主席與總經理)之繼任計劃向董事會提出建議。

董事會採用成員多元化政策，載有實現及維持董事會多元化的目標與方針。董事會多元化政策規定，本公司應盡最大努力確保董事會成員具備支持本集團業務策略執行所必需的適當平衡的技能、經驗及多元化觀點。根據董事會多元化政策，我們尋求通過考慮若干因素(包括但不限於專業經驗、技能、知識、年齡、性別、文化和教育背景、種族及服務年限)來實現董事會多元化。提名委員會應至少每年檢討該政策與可計量目標，並於適用情況下，確保董事會持續行之有效。

### NOMINATION POLICY

The Company has adopted a nomination policy which sets out the selection criteria and nomination procedures adopted to guide the Nomination Committee to select and recommend candidates for directorship so as to ensure that the Board of Directors has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business.

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- character and integrity;
- qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- willingness to devote adequate time to discharge duties as a member of the Board of Directors and other directorships and significant commitments;
- for independent non-executive Directors, requirement for the Board of Directors to have independent non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in the Listing Rules;
- board diversity policy and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board of Directors; and
- such other perspectives appropriate to the Company's business.

### 提名政策

本公司已採納提名政策，當中載有甄選準則及提名程序，以指導提名委員會甄選及推薦董事候選人，以確保董事會擁有適合本公司業務要求的技能、經驗及多元化觀點的平衡。

提名委員會在評估建議候選人是否合適時，將參考下列因素：

- 品格與誠實；
- 資格，包括專業資格、技能、知識及與本公司業務及策略相關的經驗；
- 是否願意投入足夠的時間履行董事會成員的職責，以及其他董事職務和重大承諾；
- 就獨立非執行董事而言，根據《上市規則》，董事會須有獨立非執行董事的規定，以及參考《上市規則》所載的獨立指引，候選人是否會被視為獨立；
- 董事會多元化政策以及提名委員會為達致董事會成員多元化而採納的任何可計量目標；及
- 適合本公司業務發展的其他觀點。

The Board of Directors recognises that the gender diversity of the Board of Directors can be further improved, given that the current Board of Directors is comprised exclusively of male. We will endeavour to identify suitable female candidates for future appointment to the Board of Directors and provide career development and training opportunities for our female employees to qualify them for future management and the Board of Directors positions. The nomination committee of the Company identified and recommended for Board of Directors appointment of Ms. Zhao Yinglin. The Board of Directors resolved to propose to nominate her as a female independent non-executive Director on 19 April 2021, which was approved at the AGM held on 28 May 2021, with the term of office of Ms. Zhao Yinglin commencing from 28 May 2021 until the expiry of the term of office of the fourth session of the Board of Directors.

The Company will continue to take steps to promote gender diversity of the Board of Directors and senior management and shall increase the proportion of female members over time when selecting and making recommendation on suitable candidates for the Board of Directors, with the ultimate goal of bringing greater gender diversity to the Board of Directors.

## CORPORATE GOVERNANCE FUNCTIONS

The Board of Directors is responsible for performing the functions set out in the code provision D.3.1 of the CG Code.

From the Listing Date to the date of this annual report, the Board of Directors had reviewed the Company's policies and practices in compliance with legal and regulatory requirements, training and continuous professional development of Directors and senior management, the corporate governance policies and practices, the compliance of the Model Code, and the Company's compliance with the CG Code and the disclosure in this Corporate Governance Report.

## MEETINGS ATTENDED AND HELD

Since the Listing Date, the Company adopts the practice of holding meetings of the Board of Directors regularly, at least four times a year for meetings of the Board of Directors, and at approximately quarterly intervals with active participation of majority of Directors, either in person or through electronic means of communication.

董事會認為，鑑於目前董事會的成員全部為男性，董事會的性別多元化可進一步改善。我們將致力於物色合適的女性候選人，以備將來被任命為董事會成員，並為我們的女性員工提供職業發展和培訓機會，使她們有資格在將來擔任管理和董事會職位。本公司提名委員會物色並向董事會推薦趙迎琳女士，於2021年4月19日，董事會決議建議提名其擔任女性獨立非執行董事，並於2021年5月28日舉行之股東週年大會上獲批准，趙迎琳女士的任期自2021年5月28日起至第四屆董事會任期屆滿為止。

本公司將繼續採取步驟促進董事會和高級管理層的性別多元化，並在挑選和推薦合適的董事會成員人選時，逐步增加女性成員的比例，最終目標是提高董事會的性別多元化。

## 企業管治職能

董事會負責履行企業管治守則條文第D.3.1條所載職能。

自上市日期至本年報日期，董事會檢討本公司政策及常規以符合法律及監管規定，檢討董事及高級管理人員之培訓及持續專業發展事宜，檢討企業管治政策及常規，檢討操守守則、本公司遵守企業管治守則之情況及檢討是否於企業管治報告內作出披露。

## 舉行及出席會議

本公司自上市日期起，採納定期舉行董事會會議常規，每年至少召開四次董事會會議，間隔大約一個季度，且大多數董事親自或透過電子通訊方式積極出席。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

For the year ended 31 December 2021, the attendance records of each Director of the Board of Directors at the meetings of the Board of Directors and general meetings held by the Company are set out below:

截至2021年12月31日止年度，各董事會董事出席本公司舉行之董事會會議及股東大會記錄載列如下：

Name of Directors 董事姓名	Meeting(s) of the Board of Directors 董事會 會議	Attendance/Number of meeting(s) 出席次數／會議數目				General meeting(s) 股東大會
		Audit Committee meeting(s) 審計委員會 會議	Remuneration Committee meeting(s) 薪酬委員會 會議	Nomination Committee meeting(s) 提名委員會 會議		
<b>Executive Directors</b> 執行董事						
Mr. Liu Zhiguang 劉志光先生	7/7	N/A 不適用	3/3	2/2		1/1
Mr. Xiao Dongsheng 肖東生先生	7/7	N/A 不適用	N/A 不適用	N/A 不適用		1/1
Mr. Wang Jinsheng (resigned on 30 March 2022) 王進聖先生(於2022年3月30日辭任)	7/7	N/A 不適用	N/A 不適用	N/A 不適用		1/1
<b>Non-executive Directors</b> 非執行董事						
Mr. Liu Xuejing 劉學景先生	7/7	N/A 不適用	N/A 不適用	N/A 不適用		1/1
Mr. Zhang Chuanli 張傳立先生	7/7	N/A 不適用	N/A 不適用	N/A 不適用		1/1
Mr. Ow Weng Cheong (re-designated from executive Director to non- executive Director on 19 April 2021 and resigned on 30 March 2022) 區永昌先生(於2021年4月19日由執行 董事轉任為非執行董事並於2022年 3月30日辭任)	7/7	N/A 不適用	N/A 不適用	N/A 不適用		1/1
<b>Independent non-executive Directors</b> 獨立非執行董事						
Mr. Guo Tianyong 郭田勇先生	7/7	3/3	3/3	2/2		1/1
Ms. Zhao Yinglin (appointed on 19 April 2021) <sup>(Note)</sup> 趙迎琳女士(於2021年4月19日 獲委任) <sup>(附註)</sup>	5/5	1/1	N/A 不適用	0/0		0/0
Mr. Chung Wai Man 鍾偉文先生	7/7	3/3	3/3	N/A 不適用		1/1

Note: Ms. Zhao Yinglin shall attend 5 meetings of the Board of Directors, 1 Audit Committee meeting, 0 Nomination Committee meeting and 0 general meeting.

附註：趙迎琳女士應當出席5次董事會會議、1次審計委員會會議、0次提名委員會、0次股東大會。

Meetings of the Board of Directors include regular meetings and extraordinary meetings. Regular meetings of the Board of Directors shall be held at least four times a year and shall be convened by the chairman. Notice of a regular meeting of the Board of Directors shall be given to all Directors and supervisors at least 14 days in advance and the board papers together with all appropriate, complete and reliable information shall be delivered to all Directors at least 3 days prior to the date of such regular meeting of the Board of Directors.

An extraordinary meeting of the Board of Directors may be held by request of Shareholders representing more than 10% of the voting rights or by request of no less than one-third Directors or by the Chairman or by two or more independent non-executive Directors or by request of the Board of Supervisors or by request of the general manager. Notice of an extraordinary meeting of the Board of Directors shall be given to all Directors, supervisors and general manager at least 5 days in advance and the board papers thereof shall be delivered to all Directors at least 3 days prior to the date of such meeting.

The Board of Directors shall keep minutes on matters discussed at meetings of the Board of Directors, including any concerns or objections raised by the Directors. The minutes shall be signed by the Directors present at the meeting and by the secretary to the Board of Directors. Minutes of the meeting of the Board of Directors shall be kept as the Company's record for a period of 10 years.

The Board of Directors and each Director also have separate and independent access to the senior management whenever necessary.

董事會會議包括董事會定期會議和董事會臨時會議。定期董事會會議每年至少召開四次，由董事長召集。應當提前至少14日向全體董事及監事發放董事會定期會議之通知。應當在董事會定期會議召開前3日，將準確、完整及可信之董事會文件送達全體董事。

臨時會議可應超過10%具有表決權之股東、或三分之一董事成員、或主席、或2名及2名以上獨立非執行董事、或監事會、或總經理之請求召開。應當提前至少5日向全體董事、監事及總經理發放董事會臨時會議之通知。應當在董事會臨時會議召開前3日，將相關董事會會議文件送達全體董事。

董事會應將董事會會議所討論事項匯總作會議記錄，包括董事會所提任何擔憂及反對意見。出席會議之董事及董事會秘書應當在會議記錄上簽名。董事會會議記錄作為公司檔案保存，保存期限為10年。

於需要時，董事會及各董事亦可個別獨立聯絡高級管理層。

### RISK MANAGEMENT AND INTERNAL CONTROL

#### Risk Management and Internal Control Systems

The Board of Directors has the ultimate responsibility for oversight of the risk management and internal control systems of the Group. The Board of Directors has delegated oversight to the Audit Committee to oversee the Group's risk management and internal control systems on an ongoing basis, and to conduct reviews of the effectiveness of the Group's risk management and internal control systems. The Group has established risk management and internal control systems, consisting of relevant organisational framework policies and procedures, financial reporting procedures and processes, compliance rules and policies and risk management measures that the Group believes are appropriate processes for its business operations to identify, evaluate and manage significant risks. The aforementioned systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

#### Internal Audit

The Company has adopted an internal audit system and has external auditors responsible for the independent and objective supervision, examination and evaluation of the Company's conditions such as revenues and expenditures, business activities, risk conditions and internal control. The auditors shall report to the Board of Directors or the Audit Committee and the Board of Supervisors annually if any material problems are discovered during the audit procedure.

The Board of Directors is responsible for supervising, reviewing and evaluating the Company's internal audit to ensure that the internal audit was independent and effective. The Audit Committee is responsible for reviewing the Company's internal audit methods, audit policies and procedures and annual auditing plans and providing guidance and supervision. The Company had adhered to the principles of independence, objectivity, prudence, efficiency, importance and pertinence during the internal auditing process. The Company's internal audit system is comprehensive covering business operation, risk management, internal control and corporate governance.

### 風險管理及內部控制

#### 風險管理及內部控制系統

董事會具有監督本集團風險管理及內部控制系統之最終責任。董事會已授權予審計委員會以持續監督本集團之風險管理和內部控制系統，並檢討本集團風險管理及內部控制系統有效性。本集團已設立風險管理及內部控制系統，包含本集團認為對業務經營屬適當程序之相關組織框架政策及程序、財務報告程序及流程、合規規則及政策及風險管理措施，以識別、評估及管理重大風險。上述系統旨在針對有關風險作出管理，而並不會完全消除可能令我們無法實現業務目標之風險，同時隻能對重大錯誤陳述或損失提供合理而非絕對之保證。

#### 內部審核

本公司已採納內部審核系統，配備外部核數師，對本公司收入及開支、業務活動、風險狀況、內部控制等情況進行獨立客觀之監督、檢查和評價。核數師於審核程序中發現之任何重大問題，應每年向董事會或審計委員會及監事會進行匯報。

董事會負責監督、審核及考核本公司內部審核工作，以確保內部審核工作獨立及有效。審計委員會負責審核本公司內部審核方法、審核政策與程序以及年度審核計劃，提供指導與監督。本公司在整個內部審核工作過程中堅持獨立、客觀、審慎、高效、重視及中肯之原則。本公司內部審核系統涵蓋範圍全面，包括業務經營、風險管理、內部控制及企業管治。

The Company and the external auditors conducted an annual internal control review (the “Internal Control Review”) on, among others, control environment, risk management, information and communication, monitoring of controls, operational level controls and provided recommendations to enhance the internal control system of our Group.

We have adopted and implemented the recommendations provided by the external auditors and the external auditors have not identified any material findings which may have material impact on the effectiveness of our internal control system.

Based on the result of the Internal Control Review, the Board of Directors, as supported by the Audit Committee, reviewed the risk management and internal control systems, including the financial, operational and compliance controls, for the year ended 31 December 2021, and considered that such systems are effective and adequate. The annual review also covered the financial reporting, internal audit function, adequacy of resources, staff qualifications and experiences, training programmes and budget of the Company’s accounting, internal audit and financial reporting functions.

## WHISTLEBLOWING POLICY

The Company has adopted arrangement to facilitate employees and other stakeholders to raise concerns, in confidence, about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee shall review such arrangement regularly and ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.

## INSIDE INFORMATION

The Company has developed its disclosure policy which provides a general guide to the Company’s Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

本公司與外部核數師就(其中包括)控制環境、風險管理、信息與溝通、監控、操作層面的控制進行了年度內部控制審查(「內部控制審查」)，並就加強本集團的內部控制制度提出了建議。

我們已採納並實施外部核數師的建議，而外部核數師並未任何可能對我們內部控制制度的有效性有重大影響的重大發現。

根據內部控制審查的結果，董事會在審計委員會的支持下，審查了截至2021年12月31日止年度的風險管理和內部控制制度，包括財務、運營和合規控制，並認為該等制度有效且充分。年度審核亦涵蓋財務匯報、內部審計職能、資源的充足性、僱員的資歷與經驗、培訓計劃及本公司會計、內部審計及財務匯報職能預算方面的充足性。

## 舉報政策

本公司已採納相關安排以協助僱員以及其他利益相關方可暗中對財務匯報、內部控制或其他方面可能發生之不正當行為提出關注。

審計委員會應定期檢討該類安排並確保有適當安排，讓本公司對此等事宜作出公平獨立之調查及採取適當行動。

## 內幕資料

本公司已制定披露政策，就處理機密信息、監控信息披露及應對查詢向本公司董事、高級管理層及相關僱員提供一般指引。並已實施監控程序，確保嚴格禁止未經授權訪問及使用內幕資料。



### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. Specific enquiries have been made to all the Directors and the Directors have confirmed that they have complied with the Model Code from the Listing Date up to the date of this annual report. The Company's employees, who are likely to be in possession of unpublished inside information of the Company, are also subject to the Model Code.

### DIRECTORS' RESPONSIBILITY IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the year ended 31 December 2021.

The Board of Directors is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, announcements relating to disclosure of inside information and other disclosures required under the Listing Rules and other statutory and regulatory requirements.

The management has provided to the Board of Directors such explanation and information as are necessary to enable the Board of Directors to carry out an informed assessment of the Company's financial statements, which are put to the Board of Directors for approval.

Save as disclosed in this annual report, the Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

The statement of the independent Auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report of this annual report.

### 證券交易之標準守則

本公司已採納《上市規則》附錄10所載標準守則。本公司已向所有董事作出個別查詢，而董事已確認彼等於上市日期直至本年報發稿日期一直遵守標準守則。本公司僱員若可能擁有本公司尚未發佈之內幕資料，亦須遵守標準守則。

### 董事就財務報表之責任

董事明瞭彼等編製本公司截至2021年12月31日止年度財務報表之責任。

董事會須負責就年報及中期報告、與披露內幕消息有關公告及根據《上市規則》及其他法定及規管要求規定之其他披露事項作出平衡、清晰而易於理解之評估。

管理層向董事會提供必要闡釋及資料，使董事會能對提呈予董事會批准之本公司財務報表進行知情之評估。

除本年報所披露者外，董事並不知悉任何可能對本集團繼續其持續經營之能力產生嚴重質疑之事件或情況之任何重大不明朗因素。

有關本公司獨立核數師對其合併財務報表申報責任之聲明載於本年報獨立核數師報告。

### AUDITOR'S REMUNERATION

The total fee paid/payable to the external Auditors of the Company, BDO China SHU LUN PAN Certified Public Accountants LLP, in respect of audit services and non-audit services for the year ended 31 December 2021 is set out below:

Category of services	服務項目	Fee paid/payable 已付／應付費用 RMB'000 人民幣千元
Audit services	審核服務	1,770
Non-audit services	非審核服務	530
<b>Total</b>	<b>總計</b>	<b>2,300</b>

The non-audit services mainly included work on reviewing the interim financial report.

### JOINT COMPANY SECRETARIES

Mr. Shi Lei and Ms. Yu Wing Sze are currently the joint company secretaries of the Company. Ms. Yu is an associate member of both The Hong Kong Institute of Chartered Secretaries (currently known as The Hong Kong Chartered Governance Institute) and The Institute of Chartered Secretaries and Administrators (currently known as The Chartered Governance Institute) in the United Kingdom. Ms. Yu is now working in TMF Hong Kong Limited. Mr. Shi and Ms. Yu worked and communicated closely to discharge the functions of joint company secretaries.

During the year ended 31 December 2021, each of Mr. Shi and Ms. Yu has undertaken not less than 15 hours of relevant professional training.

During the year ended 31 December 2021, Ms. Siu Pui Wah resigned as a joint company secretary of the Company with effect from 28 November 2021. Following the resignation of Ms. Siu, Ms. Yu became the joint company secretary of the Company in replacement of Ms. Siu with effect from 28 November 2021.

### 核數師酬金

截至2021年12月31日止年度，予本公司外聘核數師，為立信會計師事務所(特殊普通合伙)之審核服務與非審核服務已付／應付總計費用如下表：

非審核服務主要包括有關審閱中期財務報告之工作。

### 聯席公司秘書

石磊先生及余詠詩女士目前擔任本公司聯席公司秘書。余女士為香港特許秘書公會(現稱香港公司治理公會)及英國特許秘書及行政人員公會(現稱特許公司治理公會)的會員，現任職於達盟香港有限公司。石先生與余女士密切合作溝通，以履行聯席公司秘書之職責。

截至2021年12月31日止年度，石先生與余女士均接受了不少於15小時之相關專業培訓。

截至2021年12月31日止年度，蕭佩華女士已辭任本公司之聯席公司秘書，自2021年11月28日起生效。蕭女士辭任後，余女士已獲委任為本公司聯席公司秘書以接替蕭女士，自2021年11月28日起生效。

### GOING CONCERN BASIS

GMK Holdings and its subsidiaries provided joint liability guarantee for the bank borrowings amounting to RMB1,078 million of Fengxiang as at 31 December 2021. Due to the overdue debts issue of the above guarantor, there is a risk that the bank borrowings of Fengxiang will be called for early repayment. Such matters, together with other circumstances as described in Note II (II) to the independent auditors' report indicate the existence of material uncertainties that may cast significant doubt about the ability of Fengxiang to continue as a going concern. This matter does not affect the expressed audit opinion.

The Directors have reviewed the cash flow projections prepared by the management covering a period of not less than 12 months from the date of filing of these financial statements by the Group. The management of the Company is of the opinion that the Group will be able to obtain sufficient working capital to ensure that the Group will be able to continue as a going concern for a period of 12 months after 31 December 2021. Accordingly, the Company considers it appropriate to adopt the going concern basis in preparing the financial statements of the Company.

Further discussion on the Group's going concern uncertainties and the Group's action plans have been set out in the "Report of the Board of Directors — Audit Qualification for the Year Ended 31 December 2021", the "Independent Auditor's Report — Basis of Qualified Opinion" and "Note II — Basis of Preparation of the Financial Statements — Going Concern" to the consolidated financial statements in this report.

### 持續經營基礎

於2021年12月31日，新鳳祥控股及其附屬公司對鳳祥股份人民幣1,078百萬元的銀行借款提供連帶責任擔保，由於上述擔保方存在債務逾期事項，鳳祥股份的銀行借款存在被借款人提前收回的風險。這些事項或情況，連同獨立核數師報告附註二(二)所述的其他情況，表明存在可能導致對鳳祥股份持續經營能力產生重大疑慮的重大不確定性。該事項不影響已發表的審計意見。

董事已審閱管理層編製的本集團現金流量預測，其涵蓋期間自本集團在本財務報表報出日起不少於12個月的期間。本公司管理層認為本集團將能夠獲得足夠的營運資金以確保本集團於2021年12月31日後12個月內能夠持續經營。因此，本公司認為採用持續經營基礎編製本公司財務報表是恰當的。

有關本集團持續經營的不確定性以及本集團行動計劃的進一步討論載於本報告中的「董事會報告 — 截至2021年12月31日止年度的審計保留意見」、「獨立核數師報告 — 保留意見基準」以及綜合財務報表「附註二 — 財務報表的編製基礎 — 持續經營」。

### COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable Shareholders and investors to make the best investment decisions.

The Company adopts shareholders' communication policy and reviews it on a regular basis to ensure its effectiveness. The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. The general meetings of the Company provide a platform for communication between the Board of Directors and the Shareholders. The chairman of the Board of Directors as well as chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee or, in their absence, other members of the respective committees, are available to answer Shareholders' questions at general meetings. The external auditor of the Company is also invited to attend the annual general meetings of the Company to answer questions about the conduct of audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

To promote effective communication, the Company maintains a website ([www.fengxiang.com](http://www.fengxiang.com)), where information and updates on the Company's financial information, corporate governance practices, biographical information of the Board of Directors and other information are available for public access.

### SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

### 與股東及投資者之溝通

本公司認為，與股東保持有效溝通，對促進投資者關係及加深投資者對本集團業務表現及策略之了解至為重要。本公司亦確認公司資料透明度以及及時披露公司資料以便股東及投資者能夠作出最佳投資決定之重要性。

本公司採用股東溝通政策，並定期對其進行檢討，以確保其有效性。本公司致力維持與股東持續對話，尤其是透過股東週年大會及其他股東大會等渠道。本公司之股東大會為董事會與股東之間提供一個重要平台。董事會主席，以及審計委員會、薪酬委員會及提名委員會之主席，或在彼等缺席之情況下，各委員會之其他成員將於股東大會上為股東解答提問。本公司之外聘核數師亦受邀出席本公司之股東週年大會，以解答有關審核工作、核數師報告之編製與內容、會計政策及核數師獨立性之提問。

為促進有效溝通，本公司設有網站([www.fengxiang.com](http://www.fengxiang.com))，以刊登資訊及本公司財務資料、企業管治常規、董事會簡歷詳情及其他資料更新，以供公眾查閱。

### 股東權利

為保障股東利益及權利，本公司會就各項獨立重大問題(包括推選個別董事)於股東大會提呈決議案。股東大會上提呈之所有決議案將根據《上市規則》進行投票表決，且投票表決之結果將於各股東大會後在本公司及聯交所網站上刊載。

### Procedures for Shareholders to Convene Extraordinary General Meeting

According to the Articles of Association, If Shareholders require convening an extraordinary general meeting or class meeting, the following procedure shall be followed:

1. Two or more Shareholders jointly holding more than 10% (inclusive) of shares with voting rights at the general meeting to be convened may sign one or several written requests with the same format and content to propose to the Board of Directors to convene the extraordinary general meeting or class meeting, and specify the topics of the meeting. The Board of Directors shall convene the extraordinary general meeting or class meeting responsively after receipt of the aforesaid written request. The aforesaid amount of shareholding is calculated on the day when the Shareholders tender the written request.
2. If the Board of Directors fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the Shareholders tendering the said request may request the Board of Supervisors to convene an extraordinary general meeting or class meeting.
3. If the Board of Supervisors fails to issue a notice of meeting within 30 days after receipt of the aforesaid written request, the Shareholders individually or jointly holding more than 10% of shares with voting rights at the meeting to be convened for 90 consecutive days may by themselves convene a meeting within four months after the Board of Directors receives the said request, and the convening procedure shall to the extent possible be the same as the procedure by which the Board of Directors convenes the general meeting.

Where the Shareholders convene a meeting because the Board of Directors or the Board of Supervisors fails to convene the meeting pursuant to the aforesaid provision, the reasonable expenses incurred shall be borne by the Company and shall be deducted from the monies payable by the Company to the defaulting Directors or supervisors.

### 臨時股東大會召開流程

根據《公司章程》，股東要求召集臨時股東大會或者類別股東會議，應當按照下列程序辦理：

1. 合計持有在該擬舉行會議上有表決權之股份10%以上(含10%)之兩名或者兩名以上股東，可以簽署一份或者數份同樣格式內容之書面要求，提請董事會召集臨時股東大會或類別股東會議，並闡明會議議題。董事會在收到前述書面要求後應當盡快召集臨時股東大會或類別股東會議。前述持股數按股東提出書面要求日計算。
2. 倘董事會在收到前述書面要求後30日內沒有發出召集會議之通告，提出該要求的股東可以提請監事會召集臨時股東大會或類別股東會議。
3. 倘監事會在收到前述書面要求後30日內沒有發出召集會議之通告，連續90日以上單獨或合計持有在該擬舉行會議上有表決權之股份10%以上之股東可以在董事會收到該要求後四個月內自行召集會議，召集程序應當盡可能與董事會召集股東會議程序相同。

股東因董事會、監事會未應前述要求舉行會議而自行召集並舉行會議時，其所發生之合理費用，應當由公司承擔，並從公司欠付失職董事、監事之款項中扣除。

When the Company convenes the general meeting, the Board of Directors, the Board of Supervisors and the Shareholders individually or jointly holding not less than 5% (inclusive) of the total number of shares carrying voting rights of the Company shall have the right to put forward proposals to the Company in writing. The Company shall include the matters falling within the scope of duties of the general meeting set out in the proposal in the agenda of the meeting.

### Putting Forward Proposals at General Meetings

There are no provisions in the Articles of Association or in the laws of the PRC for putting forward proposals of new resolutions by Shareholders at general meetings. Shareholders who wish to move forward a resolution may request the Company to convene a general meeting in accordance with the procedures mentioned above. For proposing a person for election as a Director, please refer to the procedures set out in the paragraph below.

### Procedures for Shareholders to Nominate Candidates of Directors

Written notices specifying the intention to nominate a person for election as a Director and acceptance of such nomination by such person, as well as the written information on such person, shall be sent to the Company no earlier than the day after dispatch of the notice of the General Meeting and no later than seven days prior to the date of such meeting. The minimum length of period during the nomination and acceptance of such nomination shall not be less than seven days.

Based on this, if a Shareholder of the Company intends to propose any person for election as a Director, the following documents shall be effectively delivered to the Company's headquarter in the PRC at Liumiao Village, Anle Town, Yanggu County, Liaocheng City, Shandong Province, the PRC or the Company's H Share share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, including: (i) the signed notice of the intention to propose the candidate for election as a Director in general meeting; and (ii) the signed notice of the candidate indicating his or her willingness to accept the election, together with (a) information about the candidate required to be disclosed under Rule 13.51(2) of the Listing Rules, and (b) the written consent indicating the consent of the candidate to release his or her personal information.

本公司召開股東大會時，董事會、監事會和單獨或共同持有不少於本公司有表決權股份總數5% (含5%)的股東，有權向本公司提出書面提案。本公司應將提案中規定的屬於股東大會職責範圍的事項列入會議議程。

### 於股東大會提呈建議

章程細則或中國法律概無有關股東於股東大會提呈新決議案建議。有意提呈決議案的股東可根據上文所述程序要求本公司召開股東大會。就建議某名人士競選董事，請參閱下段所載程序。

### 股東提名董事候選人之流程

有關提名董事候選人之意圖以及被提名人表明願意接受提名之書面通知，以及被提名人情況之有關書面材料，應當在不早於股東大會發出該通知第二天及其不遲於股東大會召開七日前。提名與接受提名間之最短期限應當不少於七日。

基於此，倘本公司股東擬提名任何人當選董事，應將以下文件及時送至本公司位於中華人民共和國之總部，即中國山東省聊城市陽穀縣安樂鎮劉廟村，或本公司H股股份登記處，即香港灣仔皇后大道東183號合和中心17樓1712-1716號舖香港中央證券登記有限公司。文件包括：(i)擬議於股東大會提議選舉候選人為董事之簽名通知；及(ii)該候選人表明其願意接受選舉之簽署通知書，及(a)根據《上市規則》第13.51(2)條須予披露之候選人相關資料，及(b)表明候選人同意披露其個人信息之紙質同意書。

### Putting Forward Enquiries to the Board of Directors

For putting forward any enquiry to the Board of Directors, Shareholders may send written enquiries to the Company. The Company will not normally deal with verbal or anonymous enquiries.

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: Liumiao Village, Anle Town, Yanggu County  
Liaocheng City, Shandong Province, PRC  
(For the attention of the Board of Directors)  
Email: lei.shi@fengxiang.com

For the avoidance of doubt, Shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

### 向董事會作出問詢

就向董事會作出問詢而言，股東可將書面查詢發送給本公司。本公司通常不會處理口頭或匿名問詢。

股東可將其如上文所述之問詢或要求寄往以下地址：

地址： 中國山東省  
聊城市陽穀縣安樂鎮劉廟村  
(致董事會)  
郵箱： lei.shi@fengxiang.com

為免生疑問，股東必須郵寄或發送正式簽署之書面請求、通知或聲明，或問詢(根據情況而定)之原本至上述地址，並提供其全名、聯絡資料及身份證明，以使其問詢生效。股東資料可能根據法律規定作出披露。

### TO THE SHAREHOLDERS OF SHANDONG FENGGIANG CO., LTD.:

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

#### I. QUALIFIED OPINION

We have audited the financial statements of the Shandong Fengxiang Co., Ltd. ("Fengxiang"), which comprise the consolidated and the Company's balance sheets as at 31 December 2021, the consolidated and the Company's income statements, the consolidated and the Company's cash flow statements, the consolidated and the Company's statements of changes in owners' equity for the year then ended, and notes to the financial statements.

We are of the view that, except for the possible impact of matters described in the section "BASIS OF QUALIFIED OPINION", the accompanying financial statements present fairly, in all material respects, the consolidated and the Company's financial position as at 31 December 2021 and the consolidated and the Company's financial performance and cash flows for the year ended 31 December 2021 in accordance with the requirements of Accounting Standards for Business Enterprises.

#### II. BASIS OF QUALIFIED OPINION

As described in Note X (VIII) to the financial statements, bank deposit balance in the consolidated balance sheet of Fengxiang as at 31 December 2021 included funds amounting to RMB1,041,438,100 deposited with GMK Finance Co., Ltd. ("GMK Finance"), which is also controlled by GMK Holdings Group Co., Ltd. ("GMK Holdings"). As described in Note XIII (I) to the financial statements, GMK Holdings and its subsidiaries had overdue debts. GMK Finance was involved in overdue repayment disputes and litigation. The management of Fengxiang did not provide sufficient supporting evidence regarding the possible impact of the matter on the above deposits and the reasons for not providing for impairment. Accordingly, we were unable to obtain sufficient and appropriate audit evidence regarding the recoverability of the above amounts to make a judgment as to whether adjustments to the related financial statement items are necessary.

### 山東鳳祥股份有限公司全體股東：

*(在中華人民共和國註冊成立的股份有限公司)*

#### 一、保留意見

我們審計了山東鳳祥股份有限公司(以下簡稱鳳祥股份)財務報表，包括2021年12月31日的合併及母公司資產負債表，2021年度的合併及母公司利潤表、合併及母公司現金流量表、合併及母公司所有者權益變動表以及相關財務報表附註。

我們認為，除「形成保留意見的基礎」部分所述事項可能產生的影響外，後附的財務報表在所有重大方面按照企業會計準則的規定編製，公允反映了鳳祥股份2021年12月31日的合併及母公司財務狀況以及2021年度的合併及母公司經營成果和現金流量。

#### 二、形成保留意見的基礎

如財務報表附註十(八)所述，鳳祥股份2021年12月31日合併資產負債表的銀行存款餘額中包括存放在與其同受新鳳祥控股集團有限責任公司(以下簡稱「新鳳祥控股」)控制的新鳳祥財務有限公司(以下簡稱「新鳳祥財務公司」)的資金104,143.81萬元。如財務報表附註十三(一)所述，新鳳祥控股及其附屬公司出現債務逾期情況。新鳳祥財務公司涉及逾期還款糾紛及訴訟，鳳祥股份管理層未就該事項對上述存款可能產生的影響以及未計提減值準備的理由提供充分的支持性證據。因此，我們無法就上述款項的可收回性獲取充分、適當的審計證據，無法判斷是否有必要對相關財務報表項目作出調整。



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

We conducted our audit in accordance with China Standards on Auditing (“CSAs”). Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of Fengxiang in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants (“CICPA Code”), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

### III. MATERIAL UNCERTAINTIES IN RELATION TO GOING CONCERN

We would like to draw the attention of users of the financial statements to the fact that as at 31 December 2021 as stated in Note II (II) to the financial statements, the Company’s controlling shareholder, GMK Holdings and its subsidiaries provided joint liability guarantee for the bank borrowings amounting to RMB1,078,000,000 of Fengxiang. Due to the overdue debts issue of the above guarantors as described in Note XIII (I), there is a risk that the bank borrowings of Fengxiang will be called for early repayment. Such matters, together with other circumstances as described in Note II (II) to the financial statements, indicate the existence of material uncertainties that may cast significant doubt about the ability of Fengxiang to continue as a going concern. This matter does not affect the expressed audit opinion.

### IV. KEY AUDIT MATTERS

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

我們按照中國註冊會計師審計準則的規定執行了審計工作。審計報告的「註冊會計師對財務報表審計的責任」部分進一步闡述了我們在這些準則下的責任。按照中國註冊會計師職業道德守則，我們獨立於鳳祥股份，並履行了職業道德方面的其他責任。我們相信，我們獲取的審計證據是充分、適當的，為發表保留意見提供了基礎。

### 三、與持續經營相關的重大不確定性

我們提醒財務報表使用者關注，如財務報表附註二(二)所述，截至2021年12月31日，鳳祥股份控股股東新鳳祥控股及其附屬公司對鳳祥股份107,800.00萬元的銀行借款提供連帶責任擔保，由於上述擔保方存在附註十三(一)所述債務逾期事項，鳳祥股份的銀行借款存在被借款人提前收回的風險。這些事項或情況，連同財務報表附註二(二)所述的其他情況，表明存在可能導致對鳳祥股份持續經營能力產生重大疑慮的重大不確定性。該事項不影響已發表的審計意見。

### 四、關鍵審計事項

關鍵審計事項是我們根據職業判斷，認為對本期財務報表審計最為重要的事項。這些事項的應對以對財務報表整體進行審計並形成審計意見為背景，我們不對這些事項單獨發表意見。

Except for the matters described in the sections headed "BASIS OF QUALIFIED OPINION" and "MATERIAL UNCERTAINTIES IN RELATION TO GOING CONCERN", key audit matters identified in our audit are summarised as follows:

除本報告「形成保留意見的基礎」和「與持續經營相關的重大不確定性」部分所述事項外，我們在審計中識別出的關鍵審計事項匯總如下：

### Key audit matters

#### 關鍵審計事項

### How our audit addressed the matter

#### 該事項在審計中是如何應對的

#### (I) revenue recognition

##### (-) 營業收入確認

Fengxiang's operating revenue for the year ended 31 December 2021 was RMB4,416,763,600. 2021年度鳳祥股份營業收入為441,676.36萬元。

Operating revenue of Fengxiang are primarily generated from the sales of frozen chicken products and meat products, which are mainly supplied to large catering chain enterprises, wholesale market for agricultural products, supermarket chains and other market fields. Fengxiang recognizes operating revenue when the control of the goods is transferred to the customer.

鳳祥股份主要營業收入來源於雞肉凍品、肉製品銷售業務，產品主要供應給大型餐飲連鎖企業、農貿批發市場、連鎖超市等市場領域。鳳祥股份公司於商品控制權轉移給客戶時確認營業收入。

- (1) Communicated with the management to understand the impact of industry policies and market environment on the performance of Fengxiang, and evaluated the rationality of fluctuations in operating revenue; 與管理層進行溝通，了解行業政策、市場環境對鳳祥股份公司業績的影響，評估營業收入波動的合理性；
- (2) Conducted interviews with management and selected sales contracts for inspection to identify contract terms related to the transfer of control over goods, and evaluated whether the operating revenue recognition policy of Fengxiang complied with the relevant requirements of the Accounting Standards for Business Enterprises; 與管理層訪談及選取消售合同進行檢查，識別與商品控制權轉移相關的合同條款，評價鳳祥股份公司的營業收入確認政策是否符合企業會計準則的相關要求；
- (3) Combined with product categories, types of sales channels, major business customers, etc., analysed the changes in operating revenue and gross profit margin this year while paying attention to whether there were abnormal fluctuations; 結合產品類別、銷售渠道類型、主要業務客戶等，對本年營業收入及毛利率變動情況進行分析，關注是否存在異常波動情況；
- (4) Selected samples and implemented confirmation procedures for trade receivable and operating revenue, checked the confirmation results against book records, and carried out substitute tests for no reply samples; 選取樣本對應收賬款和營業收入實施了函證程序，並將函證結果與賬面記錄進行了核對，對未回函樣本進行了替代測試；

### Key audit matters

#### 關鍵審計事項

Since operating revenue is one of the key performance indicators of Fengxiang, there is an inherent risk that the management of Fengxiang (hereinafter as the "management") will control the timing of operating revenue recognition in order to achieve specific goals or expectations, so we determine operating revenue recognition as a key audit matter. Please refer to Note III (XXV) and Note V (XXXVI) for the above accounting policies, significant accounting judgments and estimates and related financial statement disclosures.

由於營業收入是鳳祥股份公司的關鍵業績指標之一，從而存在鳳祥股份公司管理層(以下簡稱「管理層」)為了達到特定目標或期望而操縱營業收入確認時點的固有風險，我們將營業收入確認確定為關鍵審計事項。上述會計政策、重大會計判斷和估計以及相關財務報表披露參見附註三(二十五)，以及附註五(三十六)。

### (II) Valuation of biological assets

#### (二) 生物資產的估值

As of 31 December 2021, the book balance of Fengxiang's consumptive biological assets and productive biological assets was RMB194,005,400 and RMB204,484,100, respectively.

截至2021年12月31日，鳳祥股份消耗性生物資產及生產性生物資產的賬面餘額分別為19,400.54萬元、20,448.41萬元。

The measurement of the fair value of Fengxiang's biological assets involves significant management judgment, particularly the estimated culling rate and the market prices of breeders, broilers and broiler eggs. As a result, there is an inherent risk that management will control the fair value valuation to achieve specific goals, so we identify the valuation of biological assets as a key audit matter. Please refer to Note III (XI), (XVII) and Note V (V), (X) for the above accounting policies, significant accounting judgments and estimates and related financial statement disclosures.

鳳祥股份生物資產公允價值的計量涉及管理層的重大判斷，特別是預計淘汰率、種雞、肉雞、種蛋的市價等。從而存在管理層為達到特定目標操縱公允價值估值的固有風險，我們將生物資產的估值識別為關鍵審計事項。上述會計政策、重大會計判斷和估計以及相關財務報表披露參見附註三(十一)、(十七)，以及附註五(五)、(十)。

### How our audit addressed the matter

#### 該事項在審計中是如何應對的

- (5) Selected operating revenue transaction samples, checked sales contracts, orders, outbound documents, invoices and customer receipt documents, export declaration forms and other supporting documents for operating revenue recognition, and evaluated whether revenue recognition conformed to the Company's accounting policies on operating revenue recognition;
- (5) 選取營業收入交易樣本，核對銷售合同、訂單、出庫單、發票及客戶簽收單、出口報關單等收入確認支持性文件，評價營業收入確認是否符合公司營業收入確認的會計政策；
- (6) Checked the operating revenue transactions before and after the balance sheet date, checked the outbound documents, customer receipt documents, export declaration forms and other supporting documents for revenue recognition, and evaluated whether operating revenue was recorded in the appropriate accounting period.
- (6) 檢查資產負債表日前後的營業收入交易，核對出庫單、客戶簽收單、出口報關單等收入確認支持性文件，評價營業收入是否被記錄於恰當的會計期間。

- (1) Evaluated the competence, professionalism and objectivity of the external appraiser engaged by the Company;
- (1) 評價公司聘請的外部評估師的勝任能力、專業素質和客觀性；
- (2) Evaluated the reasonableness of the key assumptions used in the valuation of the productive biological assets with the assistance of an external appraiser;
- (2) 我們在外部評估專家的協助下，評價生產性生物資產估值中採用的關鍵假設的合理性；
- (3) Implemented monitoring procedures for the Company's productive biological assets and reviewed the quantities of biological assets in the valuation model to verify the accuracy and relevance of the input data.
- (3) 對公司的生產性生物資產實施監盤程序，並覆核估值模型中生物資產數量，核實所用輸入數據的準確性及相關性。

### V. OTHER INFORMATION

The management of Fengxiang is responsible for the other information which comprises all the information in the 2021 annual report of Fengxiang other than the financial statements and this auditor's report.

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

In conjunction with our audit to the financial statements, our responsibility is to read the other information. During the process, we considered whether there was material inconsistency or there was likely material misstatement between the other information and the financial statements or the information we obtained during the audit.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard. As described in the "BASIS OF QUALIFIED OPINION" section above, we were unable to obtain sufficient and appropriate audit evidence regarding the recoverability of the amounts of RMB1,041,438,100 deposited with GMK Finance by Fengxiang. Accordingly, we were unable to ascertain whether other information relating to this matter was materially misstated.

### VI. RESPONSIBILITIES OF THE MANAGEMENT AND GOVERNING BODIES FOR THE FINANCIAL STATEMENTS

The management shall be responsible for the preparation of financial statements in accordance with the Accounting Standards for Business Enterprises to enable them to be fairly reflected and to design, implement and maintain the necessary internal control so that there is no material misstatement, whether due to fraud or error, in the financial statements.

In the preparation of the financial statements, the management is responsible for assessing Fengxiang's continuing operating capacity, disclosing matters relating to continuing operations (if applicable) and applying the continuing operating assumptions unless the management either intends to liquidate the Company or to cease its operations, or has no realistic alternative but to do so.

The governing bodies are responsible for overseeing the financial reporting process of Fengxiang.

### 五、其他信息

鳳祥股份管理層對其他信息負責。其他信息包括鳳祥股份2021年年度報告中涵蓋的信息，但不包括財務報表和我們的審計報告。

我們對財務報表發表的審計意見不涵蓋其他信息，我們也不對其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中了解到的情況存在重大不一致或者似乎存在重大錯報。

基於我們已執行的工作，如果我們確定其他信息存在重大錯報，我們應當報告該事實。如上述「形成保留意見的基礎」部分所述，我們無法就鳳祥股份存放在新鳳祥財務公司的104,143.81萬元存款的可收回性獲取充分、適當的審計證據。因此，我們無法確定與該事項相關的其他信息是否存在重大錯報。

### 六、管理層和治理層對財務報表的責任

管理層負責按照企業會計準則的規定編製財務報表，使其實現公允反映，並設計、執行和維護必要的內部控制，以使財務報表不存在由於舞弊或錯誤導致的重大錯報。

在編製財務報表時，管理層負責評估鳳祥股份的持續經營能力，披露與持續經營相關的事項（如適用），並運用持續經營假設，除非計劃進行清算、終止運營或別無其他現實的選擇。

治理層負責監督鳳祥股份的財務報告過程。

### VII. RESPONSIBILITIES OF CERTIFIED PUBLIC ACCOUNTANTS FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report containing audit opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audits carried out in accordance with the audit standards will always detect a material misstatement when it exists. Misstatements may be caused by fraud or error and are generally considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

As part of an audit in accordance with the auditing standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also performed the following works:

- (I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (II) Understand the internal control related to the audit to design the appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

### 七、註冊會計師對財務報表審計的責任

我們的目標是對財務報表整體是否不存在由於舞弊或錯誤導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。合理保證是高水平的保證，但並不能保證按照審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由於舞弊或錯誤導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據財務報表作出的經濟決策，則通常認為錯報是重大的。

在按照審計準則執行審計工作的過程中，我們運用職業判斷，並保持職業懷疑。同時，我們也執行以下工作：

- (一) 識別和評估由於舞弊或錯誤導致的財務報表重大錯報風險，設計和實施審計程序以應對這些風險，並獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。
- (二) 了解與審計相關的內部控制，以設計恰當的審計程序，但目的並非對內部控制的有效性發表意見。
- (三) 評價管理層選用會計政策的恰當性和作出會計估計及相關披露的合理性。

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

(V) Evaluate the overall presentation (including disclosures), structure and content of the financial statements and to assess whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient and appropriate audit evidence of the financial information of the entities or business activities of Fengxiang in order to express an opinion on the consolidated financial statements. We are responsible for directing, supervising and performing group audits. We take full responsibility for the audit opinion.

We communicated with the governing bodies regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

We also provided a statement to the governing bodies on compliance with ethical requirements related to independence and communicated with them about all relationships and other matters that may be reasonably considered to affect our independence, as well as related precautions (if applicable).

(四) 對管理層使用持續經營假設的恰當性得出結論。同時，根據獲取的審計證據，就可能導致對鳳祥股份持續經營能力產生重大疑慮的事項或情況是否存在重大不確定性得出結論。如果我們得出結論認為存在重大不確定性，審計準則要求我們在審計報告中提請報表使用者注意財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於截至審計報告日可獲得的信息。然而，未來的事項或情況可能導致鳳祥股份不能持續經營。

(五) 評價財務報表的總體列報(包括披露)、結構和內容，並評價財務報表是否公允反映相關交易和事項。

(六) 就鳳祥股份中實體或業務活動的財務信息獲取充分、適當的審計證據，以對合併財務報表發表審計意見。我們負責指導、監督和執行集團審計，並對審計意見承擔全部責任。

我們與治理層就計劃的審計範圍、時間安排和重大審計發現等事項進行溝通，包括溝通我們在審計中識別出的值得關注的內部控制缺陷。

我們還就已遵守與獨立性相關的職業道德要求向治理層提供聲明，並與治理層溝通可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施(如適用)。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

**BDO China Shu Lun Pan Certified Public Accountants LLP**  
**Chinese Certified Public Accountant: Qiang Guiying**  
**(Engagement Partner)**  
**Chinese Certified Public Accountant: Wang Xuzeng**

Shanghai • China  
30 March 2022

從與治理層溝通的事項中，我們確定哪些事項對本期財務報表審計最為重要，因而構成關鍵審計事項。我們在審計報告中描述這些事項，除非法律法規禁止公開披露這些事項，或在極少數情形下，如果合理預期在審計報告中溝通某事項造成的負面後果超過在公眾利益方面產生的益處，我們確定不應在審計報告中溝通該事項。

立信會計師事務所(特殊普通合夥)  
中國註冊會計師：強桂英(項目合夥人)

中國註冊會計師：王緒增

中國•上海  
2022年3月30日

# CONSOLIDATED BALANCE SHEET

## 合併資產負債表

31 December 2021 (All amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外，金額單位均為人民幣元)

Assets	資產	Note V 附註五	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Current assets:</b>	<b>流動資產：</b>			
Monetary funds	貨幣資金	(一) (I)	<b>1,854,773,834.62</b>	1,556,135,341.41
Settlement reserves	結算備付金			
Loans to banks and other financial institutions	拆出資金			
Financial assets held for trading	交易性金融資產			
Derivative financial assets	衍生金融資產			
Bills receivable	應收票據			
Trade receivable	應收賬款	(二) (II)	<b>260,284,666.39</b>	204,368,625.66
Financing receivables	應收款項融資			
Prepayments	預付款項	(三) (III)	<b>84,921,646.18</b>	62,399,827.06
Premiums receivables	應收保費			
Reinsurance accounts receivable	應收分保賬款			
Provision of cession receivable	應收分保合同準備金			
Other receivables	其他應收款	(四) (IV)	<b>13,776,273.32</b>	8,368,983.47
Financial assets held under resale agreements	買入返售金融資產			
Inventories	存貨	(五) (V)	<b>1,018,047,140.80</b>	718,445,952.90
Contract assets	合同資產			
Assets held for sale	持有待售資產			
Non-current assets due within one year	一年內到期的非流動資產			
Other current assets	其他流動資產	(六) (VI)	<b>99,165,474.37</b>	98,831,542.27
<b>Total current assets</b>	<b>流動資產合計</b>		<b>3,330,969,035.68</b>	2,648,550,272.77



# CONSOLIDATED BALANCE SHEET

## 合併資產負債表

31 December 2021 (All amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外，金額單位均為人民幣元)

Assets	資產	Note V 附註五	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Non-current assets:</b>	<b>非流動資產：</b>			
Disbursement of loans and advances	發放貸款和墊款			
Debt investments	債權投資			
Other debt investments	其他債權投資			
Long-term receivables	長期應收款			
Long-term equity investments	長期股權投資	(七) (VII)	<b>63,069,900.18</b>	64,810,966.07
Investment in other equity instruments	其他權益工具投資			
Other non-current financial assets	其他非流動金融資產			
Investment properties	投資性房地產			
Fixed assets	固定資產	(八) (VIII)	<b>2,961,615,175.06</b>	2,161,695,953.93
Construction in progress	在建工程	(九) (IX)	<b>35,293,113.33</b>	301,021,045.87
Productive biological assets	生產性生物資產	(十) (X)	<b>204,484,100.00</b>	166,192,000.25
Oil and gas assets	油氣資產			
Right-of-use assets	使用權資產	(十一) (XI)	<b>194,629,713.97</b>	188,317,941.99
Intangible assets	無形資產	(十二) (XII)	<b>91,837,058.07</b>	91,321,079.98
Development expenditures	開發支出			
Goodwill	商譽			
Long-term deferred expenses	長期待攤費用	(十三) (XIII)		410,745.94
Deferred income tax assets	遞延所得稅資產	(十四) (XIV)	<b>184,161.86</b>	402,577.51
Other non-current assets	其他非流動資產	(十五) (XV)	<b>48,969,974.44</b>	154,826,432.02
<b>Total non-current assets</b>	<b>非流動資產合計</b>		<b>3,600,083,196.91</b>	3,128,998,743.56
<b>Total assets</b>	<b>資產總計</b>		<b>6,931,052,232.59</b>	5,777,549,016.33

# CONSOLIDATED BALANCE SHEET

## 合併資產負債表

31 December 2021 (All amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外，金額單位均為人民幣元)

Liabilities and owners' equity	負債和所有者權益	Note V 附註五	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Current liabilities:</b>	<b>流動負債：</b>			
Short-term borrowings	短期借款	(十六) (XVI)	<b>1,731,044,138.88</b>	1,485,724,000.00
Borrowings from central bank	向中央銀行借款			
Loans to banks and other financial institutions	拆入資金			
Financial liabilities held for trading	交易性金融負債			
Derivative financial liabilities	衍生金融負債			
Bills payable	應付票據	(十七) (XVII)	<b>46,606,601.35</b>	
Trade payable	應付賬款	(十八) (XVIII)	<b>448,843,615.58</b>	217,321,042.00
Advances from customers	預收款項			
Contract liabilities	合同負債	(十九) (XIX)	<b>34,352,314.47</b>	38,833,002.79
Financial assets sold under repurchase agreements	賣出回購金融資產款			
Absorption of deposits and interbank deposit	吸收存款及同業存放			
Client money received for acting as securities trading agent	代理買賣證券款			
Client money received for acting as securities underwriter	代理承銷證券款			
Payroll payable	應付職工薪酬	(二十) (XX)	<b>67,837,764.09</b>	73,941,121.93
Taxes payable	應交稅費	(二十一) (XXI)	<b>9,674,077.39</b>	7,660,546.48
Other payables	其他應付款	(二十二) (XXII)	<b>236,504,040.71</b>	257,510,108.47
Handle fee and commission payable	應付手續費及佣金			
Reinsurance accounts payable	應付分保賬款			
Liabilities held for sale	持有待售負債			
Non-current liabilities due within one year	一年內到期的非流動負債	(二十三) (XXIII)	<b>132,598,490.89</b>	72,634,851.37
Other current liabilities	其他流動負債	(二十四) (XXIV)	<b>3,003,157.34</b>	2,455,849.43
<b>Total current liabilities</b>	<b>流動負債合計</b>		<b>2,710,464,200.70</b>	2,156,080,522.47
<b>Non-current liabilities:</b>	<b>非流動負債：</b>			
Reserve for insurance contracts	保險合同準備金			
Long-term borrowings	長期借款	(二十五) (XXV)	<b>475,112,000.00</b>	
Bonds payable	應付債券			
Including: Preferred shares	其中：優先股			
Perpetual bonds	永續債			
Lease liabilities	租賃負債	(二十六) (XXVI)	<b>196,897,137.78</b>	188,402,318.54
Long-term payables	長期應付款	(二十七) (XXVII)	<b>125,990,704.41</b>	38,424,339.85
Long-term payroll payables	長期應付職工薪酬			
Estimated liabilities	預計負債	(二十八) (XXVIII)	<b>154,688.25</b>	184,354.27
Deferred income	遞延收益	(二十九) (XXIX)	<b>22,821,583.69</b>	6,921,889.21
Deferred income tax liabilities	遞延所得稅負債			
Other non-current liabilities	其他非流動負債			
<b>Total non-current liabilities</b>	<b>非流動負債合計</b>		<b>820,976,114.13</b>	233,932,901.87
<b>Total liabilities</b>	<b>負債合計</b>		<b>3,531,440,314.83</b>	2,390,013,424.34

# CONSOLIDATED BALANCE SHEET

## 合併資產負債表

31 December 2021 (All amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外，金額單位均為人民幣元)

Liabilities and owners' equity	負債和所有者權益	Note V 附註五	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Owners' equity:</b>	<b>所有者權益：</b>			
Share capital	股本	(三十) (XXX)	<b>1,400,000,000.00</b>	1,400,000,000.00
Other equity instruments	其他權益工具			
Including: Preferred shares	其中：優先股			
Perpetual bonds	永續債			
Capital reserve	資本公積	(三十一) (XXXI)	<b>621,754,244.95</b>	621,211,053.56
Less: treasury shares	減：庫存股	(三十二) (XXXII)	<b>2,547,916.16</b>	3,821,874.24
Other comprehensive income	其他綜合收益	(三十三) (XXXIII)	<b>-254,496.85</b>	154,001.63
Special reserves	專項儲備			
Surplus reserves	盈餘公積	(三十四) (XXXIV)	<b>155,377,605.51</b>	151,387,004.59
General risk reserves	一般風險準備			
Undistributed profits	未分配利潤	(三十五) (XXXV)	<b>1,225,282,480.31</b>	1,220,362,407.91
Total equity attributable to owners of the Company	歸屬於母公司所有者權益合計		<b>3,399,611,917.76</b>	3,389,292,593.45
Minority interests	少數股東權益			-1,757,001.46
<b>Total owners' equity</b>	<b>所有者權益合計</b>		<b>3,399,611,917.76</b>	<b>3,387,535,591.99</b>
<b>Total liabilities and owners' equity</b>	<b>負債和所有者權益總計</b>		<b>6,931,052,232.59</b>	<b>5,777,549,016.33</b>

The accompanying notes form an integral part of these financial statements.

