Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities, nor is it calculated to invite any such invitation or offer.

*The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act. No public offering of the securities referred to herein will be made in the United States.*

***This announcement and the listing documents referred to herein are for information purposes only as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and do not constitute an offer to sell or acquire or the solicitation of an offer to buy any securities. Neither this announcement nor anything referred to herein (including the listing documents) forms the basis for any contract or commitment whatsoever.** For the avoidance of doubt, the publication of this announcement and the listing documents referred to herein shall not be deemed to be an offer of securities made pursuant to a prospectus issued by or on behalf of the Issuer (as defined below) for the purposes of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong nor shall it constitute an advertisement, invitation or document containing an invitation to the public to enter into or offer to enter into an agreement to acquire, dispose of, subscribe for or underwrite securities for the purposes of the Securities and Futures Ordinance (Cap. 571) of Hong Kong.*

***Notice to Hong Kong investors:** The Issuer and the Guarantor (as defined below) confirm that the Bonds (as defined below) are intended for purchase by professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) only and are listed on The Stock Exchange of Hong Kong Limited on that basis. Accordingly, the Issuer and the Guarantor confirm that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.*

PUBLICATION OF INFORMATION MEMORANDUM

U.S.$110,000,000 7.0 per cent. Guaranteed Bonds due 2022 (the "Bonds")
(Stock Code: 40740)

By

NANSHAN CAPITAL HOLDINGS LIMITED

(incorporated with limited liability in Hong Kong)
(the "Issuer")

unconditionally and irrevocably guaranteed by

南山集团
NANSHAN GROUP

NANSHAN GROUP CO., LTD.
(南山集團有限公司)

(incorporated with limited liability in the People's Republic of China)
(the "Guarantor")

Placing Agents

Silk Road International **YONXI Securities** **Seazen Resources**

This announcement is issued pursuant to Rule 37.39A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the notice of listing of the Bonds on The Stock Exchange of Hong Kong Limited dated 29 June 2021 published by the Issuer.

Please refer to the information memorandum relating to the Bonds dated 24 June 2021 (the "**Information Memorandum**") and the supplemental information memorandum relating to the Bonds dated 28 June 2021 (the "**Supplemental Information Memorandum**") appended herein. The Information Memorandum and the Supplemental Information Memorandum are published in English only. No Chinese version of the Information Memorandum and the Supplemental Information Memorandum have been published.

Hong Kong, 30 June 2021

As at the date of this announcement, the directors of Nanshan Capital Holdings Limited are Song Jianmin, Cao Lin and Chen Gang, and the directors of Nanshan Group Co., Ltd (南山集團有限公司) are Song Jianbo, Cheng Rence, Wang Yuhai, Song Jiancen, Song Changming, Zhao Liang and Qu Shangwu.

IMPORTANT NOTICE

NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE UNITED STATES. THIS PRIVATE PLACEMENT IS AVAILABLE ONLY TO INVESTORS WHO ARE ADDRESSEES OUTSIDE OF THE UNITED STATES.

IMPORTANT: You must read the following disclaimer before continuing. The following disclaimer applies to the Information Memorandum (the "**Information Memorandum**") attached to this e-mail. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the Information Memorandum. In accessing the Information Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information as a result of such access. You acknowledge that the access to the Information Memorandum is intended for use by you only and you agree you will not forward or otherwise provide access to any other person.

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA")** and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018"),** the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE BONDS AND THE GUARANTEE HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE BONDS AND THE GUARANTEE MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS. THIS OFFERING IS MADE SOLELY IN OFFSHORE TRANSACTIONS PURSUANT TO REGULATION S UNDER THE SECURITIES ACT.

THE INFORMATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY ADDRESS IN THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of Your Representation: You have accessed the attached document on the basis that you have confirmed to Nanshan Capital Holdings Limited (南山資本控股有限公司) (the "**Issuer**"), Nanshan Group Co., Ltd (南山集團有限公司) (the "**Guarantor**"), Silk Road International Capital Limited, YONXI Securities Limited and Seazen Resources Securities Limited (together, the "**Placing Agents**") that: (1) you and any customers you represent are not in the United States, (2) the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, and (3) you consent to delivery of this document by electronic transmission. To the extent you purchase the securities described in the attached document, you will be doing so in an offshore transaction as defined in regulations under the Securities Act in compliance with Regulation S thereunder.

The Information Memorandum has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently neither the Issuer, the Guarantor, the Placing Agents nor any of their affiliates, directors, officers, employees, representatives, agents and each person who controls any of them accepts any liability or responsibility whatsoever in respect of any such alteration or change to the Information Memorandum distributed to you in electronic format or any difference between the Information Memorandum distributed to you in electronic format and the hard copy version.

Restrictions: Nothing in this electronic transmission constitutes, and may not be used in connection with, an offer or an invitation by or on behalf of any of the Issuer, the Guarantor or the Placing Agents to subscribe or purchase any of the securities described therein, in any place where offers or solicitations are not permitted by law and access has been limited so that it shall not constitute in the United States or elsewhere directed selling efforts (within the meaning of Regulation S under the Securities Act). If a jurisdiction requires that the offering be made by a licensed broker or dealer and any Placing Agent or any affiliate of a Placing Agent is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Placing Agent or such affiliate on behalf of the Issuer and the Guarantor in such jurisdiction. Any securities to be issued in respect thereof will not be registered under the Securities Act and may not be offered or sold in the United States unless registered under the Securities Act or pursuant to an exemption from such registration. Access has been limited so that it shall not constitute a general solicitation in the United States or elsewhere. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

You are reminded that you have accessed the Information Memorandum on the basis that you are a person into whose possession the Information Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by laws.

Actions that you may not take: If you receive the Information Memorandum by e-mail, you should not reply by e-mail to the Information Memorandum, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

STRICTLY CONFIDENTIAL

NANSHAN CAPITAL HOLDINGS LIMITED
(南山資本控股有限公司)

(incorporated in Hong Kong with limited liability)

U.S.$110,000,000 7.0 per cent. Guaranteed Bonds due 2022 Unconditionally and Irrevocably Guaranteed by



NANSHAN GROUP CO., LTD
(南山集團有限公司)

(incorporated in the People's Republic of China with limited liability)

Issue Price: 100.0 per cent.

The 7.0 per cent. guaranteed bonds in the aggregate principal amount of U.S.$110,000,000 (the "**Bonds**") will be issued by Nanshan Capital Holdings Limited (南山資本控股有限公司) (the "**Issuer**") and will be unconditionally and irrevocably guaranteed (the "**Guarantee**") by Nanshan Group Co., Ltd (南山集團有限公司) (the "**Guarantor**"), a company incorporated under the laws of the People's Republic of China. The Bonds will constitute direct, unsubordinated, unconditional and (subject to Condition 4(a) of the Terms and Conditions of the Bonds) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a) of the Terms and Conditions of the Bonds, at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 7.0 per cent. per annum, payable (i) in the amount of U.S.$35.0 per Calculation Amount on 29 December 2021 for a complete six months period from and including the Issue Date to but excluding 29 December 2021 and (ii) in the amount of U.S.$34.8 per Calculation Amount on 28 June 2022 for the period from and including 29 December 2021 to but excluding 28 June 2022 (each of 29 December 2021 and 28 June 2022 an "**Interest Payment Date**"). All payments of principal, premium (if any) and interest by or on behalf of the Issuer or the Guarantor in respect of the Bonds or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Hong Kong or the PRC to the extent described in *"Terms and Conditions of the Bonds – Taxation"*.

Application will be made to The Stock Exchange of Hong Kong Limited (the "**SEHK**") for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Professional Investors**") only. This Information Memorandum is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and Guarantor confirm that the Bonds are intended for purchase by Professional Investors only and will be listed on the SEHK on that basis. Accordingly, the Issuer and Guarantor confirm that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The SEHK has not reviewed the contents of this Information Memorandum, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Information Memorandum to Professional Investors only have been reproduced in this Information Memorandum. Listing of the Bonds on the SEHK is not to be taken as an indication of the commercial merits or credit quality of the Bonds or the Issuer or the Guarantor or quality of disclosure in this Information Memorandum. Hong Kong Exchanges and Clearing Limited and the SEHK take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

The Guarantor will enter into a deed of guarantee (the "**Deed of Guarantee**") with China Construction Bank (Asia) Corporation Limited (the "**Trustee**") on or around 29 June 2021 (the "**Issue Date**"). The Guarantor will undertake to submit or cause to be submitted an application for the registration of the Deed of Guarantee with the State Administration of Foreign Exchange or its local counterparts ("**SAFE**") within the timeframe prescribed by, and in accordance with, the Provisions on the Foreign Exchange Administration of Cross-Border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE. The Guarantor has undertaken to use its best endeavours to complete the registration of the Deed of Guarantee with SAFE on or before the Registration Deadline (being the day falling 120 calendar days after the Issue Date).

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28 June 2022. The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, at their principal amount together with interest accrued to, but excluding the date fixed for redemption, in the event of certain changes affecting taxes of Hong Kong or the PRC. See *"Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Taxation Reasons"*. At any time following the occurrence of a Change of Control or a No Registration Event (each as defined in the Terms and Conditions of the Bonds), the holder of a Bond ("**Bondholder**") will have the right, at such Bondholder's option, to require the Issuer to redeem all but not some only of that Bondholder's Bonds on the Put Settlement Date (as defined in the Terms and Conditions of the Bonds) at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with accrued interest up to but excluding such Put Settlement Date. See *"Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Relevant Events"*.

The Bonds will constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable law and regulations, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

The Bonds will be issued in the specified denomination of U.S.$200,000 each and in integral multiples of U.S.$1,000 in excess thereof.

Investing in the Bonds involves risks. See "Risk Factors" beginning on page 13 for a discussion of certain factors to be considered in connection with an investment in the Bonds.

The Bonds and the Guarantee have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds and the Guarantee are being offered in offshore transactions outside the United States in reliance on Regulation S under the Securities Act.

The Bonds will be represented by beneficial interests in a global certificate (the "**Global Certificate**") in registered form, which will be registered in the name of a nominee for and shall be deposited on or about 29 June 2021 (the "**Closing Date**"), with, a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A. ("**Clearstream**"). Beneficial interests in the Global Certificate will be shown on, and transfer thereof will be effected only through, records maintained by Euroclear and Clearstream. Except as described herein, certificates for Bonds will not be issued in exchange for interests in the Global Certificate.

Placing Agents

Silk Road International | YONXI Securities | Seazen Resources

Information Memorandum dated 24 June 2021

IMPORTANT NOTICE

This document includes particulars given in compliance with the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange for the purpose of giving information with regard to the Issuer and the Guarantor. Each of the Issuer and the Guarantor accepts full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of its knowledge and belief there are no other facts the omission of which would make any statement herein misleading. Investors are advised to read and understand the contents of the Information Memorandum before investing. If in doubt, investors should consult their advisers.

Each of the Issuer and the Guarantor accepts full responsibility for the accuracy of the information contained in this Information Memorandum and confirms, having made all reasonable enquiries, that (i) this Information Memorandum contains all material information with respect to the Issuer, the Guarantor and the Guarantor's subsidiaries taken as a whole (collectively, the "**Group**") and the Bonds and the Guarantee which is material in the context of the issue of Bonds (including which, according to the particular nature of the Issuer, the Guarantor, the Group, the Bonds and the Guarantee, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Guarantor and of the rights attaching to the Bonds and the Guarantee), (ii) this Information Memorandum does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they were made, not misleading, (iii) the statements of fact contained in this Information Memorandum relating to the Issuer, the Guarantor, the Group, the Bonds and the Guarantee are in every material respect true and accurate and not misleading, (iv) the opinions and intentions expressed in this Information Memorandum are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and (v) all reasonable enquiries have been made to ascertain such facts and to verify the accuracy of all such statements. This Information Memorandum has been prepared by the Issuer and the Guarantor solely for use in connection with the proposed offering of the Bonds and giving of the Guarantee described in this Information Memorandum. The distribution of this Information Memorandum, the offering of the Bonds and the giving of the Guarantee in certain jurisdictions may be restricted by law. Persons into whose possession this Information Memorandum comes are required by the Issuer, the Guarantor, Silk Road International Capital Limited, YONXI Securities Limited and Seazen Resources Securities Limited (together, the "**Placing Agents**") to inform themselves about and to observe any such restrictions. No action is being taken to permit a public offering of the Bonds and giving of the Guarantee or the distribution of this document in any jurisdiction where action would be required for such purposes. There are restrictions on the offer and sale of the Bonds and the Guarantor giving the Guarantee, and the circulation of documents relating thereto, in certain jurisdictions and to persons connected therewith.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Information Memorandum or any information supplied by the Issuer and the Guarantor or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer, the Guarantor or the Placing Agents. Neither the delivery of this Information Memorandum nor any offering, sale or delivery made in connection with the issue of the Bonds shall, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in the affairs of the Issuer, the Guarantor or any of them since the date hereof or create any implication that the information contained herein is correct as at any date subsequent to the date hereof.

None of the Placing Agents, the Trustee (as defined in the Terms and Conditions of the Bonds) or the Agents (as defined in the Terms and Conditions of the Bonds) or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives has separately verified the information contained in this Information Memorandum. None of the Placing Agents, the Trustee or the Agents, or any director, officer, employee, agent, adviser, affiliate or representative of any such person, makes any

representation, warranty or undertaking, express or implied, or accepts any responsibility or liability, with respect to the accuracy or completeness of any of the information contained in this Information Memorandum or any information supplied in connection with the Bonds and the Guarantee. Each person receiving this Information Memorandum acknowledges that such person has not relied on the Placing Agents, the Trustee or the Agents or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives in connection with its investigation of the accuracy of such information or its investment decision, and each such person must rely on its own examination of the Issuer and the Guarantor and the merit and risks involved in investing in the Bonds. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds.

To the fullest extent permitted by law, none of the Placing Agents, the Trustee or the Agents, or any director, officer, employee, agent, affiliate or representative of any such person, accepts any responsibility for the contents of this Information Memorandum or for any other statement made or purported to be made by the Placing Agents, the Trustee or an Agent, or any director, officer, employee, agent, adviser, affiliate or representative of any such person or on its behalf, in connection with the Issuer, the Guarantor, the Group, the issue and offering of the Bonds or the giving of the Guarantee. Each of the Placing Agents, the Trustee and the Agents and the directors, officers, employees, agents, advisers, affiliates and representatives of such persons accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Information Memorandum or any such statement. None of the Placing Agents, the Trustee or the Agents or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives undertakes to review the financial condition or affairs of the Issuer or the Guarantor during the life of the arrangements contemplated by this Information Memorandum nor to advise any investor or potential investor in the Bonds of any information coming to the attention of the Placing Agents, the Trustee or the Agents or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives.

This Information Memorandum may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. This Information Memorandum does not constitute an offer or an invitation to subscribe for or to purchase any Bonds, is not intended to provide the basis of any credit or other evaluation, and should not be considered as a recommendation by the Issuer, the Guarantor, the Placing Agents, the Trustee, the Agents or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives that any recipient of this Information Memorandum should subscribe for or purchase any Bonds. Each recipient of this Information Memorandum shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer and the Guarantor with its own tax, legal and business advisers as it deems necessary.

Except as otherwise indicated in this Information Memorandum, all non-Group specific statistics and data relating to the industry or to the economic development of certain regions within the People's Republic of China have been extracted or derived from publicly available information and industry publications. Such information has not been independently verified by the Issuer, the Guarantor, the Placing Agents, the Trustee or the Agents or by their respective directors, officers, employees, agents, advisers, affiliates and representatives, and none of the Issuer, the Guarantor, the Placing Agents, the Trustee, the Agents or their respective directors, officers, employees, agents, advisers, affiliates and representatives makes any representation as to the correctness, accuracy or completeness of that information. In addition, third-party information providers who contributed to the publicly available information and industry publications may have obtained information from market participants and such information may not have been independently verified.

This Information Memorandum is provided solely for the purpose of enabling the recipient to consider purchasing the Bonds. The investors or prospective investors should read this Information Memorandum carefully before making a decision regarding whether or not to purchase the Bonds. This Information

Memorandum cannot be used for any other purpose and any information in this Information Memorandum cannot be disclosed to any other person. This Information Memorandum is personal to each prospective investor and does not constitute an offer to any other person or to the public generally to purchase or otherwise acquire the Bonds.

This Information Memorandum summarises certain material documents and other information, and the Issuer, the Guarantor, the Placing Agents refer the recipient of this Information Memorandum to them for a more complete understanding of what is contained in this Information Memorandum. In making an investment decision, the prospective investor must rely on its own judgment and examination of the Issuer and the Guarantor and the Terms and Conditions of the Bonds, including the merits and risks involved. See "*Risk Factors*" for a discussion of certain factors to be considered in connection with an investment in the Bonds. None of the Issuer, the Guarantor, the Placing Agents, the Trustee or the Agents or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives are making any representations regarding the legality of an investment in the Bonds under any law or regulation. The recipient of this Information Memorandum should not consider any information in this Information Memorandum to be legal, business or tax advice. Any investor or prospective investor should consult his/her/its own attorney, business adviser and tax adviser for legal, business and tax advice regarding an investment in the Bonds.

*Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).*

WARNING

The contents of this Information Memorandum have not been reviewed by any regulatory authority in the People's Republic of China, Hong Kong or elsewhere. Investors are advised to exercise caution in relation to the offer. If any investor is in any doubt about any of the contents of this document, that investor should obtain independent professional advice.

INDUSTRY AND MARKET DATA

Market data and certain industry forecasts and statistics used throughout this Information Memorandum have been obtained from, among other sources, based on internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed by the Issuer and the Guarantor to be reliable and accurate but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Guarantor, the Placing Agents, the Trustee or the Agents or their representative affiliates, directors, employees, agents, representatives, officers and advisers makes any representation as to the correctness, accuracy or completeness of that information. Such information may not be consistent with other information compiled within or outside the PRC. In addition, third-party information providers may have obtained information form market participants and such information may not have been independently verified. Accordingly, such information should not be unduly relied upon.

PRESENTATION OF FINANCIAL INFORMATION

The consolidated financial information of the Guarantor as at and for the year ended 31 December 2020 set out below are extracted from the Guarantor's consolidated financial statements for the year ended 31 December 2020 included elsewhere in this Information Memorandum (the "**Guarantor's 2020 Consolidated Financial Statements**") and have been audited by Zhonghui Certified Public Accounts LLP ("**Zhonghui**"), the Guarantor's current independent auditor. Such financial statements of the Guarantor were prepared and presented in accordance with the Accounting Standards for Business Enterprises in the PRC ("**PRC GAAP**"). The consolidated financial statements of the Guarantor as at and for the year ended 31 December 2019 were audited by Zhonghui and have been subject to certain restatements (please see the Guarantor's 2020 Consolidated Financial Statements – Notes to Consolidated Financial Statements 2020). These restated consolidated financial information for the year ended 31 December 2019 are included in the Guarantor's 2020 Consolidated Financial Statements as corresponding financial information.

The Guarantor's consolidated financial statements for the year ended 31 December 2019 (the "**Guarantor's 2019 Consolidated Financial Statements**") and 2020 Consolidated Financial Statements were prepared in Chinese, which has been translated in English for the purpose of this Information Memorandum. Should there be any inconsistency between the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements and its English translation, the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements shall prevail. The English translation of the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements does not itself constitute audited or reviewed financial statements and is qualified in its entirety by, and is subject to the more detailed information and the financial information set out or referred to in, the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements included in this Information Memorandum.

Each of the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements has been prepared in Chinese only and the English translation to them have been prepared and included in this Information Memorandum for reference only. None of the Placing Agents or any of their

respective affiliates, directors, employees and advisers has independently verified or checked the accuracy of such translation and can give any assurance that the information contained in such translation is accurate, truthful or complete.

The financial statements of the Guarantor were prepared and presented in accordance with PRC GAAP. The Guarantor has not prepared its financial statements in accordance with International Financial Reporting Standards ("**IFRS**"). PRC GAAP differs in certain respects from IFRS. For a discussion of certain differences between PRC GAAP and IFRS, see "*Description of Certain Differences between PRC GAAP and IFRS*".

CERTAIN TERMS AND CONVENTIONS

This Information Memorandum has been prepared using a number of conventions, which investors should consider when reading the information contained herein. Unless indicated otherwise, in this Information Memorandum all references to (i) the "**Issuer**" are to Nanshan Capital Holdings Limited (南山資本控股有限公司), (ii) the "**Guarantor**" are to Nanshan Group Co., Ltd (南山集團有限公司) and (iii) the "**Group**" are to the Issuer and its direct and indirect subsidiaries, taken as a whole, unless the context otherwise indicates.

Unless otherwise specified or the context otherwise requires, references to "**Hong Kong**" are to the Hong Kong Special Administrative Region of the People's Republic of China, to the "**PRC**" or "**China**" are to the People's Republic of China, for the purpose of this Information Memorandum only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, to the "**U.S.**" or "**United States**" are to the United States of America, to "**CNY**", "**Renminbi**" or "**RMB**" are to the lawful currency of the PRC, and to "**U.S.$**" or "**U.S. dollars**" are to the lawful currency of the United States of America.

Unless otherwise stated in this Information Memorandum, all translations from Renminbi into U.S. dollars were made at the rate of RMB6.5250 to U.S.$1.00, the noon buying rate in New York City for cable transfers payable in Renminbi on 31 December 2020. All such translations in this Information Memorandum are provided solely for investors' convenience and no representation is made that the amounts referred to herein have been, could have been or could be converted into U.S. dollars or Renminbi, or vice versa, at any particular rate or at all. For further information relating to the exchange rates, see "*Exchange Rate*".

Any discrepancies in the tables included herein between the listed amounts and the totals thereof are due to rounding.

In this Information Memorandum, unless otherwise indicated or the context otherwise requires, references to:

- the "**Government of Shandong Province**" refers to the People's Government of Shandong Province and its political subdivisions, including regional or local government entities, and instrumentalities thereof, or where the context requires, any of them;
- "**Longkou**" or "**Longkou City**" refers to Longkou City, Shandong Province;
- the "**Municipal Government of Yantai**" refers to the People's Government of Yantai Municipality and its political subdivisions, including local government entities, and instrumentalities thereof, or where the context requires, any of them;
- "**MOF**" refers to the Ministry of Finance of the People's Republic of China;
- the "**Nanshan Village**" refers to the Nanshan Village, Dongjiang Street, Longkou City (龍口市東江街道南山村)
- the "**Nanshan Villagers Committee**" refers to the Villagers Committee of Nanshan Village, Dongjiang Street, Longkou City (龍口市東江街道南山村村民委員會);
- "**PBOC**" refers to the People's Bank of China, the central bank of the People's Republic of China;
- the "**PRC government**" refers to the central government of the People's Republic of China and its political subdivisions, including provincial, municipal and other regional or local government entities, and instrumentalities thereof, or where the context requires, any of them;

- "**SAFE**" refers to the State Administration of Foreign Exchange of the People's Republic of China or its competent local counterpart;

- "**Shandong**" or "**Shandong Province**" refers to Shandong Province;

- "**State Council**" refers to the State Council of the People's Republic of China.

FORWARD-LOOKING STATEMENTS

This Information Memorandum contains forward-looking statements. The forward-looking statements contain information regarding, among other things, the Group's future operations, performance, financial condition, expansion plans and business strategy. These forward-looking statements are based on the Group's current expectations and projections about future events. Although the Group believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions, including, among other things:

- the ability of the Group to successfully implement its business plans and strategies;
- the Group's business prospects and capital expenditure plans;
- future developments, trends and conditions in the industry and markets in which the Group operates;
- changes in the Group's competition landscape;
- general economic and political conditions in the PRC and globally;
- risks associated with business activities in the PRC, including rules, regulations and policies of the relevant PRC governmental authorities affecting the Group's business;
- macroeconomic measures taken by the PRC Government to manage economic growth;
- the availability of credit;
- fluctuations in interest rates, foreign exchange rates, equity prices or other rates or prices, including those pertaining to the PRC and the industry and markets in which the Group operates; and
- those other risks identified in the "*Risk Factors*" section of this Information Memorandum.

The words "believe", "expect", "anticipate", "estimate", "intend", "plan", "seek" and similar words identify forward-looking statements. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding expected financial condition and results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include but are not limited to statements as to the business strategy, revenue and profitability, planned projects and other matters as they relate to the Issuer or the Guarantor discussed in this Information Memorandum regarding matters that are not historical fact. Although the Group believes that the expectations reflected in the forward-looking statements are reasonable, the Group can give no assurance that such expectations will prove correct. The Group undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of the foregoing and the risks, uncertainties and assumptions in "*Risk Factors*" and elsewhere in this Information Memorandum, the forward-looking statements in this Information Memorandum are not and should not be construed as assurances of future performance and the Issuer's and the Guarantor's actual results could differ materially from those anticipated in those forward-looking statements.

TABLE OF CONTENTS

	Page
SUMMARY	1
THE ISSUE	4
SUMMARY FINANCIAL INFORMATION OF THE GROUP	8
RISK FACTORS	13
TERMS AND CONDITIONS OF THE BONDS	44
SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM	63
USE OF PROCEEDS	65
EXCHANGE RATE	66
CAPITALISATION AND INDEBTEDNESS	68
DESCRIPTION OF THE ISSUER	69
DESCRIPTION OF THE GROUP	70
DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT	89
PRC REGULATIONS	92
TAXATION	104
DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS	108
PLACEMENT AND SALE	109
GENERAL INFORMATION	112
INDEX TO FINANCIAL STATEMENTS	F-1

SUMMARY

This summary below is only intended to provide a limited overview of information described in more detail elsewhere in this Information Memorandum. As it is a summary, it does not contain all the information that may be important to prospective investors in deciding to invest in the Bonds. Prospective investors should read the entire Information Memorandum, including the section entitled "Risk Factors" and the financial statements and related notes thereto, before making an investment decision. Terms defined elsewhere in this Information Memorandum shall have the same meanings when used in this summary.

DESCRIPTION OF THE ISSUER

The Issuer was incorporated in Hong Kong as a company limited by shares on 14 May 2012 under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (company registration number: 1744380).

The Issuer is a wholly owned subsidiary of the Guarantor. As at the date of this Information Memorandum, the Issuer was primarily engaged in trading business.

DESCRIPTION OF THE GROUP

Overview

Established in July 1992, the Guarantor is a company owned by the Nanshan Villagers' Committee (南山村委會) and Mr. Song Zuowen (宋作文), the director of the Nanshan Villagers Committee, as to 51% and 49%, respectively. The predecessor of the Guarantor was Qiansong Village Glass Fiber Factory* (前宋村玻璃纖維廠), a village-owned enterprise in Dongjiang Town, Longkou City, which was established in 1979. In July 1992, it was restructured to Yantai Nanshan Qiansong Enterprise Group Headquarters* (煙台市南山前宋企業集團總公司) with a registered capital of RMB500,000. With the continuous development of the company, it was renamed as Nanshan Group Co., Ltd in April 1996, and the registered capital was increased to RMB135 million.

The Guarantor focuses on the business of aluminum, textile and apparel in both of domestic and overseas markets. As a company established and developed as a village-run enterprise and is directly controlled by the Nanshan Villagers Committee, the Guarantor plays a key role in promoting the social and economic development of the Nanshan Village. In particular, the development of the Guarantor not only drives the local farmers to get rich, but also solves the employment issue arising from rural surplus labor. As such, the Group has received significant supports from the Municipal Government of Yantai and the Government of Shandong Province in terms of project incubation, market expansion and financing, which contributes to further development of the Group's business. The Group is also engaged in other business sectors in relation to petrochemical, trading, real estate, financing, tourism, health and education.