後附財務報表附註為財務報表的組成部分。

**Person-in-charge of the Company:**  
Liu Zhiguang

公司負責人：  
劉志光

**Chief Accountant:**  
Shi Lei

主管會計工作負責人：  
石磊

**Head of the Accounting Department:**  
Shen Sanxing

會計機構負責人：  
沈三興

# BALANCE SHEET OF THE COMPANY

## 母公司資產負債表

31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外，金額單位均為人民幣元)

Assets	資產	Note XVI 附註十六	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Current assets:</b>	<b>流動資產：</b>			
Monetary funds	貨幣資金		<b>1,257,368,979.84</b>	1,224,272,930.00
Financial assets held for trading	交易性金融資產			
Derivative financial assets	衍生金融資產			
Bills receivable	應收票據	(一) (I)	<b>442,000,000.00</b>	491,000,000.00
Trade receivable	應收賬款	(二) (II)	<b>535,573,320.38</b>	459,129,044.71
Financing receivables	應收款項融資			
Prepayments	預付款項		<b>51,317,503.17</b>	32,315,955.71
Other receivables	其他應收款	(三) (III)	<b>9,705,069.18</b>	5,062,507.60
Inventories	存貨		<b>404,606,014.83</b>	267,923,382.16
Contract assets	合同資產			
Assets held for sale	持有待售資產			
Non-current assets due within one year	一年內到期的非流動資產			
Other current assets	其他流動資產			
<b>Total current assets</b>	<b>流動資產合計</b>		<b>2,700,570,887.40</b>	2,479,703,820.18
<b>Non-current assets:</b>	<b>非流動資產：</b>			
Debt investments	債權投資			
Other debt investments	其他債權投資			
Long-term receivables	長期應收款			
Long-term equity investments	長期股權投資	(四) (IV)	<b>1,038,738,237.49</b>	1,047,661,716.21
Investment in other equity instruments	其他權益工具投資			
Other non-current financial assets	其他非流動金融資產			
Investment properties	投資性房地產			
Fixed assets	固定資產		<b>1,658,733,163.41</b>	1,197,329,581.21
Construction in progress	在建工程		<b>33,682,050.76</b>	213,145,826.11
Productive biological assets	生產性生物資產		<b>180,103,800.00</b>	162,971,000.00
Oil and gas assets	油氣資產			
Right-of-use assets	使用權資產		<b>178,214,185.94</b>	170,097,357.77
Intangible assets	無形資產		<b>32,951,456.15</b>	32,683,131.50
Development expenditures	開發支出			
Goodwill	商譽			
Long-term deferred expenses	長期待攤費用			
Deferred income tax assets	遞延所得稅資產		<b>184,161.86</b>	
Other non-current assets	其他非流動資產		<b>34,091,563.05</b>	22,671,258.20
<b>Total non-current assets</b>	<b>非流動資產合計</b>		<b>3,156,698,618.66</b>	2,846,559,871.00
<b>Total assets</b>	<b>資產總計</b>		<b>5,857,269,506.06</b>	5,326,263,691.18

# BALANCE SHEET OF THE COMPANY

## 母公司資產負債表

31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外，金額單位均為人民幣元)

		Notes 附註	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Liabilities and owners' equity</b>	<b>負債和所有者權益</b>			
<b>Current liabilities:</b>	<b>流動負債：</b>			
Short-term borrowings	短期借款		<b>1,341,013,249.99</b>	1,485,724,000.00
Financial liabilities held for trading	交易性金融負債			
Derivative financial liabilities	衍生金融負債			
Bills payable	應付票據		<b>33,887,748.02</b>	
Trade payable	應付賬款		<b>241,206,475.67</b>	110,568,322.16
Advances from customers	預收款項			
Contract liabilities	合同負債		<b>5,617,032.85</b>	748,470.43
Payroll payable	應付職工薪酬		<b>21,627,577.10</b>	27,455,804.03
Taxes payable	應交稅費		<b>4,439,006.69</b>	3,859,494.54
Other payables	其他應付款		<b>140,252,017.97</b>	109,730,775.65
Liabilities held for sale	持有待售負債			
Non-current liabilities due within one year	一年內到期的非流動負債		<b>93,713,486.04</b>	1,620,091.17
Other current liabilities	其他流動負債			
<b>Total current liabilities</b>	<b>流動負債合計</b>		<b>1,881,756,594.33</b>	1,739,706,957.98
<b>Non-current liabilities:</b>	<b>非流動負債：</b>			
Long-term borrowings	長期借款		<b>275,112,000.00</b>	
Bonds payable	應付債券			
Including: Preferred shares	其中：優先股			
Perpetual bonds	永續債			
Lease liabilities	租賃負債		<b>182,190,221.10</b>	172,978,262.23
Long-term payables	長期應付款		<b>90,447,906.50</b>	
Long-term payroll payables	長期應付職工薪酬			
Estimated liabilities	預計負債			
Deferred income	遞延收益		<b>21,146,422.36</b>	6,289,356.88
Deferred income tax liabilities	遞延所得稅負債			
Other non-current liabilities	其他非流動負債			
<b>Total non-current liabilities</b>	<b>非流動負債合計</b>		<b>568,896,549.96</b>	179,267,619.11
<b>Total liabilities</b>	<b>負債合計</b>		<b>2,450,653,144.29</b>	1,918,974,577.09

# BALANCE SHEET OF THE COMPANY

## 母公司資產負債表

31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年12月31日 (除特別註明外·金額單位均為人民幣元)

		Notes 附註	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
<b>Liabilities and owners' equity</b>	<b>負債和所有者權益</b>			
<b>Owners' equity:</b>	<b>所有者權益：</b>			
Share capital	股本		<b>1,400,000,000.00</b>	1,400,000,000.00
Other equity instruments	其他權益工具			
Including: Preferred shares	其中：優先股			
Perpetual bonds	永續債			
Capital reserve	資本公積		<b>621,358,334.00</b>	621,211,053.56
Less: treasury shares	減：庫存股		<b>2,547,916.16</b>	3,821,874.24
Other comprehensive income	其他綜合收益			
Special reserves	專項儲備			
Surplus reserves	盈餘公積		<b>159,571,799.87</b>	155,581,198.95
Undistributed profits	未分配利潤		<b>1,228,234,144.06</b>	1,234,318,735.82
<b>Total owners' equity</b>	<b>所有者權益合計</b>		<b>3,406,616,361.77</b>	3,407,289,114.09
<b>Total liabilities and owners' equity</b>	<b>負債和所有者權益總計</b>		<b>5,857,269,506.06</b>	5,326,263,691.18

The accompanying notes form an integral part of these financial statements.

後附財務報表附註為財務報表的組成部分。

**Person-in-charge of the Company:**  
Liu Zhiguang

公司負責人：  
劉志光

**Chief Accountant:**  
Shi Lei

主管會計工作負責人：  
石磊

**Head of the Accounting Department:**  
Shen Sanxing

會計機構負責人：  
沈三興

# CONSOLIDATED INCOME STATEMENT

## 合併利潤表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note V 附註五	Amount of the current period 本期金額	Amount of the previous period 上期金額
I. Total operating revenue	一、營業總收入	(三十六)(XXXVI)	<b>4,416,763,575.99</b>	3,901,614,748.12
Including: Operating revenue	其中:營業收入	(三十六)(XXXVI)	<b>4,416,763,575.99</b>	3,901,614,748.12
Interest income	利息收入			
Premiums earned	已賺保費			
Handle fee and commission income	手續費及佣金收入			
II. Total operating costs	二、營業總成本		<b>4,395,383,985.61</b>	3,743,206,340.95
Including: Operating costs	其中:營業成本	(三十六)(XXXVI)	<b>3,858,825,346.50</b>	3,298,369,158.04
Interest expenses	利息支出			
Handle fee and commission expense	手續費及佣金支出			
Surrender value	退保金			
Net amount of compensation payout	賠付支出淨額			
Net amount withdrawn for insurance liability reserves	提取保險責任準備金淨額			
Commissions on insurance policies	保單紅利支出			
Cession charges	分保費用			
Taxes and charges	稅金及附加	(三十七)(XXXVII)	<b>29,550,280.08</b>	26,409,363.14
Selling expenses	銷售費用	(三十八)(XXXVIII)	<b>89,018,719.94</b>	230,005,614.28
Administrative expenses	管理費用	(三十九)(XXXIX)	<b>89,310,527.43</b>	113,994,587.89
R&D expenses	研發費用	(四十)(XL)	<b>24,983,123.40</b>	21,398,920.95
Finance costs	財務費用	(四十一)(XLI)	<b>47,695,988.26</b>	53,028,696.65
Including: Interest expenses	其中:利息費用	(四十一)(XLI)	<b>51,849,048.52</b>	53,278,708.17
Interest income	利息收入	(四十一)(XLI)	<b>37,433,512.81</b>	23,900,008.78
Add: Other income	加:其他收益	(四十二)(XLII)	<b>13,392,460.82</b>	19,274,810.56
Investment income (loss to be inserted with "-")	投資收益(損失以[-]號填列)	(四十三)(XLIII)	<b>18,790,813.44</b>	9,980,459.44
Including: Income on investments in associates and joint ventures	其中:對聯營企業和合營企業的投資收益	(四十三)(XLIII)	<b>-1,741,065.89</b>	10,566,337.90
Income from derecognition of financial assets measured at amortised cost	以攤餘成本計量的金融資產終止確認收益			
Exchange gain (loss to be inserted with "-")	匯兌收益(損失以[-]號填列)			
Income from net exposure hedging (loss to be inserted with "-")	淨敞口套期收益(損失以[-]號填列)			
Gains from the changes in fair value (loss to be inserted with "-")	公允價值變動收益(損失以[-]號填列)	(四十四)(XLIV)	<b>-4,169,866.00</b>	-27,158,070.82
Credit impairment loss (loss to be inserted with "-")	信用減值損失(損失以[-]號填列)	(四十五)(XLV)	<b>-2,150,400.44</b>	3,016,313.15
Asset impairment loss (loss to be inserted with "-")	資產減值損失(損失以[-]號填列)			
Gains on disposal of assets (loss to be inserted with "-")	資產處置收益(損失以[-]號填列)	(四十六)(XLVI)	<b>1,621,508.51</b>	1,522,521.63

# CONSOLIDATED INCOME STATEMENT

## 合併利潤表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note V 附註五	Amount of the current period 本期金額	Amount of the previous period 上期金額
III. Operating profit (loss to be inserted with "-")	三、營業利潤(虧損以「-」號填列)		48,864,106.71	165,044,441.13
Add: non-operating income	加: 營業外收入	(四十七) (XLVII)	943,271.37	1,443,408.61
Less: non-operating expenses	減: 營業外支出	(四十八) (XLVIII)	1,063,324.87	8,925,748.82
IV. Total profits (total loss to be inserted with "-")	四、利潤總額(虧損總額以「-」號填列)		48,744,053.21	157,562,100.92
Less: income tax expenses	減: 所得稅費用	(四十九) (XLIX)	1,668,638.58	5,947,017.66
V. Net profit (net loss to be inserted with "-")	五、淨利潤(淨虧損以「-」號填列)		47,075,414.63	151,615,083.26
(I) Breakdown by continuity of operations	(一) 按經營持續性分類			
1. Net profit from continuing operations (net loss to be inserted with "-")	1. 持續經營淨利潤(淨虧損以「-」號填列)		47,075,414.63	151,615,083.26
2. Net profit from discontinued operations (net loss to be inserted with "-")	2. 終止經營淨利潤(淨虧損以「-」號填列)			
(II) Breakdown by attributable interests	(二) 按所有權歸屬分類			
1. Net profit attributable to the shareholders of the Company (net loss to be inserted with "-")	1. 歸屬於母公司股東的淨利潤(淨虧損以「-」號填列)		50,910,673.32	152,640,000.63
2. Profit or loss attributable to minority interests (net loss to be inserted with "-")	2. 少數股東損益(淨虧損以「-」號填列)		-3,835,258.69	-1,024,917.37
VI. Net other comprehensive income after tax	六、其他綜合收益的稅後淨額		-408,498.48	-108,998.37
Net other comprehensive income attributable to the shareholders of the Company after tax	歸屬於母公司所有者的其他綜合收益的稅後淨額		-408,498.48	-108,998.37
(I) Other comprehensive income that cannot be reclassified into profit or loss	(一) 不能重分類進損益的其他綜合收益			
1. Changes arising from remeasurement of defined benefit plan	1. 重新計量設定受益計劃變動額			
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method	2. 權益法下不能轉損益的其他綜合收益			
3. Change in fair value of investment in other equity instruments	3. 其他權益工具投資公允價值變動			
4. Change in fair value of corporate credit risks	4. 企業自身信用風險公允價值變動			
(II) Other comprehensive income that can be reclassified into profit or loss	(二) 將重分類進損益的其他綜合收益		-408,498.48	-108,998.37
1. Other comprehensive income to be reclassified into profit or loss under the equity method	1. 權益法下可轉損益的其他綜合收益			
2. Change in fair value of other debt investments	2. 其他債權投資公允價值變動			
3. Amount of financial assets to be reclassified into other comprehensive income	3. 金融資產重分類計入其他綜合收益的金額			
4. Credit impairment provision for other debt investments	4. 其他債權投資信用減值準備			
5. Cash flow hedging reserve	5. 現金流量套期儲備			
6. Exchange differences on translation of foreign currency financial statements	6. 外幣財務報表折算差額		-408,498.48	-108,998.37
7. Others	7. 其他			
Net other comprehensive income attributable to minority interests after tax	歸屬於少數股東的其他綜合收益的稅後淨額			



# CONSOLIDATED INCOME STATEMENT

## 合併利潤表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note V 附註五	Amount of the current period 本期金額	Amount of the previous period 上期金額
VII. Total comprehensive income	七、綜合收益總額		<b>46,666,916.15</b>	151,506,084.89
Total comprehensive income attributable to the shareholders of the Company	歸屬於母公司所有者的綜合收益總額		<b>50,502,174.84</b>	152,531,002.26
Total comprehensive income attributable to minority interests	歸屬於少數股東的綜合收益總額		<b>-3,835,258.69</b>	-1,024,917.37
VIII. Earnings per share:	八、每股收益:			
(I) Basic earnings per share (RMB per Share)	(一) 基本每股收益(元/股)	(五十)(L)	<b>0.04</b>	0.13
(II) Diluted earnings per share (RMB per Share)	(二) 稀釋每股收益(元/股)	(五十)(L)	<b>0.04</b>	0.13

**Person-in-charge of the Company:**  
**Liu Zhiguang**

公司負責人:  
劉志光

**Chief Accountant:**  
**Shi Lei**

主管會計工作負責人:  
石磊

**Head of the Accounting Department:**  
**Shen Sanxing**

會計機構負責人:  
沈三興

# INCOME STATEMENT OF THE COMPANY

## 母公司利潤表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note XVI 附註十六	Amount of the current period 本期金額	Amount of the previous period 上期金額
I. Operating revenue	一、營業收入	(五)(V)	2,610,065,993.02	2,044,029,615.57
Less: Operating costs	減: 營業成本	(五)(V)	2,422,717,452.14	1,737,871,967.06
Taxes and charges	税金及附加		13,184,045.39	9,522,455.47
Selling expenses	銷售費用		4,902,172.82	3,792,162.19
Administrative expenses	管理費用		61,621,966.47	72,494,823.53
R&D expenses	研發費用		8,882,025.83	5,906,985.44
Finance costs	財務費用		50,802,463.72	56,875,519.01
Including: Interest expenses	其中: 利息費用		46,896,932.31	45,006,125.30
Interest income	利息收入		21,974,817.90	10,712,033.56
Add: Other gains	加: 其他收益		10,675,063.75	17,492,827.88
Investment income (loss to be inserted with "-")	投資收益(損失以[-]號填列)	(六)(VI)	-10,735,826.89	11,955,034.60
Including: Income on investments in associates and joint ventures	其中: 對聯營企業和合營企業的投資收益	(六)(VI)	-1,741,065.89	11,957,514.60
Income from derecognition of financial assets measured at amortised cost	以攤餘成本計量的金融資產終止確認收益			
Income from net exposure hedging (loss to be inserted with "-")	淨敞口套期收益(損失以[-]號填列)			
Gains from the changes in fair value (loss to be inserted with "-")	公允價值變動收益(損失以[-]號填列)		-8,686,583.69	-24,225,326.56
Credit impairment loss (loss to be inserted with "-")	信用減值損失(損失以[-]號填列)		-515,111.86	4,094,254.32
Asset impairment loss (loss to be inserted with "-")	資產減值損失(損失以[-]號填列)			
Gains on disposal of assets (loss to be inserted with "-")	資產處置收益(損失以[-]號填列)		1,075,426.03	971,005.52
II. Operating profit (loss to be inserted with "-")	二、營業利潤(虧損以[-]號填列)		39,768,833.99	167,853,498.63
Add: non-operating income	加: 營業外收入		662,785.86	381,153.81
Less: non-operating expenses	減: 營業外支出		522,394.24	3,673,677.86
III. Total profits (total loss to be inserted with "-")	三、利潤總額(虧損總額以[-]號填列)		39,909,225.61	164,560,974.58
Less: income tax expenses	減: 所得稅費用		3,216.45	2,046,032.82
IV. Net profit (net loss to be inserted with "-")	四、淨利潤(淨虧損以[-]號填列)		39,906,009.16	162,514,941.76
(I) Net profit from continuing operations (net loss to be inserted with "-")	(一) 持續經營淨利潤(淨虧損以[-]號填列)		39,906,009.16	162,514,941.76
(II) Net profit from discontinued operations (net loss to be inserted with "-")	(二) 終止經營淨利潤(淨虧損以[-]號填列)			

# INCOME STATEMENT OF THE COMPANY

## 母公司利潤表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note XVI 附註十六	Amount of the current period 本期金額	Amount of the previous period 上期金額
V. Net other comprehensive income after tax	五、其他綜合收益的稅後淨額			
(I) Other comprehensive income that cannot be reclassified into profit or loss	(一) 不能重分類進損益的其他綜合收益			
1. Changes arising from remeasurement of defined benefit plan	1. 重新計量設定受益計劃變動額			
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method	2. 權益法下不能轉損益的其他綜合收益			
3. Change in fair value of investment in other equity instruments	3. 其他權益工具投資公允價值變動			
4. Change in fair value of corporate credit risks	4. 企業自身信用風險公允價值變動			
(II) Other comprehensive income that can be reclassified into profit or loss	(二) 將重分類進損益的其他綜合收益			
1. Other comprehensive income to be reclassified into profit or loss under the equity method	1. 權益法下可轉損益的其他綜合收益			
2. Change in fair value of other debt investments	2. 其他債權投資公允價值變動			
3. Amount of financial assets to be reclassified into other comprehensive income	3. 金融資產重分類計入其他綜合收益的金額			
4. Credit impairment provision for other debt investments	4. 其他債權投資信用減值準備			
5. Cash flow hedging reserve	5. 現金流量套期儲備			
6. Exchange differences on translation of foreign currency financial statements	6. 外幣財務報表折算差額			
7. Others	7. 其他			
VI. Total comprehensive income	六、綜合收益總額		<b>39,906,009.16</b>	162,514,941.76
VII. Earnings per share:	七、每股收益:			
(I) Basic earnings per share (RMB per Share)	(一) 基本每股收益(元/股)			
(II) Diluted earnings per share (RMB per Share)	(二) 稀釋每股收益(元/股)			

The accompanying notes form an integral part of these financial statements.

後附財務報表附註為財務報表的組成部分。

**Person-in-charge of the Company:**  
**Liu Zhiguang**

公司負責人：  
劉志光

**Chief Accountant:**  
**Shi Lei**

主管會計工作負責人：  
石磊

**Head of the Accounting Department:**  
**Shen Sanxing**

會計機構負責人：  
沈三興

# CONSOLIDATED STATEMENT OF CASH FLOW

## 合併現金流量表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note V 附註五	Amount of the current period 本期金額	Amount of the previous period 上期金額
<b>I. Cash flows from operating activities</b>	<b>一、經營活動產生的現金流量</b>			
Cash received from sales of goods and rendering of services	銷售商品、提供勞務收到的現金		<b>4,621,184,833.21</b>	4,046,603,383.70
Net increase in customer deposits and deposits from other banks and financial institutions	客戶存款和同業存放款項淨增加額			
Net increase in borrowing from central bank	向中央銀行借款淨增加額			
Net increase in loans from other financial institutions	向其他金融機構拆入資金淨增加額			
Cash received from receiving insurance premium of original insurance contract	收到原保險合同保費取得的現金			
Net cash received from reinsurance business	收到再保業務現金淨額			
Net increase in deposits and investments from policyholders	保戶儲金及投資款淨增加額			
Cash received from interest, fees and commissions	收取利息、手續費及佣金的現金			
Net increase in loans from banks and other financial institutions	拆入資金淨增加額			
Net capital increase in repurchase business	回購業務資金淨增加額			
Net cash received from securities trading brokerage services	代理買賣證券收到的現金淨額			
Tax refunds received	收到的稅費返還		<b>44,064,793.15</b>	38,200,865.62
Cash received from other operating activities	收到其他與經營活動有關的現金	(五十一)(LJ)	<b>169,307,017.50</b>	121,322,780.41
Sub-total of cash inflows from operating activities	經營活動現金流入小計		<b>4,834,556,643.86</b>	4,206,127,029.73
Cash paid for goods purchased and services received	購買商品、接受勞務支付的現金		<b>3,781,942,095.93</b>	3,090,197,780.70
Net increase in customer's loans and advances	客戶貸款及墊款淨增加額			
Net increase in deposits with central bank and with banks and other financial institutions	存放中央銀行和同業款項淨增加額			
Cash paid for original insurance contract claims	支付原保險合同賠付款項的現金			
Net increase in loans to banks and other financial institutions	拆出資金淨增加額			
Cash paid for interest, fees and commissions	支付利息、手續費及佣金的現金			
Cash paid for policy dividends	支付保單紅利的現金			
Cash paid to and on behalf of employees	支付給職工以及為職工支付的現金		<b>654,318,425.25</b>	542,041,446.64
Cash paid for taxes	支付的各項稅費		<b>56,286,765.44</b>	36,888,385.36
Cash paid for other operating activities	支付其他與經營活動有關的現金	(五十一)(LJ)	<b>177,871,414.60</b>	244,644,637.08
Sub-total of cash outflows from operating activities	經營活動現金流出小計		<b>4,670,418,701.22</b>	3,913,772,249.78
<b>Net cash flows generated from operating activities</b>	<b>經營活動產生的現金流量淨額</b>		<b>164,137,942.64</b>	292,354,779.95

# CONSOLIDATED STATEMENT OF CASH FLOW

## 合併現金流量表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note V 附註五	Amount of the current period 本期金額	Amount of the previous period 上期金額
<b>II. Cash flows from investing activities</b>	<b>二、投資活動產生的現金流量</b>			
Cash received from disposal of investments	收回投資收到的現金			
Cash received from gains on investments	取得投資收益收到的現金			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	處置固定資產、無形資產和其他 長期資產收回的現金淨額		<b>1,659,759.15</b>	5,194,556.31
Net cash received from disposal of subsidiaries and other business units	處置子公司及其他營業單位收到 的現金淨額			
Cash received from other investing activities	收到其他與投資活動有關的現金			
Sub-total of cash inflows from investing activities	投資活動現金流入小計		<b>1,659,759.15</b>	5,194,556.31
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	購建固定資產、無形資產和其他 長期資產支付的現金		<b>577,385,950.27</b>	655,999,753.55
Cash paid for investments	投資支付的現金			
Net increase in pledge loans	質押貸款淨增加額			
Net cash paid to acquire subsidiaries and other business units	取得子公司及其他營業單位支付 的現金淨額			
Cash paid for other investing activities	支付其他與投資活動有關的現金	(五十一)(LJ)	<b>5,911,229.73</b>	19,844,602.70
Sub-total of cash outflows from investing activities	投資活動現金流出小計		<b>583,297,180.00</b>	675,844,356.25
<b>Net cash flows from investing activities</b>	<b>投資活動產生的現金流量淨額</b>		<b>-581,637,420.85</b>	-670,649,799.94
<b>III. Cash flows from financing activities</b>	<b>三、籌資活動產生的現金流量</b>			
Cash from absorption of investments	吸收投資收到的現金			975,306,000.00
Including: Cash received by subsidiaries from investment by minority shareholders	其中: 子公司吸收少數股東投資 收到的現金			
Cash received from borrowings	取得借款收到的現金		<b>2,752,594,727.73</b>	1,842,173,000.00
Cash received from other financing activities	收到其他與籌資活動有關的現金	(五十一)(LJ)	<b>200,000,000.00</b>	
Sub-total of cash inflows from financing activities	籌資活動現金流入小計		<b>2,952,594,727.73</b>	2,817,479,000.00
Cash paid for debts repayments	償還債務支付的現金		<b>1,972,198,949.33</b>	1,445,541,577.33
Cash paid for distribution of dividends and profits or payment of interest	分配股利、利潤或償付利息支付 的現金		<b>82,034,077.16</b>	89,001,110.00
Including: Dividends and profits paid to minority shareholders by subsidiaries	其中: 子公司支付給少數股東的 股利、利潤			
Cash paid for other financing activities	支付其他與籌資活動有關的現金	(五十一)(LJ)	<b>394,432,658.97</b>	177,426,422.67
Sub-total of cash outflows from financing activities	籌資活動現金流出小計		<b>2,448,665,685.46</b>	1,711,969,110.00
<b>Net cash flows from financing activities</b>	<b>籌資活動產生的現金流量淨額</b>		<b>503,929,042.27</b>	1,105,509,890.00

# CONSOLIDATED STATEMENT OF CASH FLOW

## 合併現金流量表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Note V 附註五	Amount of the current period 本期金額	Amount of the previous period 上期金額
IV. Effect of fluctuation in exchange rate on cash and cash equivalents	四、匯率變動對現金及現金等價物的影響		-1,299,359.00	-598,820.90
V. Net increase in cash and cash equivalents	五、現金及現金等價物淨增加額		85,130,205.06	726,616,049.11
Add: Cash and cash equivalents at beginning of period	加: 期初現金及現金等價物餘額		1,289,981,009.01	563,364,959.90
VI. Cash and cash equivalents at end of period	六、期末現金及現金等價物餘額		1,375,111,214.07	1,289,981,009.01

The accompanying notes form an integral part of these financial statements.

後附財務報表附註為財務報表的組成部分。

**Person-in-charge of the Company:**  
Liu Zhiguang

公司負責人:  
劉志光

**Chief Accountant:**  
Shi Lei

主管會計工作負責人:  
石磊

**Head of the Accounting Department:**  
Shen Sanxing

會計機構負責人:  
沈三興

# CASH FLOW STATEMENT OF THE COMPANY

## 母公司現金流量表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Notes 附註	Amount of the current period 本期金額	Amount of the previous period 上期金額
<b>I. Cash flows from operating activities</b>	<b>一、經營活動產生的現金流量</b>			
Cash received from sales of goods and rendering of services	銷售商品、提供勞務收到的現金		<b>2,449,272,964.30</b>	1,691,348,216.39
Tax refunds received	收到的稅費返還			
Cash received from other operating activities	收到其他與經營活動有關的現金		<b>574,245,867.32</b>	619,309,732.68
Sub-total of cash inflows from operating activities	經營活動現金流入小計		<b>3,023,518,831.62</b>	2,310,657,949.07
Cash paid for goods purchased and services received	購買商品、接受勞務支付的現金		<b>2,247,871,663.93</b>	1,797,441,398.45
Cash paid to and on behalf of employees	支付給職工以及為職工支付的現金		<b>183,384,181.30</b>	156,540,429.79
Cash paid for taxes	支付的各項稅費		<b>13,174,363.80</b>	11,838,743.70
Cash paid for other operating activities	支付其他與經營活動有關的現金		<b>425,038,317.99</b>	515,714,593.57
Sub-total of cash outflows from operating activities	經營活動現金流出小計		<b>2,869,468,527.02</b>	2,481,535,165.51
<b>Net cash flows generated from operating activities</b>	<b>經營活動產生的現金流量淨額</b>		<b>154,050,304.60</b>	-170,877,216.44
<b>II. Cash flows from investing activities</b>	<b>二、投資活動產生的現金流量</b>			
Cash received from disposal of investments	收回投資收到的現金			
Cash received from gains on investments	取得投資收益收到的現金			
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	處置固定資產、無形資產和其他長期資產收回的現金淨額		<b>1,148,482.75</b>	3,650,983.01
Net cash received from disposal of subsidiaries and other business units	處置子公司及其他營業單位收到的現金淨額		<b>10,000.00</b>	
Cash received from other investing activities	收到其他與投資活動有關的現金			
Sub-total of cash inflows from investing activities	投資活動現金流入小計		<b>1,158,482.75</b>	3,650,983.01
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	購建固定資產、無形資產和其他長期資產支付的現金		<b>380,735,214.62</b>	308,314,141.10
Cash paid for investments	投資支付的現金			
Net cash paid to acquire subsidiaries and other business units	取得子公司及其他營業單位支付的現金淨額			
Cash paid for other investing activities	支付其他與投資活動有關的現金			
Sub-total of cash outflows from investing activities	投資活動現金流出小計		<b>380,735,214.62</b>	308,314,141.10
<b>Net cash flows from investing activities</b>	<b>投資活動產生的現金流量淨額</b>		<b>-379,576,731.87</b>	-304,663,158.09

# CASH FLOW STATEMENT OF THE COMPANY

## 母公司現金流量表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Notes 附註	Amount of the current period 本期金額	Amount of the previous period 上期金額
<b>III. Cash flows from financing activities</b>	<b>三、籌資活動產生的現金流量</b>			
Cash from absorption of investments	吸收投資收到的現金			957,306,000.00
Cash received from borrowings	取得借款收到的現金		<b>1,466,890,000.00</b>	1,807,173,000.00
Cash received from other financing activities	收到其他與籌資活動有關的現金		<b>150,000,000.00</b>	
Sub-total of cash inflows from financing activities	籌資活動現金流入小計		<b>1,616,890,000.00</b>	2,764,479,000.00
Cash paid for debts repayments	償還債務支付的現金		<b>1,246,000,000.00</b>	1,394,583,544.75
Cash paid for distribution of dividends and profits or payment of interest	分配股利、利潤或償付利息支付的現金		<b>87,680,163.67</b>	88,601,511.11
Cash paid for other financing activities	支付其他與籌資活動有關的現金		<b>30,912,366.12</b>	35,951,372.15
Sub-total of cash outflows from financing activities	籌資活動現金流出小計		<b>1,364,592,529.79</b>	1,519,136,428.01
<b>Net cash flows from financing activities</b>	<b>籌資活動產生的現金流量淨額</b>		<b>252,297,470.21</b>	1,245,342,571.99
<b>IV. Effect of fluctuation in exchange rate on cash and cash equivalents</b>	<b>四、匯率變動對現金及現金等價物的影響</b>		<b>-211,694.40</b>	-994,071.45
<b>V. Net increase in cash and cash equivalents</b>	<b>五、現金及現金等價物淨增加額</b>		<b>26,559,348.54</b>	768,808,126.01
Add: Cash and cash equivalents at beginning of period	加: 期初現金及現金等價物餘額		<b>1,223,832,721.16</b>	455,024,595.15
<b>VI. Cash and cash equivalents at end of period</b>	<b>六、期末現金及現金等價物餘額</b>		<b>1,250,392,069.70</b>	1,223,832,721.16

The accompanying notes form an integral part of these financial statements.

後附財務報表附註為財務報表的組成部分。

**Person-in-charge of the Company:**  
**Liu Zhiguang**

公司負責人:  
劉志光

**Chief Accountant:**  
**Shi Lei**

主管會計工作負責人:  
石磊

**Head of the Accounting Department:**  
**Shen Sanxing**

會計機構負責人:  
沈三興



# CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

## 合併所有者權益變動表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	Amount of the current period														
	Equity attributable to owners of the Company					Total owners' Share capital equity									
	Share capital	Sub-total	Preferred shares	Perpetual bonds	Others	Capital reserves	Treasury shares	Less: comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Sub-total	Minority interest	
	股本	股本總額	優先股	永續債	其他	資本公積	庫藏股	其他綜合收益	專項儲備	盈餘公積	一般風險準備	未分配利潤	小計	少數股東權益	總計
I. Balance at the end of last year	1,400,000,000.00					621,211,653.56	3,821,874.24	154,001.63		151,387,004.59	1,220,362,407.91	3,389,292,593.45	3,389,292,593.45	-1,757,001.46	3,387,535,591.99
Add: Changes in accounting policies															
Correction of accounting errors in prior period															
Business combination under common control															
Others															
II. Balance at the beginning of the year	1,400,000,000.00					621,211,653.56	3,821,874.24	154,001.63		151,387,004.59	1,220,362,407.91	3,389,292,593.45	3,389,292,593.45	-1,757,001.46	3,387,535,591.99
III. Increases/decreases at current period															
(decreases to be inserted with "-")															
(I) Total comprehensive income						543,191.39	-1,273,563.08	-408,488.48		3,990,600.92	4,920,072.40	10,319,224.31	10,319,224.31	1,757,001.46	12,076,225.77
(II) Capital contributed or reduced by owners								-408,488.48				50,910,673.32	50,502,174.84	-3,835,258.69	46,666,916.15
1. Ordinary shares contributed by owners						543,191.39	-1,273,563.08						1,877,149.47	5,592,260.15	7,469,409.62
2. Capital contributed by the holders of other equity instruments															
3. Amounts of share-based payments recognised in owners' equity															
4. Others															
(III) Profit distribution															
1. Withdrawal of surplus reserves															
2. Withdrawal of general risk reserves															
3. Profit distributed to owners (or shareholders)															
4. Others															
						543,191.39	-1,273,563.08			3,990,600.92	-45,999,600.92	-3,999,600.92	-42,000,000.00	5,592,260.15	-42,000,000.00

# CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

## 合併所有者權益變動表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	項目	Amount of the current period 本報告期														
		Other equity instruments 其他權益工具		Equity attributable to owners of the Company 歸屬於母公司所有者權益				Total owners' Share capital equity 所有者權益								
		Share capital 股本	Sub-total shares 優先股	Preferred shares 優先股	Perpetual bonds 永續債	Others 其他	Capital reserves 資本公積	Treasury shares 庫存股	Less: comprehensive income 其他綜合收益	Special reserves 專項儲備	Surplus reserves 盈餘公積	General risk reserves 一般風險準備	Undistributed profits 未分配利潤	Sub-total 小計	Minority interest 少數股東權益	Total owners' Share capital equity 所有者權益
(IV) Internal carry-forward of owners' equity (四) 所有者權益內部結轉																
1. Conversion of capital reserves into paid-in capital (or share capital) 資本公積轉增資本(或股本)																
2. Conversion of surplus reserves into paid-in capital (or share capital) 盈餘公積轉增資本(或股本)																
3. Losses offset by surplus reserves 虧損彌補																
4. Carry-forward of changes in the defined benefit plan for retained earnings 重新計量設定受益計劃留存收益																
5. Carry-forward of other comprehensive income for retained earnings 其他綜合收益結轉留存收益																
6. Others 其他																
(V) Special reserves (五) 專項儲備																
1. Amount withdrawn for the period 本期提取																
2. Amount used for the period 本期使用																
(VI) Others (六) 其他																

# CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

## 合併所有者權益變動表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	Amount of the current period														
	本報告期														
	Equity attributable to owners of the Company					歸屬於母公司所有者權益									
	Other equity instruments					Other									
	Share capital	Sub-total	Preferred shares	Perpetual bonds	Others	Capital reserves	Treasury shares	Less: comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Sub-total	Minority interest	Share capital
	股本	優先股	永續債	其他	資本公積	庫存股	其他綜合收益	專項儲備	盈餘公積	一般風險準備	未分配利潤	小計	少數股東權益	權益合計	
IV. Balance at the end of the period	1,400,000,000.00				621,754,244.95	2,547,916.16	-254,496.85	263,000.00		166,157,000.23	1,225,262,400.31	3,399,611,917.76	-722,084.09	3,399,611,917.76	
I. Balance at the end of last year	1,045,000,000.00													2,263,640,327.78	
Add: Changes in accounting policies															
Correction of accounting errors in prior period															
Business combination under common control															
Others															
II. Balance at the beginning of the year	1,045,000,000.00						263,000.00							2,263,640,327.78	
III. Increases/decreases at current period (decreases to be inserted with "-")															
(i) Total comprehensive income	355,000,000.00				621,211,633.56	3,821,074.24	-108,998.37			15,230,004.36	137,409,996.27	1,124,920,181.58	-1,024,917.37	1,123,895,264.21	
(ii) Capital contributed or reduced by owners	355,000,000.00				621,211,633.56	3,821,074.24	-108,998.37			152,640,000.63	152,640,000.63	152,640,000.63	-1,024,917.37	151,506,084.89	
1. Ordinary shares contributed by owners														972,389,179.32	
2. Capital contributed by the holders of other equity instruments	355,000,000.00				621,211,633.56	3,821,074.24	-108,998.37			152,640,000.63	152,640,000.63	152,640,000.63	-1,024,917.37	151,506,084.89	
3. Amounts of state-based payments recognised in owners' equity															
4. Others															
(iii) Profit distribution					1,049,256.21	-2,547,916.16							3,597,172.37	3,597,172.37	
1. Withdrawal of surplus reserves														-15,230,004.36	
2. Withdrawal of general risk reserves														-15,230,004.36	
3. Profit distributed to owners (or shareholders)															
4. Others															

# CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

## 合併所有者權益變動表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外,金額單位均為人民幣元)

Items	項目	Amount of the current period 本學年度										Total owners' Share capital equity 所有者 權益合計				
		Share capital 股本	Sub-total 優先股	Preferred shares 優先股	Other equity instruments 其他權益工具	Others 其他	Capital reserves 資本公積	Treasury shares 庫藏股	Less: treasury shares 減: 庫藏股	Other comprehensive income 其他綜合收益	Special reserves 專項儲備		Surplus reserves 盈餘公積	General risk reserves 一般風險準備	Undistributed profits 未分配利潤	Sub-total 小計
(II) Internal carry-forward of owners' equity	(四) 所有者權益內部結轉	1,400,000,000.00														
1. Conversion of capital reserves into paid-in capital (or share capital)	1. 資本公積轉增資本(或股本)															
2. Conversion of surplus reserves into paid-in capital (or share capital)	2. 盈餘公積轉增資本(或股本)															
3. Losses offset by surplus reserves	3. 盈餘公積彌補虧損															
4. Carry-forward of changes in the defined benefit plan for retained earnings	4. 留存收益結轉變更設定受益計劃															
5. Carry-forward of other comprehensive income for retained earnings	5. 其他綜合收益結轉留存收益															
6. Others	6. 其他															
(III) Special reserves	(五) 專項儲備															
1. Amount withdrawn for the period	1. 本期提取															
2. Amount used for the period	2. 本期使用															
(VI) Others	(六) 其他															
IV. Balance at the end of the period	四、本學期末餘額	1,400,000,000.00	621,211,053.56	3,821,974.24	154,001.63	151,307,004.59	1,220,952,407.91	3,389,292,593.45	-1,757,000.46	3,387,535,591.99						

The accompanying notes form an integral part of these financial statements.

**Person-in-charge of the Company:**  
Liu Zhiguang

**Chief Accountant:**  
Shi Lei

**Head of the Accounting Department:**  
Shen Sanxing

後附財務報表附註為財務報表的組成部分。

公司負責人：  
劉志光

主管會計工作負責人：  
石磊

會計機構負責人：  
沈三興

# CHANGES IN OWNERS' EQUITY STATEMENT OF THE COMPANY

## 母公司所有者權益變動表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外, 金額單位均為人民幣元)

Items	Amount of the current period						Total owners' Share capital equity 所有者權益合計				
	Share capital 股本	Preferred shares 優先股	Perpetual bonds 永續債	Others 其他	Capital reserves 資本公積	Less: treasury shares 減: 庫存股		Other comprehensive income 其他綜合收益	Special reserves 專項儲備	Surplus reserves 盈餘公積	Undistributed profits 未分配利潤
I. Balance at the end of last year	1,400,000,000.00				621,211,053.56	3,821,874.24			155,581,188.95	1,234,318,735.82	3,407,289,114.09
Add: Changes in accounting policies											
Correction of accounting errors in prior period											
Others											
II. Balance at the beginning of the year	1,400,000,000.00				621,211,053.56	3,821,874.24			155,581,188.95	1,234,318,735.82	3,407,289,114.09
III. Increases/decreases at current period (decreases to be inserted with "-")					147,280.44	-1,273,958.08			3,990,600.92	-6,084,591.76	-672,752.32
(I) Total comprehensive income											
(II) Capital contributed or reduced by owners											
1. Ordinary shares contributed by owners											
2. Capital contributed by the holders of other equity instruments											
3. Amounts of share-based payments recognised in owners' equity											
4. Others											
(III) Profit distribution											
1. Withdrawal of surplus reserves											
2. Profit distributed to owners (or shareholders)											
3. Others											
(IV) Internal carry-forward of owners' equity											
1. Conversion of capital reserves into paid-in capital (or share capital)											
2. Conversion of surplus reserves into paid-in capital (or share capital)											
3. Losses offset by surplus reserves											
4. Carry-forward of changes in the defined benefit plan for retained earnings											
5. Carry-forward of other comprehensive income for retained earnings											
6. Others											
(V) Special reserves											
1. Amount withdrawn for the period											
2. Amount used for the period											
(VI) Others											
IV. Balance at the end of the period	1,400,000,000.00				621,358,334.00	2,547,916.16			159,571,789.87	1,228,234,144.06	3,406,516,361.77

# CHANGES IN OWNERS' EQUITY STATEMENT OF THE COMPANY

## 母公司所有者權益變動表

For the year ended 31 December 2021 (Amounts are expressed in RMB unless otherwise stated) 2021年度 (除特別註明外,金額單位均為人民幣元)

Items	Amount of the current period						Total owners' Share capital equity 所有者權益合計			
	Share capital 股本	Preferred shares 優先股	Perpetual bonds 永續債	Others 其他	Capital reserves 資本公積	Less: treasury shares 減:庫存股		Other comprehensive income 其他綜合收益	Special reserves 專項儲備	Surplus reserves 盈餘公積
I. Balance at the end of last year	1,045,000,000.00							140,381,194.59	1,087,033,788.42	2,272,384,983.01
Add: Changes in accounting policies										
Correction of accounting errors in prior period										
Others										
II. Balance at the beginning of the year	1,045,000,000.00							140,381,194.59	1,087,033,788.42	2,272,384,983.01
III. Increases/decreases at current period (decreases to be inserted with "-")	355,000,000.00				621,211,053.56	3,821,874.24		15,230,004.36	447,294,937.40	1,134,984,121.08
(I) Total comprehensive income										
(II) Capital contributed or reduced by owners	355,000,000.00				621,211,053.56	3,821,874.24			182,514,841.76	972,588,179.32
1. Ordinary shares contributed by owners										
2. Capital contributed by the holders of other equity instruments										
3. Amounts of share-based payments recognised in owners' equity										
4. Others										
(III) Profit distribution					1,049,256.21	-2,547,916.16				3,597,172.37
1. Withdrawal of surplus reserves										
2. Profit distributed to owners (or shareholders)										
3. Others										
(IV) Internal carry-forward of owners' equity										
1. Conversion of capital reserves into paid-in capital (or share capital)										
2. Conversion of surplus reserves into paid-in capital (or share capital)										
3. Losses offset by surplus reserves										
4. Carry-forward of changes in the defined benefit plan for retained earnings										
5. Carry-forward of other comprehensive income for retained earnings										
6. Others										
(V) Special reserves										
1. Amount withdrawn for the period										
2. Amount used for the period										
(VI) Others										
IV. Balance at the end of the period	1,400,000,000.00				621,211,053.56	3,821,874.24		155,581,198.95	1,234,318,735.82	3,407,289,114.09

The accompanying notes form an integral part of these financial statements.

後附財務報表附註為財務報表的組成部分。

**Person-in-charge of the Company:**  
Liu Zhiguang

公司負責人:  
劉志光

**Chief Accountant:**  
Shi Lei

主管會計工作負責人:  
石磊

**Head of the Accounting Department:**  
Shen Sanxing

會計機構負責人:  
沈三興

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### I. BASIC INFORMATION OF THE COMPANY

### 一、公司基本情況

#### (I) Company Profile

#### (一) 公司概況

Shandong Fengxiang Co., Ltd. (hereinafter referred to as the “Company” or “the Company”) was approved by Liaocheng Administrative Examination and Approval Service Bureau in December 2010, and it was a joint stock company jointly established by GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司) and Shandong Fengxiang Investment Co., Ltd. (山東鳳祥投資有限公司). The Company’s Enterprise Legal Person Business License registration number is 91371500723866545F. The Company was listed on the Hong Kong Stock Exchange in July 2020, which is classified as livestock breeding industry.

山東鳳祥股份有限公司(以下簡稱「公司」或「本公司」)系於2010年12月經聊城市行政審批服務局批准，由新鳳祥控股集團有限責任公司和山東鳳祥投資有限公司共同發起設立的股份有限公司。公司的企業法人營業執照註冊號：91371500723866545F。2020年7月在香港聯合證券交易所上市。所屬行業分類為畜牧養殖業。

As of 31 December 2021, the total number of share capital issued by the Company was 1,400,000,000 shares, and the registered capital was RMB1,400,000,000. The registered office is located at Liumiao Village, Anle Town, Yanggu County, Shandong Province. The headquarter is located at GMK Building, Yanggu County, Shandong Province. The principal businesses of the Company are: the sale of animal feeds for animal husbandry and fishery, the sale of agricultural by-products, the sale of fertilizers, technical service, technology development, technical consultation, technical exchanges, technology transfer and technology promotion; planting of herbs used in Chinese medicine; purchase and sale of locally produced Chinese herbal medicine (excluding slices of prepared Chinese medicine); and convention and exhibition services. Approved items for operation: poultry breeding; slaughtering; breeding stock and breeding poultry production and operation; food production and operation; online food sales; food purchase; animal feed production; veterinary drug operation; fertilizer production; innocuous treatment of animals; food import and export; goods import and export; technology import and export; import and export agency. The parent of the Company is Shandong Fengxiang (Group) Co., Ltd. (山東鳳祥(集團)有限責任公司), and the de facto controller of the Company is Mr. Liu Xuejing.

截至2021年12月31日止，本公司累計發行股本總數140,000.00萬股，註冊資本為140,000.00萬元，註冊地：山東省陽谷縣安樂鎮劉廟村，總部地址：山東省陽穀縣新鳳祥大廈。本公司主要經營活動為：畜牧漁業飼料銷售，農副產品銷售，肥料銷售，技術服務、技術開發、技術諮詢、技術交流、技術轉讓、技術推廣；中草藥種植；地產中草藥(不含中藥飲片)購銷；會議及展覽服務。許可項目：家禽飼養；家禽屠宰；種畜禽生產；種畜禽經營；食品生產；食品經營；食品互聯網銷售；糧食收購；飼料生產；獸藥經營；肥料生產；動物無害化處理；食品進出口；貨物進出口；技術進出口；進出口代理。本公司的母公司為山東鳳祥(集團)有限責任公司，本公司的實際控制人為劉學景。

The financial statements were approved and issued by the Board of the Company on 30 March 2022.

本財務報表業經公司董事會於2022年3月30日批准報出。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### I. BASIC INFORMATION OF THE COMPANY (Continued)

#### (II) Scope of the consolidated financial statement

For relevant details of the Company's subsidiaries, please refer to the Note "VII. Equity in other entities".

For details of the change in the scope of consolidation during the reporting period, please refer to the Note "VI. Change in the scope of consolidation".

### II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

#### (I) Basis of preparation

The financial statements are prepared in accordance with the Accounting Standard for Business Enterprises — Basic Standard issued by the Ministry of Finance and respective specific accounting standards, application guidelines for accounting standards for business enterprises, interpretation for accounting standards for business enterprises, and other relevant regulations (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"). In addition, the financial statements also comply with the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

#### (II) Going concern

The Company is affected by the debt disputes of its controlling shareholder, GMK Holdings and its subsidiaries, and there is a risk that such borrowings would be called for early repayment by the borrowers due to a decline in guarantee capacity. As at 31 December 2021, the Group's unrestricted monetary funds was RMB1,374,795,900, of which the funds deposited with GMK Finance Co., Ltd. (新鳳祥財務有限公司) ("GMK Finance"), which is also controlled by GMK Holdings, was RMB1,041,438,100. As at the date of this report, the deposits with GMK Finance decreased to RMB884,942,400.

As a result of the overdue debts of the controlling shareholder and its subsidiaries, there is a risk that the bank borrowings of RMB1,078,000,000 guaranteed by them will be called for early repayment by the borrowers in advance and the Group is not able to estimate the recoverability of the funds placed with GMK Finance yet. These circumstances indicate the existence of material uncertainties that may give rise to significant doubts about the Company's ability to continue as a going concern.

#### 一、公司基本情況(續)

##### (二) 合併財務報表範圍

本公司子公司的相關信息詳見本附註「七、在其他主體中的權益」。

本報告期合併範圍變化情況詳見本附註「六、合併範圍的變更」。

#### 二、財務報表的編製基礎

##### (一) 編製基礎

本財務報表按照財政部頒佈的《企業會計準則 — 基本準則》和各項具體會計準則、企業會計準則應用指南、企業會計準則解釋及其他相關規定(以下合稱「企業會計準則」)，此外，本財務報表還符合《香港聯合交易所有限公司發佈的證券上市規則》的披露條文，亦符合香港法例第622章《公司條例》的適用披露規定。

##### (二) 持續經營

本公司受控股股東新鳳祥控股及其附屬公司債務糾紛影響，存在因擔保能力下降導致公司貸款被借款人提前收回的風險。截至2021年12月31日，本集團未受限貨幣資金共計137,479.59萬元，其中，存放在與其同受新鳳祥控股控制的新鳳祥財務有限公司(以下簡稱「新鳳祥財務公司」)的資金為104,143.81萬元，截至本報告日，存放於新鳳祥財務公司的存款降為人民幣88,494.24萬元。

由於控股股東及其附屬公司債務逾期，其提供擔保的銀行借款107,800.00萬元存在被借款人提前收回的風險，且本集團尚無法估計存放於新鳳祥財務公司資金的可收回性。這些情況表明存在可能導致對公司持續經營能力產生重大疑慮的重大不確定性。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Continued)

### 二、財務報表的編製基礎(續)

#### (II) Going concern (Continued)

#### (二) 持續經營(續)

The Company's management intends to take relevant measures to improve its liquidity and expects to be able to obtain sufficient funds to support the Company's operating needs for the foreseeable next 12 months.

公司管理層擬採取相關措施改善流動性，預計能夠獲取足夠的資金以支持本公司可見未來十二個月的經營需要。

The Company intends to take the following measures to improve the Company's ability to continue as a going concern:

本公司擬採取以下措施以改善公司的持續經營能力：

- (1) although the relevant lenders have not requested the Group to repay the loan immediately, The Company has been actively communicating with the relevant lenders in relation to the status of the Group's business, operations, financial position and cash position which remain normal and stable, and that the Group has sufficient financial resources to support the repayment of the loan in accordance with the original repayment schedule. The Directors are confident that the relevant lenders will not exercise the rights to require the Company to repay the loan immediately before the original contractual repayment date.
- (2) the Group has been actively negotiating with certain financial institutions to obtain new loans at a reasonable cost. The financial institutions have indicated intentions to grant new loans to the Company's and secure Company's loan renewals. Given the Company's good credit history over the past years and its ability to provide sufficient collateral with other assets, the Directors are confident new loans can be obtained at a reasonable cost.
- (3) the Company will continue to focus on its main businesses, fully release production capacity to achieve business growth, increase sales revenue, speed up inventory turnover and accelerate the recovery of trade receivable, while continuing to adopt cost reduction and efficiency enhancement measures to increase operating cash flows.
- (4) the Company will further improve its capability to cope with financial risks, optimise its debt structure, reduce short-term liabilities and increase long-term liabilities to minimise the pressure of short-term debt repayment.

- (1) 雖然相關貸款人並未要求本集團立即償還貸款，本公司一直積極與相關貸款人溝通解釋本公司的業務、經營、財務狀況及現金狀況均保持正常和穩定，並且本公司有足夠的財務資源來支持按照原定還款時間表償還貸款，董事有信心說服有關貸款人不要行使有關權利以要求本公司於原定合同還款日期之前立即償還貸款。
- (2) 本公司正積極與若干金融機構磋商，按合理成本獲得新貸款，若干金融機構已表示其有意向本公司授出新貸款，目前公司續貸正常。鑒於本公司過往良好信貸歷史及提供足夠其他資產抵押的能力，董事有信心，能夠按合理成本獲得新貸款。
- (3) 本公司將繼續聚焦主業，充分釋放產能擴張帶來業務增長，增加銷售收入，加快庫存週轉，加快應收賬款的回收，同時持續採用降本增效措施，增加經營性現金流。
- (4) 本公司進一步提高財務風險應對能力，優化債務結構，減少短期負債，增加長期負債，減輕短期償債壓力。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### II. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (Continued)

#### (II) Going concern (Continued)

- (5) support the controlling shareholders in actively attracting strategic investors and strive to properly address the current debt risks as soon as possible.

The Directors of the Company have reviewed the cash flow projections prepared by the management covering a period of not less than 12 months from the date of filing of these financial statements by the Group. The management of the Company is of the opinion that the Group will be able to obtain sufficient working capital to ensure that the Group will be able to continue as a going concern for a period of 12 months after 31 December 2021 through the above measures. Accordingly, the Company considers it appropriate to adopt the going concern basis in preparing the financial statements of the Company.

Notwithstanding the above, there are still significant uncertainties as to whether the management of the Group will be able to implement the above plans and measures. The Group's ability to continue as a going concern will depend on:

- (1) successfully maintaining ongoing and normal business relationships with the Group's existing lenders so that the relevant lenders will not take action to exercise their contractual rights to demand immediate repayment of such borrowings;
- (2) successful acquisition of new sources of financing when required;
- (3) the sustainable and stable development of the Group's business;
- (4) controlling shareholder to mitigate the phased debt risk as soon as possible

If the Group does not achieve the expected results of these plans and measures, it may not be able to continue as a going concern, and adjustments will have to be made to reduce the carrying value of the Group's assets to their recoverable amounts, to accrue for any further liabilities that may arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in the consolidated financial statements.