As at 31 December 2020, the Guarantor had a paid-in capital of RMB1 billion and total assets of approximately RMB138.6 billion. For the years ended 31 December 2018, 2019 and 2020, the Group reported total operating income of approximately RMB31.5 billion, RMB43.5 billion and RMB48.9 billion, respectively, and net profit after tax of approximately RMB2.1 billion, RMB3.5 billion and RMB4.2 billion, respectively.

Aluminum Segment

The Group conducts its aluminum business primarily through the Guarantor and one of its major operating subsidiaries, namely, Shandong Nanshan Aluminum Industry Co., Ltd.* (山東南山鋁業股份有限公司). The Group has formed a complete aluminum processing industrial chain of thermoelectric –

alumina – electrolytic aluminum – aluminum profile/melting – casting – hot rolling – cold rolling – foil rolling, and it possesses one of the largest aluminum production and processing bases in China with the most varieties. In recent years, the capacity of new projects in relation to aluminum business invested by the Guarantor has been gradually released, and the share of high value-added products has steadily increased, which has led to a significant increase in the scale and proportion of revenue from the aluminum business segment.

The Guarantor's aluminum business segment constituted one of the Guarantor's major business segments in terms of operating income. For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's aluminum business amounted to approximately RMB19.5 billion, RMB20.9 billion and RMB21.6 billion, respectively, representing approximately 46.7 per cent., 49.4 per cent. and 45.0 per cent. of the Group's total operating income for the same periods, respectively.

Textile and Apparel Segment

The Group conducts its textile and apparel business primarily through the Guarantor and one of its major operating subsidiaries, namely Shandong Nanshan Zhishang Technology Co., Ltd.* (山東南山智尚科技股份有限公司). The Guarantor's textile and apparel business segment mainly includes two sub-segments, namely worsted fabrics and garment production. All the production procedure for the textile and apparel is conducted in Nanshan Textile Apparel Industrial Park, which is located in Nanshan Industrial Park with a total gross area of more than 400,000 sqm., being one of the largest worsted compact spinning fabric production bases in the world.

For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's textile and apparel business amounted to approximately RMB1.94 billion, RMB1.74 billion and RMB1.3 billion, respectively, representing approximately 4.6 per cent., 4.1 per cent., 5.4 per cent. and 2.8 per cent. of the Group's total operating income for the same periods, respectively.

Other Business Segment

The Group is also engaged in other businesses such as petrochemical, trading, real estate, financing, tourism, health and education.

For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's other business amounted to approximately RMB20.3 billion, RMB19.6 billion and RMB25.1 billion, respectively, representing approximately 48.66 per cent., 46.44 per cent. and 52.3 per cent. of the Group's total operating income for the same periods, respectively.

Competitive Strengths

- The Group has one of the most comprehensive aluminum production industrial chain in the PRC;
- The Group's textile and apparel business is a national high technology enterprise which operates one of the few large-scale worsted compact spinning fabric production bases in the world;
- Diversified sources of funding and strong credit position;
- Diversified business portfolio enhancing the Group's risk resilience;
- Prudent financial structure; and
- Experienced management team with support from a dedicated team of staff.

Business Strategies

- Continue to focus on aluminum business segment by prioritising the aluminum product deep processing business in order to integrate the industrial chain, strengthen core industry competitiveness and realise large-scale operation;
- Further innovate the textile and apparel business to lead the industry product trend;
- Strengthen management structure and internal control system;
- Adhere to prudent financial policy with stringent risk control and enhanced financial management;
- Explore new financing channels; and
- Continue to build a professional management team.

RECENT DEVELOPMENTS

Impact of COVID-19 outbreak

The COVID-19 pandemic, which began at the end of 2019, has affected millions of individuals and adversely impacted national economies worldwide, including China's. To contain the spread of COVID-19, the PRC government imposed various measures, including travel restrictions, lockdowns in certain cities which were seriously affected by the pandemic, and such caused delays in resumption of work in the PRC, including but not limited to the Group's aluminum business sector and textile and apparel sector. Due to the pandemic, some of the Group's production activities have been put on halt, which adversely affect our profitability and cash flows. The COVID-19 outbreak is, however, far from over, and in different countries, is showing signs of resurgence, and further waves of infections are recorded every day. Given the uncertainties as to the development of the COVID 19 pandemic, as of the date of this Information Memorandum, it is difficult to predict how long the pandemic will persist and the extent to which it may affect the Group's business operations.

Despite the impact of the COVID-19 pandemic, the Group's views on the PRC's positive economic fundamentals for sustained growth and long-term trajectory have not changed. Since 29 February 2020 and as at the date of this Information Memorandum, the Group has resumed nearly all of its business operations including its production of aluminum, textile and apparel products, and it has not experienced any material delay or disruption in the supply of raw materials and its production activities. In spite of the temporary suspension of business operations, the outbreak of COVID-19 has not caused a material impact on the Group's business and financial position.

Given the uncertainty of the outbreak, however, the spread of COVID-19 may be prolonged and may worsen, and the financial position and operating results of the Group may be adversely affected. The Group will continue to closely monitor the progression of this pandemic, implement various policies to keep its employees safe and healthy, and evaluate and proactively assess and respond to its impact on the financial position and operating results of the Group.

THE ISSUE

The following summary contains some basic information about the Bonds. Some of the terms described below are subject to important limitations and exceptions. Words and expressions defined in "Terms and Conditions of the Bonds" shall have the same meanings in this summary. For a more complete description of the terms and conditions of the Bonds, see "Terms and Conditions of the Bonds".

Issuer	Nanshan Capital Holdings Limited (南山資本控股有限公司)
Guarantor	Nanshan Group Co., Ltd (南山集團有限公司)
Issue	U.S.$110,000,000 7.0 per cent. Guaranteed Bonds due 2022.
Guarantee	The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds. Its obligations in that respect are contained in the Deed of Guarantee.
Issue Price	100.0 per cent.
Form and Specified Denomination	The Bonds will be issued in registered form in the denomination of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof
Interest	The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 7.0 per cent. per annum, payable (i) in the amount of U.S.$35.0 per Calculation Amount on 29 December 2021 for a complete six months period from and including the Issue Date to but excluding 29 December 2021 and (ii) in the amount of U.S.$34.8 per Calculation Amount on 28 June 2022 for the period from and including 29 December 2021 to but excluding 28 June 2022 (each of 29 December 2021 and 28 June 2022 an "**Interest Payment Date**").
Issue Date	29 June 2021.
Maturity Date	28 June 2022.
Use of Proceeds	See the section entitled "*Use of Proceeds*".
Status of the Bonds	The Bonds constitute direct, unsubordinated, unconditional and (subject to Condition 4(a) of the Terms and Conditions of the Bonds) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a) of the Terms and Conditions of the Bonds, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

Status of the Guarantee	The obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a) of the Terms and Conditions of the Bonds, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.
Negative Pledge	The Bonds will contain a negative pledge provision as further described in Condition 4(a) of the Terms and Conditions of the Bonds.
Events of Default	Upon the occurrence of certain events as described in Condition 9 of the Terms and Conditions of the Bonds, the Trustee at its discretion may, and if so requested in writing by Bondholders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution (as defined in the Trust Deed) shall (provided that in any such case the Trustee shall first have been indemnified and/or secured and/or prefunded to its satisfaction), give written notice to the Issuer and the Guarantor that the Bonds are, and they shall immediately become, due and payable. Upon any such notice being given to the Issuer, the Bonds shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest.
Taxation	All payments of principal, premium (if any) and interest by or on behalf of the Issuer or the Guarantor in respect of the Bonds or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Hong Kong or the PRC in each case, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law. If (i) the Issuer is required to make any deduction or withholding by or within Hong Kong, or (ii) the Issuer, or as the case may be, the Guarantor is required to make a deduction or withholding by or within the PRC in excess of the Applicable Rate, then the Issuer (or the Guarantor, as the case may be) shall pay such additional amounts ("**Additional Tax Amounts**") as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in respect of any Bond (or the Guarantee, as the case may be).
Final Redemption	Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28 June 2022.

Redemption for Taxation Reasons	The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice in accordance with Condition 16 of the Terms and Conditions of the Bonds to the Bondholders (which notice shall be irrevocable), and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to, but excluding the date fixed for redemption, in the event of certain changes affecting taxes of Hong Kong or the PRC, as further described in "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Taxation Reasons*".
Redemption for Relevant Events	At any time following the occurrence of a Change of Control or a No Registration Event (each a "**Relevant Event**"), any Bondholder will have the right, at such Bondholder's option, to require the Issuer to redeem all but not some only of that Bondholder's Bonds on the Put Settlement Date at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with any interest accrued up to but excluding such Put Settlement Date. See "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Relevant Events*".
Further Issues	The Issuer may from time to time without the consent of the Bondholders create and issue further bonds either having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, the first payment of interest on them and the timing for complying with the requirements set out in the Terms and Conditions of the Bonds in relation to the Cross-Border Security Registration) and so that such further issue shall be consolidated and form a single series with the Bonds with the outstanding Bonds or upon such terms as the Issuer may determine at the time of their issue. References in the Terms and Conditions of the Bonds to the Bonds will include (unless the context requires otherwise) any further bonds issued pursuant to Condition 15 of the Terms and Conditions of the Bonds and consolidated and forming a single series with the Bonds.
Clearing Systems	The Bonds will be represented by beneficial interests in a Global Certificate in registered form, which will be registered in the name of a nominee for, and shall be deposited with, a common depository for Euroclear and Clearstream. Beneficial interests in the Global Certificate will be shown on and transfers thereof will be effected only through records maintained by Euroclear and Clearstream. Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.

Governing Law and Jurisdiction	English law. Exclusive jurisdiction of the Hong Kong courts.
Trustee	China Construction Bank (Asia) Corporation Limited
Principal Paying Agent, Registrar and Transfer Agent	China Construction Bank (Asia) Corporation Limited
ISIN	XS2346351583
Common Code	234635158
Legal Entity Identifier	3003008CUN9FOMT4W150
Listing	Application will be made to SEHK for the listing of, and permission to deal in, the Bonds on the SEHK by way of debt issues to Professional Investors only and it is expected that dealing in, and listing of, the Bonds on the SEHK will commence on 30 June 2021.

SUMMARY FINANCIAL INFORMATION OF THE GROUP

The summary consolidated financial information of the Guarantor as at and for the years ended 31 December 2019 and 2020, as set forth below, has been derived from the Guarantor's 2020 Consolidated Financial Statements, which have been audited by Zhonghui, its independent auditor as reported in the Guarantor's audited report dated 29 April 2021 and which are included elsewhere in this Information Memorandum The Guarantor's 2020 Consolidated Financial Statements have been prepared and presented in accordance with PRC GAAP. The consolidated financial statements of the Guarantor as at and for the year ended 31 December 2019 were audited by Zhonghui and have been subject to certain restatements in the Guarantor's 2020 Consolidated Financial Statements – please see the Guarantor's 2020 Consolidated Financial Statements – Notes to the financial statements.

These restated consolidated financial information for the year ended 31 December 2019 are included in the Guarantor's 2020 Consolidated Financial Statements as corresponding financial information and are set out below.

The Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements were prepared in Chinese, which has been translated in English for the purpose of this Information Memorandum. Should there be any inconsistency between the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements and its English translation, the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements shall prevail. The English translation of the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements does not itself constitute audited or reviewed financial statements and is qualified in its entirety by, and is subject to the more detailed information and the financial information set out or referred to in, the Guarantor's 2019 Consolidated Financial Statements and 2020 Consolidated Financial Statements included in this Information Memorandum.

PRC GAAP is substantially in line with IFRS, except for certain modifications which reflect the PRC's unique circumstances and environment. For a summary of those differences, see "*Summary of Certain Differences between PRC GAAP and IFRS*".

The summary financial data below should be read in conjunction with, and is qualified in its entirety be reference to, the Guarantor's consolidated financial statements and the notes thereto included elsewhere in this Information Memorandum.

SUMMARY CONSOLIDATED INCOME STATEMENT

Summary Consolidated Statements of Comprehensive Income

	For the year ended 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Total operating revenue	43,461,367.1	48,878,552.3
Business Operations Cash Flow		
Including: Business operations income	43,326,503.4	48,680,766.9
Interest rate income	124,933.2	190,494.9
Gained insurance income	–	1,107.9
Administrative and commission income	8,822.6	7,290.5
Operating costs		
Including: Cost of operation	42,586,724.7	45,398,264.4
Interest rate spending	30,069.1	26,701.9
Administrative costs and commission costs	659.2	835.1
Business tax and surcharge	336,295.1	511,389.1
Selling expenses	884,778.0	1,829,034.1
Management expenses	1,714,642.8	1,870,749.3
Finance costs	1,861,083.6	1,788,239.5
Including: Interest expenses	2,164,760.4	1,885,799.2
Interest income	281,981.4	398,470.9
Impairment loss for assets	-111,425.5	-73,779.8
Add: Other income	482,097.7	1,026,499.8
Investment income	2,794,357.8	487,935.4
Including: Investment income from affiliates and joint ventures	138,576.0	331,263.2
Gains from changes in fair value	2,036.6	-14,595.1
Loss due to credit impairment	-5,914.3	1,313.1
Loss due to asset impairment	-111,425.5	-73,779.8
Gain due to disposal of assets	-83,856.4	125,170.2
Assets disposal income	-83,856.4	125,170.2
Operating profit	3,951,938.4	5,032,831.5
Add: Non-operating income	193,952.5	195,972.3
Less: Non-operating expenses	168,844.0	120,447.7
Total profit (Loss)	3,977,047.0	5,108,356.1
Less: Income tax expenses	521,669.4	889,513.8
Net profit (Loss)	3,455,377.5	4,218,842.3
Including: Net profit realised before the consolidation		
Attributable to shareholders of the Company	2,445,045.6	2,842,353.5
Attributable to minority interests	1,010,331.9	1,376,488.8

Summary Consolidated Statements of Financial Position

	As at 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Current assets		
Bank balances and cash	13,480,239.5	19,670,407.7
Tradable Commercial Assets	3,341,047.1	132,300.0
Tradable Financial Assets	132,300.1	3,341,047.1
Derivatives Financial Assets	1,841.4	3,623.9
Bills receivable	1,445,965.6	1,293,957.1
Accounts Receivable	4,933,7665.7	6,680,171.0
Receivables Financing	400,190.8	1,119,283.7
Prepayments	2,181,863.6	2,223,388.2
Other receivable	8,374,000.7	6,608,220.3
Inventories	17,068,983.3	16,495,365.7
Assets for Sale	28,628.0	105,240.4
Non-current assets repayable within one year	259,820.0	148,210.0
Other current assets	2,909,376.4	1,497,655.4
Total current assets	54,994,588.9	55,398,956.5
Non-current assets:		
Loans and Advancements	2,587,704.7	982,925.9
Debt investment	350,290.0	1,390,931.0
Other debt investment	1,030,770.9	472,505.1
Long-term accounts receivable	328,544.2	578,591.9
Long-term equity investment	4,821,976.0	3,200,883.4
Other long term equity investment	3,200,883.4	4,821,976.1
Other equity instrument investment	8,127,038.9	6,593,985.0
Other non-current financial assets	380,230.0	80,264,710.0
Investment properties	1,620,010.0	1,558,794.1
Fixed assets	36,875,029.8	36,231,549.3
Construction in progress	18,333,047.9	18,352,817.2
Intangible assets	6,141,376.7	812,431.1
Goodwill	–	812,431.1
Long-term unamortised expenses	101,709.5	261,156.7
Deferred income tax assets	308,616.8	216,550.3
Other non-current assets	1,394,153.0	2,768,529.6
Total non-current assets	80,679,163.5	83,198,336.3
Total assets	135,673,752.5	138,597,292.8

	As at 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Current liabilities:		
Short-term borrowings	11,239,227.5	17,151,981.0
Borrowings from the PBOC	403,323.2	552,499.5
Derivatives liabilities	4,248.0	1,619.9
Contract liabilities	2,939,755.5	3,017,158.7
Notes payable and accounts payable	10,662,280.3	11,989,341.8
Including: Accounts payable	5,069,305.1	4,421,105.2
Notes payable	5,592,975.1	7,568,236.6
Receipts in advance	–	4,097.0
Financial assets sold under repurchase agreements	862,155.6	604,524.8
Interbank deposits	70,925.6	1,259,916.5
Employee remuneration payable	860,242.2	990,747.5
Tax payable	1,235,035.4	1,569,312.2
Other payable	5,222,558.7	5,21,895.6
Including: Interest payable	671,219.2	6,107.3
Dividend payable	6,107.3	384,627.0
Non-current liabilities repayable within one year	6,100,590.2	8,095,583.8
Other current liabilities	3,884,807.2	5,770,501.6
Total current liabilities	54,143,485,615.17	45,365,809,165.06
Non-current liabilities:		
Long-term borrowings	6,193,436.7	5,194,693.2
Bonds payable	15,707,420.9	4,617,985.0
Long-term payables	620,832.6	1,011,809.0
Deferred income	772,674.5	1,189,901.7
Deferred income tax liabilities	10,318.4	30,883.5
Other non-current liabilities	59,984.4	58,046.8
Total non-current liabilities	23,364,667.4	12,103,319.1
Total liabilities	68,730,476.5	66,246,804.7
Shareholder's equity:		
Paid-in capital	1,000,000,000.0	1,000,000,000.0
Capital reserves	1,117,847.6	1,646,862.9
Composite reserves	-863,566.9	-401,976.9
Specialised reserves	-70.6	–
Surplus reserves	4,563,025.3	4,789,524.0
Undistributed profits	37,749,993.3	38,346,005.1
Total equity attributable to shareholders of the Company	43,567,299.2	41,207,994.5
Minority interests	23,375,976.7	22,671,617.4
Total shareholder's equity	66,943,275.9	63,879,611.9
Total liabilities and shareholder's equity	135,673,752.4	138,597,292.8

Summary Consolidated Cash Flows Statements Data

	For the year ended 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	39,128,193.5	41,007,457.8
Other cash receipts relating to other operating activities	898,314.1	2,332,799.7
Customer and interbank deposits	-29,025.3	1,189,416.0
Increase in PBOC loans	-24,897.7	149,176.3
Cash inflows from interest, administrative charges and commission fees	142,797.2	221,847.9
Net increase in cash from repurchasing business	140,100.0	-257,600.0
Tax rebate	1,109,367.0	971,879.6
Sub-total of cash inflows from operating activities	41,364,848.8	45,614,977.2
Cash paid for goods and services	23,488,211.9	29,146,760.3
Cash paid to and on behalf of employees	3,065,965.6	3,099,261.0
Increase in advance cash payments made by customers	1,905,639.6	-1,660,148.2
Increase in interbank deposits	53,881.8	140,885.5
Payment of interest, administrative fees and commission fees	29,216.1	27,328.5
Wages payable to workers in cash	3,065,965.6	3,099,261.0
Payment of taxies and levies	2,455,470.9	2,354,577.1
Payment of other expenses related to operating activities	3,153,841.5	2,613,046.6
Sub-total of cash outflows from operating activities	34,152,227.4	35,721,710.9
Net cash flows from operating activities	7,212,621.4	9,893,266.3
Cash flows from investing activities:		
Cash received from investments	3,419,638.0	6,868,280.0
Cash received from returns on investments	155,794.8	189,906.5
Cash received from fixed assets, intangible assets, and other long term investment assets	16,889.6	2,654,282.6
Cash received from subsidiaries and other operating units	1,592,418.7	1,604,157.9
Cash received from other investment related activities	5,730,028.0	5,105,693.4
Sub-total cash inflows from investing activities	10,914,769.1	16,422,320.3
Cash paid to acquire fixed assets, intangible assets and other long-term assets	3,270,394.5	6,182,494.4
Cash paid on investments	6,051,610.0	4,330,580.0
Cash obtained from subsidiaries or other business units	463,169.9	–
Cash payable on other investing activities	3,340,740.4	1,386,850.0
Sub-total cash outflows from investing activities	12,662,744.8	12,363,074.2
Net cash flows from investing activities	-1,747,975.7	4,059,246.1
Cash flows from financing activities:		
Cash received from investment activities	232,155.8	1,633,548.3
Including: Cash received by subsidiaries from investment from minority shareholders	–	1,217,622.8
Cash received from borrowings	29,969,372.7	24,875,155.5
Cash received from other finance activities	1,635,128.2	2,431,762.7
Sub-total cash inflows from financing activities	31,836,656.7	28,940,466.5
Cash payments for settlement of borrowings	32,716,099.1	32,634,903.7
Cash payments for interest expenses, distribution of dividend or interests	2,637,873.1	2,804,145.2
Including: cash payments for distribution of dividends and profit by subsidiaries to minority shareholders	315,177.1	315,177.1
Other cash payments relating to financing activities	854,157.0	1,134,000.0
Effect from foreign exchange rate changes on cash and cash equivalents	95,193.4	–93,872.4
Net cash flows from financing activities	36,487,972.2	36,293,205.8
Net increase in cash and cash equivalents	(4,651,315.4)	(7,352,739.4)
Add: Cash and cash equivalents at beginning of year	39,128,193.5	41,007,457.8
Net increase in cash and cash equivalents at the beginning of the period	908,523.6	6,505,900.5
Cash and cash equivalents at the beginning of the period	7,914,965.5	8,823,489.2
Cash and cash equivalents at end of year	8,823,489.2	15,329,389.7

RISK FACTORS

Investment in the Bonds is subject to a number of risks. Investors should carefully consider all of the information in this Information Memorandum and, in particular, the risks described below, before deciding to invest in the Bonds. The following describes some of the significant risks relating to the Group, the Group's business and the market in which the Group operates. PRC laws and regulations may differ from the laws and regulations in other countries. Some risks may be unknown to the Issuer, the Guarantor and the Group and other risks, currently believed to be immaterial, could in fact be material. Any of these could materially and adversely affect the business, financial condition, results of operations or prospects of the Issuer, the Guarantor or the Group or the value of the Bonds. All of these factors are contingencies which may or may not occur and the Issuer, the Guarantor or the Group is not in a position to express a view on the likelihood of any such contingency occurring. This Information Memorandum also contains forward-looking statements that involve risks and uncertainties. The actual results of the Group could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks described below and elsewhere in this Information Memorandum.

The Issuer, the Guarantor and the Group do not represent that the statements below regarding the risk factors are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

RISKS RELATING TO THE GROUP'S BUSINESS

The Group's business, financial condition, results of operations and prospects are heavily dependent on the level of economic development in the PRC.

The Group's businesses and assets are primarily concentrated in the PRC. Therefore, the Group's business, financial condition, results of operations and prospects have been, and will continue to be, heavily dependent on the social conditions, local government policies and level of economic activity in the PRC. The policies regarding aluminum business and textile and apparel business development promulgated by the PRC authorities, in particular the Municipal Government of Yantai and the Government of Shandong Province, which have given rise to unique business opportunities for the Group, also have a major impact on the Group's business and growth prospects.

In recent years, whilst the Group has received and benefited from various kinds of support as well as favourable government policies to promote the development of aluminum business and textile apparel business in the PRC, there was a slowdown in the overall growth of the PRC's economy and it is difficult to predict how the economic development of the PRC will be affected. In addition, there can be no assurance that the PRC government, the Municipal Government of Yantai and the Government of Shandong Province will continue to implement favorable policies to support the development of aluminum business and textile apparel business. As such, there can be no assurance that the level of economic development in the PRC will continue to be maintained at the past rate of growth, if at all, and it is unclear how the Group's business development will be affected by a perceivable slowdown in the growth of the PRC economy.

Any continuing slowdown in the economic development in the PRC may affect the PRC government's development plan for aluminum business and textile and apparel business, decrease the demand for the Group's businesses and adversely affect the Group's business, financial condition, results of operations and prospects.

The development and growth potential of the PRC are also affected by the PRC government's policies and priority relating to the city development and promotion of key industries. As and the Group's business has deeply rooted in the PRC, it is expected that the Group's future business and operations will continue to be primarily concentrated in the PRC. If economic growth in the PRC slows down, adverse changes in

social conditions or local government policies arise or any severe natural disasters or catastrophic events occur in the PRC, the Group's business, financial condition, results of operations and prospects would be materially and adversely affected.

The performance of the Group depends on, to a large extent, the performance of its aluminum business segment which is a highly regulated and competitive industry.

The Group's aluminum business segment, which includes aluminum production, domestic and export trading, has been, and is expected to continue to be, the primary source of the Group's operating income. The aluminum production industry is highly competitive and volatile and are subject to various risks and uncertainties. It is also subject to regulations and directives of national and local governments with respect to matters such as limitations on production volumes and exports, pricing policies, environmental safety controls. In addition, as customer needs become more complex and challenging, demanding more customized solutions, innovations and attractive offerings, the Group also faces significant competition in the development of innovative products and solutions, including the development of new technologies for enhancing the quality of its aluminum products. Nonetheless, many of the Group's overseas competitors, including overseas aluminum producers, may have more advanced technologies and financial resources than the Group.

Currently, the global aluminum industry has entered a stage with overcapacity, fierce competition, and deep structural adjustment as the main line. Under the conditions of global economic integration, it has become an inevitable trend for resource companies to participate in the allocation and circulation of resources and production factors on a global scale. On the whole, the contradiction between supply and demand in the aluminum industry still exists, and some production capacity is still in the stage of oversupply. From the perspective of downstream market demand capacity, the next five to ten years will be an accelerated period of domestic consumption upgrading. The improvement of people's quality of life will become a direct driving force for the development of aluminum sophisticated-processing products. The industry is still in a period of important strategic opportunities. Therefore, the issuer is facing an era and environment where market competition, overcapacity, strategic opportunities, risks, challenges, and development coexist. If the Group fails to compete effectively, its business, financial condition, results of operations and prospects would be materially and adversely affected.

The Group faces foreign exchange and currency conversion risks as a result of trading with overseas.

The Group exports its aluminium products to the overseas. At the same time, the Group purchases raw materials such as aluminum bauxite from other countries. The Group is therefore exposed to foreign currency risk primarily through sales that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies giving rise to this risk is primarily US dollars. A significant portion of sales and operating costs of our Group are transacted in RMB, which is not freely convertible into foreign currencies. All foreign exchange transactions involving RMB must take place through the Bank of China or other institutions authorized to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand. Changes in exchange rate affect the RMB value of sales proceeds of products and purchase costs of raw materials that are denominated in foreign currencies.

Besides, while the proceeds to be raised from the issue of the Bonds will be denominated in U.S. dollars, the Group's functioning currency is Renminbi. There is no assurance that U.S. dollars can be converted into Renminbi all the time, and any restriction on such conversion may restrict our utilisation of, or even render us unable to utilize, the proceeds from Bonds issue for implementation of the Group's future plans.

The Group's operations are subject to extensive government policies and regulations and, in particular, the Group is susceptible to adverse changes in policies related to the PRC property industry and in regions in which the Group operates.

The Group's real estate business is greatly affected by national laws, regulations and policies. In August 2016, the Ministry of Housing and Urban-Rural Development issued the "13th Five-Year Plan for Housing and Urban-Rural Development", which put forward the main starting point to meet the housing needs of new urban residents, to establish a housing system that combines purchase and rent which proves to be more flexible to residents. The two main directions of this system reform are to provide basic housing security, and to meet the multi-level housing needs of residents that often visit the market. In the first half of 2018, the intensity of strict control policies was significantly increased, and the real estate industry was in a cooling trend. Entering the second half of 2018, some cities showed signs of temporary loosening of control policies. However, the local control policies still prioritize stability. Since 2019, domestic real estate policy maintains the positioning of "housing for living without speculation", and policy regulation follows the principle of "one city, one policy". It is expected that in a short period of time, the possibility of substantial easing of policies is unlikely, aiming to maintain the stable development of the real estate market in various regions and further promote the adjustment of land supply structure and housing structure. In the first half of 2018, the intensity of strict control policies was significantly increased, and the real estate industry was in a cooling trend. Entering the second half of 2018, some cities showed signs of temporary loosening of control policies. However, the local control policies still prioritize stability. Since 2019, domestic real estate policy maintains the positioning of "housing to live without speculation".