### 二、財務報表的編製基礎(續)

#### (二) 持續經營(續)

- (5) 支持控股股東積極引進戰略投資者，力爭儘快妥善化解階段性債務風險。

本公司董事已審閱管理層編製的本集團現金流量預測，其涵蓋期間自本集團在本財務報表報出日起不少於12個月的期間。本公司管理層認為本集團將能夠通過上述措施，獲得足夠的營運資金以確保本集團於2021年12月31日後12個月內能夠持續經營。因此，本公司認為採用持續經營基礎編製本公司財務報表是恰當的。

儘管如此，本集團管理層能否落實上述計劃及措施仍存在重大不確定因素。本集團能否持續經營將取決於：

- (1) 成功與本集團現有貸款人維持持續及正常業務關係，使相關貸款人不會採取行動行使其合約權利要求立即償還有關借款；
- (2) 在需要時成功獲取新的融資來源；
- (3) 本集團業務的持續穩定發展；
- (4) 控股股東儘快化解階段性債務風險。

如果本集團未能達到上述計劃及措施所產生的預期效果，則可能無法作為持續經營，並須作出調整，將本集團資產的賬面價值減至可收回金額，計提可能產生的任何進一步負債，並將非流動資產和非流動負債重新分類為流動資產和流動負債。這些調整的影響並未反映在綜合財務報表中。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

### 三、重要會計政策及會計估計

#### (I) Declaration on compliance with the Accounting Standards for Business Enterprises

The financial statements comply with the requirements of the Accounting Standards for Business Enterprises issued by the Ministry of Finance, and truthfully and completely reflect the consolidated and the Company's financial position as at 31 December 2021 and the consolidated and the Company's results of operations and cashflows for the year ended 31 December 2021.

#### (一) 遵循企業會計準則的聲明

本財務報表符合財政部頒佈的企業會計準則的要求，真實、完整地反映了本公司2021年12月31日的合併及母公司財務狀況以及2021年度的合併及母公司經營成果和現金流量。

#### (II) Accounting period

The accounting year is from 1 January to 31 December of the calendar year.

#### (二) 會計期間

自公曆1月1日起至12月31日止為一個會計年度。

#### (III) Business cycle

The Company's business cycle is 12 months.

#### (三) 營業周期

本公司營業周期為12個月。

#### (IV) Functional currency

The Company adopts RMB as its functional currency.

#### (四) 記帳本位幣

本公司採用人民幣為記帳本位幣。

#### (V) Accounting treatment of business combinations under common control and not under common control

Business combinations under common control: The assets and liabilities acquired by acquirer through business combination shall be measured at the carrying value of the assets, liabilities (including goodwill arising from the acquisition of the acquiree by controlling party) of the acquiree in the consolidated financial statements of the ultimate controlling party at the date of combination. The difference between the carrying amount of the net assets obtained and the carrying amount of the consideration paid for the combination (or total nominal value of the issued shares) is adjusted to capital premium in capital reserve. If the capital reserve is not sufficient to absorb the difference, any excess shall be adjusted against retained earnings.

#### (五) 同一控制下和非同一控制下企業合併的會計處理方法

同一控制下企業合併：合併方在企業合併中取得的資產和負債(包括最終控制方收購被合併方而形成的商譽)，按照合併日被合併方資產、負債在最終控制方合併財務報表中的賬面價值為基礎計量。在合併中取得的淨資產賬面價值與支付的合併對價賬面價值(或發行股份面值總額)的差額，調整資本公積中的股本溢價，資本公積中的股本溢價不足沖減的，調整留存收益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (V) Accounting treatment of business combinations under common control and not under common control (Continued)

#### (五) 同一控制下和非同一控制下企業合併的會計處理方法(續)

Business combinations not under common control: The cost of combination is the assets paid, the liabilities incurred or committed and fair value of the equity securities issued by the acquirer for acquisition of control over the acquiree on the date of acquisition. Where the cost of combination is higher than the fair value of the identifiable net assets acquired from the acquirer in business combination, such difference shall be recognised as goodwill; where the cost of combination is less than the fair value of the identifiable net assets acquired from the acquiree in business combination, such difference shall be charged to current profit or loss. Each of the identifiable assets, liabilities and contingent liabilities of the acquiree, which are acquired in the combination and meet the criteria for recognition, shall be measured at fair value on the date of acquisition.

非同一控制下企業合併：合併成本為購買方在購買日為取得被購買方的控制權而付出的資產、發生或承擔的負債以及發行的權益性證券的公允價值。合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額，確認為商譽；合併成本小於合併中取得的被購買方可辨認淨資產公允價值份額的差額，計入當期損益。在合併中取得的被購買方符合確認條件的各項可辨認資產、負債及或有負債在購買日按公允價值計量。

The direct relevant expenses incurred for the business combinations are recognised as the profit or loss in the period when the costs are incurred; the transaction costs for the equity securities or debt securities issued for business combination shall be recognised as the initial recognition amount of equity securities or debt securities.

為企業合併發生的直接相關費用於發生時計入當期損益；為企業合併而發行權益性證券或債務性證券的交易費用，計入權益性證券或債務性證券的初始確認金額。

#### (VI) Preparation method of consolidated financial statements

#### (六) 合併財務報表的編製方法

##### 1. Scope of consolidation

##### 1、合併範圍

The scope of consolidation of the consolidated financial statements is determined on the basis of control, and the scope of consolidation comprises the Company and all of its subsidiaries. Control refers to the power of a company over the investee, the rights to enjoy variable returns from its involvement in relevant activities of the investee, and the ability to use its power over the investee to affect the amount of its returns.

合併財務報表的合併範圍以控制為基礎確定，合併範圍包括本公司及全部子公司。控制，是指公司擁有對被投資方的權力，通過參與被投資方的相關活動而享有可變回報，並且有能力運用對被投資方的權力影響其回報金額。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (VI) Preparation method of consolidated financial statements (Continued)

#### (六) 合併財務報表的編製方法(續)

##### 2. Consolidation procedures

##### 2. 合併程序

When preparing the consolidated financial statements, the Company considers the entire enterprise group as a single accounting entity and presents the overall financial position, operating results and cash flows of the enterprise group based on the consistent accounting policies. The impact of internal transactions between the Company and its subsidiaries, and among its subsidiaries, shall be offset. If internal transactions indicate impairment losses on relevant assets, such losses shall be recognised in full. Any inconsistent accounting policies and accounting period adopted by a subsidiary will be subject to necessary adjustments to align with those of the Company when preparing the consolidated financial statements.

本公司將整個企業集團視為一個會計主體，按照統一的會計政策編製合併財務報表，反映本企業集團整體財務狀況、經營成果和現金流量。本公司與子公司、子公司相互之間發生的內部交易的影響予以抵銷。內部交易表明相關資產發生減值損失的，全額確認該部分損失。如子公司採用的會計政策、會計期間與本公司不一致的，在編製合併財務報表時，按本公司的會計政策、會計期間進行必要的調整。

Owners' equity, net profit or loss of the current period and comprehensive income attributable to minority shareholders of the current period of subsidiaries are stated separately under owners' equity in the consolidated balance sheet, net profit in the consolidated income statement and total comprehensive income respectively. Loss of the current period assumed by minority shareholders of a subsidiary in excess of minority shareholders' share of owners' equity in that subsidiary at the beginning of the period is offset against minority interests.

子公司所有者權益、當期淨損益和當期綜合收益中屬於少數股東的份額分別在合併資產負債表中所有者權益項目下、合併利潤表中淨利潤項目下和綜合收益總額項目下單獨列示。子公司少數股東分擔的當期虧損超過了少數股東在該子公司期初所有者權益中所享有份額而形成的餘額，沖減少數股東權益。

##### (1) Addition of subsidiary or business

##### (1) 增加子公司或業務

During the reporting period, if there is an addition of subsidiary or business due to business combination under common control, the operating results and cash flow of the subsidiary or business combination from the beginning of the period to the end of the reporting period will be included in the consolidated financial statements, and the amounts at the beginning of the period in the consolidated financial statements and relevant items in the comparative statements will also be adjusted as if the reporting entity after combination had been existing since the control of the ultimate controlling party started.

在報告期內，因同一控制下企業合併增加子公司或業務的，將子公司或業務合併當期期初至報告期末的經營成果和現金流量納入合併財務報表，同時對合併財務報表的期初數和比較報表的相關項目進行調整，視同合併後的報告主體自最終控制方開始控制時點起一直存在。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (VI) Preparation method of consolidated financial statements (Continued)

#### (六) 合併財務報表的編製方法(續)

##### 2. Consolidation procedures (Continued)

##### 2、合併程序(續)

###### (1) Addition of subsidiary or business (Continued)

###### (1) 增加子公司或業務(續)

Where control over the investee under common control is obtained due to reasons such as increase in investments, for equity investment held before the control over the acquiree is obtained, profit or loss, other comprehensive income and other changes in net assets recognised from the later of the acquisition of the original equity interest and the date when the acquirer and the acquiree are placed under common control until the date of combination are offset against retained profit at the beginning of the period of the comparative financial statements or profit or loss of the period respectively.

因追加投資等原因能夠對同一控制下的被投資方實施控制的，在取得被合併方控制權之前持有的股權投資，在取得原股權之日與合併方和被合併方同處於同一控制之日孰晚日起至合併日之間已確認有關損益、其他綜合收益以及其他淨資產變動，分別沖減比較報表期間的期初留存收益或當期損益。

During the reporting period, if there is an addition of subsidiary or business due to business combination not under common control, it shall be included, from the date of purchase, in the consolidated financial statements based on the fair value of each of the identifiable assets, liabilities or contingent liabilities determined on the date of purchase.

在報告期內，因非同一控制下企業合併增加子公司或業務的，以購買日確定的各項可辨認資產、負債及或有負債的公允價值為基礎自購買日起納入合併財務報表。

Where control over the investee not under common control is obtained due to reasons such as increase in investments, for the equity interest of the acquiree held before the date of purchase, the Company remeasures the equity interest at its fair value as at the date of purchase, and any difference between the fair value and its book value will be accounted for as investment gains of the period. Other comprehensive income that will be reclassified into losses and profits and other changes in owners' equity under equity accounting with respect to the equity interest in the acquiree held before the date of purchase are transferred to investment gains of the period to which the date of purchase belongs.

因追加投資等原因能夠對非同一控制下的被投資方實施控制的，對於購買日之前持有的被購買方的股權，按照該股權在購買日的公允價值進行重新計量，公允價值與其賬面價值的差額計入當期投資收益。購買日之前持有的被購買方的股權涉及的以後可重分類進損益的其他綜合收益、權益法核算下的其他所有者權益變動轉為購買日所屬當期投資收益。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(VI) Preparation method of consolidated financial statements (Continued)**

**(六) 合併財務報表的編製方法(續)**

**2. Consolidation procedures (Continued)**

**2、合併程序(續)**

*(2) Disposal of subsidiary*

*(2) 處置子公司*

① General treatment for disposal

① 一般處理方法

When control over the investee is lost due to the disposal of part of the equity investment or other reasons, the Company re-measures the remaining equity investment after the disposal at fair value as at the date on which control is lost. The difference between the sum of the consideration received from equity disposal and the fair value of the remaining equity interest and the sum of the net assets of the subsidiary proportionate to the original shareholding accumulated from the date of purchase or combination and goodwill is included in investment gains of the period during which the control is lost. Other comprehensive income that will be reclassified into losses and profits and other changes in owners' equity under equity accounting with respect to the equity investment in the original subsidiary are transferred to investment gains of the period during which the control is lost.

因處置部分股權投資或其他原因喪失了對被投資方控制權時，對於處置後的剩餘股權投資，按照其在喪失控制權日的公允價值進行重新計量。處置股權取得的對價與剩餘股權公允價值之和，減去按原持股比例計算應享有原有子公司自購買日或合併日開始持續計算的淨資產的份額與商譽之和的差額，計入喪失控制權當期的投資收益。與原有子公司股權投資相關的以後可重分類進損益的其他綜合收益、權益法核算下的其他所有者權益變動，在喪失控制權時轉為當期投資收益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (VI) Preparation method of consolidated financial statements (Continued)

#### (六) 合併財務報表的編製方法(續)

##### 2. Consolidation procedures (Continued)

##### 2、合併程序(續)

##### (2) Disposal of subsidiary (Continued)

##### (2) 處置子公司(續)

##### ② Stepwise disposal of subsidiary

##### ② 分步處置子公司

In respect of stepwise disposal of equity investment in a subsidiary through multiple transactions until control is lost, if the terms, conditions and economic effects of the transactions of equity investment in the subsidiary satisfy one or more of the following conditions, the transactions are normally accounted for as a package of transactions:

通過多次交易分步處置對子公司股權投資直至喪失控制權的，處置對子公司股權投資的各項交易的條款、條件以及經濟影響符合以下一種或多種情況，通常表明該多次交易事項為一攬子交易：

- i. these transactions are entered into simultaneously or after considering the effects of each other;
- ii. these transactions constitute a complete commercial result as a whole;
- iii. one transaction is conditional upon at least one of the other transaction;
- iv. one transaction is not economical on its own but is economical when considering together with other transactions.

- i. 這些交易是同時或者在考慮了彼此影響的情況下訂立的；
- ii. 這些交易整體才能達成一項完整的商業結果；
- iii. 一項交易的發生取決於其他至少一項交易的發生；
- iv. 一項交易單獨看是不經濟的，但是和其他交易一併考慮時是經濟的。

Where the transactions constitute a package of transactions, the Company accounts for the transactions as a transaction of disposal of a subsidiary resulting in the loss of control; the difference between the amount received each time for disposal before control is lost and the net assets of such subsidiary corresponding to the disposal of investment is recognised as other comprehensive income in the consolidated financial statements, and upon loss of control, is transferred to profit or loss of the period during which control is lost.

各項交易屬於一攬子交易的，將各項交易作為一項處置子公司並喪失控制權的交易進行會計處理；在喪失控制權之前每一次處置價款與處置投資對應的享有該子公司淨資產份額的差額，在合併財務報表中確認為其他綜合收益，在喪失控制權時一併轉入喪失控制權當期的損益。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(VI) Preparation method of consolidated financial statements (Continued)**

**(六) 合併財務報表的編製方法(續)**

**2. Consolidation procedures (Continued)**

**2· 合併程序(續)**

**(2) Disposal of subsidiary (Continued)**

**(2) 處置子公司(續)**

**② Stepwise disposal of subsidiary (Continued)**

**② 分步處置子公司(續)**

Where the transactions do not constitute a package of transactions, before the loss of control, the transactions are accounted for based on partial disposal of equity investment in a subsidiary that does not involve loss of control; when control is lost, they are accounted for using the general method for disposal of subsidiaries.

各項交易不屬於一攬子交易的，在喪失控制權之前，按不喪失控制權的情況下部分處置對子公司的股權投資進行會計處理；在喪失控制權時，按處置子公司一般處理方法進行會計處理。

**(3) Purchase of minority interests in subsidiary**

**(3) 購買子公司少數股權**

For the difference between the long-term equity investment newly acquired due to the purchase of minority interests and the share of net assets of the subsidiary that the Company is entitled to calculated according to the new shareholding accumulated from the date of purchase or date of combination, share premium of the capital reserve in the consolidated balance sheet will be adjusted; where share premium of the capital reserve is insufficient for the write-down, retained profit will be adjusted.

因購買少數股權新取得的長期股權投資與按照新增持股比例計算應享有子公司自購買日或合併日開始持續計算的淨資產份額之間的差額，調整合併資產負債表中的資本公積中的股本溢價，資本公積中的股本溢價不足沖減的，調整留存收益。

**(4) Partial disposal of equity investment in subsidiary without loss of control**

**(4) 不喪失控制權的情況下部分處置對子公司的股權投資**

For the difference between the consideration received from disposal and the net assets of the subsidiary that the Company is entitled to corresponding to the long-term equity investment disposed accumulated from the date of purchase or date of combination, share premium of the capital reserve in the consolidated balance sheet will be adjusted; where share premium of the capital reserve is insufficient for the write-down, retained profit will be adjusted.

處置價款與處置長期股權投資相對應享有子公司自購買日或合併日開始持續計算的淨資產份額之間的差額，調整合併資產負債表中的資本公積中的股本溢價，資本公積中的股本溢價不足沖減的，調整留存收益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (VII) Classification of joint arrangements and accounting treatment for joint operations

#### (七) 合營安排分類及共同經營會計處理方法

Joint arrangements can be classified into joint operations and joint ventures.

合營安排分為共同經營和合營企業。

Joint operations represent the joint arrangement that a party to a joint arrangement has rights to the assets, and obligations for the liabilities, relating to such arrangement.

共同經營，是指合營方享有該安排相關資產且承擔該安排相關負債的合營安排。

The Company recognises the following items in relation to its share of benefits in joint operations:

本公司確認與共同經營中利益份額相關的下列項目：

- (1) the assets held solely by the Company and those jointly held on a prorata basis;
- (2) the liabilities assumed solely by the Company and those jointly assumed on a pro-rata basis;
- (3) the income generated from the sale of the products of the joint operation attributable to the Company;
- (4) the income generated by the joint operation from the sale of products on a pro-rata basis;
- (5) the expenses incurred solely by the Company and those incurred by the joint operation on a pro-rata basis.

- (1) 確認本公司單獨所持有的資產，以及按本公司份額確認共同持有的資產；
- (2) 確認本公司單獨所承擔的負債，以及按本公司份額確認共同承擔的負債；
- (3) 確認出售本公司享有的共同經營產出份額所產生的收入；
- (4) 按本公司份額確認共同經營因出售產出所產生的收入；
- (5) 確認單獨所發生的費用，以及按本公司份額確認共同經營發生的費用。

The Company's investments in joint ventures are accounted for using the equity method. Please refer to the Note "III. (XIII) Long-term Equity Investment" for details.

本公司對合營企業的投資採用權益法核算，詳見本附註「三、(十三)長期股權投資」。

#### (VIII) Recognition standard for cash and cash equivalents

#### (八) 現金及現金等價物的確定標準

Cash represents the Company's cash on hand and deposits that can be used readily for payments. Cash equivalents represent investments that satisfy four conditions, namely short-term, highly liquid, readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value.

現金，是指本公司的庫存現金以及可以隨時用於支付的存款。現金等價物，是指本公司持有的期限短、流動性強、易於轉換為已知金額的現金、價值變動風險很小的投資。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (IX) Foreign currency transactions and translation of financial statements denominated in foreign currency

#### (九) 外幣業務和外幣報表折算

##### 1. Foreign currency transactions

##### 1. 外幣業務

Foreign currency transactions shall be translated into RMB at the spot Exchange rate on the day when the transactions occurred.

外幣業務採用交易發生日的即期匯率作為折算匯率將外幣金額折合成人民幣記帳。

Balance sheet date foreign currency monetary items shall be translated using the spot exchange rate at the balance sheet date. The resulting Exchange difference are recognised in profit or loss for the current period, except for those differences related to a specific-purpose borrowing denominated in foreign currency for acquisitions and construction of the qualified assets, which should be capitalised as cost of the borrowings.

資產負債表日外幣貨幣性項目餘額按資產負債表日即期匯率折算，由此產生的匯兌差額，除屬於與購建符合資本化條件的資產相關的外幣專門借款產生的匯兌差額按照借款費用資本化的原則處理外，均計入當期損益。

##### 2. Translation of financial statements denominated in foreign Currency

##### 2. 外幣財務報表的折算

For the translation of financial statements of foreign operation denominated in foreign currency, the assets and liabilities in the balance sheets are translated at the spot exchange rates on the balance Sheet date; except for "retained earnings" items, all items under owner's equity are translated at the spot exchange rates when incurred. The income and expense items in the income statement are translated at the approximate spot exchange rates on the transaction dates.

資產負債表中的資產和負債項目，採用資產負債表日的即期匯率折算；所有者權益項目除「未分配利潤」項目外，其他項目採用發生時的即期匯率折算。利潤表中的收入和費用項目，採用交易發生日的即期近似匯率折算。

On disposal of foreign operations, exchange differences in financial statements denominated in foreign currencies related to the foreign operation shall be transferred from owner's equity items to profit or loss to profit or loss from disposal for the current period.

處置境外經營時，將與該境外經營相關的外幣財務報表折算差額，自所有者權益項目轉入處置當期損益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments

#### (十) 金融工具

One of the financial asset, financial liabilities or equity instrument is recognised when the Company becomes a party to the contract of the financial instruments.

本公司在成為金融工具合同的一方時，確認一項金融資產、金融負債或權益工具。

#### 1. Classification of financial instruments

#### 1. 金融工具的分類

According to the business model of the Company for management of financial assets and the contractual cash flow characteristics of financial assets, financial assets are classified at the initial recognition as financial assets measured at amortised cost, or financial assets measured at fair value through other comprehensive income, or other financial assets that are measured at fair value through current profit or loss.

根據本公司管理金融資產的業務模式和金融資產的合同現金流量特徵，金融資產於初始確認時分類為：以攤餘成本計量的金融資產、以公允價值計量且其變動計入其他綜合收益的金融資產和以公允價值計量且其變動計入當期損益的金融資產。

The Company shall classify financial assets that meet the following conditions and are not designated as financial assets at fair value through current profit or loss as financial assets measured at amortised cost:

本公司將同時符合下列條件且未被指定為以公允價值計量且其變動計入當期損益的金融資產，分類為以攤餘成本計量的金融資產：

- The objective of the business model is to collect contractual cash flows;
- The contractual cash flows are solely payment of the principal and the interest based on the outstanding principal amount.

- 業務模式是以收取合同現金流量為目標；
- 合同現金流量僅為對本金和以未償付本金金額為基礎的利息的支付。

The Company shall classify financial assets that meet the following conditions and are not designated as financial assets at fair value through current profit or loss as financial assets (debt instruments) measured at fair value through other comprehensive income:

本公司將同時符合下列條件且未被指定為以公允價值計量且其變動計入當期損益的金融資產，分類為以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)：

- The objective of the business model for managing such financial assets is both to collect contractual cash flows and to dispose of the financial assets;
- The contractual cash flows are solely payment of the principal and the interest based on the outstanding principal amount.

- 業務模式既以收取合同現金流量又以出售該金融資產為目標；
- 合同現金流量僅為對本金和以未償付本金金額為基礎的利息的支付。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(X) Financial Instruments (Continued)**

**(十) 金融工具(續)**

**1. Classification of financial instruments (Continued)**

**1、金融工具的分類(續)**

For an investment in equity instruments not held for trading purposes, the Company may irrevocably designate it as financial assets (debt Instruments) measured at fair value through other comprehensive Income at the initial recognition. This designation is made on an investment-by-investment basis and the relevant investment meets the definition of equity instrument from the perspective of the issuer.

對於非交易性權益工具投資，本公司可以在初始確認時將其不可撤銷地指定為以公允價值計量且其變動計入其他綜合收益的金融資產(權益工具)。該指定在單項投資的基礎上作出，且相關投資從發行者的角度符合權益工具的定義。

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through current profit or loss.

除上述以攤餘成本計量和以公允價值計量且其變動計入其他綜合收益的金融資產外，本公司將其餘所有的金融資產分類為以公允價值計量且其變動計入當期損益的金融資產。

On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through current profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

在初始確認時，如果能夠消除或顯著減少會計錯配，本公司可以將本應分類為攤餘成本計量或以公允價值計量且其變動計入其他綜合收益的金融資產不可撤銷地指定為以公允價值計量且其變動計入當期損益的金融資產。

Financial liabilities, at initial recognition, are classified into financial liabilities at fair value through current profit or loss and financial liabilities measured at amortised cost.

金融負債於初始確認時分類為：以公允價值計量且其變動計入當期損益的金融負債和以攤餘成本計量的金融負債。

When meeting any of the following criteria, the Company may, at initial recognition, designate a financial liability as measured at fair value through current profit or loss:

符合以下條件之一的金融負債可在初始計量時指定為以公允價值計量且其變動計入當期損益的金融負債：

- 1) Such designation would eliminate or significantly reduce a measurement or recognition inconsistency.

- 1) 該項指定能夠消除或顯著減少會計錯配。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

##### 1. Classification of financial instruments (Continued)

##### 1、金融工具的分類(續)

- 2) A group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the entity's key management personnel.
- 3) The financial liabilities include embedded derivatives which can be split separately.

- 2) 根據正式書面文件載明的企業風險管理或投資策略，以公允價值為基礎對金融負債組合或金融資產和金融負債組合進行管理和業績評價，並在企業內部以此為基礎向關鍵管理人員報告。
- 3) 該金融負債包含需單獨分拆的嵌入衍生工具。

##### 2. Recognition basis and measurement method of financial instruments

##### 2、金融工具的確認依據和計量方法

###### (1) Financial assets measured at amortised cost

###### (1) 以攤餘成本計量的金融資產

Financial assets measured at amortised cost, including bills receivable and trade receivable, other receivable, long-term receivable, and debt investment, are initially measured at fair value plus relevant transaction costs. Trade receivables that do not contain significant financing components and trade receivable that the Company has decided not to consider for a financing component of no more than one year are initially measured at the contractual transaction price.

以攤餘成本計量的金融資產包括應收票據、應收賬款、其他應收款、長期應收款、債權投資等，按公允價值進行初始計量，相關交易費用計入初始確認金額；不包含重大融資成分的應收賬款以及本公司決定不考慮不超過一年的融資成分的應收賬款，以合同交易價格進行初始計量。

Interest calculated under the effective interest method during the period of holding is included in current profit or loss.

持有期間採用實際利率法計算的利息計入當期損益。

When recovering or disposing, the difference between the price obtained and the book value of the financial asset is included in current profit or loss.

收回或處置時，將取得的價款與該金融資產賬面價值之間的差額計入當期損益。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(X) Financial Instruments (Continued)**

**(十) 金融工具(續)**

**2. Recognition basis and measurement method of financial instruments (Continued)**

**2、金融工具的確認依據和計量方法(續)**

*(2) Financial assets (debt instruments) measured at fair value through other comprehensive income*

*(2) 以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)*

Financial assets (debt instruments) measured at fair value through other comprehensive income, including financing receivables and other debt investments, are initially measured at fair value plus relevant transaction costs. These financial assets are subsequently measured at fair value, with changes in fair value are included in other comprehensive income except for interest, impairment losses or gains and exchange gains or losses calculated using the effective interest method.

以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)包括應收款項融資、其他債權投資等，按公允價值進行初始計量，相關交易費用計入初始確認金額。該金融資產按公允價值進行後續計量，公允價值變動除採用實際利率法計算的利息、減值損失或利得和匯兌損益之外，均計入其他綜合收益。

On derecognition, the accumulated gain or loss previously recognised in other comprehensive income is transferred out from other comprehensive income and recognised in current profit or loss.

終止確認時，之前計入其他綜合收益的累計利得或損失從其他綜合收益中轉出，計入當期損益。

*(3) Financial assets (equity instruments) measured at fair value through other comprehensive income*

*(3) 以公允價值計量且其變動計入其他綜合收益的金融資產(權益工具)*

Financial assets (equity instruments) measured by fair value through other comprehensive income, including other equity instruments, are initially measured at fair value plus relevant transaction costs, and subsequently measured at fair value through other comprehensive income. The dividends received are included in current profit or loss.

以公允價值計量且其變動計入其他綜合收益的金融資產(權益工具)包括其他權益工具投資等，按公允價值進行初始計量，相關交易費用計入初始確認金額。該金融資產按公允價值進行後續計量，公允價值變動計入其他綜合收益。取得的股利計入當期損益。

When derecognised, the accumulated gain or loss previously recognised in other comprehensive income is transferred from other comprehensive income to retained earnings.

終止確認時，之前計入其他綜合收益的累計利得或損失從其他綜合收益中轉出，計入留存收益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

#### 2. Recognition basis and measurement method of financial instruments (Continued)

#### 2、金融工具的確認依據和計量方法(續)

##### (4) Financial assets at fair value through current profit or loss

##### (4) 以公允價值計量且其變動計入當期損益的金融資產

Financial assets measured at fair value through current profit or loss, including held-for-trading financial assets, derivative financial assets and other non-current financial assets, are initially measured at fair value with relevant transaction costs included in current profit or loss. Such financial assets are subsequently measured at fair value and subsequently measured at fair value through current profit or loss.

以公允價值計量且其變動計入當期損益的金融資產包括交易性金融資產、衍生金融資產、其他非流動金融資產等，按公允價值進行初始計量，相關交易費用計入當期損益。該金融資產按公允價值進行後續計量，公允價值變動計入當期損益。

##### (5) Financial liabilities measured at fair value through current profit or loss

##### (5) 以公允價值計量且其變動計入當期損益的金融負債

Financial liabilities measured at fair value through current profit or loss, including held-for-trading financial liabilities, derivative financial liabilities, etc., are initially measured at fair value with relevant transaction costs recognised in current profit or loss. Such financial liabilities are subsequently measured at fair value. Changes in fair value are recognised in current profit or loss.

以公允價值計量且其變動計入當期損益的金融負債包括交易性金融負債、衍生金融負債等，按公允價值進行初始計量，相關交易費用計入當期損益。該金融負債按公允價值進行後續計量，公允價值變動計入當期損益。

On derecognition, the difference between the carrying amount and the consideration paid is recognised in current profit or loss.

終止確認時，其賬面價值與支付的對價之間的差額計入當期損益。

##### (6) Financial liabilities measured at amortised cost

##### (6) 以攤餘成本計量的金融負債

Financial liabilities measured at amortised cost, including short-term loans, bills payable, trade payable, other payable, long-term borrowings, lease liabilities and long-term payables, are initially measured at fair value plus relevant transaction costs.

以攤餘成本計量的金融負債包括短期借款、應付票據、應付賬款、其他應付款、長期借款、租賃負債、長期應付款，按公允價值進行初始計量，相關交易費用計入初始確認金額。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(X) Financial Instruments (Continued)**

**(十) 金融工具(續)**

**2. Recognition basis and measurement method of financial instruments (Continued)**

**2、金融工具的確認依據和計量方法(續)**

**(6) Financial liabilities measured at amortised cost (Continued)**

**(6) 以攤餘成本計量的金融負債(續)**

Interest calculated under the effective interest method during the period of holding is included in current profit or loss.

持有期間採用實際利率法計算的利息計入當期損益。

On derecognition, the difference between the consideration paid and the carrying amount of the financial liability is recognised in current profit or loss.

終止確認時，將支付的對價與該金融負債賬面價值之間的差額計入當期損益。

**3. Derecognition of financial asset and financial asset transfers**

**3、金融資產終止確認和金融資產轉移**

The Company derecognize a financial asset if it meets one of the following conditions:

滿足下列條件之一時，本公司終止確認金融資產：

- the contractual rights to receive the cash flows from the financial asset expire;
- the financial asset has been transferred, and substantially all the risks and rewards of ownership of the financial asset have been transferred to the transferee;
- the financial asset has been transferred, and the Company neither transferred nor retained substantially all rewards related to the ownership of the financial assets, but did not retain its control over the said financial assets.

- 收取金融資產現金流量的合同權利終止；
- 金融資產已轉移，且已將金融資產所有權上幾乎所有的風險和報酬轉移給轉入方；
- 金融資產已轉移，雖然本公司既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬，但是未保留對金融資產的控制。

When transferring a financial asset, if the Company retains substantially all risks and rewards of ownership of the financial asset, the Company shall continue to recognize such asset.

發生金融資產轉移時，如保留了金融資產所有權上幾乎所有的風險和報酬的，則不終止確認該金融資產。

When judging whether the transfer of a financial asset meets the above criteria for derecognition, the substance-over-form principle shall be applied.

在判斷金融資產轉移是否滿足上述金融資產終止確認條件時，採用實質重於形式的原則。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

#### 3. Derecognition of financial asset and financial asset transfers (Continued)

#### 3. 金融資產終止確認和金融資產轉移(續)

The Company differentiates the transfer of a financial asset as full transfer or partial transfer. If the full transfer of a financial asset meets the criteria for derecognition, then the difference between the following two included in current profit or loss:

公司將金融資產轉移區分為金融資產整體轉移和部分轉移。金融資產整體轉移滿足終止確認條件的，將下列兩項金額的差額計入當期損益：

- (1) the book value of the financial asset transferred;
- (2) the sum of the consideration received from the transfer and the total amount of the fair value changes that is directly charged or credited to owners' equity (if the asset transferred is a financial asset (debt instruments) at fair value through other comprehensive income).

- (1) 所轉移金融資產的賬面價值；

- (2) 因轉移而收到的對價，與原直接計入所有者權益的公允價值變動累計額(涉及轉移的金融資產為以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)的情形)之和。

When the partial transfer of a financial asset meets the criteria for derecognition, the entire book value of the financial asset transferred shall be allocated between the part derecognised and the part to be recognised based on their respective fair value, with the difference between the following two included in current profit or loss:

金融資產部分轉移滿足終止確認條件的，將所轉移金融資產整體的賬面價值，在終止確認部分和未終止確認部分之間，按照各自的相對公允價值進行分攤，並將下列兩項金額的差額計入當期損益：

- (1) The book value of the part that is derecognised;
- (2) The sum of the consideration attributable to the part derecognised and the total amount of the fair value changes that is directly charged or credited to owners' equity and attributable to the part derecognised (if the asset transferred is a financial asset (debt instruments) at fair value through other comprehensive income).

- (1) 終止確認部分的賬面價值；

- (2) 終止確認部分的對價，與原直接計入所有者權益的公允價值變動累計額中對應終止確認部分的金額(涉及轉移的金融資產為以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)的情形)之和。

If the transfer of a financial asset does not meet the criteria for derecognition, the financial asset shall continue to be recognised and the consideration received is recognised as a financial liability.

金融資產轉移不滿足終止確認條件的，繼續確認該金融資產，所收到的對價確認為一項金融負債。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

#### 4. Derecognition of financial liabilities

#### 4、金融負債終止確認

If all or part of the current obligations of a financial liability have been discharged, the financial liability or part of it will be derecognised; if the Company signs an agreement with the creditor to replace the existing financial liability with new financial liability of substantially different contractual terms, the existing financial liability shall be derecognised while the new financial liability shall be recognised.

金融負債的現時義務全部或部分已經解除的，則終止確認該金融負債或其一部分；本公司若與債權人簽定協議，以承擔新金融負債方式替換現存金融負債，且新金融負債與現存金融負債的合同條款實質上不同的，則終止確認現存金融負債，並同時確認新金融負債。

If substantial changes are made to the contractual terms (in whole or in part) of the existing financial liability, the existing financial liability (or part of it) shall be derecognised, and the financial liability after the modification of terms shall be recognised as a new financial liability.

對現存金融負債全部或部分合同條款作出實質性修改的，則終止確認現存金融負債或其一部分，同時將修改條款後的金融負債確認為一項新金融負債。

When a financial liability is derecognised in whole or in part, the difference between the book value of the financial liability derecognised and the consideration paid (including the non-cash assets transferred out or the new financial liability assumed) shall be included in current profit or loss.

金融負債全部或部分終止確認時，終止確認的金融負債賬面價值與支付對價(包括轉出的非現金資產或承擔的新金融負債)之間的差額，計入當期損益。

If the Company repurchases part of a financial liability, the book value of the entire financial liability is allocated between the part that continues to be recognised and the part that is derecognised on the repurchase date based on their respective relative fair value. The difference between the book value assigned to the part derecognised and the consideration paid (including the non-cash assets transferred out or the new financial liability assumed) shall be included in current profit or loss.

本公司若回購部分金融負債的，在回購日按照繼續確認部分與終止確認部分的相對公允價值，將該金融負債整體的賬面價值進行分配。分配給終止確認部分的賬面價值與支付的對價(包括轉出的非現金資產或承擔的新金融負債)之間的差額，計入當期損益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

#### 5. Determination of fair value of financial assets and financial liabilities

#### 5. 金融資產和金融負債的公允價值的確定方法

As for financial instruments with an active market, their fair values are determined by quoted prices in the active market. As for financial instruments without an active market, their fair values are determined by using valuation techniques. At the time of valuation, the Company adopts valuation techniques that are applicable in the current circumstances and sufficiently supported by available data and other information, and selects inputs that are consistent with the characteristics of the assets or liabilities considered by the market participants in the transactions of the relevant assets or liabilities, and prioritizes the use of relevant observable inputs. Unobservable inputs are used only if the relevant observable inputs are unavailable or not reasonably available.

存在活躍市場的金融工具，以活躍市場中的報價確定其公允價值。不存在活躍市場的金融工具，採用估值技術確定其公允價值。在估值時，本公司採用在當前情況下適用並且有足夠可利用數據和其他信息支持的估值技術，選擇與市場參與者在相關資產或負債的交易中所考慮的資產或負債特徵相一致的輸入值，並優先使用相關可觀察輸入值。隻有在相關可觀察輸入值無法取得或取得不切實可行的情況下，才使用不可觀察輸入值。

#### 6. Test and accounting methods for impairment of financial assets

#### 6. 金融資產減值的測試方法及會計處理方法

The Company estimates financial assets measured at amortised cost by way of single or combination, or the expected credit losses of financial assets (debt instruments) measured at fair value through other comprehensive income and the financial guarantee contract, etc.

本公司以單項或組合的方式對以攤餘成本計量的金融資產、以公允價值計量且其變動計入其他綜合收益的金融資產(債務工具)和財務擔保合同等的預期信用損失進行估計。

The probability-weighted amount of the difference in present value between the contractual cash flow of receivable from contracts and the cash flow expected to be received, weighted with the risk of default, will be measured by taking into account of reasonable and valid information on, among other things, past events, current status and the forecast of future economic conditions to recognize the expected credit losses.

本公司考慮有關過去事項、當前狀況以及對未來經濟狀況的預測等合理且有依據的信息，以發生違約的風險為權重，計算合同應收的現金流量與預期能收到的現金流量之間差額的現值的概率加權金額，確認預期信用損失。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

#### 6. Test and accounting methods for impairment of financial assets (Continued)

#### 6、金融資產減值的測試方法及會計處理方法(續)

If the credit risk of a financial instrument has increased significantly since the initial recognition, the Company measures the loss provisions according to the lifetime expected credit loss of the financial instrument; if the credit risk on a financial instrument has not increased significantly since the initial recognition, the Company measures the loss provisions at an amount equal to 12-month expected credit losses of the financial instrument. The resulting increase in or reversal of loss provision shall be included in current profit or loss as impairment losses or gains.

如果該金融工具的信用風險自初始確認後已顯著增加，本公司按照相當於該金融工具整個存續期內預期信用損失的金額計量其損失準備；如果該金融工具的信用風險自初始確認後並未顯著增加，本公司按照相當於該金融工具未來12個月內預期信用損失的金額計量其損失準備。由此形成的損失準備的增加或轉回金額，作為減值損失或利得計入當期損益。

In determining changes in the risk of default during the expected lifetime of a financial instrument and assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Company compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition. Usually, if it is overdue for more than 30 days, the Company will consider that the credit risk of the financial instrument has increased significantly, unless there is conclusive evidence to prove that the credit risk on a financial instrument has not increased significantly since initial recognition.

本公司通過比較金融工具在資產負債表日發生違約的風險與在初始確認日發生違約的風險，以確定金融工具預計存續期內發生違約風險的相對變化，以評估金融工具的信用風險自初始確認後是否已顯著增加。通常逾期超過30日，本公司即認為該金融工具的信用風險已顯著增加，除非有確鑿證據證明該金融工具的信用風險自初始確認後並未顯著增加。

For a financial instrument with lower credit risk on the balance sheet date, the Company assumes that its credit risk on a financial instrument has not increased significantly since the initial recognition.

如果金融工具於資產負債表日的信用風險較低，本公司即認為該金融工具的信用風險自初始確認後並未顯著增加。

If there is objective evidence that a financial asset has been credit impaired, the Company shall make individual provision for the impairment of the financial asset.

如果有客觀證據表明某項金融資產已經發生信用減值，則本公司在單項基礎上對該金融資產計提減值準備。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (X) Financial Instruments (Continued)

#### (十) 金融工具(續)

##### 6. Test and accounting methods for impairment of financial assets (Continued)

##### 6、金融資產減值的測試方法及會計處理方法(續)

For trade receivables and contract asset formed by the transactions regulated in the Accounting Standards for Business Enterprises No.14-Revenue (2017) whether contain significant financing components or otherwise, the Company always measures the loss provision at the lifetime expected credit loss.

對於由《企業會計準則第14號—收入》(2017)規範的交易形成的應收款項和合同資產，無論是否包含重大融資成分，本公司始終按照相當於整個存續期內預期信用損失的金額計量其損失準備。

For lease receivables, the Company chooses to always measures the loss provisions at the lifetime expected credit loss.

對於租賃應收款，本公司選擇始終按照相當於整個存續期內預期信用損失的金額計量其損失準備。

Where the Company no longer reasonably expects contractual cash flows of a financial asset to be fully or partially recoverable, the book balance of the financial asset is directly written down.

本公司不再合理預期金融資產合同現金流量能夠全部或部分收回的，直接減記該金融資產的賬面餘額。

#### (XI) Inventories

#### (十一) 存貨

##### 1. Classification for inventories

##### 1、存貨的分類

Inventories are classified into: goods in transit, raw materials, turnover materials, goods in stock, work in process, finished goods, consumptive biological assets, etc.

存貨分類為：在途物資、原材料、週轉材料、庫存商品、在產品、發出商品、消耗性生物資產等。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XI) Inventories (Continued)**

**(十) 存貨(續)**

**2. Consumptive biological assets**

**2、消耗性生物資產**

The consumptive biological assets refer to broilers, chicks and hatchable eggs held by the Company. Consumptive biological assets are measured at fair value less sales costs at the end of the year. Any gain or loss arising from changes in fair value less sales costs is included in current profit or loss for the period in which the gain or loss arises.

消耗性生物資產指公司持有的肉雞、雛雞、可孵化雞蛋。消耗性生物資產於年末按公允價值減出售費用計量。任何因公允價值減出售費用的變動產生的收益或虧損於該等收益或虧損發生期間計入當期損益。

**3. Valuation of other inventories**

**3、其他存貨的計價方法**

**(1) Costs of other inventories**

**(1) 其他存貨的成本**

Other inventories are initially measured at cost, which comprises purchase costs, processing costs and other expenses incurred in bringing the inventories to their current location and condition.

其他存貨按成本進行初始計量，存貨成本包括採購成本、加工成本和其他使存貨達到目前場所和狀態所發生的支出。

**(2) Measurement for inventories delivered**

**(2) 發出存貨的計價方法**

The standard cost method is adopted for inventories measurement on a normal basis. The difference between actual cost and standard cost at the end of the period is included in the current profit or loss or carried forward to the cost of the corresponding asset. When the actual cost of inventories fluctuates significantly from the standard cost each quarter, the Company will revise the relevant standard cost.

存貨計價日常採用標準成本法，期末將實際成本與標準成本之間的差異計入當期損益或結轉至所對應資產成本。每季度存貨的實際成本與標準成本發生較大波動時，公司將會修正相關標準成本。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XI) Inventories (Continued)

#### (十) 存貨(續)

#### 3. Valuation of other inventories

#### 3、其他存貨的計價方法

##### (3) Basis for the determination of net realisable value of different type of inventories

##### (3) 不同類別存貨可變現淨值的確定依據

On the balance sheet date, inventories are stated at the lower of cost and net realisable value. When the cost of inventories was higher than their net realisable value, the provision decline in value of inventories shall be made. Net realisable value is the estimated selling price of the inventories in the ordinary course of business deducting the estimated costs upon completion, the estimated selling expenses and the related taxes.

資產負債表日，存貨應當按照成本與可變現淨值孰低計量。存貨成本高於其可變現淨值的，應當計提存貨跌價準備。可變現淨值，是指在日常活動中，存貨的估計售價減去至完工時估計將要發生的成本、估計的銷售費用以及相關稅費後的金額。

Net realizable value of held-for-sale commodity stocks, such as goods in stock, and held-for-sale raw materials, during the normal course of production and operation, shall be determined by their estimated selling prices less related selling costs and taxes; the net realizable value of inventory materials, which need to be processed, during the normal course of production and operation, shall be determined by the amount after deducting the estimated cost of completion, estimated selling costs and relevant taxes from the estimated selling price of finished goods; the net realizable value of inventories held for execution of sales contracts or labor contracts shall be calculated on the ground of the contracted price. If an enterprise holds more inventories than the quantity stipulated in the sales contract, the net realizable value of the excess part shall be calculated on the ground of general selling price.

庫存商品和用於出售的材料等直接用於出售的商品存貨，在正常生產經營過程中，以該存貨的估計售價減去估計的銷售費用和相關稅費後的金額，確定其可變現淨值；需要經過加工的材料存貨，在正常生產經營過程中，以所生產的產成品的估計售價減去至完工時估計將要發生的成本、估計的銷售費用和相關稅費後的金額，確定其可變現淨值；為執行銷售合同或者勞務合同而持有的存貨，其可變現淨值以合同價格為基礎計算，若持有存貨的數量多於銷售合同訂購數量的，超出部分的存貨的可變現淨值以一般銷售價格為基礎計算。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XI) Inventories (Continued)**

**(十一) 存貨(續)**

**3. Valuation of other inventories (Continued)**

**3、其他存貨的計價方法(續)**

**(3) Basis for the determination of net realisable value of different type of inventories (Continued)**

**(3) 不同類別存貨可變現淨值的確定依據(續)**

After the provision decline in value of inventories, if the factors resulting in the previously recorded inventory impairment disappeared, as a result of which the net realisable value of the inventories became higher than its book value, it would be written back to the extent of the original provision decline in value of inventories made, and such written-back amounts would be charged to the current profit or loss.

計提存貨跌價準備後，如果以前減記存貨價值的影響因素已經消失，導致存貨的可變現淨值高於其賬面價值的，在原先已計提的存貨跌價準備金額內予以轉回，轉回的金額計入當期損益。

**4. Inventory system**

**4、存貨的盤存制度**

The perpetual inventory system is adopted.

採用永續盤存制。

**5. Amortisation of low-value consumables and packaging materials**

**5、低值易耗品和包裝物的攤銷方法**

(1) Low-value consumables are mortised using the immediate write off method;

(1) 低值易耗品採用一次轉銷法；

(2) Packaging materials are mortised using the immediate write-off method.

(2) 包裝物採用一次轉銷法。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XII) Contract assets

#### (十二) 合同資產

##### 1. Recognition and standard of contract assets

##### 1、合同資產的確認方法及標準

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The consideration that the Company has the right (and this right depends on factors other than passage of time) to receive for goods transferred to customers is listed as a contract assets. Contract assets and contract liabilities under the same contract shall be shown on a net basis. The right of the Company to charge the customer unconditionally (only depends on the passage of time) is listed as a receivable individually.

本公司根據履行履約義務與客戶付款之間的關係在資產負債表中列示合同資產或合同負債。本公司已向客戶轉讓商品或提供服務而有權收取對價的權利(且該權利取決於時間流逝之外的其他因素)列示為合同資產。同一合同下的合同資產和合同負債以淨額列示。本公司擁有的、無條件(僅取決於時間流逝)向客戶收取對價的權利作為應收款項單獨列示。

##### 2. Method of determination of expected credit loss of contract assets and accounting treatment methods

##### 2、合同資產預期信用損失的確定方法及會計處理方法

For the method of determination of expected credit loss of contract assets and accounting treatment methods, please refer to the Note "III. (X) 6. Test and accounting methods for impairment of financial assets".

合同資產的預期信用損失的確定方法及會計處理方法詳見本附註「三、(十)6、金融資產減值的測試方法及會計處理方法」。

#### (XIII) Long-term equity investments

#### (十三) 長期股權投資

##### 1. Joint control or significant influence criterion

##### 1、共同控制、重大影響的判斷標準

Joint control is the contractually agreed sharing of control of an arrangement, and exists only when decisions about the relevant activities of the arrangement require the unanimous consent of the parties sharing control. If the Company together with the other joint venture parties can jointly control over the investee and are entitled to the right of the net assets of the investee, the investee is joint venture of the Company.

共同控制，是指按照相關約定對某項安排所共有的控制，並且該安排的相關活動必須經過分享控制權的參與方一致同意後才能決策。本公司與其他合營方一同對被投資單位實施共同控制且對被投資單位淨資產享有權利的，被投資單位為本公司的合營企業。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XIII) Long-term equity investments (Continued)**

**(十三) 長期股權投資(續)**

**1. Joint control or significant influence criterion (Continued)**

**1、共同控制、重大影響的判斷標準(續)**

Significant influence refers to the power to participate in making decisions on the financial and operating policies of investee, but not the power to control, or jointly control, the formulation of such policies with other parties. Where the Company can exercise significant influence over an investee, the investee is an associate of the Company.

重大影響，是指對被投資單位的財務和經營決策有參與決策的權力，但並不能夠控制或者與其他方一起共同控制這些政策的制定。本公司能夠對被投資單位施加重大影響的，被投資單位為本公司聯營企業。

**2. Determination of initial investment cost**

**2、初始投資成本的確定**

**(1) Long-term equity investments acquired through business combination**

**(1) 企業合併形成的長期股權投資**

For a long-term equity investment in subsidiaries resulting from a business combination involving entities under common control, the initial investment cost of long-term equity investments are its share of the book value of the own' equity of the acquiree in the financial statements of the ultimate controlling party on the date of combinations. The difference between initial investment cost of long-term equity investment and the carrying value of paid consideration is to adjust share premium in the capital reserve. If the balance of share premium in the capital reserve is insufficient, any excess is adjusted to retained earnings. In connection with imposing control over the investee under joint control as a result of additional investment and other reasons the difference between initial investment cost of long-term equity investment according to the aforesaid principle, and the sum of the carrying value of long-term equity investment before combination and the carrying value of newly paid consideration for additional shares acquired on the date of combination is to adjust share premium. If the balance of share premium is insufficient, any excess is adjusted to retained earnings.

對於同一控制下的企業合併形成的對子公司的長期股權投資，在合併日按照取得被合併方所有者權益在最終控制方合併財務報表中的賬面價值的份額作為長期股權投資的初始投資成本。長期股權投資初始投資成本與支付對價賬面價值之間的差額，調整資本公積中的股本溢價；資本公積中的股本溢價不足沖減時，調整留存收益。因追加投資等原因能夠對同一控制下的被投資單位實施控制的，按上述原則確認的長期股權投資的初始投資成本與達到合併前的長期股權投資賬面價值加上合併日進一步取得股份新支付對價的賬面價值之和的差額，調整股本溢價，股本溢價不足沖減的，沖減留存收益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XIII) Long-term equity investments (Continued)

#### (十三) 長期股權投資(續)

#### 2. Determination of initial investment cost (Continued)

#### 2、初始投資成本的確定(續)

##### (1) Long-term equity investments acquired through business combination (Continued)

##### (1) 企業合併形成的長期股權投資(續)

For a long-term equity investment in subsidiaries resulting from a business combination involving entities not under common control, the cost of the combination determined on the date of acquisition shall be taken as the initial investment cost of the long-term equity investment. In connection with imposing control over the investee not under joint control as a result of additional investment and other reasons, the initial investment cost shall be the sum of the carrying value of the equity investment originally held and the newly increased investment cost.

對於非同一控制下的企業合併形成的對子公司的長期股權投資，按照購買日確定的合併成本作為長期股權投資的初始投資成本。因追加投資等原因能夠對非同一控制下的被投資單位實施控制的，按照原持有的股權投資賬面價值加上新增投資成本之和作為初始投資成本。

##### (2) Long-term equity investments acquired by other means other than business combination

##### (2) 通過企業合併以外的其他方式取得的長期股權投資

The initial investment cost of a long-term equity investment obtained by the Company by cash payment shall be the purchase cost which is actually paid.

以支付現金方式取得的長期股權投資，按照實際支付的購買價款作為初始投資成本。

The initial investment cost of a long-term equity investment obtained by the Company by means of issuance of equity securities shall be the fair value of the equity securities issued.

以發行權益性證券取得的長期股權投資，按照發行權益性證券的公允價值作為初始投資成本。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XIII) Long-term equity investments (Continued)**

**(十三) 長期股權投資(續)**

**3. Subsequent measurement and recognition of profit or loss**

**3、後續計量及損益確認方法**

**(1) Long-term equity investment accounted for by cost method**

**(1) 成本法核算的長期股權投資**

Long-term equity investments in subsidiaries are accounted for using cost method unless the investments meet the conditions of held-for-sale. Except for the actual consideration paid for the acquisition of investment or the declared but not yet distributed cash dividends or profits which are included in the consideration, investment gains is recognised as the Company's share of the cash dividends or profits declared by the investee.

公司對子公司的長期股權投資，採用成本法核算，除非投資符合持有待售的條件。除取得投資時實際支付的價款或對價中包含的已宣告但尚未發放的現金股利或利潤外，公司按照享有被投資單位宣告發放的現金股利或利潤確認當期投資收益。

**(2) Long-term equity investment accounted for by equity method**

**(2) 權益法核算的長期股權投資**

Long-term equity investments in associates and jointly ventures are accounted for using equity method. Where the initial investment cost of a long-term equity investment exceeds the Company's share of the fair value of the investee's identifiable net assets at the acquisition date, no adjustment shall be made to the initial investment cost; where the initial investment cost is less than the Company's share of the fair value of the investee's identifiable net assets at the acquisition date, the difference shall be charged to current profit or loss and the cost for long-term equity investment shall be adjusted.

對聯營企業和合營企業的長期股權投資，採用權益法核算。初始投資成本大於投資時應享有被投資單位可辨認淨資產公允價值份額的差額，不調整長期股權投資的初始投資成本；初始投資成本小於投資時應享有被投資單位可辨認淨資產公允價值份額的差額，計入當期損益，同時調整長期股權投資的成本。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XIII) Long-term equity investments (Continued)

#### (十三) 長期股權投資(續)

#### 3. Subsequent measurement and recognition of profit or loss (Continued)

#### 3、後續計量及損益確認方法(續)

##### (2) Long-term equity investment accounted for by equity method (Continued)

##### (2) 權益法核算的長期股權投資(續)

The Company recognizes the investment income and other comprehensive income according to its shares of net profit or loss and other comprehensive income realized by the investee respectively, and simultaneously makes adjustment to the carrying value of long-term equity investments. The carrying value of long-term equity investment shall be reduced by attributable share of the profit or cash dividends for distribution declared by the investee. In relation to other changes of owner's equity (the "Other Changes of Owner's Equity") except for net profits and losses, other comprehensive income and profit distribution of the investee, the carrying value of long-term equity investment shall be adjusted and included in owner's equity.

公司按照應享有或應分擔的被投資單位實現的淨損益和其他綜合收益的份額，分別確認投資收益和其他綜合收益，同時調整長期股權投資的賬面價值；按照被投資單位宣告分派的利潤或現金股利計算應享有的部分，相應減少長期股權投資的賬面價值；對於被投資單位除淨損益、其他綜合收益和利潤分配以外所有者權益的其他變動(簡稱「其他所有者權益變動」)，調整長期股權投資的賬面價值並計入所有者權益。

The Company's share of net profit or loss, other comprehensive income and Other Changes of Owner's Equity of an investee is determined based on the fair value of identifiable assets of the investee at the time when the investment is obtained, and according to the accounting policies and accounting period of the Company, recognition shall be made to the net profit of the investee after the adjustment and other comprehensive income, etc.

在確認應享有被投資單位淨損益、其他綜合收益及其他所有者權益變動的份額時，以取得投資時被投資單位可辨認淨資產的公允價值為基礎，並按照公司的會計政策及會計期間，對被投資單位的淨利潤和其他綜合收益等進行調整後確認。

The unrealized profit or loss resulting from transactions between the Company and its associates or joint venture shall be eliminated in, based on which investment income or loss shall be recognised. Any losses resulting from transactions, which are attributable to impairment of assets, shall be fully recognised, except for the disposal of assets that consist of operations.