At present, the domestic economy is still in a downward trend. If the country adopts strict regulatory policies on land supply, housing supply structure, taxation policies, and real estate finance in the second and third-tier real estate industry in the future, it will impose restrictions on the Group's land acquisition, project development, and product design, project financing, and performance stability have an important impact, which will have a certain negative impact on the Group's operation and development. If the Group fails to adapt to the government's macro-control policies and make corresponding business strategy adjustments in a timely manner, it may adversely affect the company's operating results and future development.

The Group's operations are subject to force majeure events, natural disasters and outbreaks of contagious diseases.

Force majeure events, natural disasters, catastrophe or other events could result in severe personal injury to the Group's employees, property damage and environmental damage, which may curtail the Group's operations, cause delays in the construction progress of the Group's various construction and infrastructure projects and could in turn materially and adversely affect the Group's financial conditions and cash flows and accordingly, adversely affect its ability to repay any debt.

The Group's operations are mainly located in Longkou City, which is exposed to potential natural disasters including, but not limited to, earthquakes, typhoons, flooding, landslides, mudslides and drought. If any of the Group's production bases or production plants are damaged by severe weather or any other disasters, accidents, catastrophes or other events, the Group's operations may be significantly interrupted. The occurrence or continuance of any of such unforeseen events or similar events could increase the costs associated with the Group's operations and reduce its ability to operate its businesses effectively, thereby reducing its operating income and profits.

In addition, the Group's contracts with its suppliers and other counterparties may have force majeure provisions that permit such parties to suspend, terminate or otherwise not perform their obligations under the relevant contracts upon the occurrence of certain events such as strikes and other industrial or labour disturbances, terrorism, restraints of government, civil protests or disturbances, or any natural disasters;

all of which are beyond the control of the party asserting such force majeure event. If one or more of the Group's suppliers or other counterparties do not fulfil their contractual obligations for any extended period of time due to a force majeure event or otherwise, the Group's results of operations and financial condition could be materially and adversely affected.

Risks of substantial costs and liabilities are inherent in the Group's principal operations and there can be no assurance that significant costs and liabilities will not be incurred, including those relating to claims for damages to property or persons. Insurance policies for civil liability and damages taken out by the Group could prove to be significantly inadequate, and there can be no assurance that the Group will always be able to maintain an adequate level of coverage at least equal to the Group's current coverage and at the same cost. The frequency and magnitude of natural disasters seen over the past few years, for example, landslides and typhoons in Longkou City in recent years, could have a significant impact on the capacities of the insurance and reinsurance market and on the costs of civil liability and damages insurance cover for the Group. Please see "– *The insurance coverage of the Group may not adequately protect it against all operational risks or any potential liabilities or losses*" for further information.

In addition, the Group's operations are subject to outbreaks of contagious diseases. For example, the outbreak of severe acute respiratory syndrome ("**SARS**") in the PRC and Hong Kong in early 2003 had an adverse effect on all levels of business in Hong Kong and the PRC. There have been sporadic outbreaks of the H5N1 virus or "Avian Influenza A" among birds, in particular poultry, as well as some isolated cases of transmission of the virus to humans. There have also been recent global outbreaks of the A/H1N1 influenza virus. On 11 June 2009, the World Health Organisation raised its global pandemic alert to Phase 6 after considering data confirming the outbreak. Other recent epidemics include the Middle East Respiratory Syndrome (MERS), H5N1 avian flu and the recent cases of H7N9 avian flu. The outbreak of SARS and the A/H1N1 influenza virus led to a significant decline in travel volumes and business activities throughout most of the Asia-Pacific region. The occurrence of another outbreak of SARS, the A/H1N1 influenza virus or of any other highly contagious disease may result in another economic downturn and could adversely affect the overall level of business and travel in the affected areas. There may also be significant disruption to the Group's business operations and consequently have an adverse effect on its financial condition and results of operations.

Since December 2019, there has been an outbreak of respiratory disease caused by a coronavirus disease ("**COVID-19**") which affected and has expanded within the PRC and across the globe. The new strain of coronavirus is considered highly contagious and may pose a serious public health threat to the population. On 11 March 2020, COVID-19 was declared a pandemic by the World Health Organisation. Governments across the world have imposed travel restrictions and/or lockdown in an effort to curb the spread of highly infectious COVID-19. As the pandemic continues to spread worldwide, more countries may impose similar or more severe containment measures. There is no assurance that the current containment measures will be effective in halting the pandemic. The current containment measures and any future containment measures may materially and adversely affect the manufacturing, exports and imports and consumption of goods globally, which may in turn lead to global economy slowdown. As a result, supply of our raw materials may be adversely affected. As a result, the completion of our production activities may be delayed, which might in turn result in substantial increase in our production costs, late delivery of products and/or otherwise adversely affect our profitability and cash flows. Since 20 February 2020 and as at the date of this Information Memorandum, the Group has resumed nearly all of its business operations and it has not experienced any material delay or disruption in the supply of raw materials and its production activities. In spite of the temporary suspension of business operations, the outbreak of COVID-19 has not caused material impact on the Group's business and financial position.

However, the situation regarding the COVID-19 is still unstable and its impact on the Group's long term business may only surface over the years. Therefore, there can be no assurance that the Group will be able to maintain its profitability at the same level with the period disclosed in this Information Memorandum.

In general, the occurrence of future outbreak of SARS, the A/H1N1 influenza virus, COVID-19 or of any other highly contagious disease may result in another economic downturn and could adversely affect the overall level of business and travel in the affected areas. There may also be significant disruption to the Group's business operations and consequently have an adverse effect on its financial condition and results of operations.

A reduction or discontinuance of support from the ultimate controlling shareholder may materially and adversely affect the financial condition and results of operation of the Group.

Nanshan Villagers Committee is the ultimate controller of the Issuer, there can be no assurance that the Nanshan Villagers Committee will continue to provide support to the Group. If favourable incentives or support which are currently available to the Group are reduced or eliminated in the future, the financial condition and results of operations of the Group will be materially and adversely affected and the controlling relationship between the Group and its ultimate controller, the Nanshan Villagers Committee does not necessarily correlate to, or provide any assurance as to the Group's financial condition and the repayment obligation in relation to the Bonds remains the sole obligation of the Issuer.

Difficult conditions in the global economy may adversely affect the Group's business.

The Group's activities and results are also substantially affected by general global macro-economic conditions. The outlook for the world economy and financial markets remains uncertain. In Asia and other emerging markets, some countries are expecting increasing inflationary pressure as a result of liberal monetary policy or excessive foreign fund inflow, or both. In the Middle East, political unrest in various countries have resulted in economic instability and uncertainty.

On 23 June 2016, the United Kingdom held a remain-or-leave referendum on its membership within the European Union, the result of which favoured the exit of the United Kingdom from the European Union ("**Brexit**"). On 31 January 2020, the United Kingdom officially exited the European Union following a UK-EU Withdrawal Agreement signed in October 2019. The United Kingdom and the European Union signed the Brexit trade deal on 30 December 2020 and the United Kingdom completed its separation from the EU with effect from 1 January 2021. Given the lack of precedent, it is unclear how Brexit would affect the fiscal, monetary and regulatory landscape within the United Kingdom, the European Union and globally. This event has resulted in a downgrade of the credit ratings of the United Kingdom and the effect of Brexit remains uncertain, which may also create a negative economic impact and increase volatility in global markets.

In addition, sustained tension between the United States and the PRC over trade policies could significantly undermine the stability of the global economies. On 15 January 2020, the U.S. and Chinese governments signed the U.S.-China Economic and Trade Agreement (the "**Phase I Agreement**"). Under the Phase I Agreement, the U.S. agreed to cancel a portion of tariffs imposed on Chinese products, China promised additional purchases of U.S. goods and services, and both parties expressed a commitment to further improving various trade issues. Despite this reprieve, it remains to be seen whether the Phase I Agreement will be abided by both governments and successfully reduce trade tensions. If either government violates the Phase I Agreement, it is likely that enforcement actions will be taken and trade tensions will escalate. Furthermore, additional concessions are needed to reach a comprehensive resolution of the trade war. The roadmap to the comprehensive resolution remains unclear, and the lasting impact the trade war may have on China's economy and the industries in which the Group operates remains uncertain.

The PRC economy is sensitive to global economic conditions, and it is impossible to predict how the PRC economy will develop in the future and whether it may slow down due to a global crisis or experience a financial crisis. China's economic growth may face a slow down due to weakened exports.

Instability in the global economy may materially and adversely affect markets in which the Group operates, which may lead to a decline in the general demand for the Group's services especially in

relation to infrastructure construction and primary land development. In addition, a reduction in liquidity in the global financial markets and in the PRC may negatively affect the Group's liquidity. Therefore, instability in the global economy may materially and adversely affect the Group's business, financial condition and results of operations.

The Group faces risks of upstream supplier changes, which may cause delays in the Group's textile and apparel business line.

The Group has entered into long term agreements with an Australian supplier in supplying bauxite, the main raw material of our production. In particular, the Group has signed a three-year long-term procurement agreement for low-temperature ore and a five-year long-term procurement agreement for high-temperature ore, and will continue to implement a five-year procurement agreement for Solomon ore in 2020 to further reduce production costs of high-temperature lines, while importing some Guinean ore to reduce production costs. The Group's wool procurement is a bid for the Australian auction market, and the company develops a purchasing plan based on the plant's wool inventory, orders and prices. At present, the world economy has entered a period of low-speed growth, and the rigid demand for bulk raw materials is gradually weakened. Since the two raw materials are rare with few alternative suppliers, once suppliers cannot perform supply contracts due to poor management and other reasons, the Group has to change to change suppliers, which causes pressure in meeting delivery timelines.

The Group has been undergoing frequent equity changes which exposes the Group to litigation risk.

In recent years, the Group has been undergoing changes in its corporate structure and frequent changes in equity, mainly because the Group has too many subsidiaries with similar functions which causes a waste in company resources. With the aim to standardize, improve and achieve efficient operation and development of the Group, the Company will carry out a series of measures, such as mergers, winding up of inefficient companies or changing the way of its operation. This also helps the Group to achieve its goal in concentrating on its aluminum production and textile production. Despite these benefits, a Group which has rapid equity changes may run the risk of non-compliance with PRC company laws. If the Group does not hold its equity transfer in accordance with local laws and regulations it might be subject to fines and investigations by the regulatory authorities, which may cause asset loss, litigation risk and other unfavorable factors to the Group.

The Group has in the past received government support and a reduction or discontinuance of government support could adversely affect the financial condition and results of operations of the Group.

The Group has in the past received financial support from the local government in the form of fiscal subsidies. The fiscal subsidies are granted to the Group in cash according to local government policies. Although the Group is confident that the government policies will not change in the next three to five years, there can be no assurance that the local government will continue to provide financial support. If the favourable fiscal subsidies or other incentives which are currently available to the Group are reduced or eliminated or the government made adverse changes to its policies affecting the Group in the future, the viability of the Group's businesses may be affected and the financial condition and results of operations of the Group will be adversely affected.

The Group has substantial indebtedness and may incur additional indebtedness in the future, which could adversely affect its future strategy and operations and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations.

The Group currently has incurred a large amount of indebtedness. As at 31 December 2020, the short-term loans of the Group amounted to approximately RMB17.1 billion, the total current liabilities of the Group amounted to approximately RMB66.2 billion and the long-term loans of the Group amounted

to approximately RMB1.0 billion while the cash and cash equivalents of the Group only amounted to approximately RMB9.9. billion. For further details, please refer to the audited consolidated financial statements of the Guarantor for the year ended 31 December 2020 included elsewhere in this Information Memorandum for further information.

The Group may incur additional indebtedness and continuing liabilities in the future, including the issuance of debt securities or entering into financing or other loan arrangements. The level of existing indebtedness and incurrence of further indebtedness could have important consequences to the Group's business, including:

- increasing the Group's vulnerability to adverse general economic and industry conditions;
- requiring the Group to dedicate a substantial portion of its cash flows from operations to servicing and repaying its indebtedness, thereby reducing the availability of its cash flows to fund working capital, capital expenditures and other general corporate purposes;
- limiting the Group's ability to capture investment and/or acquisition opportunities and inhibiting its ability to grow and expand its business;
- adding to the Group's interest exposure as a proportion of its costs of doing business;
- limiting the Group's flexibility in planning for or reacting to changes in its businesses and the industries in which it operates;
- reducing the Group's competitiveness compared to its competitors that have less debt; and
- increasing the costs of additional financing.

Creditors of the members of the Group would have a claim on the assets of the relevant members of the Group that would be prior to the claims of the Guarantor's creditors. As a result, the payment obligations under the Guarantor's indebtedness and liabilities will be effectively subordinated to all existing and future obligations of the Guarantor's subsidiaries, and all claims of creditors of the Guarantor's subsidiaries will have priority as to the assets of such entities over the Guarantor's claims and those of its creditors.

In addition, the Group continually reviews its current and expected future funding requirements and evaluates and engages in discussions with financial institutions and other market participants, from time to time, on proposals regarding different sources of funding. In incurring indebtedness and liabilities from time to time, members of the Group may create security over their assets, receivables or equity interests in companies or entities held by them (which may include the Guarantor's subsidiaries) in favour of the relevant creditors. Should any of such secured indebtedness becomes immediately due and payable as a result of any default in payment or the occurrence of other events of default as defined under the relevant secured indebtedness, the relevant secured creditors would be entitled to take enforcement actions against such secured assets, receivables and equity interests. The secured creditors might take over the relevant subsidiaries' titles to the secured assets, receivables and equity interests or sell them through auction. In such an event, the value of the Group's assets portfolio will diminish and fewer assets and/or equity interests will be available for distribution to unsecured creditors if the relevant subsidiaries are in liquidation. If any member of the Group incurs additional debt, the risks that the Group faces as a result of its already substantial indebtedness and leverage could intensify.

Also, if the Guarantor or the relevant subsidiaries are unable to comply with the restrictions (including restrictions on the Group's future investments) and covenants in its current or future debt obligations and other agreements, a default under the terms of such agreements may occur. In the event of a default under

such agreements, the holders of the debt could terminate their commitments to the Guarantor or its subsidiaries, including without limitation to the Issuer, accelerate the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Some of the financing arrangements entered into by the Guarantor and its subsidiaries, including, without limitation, the Issuer, may contain cross-acceleration or cross-default provisions. As a result, a default by the Guarantor or any of its subsidiaries under any of such agreements may cause the acceleration of repayment of not only such debt but also other debts, or result in a default under other debt agreements. If any of these events occurs, there can be no assurance that the assets and cash flows of the Guarantor or its subsidiaries, including, without limitation, the Issuer, would be sufficient to repay in full all of their respective debts as they become due, or that the Guarantor or its subsidiaries would be able to find alternative financing. Even if the Guarantor and its subsidiaries, including, without limitation, the Issuer, could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Guarantor or, as the case may be, its subsidiaries.

The Group is exposed to risks in relation to the inventory it maintains.

As at 31 December 2018, 2019 and 2020, the Group's inventories amounted to approximately RMB18.1 billion, RMB17.1 billion and RMB16.5 billion, respectively, representing approximately 13.6 per cent., 12.6 per cent. and 11.9 per cent. of the Group's total current assets, respectively. As at 31 December 2020, the Group's inventories mainly comprised raw materials, commissioned processing materials, work-in-process and semi-finished products, finished products and low-value consumables. During times when prices of raw materials increase, the Group can increase the price of the produced goods to keep the value of the inventories stable. However, when the value of the raw materials decrease, the Group will be exposed to a decreased selling price of the produced goods inventories, which will in turn have an adverse impact on the Group's business and results of operations. In the event that the value of the inventories decreases significantly, the Group's business, financial condition, results of operations or prospects could be materially and adversely affected.

Failure to collect accounts receivable may affect the Group's liquidity and restrict the Group's business activities.

As at 31 December 2018, 2019 and 2020, the Group's accounts receivable amounted to approximately RMB5.6 billion, RMB4.9 billion and RMB6.7 billion, respectively, representing approximately 10.4 per cent., 9.1 per cent. and 12.1 per cent. of the Group's total current assets for the same periods, respectively. The Group's accounts receivable mainly comprised trade of aluminum products, textile and apparel products Any failure of the Group's customers or contractual parties to make timely payments and fulfil their contractual obligations could materially and adversely affect the value of the Group's accounts receivable and its liquidity and in turn affect its business, financial condition or results of operations.

The Group consists of a number of companies operating in various business segments and is subject to challenges not found in companies with a single business line.

The Group conducts businesses in various industries and is exposed to risks associated with multiple businesses.

The Group is exposed to business, market and regulatory risks relating to different industries and markets, and may from time to time expand its businesses to new industries and markets in which it has limited operating experience. The Group needs to devote substantial resources to become familiar with, and monitor changes in, different operating environments so that it can succeed in its businesses.

In addition, as the Guarantor has a number of subsidiaries, successful operation of the Group requires an effective management system. As the Group continues to grow its businesses and expand into various industries, the Group's operations may become more complex, which would increase the difficulty of implementing its management system.

The Guarantor may provide direct funding, guarantees and other support to certain of its subsidiaries from time to time. For example, the Guarantor may provide shareholder loans granted to or act as a guarantor for the borrowings of, certain subsidiaries. If a subsidiary defaults on any borrowings lent or guaranteed by the Guarantor, the Guarantor will not receive the repayment as planned or the relevant lender may exercise its right under the guarantee to demand repayment from the Guarantor. The occurrence of either of these types of events may result in a funding shortage for the Guarantor and may materially and adversely affect the Guarantor's ability to provide financial support to its other subsidiaries including the Issuer. If the Guarantor's financial or non-financial support ceases or diminishes for any reason, the operations of the relevant subsidiaries may be materially and adversely affected, which in turn may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may fail to obtain sufficient capital resources for its continued growth and other operation needs.

A substantial part of the Group's business activities, such as aluminum production and textile and apparel production, are capital intensive and require substantial capital expenditure for, among other things, the purchase of materials, construction and maintenance of plant and equipment used in its operations as well as compliance with applicable laws and regulations such as environmental laws.

The Group primarily relies on its own funds and external financing to finance its business and operation. The Guarantor intends to use cash on hand, funds from operations, additional debt and equity financing and the financial support provided by the local government such as fiscal subsidies to finance its capital expenditure going forward. The Group's ability to access and raise capital depends upon a number of factors, such as the PRC's economic condition, the Group's relationships with key commercial banks, prevailing conditions in capital markets, regulatory requirements, the Group's financial condition, and costs of financing. Some of these factors are beyond the Group's control. There can be no assurance that the relevant funding sources will provide the Group with sufficient amounts of capital in a timely manner. Also, there can be no assurance that additional financing will be available to the Group or, if available, that it can be obtained on terms acceptable to the Group and within the covenants and limitations imposed by the Group's existing or any future financings and the applicable regulations which the Group may be subject to. If there is no sufficient funding to meet the Group's needs or such funding cannot be obtained on commercially acceptable terms, or at all, the Group may not be able to repay its existing loans, fund the operation and/or expansion of its business or compete effectively. As a result, the business, financial condition and results of operations of the Group could be materially and adversely affected.

The Group may not be successful in integrating and managing future investments and/or acquisitions.

The Group may from time to time consider investment and acquisition opportunities that may complement its core business portfolio and capabilities, and assist in expanding the market share of its core business operations. The ability of the Group's operations to grow by investments in and/or acquisitions of its target businesses is dependent upon, and may be limited by, the availability of attractive projects, its ability to agree commercial, technical and financing terms to the satisfaction of the Group and to obtain required approvals from relevant regulatory authorities.

Such investments and/or acquisitions may expose the Group to potential difficulties that could prevent it from achieving the strategic objectives for the investments and/or acquisitions or the anticipated levels of profitability from the investments and/or acquisitions. These difficulties include:

- diversion of management's attention from the Group's existing businesses;

- increases in the Group's expenses and working capital requirements, which may reduce its return on invested capital;

- difficulty of expanding into different markets and challenges of operating in markets and industries that the Group does not have substantial experience in;

- increases in debt, which may increase the Group's financing costs as a result of higher interest payments;

- exposure to unanticipated contingent liabilities to acquired businesses; and

- difficulties in integrating acquired businesses or investments into the Group's existing operations, which may prevent it from achieving, or may reduce, the anticipated synergies.

In addition, where the Group invests in joint ventures, it may not have management control over its investments and there can be no assurance that such joint ventures will operate smoothly or successfully, if at all. There can also be no assurance that joint venture partners will act in a way which is consistent with the interests of the Group and be able and willing to fulfil their obligations under the relevant joint venture or other agreements.

The Group may not be able to successfully identify, acquire, invest in or operate suitable investment projects, acquisition targets or businesses.

There can be no assurance that the Group will be able to identify suitable investments and acquisition targets, complete the investments and acquisitions on satisfactory terms or, if at all, if any such investments and acquisitions are consummated, satisfactorily integrate the acquired businesses and investments. Any failure of the Group to implement its expansion plans through investments and acquisitions could have a material adverse effect on the Group's business, financial position and results of operations, as well as its future prospects.

In addition, the Guarantor's subsidiaries operating in different segments may determine that it is in their shareholders' interests to pursue new business ventures. There can be no assurance that such business ventures will be successful or generate the synergies expected, if any. The successful completion of this type of transaction will depend on several factors, including satisfactory due diligence findings and the receipt of necessary regulatory approval, among others. If the Group fails to complete such business ventures or such ventures prove to be unsuccessful, the Group's operating segments involved may be adversely affected.

There are risks associated with any material acquisitions by the Group in the future.

The Group may consider expanding its business by acquiring certain interests in other companies. During the course of these transactions, the Group will conduct due diligence investigations with respect to the target companies, but the due diligence with respect to any acquisition opportunity may not reveal all relevant facts that are necessary or useful in evaluating such opportunity, which could subject the Group to unknown financial, legal and other risks and liabilities. When determining the consideration for any acquisition, the Group will consider various factors, including but not limited to the quality of the target business, estimated costs associated with the acquisition and the management of the target business, prevailing market conditions and intensity of competition. The Group will also face various issues arising from the acquisition after the relevant transaction is completed, such as integration of the business into its operations and allocation of internal resources. There can be no assurance that the Group will be able to address these issues effectively.

In addition, any major acquisition or transaction of similar nature may consume substantial management attention and financial resources of the Group or even cause the Group to incur significant indebtedness. Any material decrease in its financial resources may limit the Group's ordinary operating activities and increase pressure on its liquidity, and in turn could adversely affect its business, financial condition and results of operations.

The Group is unable to predict whether there will be any target suitable for acquisition or when any suitable acquisition opportunities could arise. In the event that the Group enters into any letter of intent or

agreement for any material acquisition after the issue of the Bonds, the market price and the trading volume of the Bonds may be adversely affected.

The Group may not be able to execute successfully or fully its business strategy with respect to assets, projects or subsidiaries in which the Guarantor has minority interests.

The Group may not be able to execute successfully or fully its business strategy with respect to assets, projects or subsidiaries in which the Guarantor has minority interests. The Group may also fail to manage such assets, projects or subsidiaries effectively. The Group's involvement with such assets, projects and subsidiaries is generally subject to the terms of applicable agreements and arrangements. The Group may not have any board representation, veto power or power to exercise control over the management, policies, business and affairs of certain of its subsidiaries in which the Guarantor does not have majority interests.

In addition, the Group conducts some of its business activities through joint venture companies. The Group may conduct more business activities through joint venture companies. The Group generally enters into such joint ventures where the Guarantor believes that the Group is able to benefit from the strong industry insight and experience of its partners. If any of the other equity owners or the Group's partners fail to perform their respective obligations or otherwise breach the terms and conditions of the Group's shareholding arrangements or joint venture agreements, or if the Group has different views or strategies with its partners, it could have a material adverse effect on the Group's business, financial condition or results of operations.

The Group engages in related party transactions with its associates and joint ventures from time to time which may create potential conflicts of interest.

The Group has engaged in and will continue to engage in a variety of transactions with its associates and joint ventures. There can be no assurance that those transactions would be deemed as arm's-length or the Group's related parties will not take actions that favour their interests over the Group's. If a borrower defaults on any borrowings guaranteed by the relevant Group's member, the relevant lender may exercise its right under the guarantee to demand repayment from the Group, which may result in a funding shortage at the Group level. The internal control regarding the management of various related party transactions can be also challenging and demanding for the Group. Failure to adequately control and manage its related party transaction could have an adverse effect on the Group's business, financial condition or results of operations.

The Group's ability to generate cash to service its indebtedness depends on many factors beyond its control.

The Group's ability to make payments on and to refinance its indebtedness, including the Bonds, and to fund planned capital expenditures and project development will depend on the Group's ability to generate cash. This, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Group's control. For the years ended 31 December 2018, 2019 and 2020, the Group incurred net cash outflow in operating activities of approximately RMB3.9 billion, RMB7.2 billion and RMB9.9 billion, respectively. There can be no assurance that the Group may generate sufficient cash flow from its operations to enable it to pay its indebtedness, including the Bonds, or to fund the Group's other liquidity needs. The Group may need to refinance all or a portion of its indebtedness, including the Bonds, on or before maturity. However, the Group may not be able to refinance any of its indebtedness, including the Bonds, on commercially reasonable terms or at all. If the Group is unable to service its indebtedness or obtain refinancing on terms acceptable to the Group, it may be forced to adopt an alternative strategy that may include reducing or delaying capital expenditures, disposal of assets or seeking equity capital. These strategies may not be instituted on satisfactory terms, if at all.

The Group is subject to extensive regulatory requirements and the non-compliance of which would materially and adversely affect the Group's financial condition and results of operations.

The Group is subject to extensive laws, policies and regulatory requirements issued by the relevant governmental authorities in the PRC and other jurisdictions, including but not limited to safety and health regulations Any breach of the laws or regulations to which the Group is subject may result in the imposition of fines and penalties, the suspension or closure of its relevant operations or the suspension or revocation of its licences or permits to conduct its relevant businesses.

Given the magnitude and complexity of the laws and regulations to which the Group is subject to, compliance with such laws and regulations or the establishment of effective monitoring systems may be onerous or require a significant amount of financial and other resources. As at 31 December 2020, the Group had not received any notice regarding any material non-compliance with the applicable safety regulations or requirements from any government authority. Although the Group is obliged to comply with all applicable laws and regulations, there can be no assurance that the Group will be in compliance at all times. Any failure to comply with applicable laws and regulations could subject the Group to, among other things, civil and administrative liabilities and penalties.

In addition, PRC laws and regulations are constantly evolving. There can be no assurance that the PRC government will not impose additional or stricter laws or regulations, which may increase compliance costs of the Group and in turn, materially affect the Group's financial condition.

The Group requires various approvals, permits and licences to operate its businesses.

Pursuant to the applicable laws and regulations in the PRC, the Group is required to obtain or renew approvals, permits and licences with respect to its relevant operations. Some members of the Group may not be able to obtain all requisite permits and qualifications to conduct the businesses described in their business licences or may not register the property rights for their assets with the relevant authorities. There can be no assurance that the Group will be able to obtain or renew all necessary approvals, permits and licences on a timely basis or at all. Failure to comply with the applicable laws and regulations or the inability to obtain the relevant approvals, permits and licences could expose the Group to the imposition of sanctions, fines, penalties, revocation of licence or other punitive actions, including suspension of the Group's business operations or restrictions or prohibitions on certain of the Group's business activities, which may adversely affect the Group's financial condition and results of operations.

Non-compliance with environmental regulations, including those to be implemented in the future, may result in material adverse effects on the Group's results of operations.