公司與聯營企業、合營企業之間發生的未實現內部交易損益按照應享有的比例計算歸屬於公司的部分，予以抵銷，在此基礎上確認投資收益，但投出或出售的資產構成業務的除外。與被投資單位發生的未實現內部交易損失，屬於資產減值損失的，全額確認。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XIII) Long-term equity investments (Continued)**

**(十三) 長期股權投資(續)**

**3. Subsequent measurement and recognition of profit or loss (Continued)**

**3、後續計量及損益確認方法(續)**

**(2) Long-term equity investment accounted for by equity method (Continued)**

**(2) 權益法核算的長期股權投資(續)**

The Company discontinues recognising its share of net losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that is in substance forms part of the Company's net investment in the associate or the joint venture is reduced to zero, except to the extent that the Company has an obligation to assume additional losses. Where net profits are subsequently made by the associate or joint venture, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

公司對合營企業或聯營企業發生的淨虧損，除負有承擔額外損失義務外，以長期股權投資的賬面價值以及其他實質上構成對合營企業或聯營企業淨投資的長期權益減記至零為限。合營企業或聯營企業以後實現淨利潤的，公司在收益分享額彌補未確認的虧損分擔額後，恢復確認收益分享額。

**(3) Disposal of long-term equity investments**

**(3) 長期股權投資的處置**

When long-term equity investments are disposed of, the difference between the carrying amount and the actual proceeds received should be charged to current profit or loss.

處置長期股權投資，其賬面價值與實際取得價款的差額，計入當期損益。

For the certain long-term equity investment treated under the equity method, where the remaining equity continues to be accounted for using the equity method, the other comprehensive income previously recognised under the equity method shall be transferred in proportion by using the same basis as the investee used for direct disposal of relevant assets or liabilities. Other Changes of Owner's Equity shall be transferred in proportion into current profit or loss.

部分處置權益法核算的長期股權投資，剩餘股權仍採用權益法核算的，原權益法核算確認的其他綜合收益採用與被投資單位直接處置相關資產或負債相同的基礎按相應比例結轉，其他所有者權益變動按比例結轉入當期損益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XIII) Long-term equity investments (Continued)

#### (十三) 長期股權投資(續)

#### 3. Subsequent measurement and recognition of profit or loss (Continued)

#### 3、後續計量及損益確認方法(續)

##### (3) Disposal of long-term equity investments (Continued)

##### (3) 長期股權投資的處置(續)

When the Group loses the control or material influence over the investee due to disposal of equity investment and other reasons, for other comprehensive income recognised in the original equity investment due to the equity method is adopted, it shall be treated using the same accounting basis as the investee used for direct disposal of relevant assets or liabilities when ceasing to use the equity method. Other Changes of Owner's Equity shall be transferred into the current profit or loss when ceasing to use the equity method.

因處置股權投資等原因喪失了對被投資單位的共同控制或重大影響的，原股權投資因採用權益法核算而確認的其他綜合收益，在終止採用權益法核算時採用與被投資單位直接處置相關資產或負債相同的基礎進行會計處理，其他所有者權益變動在終止採用權益法核算時全部轉入當期損益。

When the Group loses the control over the investee due to partially disposal of equity investment and other reasons, the remaining equity interest after disposal shall be accounted for under equity method in preparation of separate financial statements provided that joint control or material influence over the investee can be imposed and shall be adjusted as if such remaining equity interest had been accounted for under the equity method since being obtained. The other comprehensive income previously recognised before obtaining the control over the investee shall be transferred in proportion by using the same basis as the investee used for direct disposal of relevant assets or liabilities. Changes in other owner's equity recognised as a result of the adoption of the equity method shall be transferred to the current profit or loss on pro rata basis. Where the remaining equity interest after disposal cannot exercise joint control or exert material influence over the investee, it shall be recognised as financial asset, and the difference between fair value and the carrying value on the date of losing control shall be included in current profit or loss. All the other comprehensive income and Other Changes of Owner's equity recognised before obtaining the control over the investee shall be transferred.

因處置部分股權投資等原因喪失了對被投資單位控制權的，在編製個別財務報表時，剩餘股權能夠對被投資單位實施共同控制或重大影響的，改按權益法核算，並對該剩餘股權視同自取得時即採用權益法核算進行調整，對於取得被投資單位控制權之前確認的其他綜合收益採用與被投資單位直接處置相關資產或負債相同的基礎按比例結轉，因採用權益法核算確認的其他所有者權益變動按比例結轉入當期損益；剩餘股權不能對被投資單位實施共同控制或施加重大影響的，確認為金融資產，其在喪失控制之日的公允價值與賬面價值間的差額計入當期損益，對於取得被投資單位控制權之前確認的其他綜合收益和其他所有者權益變動全部結轉。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XIII) Long-term equity investments (Continued)**

**(十三) 長期股權投資(續)**

**3. Subsequent measurement and recognition of profit or loss (Continued)**

**3、後續計量及損益確認方法(續)**

**(3) Disposal of long-term equity investments (Continued)**

**(3) 長期股權投資的處置(續)**

For disposal of the equity investment in a subsidiary in stages by multiple transactions resulting in the loss of control, where the Company accounts for a package deals, accounting treatment shall be conducted for all transactions as the equity investment for disposal of a subsidiary and the transaction in the loss of control. In the individual consolidated financial statements, the differences between the consideration disposed and the corresponding carrying value of long-term equity investment of the disposed equity in each transaction prior to the loss of control shall be recognised in other comprehensive income first and transferred to the current profit or loss when the parent eventually loses control over the subsidiary. Where the no package deal is accounted for, accounting treatment shall be conducted for each transaction individually.

通過多次交易分步處置對子公司股權投資直至喪失控制權，屬於一攬子交易的，各項交易作為一項處置子公司股權投資並喪失控制權的交易進行會計處理；在喪失控制權之前每一次處置價款與所處置的股權對應得長期股權投資賬面價值之間的差額，在個別財務報表中，先確認為其他綜合收益，到喪失控制權時再一併轉入喪失控制權的當期損益。不屬於一攬子交易的，對每一項交易分別進行會計處理。

**(XIV) Fixed assets**

**(十四) 固定資產**

**1. Recognition and initial measurement of fixed assets**

**1、固定資產的確認和初始計量**

Fixed assets are tangible assets that are held for use in production or supply of goods or services, for rental to others, or for administrative purposes, and have a useful life of more than one accounting year. Fixed asset is recognised when it meets the following conditions:

固定資產指為生產商品、提供勞務、出租或經營管理而持有，並且使用壽命超過一個會計年度的有形資產。固定資產在同時滿足下列條件時予以確認：

- (1) it is probable that the economic benefits associated with the fixed asset will flow to the enterprise;
- (2) its cost can be reliably measured.

- (1) 與該固定資產有關的經濟利益很可能流入企業；
- (2) 該固定資產的成本能夠可靠地計量。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XIV) Fixed assets (Continued)

#### (十四) 固定資產(續)

##### 1. Recognition and initial measurement of fixed assets (Continued)

##### 1、固定資產的確認和初始計量(續)

Fixed assets are initially measured at cost (and taking into account the effect of estimated costs of disposal).

固定資產按成本(並考慮預計棄置費用因素的影響)進行初始計量。

For subsequent expenses related to fixed assets, if the related economic benefits are likely to flow into the enterprise and its cost could be reliably measured, such expenses are included in the cost of the fixed asset; and the carrying amount of the replaced part will be derecognised. All other subsequent expenses are included in current profit or loss upon occurrence.

與固定資產有關的後續支出，在與其有關的經濟利益很可能流入且其成本能夠可靠計量時，計入固定資產成本；對於被替換的部分，終止確認其賬面價值；所有其他後續支出於發生時計入當期損益。

##### 2. Methods for depreciation

##### 2、折舊方法

Fixed assets of the Company are depreciated by categories using the straight-line method, and the annual depreciation rates are determined by categories based upon their estimated useful lives and their estimated residual values. For fixed assets that have made provision for the impairment, the amount of depreciation of it is determined by carrying value after deducting the provision for the impairment based on useful life during the future period. Where different components of a fixed asset have different useful lives or generate economic benefits for the enterprise in different ways, different depreciation rates or depreciation methods shall apply, and each component is depreciated separately.

固定資產折舊採用年限平均法分類計提，根據固定資產類別、預計使用壽命和預計淨殘值率確定折舊率。對計提了減值準備的固定資產，則在未來期間按扣除減值準備後的賬面價值及依據尚可使用年限確定折舊額。如固定資產各組成部分的使用壽命不同或者以不同方式為企業提供經濟利益，則選擇不同折舊率或折舊方法，分別計提折舊。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XIV) Fixed assets (Continued)

(十四) 固定資產(續)

2. Methods for depreciation (Continued)

2、折舊方法(續)

The depreciation methods, useful life of depreciation, residual value rate and annual depreciation rate of each category of fixed assets are as follows:

各類固定資產折舊方法、折舊年限、殘值率和年折舊率如下：

Category 類別	Depreciation method 折舊方法	Useful life (Years) 折舊年限(年)	Residual value rate (%) 殘值率(%)	Annual depreciation rate (%) 年折舊率(%)
House and buildings 房屋及建築物	Straight-line method 平均年限法	20-40	5	2.38-4.75
Machine and equipment 機器設備	Straight-line method 平均年限法	4-15	5	6.33-23.75
Vehicle 運輸設備	Straight-line method 平均年限法	5-8	5	11.88-19.00
Electronic equipment 電子設備	Straight-line method 平均年限法	5-8	5	11.88-19.00

3. Disposal of fixed assets

3、固定資產處置

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

當固定資產被處置、或者預期通過使用或處置不能產生經濟利益時，終止確認該固定資產。固定資產出售、轉讓、報廢或毀損的處置收入扣除其賬面價值和相關稅費後的金額計入當期損益。

(XV) Construction in progress

(十五) 在建工程

Construction in progress is measured at actual cost. Actual cost comprises construction costs, installation costs, borrowing costs that are eligible for capitalisation and other costs necessary to bring the construction in progress ready for their intended use. Construction in progress is transferred to fixed assets when the assets are ready for their intended use, and depreciation begins from the following month.

在建工程按實際發生的成本計量。實際成本包括建築成本、安裝成本、符合資本化條件的借款費用以及其他為使在建工程達到預定可使用狀態前所發生的必要支出。在建工程在達到預定可使用狀態時，轉入固定資產並自次月起開始計提折舊。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XVI) Borrowing costs

#### (十六) 借款費用

##### 1. Criteria for recognition of capitalised borrowing costs

##### 1、借款費用資本化的確認原則

The Company's borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised into the cost of relevant assets. Other borrowing costs are recognised as expenses in profit or loss in the period in which they are incurred.

公司發生的借款費用，可直接歸屬於符合資本化條件的資產的購建或者生產的，予以資本化，計入相關資產成本；其他借款費用，在發生時根據其發生額確認為費用，計入當期損益。

Qualifying assets include fixed assets, investment property and inventories that necessarily take a substantial period of time for acquisition, construction or production to get ready for their intended use or sale.

符合資本化條件的資產，是指需要經過相當長時間的購建或者生產活動才能達到預定可使用或者可銷售狀態的固定資產、投資性房地產和存貨等資產。

##### 2. Capitalisation period of borrowing costs

##### 2、借款費用資本化期間

The capitalisation period refers to the period beginning from the commencement of capitalising borrowing costs to the date of ceasing capitalisation, excluding the period of suspension of capitalisation.

資本化期間，指從借款費用開始資本化時點到停止資本化時點的期間，借款費用暫停資本化的期間不包括在內。

Capitalisation of borrowing costs begins when the following three conditions are fully satisfied:

借款費用同時滿足下列條件時開始資本化：

- (1) expenditures for the assets (including cash paid, non-currency assets transferred or interest-bearing liabilities assumed for the acquisition, construction or production of qualifying assets) have been incurred;
- (2) borrowing costs have been incurred;
- (3) acquisition, construction or production that are necessary to enable the asset get ready for their intended use or sale have commenced.

- (1) 資產支出已經發生，資產支出包括為購建或者生產符合資本化條件的資產而以支付現金、轉移非現金資產或者承擔帶息債務形式發生的支出；
- (2) 借款費用已經發生；
- (3) 為使資產達到預定可使用或者可銷售狀態所必要的購建或者生產活動已經開始。

Capitalisation of borrowing costs shall cease when the qualifying asset under acquisition, construction or production gets ready for intended use or sale.

當購建或者生產符合資本化條件的資產達到預定可使用或者可銷售狀態時，借款費用停止資本化。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XVI) Borrowing costs (Continued)**

**(十六) 借款費用(續)**

**3. Suspension of capitalisation period**

**3、暫停資本化期間**

Capitalisation of borrowing costs shall be suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted abnormally, and the interruption is for a continuous period of more than 3 months; if the interruption is a necessary step for making the qualifying asset under acquisition, construction or production ready for the intended use or sale, the capitalisation of the borrowing costs shall continue. The borrowing costs incurred during such period of interruption shall be recognised in current profit or loss. When the acquisition, construction or production of the asset resumes, the capitalisation of borrowing costs continues.

符合資本化條件的資產在購建或生產過程中發生的非正常中斷、且中斷時間連續超過3個月的，則借款費用暫停資本化；該項中斷如是所購建或生產的符合資本化條件的資產達到預定可使用狀態或者可銷售狀態必要的程序，則借款費用繼續資本化。在中斷期間發生的借款費用確認為當期損益，直至資產的購建或者生產活動重新開始後借款費用繼續資本化。

**4. Capitalisation rate and calculation of capitalisation amount of borrowing costs**

**4、借款費用資本化率、資本化金額的計算方法**

As to specific borrowings for the acquisition, construction or production of qualifying assets, borrowing costs from the specific borrowings actually incurred in the current period minus the interest income earned on the unused borrowing loans as a deposit in the bank or the investment income earned from temporary investment will be used to determine the amount of borrowing costs for capitalisation.

對於為購建或者生產符合資本化條件的資產而借入的專門借款，以專門借款當期實際發生的借款費用，減去尚未動用的借款資金存入銀行取得的利息收入或進行暫時性投資取得的投資收益後的金額，來確定借款費用的資本化金額。

As to general borrowings for the acquisition, construction or production of qualifying assets, the to-be-capitalised amount of borrowing costs on the general borrowing shall be calculated and determined by multiplying the weighted average asset disbursement of the part of the accumulative asset disbursements minus the specific borrowings and the capitalisation rate of the said general borrowings. The capitalisation rate shall be calculated and determined according to the weighted average actual interest rate of general borrowings.

對於為購建或者生產符合資本化條件的資產而佔用的一般借款，根據累計資產支出超過專門借款部分的資產支出加權平均數乘以所佔用一般借款的資本化率，計算確定一般借款應予資本化的借款費用金額。資本化率根據一般借款加權平均實際利率計算確定。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XVI) Borrowing costs (Continued)

#### (十六) 借款費用(續)

#### 4. Capitalisation rate and calculation of capitalisation amount of borrowing costs (Continued)

#### 4. 借款費用資本化率、資本化金額的計算方法(續)

During the capitalisation period, exchange differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency are capitalised as part of the cost of the qualifying asset. The exchange differences related to the principal and interest on foreign currency borrowings other than a specific-purpose borrowing are included in the current profits and losses when incurred.

在資本化期間內，外幣專門借款本金及利息的匯兌差額，予以資本化，計入符合資本化條件的資產的成本。除外幣專門借款之外的其他外幣借款本金及其利息所產生的匯兌差額計入當期損益。

#### (XVII) biological assets

#### (十七) 生物資產

#### 1. Classification and costs for biological assets

#### 1. 生物資產的分類和成本

The Company's biological assets are classified as consumptive biological assets and productive biological assets, including broilers, chicks, hatchable eggs and breeders. Productive biological assets are classified into immature productive biological assets and mature productive biological assets according to different stages. The two stages refer the breeding stage and the production stage, respectively.

本公司生物資產分類為消耗性生物資產和生產性生物資產，包括肉雞、雛雞、可孵化雞蛋和種雞。生產性生物資產根據不同的階段劃分為未成熟生產性生物資產和成熟生產性生物資產，兩個階段分別為育雛育成階段及產蛋階段。

Productive biological assets are measured at fair value less sales costs at initial recognition and the end of each reporting period. Any gain or loss arising from changes in fair value less sales costs is included in current profit or loss for the period in which the gain or loss arises.

生產性生物資產於初始確認時和各報告期末按公允價值減出售費用計量。任何因公允價值減出售費用的變動產生的收益或虧損於相應收益或虧損發生期間計入當期損益。

Breeding costs and other related costs (such as labour costs, depreciation and amortisation expenses and public expenses) are capitalised at the breeding and the production stage until normal and stable egg production.

育雛育成階段飼養成本及其他相關成本(如人工成本、折舊及攤銷費用及公共費用)被資本化，直到能夠開始正常穩定產蛋為止。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XVII) biological assets (Continued)**

**(十七) 生物資產(續)**

**2. Inventory system of productive biological assets**

**2. 生產性生物的盤存制度**

The Company takes inventory of parent stock day-old chicks by batch once every six months or at the time of culling. The perpetual inventory system is adopted.

公司對父母代種雞按批次進行盤點，每半年或者淘汰時盤點一次。採用永續盤存制。

**(XVIII) Intangible assets**

**(十八) 無形資產**

**1. Measurement of intangible assets**

**1. 無形資產的計價方法**

**(1) Intangible assets are initially measured at cost upon acquisition by the Company**

**(1) 公司取得無形資產時按成本進行初始計量**

The costs of an externally purchased intangible asset include the purchase price, relevant tax expenses, and other expenditures directly attributable to bringing the asset ready for its intended use.

外購無形資產的成本，包括購買價款、相關稅費以及直接歸屬於使該項資產達到預定用途所發生的其他支出。

**(2) Subsequent measurement**

**(2) 後續計量**

The Company shall analyse and judge the useful life of intangible Assets upon acquisition.

在取得無形資產時分析判斷其使用壽命。

As for intangible assets with a finite useful life, they are amortised over the term in which economic benefits are brought to the firm; If the term in which economic benefits are brought to the firm by an intangible asset cannot be estimated, the intangible asset shall be taken as an intangible asset with indefinite useful life, and shall Not be amortised.

對於使用壽命有限的無形資產，在為企業帶來經濟利益的期限內攤銷；無法預見無形資產為企業帶來經濟利益期限的，視為使用壽命不確定的無形資產，不予攤銷。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XVIII) Intangible assets (Continued)

#### (十八) 無形資產(續)

#### 2. Estimate of useful life for the intangible assets with finite useful life

#### 2、使用壽命有限的無形資產的使用壽命估計情況

Items 項目	Estimated Useful Years 預計使用壽命	Amortisation method 攤銷方法	Residual value rate 殘值率	Basis 依據
Land use rights 土地使用權	25-50	Straight-line method 年限平均法	0%	Terms for bringing economic benefits to the Company 為公司帶來經濟利益的期限
Computer software 電腦軟件	10	Straight-line method 年限平均法	0%	Terms for bringing economic benefits to the Company 為公司帶來經濟利益的期限
Patents 專利權	20	Straight-line method 年限平均法	0%	Terms for bringing economic benefits to the Company 為公司帶來經濟利益的期限

#### 3. Specific criteria for the division of research phase and development Phase

#### 3、劃分研究階段和開發階段的具體標準

The expenses for internal research and development projects of the Company are divided into expenses in the research phase and expenses in the development phase.

公司內部研究開發項目的支出分為研究階段支出和開發階段支出。

Research phase: a phase in which innovative and scheduled investigations and research activities are conducted to obtain and understand new scientific or technological knowledge.

研究階段：為獲取並理解新的科學或技術知識等而進行的獨創性的有計劃調查、研究活動的階段。

Development phase: a phase in which the research outcomes or other knowledge are applied for a plan or a design prior to the commercial production or use in order to produce new or substantially improved materials, devices, products, etc.

開發階段：在進行商業性生產或使用前，將研究成果或其他知識應用於某項計劃或設計，以生產出新的或具有實質性改進的材料、裝置、產品等活動的階段。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XVIII) Intangible assets (Continued)

(十八) 無形資產(續)

4. Specific conditions for capitalisation of expenditure incurred in development phase

4、開發階段支出资本化的具體條件

Expenditures incurred in the research stage are recognised in profit or loss for the period. Expenditures incurred in the development stage are recognised as intangible assets only when all of the following conditions are satisfied, and the expenditures in the development stage that does not meet all of the following conditions are recognised in profit or loss for the period:

研究階段的支出，於發生時計入當期損益。開發階段的支出同時滿足下列條件的，確認為無形資產，不能滿足下述條件的開發階段的支出計入當期損益：

- (1) the technical feasibility of completing the intangible asset so that it will be available for use or for sale;
- (2) the intention to complete the intangible asset for use or for sale;
- (3) the ways in which the intangible asset generate economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market, or if the intangible asset is for internal use, there is evidence that proves its usefulness;
- (4) the availability of adequate technical, financial and other resources to complete the development and the ability to use or sell the intangible asset;
- (5) the expenditures attributable to the development phase of the intangible asset could be reliably measured.

- (1) 完成該無形資產以使其能夠使用或出售在技術上具有可行性；
- (2) 具有完成該無形資產並使用或出售的意圖；
- (3) 無形資產產生經濟利益的方式，包括能夠證明運用該無形資產生產的產品存在市場或無形資產自身存在市場，無形資產將在內部使用的，能夠證明其有用性；
- (4) 有足夠的技術、財務資源和其他資源支持，以完成該無形資產的開發，並有能力使用或出售該無形資產；
- (5) 歸屬於該無形資產開發階段的支出能夠可靠地計量。

If the expenditures cannot be distinguished between the research phase and development phase, all of which should be included in the current profit or loss.

無法區分研究階段支出和開發階段支出的，將發生的研發支出全部計入當期損益。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XIX) Impairment of long-term assets

#### (十九) 長期資產減值

Long-term equity investments, investment properties measured using the cost model, fixed assets, construction in progress, right-of-use assets, use of intangible assets with a finite useful life and other long-term assets are tested for impairment if there is any indication that such assets may be impaired at the balance sheet date. If the result of the impairment test indicates that the recoverable amount of the asset is less than its carrying amount, a provision for impairment and an impairment loss are recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and the present value of the future cash flows expected to be derived from the asset. Provision for asset impairment is determined and recognised on the individual asset basis. If it is not possible to estimate the recoverable amount of an individual asset, the recoverable amount of a group of assets to which the asset belongs is determined. A group of assets is the smallest group of assets that is able to generate independent cash inflows.

Goodwill formed by business merger, intangible assets with indefinite useful lives and intangible assets that are not yet ready for use are tested for impairment at least at the end of each year regardless of whether there is any sign of impairment.

When the Company performs impairment test on goodwill, the Company shall, as of the purchase day, allocate on a reasonable basis the carrying value of the goodwill formed by merger of enterprises to the relevant asset groups, or if there is a difficulty in allocation, to allocate it to the set of asset groups. The related asset groups or the set of asset groups refers to these ones that can benefit from the synergies of a business combination.

長期股權投資、採用成本模式計量的投資性房地產、固定資產、在建工程、使用權資產、使用壽命有限的無形資產等長期資產，於資產負債表日存在減值跡象的，進行減值測試。減值測試結果表明資產的可收回金額低於其賬面價值的，按其差額計提減值準備並計入減值損失。可收回金額為資產的公允價值減去處置費用後的淨額與資產預計未來現金流量的現值兩者之間的較高者。資產減值準備按單項資產為基礎計算並確認，如果難以對單項資產的可收回金額進行估計的，以該資產所屬的資產組確定資產組的可收回金額。資產組是能夠獨立產生現金流入的最小資產組合。

對於因企業合併形成的商譽、使用壽命不確定的無形資產、尚未達到可使用狀態的無形資產，無論是否存在減值跡象，至少在每年年度終了進行減值測試。

本公司進行商譽減值測試，對於因企業合併形成的商譽的賬面價值，自購買日起按照合理的方法分攤至相關的資產組；難以分攤至相關的資產組的，將其分攤至相關的資產組組合。相關的資產組或者資產組組合，是能夠從企業合併的協同效應中受益的資產組或者資產組組合。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XIX) Impairment of long-term assets (Continued)

#### (十九) 長期資產減值(續)

For the purpose of impairment test on the relevant asset groups or the set of asset groups containing goodwill, if any evidence shows that the impairment of asset groups or set of asset groups related to goodwill is possible, an impairment test will be made firstly on the asset groups or set of asset groups not containing goodwill, thus calculating the recoverable amount and comparing it with the relevant carrying value so as to recognize the corresponding impairment loss. Then, the Company will conduct impairment tests on the asset groups or set of asset groups that includes goodwill and compare its carrying value against its recoverable amount. If the recoverable amount is lower than its carrying value, the amount of impairment loss is first offset against the carrying value of the goodwill allocated to the asset groups or set of asset groups, then, based on the proportion of the carrying value of other assets in the asset groups or set of asset groups other than goodwill, offset against the carrying value of other assets proportionally.

在對包含商譽的相關資產組或者資產組組合進行減值測試時，如與商譽相關的資產組或者資產組組合存在減值跡象的，先對不包含商譽的資產組或者資產組組合進行減值測試，計算可收回金額，並與相關賬面價值相比較，確認相應的減值損失。然後對包含商譽的資產組或者資產組組合進行減值測試，比較其賬面價值與可收回金額，如可收回金額低於賬面價值的，減值損失金額首先抵減分攤至資產組或者資產組組合中商譽的賬面價值，再根據資產組或者資產組組合中除商譽之外的其他各項資產的賬面價值所佔比重，按比例抵減其他各項資產的賬面價值。

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

上述資產減值損失一經確認，在以後會計期間不予轉回。

#### (XX) Long-term deferred expenses

#### (二十) 長期待攤費用

Long-term prepaid expenses are expenses which have occurred but will benefit over 1 year and shall be amortised over the current period and subsequent periods.

長期待攤費用為已經發生但應由本期和以後各期負擔的分攤期限在一年以上的各項費用。

The amortisation period and amortisation method for each expense are: evenly amortised over the benefit period.

各項費用的攤銷期限及攤銷方法為：受益期內平均攤銷。

#### (XXI) Contract liabilities

#### (二十一) 合同負債

The Company has presented contract assets or contract liabilities in the balance sheet based on the connection between the fulfilment of performance obligations and payment of the customers. A contract liability represents the obligation to transfer goods or services to a customer for which the Company has received a consideration or an amount of consideration that is due from the customer. A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

本公司根據履行履約義務與客戶付款之間的關係在資產負債表中列示合同資產或合同負債。本公司已收或應收客戶對價而應向客戶轉讓商品或提供服務的義務列示為合同負債。同一合同下的合同資產和合同負債以淨額列示。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXII) Employee benefits

#### (廿) 職工薪酬

##### 1. Accounting treatment method of short-term benefits

##### 1、短期薪酬的會計處理方法

In the accounting period in which employees provide services for the Company, short-term benefits actually incurred are recognised as liabilities and charged into current profit or loss or cost of relevant assets.

本公司在職工為本公司提供服務的會計期間，將實際發生的短期薪酬確認為負債，並計入當期損益或相關資產成本。

With regard to the social insurance and housing provident funds contributed and labour union expenses and employee education expenses paid as required by regulations, the Company should calculate and recognise the corresponding employee benefits payables according to the appropriation basis and proportion as stipulated by relevant requirements in the accounting period in which employees provide services for the Company.

本公司為職工繳納的社會保險費和住房公積金，以及按規定提取的工會經費和職工教育經費，在職工為本公司提供服務的會計期間，根據規定的計提基礎和計提比例計算確定相應的職工薪酬金額。

At the time of actual occurrence, the Company's employee benefits are recorded in the current profit or loss or costs of relevant assets as incurred. The non-currency welfare expenses are measured at fair value.

本公司發生的職工福利費，在實際發生時根據實際發生額計入當期損益或相關資產成本，其中，非貨幣性福利按照公允價值計量。

##### 2. Accounting treatment method of post-employment benefits

##### 2、離職後福利的會計處理方法

###### (1) Defined contribution scheme

###### (1) 設定提存計劃

The Company will pay basic pension insurance and unemployment insurance for the staff in accordance with the relevant provisions of the local government. During the accounting period in which the staff provide services for the Company, the Company will calculate the amount payable in accordance with the local stipulated basis and proportions, and such amount will be recognised as liabilities and charged into current profit or loss or cost of relevant assets.

本公司按當地政府的相關規定為職工繳納基本養老保險和失業保險，在職工為本公司提供服務的會計期間，按以當地規定的繳納基數和比例計算應繳納金額，確認為負債，並計入當期損益或相關資產成本。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXII) Employee benefits (Continued)

(十二) 職工薪酬(續)

2. Accounting treatment method of post-employment benefits (Continued)

2、離職後福利的會計處理方法(續)

(2) Defined benefit scheme (Continued)

(2) 設定受益計劃(續)

According to the formula determined under the expected cumulative welfare unit method, the Company attributes the welfare obligations arising from the defined benefit scheme to the period during which the employees provide services, and such obligations would be charged into current profit or loss or costs of relevant assets.

本公司根據預期累計福利單位法確定的公式將設定受益計劃產生的福利義務歸屬於職工提供服務的期間，並計入當期損益或相關資產成本。

The deficit or surplus generated from the present value of obligations of the defined benefit scheme minus the fair value of the assets of defined benefit scheme is recognised as net liabilities or net assets of a defined benefit scheme. When the defined benefit Scheme has surplus, the Company will measure the net assets of the defined benefit scheme at the lower of the surplus of defined Benefit scheme and the upper limit of the assets.

設定受益計劃義務現值減去設定受益計劃資產公允價值所形成的赤字或盈餘確認為一項設定受益計劃淨負債或淨資產。設定受益計劃存在盈餘的，本公司以設定受益計劃的盈餘和資產上限兩項的孰低者計量設定受益計劃淨資產。

All defined benefit schemes obligations, including the expected duty of payment within 12 months after the end of annual reporting period during which the staff provided service, are discounted based on the market yield of government bonds matching the term and currency of defined benefit scheme obligations or corporate bonds of high quality in the active market on the balance sheet date.

所有設定受益計劃義務，包括預期在職工提供服務的年度報告期間結束後的十二個月內支付的義務，根據資產負債表日與設定受益計劃義務期限和幣種相匹配的國債或活躍市場上的高質量公司債券的市場收益率予以折現。

The service cost incurred by the defined benefit scheme and the net interest of the net liabilities and net assets of the defined benefit scheme would be charged to current profit or loss or relevant costs of assets. The changes arising from the remeasurement of the net liabilities or net assets of the defined benefit scheme would be included in other comprehensive income and are not reversed to profit or loss in a subsequent accounting period; when the previously defined benefit scheme is terminated, all of such amount previously included in other comprehensive income shall be carried forward to undistributed profit within the scope of equity.

設定受益計劃產生的服務成本和設定受益計劃淨負債或淨資產的利息淨額計入當期損益或相關資產成本；重新計量設定受益計劃淨負債或淨資產所產生的變動計入其他綜合收益，並且在後續會計期間不轉回至損益，在原設定受益計劃終止時在權益範圍內將原計入其他綜合收益的部分全部結轉至未分配利潤。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXII) Employee benefits (Continued)

#### (二) 職工薪酬(續)

#### 2. Accounting treatment method of post-employment benefits (Continued)

#### 2. 離職後福利的會計處理方法(續)

##### (2) Defined benefit scheme (Continued)

##### (2) 設定受益計劃(續)

When the defined benefit scheme is settled, the gain or loss is recognised based on the difference between the present value of obligations under the defined benefit scheme and the settlement price at the settlement date.

在設定受益計劃結算時，按在結算日確定的設定受益計劃義務現值和結算價格兩者的差額，確認結算利得或損失。

#### 3. Accounting treatment method of termination benefits

#### 3. 辭退福利的會計處理方法

When the Company provides employees with termination benefits, the staff remuneration liabilities arising from termination benefits are recognised and recorded in current profit or loss whichever of the following is earlier: when the Company cannot unilaterally revoke such termination benefits provided due to dissolution of labour relationship plan or layoff proposal; when the Company recognises such cost or expenses associated with the restructuring involving the payment of termination benefits.

本公司向職工提供辭退福利的，在下列兩者孰早日確認辭退福利產生的職工薪酬負債，並計入當期損益：公司不能單方面撤回因解除勞動關係計劃或裁減建議所提供的辭退福利時；公司確認與涉及支付辭退福利的重組相關的成本或費用時。

#### (XXIII) Estimated liabilities

#### (三) 預計負債

The Company shall recognize an obligation related to contingencies as the estimated liability, when all of the following conditions are satisfied:

與或有事項相關的義務同時滿足下列條件時，本公司將其確認為預計負債：

- (1) such obligation is the present obligation of the Company;
- (2) the performance of such obligation is likely to lead to an outflow of economic benefits of the Company;
- (3) the amount of such obligation can be reliably measured.

- (1) 該義務是本公司承擔的現時義務；
- (2) 履行該義務很可能導致經濟利益流出本公司；
- (3) 該義務的金額能夠可靠地計量。

The estimated liabilities are initially measured at the best estimate of expenditure required for the performance of relevant present obligations.

預計負債按履行相關現時義務所需的支出的最佳估計數進行初始計量。

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### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIII) Estimated liabilities (Continued)

#### (三) 預計負債(續)

The Company shall take into consideration the risks, uncertainties, time value of money and other factors relating to the contingencies in determining the best estimate. If the time value of money is significant, the best estimates shall be determined after discount of relevant future cash outflows.

在確定最佳估計數時，綜合考慮與或有事項有關的風險、不確定性和貨幣時間價值等因素。對於貨幣時間價值影響重大的，通過對相關未來現金流出進行折現後確定最佳估計數。

If there is a successive range of the required expenditure, and the likelihood of occurrence of various results within the range is the same, the best estimate is determined by the intermediate value. In other cases, the best estimate are handled as follows:

所需支出存在一個連續範圍，且該範圍內各種結果發生的可能性相同的，最佳估計數按照該範圍內的中間值確定；在其他情況下，最佳估計數分別下列情況處理：

- Where the contingency is related to individual item, the best estimate should be determined as the most likely amount.
- Where the contingency is related to a number of items, the best estimate should be calculated and determined according to the various possible results and the relevant probabilities.

- 或有事項涉及單個項目的，按照最可能發生金額確定。
- 或有事項涉及多個項目的，按照各種可能結果及相關概率計算確定。

When all or part of the expenditures necessary for the settlement of an estimated liability is expected to be compensated by a third party, the compensation should be separately recognised as an asset only when it is virtually certain that the compensation will be received. The amount recognised for the compensation should not exceed the carrying amount of estimated liabilities.

清償預計負債所需支出全部或部分預期由第三方補償的，補償金額在基本確定能夠收到時，作為資產單獨確認，確認的補償金額不超過預計負債的賬面價值。

The Company reviews the carrying amount of estimated liabilities on balance sheet date. If there is clear evidence that the carrying amount does not reflect the current best estimate, the carrying amount is adjusted to the current best estimate.

本公司在資產負債表日對預計負債的賬面價值進行覆核，有確鑿證據表明該賬面價值不能反映當前最佳估計數的，按照當前最佳估計數對該賬面價值進行調整。

#### (XXIV) Share-based payments

#### (四) 股份支付

The share-based payments of the Company are transactions that grant equity instruments or assume equity-instrument based liabilities for receiving services rendered by employees or other parties. The share-based payments of the Company include equity-settled share-based payments and cash-settled share-based payments.

本公司的股份支付是為了獲取職工或其他方提供服務而授予權益工具或者承擔以權益工具為基礎確定的負債的交易。本公司的股份支付分為以權益結算的股份支付和以現金結算的股份支付。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIV) Share-based payments (Continued)

#### (十四) 股份支付(續)

#### 1. Equity-settled share-based payments and equity instruments

#### 1. 以權益結算的股份支付及權益工具

Equity-settled share-based payments made in exchange for services rendered by employees are measured at the fair value of equity instruments granted to employees. If the equity instruments granted to employees vest immediately, the fair value of the equity instruments granted is, on grant date, recognised as relevant cost or expenses with a corresponding increase in capital reserve. If the equity instruments granted to employees do not vest until the completion of services for a vesting period, or until the specified performance conditions are met, the Company, at each balance sheet date during the vesting period, makes the best estimation according to the number of equity instruments expected to vest. The Company recognises the services received for the current period as related costs or expenses, with a corresponding increase in capital reserve, at an amount equal to the fair value of the equity instruments at the grant date.

以權益結算的股份支付換取職工提供服務的，以授予職工權益工具的公允價值計量。對於授予後立即可行權的股份支付交易，在授予日按照權益工具的公允價值計入相關成本或費用，相應增加資本公積。對於授予後完成等待期內的服務或達到規定業績條件才可行權的股份支付交易，在等待期內每個資產負債表日，本公司根據對可行權權益工具數量的最佳估計，按照授予日公允價值，將當期取得的服務計入相關成本或費用，相應增加資本公積。

If the terms of the equity-settled share-based payment are amended, the Company shall recognise the services received at least based on the situation before the amendment was made. In addition, any amendment resulting in the increase of the fair value of the equity instrument granted or changes that are beneficial to the staff on the amendment date, will be recognised as an increase in the service received.

如果修改了以權益結算的股份支付的條款，至少按照未修改條款的情況確認取得的服務。此外，任何增加所授予權益工具公允價值的修改，或在修改日對職工有利的變更，均確認取得服務的增加。

During the vesting period, where the granted equity instrument is cancelled, the Company shall accelerate the exercise of rights thereunder, recognizing the outstanding amount for the remainder of the vesting period in current profit or loss, while recognizing capital reserve. However, if new equity instruments are granted and they are verified at the granting date of new equity instrument as alternatives granted to the cancelled equity instruments, the treatment on the new equity instrument is in conformity with the modified treatment on disposal of equity instrument with the same terms and conditions.

在等待期內，如果取消了授予的權益工具，則本公司對取消所授予的權益性工具作為加速行權處理，將剩餘等待期內應確認的金額立即計入當期損益，同時確認資本公積。但是，如果授予新的權益工具，並在新權益工具授予日認定所授予的新權益工具是用於替代被取消的權益工具的，則以與處理原權益工具條款和條件修改相同的方式，對所授予的替代權益工具進行處理。



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**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XXIV) Share-based payments (Continued)**

**(十四) 股份支付(續)**

**2. Cash-settled share-based payments and equity instruments**

**2、以現金結算的股份支付及權益工具**

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and determined based on the shares or other equity instruments undertaken by the Company. If the equity instruments granted to employees vest immediately, the fair value of the liability undertaken by the Company shall, on the date of the grant, be included in the relevant costs or expenses, and the liabilities shall be increased accordingly. If the equity instruments granted to employees do not vest until the completion of services for a vesting period, or until the specified performance conditions are met, at each balance sheet date during the vesting period, the services obtained in the current period shall, based on the best estimate of the information about the exercisable right, be included in the relevant costs or expenses and the corresponding liabilities at the fair value of the liability undertaken by the Company. On each of the balance sheet date and settlement date before the settlement of the relevant liabilities, fair value of the liabilities will be remeasured and the changes will be included in the profit or loss for the current period.

以現金結算的股份支付，按照本公司承擔的以股份或其他權益工具為基礎計算確定的負債的公允價值計量。授予後立即可行權的股份支付交易，本公司在授予日按照承擔負債的公允價值計入相關成本或費用，相應增加負債。對於授予後完成等待期內的服務或達到規定業績條件才可行權的股份支付交易，在等待期內的每個資產負債表日，本公司以對可行權情況的最佳估計為基礎，按照本公司承擔負債的公允價值，將當期取得的服務計入相關成本或費用，並相應計入負債。在相關負債結算前的每個資產負債表日以及結算日，對負債的公允價值重新計量，其變動計入當期損益。

**(XXV) Revenue**

**(十五) 收入**

**1. Accounting policies for revenue recognition and measurement**

**1、收入確認和計量所採用的會計政策**

The Company recognises revenue when the performance obligation in a contract is fulfilled, that is, the customer obtains control over relevant goods or services. Control over a good or service refers to the ability to direct the use of the good or service, and obtain substantially all of the benefits from the good or service.

本公司在履行了合同中的履約義務，即在客戶取得相關商品或服務控制權時確認收入。取得相關商品或服務控制權，是指能夠主導該商品或服務的使用並從中獲得幾乎全部的經濟利益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXV) Revenue (Continued)

#### (十四) 收入(續)

#### 1. Accounting policies for revenue recognition and measurement (Continued)

#### 1. 收入確認和計量所採用的會計政策(續)

If a contract contains two or more performance obligations, at the commencement of the contract, the Company allocates the transaction price into each individual performance obligation according to the relative proportion of each individual selling price of goods or services committed by individual performance obligation, and recognises the revenue according to the transaction price allocated to each individual performance obligation.

合同中包含兩項或多項履約義務的，本公司在合同開始日，按照各單項履約義務所承諾商品或服務的單獨售價的相對比例，將交易價格分攤至各單項履約義務。本公司按照分攤至各單項履約義務的交易價格計量收入。

The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and those expected to be refunded to the customer. The Company considers the terms of the contract and its customary business practices to determine the transaction price. When determining the transaction price, the Company considers the effects of variable consideration, the existence of a significant financing component in the contract, non-cash consideration and consideration payable to a customer. The Company determines the transaction price that includes variable considerations based on the amount not exceeding the revenue accumulatively recognised which is not likely to be significantly reversed when the relevant uncertainty disappears. Where there are significant financing elements in the contract, the Company determines the transaction price based on the amount payable by the assumption that the customer will pay in cash when he/she obtains control over the promised goods or services. The difference between the transaction price and the amount of contract consideration is amortised using an effective interest method over the contract term.

交易價格是指本公司因向客戶轉讓商品或服務而預期有權收取的對價金額，不包括代第三方收取的款項以及預期將退還給客戶的款項。本公司根據合同條款，結合其以往的習慣做法確定交易價格，並在確定交易價格時，考慮可變對價、合同中存在的重大融資成分、非現金對價、應付客戶對價等因素的影響。本公司以不超過在相關不確定性消除時累計已確認收入極可能不會發生重大轉回的金額確定包含可變對價的交易價格。合同中存在重大融資成分的，本公司按照假定客戶在取得商品或服務控制權時即以現金支付的應付金額確定交易價格，並在合同期間內採用實際利率法攤銷該交易價格與合同對價之間的差額。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXV) Revenue (Continued)

#### (十四) 收入(續)

#### 1. Accounting policies for revenue recognition and measurement (Continued)

#### 1. 收入確認和計量所採用的會計政策(續)

When one of the following conditions is satisfied, the Company is considered to have fulfilled an obligation within a certain period of time. Otherwise, the Company is considered to have fulfilled an obligation at a certain point in time:

滿足下列條件之一的，屬於在某一時段內履行履約義務，否則，屬於在某一時點履行履約義務：

- At the same time when the Company fulfills the obligation, the customer immediately obtains and consumes the economic benefits brought about by the Company's performance.
- The customer can control the goods under construction in the course of the Company's performance.
- Goods produced in the course of the Company's performance are irreplaceable. In addition, during the entire contract period, the Company has the right to collect the payments for the cumulatively completed parts of performance.

- 客戶在本公司履約的同時即取得並消耗本公司履約所帶來的經濟利益。
- 客戶能夠控制本公司履約過程中在建的商品。
- 本公司履約過程中所產出的商品具有不可替代用途，且本公司在整個合同期內有權就累計至今已完成的履約部分收取款項。

For a contractual obligation performed within a certain period of time, the Company recognises revenue by the progress in performance over that period of time, except where the progress cannot be reasonably determined. The Company considers the nature of the goods or services and adopts the output method or the input method to determine the progress in performance. If the progress in performance cannot be reasonably determined, but the incurred costs are expected to be compensated, the Company should recognise revenue on the basis of the incurred costs till the progress in performance can be reasonably determined.

對於在某一時段內履行的履約義務，本公司在該段時間內按照履約進度確認收入，但是，履約進度不能合理確定的除外。本公司考慮商品或服務的性質，採用產出法或投入法確定履約進度。當履約進度不能合理確定時，已經發生的成本預計能夠得到補償的，本公司按照已經發生的成本金額確認收入，直到履約進度能夠合理確定為止。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXV) Revenue (Continued)

#### (十四) 收入(續)

#### 1. Accounting policies for revenue recognition and measurement (Continued)

#### 1. 收入確認和計量所採用的會計政策(續)

For a contractual obligation performed at a certain point in time, the Company recognises revenue when the customer obtains control over relevant goods or services. In determining whether the customer has obtained control over the goods or services, the Company considers the following indications:

對於在某一時點履行的履約義務，本公司在客戶取得相關商品或服務控制權時點確認收入。在判斷客戶是否已取得商品或服務控制權時，本公司考慮下列蹟象：

- The Company enjoys the present right to receive payment for the goods or services, that is, the customer has the present obligation to pay for the goods or services.
  - The Company has transferred the legal ownership of the goods to the customer, that is, the customer has obtained the legal ownership of the goods.
  - The Company has physically transferred the goods to the customer, that is, the customer has physically taken possession of the goods.
  - The Company has transferred the main risks and rewards in the ownership of the goods to the customer, that is, the customer has obtained the main risks and rewards in the ownership of the goods.
  - The customer has accepted the goods or services.
- 本公司就該商品或服務享有現時收款權利，即客戶就該商品或服務負有現時付款義務。
  - 本公司已將該商品的法定所有權轉移給客戶，即客戶已擁有該商品的法定所有權。
  - 本公司已將該商品實物轉移給客戶，即客戶已實物佔有該商品。
  - 本公司已將該商品所有權上的主要風險和報酬轉移給客戶，即客戶已取得該商品所有權上的主要風險和報酬。
  - 客戶已接受該商品或服務等。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXV) Revenue (Continued)

(廿) 收入(續)

2. Specific Principles

2、具體原則

- (1) *The specific method of determining the Company's revenue recognition criteria and the time of recognition of revenue from the sale of goods:*

- (1) 本公司銷售商品收入的確認標準及確認時間的具體判斷方法：

The Company's sales model is divided into direct sales to domestic customers and direct sales to foreign customers. The Company's revenue from domestic sales of goods is recognised when the goods are delivered and accepted by the counterparty. The Company's revenue from external sales of goods is recognised when the goods have been declared at customs and the charter party bills of lading has been obtained.

公司銷售模式分為直銷國內客戶及直銷國外客戶。公司內銷商品收入按貨物發出，對方收貨驗收後確認銷售收入。公司外銷商品收入按貨物已報關並取得海運提單後確認銷售收入。

- (2) *Analysis and introduction of the corresponding business characteristics of the Company's revenue from sales of goods*

- (2) 關於本公司銷售商品收入相應的業務特點分析和介紹

Shandong Fengxiang Industrial Co., Ltd. and Shandong Fengxiang Food Development Co., Ltd. are the main subsidiaries of the Company's external sales. Shandong Fengxiang Industrial Co., Ltd. focuses on the raw chicken cutting products and Shandong Fengxiang Food Development Co., Ltd. focuses on processed and cooked chicken products. The external sales customers are domestic advanced payment customers, credit customers and export customers, respectively. The Company grants credit to different customers and enters into credit contracts with customers with better reputation. The remaining customers are generally advanced payment customers.

山東鳳祥實業有限公司和山東鳳祥食品發展有限公司是對外銷售的主要子公司，前者以雞肉分割生品肉類為主，後者以雞肉深加工熟食品為主。對外銷售客戶分別為國內預收款客戶、賒銷客戶和出口客戶。公司對不同客戶予以授信，對於信譽較好的公司簽訂賒銷合同，其餘一般均為預收款客戶。

(XXVI) Contract costs

(廿) 合同成本

Contract costs comprise contract performance costs and contract acquisition costs.

合同成本包括合同履約成本與合同取得成本。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXVII) Contract costs (Continued)

#### (三) 合同成本(續)

The costs incurred by the Company for the performance of the contract which does not fall under the scope of the standards relating to inventories, fixed assets and intangible assets are recognised as an asset as contract performance costs when the following conditions are met:

- The cost is directly related to a current or expected contract.
- The cost increases the resources of the Company to fulfill its performance obligations in the future.
- The cost is expected to be recovered.

If the incremental cost incurred by the Company in obtaining the contract is expected to be recovered, such cost shall be treated as contract acquisition cost and recognized as an asset.

Assets related to the cost of the contract are amortised on the same basis as the revenue recognition of the goods or services related to the asset; however, if the amortisation period of the contract acquisition cost is less than one year, the Company will include it into the current profit or loss when is incurs.

For assets related to contract costs whose carrying amount is higher than the difference between the following two items, the Company will make provision for impairment for the excess and recognise it as asset impairment loss:

1. The remaining consideration expected to be obtained by the transfer of goods or services related to the asset;
2. The cost expected to be incurred for the transfer of the relevant goods or services.

本公司為履行合同而發生的成本，不屬於存貨、固定資產或無形資產等相關準則規範範圍的，在滿足下列條件時作為合同履約成本確認為一項資產：

- 該成本與一份當前或預期取得的合同直接相關。
- 該成本增加了本公司未來用於履行履約義務的資源。
- 該成本預期能夠收回。

本公司為取得合同發生的增量成本預期能夠收回的，作為合同取得成本確認為一項資產。

與合同成本有關的資產採用與該資產相關的商品或服務收入確認相同的基礎進行攤銷；但是對於合同取得成本攤銷期限未超過一年的，本公司在發生時將其計入當期損益。

與合同成本有關的資產，其賬面價值高於下列兩項的差額的，本公司對超出部分計提減值準備，並確認為資產減值損失：

- 1、因轉讓與該資產相關的商品或服務預期能夠取得的剩餘對價；
- 2、為轉讓該相關商品或服務估計將要發生的成本。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXVII) Contract costs (Continued)

#### (三十七) 合同成本(續)

If the above-mentioned excess is higher than the book value of such assets as a result of any subsequent change of impairment factors in the previous period, the provision for impairment of assets previously made shall be reversed and included in profit or loss for the period as incurred to the extent the book value of the reversed asset shall not exceed the book value of the asset on the date of the reverse assuming no provision for impairment is made.

以前期間減值的因素之後發生變化，使得前述差額高於該資產賬面價值的，本公司轉回原已計提的減值準備，並計入當期損益，但轉回後的資產賬面價值不超過假定不計提減值準備情況下該資產在轉回日的賬面價值。

#### (XXVIII) Government grants

#### (三十八) 政府補助

##### 1. Types

##### 1、類型

Government grants are monetary assets and non-monetary assets obtained by the Company from the government for free, and are divided into government grants related to assets and government grants related to revenue.

政府補助，是本公司從政府無償取得的貨幣性資產或非貨幣性資產，分為與資產相關的政府補助和與收益相關的政府補助。

Government grants related to assets are those obtained by the Company for the purposes of acquisition, construction or otherwise forming a long-term asset. Government grants related to revenue refer to the government grants other than those related to assets.

與資產相關的政府補助，是指本公司取得的、用於購建或以其他方式形成長期資產的政府補助。與收益相關的政府補助，是指除與資產相關的政府補助之外的政府補助。

The specific criteria for classifying government grants as asset-related are: government documents specify that the grants are for long-term assets obtained, acquired or constructed or otherwise formed by the enterprise.

本公司將政府補助劃分為與資產相關的具體標準為：政府文件明確規定補助對象為企業取得、購建或以其他方式形成的長期資產。

The specific criteria for classifying government grants as revenue-related are: government documents specify that the grants are for expenses or losses.

本公司將政府補助劃分為與收益相關的具體標準為：政府文件明確規定補助對象為費用支出或損失。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXVIII) Government grants (Continued)

#### (三) 政府補助(續)

##### 1. Types (Continued)

If government documents do not specify the target of the subsidy and it is difficult to distinguish them, the Company classifies government grants as a whole as revenue-related government grants and includes them in current profit or loss, or recognises them as current revenue in installments over the project period, depending on the circumstances.

##### 1、類型(續)

對於政府文件未明確規定補助對象，難以區分的，本公司將政府補助整體歸類為與收益相關的政府補助，視情況不同計入當期損益，或者在項目期內分期確認為當期收益。

##### 2. Timing for recognition

Government grants are recognised when the Company can comply with the conditions attached to it and when it can be received.

##### 2、確認時點

政府補助在本公司能夠滿足其所附的條件並且能夠收到時，予以確認。

##### 3. Accounting treatment

Asset-related government grants shall be used to offset the carrying amount of relevant asset or recognised as deferred income. The amount recognised as deferred income shall be included in current profit or loss by installments in a reasonable and systematic way over the useful life of the relevant assets (the government grants related to the Company's daily activities shall be included in other income; and the government grants unrelated to the Company's daily activities shall be included in non-operating income);

##### 3、會計處理

與資產相關的政府補助，沖減相關資產賬面價值或確認為遞延收益。確認為遞延收益的，在相關資產使用壽命內按照合理、系統的方法分期計入當期損益(與本公司日常活動相關的，計入其他收益；與本公司日常活動無關的，計入營業外收入)；



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXVIII) Government grants (Continued)

(三) 政府補助(續)

3. Accounting treatment (Continued)

3. 會計處理(續)

Government grants related to revenue that are used to compensate relevant costs or losses of the Company in subsequent periods are recognised as deferred income and included in current profit or loss when such costs or losses are recognised (government grants related to the Company's daily activities shall be included in other income; government grants unrelated to the Company's daily activities shall be included in non-operating income) or are used to offset relevant costs or losses; and the grants used to compensate relevant costs or losses that have incurred by the Company are included directly in current profit or loss (government grants related to the Company's daily activities shall be included in other income; government grants unrelated to the Company's daily activities shall be included in non-operating income) or are used to offset relevant costs or losses.

與收益相關的政府補助，用於補償本公司以後期間的相關成本費用或損失的，確認為遞延收益，並在確認相關成本費用或損失的期間，計入當期損益(與本公司日常活動相關的，計入其他收益；與本公司日常活動無關的，計入營業外收入)或沖減相關成本費用或損失；用於補償本公司已發生的相關成本費用或損失的，直接計入當期損益(與本公司日常活動相關的，計入其他收益；與本公司日常活動無關的，計入營業外收入)或沖減相關成本費用或損失。

(XXVIII) Deferred income tax assets and deferred income tax liabilities

(三) 遞延所得稅資產和遞延所得稅負債

Income tax comprises current and deferred income tax. Current income tax and deferred income tax are recognised in current profit or loss except to the extent that they relate to a business combination or items included directly in equity (including other comprehensive income).

所得稅包括當期所得稅和遞延所得稅。除因企業合併和直接計入所有者權益(包括其他綜合收益)的交易或者事項產生的所得稅外，本公司將當期所得稅和遞延所得稅計入當期損益。

Deferred income tax assets and deferred income tax liabilities are calculated and recognised based on the differences (temporary differences) between the tax bases and the carrying amount of assets and liabilities.

遞延所得稅資產和遞延所得稅負債根據資產和負債的計稅基礎與其賬面價值的差額(暫時性差異)計算確認。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXVIII) Deferred income tax assets and deferred income tax liabilities (Continued)

#### (廿八) 遞延所得稅資產和遞延所得稅負債(續)

Deferred income tax assets are recognised for deductible temporary differences to the extent of taxable income that is likely to be obtained in the future period to offset the deductible temporary differences. For deductible losses and tax credits that can be carried forward to future years, deferred income tax assets shall be recognised to the extent of future taxable income that is likely to be obtained to offset the deductible losses and tax credits.

對於可抵扣暫時性差異確認遞延所得稅資產，以未來期間很可能取得的用來抵扣可抵扣暫時性差異的應納稅所得額為限。對於能夠結轉以後年度的可抵扣虧損和稅款抵減，以很可能獲得用來抵扣可抵扣虧損和稅款抵減的未來應納稅所得額為限，確認相應的遞延所得稅資產。

Save for exceptions, deferred income tax liabilities shall be recognised for the taxable temporary difference.

對於應納稅暫時性差異，除特殊情況外，確認遞延所得稅負債。

The exceptions for not recognition of deferred income tax assets or deferred income tax liabilities include:

不確認遞延所得稅資產或遞延所得稅負債的特殊情況包括：

- the initial recognition of the goodwill;
- a transaction or event that is neither a business combination nor affects accounting profit and taxable income (or deductible loss) at the time of its occurrence.

- 商譽的初始確認；
- 既不是企業合併、發生時也不影響會計利潤和應納稅所得額(或可抵扣虧損)的交易或事項。

Deferred income tax liabilities are recognised for taxable temporary differences relating to the investments in subsidiaries, joint ventures and associates, except where the Company is able to control the timing of the reversal of the temporary difference, and it is probable that the temporary difference will not be reversed in the foreseeable future. When it is probable that the temporary differences relating to the investments in subsidiaries, joint ventures and associates will be reversed in the foreseeable future and that taxable income is likely to be obtained in the future to offset the deductible temporary differences, deferred income tax assets will be recognised.

對與子公司、聯營企業及合營企業投資相關的應納稅暫時性差異，確認遞延所得稅負債，除非本公司能夠控制該暫時性差異轉回的時間且該暫時性差異在可預見的未來很可能不會轉回。對與子公司、聯營企業及合營企業投資相關的可抵扣暫時性差異，當該暫時性差異在可預見的未來很可能轉回且未來很可能獲得用來抵扣可抵扣暫時性差異的應納稅所得額時，確認遞延所得稅資產。

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are measured at the applicable tax rates during the period when the relevant assets are expected to be recovered or the relevant liabilities are expected to be settled in accordance with the provisions of the tax law.

資產負債表日，對於遞延所得稅資產和遞延所得稅負債，根據稅法規定，按照預期收回相關資產或清償相關負債期間的適用稅率計量。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXVIII) Deferred income tax assets and deferred income tax liabilities (Continued)

#### (廿) 遞延所得稅資產和遞延所得稅負債(續)

The carrying amount of a deferred income tax asset is reviewed on the balance sheet date, and is reduced when sufficient taxable income is not likely to be obtained in future periods to offset the benefit of deferred income tax assets. Such reduction will be reversed when sufficient taxable income is likely to be obtained.

資產負債表日，本公司對遞延所得稅資產的賬面價值進行覆核。如果未來期間很可能無法獲得足夠的應納稅所得額用以抵扣遞延所得稅資產的利益，則減記遞延所得稅資產的賬面價值。在很可能獲得足夠的應納稅所得額時，減記的金額予以轉回。

When the Company has a legal right to set-off and intends either to settle on a net basis or to acquire the income tax asset and settle the income tax liability simultaneously, current income tax assets and current income tax liabilities shall be presented as the net amount after offsetting.

當擁有以淨額結算的法定權利，且意圖以淨額結算或取得資產、清償負債同時進行時，當期所得稅資產及當期所得稅負債以抵銷後的淨額列報。

On the balance sheet date, deferred income tax assets and deferred income tax liabilities are presented in their net amount after offsetting when all of the following conditions are met:

資產負債表日，遞延所得稅資產及遞延所得稅負債在同時滿足以下條件時以抵銷後的淨額列示：

- When the taxable entity has the legal right to set off current income tax assets and current income tax liabilities on a net basis;
- When the deferred income tax assets and deferred income tax liabilities are related to income tax to be paid by the same entity liable to pay tax to the same tax authority, or related to different entities liable to pay tax but the relevant entities intend to settle on a net basis or to acquire the income tax assets and settle the income tax liabilities simultaneously in the future period in which significant deferred income tax assets and liabilities would be reversed.

- 納稅主體擁有以淨額結算當期所得稅資產及當期所得稅負債的法定權利；
- 遞延所得稅資產及遞延所得稅負債是與同一稅收徵管部門對同一納稅主體徵收的所得稅相關或者是對不同的納稅主體相關，但在未來每一具有重要性的遞延所得稅資產及負債轉回的期間內，涉及的納稅主體意圖以淨額結算當期所得稅資產和負債或是同時取得資產、清償負債。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

#### (XXIX) Lease

A lease is a contract that conveys the right to use an asset for a period of time in exchange for consideration.

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of one or more identified asset(s) for a period of time in exchange for consideration.

For a contract that contains multiple separate lease, the Company separates and accounts for each lease component as a lease separately. For a contract that contains lease and non-lease components, the lessee and lessor separates the lease and non-lease components.

#### 1. The Company as a lessee

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

At the commencement date of lease term, the Company recognises right-of-use assets for leases (excluding short-term leases and leases of low-value assets). Right-of-use assets are measured initially at cost. Such cost comprises:

- The amount of the initial measurement of lease liability;
- Lease payments made at or before the inception of the lease less any lease incentives already received (if there is a lease incentive);
- Initial direct costs incurred by the Company;
- The costs of the Company expected to be incurred for dismantling and removing the leased asset, restoring the site on which the leased asset is located or restoring it to the condition as agreed in the terms of the lease, except those incurred for the production of inventories.

### 三、重要會計政策及會計估計(續)

#### (廿九) 租賃

租賃，是指在一定期間內，出租人將資產的使用權讓與承租人以獲取對價的合同。

在合同開始日，本公司評估合同是否為租賃或者包含租賃。如果合同中一方讓渡了在一定期間內控制一項或多項已識別資產使用的權利以換取對價，則該合同為租賃或者包含租賃。

合同中同時包含多項單獨租賃的，本公司將合同予以分拆，並分別各項單獨租賃進行會計處理。合同中同時包含租賃和非租賃部分的，承租人和出租人將租賃和非租賃部分進行分拆。

#### 1、本公司作為承租人

##### (1) 使用權資產

在租賃期開始日，本公司對除短期租賃和低價值資產租賃以外的租賃確認使用權資產。使用權資產按照成本進行初始計量。該成本包括：

- 租賃負債的初始計量金額；
- 在租賃期開始日或之前支付的租賃付款額，存在租賃激勵的，扣除已享受的租賃激勵相關金額；
- 本公司發生的初始直接費用；
- 本公司為拆卸及移除租賃資產、復原租賃資產所在場地或將租賃資產恢復至租賃條款約定狀態預計將發生的成本，但不包括屬於為生產存貨而發生的成本。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIX) Lease (Continued)

#### (三十九) 租賃(續)

#### 1. The Company as a lessee (Continued)

#### 1、本公司作為承租人(續)

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

##### (1) 使用權資產(續)

The Company subsequently depreciates right-of-use assets using the straight-line method. If there is reasonable certainty that the Company will obtain the ownership of a leased asset at the end of the lease term, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset; otherwise, the Company depreciates the leased asset from the commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset.

本公司後續採用直線法對使用權資產計提折舊。對能夠合理確定租賃期屆滿時取得租賃資產所有權的，本公司在租賃資產剩餘使用壽命內計提折舊；否則，租賃資產在租賃期與租賃資產剩餘使用壽命兩者孰短的期間內計提折舊。

The Company determines whether the right-of-use assets have been impaired in accordance with the principles described in the note “III. (XIX) Impairment of long-term assets” and conducts accounting treatment for impairment loss identified.

本公司按照本附註「三、(十九)長期資產減值」所述原則來確定使用權資產是否已發生減值，並對已識別的減值損失進行會計處理。

##### (2) Lease liabilities

##### (2) 租賃負債

At the commencement date of lease term, the Company recognises lease liabilities for leases (excluding short-term leases and leases of low-value assets). Lease liabilities are initially measured based on the present value of outstanding lease payments. Lease payments include:

在租賃期開始日，本公司對除短期租賃和低價值資產租賃以外的租賃確認租賃負債。租賃負債按照尚未支付的租賃付款額的現值進行初始計量。租賃付款額包括：

- Fixed payments (including in-substance fixed payments), less any lease incentives (if there is a lease incentive);
- Variable lease payment that are based on an index or a rate;
- Amounts expected to be payable under the guaranteed residual value provided by the Company;

- 固定付款額(包括實質固定付款額)，存在租賃激勵的，扣除租賃激勵相關金額；
- 取決於指數或比率的可變租賃付款額；
- 根據公司提供的擔保余值預計應支付的款項；

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIX) Lease (Continued)

#### (三) 租賃(續)

##### 1. The Company as a lessee (Continued)

##### 1、本公司作為承租人(續)

###### (2) Lease liabilities (Continued)

###### (2) 租賃負債(續)

- The exercise price of a purchase option if the Company is reasonably certain to exercise that option;
- Payments for terminating the lease option, if the lease term reflects that the Company will exercise that option.

- 購買選擇權的行權價格，前提是公司合理確定將行使該選擇權；
- 行使終止租賃選擇權需支付的款項，前提是租賃期反映出公司將行使終止租賃選擇權。

The Company adopts the interest rate implicit in the lease as the discount rate. If that rate cannot be determined reasonably, the Company's incremental borrowing rate is used.

本公司採用租賃內含利率作為折現率，但如果無法合理確定租賃內含利率的，則採用本公司的增量借款利率作為折現率。

The Company shall calculate the interest expenses of lease liabilities over each period of the lease term at the fixed periodic interest rate, and include such expenses into current profit or loss or cost of relevant assets.

本公司按照固定的周期性利率計算租賃負債在租賃期內各期間的利息費用，並計入當期損益或相關資產成本。

Variable lease payments not included in the measurement of lease liabilities are included into current profit or loss or cost of relevant assets when actually incurred.

未納入租賃負債計量的可變租賃付款額在實際發生時計入當期損益或相關資產成本。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXIX) Lease (Continued)

(廿九) 租賃(續)

1. The Company as a lessee (Continued)

1、本公司作為承租人(續)

(2) Lease liabilities (Continued)

(2) 租賃負債(續)

After the commencement date of lease term, the Company re-measures the lease liabilities and adjusts the corresponding right-of-use assets under the following circumstances. If the carrying value of the right-of-use assets has been reduced to zero, and the lease liabilities still need to be further reduced, the difference is included into current profit or loss:

在租賃期開始日後，發生下列情形的，本公司重新計量租賃負債，並調整相應的使用權資產，若使用權資產的賬面價值已調減至零，但租賃負債仍需進一步調減的，將差額計入當期損益：

- When there is a change in the assessment results of the purchase, extension or termination option, or when the actual exercise of the aforementioned options is inconsistent with the original assessment results, the Company remeasures the lease liabilities in accordance with the lease payments after changes and the present value calculated using the revised discount rate;
- When there is a change in substantial fixed payments, the amount expected to be payable under the guaranteed residual value or the index or rate used to determine lease payments, the Company remeasures the lease liabilities in accordance with the lease payments after changes and the present value calculated using the initial discount rate. However, if the change in lease payments is due to a change in a floating interest rate, a revised discount rate is used for the calculation of present value.
- 當購買選擇權、續租選擇權或終止選擇權的評估結果發生變化，或前述選擇權的實際行權情況與原評估結果不一致的，本公司按變動後租賃付款額和修訂後的折現率計算的現值重新計量租賃負債；
- 當實質固定付款額發生變動、擔保餘值預計的應付金額發生變動或用於確定租賃付款額的指數或比率發生變動，本公司按照變動後的租賃付款額和原折現率計算的現值重新計量租賃負債。但是，租賃付款額的變動源自浮動利率變動的，使用修訂後的折現率計算現值。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIX) Lease (Continued)

#### (廿九) 租賃(續)

#### 1. The Company as a lessee (Continued)

#### 1、本公司作為承租人(續)

#### (3) Short-term leases and leases of low-value assets

#### (3) 短期租賃和低價值資產租賃

The Company chooses not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low-value assets, and includes the relevant lease payments into current profit or loss or cost of relevant assets over each period of the lease term on a straight-line basis. Short-term leases refer to leases with a lease term of not more than 12 months from the commencement date of lease term and excluding a purchase option. Leases of low-value assets refer to leases that the single underlying asset, when is new, is of low value. Where the Company subleases or expects to sublease a leased asset, the original lease is not a lease of low value asset.

本公司選擇對短期租賃和低價值資產租賃不確認使用權資產和租賃負債，並將相關的租賃付款額在租賃期內各個期間按照直線法計入當期損益或相關資產成本。短期租賃，是指在租賃期開始日，租賃期不超過12個月且不包含購買選擇權的租賃。低價值資產租賃，是指單項租賃資產為全新資產時價值較低的租賃。公司轉租或預期轉租租賃資產的，原租賃不屬於低價值資產租賃。

#### (4) Lease change

#### (4) 租賃變更

The Company will account for the lease change as a separate lease if the lease changes and meets the following conditions:

租賃發生變更且同時符合下列條件的，公司將該租賃變更作為一項單獨租賃進行會計處理：

- The lease change expands the scope of lease by increasing the rights to use one or more leased assets;
- The increased consideration and the individual price of the expanded part of the lease are equivalent to the amount adjusted for the contract.

- 該租賃變更通過增加一項或多項租賃資產的使用權而擴大了租賃範圍；
- 增加的對價與租賃範圍擴大部分的單獨價格按該合同情況調整後的金額相當。

If the lease change is not accounted for as a separate lease, the Company shall re-allocate the consideration of a changed contract, re-determine the lease term, and remeasure the lease liabilities in accordance with the lease payments after changes and the present value calculated using the revised discount rate on the effective date of the lease change.

租賃變更未作為一項單獨租賃進行會計處理的，在租賃變更生效日，公司重新分攤變更後合同的對價，重新確定租賃期，並按照變更後租賃付款額和修訂後的折現率計算的現值重新計量租賃負債。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXIX) Lease (Continued)

(三十九) 租賃(續)

1. The Company as a lessee (Continued)

1、本公司作為承租人(續)

(4) Lease change (Continued)

(4) 租賃變更(續)

If the lease change results in a narrower lease or a shorter lease term, the Company reduces the carrying value of the right-of-use asset accordingly, and includes the gains or losses related to partial or complete termination of the leases into current profit or loss. For other lease change that cause the lease liabilities to be remeasured, the Company adjusts the carrying value of the right-of-use assets accordingly.

租賃變更導致租賃範圍縮小或租賃期縮短的，本公司相應調減使用權資產的賬面價值，並將部分終止或完全終止租賃的相關利得或損失計入當期損益。其他租賃變更導致租賃負債重新計量的，本公司相應調整使用權資產的賬面價值。

(5) Rental concessions related to the COVID-19 Pandemic

(5) 新冠肺炎疫情相關的租金減讓

For rent reductions, deferred payments and other rental concessions directly caused by the COVID-19 Pandemic and agreed on existing leasing contracts, if the following conditions are met at the same time, the Company adopts a simplified approach for all lease options, and does not assess whether there is a lease change, nor does it reassess the classification of leases:

對於由新冠肺炎疫情直接引發的、就現有租賃合同達成的租金減免、延期支付等租金減讓，同時滿足下列條件的，本公司對所有租賃選擇採用簡化方法，不評估是否發生租賃變更，也不重新評估租賃分類：

- The lease consideration after the concession is reduced or basically unchanged compared with that before the concession, among which, the lease consideration can be either undiscounted or discounted at the discount rate before the concession;
- The concession is only for lease payments payable before 30 June 2022, an increase in lease payments payable after 30 June 2022 does not affect meeting this condition, and a decrease in lease payments payable after 30 June 2022 does not satisfy this condition; and

- 減讓後的租賃對價較減讓前減少或基本不變，其中，租賃對價未折現或按減讓前折現率折現均可；
- 減讓僅針對2022年6月30日前的應付租賃付款額，2022年6月30日後應付租賃付款額增加不影響滿足該條件，2022年6月30日後應付租賃付款額減少不滿足該條件；以及

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIX) Lease (Continued)

#### (三) 租賃(續)

##### 1. The Company as a lessee (Continued)

##### 1. 本公司作為承租人(續)

##### (5) Rental concessions related to the COVID-19 Pandemic (Continued)

##### (5) 新冠肺炎疫情相關的租金減讓(續)

- After taking into account the qualitative and quantitative factors, it is determined that there is no significant change in other terms and conditions of the leases.

- 綜合考慮定性和定量因素後認定租賃的其他條款和條件無重大變化。

For leases that adopt the simplified approach for rent concessions related to the COVID-19 Pandemic, the Company will not assess whether there is a lease change, and will continue to calculate the interest expenses of lease liabilities based on the discount rate consistent with that before the concession and include such expenses into current profit or loss; and will continue to make provisions for the depreciation of the right-of-use assets based on the method consistent with that before the concession. In the event of a rental reduction, the reduced rental will be treated as variable lease payments by the Company. When a concession agreement is reached, etc. to release the original rent payment obligation, the relevant assets costs or expenses shall be offset by the undiscounted amounts or amounts discounted at the discount rate before the concession, and the lease liabilities shall be adjusted accordingly. In the event of a deferred rental payment, the previously recognised lease liabilities will be offset when the actual payment is made.

對於採用新冠肺炎疫情相關租金減讓簡化方法的，本公司不評估是否發生租賃變更，繼續按照與減讓前一致的折現率計算租賃負債的利息費用並計入當期損益，繼續按照與減讓前一致的方法對使用權資產進行計提折舊。發生租金減免的，本公司將減免的租金作為可變租賃付款額，在達成減讓協議等解除原租金支付義務時，按未折現或減讓前折現率折現金額沖減相關資產成本或費用，同時相應調整租賃負債；延期支付租金的，本公司在實際支付時沖減前期確認的租賃負債。

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**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

(XXIX) **Lease (Continued)**

(廿九) **租賃(續)**

**1. The Company as a lessee (Continued)**

**1、本公司作為承租人(續)**

**(5) Rental concessions related to the COVID-19 Pandemic (Continued)**

**(5) 新冠肺炎疫情相關的租金減讓(續)**

For short-term leases and leases of low-value assets, the Company continues to include the original contract rent into the relevant assets costs or expenses in the same way as before the concession. In the event of a rental reduction, the reduced rental will be treated as variable lease payments by the Company, and the relevant assets costs or expenses will be offset during the concession period; in the event of a deferred rental payment, rent payable will be recognised as payables by the Company during the original payment period, and the previously recognised payables will be offset when the actual payment is made.

對於短期租賃和低價值資產租賃，本公司繼續按照與減讓前一致的方法將原合同租金計入相關資產成本或費用。發生租金減免的，本公司將減免的租金作為可變租賃付款額，在減免期間沖減相關資產成本或費用；延期支付租金的，本公司在原支付期間將應支付的租金確認為應付款項，在實際支付時沖減前期確認的應付款項。

**2. The Company as a lessor**

**2、本公司作為出租人**

At the commencement date of lease term, the Company classifies leases as financing leases and operating leases. A financing lease is a lease that transfers substantially all the risks and rewards incidental to ownership of a leased asset, irrespective of whether the ownership of the asset is eventually transferred. An operating lease is a lease other than a finance lease. As a sub-leasing lessor, the Company classifies the sub-leases based on the right-of-use assets of the original leases.

在租賃開始日，本公司將租賃分為融資租賃和經營租賃。融資租賃，是指無論所有權最終是否轉移，但實質上轉移了與租賃資產所有權有關的幾乎全部風險和報酬的租賃。經營租賃，是指除融資租賃以外的其他租賃。本公司作為轉租出租人時，基於原租賃產生的使用權資產對轉租賃進行分類。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIX) Lease (Continued)

#### (十) 租賃(續)

#### 2. The Company as a lessor (Continued)

#### 2、本公司作為出租人(續)

##### (1) Accounting treatment of operating leases

##### (1) 經營租賃會計處理

The lease payments derived from operating leases are recognised as rental income on a straight-line basis over the respective lease term. Initial direct costs relating to operating leases to be incurred by the Company shall be capitalised and then included into the current profit or loss by stages at the same base as the recognition of rental income over the lease term. The variable lease payments not included in the measurement of lease payments shall be recognised in profit or loss in the period in which they are occurred. Where there is a modification in an operating lease, the Company accounts for it as a new lease from the effective date of the modification, and the amount of lease receipts received in advance or receivable relating to the pre-modification lease is treated as receipts under the new lease.

經營租賃的租賃收款額在租賃期內各個期間按照直線法確認為租金收入。本公司將發生的與經營租賃有關的初始直接費用予以資本化，在租賃期內按照與租金收入確認相同的基礎分攤計入當期損益。未計入租賃收款額的可變租賃付款額在實際發生時計入當期損益。經營租賃發生變更的，公司自變更生效日起將其作為一項新租賃進行會計處理，與變更前租賃有關的預收或應收租賃收款額視為新租賃的收款額。

##### (2) Accounting treatment of financing leases

##### (2) 融資租賃會計處理

At the commencement date of lease term, the Company recognises financing lease receivable for financing leases and derecognises the underlying assets. The Company initially measures financing lease receivable in the amount of net investment in the lease. Net investment in the lease is the sum of present value of unguaranteed residual value and the lease payments receivable at the commencement date of lease term, discounted at the interest rate implicit in the lease.

在租賃開始日，本公司對融資租賃確認應收融資租賃款，並終止確認融資租賃資產。本公司對應收融資租賃款進行初始計量時，將租賃投資淨額作為應收融資租賃款的入賬價值。租賃投資淨額為未擔保餘值和租賃期開始日尚未收到的租賃收款額按照租賃內含利率折現的現值之和。

The Company calculates and recognises interest income in each period during the lease term, based on a constant periodic interest rate. The derecognition and impairment of financing lease receivable are accounted for in accordance with the note "III. (X) Financial instruments".

本公司按照固定的周期性利率計算並確認租賃期內各個期間的利息收入。應收融資租賃款的終止確認和減值按照本附註「三、(十)金融工具」進行會計處理。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXIX) Lease (Continued)

(廿) 租賃(續)

2. The Company as a lessor (Continued)

2、本公司作為出租人(續)

(2) Accounting treatment of financing leases (Continued)

(2) 融資租賃會計處理(續)

Variable lease payments not included in the measurement of the net investment in the lease are included in profit or loss in the period in which they are occurred.

未納入租賃投資淨額計量的可變租賃付款額在實際發生時計入當期損益。

When a financial lease is changed and the following conditions are simultaneously met, the Company accounts for the lease change as a separate lease:

融資租賃發生變更且同時符合下列條件的，本公司將該變更作為一項單獨租賃進行會計處理：

- The change expands the scope of lease by adding the right to use one or more leased assets;
- The increased consideration and the individual price of the expanded part of the lease are equivalent to the amount adjusted for the contract.

- 該變更通過增加一項或多項租賃資產的使用權而擴大了租賃範圍；
- 增加的對價與租賃範圍擴大部分的單獨價格按該合同情況調整後的金額相當。

Where a change in a financial lease is not accounted for as a separate lease, the Company deals with the lease after the change according to the following situations:

融資租賃的變更未作為一項單獨租賃進行會計處理的，本公司分別下列情形對變更後的租賃進行處理：

- In case where the lease would have been classified as an operating lease assuming the modification became effective at the commencement date of the lease, the Company accounts for it as a new lease from the effective date of the modification and the net investment in the lease prior to the effective date of the modification is taken as the carrying amount of the leased assets;

- 假如變更在租賃開始日生效，該租賃會被分類為經營租賃的，本公司自租賃變更生效日開始將其作為一項新租賃進行會計處理，並以租賃變更生效日前的租賃投資淨額作為租賃資產的賬面價值；

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIX) Lease (Continued)

#### (廿九) 租賃(續)

#### 2. The Company as a lessor (Continued)

#### 2、本公司作為出租人(續)

##### (2) Accounting treatment of financing leases (Continued)

##### (2) 融資租賃會計處理(續)

- In case where the lease would have been classified as a finance lease assuming the modification became effective at the commencement date of the lease, the Company conducts accounting treatment in accordance with the policy regarding the modification or renegotiation of contracts described in note “III. (X) Financial instruments”.

- 假如變更在租賃開始日生效，該租賃會被分類為融資租賃的，本公司按照本附註「三、(十)金融工具」關於修改或重新議定合同的政策進行會計處理。

#### 3. Sale and leaseback transactions

#### 3、售後租回交易

The Company determines whether the asset transfer in the sale and leaseback transaction is a sale in accordance with the principles described in notes “III. (XXV) Revenue”.

公司按照本附註「三、(二十五)收入」所述原則評估確定售後租回交易中的資產轉讓是否屬於銷售。

##### (1) As a lessee

##### (1) 作為承租人

If the asset transfer in the sale and leaseback transaction is a sale, the Company, as a lessee, measures the right-of-use assets formed by the sale and leaseback based on the part of the book value of the original assets related to the use rights obtained from the leaseback, and recognise relevant gains or losses only for the right transferred to the lessor; if the transfer of assets in the sale and leaseback transaction is not a sale, the Company, as a lessee, continues to recognise the transferred assets and recognises a financial liability equal to the transfer income. For details of accounting treatment for financial liabilities, please see note “III. (X) Financial instruments”.

售後租回交易中的資產轉讓屬於銷售的，公司作為承租人按原資產賬面價值中與租回獲得的使用權有關的部分，計量售後租回所形成的使用權資產，並僅就轉讓至出租人的權利確認相關利得或損失；售後租回交易中的資產轉讓不屬於銷售的，公司作為承租人繼續確認被轉讓資產，同時確認一項與轉讓收入等額的金融負債。金融負債的會計處理詳見本附註「三、(十)金融工具」。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

(XXIX) **Lease (Continued)**

(十) **租賃(續)**

**3. Sale and leaseback transactions (Continued)**

**3、售後租回交易(續)**

(2) *As a lessor*

(2) *作為出租人*

If the transfer of assets in the sale and leaseback transaction is a sale, the Company, as a lessor, accounts for asset purchase, and accounts for asset lease in accordance with policies in the aforementioned “2. The Company as a lessor”; if the transfer of assets in the sale and leaseback transaction is not a sale, the Company, as a lessor, does not recognise the transferred assets, but recognises a financial asset equal to the transfer income. For details of accounting treatment for financial assets, please see note “III. (X) Financial instruments”.

售後租回交易中的資產轉讓屬於銷售的，公司作為出租人對資產購買進行會計處理，並根據前述「2、本公司作為出租人」的政策對資產出租進行會計處理；售後租回交易中的資產轉讓不屬於銷售的，公司作為出租人不確認被轉讓資產，但確認一項與轉讓收入等額的金融資產。金融資產的會計處理詳見本附註「三、(十)金融工具」。

(XXX) **Hedge accounting**

(十一) **套期會計**

**1. Classification of hedging**

**1、套期保值的分類**

- (1) A fair value hedge is a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment (except foreign exchange risk).
- (2) A cash flow hedge is a hedge of the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment.

- (1) 公允價值套期，是指對已確認資產或負債，尚未確認的確定承諾(除外匯風險外)的公允價值變動風險進行的套期。
- (2) 現金流量套期，是指對現金流量變動風險進行的套期，此現金流量變動源於與已確認資產或負債、很可能發生的預期交易有關的某類特定風險，或一項未確認的確定承諾包含的外匯風險。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXXI) Hedge accounting (Continued)

#### (計) 套期會計(續)

##### 1. Classification of hedging (Continued)

##### 1、套期保值的分類(續)

(3) Hedge of a net investment in a foreign operation is a hedge of the exposure to foreign exchange risk associated with a net investment in a foreign operation. Net investment in a foreign operation is the share of interest in the net asset of the foreign operation.

(3) 境外經營淨投資套期，是指對境外經營淨投資外匯風險進行的套期。境外經營淨投資，是指企業在境外經營淨資產中的權益份額。

##### 2. Designation of the hedge relationship and recognition of the effectiveness of hedging

##### 2、套期關係的指定及套期有效性的認定

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge. The documentation includes identification of the nature and quantity of the hedging instrument, the nature and quantity of the hedged item, the nature of the risk being hedged, the type of hedging and how the Company will assess the hedging instrument's effectiveness. Hedging instrument's effectiveness means the degree of the change of fair value or cash flow of the hedging instrument in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

在套期關係開始時，本公司對套期關係有正式的指定，並準備了關於套期關係、風險管理目標和套期策略的正式書面文件。該文件載明瞭套期工具性質及其數量、被套期項目性質及其數量、被套期風險的性質、套期類型、以及本公司對套期工具有效性的評估。套期有效性，是指套期工具的公允價值或現金流量變動能夠抵銷被套期風險引起的被套期項目公允價值或現金流量變動的程程度。

The hedge is assessed by the Company for effectiveness on an ongoing basis and judged whether it meets the requirements for the effectiveness of using hedge accounting throughout the accounting periods for which the hedging relationship was designated. Provided the discontent of the requirements, the application of a hedge shall be terminated.

本公司持續地對套期有效性進行評價，判斷該套期在套期關係被指定的會計期間內是否滿足運用套期會計對於有效性的要求。如果不滿足，則終止運用套期關係。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XXXI) Hedge accounting (Continued)**

**(計) 套期會計(續)**

**2. Designation of the hedge relationship and recognition of the effectiveness of hedging (Continued)**

**2、套期關係的指定及套期有效性的認定(續)**

The application of hedge accounting shall meet the following requirements on the effectiveness of the hedge:

運用套期會計，應當符合下列套期有效性的要求：

- (1) There is an economic relationship between the hedged item and the hedging instrument.
- (2) The effect of credit risk does not dominate the value changes that result from the economic relationship between the hedged item and the hedging instrument.
- (3) The appropriate hedge ratio will not cause the imbalance of relative weight between the hedged item and the hedging instrument, thus generating accounting results inconsistent with the hedge accounting objectives. If the hedge ratio is no longer appropriate, but the hedge risk management objectives do not change, the amount of the hedged item and the hedging instrument shall be adjusted, so that the hedge ratio can re-meet the requirements on the effectiveness.

- (1) 被套期項目與套期工具之間存在經濟關係。
- (2) 被套期項目與套期工具經濟關係產生的價值變動中，信用風險的影響不佔主導地位。
- (3) 採用適當的套期比率，該套期比率不會形成被套期項目與套期工具相對權重的失衡，從而產生與套期會計目標不一致的會計結果。如果套期比率不再適當，但套期風險管理目標沒有改變的，應當對被套期項目或套期工具的數量進行調整，以使得套期比率重新滿足有效性的要求。

**3. The criteria for hedge accounting**

**3、套期會計處理方法**

**(1) Fair value hedges**

**(1) 公允價值套期**

The change in the fair value of a hedging derivative is recognised in the current profit or loss. The change in the fair value of the hedged item attributable to hedging risks is recognised in the current profit or loss and the carrying amount of the hedged item is adjusted at the same time.

套期衍生工具的公允價值變動計入當期損益。被套期項目的公允價值因套期風險而形成的變動，計入當期損益，同時調整被套期項目的賬面價值。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXXI) Hedge accounting (Continued)

#### (計) 套期會計(續)

#### 3. The criteria for hedge accounting (Continued)

#### 3. 套期會計處理方法(續)

##### (1) Fair value hedges (Continued)

##### (1) 公允價值套期(續)

For fair value hedges relating to financial instruments carried at amortised cost, the adjustment to carrying amount of a hedged item is amortised through the current profit or loss over the remaining term to maturity. Amortisation for which the effective interest method is used may begin as soon as an adjustment to carrying amount exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to hedging risks.

就與按攤餘成本計量的金融工具有關的公允價值套期而言，對被套期項目賬面價值所作的調整，在調整日至到期日之間的剩餘期間內進行攤銷，計入當期損益。按照實際利率法的攤銷可於賬面價值調整後隨即開始，並不得晚於被套期項目終止針對套期風險產生的公允價值變動而進行的調整。

If the hedged item is derecognised, the unamortised fair value is recognised in the current profit or loss.

如果被套期項目終止確認，則將未攤銷的公允價值確認為當期損益。

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the current profit or loss. The changes in the fair value of the hedging instrument are also recognised in the current profit or loss.

被套期項目為尚未確認的確定承諾的，該確定承諾的公允價值因被套期風險引起的累計公允價值變動確認為一項資產或負債，相關的利得或損失計入當期損益。套期工具的公允價值變動亦計入當期損益。

##### (2) Cash flow hedges

##### (2) 現金流量套期

The effective portion of the gain or loss on the hedging instrument is recognised directly as other comprehensive income, while the ineffective portion is recognised in the current profit or loss.

套期工具利得或損失中屬於有效套期的部分，直接確認為其他綜合收益，屬於無效套期的部分，計入當期損益。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

**III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)**

**三、重要會計政策及會計估計(續)**

**(XXXI) Hedge accounting (Continued)**

**(計) 套期會計(續)**

**3. The criteria for hedge accounting (Continued)**

**3、套期會計處理方法(續)**

**(2) Cash flow hedges (Continued)**

**(2) 現金流量套期(續)**

Amounts taken to other comprehensive income are transferred to current profit or loss when the hedged transaction affects the current profit or loss, such as when hedged financial income or financial expense is recognised or when a forecast sale occurs. Where the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to other comprehensive income are transferred to the initial carrying amount of the non-financial asset or non-financial liability (or originally recognised in other comprehensive income, and transferred in the same period as the profit and loss is affected by the non-financial assets and non-financial liability, the amounts shall be included in the current profit or loss).

如果被套期交易影響當期損益的，如當被套期財務收入或財務費用被確認或預期銷售發生時，則將其他綜合收益中確認的金額轉入當期損益。如果被套期項目是一項非金融資產或非金融負債的成本，則原在其他綜合收益中確認的金額轉出，計入該非金融資產或非金融負債的初始確認金額(或則原在其他綜合收益中確認的，在該非金融資產或非金融負債影響損益的相同期間轉出，計入當期損益)。

If the forecast transaction or firm commitment is no longer expected to occur, the accumulated gains or losses on hedging instruments previously recognised in other comprehensive income are transferred to the current profit or loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, the amounts previously recognised in other comprehensive income remain in there until the forecast transaction or firm commitment affects the current profit or loss.

如果預期交易或確定承諾預計不會發生，則以前計入其他綜合收益中的套期工具累計利得或損失轉出，計入當期損益。如果套期工具已到期、被出售、合同終止或已行使(但並未被替換或展期)，或者撤銷了對套期關係的指定，則以前計入其他綜合收益的金額不轉出，直至預期交易或確定承諾影響當期損益。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXXI) Hedge accounting (Continued)

#### (計) 套期會計(續)

#### 3. The criteria for hedge accounting (Continued)

#### 3·套期會計處理方法(續)

##### (3) Hedges of a net investment in a foreign operation

##### (3) 境外經營淨投資套期

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a similar way to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income while any gains or losses relating to the ineffective portion are recognised in the current profit or loss. On disposal of the foreign operation, any accumulated gains or losses included in other comprehensive income are transferred out and included in the current profit and loss.

對境外經營淨投資的套期，包括作為淨投資的一部分的貨幣性項目的套期，其處理與現金流量套期類似。套期工具的利得或損失中被確定為有效套期的部分計入其他綜合收益，而無效套期的部分確認為當期損益。處置境外經營時，任何計入其他綜合收益的累計利得或損失轉出，計入當期損益。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXXI) Critical accounting estimates and judgments

#### (計) 主要會計估計及判斷

The Company continuously evaluates estimates and judgments based on historical experience and other factors, including reasonable projections of future events under relevant circumstances. The Company makes estimates and assumptions about the future. Accounting estimates under judgments are seldom equal the actual results. The risks of making estimates and assumptions that could result in a material adjustment to the carrying amounts of assets and liabilities within the next accounting year are discussed as follows.

本公司根據過往經驗及其他因素(包括在有關情況下對未來事件合理的預測)持續對估計及判斷作出評估。本公司對未來作出估計和假設。所判斷的會計估計很少會與其實際結果相同。有關作出的估計及假設而導致下一個會計年度內就資產及負債賬面值作重大調整的風險討論如下。

#### **(1) Net realizable value of inventories is lower than inventories**

#### **(1) 存貨的可變現淨值低於存貨的**

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated sales cost. These estimates are based on current market conditions and historical experience in selling products of a similar nature. In severe industry cycles, inventories may change significantly due to the actions of competitors. Management will re-estimate at the reporting date. The carrying amounts of the Company's inventories are disclosed in Note V (V) to the financial statements.

存貨的可變現淨值為日常業務過程中的估計售價減估計銷售成本。這些估計是按現行市場狀況及銷售類似性質產品的過往經驗而作出。在嚴重的行業週期中，存貨會因競爭對手的舉動而大幅變動。管理層將於報告日期重新估計。本公司存貨的賬面值披露於財務報表附註五(五)。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXXI) Critical accounting estimates and judgments (Continued)

#### (計) 主要會計估計及判斷(續)

#### (2) Fair value measurements of biological assets

#### (2) 生物資產的公允價值計量

The management of the Group recognises the fair value less sales cost of biological assets at the end of the reporting period with reference to market pricing, species, growing environment, costs incurred and professional valuation. The Directors of the Company worked closely with qualified external valuers to select the appropriate valuation techniques and inputs for the model. The decision involves the application of significant judgments. If actual results differ from management's estimates, the relevant differences from the original estimates will affect the fair value changes in the current and future periods. Details of the carrying amounts and fair value measurements of the Company's biological assets are disclosed in Note V (X) to the financial statements.

本集團管理層經參考市場定價、品種、生長環境、已產生成本及專業估值，於報告期末確認生物資產公允價值減銷售成本。本公司董事與合格外聘評估師緊密合作，為該模式選擇適當的估值技術及輸入值。該決定涉及重大判斷的應用。若實際結果與管理層所作估計存在差異，與原有估計的有關差額將影響本期及未來期間的公允價值變動。有關本公司生物資產的賬面值及公允價值計量詳情披露於財務報表附註五(十)。

#### (3) Income tax and value-added tax

#### (3) 所得稅及增值稅

The Company is subject to various taxes in the PRC. Meanwhile, the Company enjoys various tax benefits in the PRC. For example, the Company is exempted from enterprise income tax for its operations engaging in primary processing for agricultural products and animal-husbandry and poultry feeding, and is exempted from value-added tax on its revenue from the sales of its own agricultural products. There are various transactions and calculations in the ordinary course of business that result in uncertainties as to the ultimate taxable income. The Company recognises the related tax based on best estimates. If the final tax outcome of the matter differs from the initial recorded amount, such difference will affect the current profit or loss. In addition, the realisation of income tax and value-added taxes is dependent on the Company's capability to generate sufficient taxable income in the future. Future profitability derived from estimated or income tax rates will result in adjustments to the value of tax assets and liabilities.

本公司在國內應繳納多種稅項。同時，本公司在中國享有多種稅收優惠，例如，本公司涉及農產品初加工以及畜牧及家禽飼養的業務免徵企業所得稅，其出售自產農產品的收入免徵增值稅。在日常業務過程中存在多項交易及計算方式，導致不能確定最終應納稅所得額。本公司根據最佳估計確認相關稅項，若該事項的最終稅項結果與初始記錄金額存在差異，則有關差額將影響當期損益。此外，所得稅及增值稅的變現取決於本公司日後產生足夠應納稅收入的能力。自估計或所得稅稅率得出的未來盈利能力將導致對稅項資產及負債價值作出調整。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

三、重要會計政策及會計估計(續)

(XXIII) Changes in significant accounting policies and estimates

(三) 重要會計政策和會計估計的變更

1. Changes in significant accounting policies

1. 重要會計政策變更

(1) Implementation of the Notice on Adjusting the Scope of Application of the “Regulations on Accounting Treatment of Rental Concessions Related to the COVID-19 Pandemic”

(1) 執行《關於調整〈新冠肺炎疫情相關租金減讓會計處理規定〉適用範圍的通知》

On 19 June 2020, the Ministry of Finance issued the Regulations on Accounting Treatment of Rental Concessions Related to the COVID-19 Pandemic (Cai Kuai [2020] No.10), which enables enterprises to choose to adopt a simplified method for accounting treatment of rent concessions, such as rent remission and deferred payment, which are directly caused by the COVID-19 Pandemic.

財政部於2020年6月19日發佈了《新冠肺炎疫情相關租金減讓會計處理規定》(財會[2020]10號)，對於滿足條件的由新冠肺炎疫情直接引發的租金減免、延期支付租金等租金減讓，企業可以選擇採用簡化方法進行會計處理。

On 26 May 2021, the Ministry of Finance issued the Notice on Adjusting the Scope of Application of the Regulations on Accounting Treatment of Rental Concessions Related to the COVID-19 Pandemic (Cai Kuai [2021] No.9) with effect from 26 May 2021, which adjusted the scope of application of the relevant rental concessions related to the COVID-19 Pandemic that using a simplified method for accounting treatment as permitted by the Regulations on Accounting Treatment of Rental Concessions Related to the COVID-19 Pandemic from “the concessions are only for lease payments payable before 30 June 2021” to “the concessions are only for lease payments payable before 30 June 2022” with other applicable conditions remain unchanged.

財政部於2021年5月26日發佈了《關於調整〈新冠肺炎疫情相關租金減讓會計處理規定〉適用範圍的通知》(財會[2021]9號)，自2021年5月26日起施行，將《新冠肺炎疫情相關租金減讓會計處理規定》允許採用簡化方法的新冠肺炎疫情相關租金減讓的適用範圍由「減讓僅針對2021年6月30日前的應付租賃付款額」調整為「減讓僅針對2022年6月30日前的應付租賃付款額」，其他適用條件不變。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIII) Changes in significant accounting policies and estimates (Continued)

#### (三) 重要會計政策和會計估計的變更(續)

##### 1. Changes in significant accounting policies (Continued)

##### 1、重要會計政策變更(續)

###### (1) Implementation of the Notice on Adjusting the Scope of Application of the "Regulations on Accounting Treatment of Rental Concessions Related to the COVID-19 Pandemic" (Continued)

###### (1) 執行《關於調整〈新冠肺炎疫情相關租金減讓會計處理規定〉適用範圍的通知》(續)

The Company has elected to adopt the simplified method for accounting treatment for all eligible lease contracts before the scope adjustment, and has adopted the simplified method for accounting treatment for all eligible similar lease contracts after the scope adjustment. Relevant lease contracts that have been accounted for using lease modifications prior to the issuance of the notice were retroactively adjusted, without adjusting the comparative financial statement data of the previous periods. Adjustments will be made in accordance with the notice for relevant rental concessions occurred between 1 January 2021 and the effective date of the notice that were not accounted for in accordance with the notice.

本公司對適用範圍調整前符合條件的租賃合同已全部選擇採用簡化方法進行會計處理，對適用範圍調整後符合條件的類似租賃合同也全部採用簡化方法進行會計處理，並對通知發佈前已採用租賃變更進行會計處理的相關租賃合同進行追溯調整，但不調整前期比較財務報表數據；對2021年1月1日至該通知施行日之間發生的未按照該通知規定進行會計處理的相關租金減讓，根據該通知進行調整。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### III. SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (Continued)

### 三、重要會計政策及會計估計(續)

#### (XXIII) Changes in significant accounting policies and estimates (Continued)

#### (三) 重要會計政策和會計估計的變更(續)

##### 1. Changes in significant accounting policies (Continued)

##### 1、重要會計政策變更(續)

##### (2) Implementation of the Interpretation of Accounting Standards for Business Enterprises No. 15 on the presentation of centralized management of funds

##### (2) 執行《企業會計準則解釋第15號》關於資金集中管理相關列報

On 30 December 2021, the Ministry of Finance issued the Interpretation of Accounting Standards for Business Enterprises No. 15 (Cai Kuai [2021] No.35, the "Interpretation No. 15"), provisions under which on the "presentation of centralized management of funds" effect on the date of its issuance. The financial statement information for the comparable period was adjusted accordingly.

財政部於2021年12月30日發佈了《企業會計準則解釋第15號》(財會[2021]35號，以下簡稱「解釋第15號」)。「關於資金集中管理相關列報」內容自公佈之日起施行，可比期間的財務報表數據相應調整。

Interpretation No. 15 clearly stipulates how the balance involved in the centralized and unified management of the funds of the Company and member units by an enterprise through internal settlement center, financial companies, etc., should be presented and disclosed in the balance sheet. The implementation of this provision has not had a significant impact on the financial position and operating results of the Company.

解釋第15號就企業通過內部結算中心、財務公司等對母公司及成員單位資金實行集中統一管理涉及的餘額應如何在資產負債表中進行列報與披露作出了明確規定。執行該規定未對本公司財務狀況和經營成果產生重大影響。

##### 2. Changes in significant accounting estimates

##### 2、重要會計估計變更

During the reporting period, there was no change in the Company's major accounting policies.

本報告期公司重要會計估計未發生變更。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### IV. TAXATION

### 四、稅項

#### (I) Main taxes and tax rates

#### (一) 主要稅種和稅率

Tax types 稅種	Tax basis 計稅依據	Tax rate 稅率
Value-added tax 增值稅	The value-added tax payable is the difference between output tax (calculated based on the revenue from sales of goods and taxable service income under the tax laws) and net of the input tax that is allowed to be deducted in the current period 按稅法規定計算的銷售貨物和應稅勞務收入為基礎計算銷項稅額，在扣除當期允許抵扣的進項稅額後，差額部分為應交增值稅	13%、9%、6%
City maintenance and construction tax 城市維護建設稅	Value-added tax actually paid 按實際繳納的增值稅計繳	5%
Education surcharge 教育費附加	Value-added tax actually paid 按實際繳納的增值稅計繳	3%
Local education surcharge 地方教育費附加	Value-added tax actually paid 按實際繳納的增值稅計繳	2%
Enterprise income tax 企業所得稅	Taxable income 按應納稅所得額計繳	25%
Resource tax 資源稅	Amount of water resources used 按水資源使用量計繳	RMB2/ton, RMB6/ton 2元/噸、6元/噸
Property tax 房產稅	1.2% of the remaining value after the original property value less 30% 按房產原值一次減除30%後餘值的1.2%計繳	1.2%
Land use tax 土地使用稅	Actual land area 實際土地面積計繳	RMB4/m <sup>2</sup> 4元/平米

Different enterprise income tax rates applicable to different taxpayers are disclosed as below:

存在不同企業所得稅稅率納稅主體的，披露情況說明：

Taxpayer 納稅主體名稱	Income tax rate 所得稅稅率
Fengxiang Foods (Japan) Co., Ltd. 鳳祥食品株式會社	0% According to the local tax regulations 按本當地稅收規定

#### (II) Tax preference

#### (二) 稅收優惠

The Company and Shandong Fengxiang Industrial Co., Ltd., a subsidiary of the Company, are entitled to the preferential tax policy of "exemption from enterprise income tax for agriculture, forestry, husbandry and fishery projects" from 1 July 2012;

本公司及子公司山東鳳祥實業有限公司於2012年7月1日起享受「農、林、牧、漁項目免徵企業所得稅」稅收優惠政策；

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### IV. TAXATION (Continued)

### 四、稅項(續)

#### (II) Tax preference (Continued)

#### (二) 稅收優惠(續)

The Company is entitled to the preferential tax policy of “VAT exemption for agricultural producers on the sale of self-produced agricultural products” from 1 August 2012;

本公司於2012年8月1日起享受「農業生產者銷售自產農產品免徵增值稅」稅收優惠政策；

The Company is entitled to the preferential tax policy of “VAT exemption for feed products” from 1 January 2015;

本公司於2015年1月1日起享受「飼料產品免徵增值稅」稅收優惠政策；

The Company is entitled to the preferential tax policy of “exemption from urban land use tax for land directly used for production in agriculture, forestry, husbandry and fishery” from 1 December 2010;

本公司於2010年12月1日起享受「直接用於農、林、牧、漁的生產用地免徵城鎮土地使用稅」稅收優惠政策；

The Company, Shandong iShape Food Technology Co., Ltd.\* (山東優形食品科技有限公司) and Shandong Fengxiang Food Development Co., Ltd., subsidiaries of the Company, are entitled to the preferential tax policy of “exemption from VAT on free lending of funds between units within an enterprise group (including enterprise groups)” from 1 February 2019 to 31 December 2023;

本公司及子公司山東優形食品科技有限公司、山東鳳祥食品發展有限公司於2019年2月1日至2023年12月31日期間享受「企業集團內單位(含企業集團)之間的資金無償借貸行為，免徵增值稅」稅收優惠政策；

Shandong Fengxiang Industrial Co., Ltd. and Shandong Fengxiang Food Development Co., Ltd., subsidiaries of the Company, are entitled to the preferential tax policy of “VAT exemption for fresh meat and egg products in circulation” from 1 August 2014;

子公司山東鳳祥實業有限公司、山東鳳祥食品發展有限公司於2014年8月1日起享受「鮮活肉蛋產品流通環節免徵增值稅」稅收優惠政策；

Shandong Fengxiang Food Development Co., Ltd., a subsidiary of the Company, is entitled to the preferential tax policy of “VAT exemption for vegetables in circulation” from 1 July 2016.

子公司山東鳳祥食品發展有限公司於2016年7月1日起享受「蔬菜流通環節免徵增值稅」稅收優惠政策。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 五、合併財務報表項目註釋

#### (I) Monetary funds

#### (-) 貨幣資金

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Cash on hand	庫存現金		172,586.00
Bank deposits	銀行存款	<b>1,374,795,896.95</b>	1,288,673,984.55
Including: Amounts deposited in the finance company	其中：存放財務公司款項	<b>1,041,438,054.10</b>	436,954,102.29
Other monetary funds	其他貨幣資金	<b>479,977,937.67</b>	267,288,770.86
<b>Total</b>	<b>合計</b>	<b>1,854,773,834.62</b>	<b>1,556,135,341.41</b>
Including: Aggregate amounts deposited overseas	其中：存放在境外的款項總額	<b>16,348,728.75</b>	10,639,589.50

Details for monetary funds that are restricted in use due to pledge, mortgage or freezing on the repatriation of funds are as follows:

其中因抵押、質押或凍結等對使用有限制的貨幣資金明細如下：

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Deposits for bank acceptance notes	銀行承兌匯票保證金	<b>452,398,682.29</b>	200,154,332.40
Loan deposits	貸款保證金		35,000,000.00
Letter of credit deposits	信用證保證金	<b>20,006,000.00</b>	31,000,000.00
Other deposits	其他保證金	<b>7,257,938.26</b>	
<b>Total</b>	<b>合計</b>	<b>479,662,620.55</b>	<b>266,154,332.40</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (II) Trade receivable

#### (二) 應收賬款

##### 1. Disclosure of trade receivable by aging based on the invoice date

##### 1. 應收賬款按發票日期計算的賬齡披露

Aging	賬齡	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Less than 1 year	1年以內	<b>261,600,900.64</b>	203,160,728.78
Including: Less than 1 month	其中：1個月之內	<b>259,261,881.97</b>	203,072,468.99
1 to 3 months	1-3個月	<b>2,334,573.49</b>	88,259.79
3 months to 1 year	3個月至1年	<b>4,445.18</b>	
1 to 2 years	1至2年		4,458,033.19
2 to 3 years	2至3年	<b>2,797,010.49</b>	
Over 3 years	3年以上		
Subtotal	小計	<b>264,397,911.13</b>	207,618,761.97
Less: bad debt provision	減：壞賬準備	<b>4,113,244.74</b>	3,250,136.31
Total	合計	<b>260,284,666.39</b>	204,368,625.66

Note: The sales settlement methods between the Company and its customers are mainly cash sales and credit sales. The credit period generally ranges from 30 to 60 days. The Company implements strict control measures over outstanding receivables, and the overdue amounts are regularly reviewed by the management. Credit period risks are managed in accordance with customers' credit. The Company does not require customers to provide any collateral or other guarantee measures. Trade receivable and bills receivable are not interest-bearing.