A variety of general and industry-specific PRC environmental laws and regulations apply to the Group's operations such as damage caused by air emissions, noise emissions, waste water discharges, waste pollution and solid and hazardous waste handling and disposal. Costs and liabilities relating to compliance with applicable environmental laws and regulations are an inherent part of the Group's business operations. These laws can impose liability for non-compliance or clean up liability on the generation of hazardous waste and other substances from the Group's business operations that are disposed of either on or off-site, regardless of fault or the legality of the disposal activities. The Group may also be required to investigate and remedy contamination at its properties or where the Group conducts operations, including contamination that was caused in whole or in part by previous owners of properties.

In addition, environmental laws and regulations are becoming increasingly stringent and may in the future impose onerous obligations on the Group or significant penalties for non-compliance. While the Guarantor intends to comply with applicable environmental legislation and regulatory requirements, it is possible that such compliance may materially restrict the operation of its business and/or result in significant costs for the Group.

In addition to potential clean-up liability, the Group may become subject to monetary fines and penalties for violation of applicable environmental laws, regulations or administrative orders. This may result in closure or temporary suspension or the imposition of restrictions on the Group's operations. The Group may become involved in legal proceedings that may require it to pay fines, comply with more rigorous standards or incur capital and operating expenses for environmental compliance. Third parties may sue the Group for damages and costs resulting from environmental contamination from its properties and/or production facilities. There can be no assurance that changes in laws or regulations, in particular environmental laws and regulations, will not result in the Group having to incur substantial capital expenditure to upgrade or supplement its existing facilities or becoming subject to any fines or penalties for any non-compliance. If the Group were to incur significant fines or penalties or become involved in protracted litigation, or if any of its facilities are closed down or required to be temporarily suspended or if any upgrade is required to comply with the applicable laws and regulations, then the Group's financial condition and results of operations may be adversely affected.

Future changes in laws, regulations or enforcement policies in the PRC could adversely affect the Group's business.

Laws, regulations and enforcement policies in the PRC, including those regulating the aluminum industry and the textile apparel industry are evolving and are subject to future changes. These changes could adversely impact the Group's business operations. In addition, different regulatory authorities may have different interpretation and enforcement of the policies affecting the industries in which the Group operates, which requires companies to meet policies requirements issued by the relevant regulatory authorities from time to time, and obtain applicable approvals and complete filings in accordance with the relevant regulatory authorities' interpretation and enforcement of such policies.

If applicable laws and regulations change adversely or the relevant regulatory authorities change their interpretation or enforcement of relevant policies in the future, the Group may be required to obtain further approvals or meet other additional regulatory requirements. In addition, if there are any future changes in applicable laws, regulations, administrative interpretations or regulatory documents, or stricter enforcement policies by the relevant PRC regulatory authorities, more stringent requirements could be imposed on the industries in which the Group is currently operating. Compliance with such new requirements could impose substantial additional costs or otherwise have a material adverse effect on the Group's business, financial condition and results of operations. In addition, if the Group fails to meet such new rules and requirements relating to approval, construction, environmental or safety compliance of its operations, the Group may be ordered by the relevant PRC regulatory authorities to change, suspend construction of or close the relevant production facilities. Alternatively, these changes may also relax some requirements, which could be beneficial to the Group's competitors or could lower market entry barriers and increase competition. As a result, the Group's business, financial condition and results of operations could be materially and adversely affected.

The Group is not insulated from the rising operating costs of labour, prices of raw materials and construction materials and construction equipment.

As a result of economic growth in the PRC, wages for workers and the prices of raw materials have undergone substantial increases in recent years. In addition, the Labour Contract Law of the PRC (the "**Labour Contract Law**") which came into effect on 1 July 2013 enhanced the protection for employees and increased the liability of employers in many circumstances, which may further increase the Group's labour costs. The Group bears the risk in respect of fluctuations in wages and the price of raw materials, and is also exposed to the price volatility of production equipment used in the production procedures. If the Group is unable to pass on any increase in the cost of labour, raw materials and construction equipment to its customers or contractual parties, its results of operations may be negatively affected. There can be no assurance as to the future price movements of any raw materials required by the Group and any detrimental movements in the future could have a material adverse effect on the Group's financial condition and results of operations.

The Group is subject to production risks and cost overruns, and delays may adversely affect its results of operations.

There are a number of financing, operating and other risks inherently associated with aluminum production and textile apparel production in the PRC. Production of aluminum and textile apparel products that the Group undertakes typically require substantial capital expenditure during the production procedure. The time taken and the costs involved in production can be adversely affected by many factors, including shortages of raw materials, equipment and labour, adverse weather conditions, natural disasters, terrorism, labour disputes, disputes with subcontractors, accidents, changes in governmental priorities and other unforeseen circumstances. Any of these events could give rise to delays in the completion of the Group's production which in turn could lead to cost overruns. Production delays can result in loss of operating income. In addition, as production costs for new business have generally increased due to factors that are generally beyond the Group's control, production delays may further increase such costs. Although the majority of the Group's production activities have been completed on schedule, there can be no assurance that this will remain the case or that future production activities will be completed on time, or at all, and generate satisfactory returns.

Labour shortages or labour disputes could materially and adversely affect the Group's business, prospects and results of operations.

The Group relies on extensive labour to carry out its production activities primarily for aluminum and textile apparel. As such, labour shortages or labour disputes could materially and adversely affect the Group's business, prospects and results of operations. Industrial action or other labour unrest could directly or indirectly prevent or hinder the construction progress, and, if not resolved in a timely manner, could lead to delays in completing the Group's projects.

Any failure to maintain an effective quality control system could have an adverse effect on the Group's business and operations.

The Group relies heavily on its quality control systems to ensure the safety and quality of its production. Therefore it needs to maintain an effective quality control system for the Group's production activities as well as other operational activities. The effectiveness of the Group's quality control system depends significantly on a number of factors, including the design of the system, the related training programme as well as its ability to ensure that the Group's employees adhere to its quality control policies and guidelines. Any failure or deterioration of the Group's quality control systems could result in defects in its production, which in turn may subject the Group to contractual, product liability and other claims. Any such claims, regardless of whether they are ultimately successful, could cause the Group to incur significant costs, harm its business reputation and result in significant disruption to its operations. In addition, if any such claims were ultimately successful, the Group could be required to pay substantial monetary damages or penalties. Although the Guarantor believes that the Group's quality control systems have functioned properly, there can be no assurance that failures in its quality control systems will not occur in the future, and any such failure could have an adverse effect on the Group's business and operations.

The Group is exposed to interest rate risk.

Interest rate fluctuations may influence the Group's financial performance. Any changes in the prevailing interest rates may impact the Group's borrowing costs as a portion of the Group's borrowings bear floating interest rates. The Group may be susceptible to interest rate volatility if it is unable to match its floating rate liabilities with floating rate payments or secure appropriate hedges for the same.

While the Group's exposure to interest rate volatility may be hedged through the use of interest rate swaps and interest caps, the magnitude of the final exposure depends on the effectiveness of the hedge. There can be no assurance that fluctuations in interest rates will not have an adverse effect on the Group's earnings or cash flows. If any of the various instruments and strategies which the Group uses to hedge its exposure to interest rate risk are or become ineffective, the Group may incur significant losses, which could have a material adverse effect on the Group's financial position and results of operations.

The Group may be subject to risks related to tax law changes.

On 23 March 2016, MOF and SAT issued the Circular of Full Implementation of Business Tax to Value-added Tax Reform (財政部、國家税務總局關於全面推開營業税改徵增值税試點的通知) ("**Circular 36**"), which stipulates that, as at 1 May 2016, all payers of business tax, including taxpayers engaged in the construction and real estate industries, shall be included in the scope of the pilot programme and subject to value-added tax ("**VAT**") instead of business tax. Circular 36 may have an impact on the Group's business model as it may increase the tax burden of the Group. On 4 April 2018, MOF and SAT issued the Notice of the Ministry of Finance and the State Administration of Taxation on Adjusting Value-added Tax Rates (財政部、税務總局關於調整增值税税率的通知) ("**Circular 32**"), which stipulates that the tax rate for provision of construction services and transfer of land use rights shall be reduced from 11 per cent. to 10 per cent. from 1 May 2018 onwards.

In addition, on 20 March 2019, MOF, SAT and the General Administration of Customs issued the Announcement on Relevant Policies for Deepening Value-Added Tax Reform (關於深化增值税改革有關政策的公告) ("**Circular 39**"), which stipulates that the tax rate for provision of construction services and transfer of land use rights shall be reduced from 10 per cent. to 9 per cent. from 1 April 2019 onwards.

As Circular 36, Circular 32 and Circular 39 are relatively new and given the limited volume of published decisions relating to their application, there are uncertainties as to the interpretation and enforcement of Circular 36, Circular 32 and Circular 39 and/or any tax-related laws and regulations which may be promulgated in the future from time to time. These tax law changes and the related uncertainties may have a material adverse effect on the Group's operating income and could in turn materially and adversely affect the Group's business, financial condition and results of operations.

The Group may be subject to legal, litigation and regulatory proceedings.

The Group may be involved, from time to time, in legal proceedings arising in the ordinary course of its operations. Please see "*Description of the Group – Legal and Regulatory Proceedings*" for further information. Litigation arising from any failure, injury or damage from the Group's operations may result in the relevant member of the Group being named as defendant in lawsuits asserting large claims against such member of the Group or subject such member of the Group to significant regulatory penalties. These risks often may be difficult to assess or quantify and their existence and magnitude often remain unknown for a substantial period of time. Actions brought against the Group may result in settlements, injunctions, fines, penalties or other sanctions adverse to the Group's reputation, financial condition and results of operations. Even if the Group is successful in defending against these actions, the costs associated with the Group's defence may be significant. When the market experiences a downturn, the number of legal claims and amount of damages sought in litigations and regulatory proceedings may increase. A significant judgment, arbitration award or regulatory action against the Group, or a disruption in the Group's business arising from adverse adjudications in proceedings against the Group's directors, senior management or key employees, would materially and adversely affect the Group's liquidity, business, financial condition, reputation, results of operations and prospects.

In addition, the Group may have disagreements with regulatory bodies in the course of its operations, which may subject it to administrative proceedings and unfavourable decrees that result in liabilities. Also, in the event that the Group makes any other investments or acquisitions in the future, there can be no assurance that the Group would not have any exposure to any litigation or arbitration proceedings or other liabilities relating to the acquired businesses or entities.

The insurance coverage of the Group may not adequately protect it against all operational risks or any potential liabilities or losses.

The Group faces various operational risks in connection with its business, including but not limited to:

- production interruptions caused by operational errors, electricity outages, raw material shortages, equipment failure and other operational risks;
- operating limitations imposed by environmental or other regulatory requirements;
- defective quality of the aluminum and textile apparel products it produces;
- work-related personal injuries;
- credit risks relating to the performance of customers or other contractual third parties;
- disruption in the global capital markets and the economy in general;
- loss on investments;
- environmental or industrial accidents; and
- catastrophic events such as fires, earthquakes, explosions, floods or other natural disasters.

To manage operating risks, the Group maintains insurance policies that provide different types of risk coverage, which the Guarantor believes to be consistent with market practice within the relevant industries that the Group operates in and in amounts that the Guarantor believes to be adequate. However, the Group faces various risks in connection with its businesses and may lack adequate insurance coverage or may have no relevant insurance coverage. There can be no assurance that the insurance policies maintained by the Group will provide adequate coverage in all circumstances. Although each of the Group's facilities has had a track record of safe operation and none of them has suffered any material hazards over the last three years, there can be no assurance that hazards, accidents or mishaps will not occur in the future. The occurrence of any such incident for which the Group is uninsured or inadequately insured may have a material adverse effect on its business, financial condition and results of operations.

In addition, the Group may not always be able to obtain the type and amount of insurance at commercially reasonable rates. Over time, premiums and deductibles for insurance policies may substantially increase, and certain insurance policies could become unavailable or only available with reduced amounts of coverage. There are also certain types of losses, such as loss caused by wars, acts of terrorism or acts of God, business interruption, property risks and third party (public) liability, that are generally not covered by insurance policies as such events are deemed economically uninsurable. If the Group were to incur significant liability for which the Group is not insured or not fully insured, such liability could have a material adverse effect on its financial position and results of operations. In addition, any claims made under any insurance policies maintained by the Group may not be paid in a timely manner, or at all, and may be insufficient if such an event were to occur.

Failure to recruit and retain key managerial personnel, highly skilled employees and the occurrence of labour unrest may materially and adversely affect the Group's operations.

The success of the Group's business depends, to a large extent, on the strategic vision of its board of directors, the continued service of key managerial personnel including directors and key senior executives and the ability to attract and retain highly skilled personnel such as engineers. If the Group is not successful in recruiting or retaining its employees, its operations may be adversely affected. In addition, if any of them fails to observe and perform their obligations under their service agreements, or any labour unrest may cause disruption to the operations of the Group which, coupled with any increase in labour costs resulting from such dispute, may have a material adverse effect on the Group's results of operations and profits. Although the Group has not experienced any major labour disputes, there can be no assurance that the Group will not experience such disputes in the future.

The Group may not be able to detect and prevent fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties.

The Group may be exposed to fraud or other misconduct committed by its employees, representatives, agents, customers or other third parties that could subject it to financial losses and sanctions imposed by governmental authorities, which in turn affects its reputation. These misconducts could include:

- hiding unauthorised or unsuccessful activities, resulting in unknown and unmanaged risks or losses;
- intentionally concealing material facts, or failing to perform necessary due diligence procedures designed to identify potential risks, which are material to the Group in deciding whether to make investments or dispose of assets;
- improperly using or disclosing confidential information;
- recommending products, services or transactions that are not suitable for the Group's customers;
- misappropriation of funds;
- conducting transactions that exceed authorised limits;
- engaging in misrepresentation or fraudulent, deceptive or otherwise improper activities when marketing or selling products;
- engaging in unauthorised or excessive transactions to the detriment of the Group's customers;
- making or accepting the bribery activities;
- conducting any inside dealing; or
- otherwise not complying with applicable laws or the Group's internal policies and procedures.