註：本公司與客戶間銷售結算方式主要為現銷和賒銷。賒銷賬期一般介於30至60天。本公司對尚未收回的應收款項執行嚴格的控制措施，並由管理層對逾期款項定期審核。信用賬期風險按照客戶信用進行管理。本公司並未要求客戶提供任何抵押品或其他保證措施。應收賬款及應收票據並不計息。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (II) Trade receivable (Continued)

#### (二) 應收賬款(續)

#### 2. Disclosure of trade receivable by bad debt provision method

#### 2. 應收賬款按壞賬計提方法分類披露

Category	類別	Balance at the end of the period				Balance at the end of last year					
		Book balance		Bad debt provision		Book balance		Bad debt provision		Book value	
		Amount	Proportion (%)	Amount	Provision percentage (%)	Amount	Proportion (%)	Amount	Provision percentage (%)		
金額	比例(%)	金額	計提比例(%)	賬面價值	金額	比例(%)	金額	計提比例(%)	賬面價值		
Bad debt provision made on an individual basis	按單項計提壞賬準備	2,797,010.49	1.06	2,797,010.49	100.00						
Bad debt provision made on a collective basis	按組合計提壞賬準備	261,600,900.64	98.94	1,316,234.25	0.50	260,284,666.39	207,618,761.97	100.00	3,250,136.31	1.57	204,368,625.66
Including:	其中：										
Aging analysis group	賬齡分析組合	261,600,900.64	98.94	1,316,234.25	0.50	260,284,666.39	207,618,761.97	100.00	3,250,136.31	1.57	204,368,625.66
Total	合計	264,397,911.13	100.00	4,113,244.74		260,284,666.39	207,618,761.97	100.00	3,250,136.31		204,368,625.66

(1) Bad debt provision made on an individual basis:

(1) 按單項計提壞賬準備：

Name	名稱	Balance at the end of the period			
		Book balance	Bad debt provision	Provision percentage (%)	Reasons for provision
		期末餘額	壞賬準備	計提比例(%)	計提理由
Xuchang Xianyi Supply Chain Co., Ltd.* (許昌鮮易供應鏈有限公司)	許昌鮮易供應鏈有限公司	2,797,010.49	2,797,010.49	100.00	Bankruptcy and under company restructuring 破產重組中
Total	合計	2,797,010.49	2,797,010.49		

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (II) Trade receivable (Continued)

#### (二) 應收賬款(續)

#### 2. Disclosure of trade receivable by bad debt provision method (Continued)

#### 2. 應收賬款按壞賬計提方法分類披露(續)

(2) Bad debt provision by aging analysis group:

(2) 按賬齡分析組合計提壞賬準備：

Name	名稱	Balance at the end of the period		Provision percentage (%)
		Trade receivable	Bad debt provision	
		應收賬款	壞賬準備	計提比例(%)
Less than 1 month	1個月以內	259,261,881.97	1,292,666.25	0.50
1 to 3 months	1-3月	2,334,573.49	23,345.74	1.00
3 months to 1 year	3月-1年	4,445.18	222.26	5.00
Over 1 year	1年以上			
Total	合計	261,600,900.64	1,316,234.25	0.50

#### 3. Provision for bad debts made, reversed or recovered for the current period

#### 3. 本期計提、轉回或收回的壞賬準備情況

Category	類別	Balance at the end of last year	Changes in amount for the current period			Balance at the end of the period
			Provision	Recovered or reversed	Resold or written off	
		上年年末餘額	計提	收回或轉回	轉銷或核銷	期末餘額
Bad debt provision	壞賬準備	3,250,136.31	1,240,854.80	-54,091.54	-323,654.83	4,113,244.74
Total	合計	3,250,136.31	1,240,854.80	-54,091.54	-323,654.83	4,113,244.74

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (II) Trade receivable (Continued)

#### (二) 應收賬款(續)

#### 4. Trade receivable written off for the current period

#### 4、本期實際核銷的應收賬款情況

N/A

無

#### 5. The top five debtors of trade receivable at the end of the period

#### 5、按欠款方歸集的期末餘額前五名的應收賬款情況

Name of entity	單位名稱	Balance at the end of the period		
		Trade receivable	Proportion in total trade receivable (%)	Bad debt provision
		應收賬款	佔應收賬款合計數的比例(%)	壞賬準備
Unit 1	單位1	50,017,903.49	18.92	250,089.52
Unit 2	單位2	25,875,108.36	9.79	129,375.54
Unit 3	單位3	20,890,169.83	7.90	104,450.85
Unit 4	單位4	17,455,431.87	6.60	87,277.16
Unit 5	單位5	15,550,207.74	5.88	78,630.99
Total	合計	129,788,821.29	49.09	649,824.06



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (II) Trade receivable (Continued)

#### (二) 應收賬款(續)

##### 6. Trade receivable derecognised arising from the transfer of financial assets

##### 6、因金融資產轉移而終止確認的應收賬款

N/A

無

##### 7. Amount of assets and liabilities recognised due to continuing involvement of transferred trade receivable

##### 7、轉移應收賬款且繼續涉入形成的資產、負債金額

N/A

無

#### (III) Prepayments

#### (三) 預付款項

##### 1. Prepayments presented by aging

##### 1、預付款項按賬齡列示

Aging	賬齡	Balance at the end of the period		Balance at the end of last year	
		Amount	Proportion (%)	Amount	Proportion (%)
		金額	比例 (%)	金額	比例 (%)
Less than 1 year	1年以內	84,406,565.16	99.39	62,399,827.06	100.00
1 to 2 years	1至2年	515,081.02	0.61		
2 to 3 years	2至3年				
Over 3 years	3年以上				
Total	合計	84,921,646.18	100.00	62,399,827.06	100.00

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (III) Prepayments (Continued)

#### (三) 預付款項(續)

##### 2. The top five debtors of prepayments at the end of the period

##### 2. 按預付對象歸集的期末餘額前五名的預付款情況

Receivers of advances	預付對象	Balance at the end of the period 期末餘額	Proportion in the closing balance of total prepayments (%) 佔預付款項期末餘額合計數的比例(%)
Unit 1	單位1	11,617,645.60	13.68
Unit 2	單位2	9,305,939.40	10.96
Unit 3	單位3	5,398,985.78	6.36
Unit 4	單位4	3,435,000.00	4.04
Unit 5	單位5	2,872,959.51	3.38
Total	合計	32,630,530.29	38.42

#### (IV) Other receivable

#### (四) 其他應收款

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Interest receivable	應收利息		
Dividend receivable	應收股利		
Other receivable	其他應收款項	13,776,273.32	8,368,983.47
Total	合計	13,776,273.32	8,368,983.47

##### 1. Interest receivable

##### 1. 應收利息

N/A

無

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

##### 2. Dividend receivable

##### 2、應收股利

N/A

無

##### 3. Other receivable

##### 3、其他應收款項

##### (1) Disclosure by aging

##### (1) 按賬齡披露

Aging	賬齡	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Less than 1 year	1年以內	10,876,537.28	3,457,966.69
1 to 2 years	1至2年	607,499.06	403,200.00
2 to 3 years	2至3年	153,200.00	420,137.51
Over 3 years	3年以上	2,987,816.78	4,087,679.27
Subtotal	小計	14,625,053.12	8,368,983.47
Less: bad debt provision	減：壞賬準備	848,779.80	0
Total	合計	13,776,273.32	8,368,983.47

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

#### 3. Other receivable (Continued)

#### 3. 其他應收款項(續)

#### (2) Disclosure by bad debt provision method

#### (2) 按壞賬計提方法分類披露

Category	類別	Balance at the end of the period					Balance at the end of last year				
		Book balance		Bad debt provision		Book value	Book balance		Bad debt provision		Book value
		Amount	Proportion (%)	Amount	percentage (%)		Amount	Proportion (%)	Amount	percentage (%)	
Bad debt provision made on an individual basis	按單項計提壞賬準備										
Bad debt provision made on a collective basis	按組合計提壞賬準備	14,625,053.12	100.00	848,779.80	5.80	13,776,273.32	8,368,983.47	100.00			8,368,983.47
Including:	其中:										
Aging analysis group	賬齡分析組合	14,625,053.12	100.00	848,779.80	5.80	13,776,273.32	8,368,983.47	100.00			8,368,983.47
Total	合計	14,625,053.12	100.00	848,779.80		13,776,273.32	8,368,983.47	100.00			8,368,983.47

Bad debt provision made on a collective basis:

按組合計提壞賬準備:

Group provision items by aging analysis:

按賬齡分析組合計提項目:

Name	名稱	Balance at the end of the period		
		Other receivables	Bad debt provision	Provision percentage (%)
Less than 1 year	1年以內	10,876,537.28	167,486.54	1.54
1 to 2 years	1至2年	607,499.06	60,749.91	10.00
2 to 3 years	2至3年	153,200.00	22,980.00	15.00
Over 3 years	3年以上	2,987,816.78	597,563.36	20.00
Total	合計	14,625,053.12	848,779.80	5.80

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

##### 3. Other receivable (Continued)

##### 3. 其他應收款項(續)

##### (3) Provision for bad debts

##### (3) 壞賬準備計提情況

Provision for bad debts	壞賬準備	Phase 1	Phase 2	Phase 3	Total
		第一階段	第二階段	第三階段	
		Expected credit losses in the next 12 months	Lifetime expected credit losses (no credit impairment)	Lifetime expected credit losses (credit impairment has occurred)	
		未來12個月 預期信用損失	整個存續期預期 信用損失 (未發生信用減值)	整個存續期預期 信用損失 (已發生信用減值)	合計
Balance at the end of last year	上年年末餘額				
Balance at the end of last year that transfers/reverses at the current period	上年年末餘額在本期 轉入/轉出				
— Transfer to phase 2	— 轉入第二階段				
— Transfer to phase 3	— 轉入第三階段				
— Reverse to phase 2	— 轉回第二階段				
— Reverse to phase 1	— 轉回第一階段				
Provision for the current period	本期計提	848,779.80			848,779.80
Reversal at the current period	本期轉回				
Resell at the current period	本期轉銷				
Written off at the current period	本期核銷				
Other changes	其他變動				
Balance at the end of the period	期末餘額	848,779.80			848,779.80

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

##### 3. Other receivable (Continued)

##### 3. 其他應收款項(續)

##### (3) Provision for bad debts (Continued)

##### (3) 壞賬準備計提情況(續)

The movements of the book balance for other receivables are as follows:

其他應收款項賬面餘額變動如下：

Book balance	賬面餘額	Phase 1	Phase 2	Phase 3	Total
		第一階段	第二階段	第三階段	
		Expected credit losses in the next 12 months	Lifetime expected credit losses (no credit impairment)	Lifetime expected credit losses (credit impairment has occurred)	
		未來12個月 預期信用損失	整個存續期預期 信用損失 (未發生信用減值)	整個存續期預期 信用損失 (已發生信用減值)	合計
Balance at the end of last year	上年年末餘額	8,368,983.47			8,368,983.47
Balance at the end of last year	上年年末餘額在本期				
— Transfer to phase 2	— 轉入第二階段				
— Transfer to phase 3	— 轉入第三階段				
— Reverse to phase 2	— 轉回第二階段				
— Reverse to phase 1	— 轉回第一階段				
Addition for the current period	本期新增	6,280,492.07			6,280,492.07
Derecognised at the current period	本期終止確認				
Other changes	其他變動	-24,422.42			-24,422.42
Balance at the end of the period	期末餘額	14,625,053.12			14,625,053.12

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

##### 3. Other receivable (Continued)

##### 3. 其他應收款項(續)

(4) Provision for bad debts made, reversed or recovered in the current period

(4) 本期計提、轉回或收回的壞賬準備情況

Category	類別	Balance at the end of last year 上年 年末餘額	Changes in amount for the current period 本期變動金額			Change in scope of consolidation 合併範圍變更	Balance at the end of the period 期末餘額
			Provision 計提	Recovered or reversed 收回或轉回	Resold or written off 轉銷或核銷		
Aging analysis group	賬齡分析組合		848,779.80				848,779.80
Total	合計		848,779.80				848,779.80

(5) Other receivables written off for the current period

(5) 本期實際核銷的其他應收款項情況

N/A

無

(6) Classification of receivables by nature

(6) 按款項性質分類情況

Nature	款項性質	Book balance at the end of the period 期末賬面餘額	Balance at the end of last year 上年年末賬面餘額
Deposits and guarantees	押金及保證金	11,707,290.78	6,631,939.19
Withholding social security payments	代扣代繳社保款	2,805,064.78	1,115,608.62
Imprest fund	備用金	112,697.56	113,935.66
Export value-added tax rebate receivable	應收出口退增值稅款		507,500.00
Total	合計	14,625,053.12	8,368,983.47

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

##### 3. Other receivable (Continued)

##### 3. 其他應收款項(續)

(7) The top five debtors of other receivable at the end of the period

(7) 按欠款方歸集的期末餘額前五名的其他應收款項情況

Name of entity	Nature	Balance at the end of the period	Aging	Proportion in the closing balance of other receivables (%) 佔其他應收款項期末餘額合計數的比例 (%)	Balance at the end of the period of the bad debt provision 壞賬準備期末餘額
單位名稱	款項性質	期末餘額	賬齡		
Unit 1 單位1	Guarantees 保證金	3,000,000.00	Less than 1 year 1年以內	20.51	45,000.00
Unit 2 單位2	Guarantees 保證金	2,667,679.27	Less than 1 year 80,000.00, Over 3 years 2,587,679.27 1年以內80,000.00， 3年以上2,587,679.27	18.24	525,535.86
Unit 3 單位3	Guarantees 保證金	2,500,000.00	Less than 1 year 1年以內	17.09	37,500.00
Unit 4 單位4	Guarantees 保證金	1,500,000.00	Less than 1 year 1年以內	10.26	22,500.00
Unit 5 單位5	Guarantees 保證金	500,000.00	Less than 1 year 1年以內	3.42	7,500.00
Total 合計		10,167,679.27		69.52	638,035.86

(8) Other receivable related to government grants

(8) 涉及政府補助的其他應收款項

N/A

無



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IV) Other receivable (Continued)

#### (四) 其他應收款(續)

##### 3. Other receivable (Continued)

##### 3. 其他應收款項(續)

(9) Other receivable derecognised arising from the transfer of financial assets

(9) 因金融資產轉移而終止確認的其他應收款項

N/A

無

(10) Amount of assets and liabilities recognised due to continuing involvement of transferred other receivables

(10) 轉移其他應收款項且繼續涉入形成的資產、負債金額

N/A

無

#### (V) Inventories

#### (五) 存貨

##### 1. Inventory Classification

##### 1. 存貨分類

Items	項目	Balance at the end of the period			Balance at the end of last year		
		Book balance	contract performance	Book value	Book balance	contract performance	Book value
		賬面餘額	存貨跌價準備/合同履約成本減值準備	賬面價值	賬面餘額	減值準備	賬面價值
Raw materials	原材料	208,654,724.38		208,654,724.38	124,632,288.79		124,632,288.79
Turnover materials	週轉材料	40,972,715.90		40,972,715.90	35,233,348.32		35,233,348.32
Consumptive biological assets	消耗性生物資產	194,005,400.00		194,005,400.00	145,921,999.93		145,921,999.93
Finished goods	發出商品	19,627,966.23		19,627,966.23	9,567,089.23		9,567,089.23
Inventory goods	庫存商品	546,189,688.60		546,189,688.60	390,593,735.88		390,593,735.88
Materials in transit	在途物資	8,596,645.69		8,596,645.69	12,497,490.75		12,497,490.75
Total	合計	1,018,047,140.80		1,018,047,140.80	718,445,952.90		718,445,952.90

Note: The Company's consumptive biological assets refer to broilers, chicks and hatchable eggs held by the Company. Consumptive biological assets are measured at fair value at the end of the year.

註：本公司消耗性生物資產指公司持有的肉雞、雛雞、可孵化雞蛋。消耗性生物資產於年末按公允價值計量。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (VI) Other current assets

#### (六) 其他流動資產

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Value-added tax input tax to be deducted	待抵扣增值稅進項稅額	99,050,209.22	98,673,328.32
Cost of return receivable	應收退貨成本	115,265.15	158,213.95
<b>Total</b>	<b>合計</b>	<b>99,165,474.37</b>	<b>98,831,542.27</b>

#### (VII) Long-term equity investment

#### (七) 長期股權投資

Investees	被投資單位	Increases/decreases at current period 本期增減變動									Balance at the end of the period 上年年末餘額	Closing balance of provision impairment 減值準備 期末餘額
		Balance at the end of last year 上年年末餘額	Additional investment 追加投資	Reduction of investment 減少投資	Gains or losses on investments recognised under the equity method 權益法下確認的投資損益	Other comprehensive income adjustment 其他綜合收益調整	Other changes in interest 其他權益變動	Declaration of dividends or profits 宣告發放現金股利或利潤	Provision for impairment 計提減值準備	Others		
Associate: Yanggu Xiangyu Biological Technology Co., Ltd.	聯營企業: 陽穀祥雨生物科技 有限公司	64,810,966.07			-1,741,065.89						63,069,900.18	
<b>Total</b>	<b>合計</b>	<b>64,810,966.07</b>			<b>-1,741,065.89</b>						<b>63,069,900.18</b>	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (VIII) Fixed assets

#### (八) 固定資產

##### 1. Fixed assets and fixed assets in liquidation

##### 1、固定資產及固定資產清理

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Fixed assets	固定資產	<b>2,960,924,522.01</b>	2,161,637,718.18
Fixed assets in liquidation	固定資產清理	<b>690,653.05</b>	58,235.75
Total	合計	<b>2,961,615,175.06</b>	2,161,695,953.93

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (VIII) Fixed assets (Continued)

#### (八) 固定資產(續)

##### 2. Fixed assets

##### 2. 固定資產情況

Items	項目	Premises and buildings 房屋及建築物	Machinery devices 機器設備	Transportation 運輸設備	Electronics devices 電子設備	Total 合計
1. Original Book Value	1. 賬面原值					
(1) Balance at the end of last year	(1) 上年年末餘額	1,468,406,829.17	1,556,099,875.40	40,263,089.91	82,173,283.19	3,146,943,077.67
(2) Current increase amount	(2) 本期增加金額	418,269,767.66	572,951,166.89	25,338,796.77	11,748,883.13	1,028,308,614.45
— Purchase	— 購置	7,703,959.64	39,823,419.93	24,685,937.08	3,972,961.05	76,186,277.70
— Transfer from construction in progress	— 在建工程轉入	410,565,808.02	533,127,746.96	652,859.69	7,775,922.08	952,122,336.75
(3) Current reduction payment amount	(3) 本期減少金額	14,791,045.21	22,799,997.66	927,007.70	1,738,701.30	40,256,751.87
— Disposal or abandonment	— 處置或報廢	1,256,802.02	16,649,486.50	714,903.52	791,661.90	19,412,853.94
— Change in scope of consolidation	— 合併範圍變更	13,534,243.19	6,150,511.16	212,104.18	750,404.27	20,647,262.80
— Fluctuation in exchange rate	— 匯率變動				196,635.13	196,635.13
(4) Balance at the end of the period	(4) 期末餘額	1,871,885,551.62	2,106,251,044.63	64,674,878.98	92,183,465.02	4,134,994,940.25
2. Accumulated depreciation	2. 累計折舊					
(1) Balance at the end of last year	(1) 上年年末餘額	357,153,063.47	572,966,051.94	10,320,948.92	44,865,295.16	985,305,359.49
(2) Current increase amount	(2) 本期增加金額	68,635,704.97	123,174,060.81	6,031,812.67	11,150,140.14	208,991,718.59
— Provision	— 計提	68,635,704.97	123,174,060.81	6,031,812.67	11,150,140.14	208,991,718.59
(3) Current reduction payment amount	(3) 本期減少金額	1,777,342.63	16,660,038.49	688,577.49	1,100,701.23	20,226,659.84
— Disposal or abandonment	— 處置或報廢	353,096.87	15,570,415.30	644,729.71	619,497.43	17,187,739.31
— Change in scope of consolidation	— 合併範圍變更	1,424,245.76	1,089,623.19	43,847.78	481,203.80	3,038,920.53
— Others	— 其他					
(4) Balance at the end of the period	(4) 期末餘額	424,011,425.81	679,480,074.26	15,664,184.10	54,914,734.07	1,174,070,418.24
3. Provision for impairment	3. 減值準備					
(1) Balance at the end of last year	(1) 上年年末餘額					
(2) Current increase amount	(2) 本期增加金額					
— Provision	— 計提					
(3) Current reduction payment amount	(3) 本期減少金額					
— Disposal or abandonment	— 處置或報廢					
(4) Balance at the end of the period	(4) 期末餘額					
4. Book value	4. 賬面價值					
(1) Book value at the end of the period	(1) 期末賬面價值	1,447,874,125.81	1,426,770,970.37	49,010,694.88	37,268,730.95	2,960,924,522.01
(2) Book value at the end of last year	(2) 上年年末賬面價值	1,111,253,765.70	983,133,823.46	29,942,140.99	37,307,988.03	2,161,637,718.18

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (VIII) Fixed assets (Continued)

#### (八) 固定資產(續)

#### 3. Fixed assets leased out through operating leases

#### 3、通過經營租賃租出的固定資產情況

N/A

無

#### 4. Fixed assets in liquidation

#### 4、固定資產清理

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Assets pending disposal	待處理資產	690,653.05	58,235.75
Total	合計	690,653.05	58,235.75

#### (IX) Construction in progress

#### (九) 在建工程

#### 1. Construction in progress and working materials

#### 1、在建工程及工程物資

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Construction in progress	在建工程	35,293,113.33	301,021,045.87
Working materials	工程物資		
Total	合計	35,293,113.33	301,021,045.87

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (IX) Construction in progress (Continued)

#### (九) 在建工程(續)

#### 2. Details of construction in progress

#### 2、在建工程情況

Items	項目	Balance at the end of the period			Balance at the end of last year		
		Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
		賬面餘額	減值準備	賬面價值	賬面餘額	減值準備	賬面價值
Intelligent integration project — breeding	智能一體化—養殖	33,552,962.51		33,552,962.51	213,526,794.31		213,526,794.31
Intelligent integration project — processing	智能一體化—加工				68,697,426.10		68,697,426.10
Renovation project for Yucheng breeder farm	禹城種雞場改造項目				15,543,707.23		15,543,707.23
Other sporadic works	其他零星工程	1,740,150.82		1,740,150.82	3,253,118.23		3,253,118.23
<b>Total</b>	<b>合計</b>	<b>35,293,113.33</b>		<b>35,293,113.33</b>	<b>301,021,045.87</b>		<b>301,021,045.87</b>

#### 3. Changes in significant construction in progress projects during the period

#### 3、重要的在建工程項目本期變動情況

Project name	項目名稱	預算數	Amounts			Cumulative investment in the project as a percentage of the budget (%)	Project progress	Including:			Source of funding		
			Balance at the end of last year	Current increase amount	transferred to fixed assets for the current period			Other decreases for the current period	Accumulated amount of interest capitalised for the current period	of interest capitalised for the current period		Current interest capitalisation rate (%)	
			上年年末餘額	本期增加金額	本期轉入固定資產金額	本期其他減少金額	期末餘額	估預算比例(%)	工程進度	利息資本化累計金額	資本化金額	資本化率(%)	資金來源
Intelligent integration project — breeding	智能一體化—養殖	1,373,471,683.09	213,526,794.31	412,181,614.85	582,155,446.65	33,552,962.51	67.96	68%	10,158,792.07	5,783,836.81	4.07-5.39	借款、自籌	
Intelligent integration project — processing	智能一體化—加工	351,528,363.42	68,697,426.10	227,038,235.88	295,735,661.98		100.00	完工	5,839,787.33	2,990,286.10	4.07-5.39	借款、自籌	
Renovation project for Yucheng breeder farm	禹城種雞場項目	54,140,000.00	15,543,707.23	26,069,847.07	41,613,554.30		100.00	完工				自籌	
<b>Total</b>	<b>合計</b>	<b>1,779,140,046.51</b>	<b>297,767,927.64</b>	<b>665,289,697.80</b>	<b>929,504,662.93</b>	<b>33,552,962.51</b>							

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (X) Productive biological assets

#### (十) 生產性生物資產

#### *Productive biological assets using the fair value measurement model*

#### *採用公允價值計量模式的生產性生物資產*

Items	項目	Productive biological assets 生產性 生物資產	Total 合計
1. Balance at the end of last year	1. 上年年末餘額	166,192,000.25	166,192,000.25
2. Current changes	2. 本期變動	38,292,099.75	38,292,099.75
Add: External procurement	加：外購	59,491,042.33	59,491,042.33
Self-breeding	自行培育	174,463,429.47	174,463,429.47
Increase in business combination	企業合併增加		
Less: Disposal	減：處置	167,993,999.27	167,993,999.27
Other transfers	其他轉出	24,513,267.49	24,513,267.49
Changes in fair value	公允價值變動	-65,894.96	-65,894.96
Change in scope of consolidation	合併範圍變更	3,221,000.25	3,221,000.25
3. Balance at the end of the period	3. 期末餘額	204,484,100.00	204,484,100.00

*Note 1:* Self-breeding costs for breeders mainly include the costs of animal feed, labour costs, depreciation and amortisation expenses, apportionment of public expenses, etc.

*註1:* 種雞的自行培育成本主要包括飼料成本、人工成本、折舊及攤銷費用以及公共費用的分攤等。

*Note 2:* Gains or losses from changes in fair value consist of two components: gains from the initial recognition of agricultural products at fair value less sales costs upon harvest and gains from changes in fair value less sales costs of productive biological assets. The Company engaged an independent professional appraiser to assess the fair value of the biological assets as at the balance sheet date. The valuation method adopted in determining the fair value and the key parameters of the relevant valuation models are disclosed in Note IX, Disclosure of fair value.

*註2:* 公允價值變動損益包括兩部分：農產品於收穫時按公允價值減出售費用初始確認產生的收益及生產性生物資產公允價值減出售費用的變動產生的收益。本公司已經聘請獨立專業評估師對生物資產於資產負債表日的公允價值進行了評估。確定公允價值時所採用的估值方法及有關估值模型的主要參數披露於附註九、公允價值的披露。

Additional information:

其他說明：

#### 1. *Biological assets measured at fair value*

#### 1. *以公允價值計量的生物資產*

The Company's productive biological assets are breeders used for the production of hatchable eggs. The Company's breeders include breeders at the breeding and the production stage.

本公司的生產性生物資產為用於生產可孵化雞蛋的種雞。本公司的種雞包括育雛育成階段種雞及產蛋階段種雞。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (X) Productive biological assets (Continued)

#### (十) 生產性生物資產(續)

#### *Productive biological assets using the fair value measurement model (Continued)*

#### *採用公允價值計量模式的生產性生物資產(續)*

#### 1. *Biological assets measured at fair value (Continued)*

#### 1. 以公允價值計量的生物資產(續)

- (1) The number of breeders owned by the Company as at the reporting date is as follows:

- (1) 本公司於報表日擁有的種雞數量如下：

Type	類別	Balance at the end of the period 期末餘額
Breeders (birds)	種雞(隻)	2,044,647.00
Total	合計	2,044,647.00

Generally, the fledglings of purchased parent stock day-old chicks are bred by the Company's breeding farms. The breeding stage and the production stage are approximately the 25th week after birth. Eggs production starts from the 25th week to the 65th week. After the 65th week, breeders will be sold.

一般而言，外購父母代種雞雞苗由公司種雞場育成，在出生後約第25周為育雛育成階段，25周至第65周開始生產種蛋，第65周後，種雞將被出售。

- (2) The Company's productive biological assets are subject to the following operational risks:

- (2) 本公司有關生產性生物資產主要面對以下經營風險：

#### ① Regulatory and environmental risks

#### ① 監管及環境風險

The Company is required to comply with the laws and regulations of the place where it is bred. The Company has environmental policies and procedures in place to comply with local environmental and other laws. Management conducts regular reviews to identify environmental risks, and ensures that the systems in place are adequate to manage such risks.

本公司需遵守養殖所在地點的法律及法規。本公司已制定旨在遵守當地環境及其他法律的環境政策及程序。管理層進行定期審查以識別環境風險，並確保所制定的制度足以管理該等風險。



(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (X) Productive biological assets (Continued)

#### (十) 生產性生物資產(續)

#### *Productive biological assets using the fair value measurement model (Continued)*

#### *採用公允價值計量模式的生產性生物資產(續)*

#### 1. *Biological assets measured at fair value (Continued)*

#### 1. 以公允價值計量的生物資產(續)

#### ② Climate, disease and other natural risks

#### ② 氣候、疾病及其他自然風險

The Company's biological assets are exposed to the risk of damage from climate change, diseases and other natural factors. To monitor and mitigate such risks, the Company has implemented extensive procedures, including regular inspections, disease control, investigations and insurance.

本公司的生物資產面對來自氣候變化、疾病及其他自然因素所產生的損害風險。為監控及降低此類風險，本公司實施了廣泛的流程，包括定期檢查、疾病控制、調查以及保險。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

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

#### (十一) 使用權資產

Items	項目	Premises and buildings 房屋及建築物	Land use rights 土地使用權	Total 合計
1. Original Book Value	1. 賬面原值			
(1) Balance at the end of last year	(1) 上年年末餘額	28,755,788.50	184,003,722.05	212,759,510.55
(2) Current increase amount	(2) 本期增加金額	586,051.11	14,317,479.74	14,903,530.85
— New leasing	— 新增租賃	586,051.11	14,317,479.74	14,903,530.85
(3) Current reduction payment amount	(3) 本期減少金額			
— Transfer out to fixed assets	— 轉出至固定資產			
— Disposal	— 處置			
(4) Balance at the end of the period	(4) 期末餘額	29,341,839.61	198,321,201.79	227,663,041.40
2. Accumulated depreciation	2. 累計折舊			
(1) Balance at the end of last year	(1) 上年年末餘額	5,856,321.61	18,585,246.95	24,441,568.56
(2) Current increase amount	(2) 本期增加金額	4,436,072.68	4,155,686.19	8,591,758.87
— Provision	— 計提	4,436,072.68	4,155,686.19	8,591,758.87
(3) Current reduction payment amount	(3) 本期減少金額			
— Transfer out to fixed assets	— 轉出至固定資產			
— Disposal	— 處置			
(4) Balance at the end of the period	(4) 期末餘額	10,292,394.29	22,740,933.14	33,033,327.43
3. Provision for impairment	3. 減值準備			
(1) Balance at the end of last year	(1) 上年年末餘額			
(2) Current increase amount	(2) 本期增加金額			
— Provision	— 計提			
(3) Current reduction payment amount	(3) 本期減少金額			
— Transfer out to fixed assets	— 轉出至固定資產			
— Disposal	— 處置			
(4) Balance at the end of the period	(4) 期末餘額			
4. Book value	4. 賬面價值			
(1) Book value at the end of the period	(1) 期末賬面價值	19,049,445.32	175,580,268.65	194,629,713.97
(2) Book value at the end of last year	(2) 上年年末賬面價值	22,899,466.89	165,418,475.10	188,317,941.99

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XII) Intangible Assets

#### (十二) 無形資產

##### 1. Intangible assets

##### 1. 無形資產情況

Items	項目	Land use rights 土地使用權	Patent rights 專利權	Computer software 軟件	Total 合計
1. Original book value	1. 賬面原值				
(1) Balance at the end of last year	(1) 上年年末餘額	98,726,556.56	1,465,779.25	19,124,169.47	119,316,505.28
(2) Current increase amount	(2) 本期增加金額	2,527,887.68		1,720,000.00	4,247,887.68
— Purchase	— 購置	2,527,887.68		1,720,000.00	4,247,887.68
— Internal R&D	— 內部研發				
— Increase in business combination	— 企業合併增加				
(3) Current reduction payment amount	(3) 本期減少金額		420,000.00		420,000.00
— Disposal	— 處置				
— Lapsed and derecognition	— 失效且終止確認的 部分				
— Change in scope of consolidation	— 合併範圍變更		420,000.00		420,000.00
(4) Balance at the end of the period	(4) 期末餘額	101,254,444.24	1,045,779.25	20,844,169.47	123,144,392.96
2. Accumulated amortisation	2. 累計攤銷				
(1) Balance at the end of last year	(1) 上年年末餘額	16,639,077.37	719,030.32	10,637,317.61	27,995,425.30
(2) Current increase amount	(2) 本期增加金額	1,939,261.59	104,577.92	1,499,070.08	3,542,909.59
— Provision	— 計提	1,939,261.59	104,577.92	1,499,070.08	3,542,909.59
(3) Current reduction payment amount	(3) 本期減少金額		231,000.00		231,000.00
— Disposal	— 處置				
— Lapsed and derecognition	— 失效且終止確認的 部分				
— Change in scope of consolidation	— 合併範圍變更		231,000.00		231,000.00
(4) Balance at the end of the period	(4) 期末餘額	18,578,338.96	592,608.24	12,136,387.69	31,307,334.89
3. Provision for impairment	3. 減值準備				
(1) Balance at the end of last year	(1) 上年年末餘額				
(2) Current increase amount	(2) 本期增加金額				
— Provision	— 計提				
(3) Current reduction payment amount	(3) 本期減少金額				
— Disposal	— 處置				
— Lapsed and derecognition	— 失效且終止確認的 部分				
(4) Balance at the end of the period	(4) 期末餘額				
4. Book value	4. 賬面價值				
(1) Book value at the end of the period	(1) 期末賬面價值	82,676,105.28	453,171.01	8,707,781.78	91,837,058.07
(2) Book value at the end of last year	(2) 上年年末賬面價值	82,087,479.19	746,748.93	8,486,851.86	91,321,079.98

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XIII) Long-term Deferred Expenses

#### (十三) 長期待攤費用

Items	項目	Balance at the end of last year 上年年末餘額	Current increase amount 本期增加金額	Current amortisation amount 本期攤銷金額	Other reduction amount 其他減少金額	Balance at the end of the period 期末餘額
Leasing fees	租賃費	410,745.94			410,745.94	
Total	合計	410,745.94			410,745.94	

#### (XIV) Deferred Income Tax Assets and Deferred Income Tax Liabilities

#### (十四) 遞延所得稅資產和遞延所得稅負債

##### 1. Deferred income tax assets not subject to offset

##### 1. 未經抵銷的遞延所得稅資產

Item	項目	Balance at the end of the period 期末餘額		Balance at the end of last year 上年年末餘額	
		Deductible temporary differences 可抵扣暫時性差異	Deferred income tax assets 遞延所得稅資產	Deductible temporary differences 可抵扣暫時性差異	Deferred income tax assets 遞延所得稅資產
Deferred income	遞延收益	736,647.40	184,161.86	1,610,310.04	402,577.51
Total	合計	736,647.40	184,161.86	1,610,310.04	402,577.51

##### 2. Unrecognised deferred income tax assets or liabilities

##### 2. 未確認遞延所得稅資產或負債明細

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Deductible loss	可抵扣虧損	233,395,314.94	275,034,771.42
Credit impairment loss	信用減值損失	4,962,024.54	3,250,136.31

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XIV) Deferred Income Tax Assets and Deferred Income Tax Liabilities (Continued)

#### (十四) 遞延所得稅資產和遞延所得稅負債(續)

##### 3. Deductible losses on unrecognised deferred income tax assets due in the following years

##### 3. 未確認遞延所得稅資產的可抵扣虧損將於以下年度到期

Year	年份	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額	Remarks 備註
2021	2021年度		70,324,060.70	
2022	2022年度	82,031,965.69	82,031,965.69	
2023	2023年度	25,219,316.50	25,219,316.50	
2024	2024年度	33,856,824.85	33,856,824.85	
2025	2025年度	63,602,603.68	63,602,603.68	
2026	2026年度	28,684,604.22		
Total	合計	233,395,314.94	275,034,771.42	

#### (XV) Other Non-current Assets

#### (十五) 其他非流動資產

Item	項目	Balance at the end of the period 期末餘額			Balance at the end of last year 上年年末餘額		
		Book balance 賬面餘額	Provision for impairment 減值準備	Book value 賬面價值	Book balance 賬面餘額	Provision for impairment 減值準備	Book value 賬面價值
Prepayment for acquisition of long-term assets	預付長期資產購置款	48,969,974.44		48,969,974.44	154,826,432.02		154,826,432.02
Total	合計	48,969,974.44		48,969,974.44	154,826,432.02		154,826,432.02

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XVI) Short-term Borrowings

#### (十六) 短期借款

##### 1. Classification of short-term borrowings

##### 1. 短期借款分類

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Pledged borrowings	質押借款	812,282,333.33	489,724,000.00
Mortgaged borrowings	抵押借款	804,647,333.33	407,000,000.00
Guaranteed borrowings	保證借款	114,114,472.22	589,000,000.00
Total	合計	1,731,044,138.88	1,485,724,000.00

#### (XVII) Bills Payable

#### (十七) 應付票據

##### 1. Bills payable

##### 1. 應付票據列示

Category	種類	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Commercial acceptances	承兌匯票	46,606,601.35	
Total	合計	46,606,601.35	

##### 2. Disclosure of bills payable by aging based on the invoice date

##### 2. 應付票據按出票日期計算的賬齡披露

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Less than 1 month	1個月以內	43,939,206.55	
1 to 3 months	1至3個月	2,667,394.80	
3 months to 1 year	3個月至一年		
Over 1 year	1年以上		
Total	合計	46,606,601.35	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XVIII) Trade Payable

#### (十八) 應付賬款

##### 1. Trade payable

##### 1、應付賬款列示

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Goods	貨款	448,843,615.58	217,321,042.00
Total	合計	448,843,615.58	217,321,042.00

##### 2. Disclosure of trade payable by aging based on the invoice date

##### 2、應付賬款按發票日期計算的賬齡披露

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Less than 1 month	1個月以內	369,774,076.02	149,897,162.03
1 to 3 months	1至3個月	49,149,924.14	58,429,134.56
3 months to 1 year	3個月至一年	21,463,242.99	5,868,095.56
Over 1 year	1年以上	8,456,372.43	3,126,649.85
Total	合計	448,843,615.58	217,321,042.00

##### 3. Significant trade payables aged over 1 year

##### 3、賬齡超過一年的重要應付賬款

N/A

無

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XIX) Contract Liabilities

#### (十九) 合同負債

##### 1. Contract liabilities

##### 1. 合同負債情況

Item	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Goods	貨款	34,352,314.47	38,833,002.79
Total	合計	34,352,314.47	38,833,002.79

#### (XX) Payroll Payable

#### (二十) 應付職工薪酬

##### 1. Payroll payable

##### 1. 應付職工薪酬列示

Items	項目	Balance at the end of last year 上年年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period 期末餘額
Short-term compensation	短期薪酬	73,934,680.97	615,748,075.57	622,005,392.44	67,677,364.10
Post-employment benefits — defined contribution plan	離職後福利 — 設定提存計劃	6,440.96	39,176,290.93	39,022,331.90	160,399.99
Termination benefits	辭退福利				
Other benefits due within one year	一年內到期的其他福利				
Total	合計	73,941,121.93	654,924,366.50	661,027,724.34	67,837,764.09



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XX) Payroll Payable (Continued)

#### (二) 應付職工薪酬(續)

#### 2. Short-term compensation

#### 2 · 短期薪酬列示

Items	項目	Balance at the end of last year 上年年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period 期末餘額
(1) Wages, bonuses, allowances and subsidies	(1) 工資、獎金、津貼和補貼	73,836,918.74	570,365,171.87	576,674,816.78	67,527,273.83
(2) Employee benefits	(2) 職工福利費		10,355,015.53	10,355,015.53	
(3) Social insurance	(3) 社會保險費	45,573.63	23,337,626.24	23,285,275.20	97,924.67
Including: Medical insurance premium	其中：醫療保險費	43,708.82	20,185,809.18	20,136,227.52	93,290.48
Work-related injury insurance premium	工傷保險費	785.44	3,142,784.98	3,139,872.95	3,697.47
Maternity insurance premium	生育保險費	1,079.37	9,032.08	9,174.73	936.72
(4) Housing provident funds	(4) 住房公積金	52,188.60	6,777,494.16	6,777,517.16	52,165.60
(5) Labour union expenses and employee education expenses	(5) 工會經費和職工教育經費		4,912,767.77	4,912,767.77	
(6) Short-term paid absence from work	(6) 短期帶薪缺勤				
(7) Short-term profit sharing plan	(7) 短期利潤分享計劃				
<b>Total</b>	<b>合計</b>	<b>73,934,680.97</b>	<b>615,748,075.57</b>	<b>622,005,392.44</b>	<b>67,677,364.10</b>

#### 3. Defined contribution plan

#### 3 · 設定提存計劃列示

Items	項目	Balance at the end of last year 上年年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period 期末餘額
Basic pension insurance	基本養老保險	6,195.90	37,632,215.40	37,483,573.48	154,837.82
Unemployment insurance	失業保險費	245.06	1,544,075.53	1,538,758.42	5,562.17
Corporate annuity contributions	企業年金繳費				
<b>Total</b>	<b>合計</b>	<b>6,440.96</b>	<b>39,176,290.93</b>	<b>39,022,331.90</b>	<b>160,399.99</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXI) Taxes Payable

#### (十) 應交稅費

Items	稅費項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
House tax	房產稅	3,271,514.30	2,594,630.35
Enterprise income tax	企業所得稅	2,093,041.85	2,239,322.32
Resource tax	資源稅	1,745,224.46	780,000.00
Land use tax	土地使用稅	799,007.94	769,801.75
Personal income tax	個人所得稅	547,727.63	520,625.63
City maintenance and construction tax	城市維護建設稅	107,802.70	340,672.63
Education surcharge	教育費附加	64,085.75	340,125.05
Value-added tax	增值稅	997,458.92	38,784.59
Local education surcharge	地方教育費附加	42,723.84	474.71
Environmental protection tax	環境保護稅	5,490.00	2,067.69
Water conservancy fund	水利基金		34,041.76
<b>Total</b>	<b>合計</b>	<b>9,674,077.39</b>	<b>7,660,546.48</b>

#### (XXII) Other Payables

#### (十) 其他應付款

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Interest payable	應付利息		
Dividends payable	應付股利		
Other payables	其他應付款項	236,504,040.71	257,510,108.47
<b>Total</b>	<b>合計</b>	<b>236,504,040.71</b>	<b>257,510,108.47</b>

#### 1. Interest payable

#### 1、應付利息

N/A

無

#### 2. Dividends payable

#### 2、應付股利

N/A

無

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXII) Other Payables (Continued)

#### (二) 其他應付款(續)

##### 3. Other payables

##### 3、其他應付款項

###### (1) By nature of payment

###### (1) 按款項性質列示

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Accrued expenses	預提費用	47,752,165.39	98,550,795.63
Deposits and guarantees	押金及保證金	37,114,363.00	26,773,700.41
Sales commission	銷售佣金	5,252,595.06	4,839,861.74
Employee advance payment	員工墊付款	354,407.23	1,543,436.88
Payments for projects	工程款	145,569,888.01	125,725,333.98
Business transaction amounts and others	往來款及其他	460,622.02	76,979.83
<b>Total</b>	<b>合計</b>	<b>236,504,040.71</b>	<b>257,510,108.47</b>

#### (XXIII) Non-Current Liabilities due within One Year

#### (二) 一年內到期的非流動負債

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Long-term borrowings due within one year	一年內到期的長期借款	44,429,338.08	
Long-term payables due within one year	一年內到期的長期應付款	84,293,042.06	68,275,379.35
Lease liabilities due within one year	一年內到期的租賃負債	3,876,110.75	4,359,472.02
<b>Total</b>	<b>合計</b>	<b>132,598,490.89</b>	<b>72,634,851.37</b>

#### (XXIV) Other Current Liabilities

#### (二) 其他流動負債

Item	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Output value-added tax to be recognised	待確認銷項稅	3,003,157.34	2,455,849.43
<b>Total</b>	<b>合計</b>	<b>3,003,157.34</b>	<b>2,455,849.43</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXV) Long-Term Borrowings

#### (廿五) 長期借款

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Mortgaged borrowings	抵押借款	375,112,000.00	
Guaranteed borrowings	保證借款	100,000,000.00	
Total	合計	475,112,000.00	

#### (XXVI) Lease Liabilities

#### (廿六) 租賃負債

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Lease liabilities	租賃負債	196,897,137.78	188,402,318.54
Total	合計	196,897,137.78	188,402,318.54

#### (XXVII) Long-term Payables

#### (廿七) 長期應付款

Item	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Long-term payables	長期應付款	125,990,704.41	38,424,339.85
Specific payables	專項應付款		
Total	合計	125,990,704.41	38,424,339.85

#### 1. Long-term payables

#### 1、長期應付款

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Finance lease payable	應付融資租賃款	131,457,567.45	37,329,821.28
Including: Unrealised financing costs	其中：未實現融資費用	-7,882,291.88	-1,320,910.27
Land lease payments	土地租賃費	2,415,428.84	2,415,428.84
Total	合計	125,990,704.41	38,424,339.85

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXVIII) Estimated Liabilities

#### (二八) 預計負債

Item	項目	Balance at the end of last year 上年 年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period 期末餘額	Reason 形成原因
Returned goods payable	應付退貨款	184,354.27	154,688.25	184,354.27	<b>154,688.25</b>	Based on historical return rate 按歷史退貨率計算
Total	合計	184,354.27	154,688.25	184,354.27	<b>154,688.25</b>	

#### (XXIX) Deferred Income

#### (二九) 遞延收益

Item	項目	Balance at the end of last year 上年 年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period 期末餘額	Reason 形成原因
Government grants	政府補助	6,921,889.21	16,605,669.00	705,974.52	<b>22,821,583.69</b>	Related to the assets 與資產相關
Total	合計	6,921,889.21	16,605,669.00	705,974.52	<b>22,821,583.69</b>	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXIX) Deferred Income (Continued)

#### (廿) 遞延收益(續)

Projects involving government grants:

涉及政府補助的項目：

Liabilities	負債項目	Balance at the end of last year	Amount of new grants for the period 本期新增補助金額	Amount included in current profit or loss of the current period 本期計入當期損益金額	Other changes	Balance at the end of the period 期末餘額	Related to the assets/related to the income 與資產相關/與收益相關
Funds from for intelligent environmental protection projects	智能環保立體項目資金	4,774,100.00	8,800,000.00	120,658.67		13,453,441.33	Related to the assets 與資產相關
Special funds for the construction of strong industrial towns	產業強鎮建設專項資金	495,000.00	4,455,000.00	192,500.00		4,757,500.00	Related to the assets 與資產相關
Subsidy for harmless treatment of poultry	畜禽無害化處理項目補助		2,000,000.00	11,111.11		1,988,888.89	Related to the assets 與資產相關
Funds for solar collector project	太陽能集熱項目資金	1,020,256.88		73,664.74		946,592.14	Related to the assets 與資產相關
Government grants for solar energy projects	太陽能項目政府補助	467,532.33	310,469.00	80,000.00		698,001.33	Related to the assets 與資產相關
Government grants for VOC equipment	VOC設備政府補助	165,000.00		20,000.00		145,000.00	Related to the assets 與資產相關
Technological reform subsidies	技改補助		1,040,200.00	208,040.00		832,160.00	Related to the assets 與資產相關
<b>Total</b>	<b>合計</b>	<b>6,921,889.21</b>	<b>16,605,669.00</b>	<b>705,974.52</b>		<b>22,821,583.69</b>	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXX) Share Capital

#### (計) 股本

Item	項目	Balance at the end of last year 上年年末餘額	Issuance of new shares 發行新股	Increase (+) or decrease (-) in the current period 本期變動增(+)/減(-)			Subtotal 小計	Balance at the end of the period 期末餘額
				Stock bonus 送股	Conversion of shares of common reserve fund 公積金轉股	Other 其他		
Total number of shares	股份總額	1,400,000,000.00					1,400,000,000.00	

#### (XXXI) Capital Reserve

#### (計) 資本公積

Items	項目	Balance at the end of last year 上年年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period
					期末餘額
Capital premium (share premium)	資本溢價(股本溢價)	620,161,797.35	1,273,958.08	1,273,958.08	<b>620,161,797.35</b>
Other capital reserves	其他資本公積	1,049,256.21	1,817,149.47	1,273,958.08	<b>1,592,447.60</b>
Total	合計	621,211,053.56	3,091,107.55	2,547,916.16	<b>621,754,244.95</b>

*Note:* Capital reserve — the increase in other capital reserves for the current period was due to the granting of share-based payment, and the decrease for the current period was due to the exercise of employee share-based payment.

註：資本公積 — 其他資本公積本期增加為授予股份支付導致，本期減少為員工股份支付行權導致。

Capital reserve — the increase and decrease in capital premium (share premium) for the current period is due to the payment of treasury shares to employees upon the exercise of employee share-based payment. Please refer to Note XI for details.

資本公積 — 資本溢價(股本溢價)本期增加及減少是員工股份支付行權將庫存股支付給員工導致。具體參見附註十一。

#### (XXXII) Treasury Shares

#### (計) 庫存股

Item	項目	Balance at the end of last year 上年年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period
					期末餘額
Share award scheme	股份獎勵計劃	3,821,874.24		1,273,958.08	<b>2,547,916.16</b>
Total	合計	3,821,874.24		1,273,958.08	<b>2,547,916.16</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXXIII) Other Comprehensive Income

#### (計) 其他綜合收益

Items	項目	Balance at the end of last year	Incurred income tax amount for the current period	Less: Those included in other comprehensive income in the previous period but reclassified into the profit or loss in the current period	Amount of the current period 本期金額	Less: Those included in other comprehensive income in the previous period but reclassified into the retained earnings	Less: Income tax expenses	Attributable to the Company after tax	Attributable to minority shareholders after tax	Balance at the end of the period
Other comprehensive income that can be reclassified into profit or loss	將重分類進損益的其他綜合收益	154,001.63	-408,498.48					-408,498.48		-254,496.85
Including: Other comprehensive income to be reclassified into profit or loss under the equity method	其中：權益法下可轉損益的其他綜合收益									
Change in fair value of other debt investments	其他債權投資公允價值變動									
Amount of financial assets to be reclassified into other comprehensive income	金融資產重分類計入其他綜合收益的金額									
Credit impairment provision for other debt investments	其他債權投資信用減值準備									
Cash flow hedging reserve	現金流量套期儲備									
Exchange differences on translation of foreign currency financial statements	外幣財務報表折算差額	154,001.63	-408,498.48					-408,498.48		-254,496.85
Total other comprehensive income	其他綜合收益合計	154,001.63	-408,498.48					-408,498.48		-254,496.85

#### (XXXIV) Surplus Reserves

#### (計) 盈餘公積

Item	項目	Balance at the end of last year 上年年末餘額	Increase in current period 本期增加	Decrease in current period 本期減少	Balance at the end of the period 期末餘額
Statutory surplus reserves	法定盈餘公積	151,387,004.59	3,990,600.92		155,377,605.51
Total	合計	151,387,004.59	3,990,600.92		155,377,605.51



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXXV) Undistributed Profits

#### (計) 未分配利潤

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Undistributed profits at the end of last year before adjustment	調整前上年年末未分配利潤	<b>1,220,362,407.91</b>	1,082,952,411.64
Total undistributed profits at the beginning of adjustment year (increase +, decrease -)	調整年初未分配利潤合計數 (調增+，調減-)		
Undistributed profits at the beginning of the year after adjustment	調整後年初未分配利潤	<b>1,220,362,407.91</b>	1,082,952,411.64
Add: Net profits attributable to the shareholders of the Company in the current period	加：本期歸屬於母公司所有者的淨利潤	<b>50,910,673.32</b>	152,640,000.63
Less: Withdrawal of statutory surplus reserves	減：提取法定盈餘公積	<b>3,990,600.92</b>	15,230,004.36
Withdrawal of discretionary surplus reserves	提取任意盈餘公積		
Withdrawal of general risk reserves	提取一般風險準備	<b>42,000,000.00</b>	
Dividends payable on ordinary shares	應付普通股股利		
Dividends on ordinary share converted to share capital	轉作股本的普通股股利		
Undistributed profits at the end of the period	期末未分配利潤	<b>1,225,282,480.31</b>	1,220,362,407.91

Note: As resolved at the general meeting on 28 May 2021, a dividend of RMB0.03 per share (tax inclusive) for the year ended 31 December 2020 (2019: Nil) will be paid in cash to shareholders whose names appear on the register of members of the Company on 10 June 2021 for a total amount of RMB42 million.

註：於2021年5月28日經股東會決議，以現金方式派發截至2020年12月31日止年度股息，每股人民幣0.03元(含稅)(2019年：無)，派發對象為名列於2021年6月10日本公司股東名冊的股東，派發總額為人民幣4,200萬元。

#### (XXXVI) Operating Revenue and Operating Costs

#### (計) 營業收入和營業成本

##### 1. Operating revenue and operating costs

##### 1、營業收入和營業成本情況

Items	項目	Amount of the current period 本期金額		Amount of the previous period 上期金額	
		Revenue 收入	Costs 成本	Revenue 收入	Costs 成本
Main business	主營業務	<b>4,394,459,596.01</b>	<b>3,857,160,733.05</b>	3,879,901,663.49	3,295,198,517.89
Other businesses	其他業務	<b>22,303,979.98</b>	<b>1,664,613.45</b>	21,713,084.63	3,170,640.15
Total	合計	<b>4,416,763,575.99</b>	<b>3,858,825,346.50</b>	3,901,614,748.12	3,298,369,158.04

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXXVI) Operating Revenue and Operating Costs (Continued)

#### (計) 營業收入和營業成本(續)

#### 1. Operating revenue and operating costs (Continued)

#### 1、營業收入和營業成本情況(續)

The breakdown of operating revenue:

營業收入明細：

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Main business:	主營業務：	<b>4,394,459,596.01</b>	3,879,901,663.49
Sales of goods	銷售商品	<b>4,394,459,596.01</b>	3,879,901,663.49
Other businesses:	其他業務：	<b>22,303,979.98</b>	21,713,084.63
Revenue from by-products	副產品收入	<b>7,938,992.01</b>	7,840,643.50
Revenue from waste materials	廢舊物資收入	<b>6,023,420.79</b>	5,514,080.58
Revenue from sale of ash, slag and scrap	灰、渣、下腳料銷售收入	<b>2,682,006.35</b>	4,385,378.51
Services income	服務收入	<b>3,346,280.36</b>	3,629,725.38
Revenue from sale of materials	材料銷售收入	<b>849,431.62</b>	80,775.89
Others	其他	<b>1,463,848.85</b>	262,480.77
<b>Total</b>	<b>合計</b>	<b>4,416,763,575.99</b>	3,901,614,748.12

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXXVI) Operating Revenue and Operating Costs (Continued)

#### (計) 營業收入和營業成本(續)

#### 2. Revenue from contract

#### 2. 合同產生的收入情況

Revenue segment information for the current period is as follows:

本期收入分部信息如下：

Breakdown of contracts	合同分類	Amount of the current period 本期金額	Amount of the previous period 上期金額
Product types:	商品類型：		
Raw chicken meat	生雞肉	1,913,255,819.02	1,922,651,229.09
Processed chicken meat	深加工雞肉	2,295,405,890.63	1,773,387,099.98
Chicken breeds	雞苗	64,821,696.00	85,334,607.00
Others	其他	143,280,170.34	120,241,812.05
Total	合計	4,416,763,575.99	3,901,614,748.12
By operating region:	按經營地區分類：		
<b>Mainland China</b>	<b>中國大陸</b>	<b>3,440,301,706.30</b>	<b>3,036,652,567.70</b>
— Raw chicken meat	— 生雞肉	1,617,227,400.25	1,680,282,698.62
— Processed chicken meat	— 深加工雞肉	1,614,972,439.70	1,150,793,450.03
— Chicken breeds	— 雞苗	64,821,696.00	85,334,607.00
— Others	— 其他	143,280,170.35	120,241,812.05
<b>Japan</b>	<b>日本</b>	<b>369,487,618.89</b>	<b>382,416,479.47</b>
— Processed chicken meat	— 深加工雞肉	369,487,618.89	382,416,479.47
<b>Malaysia</b>	<b>馬來西亞</b>	<b>275,956,540.54</b>	<b>216,860,958.74</b>
— Raw chicken meat	— 生雞肉	275,956,540.54	216,860,958.74
<b>Europe</b>	<b>歐洲</b>	<b>262,068,437.53</b>	<b>202,739,892.48</b>
— Processed chicken meat	— 深加工雞肉	262,068,437.53	202,739,892.48
<b>Other countries</b>	<b>其他國家</b>	<b>68,949,272.73</b>	<b>62,944,849.73</b>
— Raw chicken meat	— 生雞肉	20,071,878.22	25,507,571.73
— Processed chicken meat	— 深加工雞肉	48,877,394.51	37,437,278.00
Total	合計	4,416,763,575.99	3,901,614,748.12

#### 3. Transaction price allocated to remaining performance obligations

#### 3. 分攤至剩餘履約義務的交易價格

As of 31 December 2021, the amount of the transaction price corresponding to the performance obligations that have been contracted but not yet performed or completed was RMB34,352,314.47, which is expected to be recognised as revenue in 2022.

截至2021年12月31日，已簽訂合同、但尚未履行或尚未履行完畢的履約義務所對應的交易價格金額為34,352,314.47元，預計將於2022年確認收入。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXXVII) Taxes and Charges

#### (計) 税金及附加

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
House tax	房產稅	12,225,422.92	10,285,329.91
Resource tax	資源稅	5,291,690.50	2,991,591.00
City maintenance and construction tax	城市維護建設稅	3,580,352.76	3,786,552.40
Land use tax	土地使用稅	3,190,755.17	3,608,864.52
Education surcharge	教育費附加	2,146,210.28	2,364,699.44
Local education surcharge	地方教育費附加	1,430,806.85	1,421,780.05
Stamp duty	印花稅	1,611,095.23	1,523,837.50
Vehicle and vessel use tax	車船稅	52,802.97	45,492.85
Environmental protection tax	環境保護稅	21,143.40	
Water conservancy fund	水利基金		378,629.75
Others	其他		2,585.72
<b>Total</b>	<b>合計</b>	<b>29,550,280.08</b>	<b>26,409,363.14</b>

#### (XXXVIII) Selling Expenses

#### (計) 銷售費用

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Sales and promotion expenses	銷售推廣費	257,013,335.93	162,550,125.27
Employee compensation	職工薪酬	67,664,256.22	51,340,191.19
Travel expenses	差旅費	8,313,015.62	6,781,701.45
Business entertainment expenses	業務招待費	2,113,232.41	1,487,438.87
Intermediary services fees	中介服務費	1,515,456.71	1,624,153.72
Asset utilisation fees	資產使用費	1,944,968.22	2,191,753.50
Depreciation and amortisation	折舊與攤銷	707,477.30	763,113.12
Office expenses	辦公費	1,854,578.55	1,704,220.80
Others	其他	3,892,398.98	1,562,916.36
<b>Total</b>	<b>合計</b>	<b>345,018,719.94</b>	<b>230,005,614.28</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XXXIX) Administrative Expenses

#### (計) 管理費用

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Employee compensation	職工薪酬	61,622,977.34	74,700,359.61
Intermediary services fees	中介服務費	7,407,170.13	20,166,772.63
Asset utilisation fees	資產使用費	4,960,835.79	4,082,750.68
Business entertainment expenses	業務招待費	1,580,382.53	1,328,544.12
Depreciation and amortisation	折舊及攤銷	7,235,168.04	9,256,320.99
Office expenses	辦公費	2,002,851.46	1,701,325.76
Energy consumption	能源消耗	1,265,712.57	1,882,680.63
Others	其他	3,235,429.57	875,833.47
<b>Total</b>	<b>合計</b>	<b>89,310,527.43</b>	<b>113,994,587.89</b>

#### (XL) R&D Expenses

#### (四) 研發費用

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Employee compensation	職工薪酬	9,577,758.67	8,461,782.01
R&D and design expenses	研發設計費	6,736,901.02	4,498,140.72
Depreciation expenses	折舊費	2,829,246.68	3,195,995.45
Travel expenses	差旅費	841,661.28	471,930.18
Energy consumption	能源消耗	435,729.66	370,440.69
Asset utilisation fees	資產使用費	2,093,525.40	2,029,571.56
Office expenses	辦公費	216,299.52	226,674.01
Entrustment fees	委託費	1,430,157.86	1,491,014.10
Others	其他	821,843.31	653,372.23
<b>Total</b>	<b>合計</b>	<b>24,983,123.40</b>	<b>21,398,920.95</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XLI) Finance Costs

#### (計) 財務費用

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Interest expenses	利息費用	<b>51,849,048.52</b>	53,278,708.17
Including: Interest expenses on lease liabilities	其中：租賃負債利息費用	<b>11,227,446.43</b>	10,610,083.83
Less: Interest income	減：利息收入	<b>37,433,512.81</b>	23,900,008.78
Exchange gains or losses	匯兌損益	<b>1,890,167.94</b>	-1,607,174.64
Handling fee	手續費	<b>2,379,969.47</b>	704,704.41
Discount acceptance notes	承兌匯票貼息	<b>29,010,315.14</b>	24,552,467.49
<b>Total</b>	<b>合計</b>	<b>47,695,988.26</b>	53,028,696.65

#### (XLII) Other Gains

#### (計) 其他收益

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Government grants	政府補助	<b>13,196,429.71</b>	19,274,810.56
Handling fee for withholding individual income tax	代扣個人所得稅手續費	<b>195,989.42</b>	
Value-add tax refund from micro-enterprises	小微企業增值稅退稅	<b>41.69</b>	
<b>Total</b>	<b>合計</b>	<b>13,392,460.82</b>	19,274,810.56

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XIII) Other Gains (Continued)

#### (計) 其他收益(續)

#### Government grants included in other income

#### 計入其他收益的政府補助

Grant Projects 補助項目	Amount of the current period 本期金額	Amount of the previous period 上期金額	Related to the assets/related to the income 與資產相關／與收益相關
Subsidy for breeding harmless treatment 養殖無害化處理補助	3,470,060.00	4,583,422.00	Related to the income 與收益相關
Incentive funds for listing of enterprises 企業上市獎勵		12,000,000.00	Related to the income 與收益相關
Subsidy for position stabilization and return 穩崗返還款	375,795.19	736,642.68	Related to the income 與收益相關
Funds for the transformation of intelligent and efficient integrated breeding and processing project 智能高效養殖加工一體化項目技改補貼	2,000,000.00		Related to the income 與收益相關
Subsidy for harmless treatment of dead hogs 病死豬無害化處理補貼	1,980,000.00		Related to the income 與收益相關
Special funds for foreign economic and trade exchange 外經貿流通專項資金	1,354,005.02		Related to the income 與收益相關
Incentives for financial innovation and development guiding 金融創新發展引導資金獎勵	1,310,000.00		Related to the income 與收益相關
Current deferred revenue carryforward 本期遞延收益結轉	705,974.52	1,059,800.00	Related to the income 與資產相關
Related to other income 其他與收益相關補助	2,000,594.98	894,945.88	Related to the income 與收益相關
<b>Total 合計</b>	<b>13,196,429.71</b>	<b>19,274,810.56</b>	

**Note:** Government grants include various related subsidies granted by various government authorities at various levels to support the development of the Company without compensation. Relevant conditions of these subsidies can be met by the Company without risk of return.

註：政府補助包括各級政府部門無償撥付的支持本公司發展的各種相關補貼，這些補貼公司均能達到相關條件，無退回風險。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XLIII) Investment Income

#### (計) 投資收益

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Gain from long-term equity investments accounted for using the equity method	權益法核算的長期股權投資收益	-1,741,065.89	10,566,337.90
Investment income from disposal of long-term equity investment	處置長期股權投資產生的投資收益	20,536,640.33	-583,398.46
Handle fees for hedging instruments	套期工具手續費	-4,761.00	-2,480.00
<b>Total</b>	<b>合計</b>	<b>18,790,813.44</b>	<b>9,980,459.44</b>

*Note:* The Company disposed the equity interests in a subsidiary of Xingwen Tianyang Jishi Food Development Co., Ltd. for the current period. The reversal of accumulated recognised losses from previous years and the recovery of investment resulted in an investment gain of RMB20,536,640.33.

註：公司本期處置興文天養極食食品發展有限公司子公司股權，將以前年度累計確認虧損轉回及收回投資導致產生投資收益20,536,640.33元。

#### (XLIV) Gains from the changes in fair value

#### (計) 公允價值變動收益

Sources of gains from the changes in fair value	產生公允價值變動收益的來源	Amount of the current period 本期金額	Amount of the previous period 上期金額
Gains from the changes in fair value of productive biological assets and consumptive biological assets	生產性生物資產及消耗性生物資產公允價值收益	-4,169,866.00	-27,158,070.82
<b>Total</b>	<b>合計</b>	<b>-4,169,866.00</b>	<b>-27,158,070.82</b>

Description: The Company's gains from changes in fair value consist of: (1) gains arising from initial recognition of consumptive biological assets at fair value less sales costs upon receipt; (2) gains arising from changes in fair value of productive biological assets less sales costs.

說明：本公司公允價值變動收益包括：(1)消耗性生物於收貨時按公允價值減銷售費用初始確認產生的收益；(2)生產性生物資產公允價值減銷售費用的變動產生的收益。



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XLV) Credit Impairment Loss

#### (計) 信用減值損失

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Losses on bad debts of trade receivable	應收賬款壞賬損失	1,301,620.64	151,963.52
Losses on bad debts of other receivable	其他應收款壞賬損失	848,779.80	-3,168,276.67
Total	合計	2,150,400.44	-3,016,313.15

#### (XLVI) Gains on Disposal of Assets

#### (計) 資產處置收益

Item	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額	Amount included in non-recurring profit or loss in the current period 計入當期非經常性損益的金額
Net gains on disposal of fixed assets	處置固定資產淨收益	1,621,508.51	1,522,521.63	1,621,508.51
Total	合計	1,621,508.51	1,522,521.63	1,621,508.51

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XLVII) Non-operating Income

#### (四七) 營業外收入

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額	Amount included in non-recurring profit or loss in the current period 計入當期非經常性損益的金額
Obsolescence gains on non-current assets	非流動資產報廢利得	23,912.63		23,912.63
Net income from fines	罰款淨收入	766,992.31	455,126.24	766,992.31
Unpayable trade payables	無法支付的應付款項	142,961.94	819,061.75	142,961.94
Gains from debt restructuring	債務重組利得		169,047.91	
Others	其他	9,404.49	172.71	9,404.49
<b>Total</b>	<b>合計</b>	<b>943,271.37</b>	<b>1,443,408.61</b>	<b>943,271.37</b>

#### (XLVIII) Non-operating Expenses

#### (四八) 營業外支出

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額	Amount included in non-recurring profit or loss in the current period 計入當期非經常性損益的金額
Damages or penalties	違約賠償金或罰款支出	44,745.63	44,918.68	44,745.63
Obsolescence loss on non-current assets	非流動資產報廢損失	296,767.27	99,262.65	296,767.27
Donation for public welfare	對外捐贈	719,780.00	8,742,991.50	719,780.00
Non-recurring losses	非常損失	2,031.97	38,575.99	2,031.97
<b>Total</b>	<b>合計</b>	<b>1,063,324.87</b>	<b>8,925,748.82</b>	<b>1,063,324.87</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (XLIX) Income Tax Expenses

#### (計) 所得稅費用

##### 1. Income tax expenses table

##### 1. 所得稅費用表

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Current income tax expenses	當期所得稅費用	1,450,222.93	6,302,568.41
Deferred income tax expenses	遞延所得稅費用	218,415.65	-355,550.75
Total	合計	1,668,638.58	5,947,017.66

##### 2. Adjustment process of accounting profits and income tax expenses

##### 2. 會計利潤與所得稅費用調整過程

Items	項目	Amount of the current period 本期金額
Total profits	利潤總額	48,744,053.21
Income tax expenses at statutory or applicable tax rates	按法定或適用稅率計算的所得稅費用	12,186,013.30
Effect of subsidiaries applying different tax rates	子公司適用不同稅率的影響	-133,757.03
Effect of adjustment in income tax in the previous period	調整以前期間所得稅的影響	-229,954.79
Effect of non-taxable income	非應稅收入的影響	-579,687,439.74
Effect of non-deductible costs, expenses and losses	不可抵扣的成本、費用和損失的影響	572,139,304.73
Effect of deductible losses of deferred income tax assets unrecognised in the previous period	使用前期未確認遞延所得稅資產的可抵扣虧損的影響	-5,472,435.60
Effect of deductible temporary difference or deductible loss of deferred income tax assets not recognised in the current period	本期未確認遞延所得稅資產的可抵扣暫時性差異或可抵扣虧損的影響	2,866,907.71
Income tax expenses	所得稅費用	1,668,638.58

**Note:** The effect of non-taxable income is mainly the effect of tax-exempt agricultural products income on income tax payable of RMB579,527,962.31 and tax-exempt government subsidies on income tax payable of RMB159,477.43;

註：非應稅收入的影響主要為免稅農產品收入影響應納所得稅579,527,962.31元和免稅政府補助影響應納所得稅159,477.43元；

The effect of non-deductible costs, expenses and losses is mainly the effect of tax-exempt agricultural products sales costs on income tax payable of RMB565,227,468.03 and other non-deductible costs on income tax payable of RMB6,911,836.70.

不可抵扣的成本、費用和損失的影響主要為免稅農產品銷售成本費用影響應納所得稅565,227,468.03元和其他不可抵扣成本費用影響應納所得稅6,911,836.70元。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (L) Earnings Per Share

#### (註) 每股收益

##### 1. Basic earnings per share

##### 1、基本每股收益

Basic earnings per share are calculated by dividing the consolidated net profit attributable to ordinary shareholders of the Company by the weighted average number of outstanding ordinary shares of the Company:

基本每股收益以歸屬於母公司普通股股東的合併淨利潤除以本公司發行在外普通股的加權平均數計算：

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Consolidated net profit attributable to ordinary shareholders of the Company	歸屬於母公司普通股股東的合併淨利潤	50,910,673.32	152,640,000.63
Weighted average number of outstanding ordinary shares of the Company	本公司發行在外普通股的加權平均數	1,398,975,000.00	1,192,609,166.67
Basic earnings per share	基本每股收益	0.04	0.13
Including: Basic earnings per share from continuing operations	其中：持續經營基本每股收益	0.04	0.13
Basic earnings per share from discontinued operations	終止經營基本每股收益		

*Note:* Changes in the weighted average number of outstanding ordinary shares of the Company in the current period were mainly due to the changes in treasury shares. The amount in the previous period was mainly due to the new shares arising from the listing of the Company's H shares in July 2020.

註：本公司發行在外普通股的加權平均數本期變動主要由於庫存股變動導致，上期金額主要是由於公司2020年7月H股上市新增股份導致。

##### 2. Diluted earnings per share

##### 2、稀釋每股收益

Diluted earnings per share are calculated by dividing the consolidated net profit attributable to ordinary shareholders of the Company (diluted) by the weighted average number of outstanding ordinary shares of the Company (diluted):

稀釋每股收益以歸屬於母公司普通股股東的合併淨利潤(稀釋)除以本公司發行在外普通股的加權平均數(稀釋)計算：

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Consolidated net profit attributable to ordinary shareholders of the Company (diluted)	歸屬於母公司普通股股東的合併淨利潤(稀釋)	50,910,673.32	152,640,000.63
Weighted average number of outstanding ordinary shares of the Company (diluted)	本公司發行在外普通股的加權平均數(稀釋)	1,398,975,000.00	1,192,609,166.67
Diluted earnings per share	稀釋每股收益	0.04	0.13
Including: Diluted earnings per share from continuing operations	其中：持續經營稀釋每股收益	0.04	0.13
Diluted earnings per share from discontinued operations	終止經營稀釋每股收益		

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LI) Cash Flow Statement Items

#### (計) 現金流量表項目

#### 1. Other cash receipts in relation to operating activities

#### 1、收到的其他與經營活動有關的現金

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Business transaction amounts	往來款	65,952,045.71	28,287,447.33
Deposits	各項押金	28,868,509.15	27,659,781.34
Interest income	利息收入	37,434,373.82	27,043,834.69
Government grants	政府補助	29,187,567.23	27,713,533.68
Catering income	餐飲收入	7,491,050.99	9,964,033.39
Rental income	房租收入	197,080.83	252,488.95
Waste income	廢品收入	166,312.42	342,367.49
Others	其他	10,077.35	59,293.54
<b>Total</b>	<b>合計</b>	<b>169,307,017.50</b>	<b>121,322,780.41</b>

#### 2. Other cash payments in relation to operating activities

#### 2、支付的其他與經營活動有關的現金

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Business transaction amounts	往來款	69,568,791.92	9,791,755.70
Guarantees and deposits	保證金、押金	39,167,468.20	169,325,021.62
Out of pocket expenses	付現費用	66,189,654.86	59,699,719.54
Others	其他	2,945,499.62	5,828,140.22
<b>Total</b>	<b>合計</b>	<b>177,871,414.60</b>	<b>244,644,637.08</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LI) Cash Flow Statement Items (Continued)

#### (計) 現金流量表項目(續)

#### 3. Other cash payments in relation to investing activities

#### 3. 支付的其他與投資活動有關的現金

Item	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Net cash from disposal of subsidiaries	處置子公司現金淨額	5,911,229.73	19,844,602.70
Total	合計	5,911,229.73	19,844,602.70

#### 4. Other cash receipts in relation to financing activities

#### 4. 收到的其他與籌資活動有關的現金

Item	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Borrowings from related parties	關聯方借款	200,000,000.00	
Total	合計	200,000,000.00	

#### 5. Other cash payments in relation to financing activities

#### 5. 支付的其他與籌資活動有關的現金

Item	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Sale and leaseback payments	售後回租付款額	97,599,006.61	125,574,445.40
Land lease fees	土地租賃費	19,221,613.13	15,900,605.12
Payment of listing expenses	支付上市費用		29,581,581.75
Payment of shares repurchase	支付股份回購款		6,369,790.40
Bills deposits	票據保證金	241,259,648.46	
Total	合計	358,080,268.20	177,426,422.67

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LII) Supplementary Information for Cash Flow Statement

#### (計) 現金流量表補充資料

##### 1. Supplementary information for cash flow statement

##### 1、現金流量表補充資料

Supplementary information	補充資料	Amount of the current period 本期金額	Amount of the previous period 上期金額
1. Reconciliation of net profits to cash flows from operating activities	1、將淨利潤調節為經營活動現金流量		
Net profits	淨利潤	47,075,414.63	151,615,083.26
Add: Credit impairment loss	加：信用減值損失	2,150,400.44	-3,016,313.15
Provision for asset impairment	資產減值準備		
Depreciation of fixed assets	固定資產折舊	208,991,718.59	171,916,647.52
Depreciation of productive biological assets	生產性生物資產折舊		
Depletion of oil and gas assets	油氣資產折耗		
Depreciation of right-of-use assets	使用權資產折舊	8,591,758.87	6,899,397.64
Amortisation of intangible assets	無形資產攤銷	3,542,909.59	5,239,282.70
Amortisation of long-term deferred expenses	長期待攤費用攤銷		429,793.52
Losses on disposal of fixed assets, intangible assets and other long-term assets (income to be inserted with "-")	處置固定資產、無形資產和其他長期資產的損失(收益以[-]號填列)	-1,621,508.51	-1,522,521.63
Obsolescence losses on fixed assets (income to be inserted with "-")	固定資產報廢損失(收益以[-]號填列)	272,854.64	99,212.65
Losses from changes in fair value (income to be inserted with "-")	公允價值變動損失(收益以[-]號填列)	-4,169,866.00	-27,158,070.82
Finance costs (income to be inserted with "-")	財務費用(收益以[-]號填列)	80,859,363.66	67,270,766.87
Loss on investments (income to be inserted with "-")	投資損失(收益以[-]號填列)	-18,790,813.44	-2,286,226.89
Decrease in deferred income tax assets (increase to be inserted with "-")	遞延所得稅資產減少(增加以[-]號填列)	218,415.65	3,102,743.79
Increase in deferred income tax liabilities (decrease to be inserted with "-")	遞延所得稅負債增加(減少以[-]號填列)		
Decrease in inventories (increase to be inserted with "-")	存貨的減少(增加以[-]號填列)	-299,601,187.90	-132,564,357.67
Decrease in operating receivables (increase to be inserted with "-")	經營性應收項目的減少(增加以[-]號填列)	-85,557,037.93	21,707,347.56
Increase in operating payables (decrease to be inserted with "-")	經營性應付項目的增加(減少以[-]號填列)	220,358,370.88	27,169,001.14
Others	其他	1,817,149.47	3,452,993.46
Net cash flows generated from operating activities	經營活動產生的現金流量淨額	164,137,942.64	292,354,779.95
2. Material investment and financing activities not involving cash receipts and payments	2、不涉及現金收支的重大投資和籌資活動		
Conversion of debt to capital	債務轉為資本		

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LII) Supplementary Information for Cash Flow Statement (Continued)

#### (註) 現金流量表補充資料(續)

##### 1. Supplementary information for cash flow statement (Continued)

##### 1、現金流量表補充資料(續)

Supplementary information	補充資料	Amount of the current period 本期金額	Amount of the previous period 上期金額
Convertible corporate bonds due within one year	一年內到期的可轉換公司債券		
Fixed assets under finance lease	融資租入固定資產		
3. Net changes in cash and cash equivalents	3、現金及現金等價物淨變動情況		
Closing balance of cash	現金的期末餘額	1,375,111,214.07	1,289,981,009.01
Less: Opening balance of cash	減：現金的期初餘額	1,289,981,009.01	563,364,959.90
Add: Closing balance of cash equivalents	加：現金等價物的期末餘額		
Less: Opening balance of cash equivalents	減：現金等價物的期初餘額		
Net increase in cash and cash equivalents	現金及現金等價物淨增加額	85,130,205.06	726,616,049.11

註：其他為確認的股份支付費用。

##### 2. Net cash received from disposal of subsidiaries in current period

##### 2、本期收到的處置子公司的現金淨額

		Amounts 金額
Cash or cash equivalents received in current period from disposal of subsidiaries in current period	本期處置子公司於本期收到的現金或現金等價物	10,000.00
Including: Xingwen Tianyang Jishi Food Development Co., Ltd.*(興文天養極食食品發展有限公司)	其中：興文天養極食食品發展有限公司	10,000.00
Less: Cash and cash equivalents held by subsidiaries on the date when the Company loses control	減：喪失控制權日子公司持有的現金及現金等價物	5,921,229.73
Including: Xingwen Tianyang Jishi Food Development Co., Ltd.*(興文天養極食食品發展有限公司)	其中：興文天養極食食品發展有限公司	5,921,229.73
Net cash received from disposal of subsidiaries	處置子公司收到的現金淨額	-5,911,229.73



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LII) Supplementary Information for Cash Flow Statement (Continued)

#### (註) 現金流量表補充資料(續)

#### 3. Composition of Cash and Cash Equivalents

#### 3. 現金和現金等價物的構成

Items	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
I. Cash	一、現金	<b>1,375,111,214.07</b>	1,289,981,009.01
Including: Cash on hand	其中：庫存現金		172,586.00
Bank deposits that can be used readily for payments	可隨時用於支付的銀行存款	<b>1,374,795,896.95</b>	1,288,673,984.55
Other monetary funds that can be used readily for payments	可隨時用於支付的其他貨幣資金	<b>315,317.12</b>	1,134,438.46
Amounts that can be used readily for payments from Central Bank Deposits	可用於支付的存放中央銀行款項		
Interbank deposits	存放同業款項		
Interbank Offer	拆放同業款項		
II. Cash Equivalents	二、現金等價物		
Including: Debt investments due within three months	其中：三個月內到期的債券投資		
III. Cash and cash equivalents at the end of the period	三、期末現金及現金等價物餘額	<b>1,375,111,214.07</b>	1,289,981,009.01
Including: Restricted use of cash and cash equivalents by the Company or intra-group subsidiaries	其中：母公司或集團內子公司使用受限制的現金和現金等價物		

#### (LIII) Assets with Restricted Ownership or Use Right

#### (註) 所有權或使用權受到限制的資產

Items	項目	Book value at the end of the period 期末賬面價值	Reasons for restriction 受限原因
Monetary funds	貨幣資金	479,662,620.55	Guarantees 保證金
Fixed assets	固定資產	667,818,102.98	Mortgaged borrowings 抵押借款
Intangible assets	無形資產	57,737,125.84	Mortgaged borrowings 抵押借款
Total	合計	1,205,217,849.37	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LIV) Government Grants

#### (計) 政府補助

##### 1. Government grants related to assets

##### 1. 與資產相關的政府補助

Types	種類	Amounts 金額	Presented items in the balance sheet 資產負債表 列報項目	Amount included in current profit or loss or written off against related costs and expenses 計入當期損益或沖減相關 成本費用損失的金額		Items included in current profit or loss or written off against related costs and expenses 計入當期 損益或沖減 相關成本 費用損失 的項目
				Amount of the current period 本期金額	Amount of the previous period 上期金額	
Special funds for the construction of strong industrial towns	產業強鎮建設專項資金	4,950,000.00	Deferred income 遞延收益	192,500.00		Other income 其他收益
Funds for intelligent environmental protection projects	智能環保立體項目資金	13,574,100.00	Deferred income 遞延收益	120,658.67		Other income 其他收益
Funds for solar collector project	太陽能集熱項目資金	1,062,000.00	Deferred income 遞延收益	73,664.74		Other income 其他收益
Government grants for solar energy projects	太陽能項目政府補助	800,000.00	Deferred income 遞延收益	80,000.00	80,000.00	Other income 其他收益
Government grants for VOC equipment	VOC設備政府補助	228,333.33	Deferred income 遞延收益	20,000.00	20,000.00	Other income 其他收益
Subsidy for harmless treatment of poultry	畜禽無害化處理項目補助	2,000,000.00	Deferred income 遞延收益	1,111.11		Other income 其他收益

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LIV) Government Grants (Continued)

#### 註四 政府補助(續)

#### 2. Government grants related to revenue

#### 2. 與收益相關的政府補助

Types	種類	Amounts 金額	Amount included in current profit or loss or written off against related costs and expenses		Items included in current profit or loss or written off against related costs and expenses
			Amount of the current period 本期金額	Amount of the previous period 上期金額	
			計入當期損益或沖減相關成本費用損失的金額		
Technology reform subsidy funds	穩崗返還款	375,795.19	375,795.19	736,642.68	Other income 其他收益
Special funds for foreign economic and trade development	外經貿流通專項資金	1,354,005.02	1,354,005.02		Other income 其他收益
Incentives for listing of enterprises	企業上市獎勵資金			12,000,000.00	Other income 其他收益
Subsidy for harmless treatment	無害化處理補貼	3,470,060.00	3,470,060.00	4,583,422.00	Other income 其他收益
Interest subsidies for the loans of the production of ethnic minorities' special goods	民族特需商品生產貸款貼息	2,530,000.00	2,530,000.00	2,784,700.00	Other income 其他收益
Subsidy for harmless treatment of dead hogs during breeding process	養殖環節病死豬無害化處理補貼	1,980,000.00	1,980,000.00		Other income 其他收益
Funds for the transformation of intelligent and efficient integrated breeding and processing project	智能高效養殖加工一體化項目技改補貼資金	2,000,000.00	2,000,000.00		Other income 其他收益
Subsidy funds for multi-level market	多層次市場補助資金	1,310,000.00	1,310,000.00		Other income 其他收益
Subsidy funds for export credit reimbursement	出口信用報銷補助	401,912.04	401,912.04		Other income 其他收益
Others	其他	2,208,634.98	2,208,634.98	1,854,745.88	Other income 其他收益

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### V. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### 五、合併財務報表項目註釋(續)

#### (LV) Lease

#### (十四) 租賃

##### 1. As a lessee

##### 1. 作為承租人

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Interest expense on lease liabilities	租賃負債的利息費用	11,227,446.43	10,610,083.83
Short-term lease charges included in the cost of the related assets or in the current profit or loss using simplified treatment	計入相關資產成本或當期損益的簡化處理的短期租賃費用	1,249,166.61	1,006,499.16
Lease charges for low-value assets (other than short-term lease payments for low-value assets) included in the cost of the related assets or in the current profit or loss using simplified treatment	計入相關資產成本或當期損益的簡化處理的低價值資產租賃費用(低價值資產的短期租賃費用除外)		
Variable lease payments not included in the measurement of lease liabilities included in the cost of the related assets or in the current profit or loss	計入相關資產成本或當期損益的未納入租賃負債計量的可變租賃付款額		
Including: Portion arising from sale and leaseback transactions	其中：售後租回交易產生部分		
Income from sublease of right-to-use assets	轉租使用權資產取得的收入		
Total cash outflow related to leases	與租賃相關的總現金流出	19,221,613.13	15,900,605.12
Gains or losses arising from sale and leaseback transactions	售後租回交易產生的相關損益		
Cash inflows from sale and leaseback transactions	售後租回交易現金流入		
Cash outflows from sale and leaseback transactions	售後租回交易現金流出		

### VI. CHANGE IN THE SCOPE OF CONSOLIDATION

### 六、合併範圍的變更

#### (I) Business Combinations Not Under Common Control

#### (一) 非同一控制下企業合併

##### 1. Business combinations involving entities not under common control in the current period

##### 1. 本期發生的非同一控制下企業合併的情況

N/A

無

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VI. CHANGE IN THE SCOPE OF CONSOLIDATION (Continued)

### 六、合併範圍的變更(續)

#### (II) Business Combinations Under Common Control

#### (二) 同一控制下企業合併

##### 1. Business combinations involving entities under common control in the current period

##### 1. 本期發生的同一控制下企業合併

N/A

無

#### (III) Disposal of Subsidiaries

#### (三) 處置子公司

##### Single disposal of investment in subsidiary that results in loss of control

##### 單次處置對子公司投資即喪失控制權的情形

Name of subsidiary	Equity disposal price	Percentage of equity disposal (%)	Way of disposal	Time of loss of control	Basis for determining the time of loss of control	Difference between the disposal price and the net asset shares held in the subsidiary after disposal of equity investment in the consolidated financial statements	Percentage of remaining equity on the date of loss of control	Book value of remaining equity on the date of loss of control	Fair value of remaining equity on the date of loss of control	Gains or losses arising from re-measurement of the fair value of remaining equity	Method of determining the fair value of remaining equity on the date of loss of control and primary assumption	Amount of other consolidated income which is related to the original equity investment in subsidiary and stated as investment gains or losses
子公司名稱	股權處置價款	股權處置比例(%)	股權處置方式	喪失控制權的時點	喪失控制權時點的確定依據	處置價款與處置投資對應的合併財務報表層面享有該子公司淨資產份額的差額	喪失控制權之日剩餘股權的比例	喪失控制權之日剩餘股權的賬面價值	喪失控制權之日剩餘股權的公允價值	按照公允價值重新計量剩餘股權產生的利得或損失	喪失控制權之日剩餘股權公允價值的確定方法及主要假設	與原子公司股權投資相關的其他綜合收益轉入投資損益的金額
Xingwen Tianyang Jishi Food Development Co., Ltd.* (興文天養極食食品發展有限公司) 興文天養極食食品發展有限公司	10,000.00	90%	Transfer 轉讓	22 June 2021 2021年6月22日	Changes in Shareholdings 股權變更	20,536,640.33	0%	0	0	859.19	Not involved 不涉及	Not involved 不涉及

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VII. EQUITY IN OTHER ENTITIES

### 七、在其他主體中的權益

#### (I) Equity in Subsidiaries

#### (一) 在子公司中的權益

##### 1. Constitution of the enterprise group

##### 1. 企業集團的構成

Name of subsidiary	Business category	Major operation place	Registered in	Business nature	Registered capital/ Information on issued share capital and debentures 註冊資本/ 已發行股本及 債券信息	Percentage of shareholding (%) 持股比例(%)		Acquisition method
						Direct	Indirect	
子公司名稱	法人類別	主要經營地	註冊地	業務性質		直接	間接	取得方式
Shandong Fengxiang Industrial Co., Ltd.	Limited liability	Yanggu County, Liaocheng City, Shandong Province	Yanggu County, Liaocheng City, Shandong Province	Production and sale of frozen meat products	RMB619,500,000.00	100.00		Set up
山東鳳祥實業有限公司	有限責任公司	山東省聊城市陽穀縣	山東省聊城市陽穀縣	速凍肉製品生產、銷售	619,500,000.00元			設立
Shandong Fengxiang Food Development Co., Ltd.	Limited liability	Yanggu County, Liaocheng City, Shandong Province	Yanggu County, Liaocheng City, Shandong Province	Production and sale of frozen food	RMB412,238,900.00	100.00		Set up
山東鳳祥食品發展有限公司	有限責任公司	山東省聊城市陽穀縣	山東省聊城市陽穀縣	速凍食品生產、銷售等	412,238,900.00元			設立
Shandong iShape Food Technology Co., Ltd.	Limited liability	Yanggu County, Liaocheng City, Shandong Province	Yanggu County, Liaocheng City, Shandong Province	Production and sale of frozen food	RMB220,000,000.00	100.00		Set up
山東優形食品科技有限公司	有限責任公司	山東省聊城市陽穀縣	山東省聊城市陽穀縣	速凍食品生產、銷售等	220,000,000.00元			設立
Fengxiang Foods (Japan) Co., Ltd.	Limited liability	Japan	Japan	Consulting	50,000,000.00 Yen	100.00		Set up
鳳祥食品株式会社	有限責任公司	日本	日本	諮詢	50,000,000.00日元			設立
Yucheng Fengming Food Co., Ltd.	Limited liability	Yucheng City, Shandong Province	Yucheng City, Shandong Province	Production and sale of frozen food	RMB33,000,000.00		100.00	Set up
禹城鳳鳴食品有限公司	有限責任公司	山東省禹城市	山東省禹城市	速凍食品生產、銷售等	33,000,000.00元			設立

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VII. EQUITY IN OTHER ENTITIES (Continued)

### 七、在其他主體中的權益(續)

#### (II) Equity in Joint Arrangements or Associates

#### (二) 在合營安排或聯營企業中的權益

##### 1. Major joint ventures or associates

##### 1. 重要的合營企業或聯營企業

Name of joint ventures or associates	Major operation place	Registered in	Business nature	Percentage of shareholding (%)		Accounting for investments in joint ventures or associates	Strategic to the Company's activities
				Direct	Indirect		
合營企業或聯營企業名稱	主要經營地	註冊地	業務性質	直接	間接	對合營企業或聯營企業投資的會計處理方法	對本公司活動是否具有戰略性
Yanggu Xiangyu Biological Technology Co., Ltd.	Yanggu County, Liaocheng City, Shandong Province	Yanggu County, Liaocheng City, Shandong Province	Operation of organic fertilizers, microbial fertilizers, bio-fertilizers	49.00		Equity method	Yes
陽穀祥雨生物科技股份有限公司	山東省聊城市陽穀縣	山東省聊城市陽穀縣	有機肥、微肥、生物肥的經營			權益法	是

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VII. EQUITY IN OTHER ENTITIES (Continued)

### 七、在其他主體中的權益(續)

#### (II) Equity in Joint Arrangements or Associates (Continued)

#### (二) 在合營安排或聯營企業中的權益(續)

##### 2. Key financial information of major associates

##### 2. 重要聯營企業的主要財務信息

		<b>Balance at the end of the period/ amount of the current period</b>	Balance at the end of last year/amount of the previous period
		期末餘額/ 本期金額	上年年末餘額/ 上期金額
		<b>Yanggu Xiangyu Biological Technology Co., Ltd.</b>	Yanggu Xiangyu Biological Technology Co., Ltd.
		陽穀祥雨生物 科技有限公司	陽穀祥雨生物 科技有限公司
Current assets	流動資產	<b>63,680,628.35</b>	21,070,741.35
Including: Cash and cash equivalents	其中：現金和現金等價物	<b>56,975,322.84</b>	19,844,602.70
Non-current assets	非流動資產	<b>113,808,589.28</b>	65,790,201.52
Total assets	資產合計	<b>177,489,217.63</b>	86,860,942.87
Current liabilities	流動負債	<b>56,373,403.45</b>	3,315,094.23
Non-current liabilities	非流動負債	<b>3,168,416.67</b>	3,361,416.67
Total liabilities	負債合計	<b>59,541,820.12</b>	6,676,510.90
Minority interests	少數股東權益		
Equity attributable to the shareholders of the Company	歸屬於母公司股東權益	<b>117,947,397.51</b>	80,184,431.97
Net assets share calculated as per shareholding ratio	按持股比例計算的淨資產份額	<b>57,794,224.78</b>	39,290,371.67
Operating revenue	營業收入	<b>15,135,406.04</b>	13,319,255.16
Finance costs	財務費用	<b>-790,283.15</b>	-66,700.82
Income tax expenses	所得稅費用		
Net profit	淨利潤	<b>-2,237,034.46</b>	-766,702.81
Net profit from discontinued operations	終止經營的淨利潤		
Other comprehensive income	其他綜合收益		
Total comprehensive income	綜合收益總額	<b>-2,237,034.46</b>	-766,702.81
Dividends from joint ventures at the current period	本期收到的來自合營企業的股利		



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VII. EQUITY IN OTHER ENTITIES (Continued)

### 七、在其他主體中的權益(續)

#### (III) Significant joint operation

#### (三) 重要的共同經營

N/A

無

#### (IV) Interests in structured entities not included in the scope of consolidated financial statements

#### (四) 在未納入合併財務報表範圍的結構化主體中的權益

N/A

無

### VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS

### 八、與金融工具相關的風險

The Board is responsible for planning and establishing the Company's risk management framework, formulating the Company's risk management policies and related guidelines and overseeing the implementation of risk management measures. The Company has established risk management policies to identify and analyse the risks faced by the Company. These risk management policies specify specific risks, covering various aspects of market risks, credit risks and liquidity risk management. The Company regularly evaluates changes in market conditions and the Company's business activities to determine whether to update its risk management policies and systems. The Company's risk management is carried out by the Risk Management Committee in accordance with the policies approved by the Board. The Risk Management Committee identifies, evaluates and hedges relevant risks through close cooperation with other business units of the Company. The Company's internal audit department conducts regular audits of risk management controls and procedures and reports the results of these audits to the Company's Audit Committee.

董事會負責規劃並建立本公司的風險管理架構，制定本公司的風險管理政策和相關指引並監督風險管理措施的執行情況。本公司已制定風險管理政策以識別和分析本公司所面臨的風險，這些風險管理政策對特定風險進行了明確規定，涵蓋了市場風險、信用風險和流動性風險管理等諸多方面。本公司定期評估市場環境及本公司經營活動的變化以決定是否對風險管理政策及系統進行更新。本公司的風險管理由風險管理委員會按照董事會批准的政策開展。風險管理委員會通過與本公司其他業務部門的緊密合作來識別、評價和規避相關風險。本公司內部審計部門就風險管理控制及程序進行定期的審核，並將審核結果上報本公司的審計委員會。

The overall objective of the risk management in the Company is to formulate risk management policies to minimise the risks without unduly interfering the Company's competitiveness and resilience.

本公司風險管理的總體目標是在不過度影響公司競爭力和應變力的情況下，制定盡可能降低風險的風險管理政策。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

## VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

### (I) Credit risk (Continued)

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company mainly faces customer credit risk caused by credit sales. Before the signing of the new contract, the Company will evaluate the credit risk of the new customer, including the external credit rating and, in some cases, the bank credit certificate (when this information is available). The Company sets a credit limit for each customer, which is the maximum amount that does not require additional approval.

The Company ensures that the Company's overall credit risk is within control of the Company through quarterly monitoring of existing customers' credit ratings and monthly review of trade receivable aging analysis. When monitoring the customer's credit risk, we group them according to their credit characteristics. Customers rated as "high-risk" will be placed on the list of restricted customers, and the Company can only sell them on the premise of additional approval, otherwise they must be required to pay the relevant amounts in advance.

### (II) Liquidity risk

Liquidity risk is the risk that an enterprise may encounter deficiency of funds in meeting obligations settled with cash or other financial assets delivery.

The Company's policy is to ensure it has sufficient cash to settle the debts when they fall due. The Company's finance department centralized control on liquidity risk. Through monitoring cash balance, readily realizable marketable securities and the rolling forecasts of cash flow for the next 12 months, the finance department will ensure the Company has sufficient fund to settle its debts under all reasonable foreseeable circumstances. It also continuously monitors the Company's compliance with borrowing agreements to obtain commitments from major financial institutions to provide sufficient reserve funds to meet short-and long-term capital needs.

## 八、與金融工具相關的風險(續)

### (一) 信用風險(續)

信用風險是指金融工具的一方不履行義務，造成另一方發生財務損失的風險。本公司主要面臨除銷導致的客戶信用風險。在簽訂新合同之前，本公司會對新客戶的信用風險進行評估，包括外部信用評級和在某些情況下的銀行資信證明(當此信息可獲取時)。公司對每一客戶均設置了除銷限額，該限額為無需獲得額外批准的最大額度。

公司通過對已有客戶信用評級的季度監控以及應收賬款賬齡分析的月度審核來確保公司的整體信用風險在可控的範圍內。在監控客戶的信用風險時，按照客戶的信用特徵對其分組。被評為「高風險」級別的客戶會放在受限制客戶名單裏，並且隻有在額外批准的前提下，公司才可在未來期間內對其除銷，否則必須要求其提前支付相應款項。

### (二) 流動性風險

流動性風險是指企業在履行以交付現金或其他金融資產的方式結算的義務時發生資金短缺的風險。

本公司的政策是確保擁有充足的現金以償還到期債務。流動性風險由本公司的財務部門集中控制。財務部門通過監控現金餘額、可隨時變現的有價證券以及對未來12個月現金流量的滾動預測，確保公司在所有合理預測的情況下擁有充足的資金償還債務。同時持續監控公司是否符合借款協議的規定，從主要金融機構獲得提供足夠備用資金的承諾，以滿足短期和長期的資金需求。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

### 八、與金融工具相關的風險(續)

#### (II) Liquidity risk (Continued)

#### (二) 流動性風險(續)

The financial liabilities of the Company are analysed by their maturity date below at their undiscounted contractual cash flows:

本公司各項金融負債以未折現的合同現金流量按到期日列示如下：

Items	項目	Balance at the end of the period					Total
		Immediate repayment	Within 1 year	1-2 years	2-5 years	Over 5 years	
		即時償還	1年以內	1-2年	2-5年	5年以上	合計
Bills payable	應付票據		46,606,601.35				46,606,601.35
Short-term borrowings	短期借款		1,731,044,138.88				1,731,044,138.88
Trade payable	應付賬款		440,387,243.15	8,456,372.43			448,843,615.58
Other payable	其他應付款		230,351,136.38	6,152,904.33			236,504,040.71
Long-term borrowings	長期借款		46,788,972.28	64,866,536.80	454,596,124.28		566,251,633.36
Long-term payable	長期應付款		95,380,993.50	72,407,837.23	61,368,328.28		229,157,159.01
Lease liabilities	租賃負債		15,439,748.07	15,029,160.57	45,343,182.70	405,317,982.73	481,130,074.07
<b>Total</b>	<b>合計</b>		<b>1,935,260,454.08</b>	<b>152,303,534.60</b>	<b>561,307,635.26</b>	<b>405,317,982.73</b>	<b>3,054,189,606.67</b>

Items	項目	Balance at the end of last year					Total
		Immediate repayment	Within 1 year	1-2 years	2-5 years	Over 5 years	
		即時償還	1年以內	1-2年	2-5年	5年以上	合計
Short-term borrowings	短期借款		1,485,724,000.00				1,485,724,000.00
Trade payable	應付賬款		214,194,392.15	3,126,649.85			217,321,042.00
Other payable	其他應付款		257,510,108.47				257,510,108.47
Long-term payable	長期應付款		72,657,729.55	33,546,227.22	6,070,952.51		112,274,909.28
Lease liabilities	租賃負債		15,331,538.04	14,640,866.07	42,828,520.70	394,786,043.76	467,586,968.57
<b>Total</b>	<b>合計</b>		<b>1,573,713,267.59</b>	<b>48,187,093.29</b>	<b>48,899,473.21</b>	<b>394,786,043.76</b>	<b>2,065,585,877.85</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

### 八、與金融工具相關的風險(續)

#### (II) Liquidity risk (Continued)

#### (二) 流動性風險(續)

The repayment terms of bank borrowings and other borrowings are analysed as follows:

銀行借款及其他借款償還期分析如下：

Items	項目	Balance at the end of the period					Total
		Immediate repayment	Within 1 year	1-2 years	2-5 years	Over 5 years	
		即時償還	1年以內	1-2年	2-5年	5年以上	合計
Short-term borrowings	短期借款		1,731,044,138.88				1,731,044,138.88
Trade payable	應付賬款		440,387,243.15	8,456,372.43			448,843,615.58
Other payable	其他應付款		230,351,136.38	6,152,904.33			236,504,040.71
Long-term borrowings	長期借款		44,429,338.08	43,778,000.00	431,334,000.00		519,541,338.08
Long-term payable	長期應付款		84,293,042.06	66,469,645.01	59,521,059.40		210,283,746.47
Lease liabilities	租賃負債		3,876,110.75	3,706,123.59	13,264,918.00	179,926,096.19	200,773,248.53
Total	合計		1,863,642,629.77	113,953,768.60	504,119,977.40	179,926,096.19	2,661,642,471.96

Items	項目	Balance at the end of last year					Total
		Immediate repayment	Within 1 year	1-2 years	2-5 years	Over 5 years	
		即時償還	1年以內	1-2年	2-5年	5年以上	合計
Short-term borrowings	短期借款		1,485,724,000.00				1,485,724,000.00
Trade payable	應付賬款		214,194,392.15	3,126,649.85			217,321,042.00
Other payable	其他應付款		257,510,108.47				257,510,108.47
Long-term payable	長期應付款		68,275,379.35	32,239,312.73	6,185,027.12		106,699,719.20
Lease liabilities	租賃負債		4,359,472.02	3,770,667.53	12,318,659.46	172,312,991.55	192,761,790.56
Total	合計		1,558,358,851.37	36,009,980.26	18,503,686.58	172,312,991.55	1,785,185,509.76

#### (III) Market risk

#### (三) 市場風險

Market risk of financial instruments is the risk of fluctuation in the fair value of financial instruments or future cash flow arising from changes in market price. Market risk includes exchange rate risk, interest rate risk and other price risk.

金融工具的市場風險是指金融工具的公允價值或未來現金流量因市場價格變動而發生波動的風險，包括匯率風險、利率風險和其他價格風險。

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

### 八、與金融工具相關的風險(續)

#### (III) Market risk (Continued)

#### (三) 市場風險(續)

##### 1. Interest rate risk

##### 1、利率風險

Interest rate risk is the risk of fluctuation in the fair value of financial instruments or future cash flow arising from changes in market interest rate. The Company's interest rate risk mainly arises from bank borrowings.

利率風險是指金融工具的公允價值或未來現金流量因市場利率變動而發生波動的風險。本公司面臨的利率風險主要來源於銀行借款。

As at 31 December 2021, if the interest rates of borrowings with floating interest rates increased or decreased by 100 basis points with all other variables held constant, the Company's net profit will decrease or increase by RMB4,951,120.00 (31 December 2020: RMB1,124,000.00). The management is of the view that 100 basis points reasonably reflect the reasonable range of possible changes in the interest rates in the following year.

於2021年12月31日，在其他變量保持不變的情況下，如果以浮動利率計算的借款利率上升或下降100個基點，則本公司的淨利潤將減少或增加4,951,120.00元(2020年12月31日：1,124,000.00元)。管理層認為100個基點合理反映了下一年度利率可能發生變動的合理範圍。

##### 2. Exchange rate risk

##### 2、匯率風險

Exchange rate risk refers to the risk that the fair value or future cash flow of a financial instrument will fluctuate due to changes in foreign exchange rates.

匯率風險是指金融工具的公允價值或未來現金流量因外匯匯率變動而發生波動的風險。

The Company continuously monitors foreign currency transactions and the size of foreign currency assets and liabilities to minimize exposure to foreign exchange risk. In addition, the Company may consider entering into forward exchange contract or currency swap contract to mitigate the foreign exchange risk. During the period and the previous period, the Company has not entered into any forward exchange contract or currency swap contract.

本公司持續監控外幣交易和外幣資產及負債的規模，以最大程度降低面臨的外匯風險。此外，公司還可能簽署遠期外匯合約或貨幣互換合約以達到規避匯率風險的目的。於本期及上期，本公司未簽署任何遠期外匯合約或貨幣互換合約。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### VIII. RISKS RELATED TO FINANCIAL INSTRUMENTS (Continued)

### 八、與金融工具相關的風險(續)

#### (III) Market risk (Continued)

#### (三) 市場風險(續)

##### 2. Exchange rate risk (Continued)

##### 2. 匯率風險(續)

The Company's exposure to exchange rate risk arises mainly from financial assets and financial liabilities denominated in US\$. The amounts of foreign currency financial assets and foreign currency financial liabilities translated into RMB are shown below:

本公司面臨的匯率風險主要來源於以美元計價的金融資產和金融負債，外幣金融資產和外幣金融負債折算成人民幣的金額列示如下：

Items	項目	Balance at the end of the period			Balance at the end of last year		
		US\$	Other foreign currencies	Total	US\$	Other foreign currencies	Total
		美元	其他外幣	合計	美元	其他外幣	合計
Monetary funds	貨幣資金	13,242,059.85	16,348,728.75	29,590,788.60		6,938,176.80	6,938,176.80
Trade receivable	應收賬款	102,801,042.82		102,801,042.82	35,318,418.82		35,318,418.82
Prepayments	預付款項		73,397.17	73,397.17	671,597.21		671,597.21
Advances from customers	預收款項	3,584,872.05		3,584,872.05	2,845,320.58		2,845,320.58
Trade payable	應付賬款	7,049,039.21	280,840.69	7,329,879.90	19,823,448.76		19,823,448.76
<b>Total</b>	<b>合計</b>	<b>126,677,013.93</b>	<b>16,702,966.61</b>	<b>143,379,980.54</b>	<b>58,658,785.37</b>	<b>6,938,176.80</b>	<b>65,596,962.17</b>

As at 31 December 2021, with all other variables unchanged, if the RMB appreciates or depreciates by 1% against the US\$, the Company's net profit will increase or decrease by RMB1,398,533.00 (31 December 2020: RMB515,937.44). Management believes that 1% reasonably reflects the reasonable range of changes that may occur between the RMB and the US\$ in the coming year.

於2021年12月31日，在所有其他變量保持不變的情況下，如果人民幣對美元升值或貶值1%，則公司將增加或減少淨利潤1,398,533.00元(2020年12月31日：515,937.44元)。管理層認為1%合理反映了下一年度人民幣對美元可能發生變動的合理範圍。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### IX. DISCLOSURE OF FAIR VALUE

### 九、公允價值的披露

The following table shows the fair value information and the level of fair value measurement of the Company's assets and liabilities measured at fair value continuously on each balance sheet date at the end of the reporting period. The level of fair value measurement results depends on the input value of the lowest level which is of great significance to fair value measurement as a whole. The three levels of input values are defined as follows:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities available on the measurement date;

Level 2 inputs: inputs that are directly or indirectly observable for the relevant assets or liabilities other than Level 1 inputs;

Level 3 inputs: unobservable inputs of the relevant assets or liabilities.

下表列示了本公司在每個資產負債表日持續以公允價值計量的資產和負債於本報告期末的公允價值信息及其公允價值計量的層次。公允價值計量結果所屬層次取決於對公允價值計量整體而言具有重要意義的最低層次的輸入值。三個層次輸入值的定義如下：

第一層次輸入值：在計量日能夠取得的相同資產或負債在活躍市場上未經調整的報價；

第二層次輸入值：除第一層次輸入值外相關資產或負債直接或間接可觀察的輸入值；

第三層次輸入值：相關資產或負債的不可觀察輸入值。

		Fair value as at 31 December 2021			
		2021年12月31日公允價值			
Items	項目	Level 1 of	Level 2 of	Level 3 of	Total
		fair value	fair value	fair value	
		measurement	measurement	measurement	
		第一層次	第二層次	第三層次	
		公允價值計量	公允價值計量	公允價值計量	合計
Continuous fair value measurement	持續的公允價值計量			398,489,500.00	398,489,500.00
Productive biological assets	生產性生物資產			204,484,100.00	204,484,100.00
Consumptive biological assets	消耗性生物資產			194,005,400.00	194,005,400.00

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### IX. DISCLOSURE OF FAIR VALUE (Continued)

### 九、公允價值的披露(續)

#### (II) Qualitative and quantitative information on the valuation techniques and key parameters used in the fair value assessment of productive biological assets

#### (二) 生產性生物資產公允價值評估採用的估值技術和重要參數的定性及定量信息

Type	Valuation method	Key unobservable inputs	Relations between key unobservable inputs and fair value measurement
類型	估值方法	關鍵不可觀察輸入值	關鍵不可觀察輸入值與公允價值計量之間的相互關係
Broiler eggs/ broilers	The fair value of broiler eggs/ broilers is calculated by referring to the market price of the actively traded market.	The average market price of broiler eggs of the year was RMB2.5/ egg, and the unit price of broiler of the year was RMB8.8/kg.	The estimated fair value increases when the market price increases.
種蛋/肉雞	種蛋/肉雞的公允價值參考交易活躍 市場的市價計算。	本年種雞蛋的平均市價為人民幣2.5元/個，本年肉雞單價8.8元/ 公斤。	市價增加時，估計公允價值增加。
Breeders	The fair value of the breeders is determined by the replacement cost method, which is based on the cost and profit of restoring the breeders to their original condition, taking into account the newness and residual value.	For the quantity of the breeders, assuming the number of the existing breeders will decrease as at the end of relevant period at certain culling rates due to natural or unnatural factors, which include illness, difficult birth, low eggs production or completion of all eggs production periods, the estimated overall culling rate of the year ranges from 7.97% and 35.16% along with the increase of the number of the eggs production periods.  The replacement cost is the price of the chicken breeds plus the cost of each breeder to the breeding period. The breeding period of breeders is 25 weeks, and the production period ranges from 25 weeks to 70 weeks. The average price of chicken breeds of the year was RMB45.89/bird, and the cost of the breeders to the breeding period is RMB101.59/bird.  重置成本為雞苗價格加每隻種雞至育成期的成本，種雞育成期為25 周，生產期為25周至70周。本年雞苗的平均價格為45.89元/隻，種 雞至育成期的成本為101.59元/隻。  The profit is determined by multiplying the sum of the cost of chicken breeds and the breeding period by the cost margin. The cost margin was 11.75% based on the financial data for 2020.  本次利潤根據雞苗和育成期成本加和乘以成本利潤率確定。本次成 本利潤率根據2020年財務數據計算得到為11.75%。  The ratio of the remaining egg production of the hen to the total egg production during the entire life cycle is used to calculate the newness rate.  本次使用母雞的剩餘產蛋量佔全部生命周期內的產蛋量的比例計算 成新率。	The estimated fair value decreases when the estimated culling rate increases.  The estimated fair value increases when the estimated chicken breeds price, breeding and other costs increase.  估計雞苗價格和飼養等生產成本上漲 時，估計公允價值增加。  The fair value increases when the estimated cost margin increases.  估計成本利潤率上升時，公允價值增加。  The estimated fair value increases when the newness rate increases.  成新率提高時，估計公允價值增加。
種雞	種雞的公允價值按照重置成本法確定， 該方法是根據還原種雞發生的成本和 利潤並考慮成新率及殘值計算。	就種雞的數量而言，假設現有種雞數目按由於自然或非自然因素(包 括疾病，難產，低產蛋量或全部產蛋期結束)導致的若干淘汰率而 於相關期間結束時減少。本年估計整體淘汰率將隨著產蛋期數增加 而在7.97%至35.16%之間。	估計淘汰率上升時，估計公允價值減 少。



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES

### 十、關聯方及關聯交易

#### (I) Information on the parent company of the Company

#### (一) 本公司的母公司情況

Name of the parent company	Registered in	Business nature	Registered capital	Shareholding of the parent company in the Company (%) 母公司對本公司的持股比例 (%)	Percentage of the parent company's voting rights in the Company (%) 母公司對本公司的表決權比例 (%)
母公司名稱	註冊地	業務性質	註冊資本		
Shandong Fengxiang (Group) Co., Ltd. (山東鳳祥(集團)有限責任公司) 山東鳳祥(集團)有限責任公司	Yanggu County, Shandong Province 山東省陽穀縣	Retail 零售業	RMB1,126,000,000 112,600萬元	44.79	44.79

The ultimate controller of the Company: Liu Xuejing

本公司最終控制方是：劉學景

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (II) Information on the subsidiaries of the Company

#### (二) 本公司的子公司情況

Please refer to Note “VII. Equity in other entities” for details of the information on the subsidiaries of the Company.

本公司子公司的情況詳見本附註「七、在其他主體中的權益」。

#### (III) Information on associates and joint ventures of the Company

#### (三) 本公司的合營和聯營企業情況

Please refer to Note “VII. Equity in other entities” for details of the major associates and joint ventures of the Company.

本公司重要的合營或聯營企業詳見本附註「七、在其他主體中的權益」。

#### (IV) Information on other related parties

#### (四) 其他關聯方情況

##### Name of other related parties

其他關聯方名稱

Liaocheng Aode Energy Co., Ltd. (聊城奧德能源有限公司)

聊城奧德能源有限公司

Shandong Fengxiang Supermarket Co., Ltd. (山東鳳祥超市有限公司)

山東鳳祥超市有限公司

GMK Finance Co., Ltd. (新鳳祥財務有限公司)

新鳳祥財務有限公司

GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司)

新鳳祥控股集團有限責任公司

Yanggu Xiangguang Copper Co., Ltd. (陽穀祥光銅業有限公司)

陽穀祥光銅業有限公司

Zhongke Fengxiang Biotechnology Co., Ltd. (中科鳳祥生物工程股份有限公司)

中科鳳祥生物工程股份有限公司

Shandong Xiangyu Information Technology Co., Ltd. (山東祥宇信息技術有限責任公司)

山東祥宇信息技術有限責任公司

山東祥宇信息技術有限責任公司

Qingdao Xiangguang Logistics Co., Ltd. (青島祥光物流有限公司)

青島祥光物流有限公司

##### Relationship between other related party and the Company

其他關聯方與本公司的關係

Other enterprises controlled by the same ultimate controlling party  
同一最終控制方控制的其他企業

Other enterprises controlled by the same ultimate controlling party

同一最終控制方控制的其他企業

Other enterprises controlled by the same ultimate controlling party

同一最終控制方控制的其他企業

Other investing party of the Company

本公司的其他投資方

Other enterprises controlled by the same ultimate controlling party

同一最終控制方控制的其他企業

Other enterprises controlled by the same ultimate controlling party

同一最終控制方控制的其他企業

Other enterprises controlled by the same ultimate controlling party

同一最終控制方控制的其他企業

Other enterprises controlled by the same ultimate controlling party

同一最終控制方控制的其他企業

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions

#### (五) 關聯交易情況

#### 1. Related party transactions for purchase and sales of goods/provision and receipt of labor services

#### 1. 購銷商品、提供和接受勞務的關聯交易

Table of goods purchase/receiving labor services

(1) 採購商品/接受勞務情況表

Related party 關聯方	Content of related party transactions 關聯交易內容	Amount of the current period 本期金額	Amount of the previous period 上期金額
Liaocheng Aode Energy Co., Ltd. (聊城奧德能源有限公司) 聊城奧德能源有限公司	Purchase of natural gas 採購天然氣	71,987,312.31	40,581,236.55
Qingdao Xiangguang Logistics Co., Ltd. (青島祥光物流有限公司) 青島祥光物流有限公司	Settlement of logistics service fees 結算物流費	1,508,576.14	14,952,050.97
Shandong Xiangyu Information Technology Co., Ltd. (山東祥宇信息技術有限責任公司) 山東祥宇信息技術有限責任公司	Settlement of service fees 結算服務費	2,461,410.68	2,896,847.26
Zhongke Fengxiang Biotechnology Co., Ltd. (中科鳳祥生物工程股份有限公司) 中科鳳祥生物工程股份有限公司	Purchase of raw materials, etc. 購進原材料等	3,370,766.19	897,141.11
GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司) 新鳳祥控股集團有限責任公司	Settlement of service fees 結算服務費	4,994,830.41	685,613.90
Shandong Fengxiang Supermarket Co., Ltd. (山東鳳祥超市有限公司) 山東鳳祥超市有限公司	Purchase of turnover materials, purchase cards, etc. 購進週轉材料、購物卡等	723,824.11	665,943.65
GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司) 新鳳祥控股集團有限責任公司	Car Rental expenses 租車費用	86,970.98	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 1. Related party transactions for purchase and sales of goods/provision and receipt of labor services (Continued)

#### 1、購銷商品、提供和接受勞務的關聯交易(續)

Table of selling goods/provision of labor services

(2) 出售商品/提供勞務情況表

Related party 關聯方	Content of related party transactions 關聯交易內容	Amount of the current period 本期金額	Amount of the previous period 上期金額
Shandong Fengxiang Supermarket Co., Ltd. (山東鳳祥超市有限公司) 山東鳳祥超市有限公司	Sales of goods 銷售商品	5,937,358.59	4,148,006.84
Zhongke Fengxiang Biotechnology Co., Ltd. (中科鳳祥生物工程股份有限公司) 中科鳳祥生物工程股份有限公司	Sales of goods 銷售商品	5,132,987.69	3,260,220.40
Yanggu Xiangguang Copper Co., Ltd. (陽穀祥光銅業有限公司) 陽穀祥光銅業有限公司	Sales of goods 銷售商品	301,977.26	328,232.92
GMK Finance Co., Ltd. (新鳳祥財務有限公司) 新鳳祥財務有限公司	Sales of goods 銷售商品	21,567.43	88,364.94
GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司) 新鳳祥控股集團有限責任公司	Sales of goods 銷售商品	86,970.98	51,018.20
Zhongke Fengxiang Biotechnology Co., Ltd. (中科鳳祥生物工程股份有限公司) 中科鳳祥生物工程股份有限公司	Sales of accessories 銷售配件		7,757.60
Shandong Xiangyu Information Technology Co., Ltd. (山東祥宇信息技術有限責任公司) 山東祥宇信息技術有限責任公司	Sales of office supplies 銷售辦公用品		3,775.28
Yanggu Xiangyu Biological Technology Co., Ltd. (陽穀祥雨生物科技有限公司) 陽穀祥雨生物科技有限公司	Settlement of electricity bills 結算電費	2,235,640.37	
Yanggu Xiangyu Biological Technology Co., Ltd. (陽穀祥雨生物科技有限公司) 陽穀祥雨生物科技有限公司	Sales of materials 銷售材料	5,046,361.23	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 2. Entrusted management with related parties/contracting and entrusted management/outsourcing

#### 2. 關聯受託管理/承包及委託管理/出包情況

N/A

無

#### 3. Leasing with related parties

#### 3. 關聯租賃情況

The Company as the lessor:

本公司作為出租方：

Name of the lessee	Type of leased assets	Income recognised from leasing for the period 本期確認的租賃收入	Income recognised from leasing for the previous period 上期確認的租賃收入
承租方名稱	租賃資產種類		
Zhongke Fengxiang Biotechnology Co., Ltd. (中科鳳祥生物工程股份有限公司) 中科鳳祥生物工程股份有限公司	Housing equipment 房屋設備	14,092.12	5,486.72

The Company as the lessee:

本公司作為承租方：

Name of the lessor	Type of leased assets	Rental expenses of short-term lease under simplified approach and low-value assets and variable lease payments that are not included in the measurement of lease liabilities 簡化處理的短期租賃和低價值資產租賃的租金費用以及未納入租賃負債計量的可變租賃付款額	Amount of the current period 本期金額			Amount of the previous period 上期金額		
			Rental expenses paid 支付的租金	Increased right-of-use assets 增加的使用權資產	Interest expenses on lease liabilities 承擔的租賃負債利息支出	Rental expenses paid 支付的租金	Increased right-of-use assets 增加的使用權資產	Interest expenses on lease liabilities 承擔的租賃負債利息支出
GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司) 新鳳祥控股集團有限責任公司	Housing equipment 房屋設備	1,006,499.16	1,006,499.16		503,249.56	503,249.56		
GMK Holdings Group Co., Ltd. (新鳳祥控股集團有限責任公司) 新鳳祥控股集團有限責任公司	Housing equipment 房屋設備		3,168,030.33			2,813,516.20		

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 4. Guarantee with related parties

#### 4、關聯擔保情況

##### (1) The Company as a guarantor:

##### (1) 本公司作為擔保方：

Guaranteed party	被擔保方	Guarantee amount	Commencement date of guarantee	Expiry date of guarantee	Whether or not the guarantee is fully performed
		擔保金額	擔保起始日	擔保到期日	擔保是否已經履行完畢
Shandong Fengxiang Food Development Co., Ltd.	山東鳳祥食品發展有限公司	96,000,000.00	2018-12-07	2021-12-07	Yes 已履行完畢
Shandong Fengxiang Food Development Co., Ltd.	山東鳳祥食品發展有限公司	52,000,000.00	2019-12-26	2022-12-26	No 未履行完畢
Shandong Fengxiang Industrial Co., Ltd.	山東鳳祥實業有限公司	50,000,000.00	2021-12-29	2024-12-29	No 未履行完畢
Shandong Fengxiang Food Development Co., Ltd.	山東鳳祥食品發展有限公司	10,000,000.00	2021-09-10	2022-09-09	No 未履行完畢

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 4. Guarantee with related parties (Continued)

#### 4、關聯擔保情況(續)

##### (2) The Company as a guaranteed party:

##### (2) 本公司作為被擔保方：

Guarantor	擔保方	Guarantee amount	擔保金額	Commencement date of guarantee	擔保起始日	Expiry date of guarantee	擔保到期日	Whether or not the guarantee is fully performed	擔保是否已經履行完畢
Shandong Xiangrui Metal Technology Co., Ltd.	山東省祥瑞金屬科技有限公司	49,000,000.00	49,000,000.00	2020-12-26	2020-12-26	2021-12-20	2021-12-20	Yes	已履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	40,000,000.00	40,000,000.00	2020-05-19	2020-05-19	2021-05-19	2021-05-19	Yes	已履行完畢
Yanggu Xiangguang Copper Co., Ltd.	陽穀祥光銅業有限公司	534,976,900.00	534,976,900.00	2021-04-20	2021-04-20	2022-04-19	2022-04-19	No	未履行完畢
Shandong Xiangrui Metal Technology Co., Ltd.	山東省祥瑞金屬科技有限公司	49,000,000.00	49,000,000.00	2021-12-24	2021-12-24	2022-12-15	2022-12-15	No	未履行完畢
Yanggu Xiangguang Copper Co., Ltd.	陽穀祥光銅業有限公司	100,000,000.00	100,000,000.00	2021-04-29	2021-04-29	2024-04-28	2024-04-28	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	250,000,000.00	250,000,000.00	2021-01-06	2021-01-06	2022-01-05	2022-01-05	No	未履行完畢
Yanggu Xiangguang Copper Co., Ltd.	陽穀祥光銅業有限公司	240,000,000.00	240,000,000.00	2021-09-28	2021-09-28	2022-09-27	2022-09-27	No	未履行完畢
Shandong Xiangrui Metal Technology Co., Ltd.	山東省祥瑞金屬科技有限公司	360,450,000.00	360,450,000.00	2021-09-08	2021-09-08	2024-09-07	2024-09-07	No	未履行完畢
Yanggu Xiangguang Copper Co., Ltd.	陽穀祥光銅業有限公司	320,400,000.00	320,400,000.00	2021-09-09	2021-09-09	2022-09-08	2022-09-08	No	未履行完畢
Yanggu Xiangguang Copper Co., Ltd.	陽穀祥光銅業有限公司	240,000,000.00	240,000,000.00	2021-09-28	2021-09-28	2022-09-27	2022-09-27	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	100,000,000.00	100,000,000.00	2021-06-21	2021-06-21	2022-06-21	2022-06-21	No	未履行完畢
Shandong Fengxiang (Group) Co., Ltd.	山東(鳳祥)集團有限責任公司	100,000,000.00	100,000,000.00	2021-06-21	2021-06-21	2022-06-21	2022-06-21	No	未履行完畢
Shandong Fengxiang (Group) Co., Ltd.	山東(鳳祥)集團有限責任公司	35,000,000.00	35,000,000.00	2021-09-07	2021-09-07	2022-06-24	2022-06-24	No	未履行完畢
Shandong Fengxiang Food Development Co., Ltd.	山東鳳祥食品發展有限公司	100,000,000.00	100,000,000.00	2021-09-17	2021-09-17	2024-09-27	2024-09-27	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	100,000,000.00	100,000,000.00	2021-09-17	2021-09-17	2024-09-27	2024-09-27	No	未履行完畢
GMK Finance Co., Ltd.	新鳳祥財務有限公司	100,000,000.00	100,000,000.00	2021-09-17	2021-09-17	2024-09-27	2024-09-27	No	未履行完畢

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 4. Guarantee with related parties (Continued)

#### 4、關聯擔保情況(續)

##### (2) The Company as a guaranteed party:

##### (2) 本公司作為被擔保方：

Guarantor	擔保方	Guarantee amount	擔保金額	Commencement date of guarantee	擔保起始日	Expiry date of guarantee	擔保到期日	Whether or not the guarantee is fully performed	擔保是否已經履行完畢
Yanggu Xiangguang Copper Co., Ltd.	陽穀祥光銅業有限公司	100,000,000.00	100,000,000.00	2021-09-17	2021-09-17	2024-09-27	2024-09-27	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	50,000,000.00	50,000,000.00	2021-09-09	2021-09-09	2024-09-30	2024-09-30	No	未履行完畢
Shandong Fengxiang Industrial Co., Ltd.	山東鳳祥實業有限公司	148,206,000.00	148,206,000.00	2020-02-02	2020-02-02	2026-08-01	2026-08-01	No	未履行完畢
Yanggu Xiangyu Biological Technology Co., Ltd.	陽穀祥雨生物科技有限公司	55,234,500.00	55,234,500.00	2020-02-02	2020-02-02	2026-08-01	2026-08-01	No	未履行完畢
GMK Holdings Group Co., Ltd.	新鳳祥控股集團有限責任公司	200,000,000.00	200,000,000.00	2021-04-27	2021-04-27	2022-05-07	2022-05-07	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	100,000,000.00	100,000,000.00	2021-06-02	2021-06-02	2022-06-02	2022-06-02	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	50,000,000.00	50,000,000.00	2021-03-17	2021-03-17	2022-03-16	2022-03-16	No	未履行完畢
GMK Holdings Group Co., Ltd.	新鳳祥控股集團有限責任公司	50,000,000.00	50,000,000.00	2021-12-29	2021-12-29	2024-12-29	2024-12-29	No	未履行完畢
GMK Finance Co., Ltd.	新鳳祥財務有限公司	50,000,000.00	50,000,000.00	2021-12-29	2021-12-29	2024-12-29	2024-12-29	No	未履行完畢
Shandong Fengxiang Food Development Co., Ltd.	山東鳳祥食品發展有限公司	50,000,000.00	50,000,000.00	2021-12-29	2021-12-29	2024-12-29	2024-12-29	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	10,000,000.00	10,000,000.00	2021-01-27	2021-01-27	2022-01-26	2022-01-26	No	未履行完畢
Shandong Xiangguang Group Co., Ltd.	山東祥光集團有限公司	52,000,000.00	52,000,000.00	2019-12-26	2019-12-26	2022-12-26	2022-12-26	No	未履行完畢
GMK Finance Co., Ltd.	新鳳祥財務有限公司	52,000,000.00	52,000,000.00	2019-12-26	2019-12-26	2022-12-26	2022-12-26	No	未履行完畢



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 5. Borrowing from or lending to related parties

#### 5、關聯方資金拆借

Related parties 關聯方	Amount of borrowing or lending 拆借金額	Commencement date 起始日	Maturity date 到期日	Description 說明
Borrowing 拆入 Shandong Fengxiang (Group) Co., Ltd. (山東鳳祥(集團)有限責任公司) 山東鳳祥(集團)有限責任公司	200,000,000.00	16 June 2021 2021/6/16	16 June 2023 2023/6/16	

#### 6. Remuneration of key management personnel

#### 6、關鍵管理人員薪酬

#### (1) Remuneration of the Directors, Supervisors and Chief Executive Officer and Directors' interests

#### (1) 董事、監事和執行總裁薪酬及董事權益

#### Remuneration of the Directors, Supervisors and Chief Executive Officer

#### 董事、監事和執行總裁薪酬

Remuneration of each Director, Supervisor and Chief Executive Officer for the year ended 31 December 2021 is as follows:

2021年度每位董事、監事和執行總裁的薪酬如下：

Name 姓名	Fees 袍金	Remuneration 薪酬	Benefit plan (social security provident fund) 福利計劃 (社保公積金)	Share-based compensation 股份支付的薪酬	Total 合計
Chief Executive Officer - Liu Zhiguang 執行總裁 — 劉志光					
Director - Xiao Dongsheng 董事 — 肖東生		1,200,000.00	79,622.00	186,432.89	1,466,054.89
Director - Wang Jinsheng 董事 — 王進聖		1,767,837.00	37,152.00	124,288.59	1,929,277.59
Director - Ow Weng Cheong 董事 — 區永昌		413,634.00	550.00	124,288.59	538,472.59
Independent Director - Guo Tianyong 獨立董事 — 郭田勇	245,280.00				245,280.00
Independent Director - Zhang Ye 獨立董事 — 張曄	100,221.94				100,221.94
Independent Director - Chung Wai Man 獨立董事 — 鍾偉文	245,280.00				245,280.00
Independent Director - Zhao Yinglin 獨立董事 — 趙迎琳	145,717.42				145,717.42
Supervisor - Lian Xianmin 監事 — 廉憲敏		350,000.00	31,000.00	31,072.15	412,072.15

Note: There were no bonuses and discretionary bonuses for Directors, Supervisors and Chief Executive Officer for the current period.

註：本期董事、監事和執行總裁無獎金及酌情獎金。

There was no arrangement under which a director waived or agreed to waive any remuneration for the years ended 31 December 2021 and 2020.

於截至2021年及2020年12月31日止年度，概無董事放棄或同意放棄任何薪酬的安排。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 6. Remuneration of key management personnel (Continued)

#### 6、關鍵管理人員薪酬(續)

##### (1) Remuneration of the Directors, Supervisors and Chief Executive Officer and Directors' interests

##### (1) 董事、監事和執行總裁薪酬及董事權益(續)

##### Remuneration of the Directors, Supervisors and Chief Executive Officer

##### 董事、監事和執行總裁薪酬

Remuneration of each Director, Supervisor and Chief Executive Officer for the year ended 31 December 2020 is as follows:

2020年度每位董事、監事和執行總裁的薪酬如下：

Name	姓名	Fees 袍金	Remuneration 薪酬	Benefit plan	Share-based	Total 合計
				(social security provident fund) 福利計劃 (社保公積金)	compensation 股份支付 的薪酬	
Chief Executive Officer-Liu Zhiguang	執行總裁—劉志光					
Director-Xiao Dongsheng	董事—肖東生		2,000,000.00	70,704.00	505,296.00	2,576,000.00
Director-Wang Jinsheng	董事—王進聖		2,000,000.00	38,400.00	134,600.00	2,173,000.00
Director-Ow Weng Cheong	董事—區永昌		2,000,000.00	3,600.00	337,400.00	2,341,000.00
Independent Director-Guo Tianyong	獨立董事—郭田勇	127,000.00				127,000.00
Independent Director-Zhang Ye	獨立董事—張擘	127,000.00				127,000.00
Independent Director-Chung Wai Man	獨立董事—鍾偉文	127,000.00				127,000.00
Supervisor-Lian Xianmin	監事—廉憲敏		300,000.00	31,000.00	84,000.00	415,000.00

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

#### 6. Remuneration of key management personnel (Continued)

#### 6、關鍵管理人員薪酬(續)

##### (2) Five highest paid individuals

##### (2) 薪酬最高的前五位

Details of the remuneration of the five highest paid employees (including three Directors (2020: three)) as at 31 December 2020 are set out in note X (V) above. The remuneration of the remaining two (2020: two) non-Directors or key executives as at 31 December 2021 is as follows:

截止2020年12月31日，五名最高薪酬員工(包括三名董事(2020年：三名))的薪酬詳情見上文附註十(五)。截止2021年12月31日，其餘兩名(2020年：兩名)非董事或主要行政人員的薪酬如下：

		For the year ended 31 December 2021 2021年度	For the year ended 31 December 2020 2020年度
Basic salary, housing subsidy and other subsidies	基本工資、住房補貼以及其他補貼	2,395,715.56	3,000,000.00
Bonus	獎金		
Pension plan contributions	養老金計劃供款	111,456.00	49,920.00
Share-based payment	股份支付	201,968.96	590,000.00
<b>Total</b>	<b>合計</b>	<b>2,709,140.52</b>	<b>3,639,920.00</b>

		Number of individual 人數	
		For the year ended 31 December 2021 2021年度	For the year ended 31 December 2020 2020年度
HK\$0 to HK\$1,000,000	港幣0元–1,000,000元	1	
HK\$1,000,000 to HK\$1,500,000	港幣1,000,000元–1,500,000元	1	2

Save as disclosed above, no emoluments have been paid by the Group to any directors or the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office for the year.

除上文所披露者外，本集團於本年度概無向任何董事或五名最高薪人士支付薪酬，作為加入本集團或加入本集團時的報酬，或作為離職補償。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (V) Related party transactions (Continued)

#### (五) 關聯交易情況(續)

##### 7. Other related party transactions

##### 7、其他關聯交易

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Interest income: GMK Finance Co., Ltd. (新鳳祥財務有限公司)	利息收入: 新鳳祥財務有限公司	26,761,295.51	16,508,274.85
Interest expenses: Shandong Fengxiang (Group) Co., Ltd. (山東鳳祥(集團)有限責任公司)	利息支出: 山東鳳祥(集團)有限責任公司	3,850,000.00	
GMK Finance Co., Ltd. (新鳳祥財務有限公司)	新鳳祥財務有限公司	883,188.90	3,679,037.56
Acquisition of fixed assets: Yanggu Xiangguang Copper Co., Ltd.	收購固定資產: 陽穀祥光銅業有限公司	23,125,900.00	

#### (VI) Receivables from and payables to related parties

#### (六) 關聯方應收應付款項

##### 1. Receivables from related parties

##### 1、應收項目

Items	項目名稱	Related parties 關聯方	Balance at the end of the current period 期末餘額		Balance at the end of last year 上年年末餘額	
			Book balance 賬面餘額	Bad debt provision 壞賬準備	Book balance 賬面餘額	Bad debt provision 壞賬準備
Trade receivable	應收賬款	Liaocheng Aode Energy Co., Ltd. (聊城奧德能源有限公司) 聊城奧德能源有限公司	1,500,000.00	22,500.00	1,500,000.00	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (VI) Receivables from and payables to related parties (Continued)

#### (六) 關聯方應收應付款項(續)

##### 2. Payables to related parties

##### 2. 應付項目

Items	項目名稱	Related parties 關聯方	Balance at the end of the current period 期末賬面餘額	Balance at the end of last year 上年年末賬面餘額
Trade payable	應付賬款	Liaocheng Aode Energy Co., Ltd. (聊城奧德能源有限公司) 聊城奧德能源有限公司	1,081,117.86	8,659.75
Contract liabilities	合同負債	Zhongke Fengxiang Biotechnology Co., Ltd. (中科鳳祥生物工程股份有限公司) 中科鳳祥生物工程股份有限公司		3,844,188.70

#### (VII) Commitment of related parties

#### (七) 關聯方承諾

N/A

無

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### X. RELATED PARTIES AND TRANSACTION WITH RELATED PARTIES (Continued)

### 十、關聯方及關聯交易(續)

#### (VIII) Centralised management of funds

#### (八) 資金集中管理

##### 1. Funds of the Company deposited into the Group

##### 1、本公司歸集至集團的資金

Funds deposited directly into the finance company by the Company without being deposited into the parent account of the Group

本公司未歸集至集團母公司賬戶而直接存入財務公司的資金

Items	項目名稱	Balance at the end of the current period		Balance at the end of last year	
		Book balance	Bad debt provision	Book balance	Bad debt provision
		賬面餘額	壞賬準備	賬面餘額	壞賬準備
Monetary funds	貨幣資金	1,041,438,054.10		436,954,102.29	
<b>Total</b>	<b>合計</b>	<b>1,041,438,054.10</b>		<b>436,954,102.29</b>	
Including: Funds restricted due to centralised fund management	其中：因資金集中管理支取受限的資金				

##### 2. Funds borrowed by the Company from the Group's parent company or members

##### 2、本公司從集團母公司或成員單位拆借的資金

Items	項目名稱	Balance at the end of the current period		Balance at the end of last year	
		Book balance	Bad debt provision	Book balance	Bad debt provision
		賬面餘額	壞賬準備	賬面餘額	壞賬準備
Long-term borrowings	長期借款	200,000,000.00			
<b>Total</b>	<b>合計</b>	<b>200,000,000.00</b>			

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

## XI. SHARE-BASED PAYMENT

## 十一、股份支付

### (I) Share-based payment

Total amount of equity instrument granted by the Company for the period: RMB1,817,149.47

Total amount of equity instrument exercised by the Company for the period: RMB1,273,958.08

### (II) Equity-settled share-based payment

Recognition method for fair value of equity instrument on the date of grant: The price to buy back the shares of the Company.

Recognition method for best estimation of the amount of exercisable equity instrument: shall be exercisable by the grantee on the date of within the prescribed service period, so the best estimation of the amount of exercisable equity instrument is all exercisable.

Reason for significant difference between estimate of the period and previous period: N/A.

Accumulative amount in capital reserve of equity-settled share-based payment: RMB6,369,790.40

Total amount of equity-settled share-based payment recognised for the period: RMB1,817,149.47.

Additional information:

- 2020 Share Award Scheme: As considered and approved at the 14th meeting of the third session of the Board of the Company on 4 June 2020, the Company adopted the share award scheme from 30 September 2020. Pursuant to the share award scheme, the Board of the Company is authorised to grant the shares of the Company to 18 senior management members and other employees for nil consideration. Shares repurchased are granted to rewarded employees in four phases, in which 40% of the total amount was granted on 30 September 2020 (first phase), 20% of the total amount was granted on 30 June 2021 (second phase), 20% of the total amount will be granted on 30 June 2022 (third phase) and 20% of the total amount will be granted on 30 June 2023 (fourth phase).

### (一) 股份支付總體情況

公司本期授予的各項權益工具總額：  
1,817,149.47元

公司本期行權的各項權益工具總額：  
1,273,958.08元

### (二) 以權益結算的股份支付情況

授予日權益工具公允價值的確定方法：回購本公司股票時的回購價格。

對可行權權益工具數量的最佳估計的確定方法：被授予人在規定的服務期限內，達到行權日即可行權，故可行權權益工具數量的最佳估計為全部行權。

本期估計與上期估計有重大差異的原因：無。

以權益結算的股份支付計入資本公積的累計金額：6,369,790.40元

本期以權益結算的股份支付確認的費用總額：  
1,817,149.47元。

其他說明：

- 2020年股份將來計劃：2020年6月4日，經本公司第三屆董事會第十四次會議審議批准，本公司於2020年9月30日起實行一項股份獎勵計劃。據此，本公司董事會獲授權授予本公司18名高級管理人員及其他職工無需支付對價即可獲得本公司股票。回購股份分四期授與被獎勵人員，第一期於2020年9月30日授予總額的40%，第二期於2021年6月30日授予總額的20%，第三期於2022年6月30日授予總額的20%，第四期於2023年6月30日授予總額的20%。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XI. SHARE-BASED PAYMENT (Continued)

### 十一、股份支付(續)

#### (II) Equity-settled share-based payment (Continued)

#### (二) 以權益結算的股份支付情況(續)

2. 2021 Share Award Scheme: The 8th meeting of the fourth session of the Board of the Company approved the 2021 Share Award Plan on 10 December 2021. It is proposed that through the repurchase of 26,097,600 H shares, 23,487,800 H shares would be granted to 63 employees in 3 batches. The 2,609,800 H shares would be reserved for granting to newly recruited senior marketing staff, senior marketing department management, and core R&D staff. The Share Award Scheme has not yet been implemented and has no impact on the profit or loss for the current period.

2、2021年股份將來計劃：公司第四屆第八次董事會於2021年12月10日批准了《2021年股份獎勵計劃》，擬通過回購2,609.76萬股H股，將其中2,348.78萬股H股，授予63名僱員，分3期執行。預留260.98萬H股，將用於授予新招聘的高級營銷人員、高級市場部管理人員、核心研發人員。股份獎勵計劃尚未實施，對本期損益尚無影響。

#### (III) Cash-settled share-based payments

#### (三) 以現金結算的股份支付情況

N/A

無

#### (IV) Modification and termination of share-based payments

#### (四) 股份支付的修改、終止情況

N/A

無

### XII. COMMITMENTS AND CONTINGENCIES

### 十二、承諾及或有事項

#### (I) Significant commitments

#### (一) 重要承諾事項

No significant commitments are required to be disclosed during the period.

本期無需要披露的重要的承諾事項。

#### (II) Contingencies

#### (二) 或有事項

No significant contingencies are required to be disclosed during the period.

本期無需要披露的重要的或有事項。



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XIII. EVENTS AFTER THE DATE OF BALANCE SHEET

#### (I) Overdue debts of controlling shareholder

As at the date of this report, GMK Holdings, the controlling shareholder of the Company, and its subsidiaries had overdue debts. Among such subsidiaries, GMK Finance was involved in overdue repayment disputes and litigation, pursuant to which, the creditor filed a civil complaint against GMK Finance, and the equity interests of GMK Finance and the Company were frozen.

As at 31 December 2021, GMK Holdings, the controlling shareholder of the Company, and its subsidiaries provided joint liability guarantee for the loans amounting to RMB1,078,000,000 of Fengxiang. GMK Holdings provides deposits, loan facilities (including term loans and entrusted loans) and bill financing services to the Company.

As at the date of this report, the Company has a deposit (including related accrued interests) amounting to approximately RMB884,942,400 in GMK Finance.

### XIV. CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value. The adjusted debt/capital ratios as at the balance sheet date are as follows:

Total borrowings	借貸總額
Owners' equity	所有者權益
Adjusted debt/capital ratios	經調整的負債／資本比率

### 十三、資產負債表日後事項

#### (一) 控股股東債務逾期

截止本報告日，公司控股股東新鳳祥控股及其附屬公司近日出現債務逾期情況。其中新鳳祥財務公司涉及逾期還款糾紛，據此，債權人已針對新鳳祥財務發出民事起訴狀並凍結了新鳳祥財務及公司股權。

截至2021年12月31日，公司控股股東新鳳祥控股及其附屬公司對鳳祥股份的107,800.00萬元的貸款提供連帶責任擔保，以及向公司提供存款、貸款融通(包括定期貸款及委託貸款)及票據融資服務。

截至本報告日，公司於新鳳祥財務的存款(包括相關應計利息)金額約人民幣88,494.24萬元人民幣。

### 十四、資本管理

本集團資本管理的主要目標為確保其維持良好的信貸評級及穩健的資本比率以支持其業務及最大化股東價值，於資產負債表日經調整的負債／資本比率如下：

	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Total borrowings	2,460,869,223.43	1,586,238,000.00
Owners' equity	3,400,161,700.75	3,387,535,591.99
Adjusted debt/capital ratios	72%	47%

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XV. OTHER SIGNIFICANT EVENTS

### 十五、其他重要事項

#### (I) Auditor's remuneration

#### (一) 核數師薪酬

Item	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Auditor's remuneration	核數師薪酬	2,300,000.00	2,287,000.00

#### (2) Segment information

#### (二) 分部信息

##### 1. Basis for determining reporting segments and accounting policies

Each of the Company's reporting segments provides different products or services or engages in operating activities in different geographic areas. As each segment requires different technologies or market strategies, the Company's management separately manages the operating activities of each reporting segment and regularly evaluates the operating results of these reporting segments to determine the allocation of resources and to evaluate their performance.

Intersegment transfer prices are determined on the basis of actual transaction prices. Expenses indirectly attributable to each segment are allocated between segments in proportion to revenue. Assets are allocated based on the operations of the segment and the location of the assets. Segment liabilities include liabilities attributable to the segment arising from its operating activities. If expenses related to liabilities shared by multiple operating segments are allocated to those operating segments, the jointly assumed liabilities are also allocated to these operating segments.

##### 1. 報告分部的確定依據與會計政策

本公司的各個報告分部分別提供不同的產品或服務，或在不同地區從事經營活動。由於每個分部需要不同的技術或市場策略，本公司管理層分別單獨管理各個報告分部的經營活動，定期評價這些報告分部的經營成果，以決定向其分配資源及評價其業績。

分部間轉移價格按照實際交易價格為基礎確定，間接歸屬於各分部的費用按照收入比例在分部之間進行分配。資產根據分部的經營以及資產的所在位置進行分配，分部負債包括分部經營活動形成的可歸屬於該分部的負債。如果多個經營分部共同承擔的負債相關的費用分配給這些經營分部，該共同承擔的負債也分配給這些經營分部。

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XV. OTHER SIGNIFICANT EVENTS (Continued)

### 十五、其他重要事項(續)

#### (2) Segment information (Continued)

#### (二) 分部信息(續)

#### 2. Financial information of the reporting segments

#### 2、報告分部的財務信息

Items	項目	Raw chicken	Processed	Chicken breeds	Other	Elimination	Total
		meat products	chicken meat products				
		生雞肉製品	深加工 雞肉製品	雞苗	其他	分部間抵銷	合計
Revenue from external transactions	對外交易收入	1,913,255,819.02	2,295,405,890.63	64,821,696.00	143,280,170.34		4,416,763,575.99
Revenue from inter-segment transactions	分部間交易收入	3,854,867,292.03	117,247,639.09		24,855,976.79	-3,996,970,907.91	
Income on investments in associates and joint ventures	對聯營和合營企業的投資收益				-1,741,065.89		-1,741,065.89
Credit impairment loss	信用減值損失	-931,511.52	-1,117,569.86	-31,559.90	-69,759.17		-2,150,400.45
Asset impairment loss	資產減值損失						
Depreciation and amortisation expense	折舊費和攤銷費	95,787,637.14	114,920,077.26	3,245,314.63	7,173,358.02		221,126,387.05
Total profit (total loss)	利潤總額(虧損總額)	11,065,508.15	13,275,711.67	374,902.82	535,028.11	26,072,790.61	51,323,941.36
Income tax expenses	所得稅費用	405,793.96	1,262,844.62				1,668,638.58
Net profit (net loss)	淨利潤(淨虧損)	10,659,714.19	12,012,867.05	374,902.82	535,028.11	26,072,790.61	49,655,302.78
Total assets	資產總額	4,156,204,773.79	4,986,357,195.71	140,813,496.91	311,250,446.51	-2,660,993,792.18	6,933,632,120.74
Total liabilities	負債總額	2,202,733,688.66	2,642,703,518.36	74,629,295.32	164,958,629.68	-1,553,584,817.19	3,531,440,314.83
Increase in other non-current assets	其他非流動資產增加額	-114,297,209.59	8,494,392.61		-53,640.60		-105,856,457.58

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY

### 十六、母公司財務報表主要項目註釋

#### (I) Bills receivables

#### (一) 應收票據

##### 1. Category of bills receivable

##### 1、應收票據分類列示

Item	項目	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Bank acceptances	銀行承兌匯票	340,000,000.00	400,000,000.00
Commercial acceptances	商業承兌匯票	102,000,000.00	60,000,000.00
Domestic letter of credit	國內信用證		31,000,000.00
Total	合計	442,000,000.00	491,000,000.00

##### 2. Endorsed or discounted notes receivable that are not mature on balance sheet date at the end of the period

##### 2、期末公司已背書或貼現且在資產負債表日尚未到期的應收票據

Item	項目	Amount derecognized at the end of the period 期末終止確認金額	Amount not derecognized at the end of the period 期末未終止確認金額
Bank acceptances	銀行承兌匯票	370,000,000.00	340,000,000.00
Commercial acceptances	商業承兌匯票		102,000,000.00
Total	合計	370,000,000.00	442,000,000.00

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (II) Trade receivable

#### (二) 應收賬款

##### 1. Disclosure of trade receivable by aging based on the invoice

##### 1. 應收賬款按發票日期計算的賬齡披露

Aging	賬齡	Balance at the end of the period 期末餘額	Balance at the end of last year 上年年末餘額
Less than 1 month	1個月以內	<b>535,573,320.38</b>	459,129,044.71
1 to 3 months	1至3個月		
3 months to 1 year	3個月至1年		
Over 1 year	1年以上	<b>535,573,320.38</b>	459,129,044.71
Subtotal	小計		
Less: Bad debt provision	減：壞賬準備		
<b>Total</b>	<b>合計</b>	<b>535,573,320.38</b>	459,129,044.71

##### 2. Disclosure of trade receivable by bad debt provision method

##### 2. 應收賬款按壞賬計提方法分類披露

Category	類別	Balance at the end of the period 期末餘額				Balance at the end of last year 上年年末餘額				
		Book balance 賬面餘額		Bad debt provision 壞賬準備		Book balance 賬面餘額		Bad debt provision 壞賬準備		Book value 賬面價值
		Amount 金額	Proportion (%) 比例 (%)	Amount 金額	Provision percentage (%) 計提比例 (%)	Amount 金額	Proportion (%) 比例 (%)	Amount 金額	Provision percentage (%) 計提比例 (%)	
										Provision
Bad debt provision made on an individual basis	按單項計提壞賬準備									
Bad debt provision made on a collective basis	按組合計提壞賬準備	<b>535,573,320.38</b>	<b>100.00</b>							
Including:	其中：									
Related parties in the scope	關聯方組合	<b>535,573,320.38</b>	<b>100.00</b>							
<b>Total</b>	<b>合計</b>	<b>535,573,320.38</b>	<b>100.00</b>							

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (II) Trade receivable (Continued)

#### (二) 應收賬款(續)

#### 3. Provision for bad debts made, reversed or recovered in the current period

N/A

#### 3. 本期計提、轉回或收回的壞賬準備情況

無

#### 4. Debtors of trade receivable at the end of the period

Name of entity

單位名稱

Unit 1

單位1

Total

合計

#### 4. 按欠款方歸集的期末餘額應收賬款情況

Balance at the end of the period		
期末餘額		
Trade receivable	Proportion in total trade receivable (%)	Bad debt provision
應收賬款	佔應收賬款合計數的比例 (%)	壞賬準備
535,573,320.38	100.00	
535,573,320.38	100.00	

#### 5. Trade receivable derecognised arising from the transfer of financial assets

N/A

#### 5. 因金融資產轉移而終止確認的應收賬款

無

#### 6. Amount of assets and liabilities recognised due to continuing involvement of transferred trade receivable

N/A

#### 6. 轉移應收賬款且繼續涉入形成的資產、負債金額

無

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivable

#### (三) 其他應收款

Items	項目	Balance at the end of the current period 期末餘額	Balance at the end of last year 上年年末餘額
Interest receivable	應收利息		
Dividend receivable	應收股利		
Other receivable	其他應收款項	<b>9,705,069.18</b>	5,062,507.60
<b>Total</b>	<b>合計</b>	<b>9,705,069.18</b>	<b>5,062,507.60</b>

#### 1. Interest receivable

#### 1、應收利息

N/A

無

#### 2. Dividend receivable

#### 2、應收股利

N/A

無

#### 3. Other Receivable

#### 3、其他應收款項

##### (1) Disclosure by aging

##### (1) 按賬齡披露

Aging	賬齡	Balance at the end of the current period 期末餘額	Balance at the end of last year 上年年末餘額
Less than 1 year	1年以內	<b>7,682,501.77</b>	974,828.33
1 to 2 years	1至2年	<b>80,000.00</b>	
2 to 3 years	2至3年		
Over 3 years	3年以上	<b>2,587,679.27</b>	4,087,679.27
Subtotal	小計	<b>10,350,181.04</b>	5,062,507.60
Less: Bad debt provision	減：壞賬準備	<b>645,111.86</b>	
<b>Total</b>	<b>合計</b>	<b>9,705,069.18</b>	<b>5,062,507.60</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivable (Continued)

#### (三) 其他應收款(續)

##### 3. Other Receivable (Continued)

##### 3. 其他應收款項(續)

##### (2) Disclosure by bad debt provision method

##### (2) 按壞賬計提方法分類披露

Categories	類別	Balance at the end of the current period				Balance at the end of last year					
		Book balance		Bad debt provision		Book balance		Bad debt provision		Book value	
		賬面餘額		壞賬準備		賬面餘額		壞賬準備		賬面價值	
		Amount	Proportion (%)	Amount	Provision percentage (%)	Amount	Proportion (%)	Amount	Provision percentage (%)	Amount	Provision percentage (%)
	金額	比例(%)	金額	計提比例(%)	金額	比例(%)	金額	計提比例(%)	金額	計提比例(%)	
Bad debt provision made on an individual basis	按單項計提壞賬準備										
Bad debt provision made on a collective basis	按組合計提壞賬準備	10,350,181.04	100.00	645,111.86	6.23	9,705,069.18	5,062,507.60	100.00			5,062,507.60
Including:	其中:										
Aging group	賬齡組合	10,350,181.04	100.00	645,111.86	6.23	9,705,069.18	5,062,507.60	100.00			5,062,507.60
Total	合計	10,350,181.04	100.00	645,111.86	6.23	9,705,069.18	5,062,507.60	100.00			5,062,507.60

Bad debt provision made on a collective basis:

按組合計提壞賬準備:

Group provision items by aging:

按賬齡分析組合計提項目:

Name	名稱	Balance at the end of the current period		
		Other receivable	Bad debt provision	Provision percentage (%)
		其他應收款項	壞賬準備	計提比例(%)
Less than 1 year	1年以內	7,682,501.77	119,576.00	1.56
1 to 2 years	1至2年	80,000.00	8,000.00	10.00
2 to 3 years	2至3年			
Over 3 years	3年以上	2,587,679.27	517,535.86	20.00
Total	合計	10,350,181.04	645,111.86	6.23



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivables (Continued)

#### (三) 其他應收款(續)

##### 3. Other Receivables (Continued)

##### 3. 其他應收款項(續)

##### (3) Provision for bad debts

##### (3) 壞賬準備計提情況

		Phase 1 第一階段	Phase 2 第二階段	Phase 3 第三階段	Total 合計
		Expected credit losses in the next 12 months 未來12個月 預期信用損失	Lifetime expected credit losses (no credit impairment) 整個存續期 預期信用損失 (未發生信用減值)	Lifetime expected credit losses (credit impairment has occurred) 整個存續期 預期信用損失 (已發生信用減值)	
Provision for bad debts	壞賬準備				
Balance at the end of last year	上年年末餘額				
Balance at the end of last year that transfers/reverses at the current period	上年年末餘額在本期 轉入/轉出				
— Transfer to phase 2	— 轉入第二階段				
— Transfer to phase 3	— 轉入第三階段				
— Reverse to phase 2	— 轉回第二階段				
— Reverse to phase 1	— 轉回第一階段				
Provision for the current period	本期計提	645,111.86			645,111.86
Reversal at the current period	本期轉回				
Resell at the current period	本期轉銷				
Written off at the current period	本期核銷				
Other changes	其他變動				
Balance at the end of the period	期末餘額	645,111.86			645,111.86

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivables (Continued)

#### (三) 其他應收款(續)

##### 3. Other Receivables (Continued)

##### 3. 其他應收款項(續)

##### (3) Provision for bad debts (Continued)

##### (3) 壞賬準備計提情況(續)

The movements of the book balance for other receivables are as follows:

其他應收款項賬面餘額變動如下：

	賬面餘額	Phase 1	Phase 2	Phase 3	Total
		第一階段	第二階段	第三階段	
		Expected credit losses in the next 12 months	Lifetime expected credit losses (no credit impairment)	Lifetime expected credit losses (credit impairment has occurred)	
		未來12個月預期信用損失	整個存續期預期信用損失(未發生信用減值)	整個存續期預期信用損失(已發生信用減值)	合計
Book balance	賬面餘額				
Balance at the end of last year	上年年末餘額	5,062,507.60			5,062,507.60
Balance at the end of last year that transfers/reverses at the current period	上年年末餘額在本期				
— Transfer to phase 2	— 轉入第二階段				
— Transfer to phase 3	— 轉入第三階段				
— Reverse to phase 2	— 轉回第二階段				
— Reverse to phase 1	— 轉回第一階段				
Addition for the current period	本期新增	5,287,673.44			5,287,673.44
Derecognised at the current period	本期終止確認				
Other changes	其他變動				
Balance at the end of the period	期末餘額	10,350,181.04			10,350,181.04

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivables (Continued)

#### (三) 其他應收款(續)

##### 3. Other Receivables (Continued)

##### 3. 其他應收款項(續)

(4) Provision for bad debts made, reversed or recovered in the current period

(4) 本期計提、轉回或收回的壞賬準備情況

Category	類別	Balance at the end of last year 上年年末餘額	Changes in amount for the current period 本期變動金額			Balance at the end of the period 期末餘額
			Provision 計提	Recovered or reversed 收回或轉回	Resold or written off 轉銷或核銷	
Aging analysis group	賬齡分析組合		645,111.86			645,111.86
Total	合計		645,111.86			645,111.86

(5) Other receivables written off for the current period

(5) 本期實際核銷的其他應收款項情況

N/A

無

(6) Classification of receivables by nature

(6) 按款項性質分類情況

Nature	款項性質	Book balance at the end of the period 期末賬面餘額	Balance at the end of last year 上年年末賬面餘額
Deposits and guarantees	押金及保證金	9,378,447.52	3,117,679.27
Business transaction amounts	往來款		1,864,714.37
Withholding payments	代扣代繳款	877,050.80	
Imprest fund	備用金	94,682.72	44,245.96
Others	其他		35,868.00
Total	合計	10,350,181.04	5,062,507.60

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivables (Continued)

#### (三) 其他應收款(續)

##### 3. Other Receivables (Continued)

##### 3. 其他應收款項(續)

(7) The top five debtors of other receivables at the end of the period

(7) 按欠款方歸集的期末餘額前五名的其他應收款項情況

Name of entity	Nature	Balance at the end of the period	Aging	Proportion in the closing balance of other receivables (%)	Balance at the end of the period of the bad debt provision
單位名稱	款項性質	期末餘額	賬齡	佔其他應收款項期末餘額合計數的比例(%)	壞賬準備期末餘額
Unit 1 單位1	Guarantees 保證金	3,000,000.00	Less than 1 year 1年以內	28.99	45,000.00
Unit 2 單位2	Guarantees 保證金	2,667,679.27	Less than 1 year 80,000.00, Over 3 years 2,587,679.27 1年以內80,000.00， 3年以上2,587,679.27	25.77	525,535.86
Unit 3 單位3	Guarantees 保證金	2,500,000.00	Less than 1 year 1年以內	24.15	37,500.00
Unit 4 單位4	Guarantees 保證金	1,500,000.00	Over 3 years 3年以上	14.49	22,500.00
Unit 5 單位5	Imprest fund 備用金	38,444.95	Less than 1 year 1年以內	0.37	3,844.50
Total 合計		9,706,124.22		93.77	634,380.36

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (III) Other Receivables (Continued)

#### (三) 其他應收款(續)

##### 3. Other Receivables (Continued)

##### 3. 其他應收款項(續)

(8) Other receivables related to government grants

(8) 涉及政府補助的其他應收款項

N/A

無

(9) Other receivables derecognised arising from the transfer of financial assets

(9) 因金融資產轉移而終止確認的其他應收款項

N/A

無

(10) Amount of assets and liabilities recognised due to continuing involvement of transferred other receivables

(10) 轉移其他應收款項且繼續涉入形成的資產、負債金額

N/A

無

#### (IV) Long-term Equity Investments

#### (四) 長期股權投資

Items	項目	Balance at the end of the period			Balance at the end of last year		
		Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
		賬面餘額	減值準備	賬面價值	賬面餘額	減值準備	賬面價值
Investment in subsidiaries	對子公司投資	1,069,291,337.31	93,623,000.00	975,668,337.31	1,076,473,750.14	93,623,000.00	982,850,750.14
Investment in associates and joint ventures	對聯營、合營企業投資	63,069,900.18		63,069,900.18	64,810,966.07		64,810,966.07
Total	合計	1,132,361,237.49	93,623,000.00	1,038,738,237.49	1,141,284,716.21	93,623,000.00	1,047,661,716.21

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (IV) Long-term Equity Investments (Continued)

#### (四) 長期股權投資(續)

##### 1. Investment in subsidiaries

##### 1、對子公司投資

Investees	被投資單位	Balance at the end of last year	Increases at current period	Decreases at current period	Balance at the end of the period	Provision for impairment at current period	Closing balance of provision of impairment
		上年年末餘額	本期增加	本期減少	期末餘額	本期計提減值準備	減值準備期末餘額
Shandong Fengxiang Industrial Co., Ltd. (山東鳳祥實業有限公司)	山東鳳祥實業有限公司	640,389,379.91			640,389,379.91		57,051,078.44
Shandong Fengxiang Food Development Co., Ltd. (山東鳳祥食品發展有限公司)	山東鳳祥食品發展有限公司	410,514,065.73	1,637,502.22		412,151,567.95		36,571,921.56
Shandong iShape Food Technology Co., Ltd.* (山東優形食品科技有限公司)	山東優形食品科技有限公司	13,549,204.50			13,549,204.50		
Fengxiang Foods (Japan) Co., Ltd. (鳳祥食品株式會社)	鳳祥食品株式會社	3,003,100.00	198,084.95		3,201,184.95		
Xingwen Tianyang Jishi Food Development Co., Ltd.* (興文天養極食食品發展有限公司)	興文天養極食食品發展有限公司	9,018,000.00		9,018,000.00			
<b>Total</b>	<b>合計</b>	<b>1,076,473,750.14</b>	<b>1,835,587.17</b>	<b>9,018,000.00</b>	<b>1,069,291,337.31</b>		<b>93,623,000.00</b>

##### 2. Investment in associates and joint ventures

##### 2、對聯營、合營企業投資

Investees	被投資單位	Balance at the end of last year	Additional investment	Reduction of investment	Increase/decrease at current period					Balance at the end of the period	Closing balance of provision of impairment	
					Gains or losses on investments recognised under the equity method	Other comprehensive income adjustment	Other changes in interest	Declaration of cash dividends or profits	Provision for impairment			Miscellaneous
		上年年末餘額	追加投資	減少投資	權益法下確認的投資損益	其他綜合收益調整	其他權益變動	宣告發放現金股利或利潤	計提減值準備	其他	期末餘額	減值準備期末餘額
Associates	聯營企業											
Yanggu Xiangyu Biological Technology Co., Ltd. (陽穀祥雨生物科技股份有限公司)	陽穀祥雨生物科技股份有限公司	64,810,966.07			-1,741,065.89						63,069,900.18	
<b>Total</b>	<b>合計</b>	<b>64,810,966.07</b>			<b>-1,741,065.89</b>						<b>63,069,900.18</b>	

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (V) Operating revenue and operating costs

#### (五) 營業收入和營業成本

##### 1. Operating revenue and operating costs

##### 1、營業收入和營業成本情況

Items	項目	Amount of the current period		Amount of the previous period	
		本期金額		上期金額	
		Revenue	Costs	Revenue	Costs
		收入	成本	收入	成本
Principal business	主營業務	2,606,459,276.26	2,420,534,107.96	2,039,974,465.83	1,735,639,653.79
Other business	其他業務	3,606,716.76	2,183,344.18	4,055,149.74	2,232,313.27
Total	合計	2,610,065,993.02	2,422,717,452.14	2,044,029,615.57	1,737,871,967.06

Breakdown of operating revenue:

營業收入明細：

Items	項目	Amount of the current period	Amount of the previous period
		本期金額	上期金額
Principal business:	主營業務：	2,606,459,276.26	2,039,974,465.83
Sales of goods	商品銷售	2,606,459,276.26	2,039,974,465.83
Other business:	其他業務：	3,606,716.76	4,055,149.74
Income on sales of materials	材料銷售收入	1,564,026.83	1,605,841.50
Income on waste materials	廢舊物資收入	1,275,787.78	1,407,277.79
Others	其他	766,902.15	1,042,030.45
Total	合計	2,610,065,993.02	2,044,029,615.57

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 二零二一年度財務報表附註

(Amounts are expressed in RMB unless otherwise stated) (除特殊註明外，金額單位均為人民幣元)

### XVI. NOTES TO THE FINANCIAL STATEMENTS OF THE COMPANY (Continued)

### 十六、母公司財務報表主要項目註釋(續)

#### (VI) Investment Income

#### (六) 投資收益

Items	項目	Amount of the current period 本期金額	Amount of the previous period 上期金額
Gains from long-term equity investments accounted for by equity method	權益法核算的長期股權投資收益	-1,741,065.89	11,957,514.60
Investment gains from disposal of long-term equity investments	處置長期股權投資產生的投資收益	-8,990,000.00	
Handle fees for hedging instruments	套期工具手續費	-4,761.00	-2,480.00
<b>Total</b>	<b>合計</b>	<b>-10,735,826.89</b>	<b>11,955,034.60</b>

Shandong Fengxiang Co., Ltd.  
(Company seal affixed)  
28 March 2022

山東鳳祥股份有限公司  
(加蓋公章)  
二〇二二年三月二十八日



# FIVE-YEAR FINANCIAL SUMMARY

## 五年財務概要

A summary of the published results, assets and liabilities of the Group for the last five financial years, prepared on the basis as set out herein, is set out below:

下表載列本集團於過往五個財政年度之已刊發業績、資產及負債概要，該等資料按本年報所載基準編製：

		Year ended 31 December 截至12月31日止年度				
		2021 2021年 RMB'000 人民幣千元	2020 2020年 RMB'000 人民幣千元	2019 2019年 RMB'000 人民幣千元	2018 2018年 RMB'000 人民幣千元	2017 2017年 RMB'000 人民幣千元
<b>Results</b>	<b>業績</b>					
Revenue	收入	4,416,764	3,901,615	3,926,217	3,197,099	2,434,392
Gross profit (before biological assets fair value adjustments) (Note)	毛利(於生物資產公允價值調整前)(附註)	557,939	603,246	1,221,460	461,947	293,226
Profit for the year (after biological assets fair value adjustments)	年度溢利(於生物資產公允價值調整後)	47,075	151,615	837,381	136,611	37,119
Gross profit margin (%) (before biological assets fair value adjustments)	毛利率%(於生物資產公允價值調整前)	12.6	15.5	31.1	14.4	12.0
Net profit margin (%)	純利率(%)	1.1	3.9	21.3	4.3	1.5
<b>Assets and liabilities</b>	<b>資產及負債</b>					
Total assets	資產總額	6,931,052	5,777,550	4,431,048	3,919,498	3,689,178
Total liabilities	負債總額	3,531,440	2,390,015	2,167,408	2,493,303	2,378,819
Total equity	權益總額	3,399,612	3,387,535	2,263,640	1,426,195	1,310,359

Note: According to the regulations of the Q&A on the Implementation of the New Criteria of Revenue issued by Ministry of Finance of the PRC, the Company's implementation of the new revenue criteria from 1 January 2020 presented the transportation costs incurred for the fulfillment of customer sales contracts in the "operating costs". Transportation costs were included in the operating costs for the years ended 31 December 2020 and 2021, and were not included in the operating costs for the years ended 31 December 2017, 2018 and 2019. The above reclassification of the transportation costs resulted in a decrease in gross profit of RMB98,806,000 and RMB101,520,000 for the years ended 31 December 2020 and 2021.

Meanwhile, in order to improve the comparability between the reporting items, the gross profit was adjusted to present the amount before biological assets fair value adjustments.

附註：根據中國財政部關於執行新收入準則實施問答的規定，本公司執行新收入準則自2020年1月1日起將為履行客戶銷售合同而發生的運輸成本在「營業成本」中列示，2020年度及2021年度營業成本中包含運輸成本，2017年度、2018年度及2019年度營業成本中未包含運輸成本，上述運輸成本重新歸類後2020年度及2021年度毛利減少人民幣98,806千元、101,520千元。

同時，為提高報表項目間的可比性，毛利調整為於生物資產公允價值調整前金額進行列示。



凤祥食品

山東鳳祥股份有限公司  
Shandong Fengxiang Co., Ltd.