In particular, the Group is required to comply with applicable anti-money laundering, anti-terrorism laws and other regulations in the PRC, Hong Kong and other relevant jurisdictions.

The Group's internal control procedures are designed to monitor its operations and ensure overall compliance. In particular, the Group has adopted policies and procedures aimed at detecting and preventing the use of its business platforms to facilitate money laundering activities and terrorist acts. However, such internal control procedures may be unable to identify all incidents of non-compliance or

suspicious transactions in a timely manner if at all. In addition, it is not always possible to detect and prevent fraud and other misconduct, and the precautions undertaken by the Group to prevent and detect such activities may not be effective. There can be no assurance that fraud or other misconduct will not occur in the future. If such fraud or other misconduct does occur, it may cause negative publicity as a result and the relevant government agencies may freeze its assets or impose fines or other penalties on the Group. Any of these may materially and adversely affect the Group's reputation, financial condition and results of operations.

The Group relies on information technology systems for its business and any information technology system limitations or failures could adversely affect its business, financial condition and results of operations.

The Group's business depends on the integrity and performance of its business, accounting and other data processing systems. If the Group's systems cannot cope with increased demand or otherwise fail to perform, the Group could experience unanticipated business disruptions, slower response times and limitation on its ability to monitor and manage data and risk exposure, control financial and operation conditions, and keep accurate records. These consequences could result in operating outages, poor operating performance, financial losses, and potential intervention by regulatory authorities.

Although the Group's systems had not experienced major system failures and delays in the past, there can be no assurance that the Group's systems would not experience future system failures and delays, or the measures taken by the Group to reduce the risk of system disruptions are effective or adequate. If internet traffic and communication volume increase unexpectedly or other unanticipated events occur, the Group may need to expand and upgrade the Group's technology, systems and network infrastructure. There can be no assurance that the Group will be able to accurately project the rate, timing or cost of any increases, or expand and upgrade the Group's systems and infrastructure to accommodate any increases in a timely manner.

The Group may not be able to adequately protect its intellectual property, which could adversely affect its business operations.

The Group relies on a combination of patents, copyrights, trademarks and contractual rights to protect its intellectual property. There can be no assurance that any protective measures adopted by the Group will be sufficient to prevent any misappropriation of the Group's intellectual property. The legal regime governing intellectual property in the PRC is still evolving and the level of protection afforded in respect of intellectual property rights in the PRC differs from those in other jurisdictions. In the event that the measures taken by the Group and the protection afforded by law do not adequately safeguard the Group's proprietary technology or property, the Group could suffer significant losses due to the sales of competing products or services that appoints the Group's intellectual property which in turn could adversely affect its business, financial condition and results of operations.

Changes in the organisational structure of the Group may affect the Group's financial condition and results of operations.

The Group may undergo certain organisational restructuring from time to time which may involve disposal by the Guarantor of certain subsidiaries or affect whether certain subsidiaries of the Guarantor will be consolidated in the Guarantor's consolidated financial statements. In addition, the Guarantor may issue shares to entities other than the existing shareholders which would in turn dilute the existing shareholders' existing shareholding in the Guarantor's registered share capital. There can be no assurance that any such organisational restructuring or changes in the Guarantor's shareholding structure will not have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Members of the Group may become listed and therefore may be subject to regulatory restrictions and listing requirements and the Guarantor's shareholding or voting interests in such subsidiaries may be diluted.

The shares of one or more members of the Group may become listed on one or more stock exchanges. As a result, the entering into certain transactions by any such member may be subject to various regulatory restrictions. Intra-group transactions may also be subject to applicable listing requirements, such as the issuance of press notices and public announcements, the obtaining of independent shareholders' approval at general meetings and/or disclosure in annual reports and accounts. Members with funding needs may therefore not be able to obtain financial support from the Group in a timely manner, or at all.

In addition, in the event that the shares of one or more subsidiaries of the Guarantor become listed on a stock exchange, the Guarantor's shareholding or voting interests in such subsidiaries may be diluted. There can be no assurance that any such dilution in shareholding or voting interests will not have a material adverse effect on the Group's business, financial condition and results of operations.

RISKS RELATING TO DOING BUSINESS IN THE PRC

The Group's business, financial condition, results of operations and prospects could be adversely affected by slowdown in the PRC economy.

The Group's businesses are primarily concentrated in the Longkou City in the Shandong Province and substantially all of the Group's assets are located in the PRC and most of the Group's operating income is derived from its operating activities in the PRC. Therefore, the performance of the PRC economy affects, to a significant degree, the Group's business, prospects, financial condition and results of operations.

In 2015, the PRC government adopted intensive reforms with the primary aim of restructuring and rebalancing the PRC economy towards a more sustainable model by focusing more on domestic consumption and away from investment and export fueled growth.

In recent years, as a result of recurring liquidity tightening in the banking system, alternative lending and borrowing outside of traditional banking practices, generally known as "shadow banking", has grown to become an integral and significant aspect of the PRC economy. Such alternative lending is loosely regulated and has led to an increase in the PRC's debt levels leading to concerns over rising bad debts and financial problems. As some of the funds obtained from shadow banking are being used for investments in speculative and risky products, should a widespread default on such investments occur, this could harm the growth prospects of the PRC economy. In 2014, there were reports of a number of shadow banking defaults in the PRC resulting in increased scrutiny and oversight by regulators who have proposed draft rules to control the industry. Even if the PRC government increases regulation over such alternative lending and borrowing, there can be no assurance that such regulations will be successful, or that they would not have an adverse impact on the overall loan markets and liquidity in the PRC, which will negatively impact the PRC economy. Although the PRC government has taken several measures with the intention of increasing investor confidence in the PRC economy, there can be no assurance that such measures will be effective. There can be no assurance that the PRC government will not implement any reforms which may conflict with such targeted growth. The Group's business, financial conditions and results of operations could be adversely affected by the PRC government's inability to effect timely economic reforms.

Any slowdown in the PRC economy may increase the Group's exposure to material losses from its investments, decrease the opportunities for developing the Group's businesses, create a credit tightening environment, increase the Group's financing costs, or reduce government subsidies to the Group, any of which may result in a material adverse effect on the Group's business, results of operations and financial condition.

Economic, political and social conditions in the PRC and government policies could affect the Group's business and prospects.

The PRC economy differs from the economies of developed countries in many respects, including, among other things, level of government involvement, level of economic development, growth rate, foreign exchange controls and resource allocation.

The PRC economy is in the process of transitioning from a centrally planned economy to a more market-oriented economy. For more than three decades, the PRC government has implemented various economic reform measures to utilise market forces in the development of the PRC economy. In addition, the PRC government continues to play a significant role in regulating certain industries and the economy through numerous policy measures. The Group cannot predict whether changes in the nation's economic, political or social conditions or in any laws, regulations and policies will adversely affect its business, financial condition or results of operations.

In addition, many of the economic reforms carried out by the PRC government are unprecedented or experimental and are expected to be refined and improved over time. Other political, economic and social factors may also lead to further adjustments of the reform measures. This refining and adjustment process may not necessarily have a positive effect on the Group's operations and business development.

The Group's business, financial condition and results of operations may be adversely affected by:

- changes in PRC political, economic and social conditions;
- changes in policies of the PRC government, including changes in policies in relation to the Group's business segments;
- changes in laws and regulations or the interpretation of laws and regulations;
- measures that may be introduced to control inflation or deflation;
- changes in the rate or method of taxation;
- the imposition of additional restrictions on currency conversion and remittances abroad; and
- a reduction in tariff protection and other import restrictions.

If the PRC's economic growth slows down or if the PRC economy experiences a recession, the Group's business, results of operations and financial condition could be materially and adversely affected.

The operations of the Group may be affected by inflation and deflation within the PRC.

Economic growth in the PRC has historically been accompanied by periods of high inflation. Increasing inflation rates were caused by many factors beyond the Group's control, such as rising production and labour costs, high lending levels, changes in national and foreign governmental policies and regulations as well as movements in exchange rates and interest rates. It is impossible to accurately predict future inflationary trends. If inflation rates rise beyond the Group's expectations, the Group may be unable to increase the price of its services and products in amounts that are sufficient to cover its increasing operating costs. Further inflationary pressures within the PRC may have a material adverse effect on the Group's business, financial condition or results of operations.

Recently, concerns have arisen over deflationary pressures in the PRC as a result of weak domestic demand and a slowing economy. Inflation rates within the PRC have been on a downward trend in recent years. A prolonged period of deflation may result in falling profits, closure of plants and shrinking employment and incomes by companies and individuals, any of which could adversely affect the Group's business, financial condition or results of operations.

The PRC legal system is evolving and may cause uncertainty which could limit the legal protection available to or against the Group.

The Group is generally subject to laws and regulations of the PRC. The PRC legal system is based on written statutes. Prior court decisions may be cited for reference but they have limited precedential value. Since 1979, PRC legislation and regulations have significantly enhanced the protections afforded to market participants in the PRC. However, since these laws and regulations are relatively new and the PRC legal system continues to rapidly evolve, the enforcement of these laws, regulations and rules may be uncertain and their interpretation may not be as consistent or predictable as compared to other more developed jurisdictions. Such uncertainty may impede the Group's ability to enforce contracts that the Group has entered into with its investors, creditors, customers, suppliers and business partners. The Group cannot predict the effect of future developments in the PRC legal system or the integration of such developments under the legal systems of other jurisdictions, including the promulgation of new laws, changes to existing laws or the interpretation or enforcement thereof, the pre-emption of local regulations by national laws, or the overturn of local government's decisions by itself, provincial or national governments. This uncertainty may limit legal protections available to or against the Group. In addition, any litigation in the PRC may be protracted and could result in substantial costs and may divert the Group's resources or management's attention, all of which could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

Certain PRC regulations governing PRC companies are less developed than those applicable to companies incorporated in more developed countries.

Substantially all members of the Group are established in the PRC and are subject to PRC regulations governing PRC companies. These regulations contain certain provisions that are required to be included in the joint venture contracts, articles of association and all other major operational agreements of these PRC companies and are intended to regulate the internal affairs of these companies. These regulations in general, and the provisions for protection of shareholders' rights and access to information in particular, are less developed than those applicable to companies incorporated in Hong Kong, the United States, the United Kingdom and other developed countries or regions.

It may be difficult to effect service of process upon, or to enforce against, the Guarantor or its directors or members of the Guarantor's senior management who reside in the PRC in connection with judgments obtained in non-PRC courts.

Substantially all of the Group's assets and the Group's members are located in the PRC. In addition, substantially all of the assets of the Guarantor's directors and the members of its senior management may be located within the PRC. Therefore, it may not be possible for investors to effect service of process upon the Guarantor or its directors or members of its senior management inside the PRC. The PRC has not entered into treaties or arrangements providing for the recognition of judgment made by courts of most other jurisdictions.

On 14 July 2006, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements Between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排) (the "**Choice of Court Arrangement**"), pursuant to which a party with a final court judgment

rendered by a Hong Kong court requiring payment of money in a civil and commercial case according to a "choice of court" agreement in writing may apply for recognition and enforcement of the judgment in the PRC. Similarly, a party with a final court judgment rendered by a PRC court requiring payment of money in a civil and commercial case pursuant to a "choice of court" agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A "choice of court" agreement in writing is defined as any agreement in writing entered into between parties after the effective date of the Choice of Court Arrangement in which a Hong Kong court or a PRC court is expressly designated as the court having sole jurisdiction for resolving the dispute. Therefore, it is not possible to enforce a judgment rendered by a Hong Kong court in the PRC if the parties in dispute do not enter into a "choice of court" agreement in writing. As a result, it may be difficult or impossible for investors to effect service of process against the Guarantor or the Guarantor's directors or members of its senior management in the PRC and/or to seek recognition and enforcement for foreign judgments in the PRC. On 18 January 2019, Hong Kong and the PRC entered into the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters between the Courts of the Mainland and of the Hong Kong Special Administrative Region (關於內地與香港特別行政區法院相互認可和執行民商事案件判決的安排) (the "**2019 Arrangement**"), which seeks to establish a bilateral legal mechanism with greater clarity and certainty for recognition and enforcement of judgments in a wider range of civil and commercial matters between the courts of Hong Kong and the PRC. The 2019 Arrangement will be implemented by local legislation in Hong Kong and will take effect after both Hong Kong and the PRC have completed the necessary procedures to enable implementation and shall apply to judgments made by the courts of Hong Kong and the PRC on or after the date of the commencement of the 2019 Arrangement. Upon commencement of the 2019 Arrangement, the Choice of Court Arrangement shall be terminated, except for "choice of court" agreements in writing made between parties before the commencement of the 2019 Agreement, in which case the Choice of Court Arrangement shall continue to apply. However, the recognition and enforcement of judgments rendered by a Hong Kong court in the PRC are subject to the provisions, limits, procedures and other terms and requirements of the 2019 Arrangement. There can be no assurance that investors can successfully effect service of process against the Guarantor or the Guarantor's directors or members of its senior management in the PRC and/or to seek recognition and enforcement for judgments rendered by a Hong Kong court in the PRC.

Furthermore, the PRC does not have treaties or agreements providing for the reciprocal recognition and enforcement of judgments awarded by courts of the United States, the United Kingdom, or most other European countries or Japan. Hence, the recognition and enforcement in the PRC of judgment of a court in any of these jurisdictions in relation to any matter not subject to a binding arbitration provision may be difficult or even impossible.

The payment of dividends by the Guarantor's operating subsidiaries in the PRC is subject to restrictions under the PRC law.

The Guarantor operates some of its businesses through its operating subsidiaries in the PRC. The PRC laws require that dividends be paid only out of net profit, calculated according to the PRC accounting principles, which differ from generally accepted accounting principles in other jurisdictions. In addition, the PRC law requires enterprises set aside part of their net profit as statutory reserves before distributing the net profit for the current financial year. These statutory reserves are not available for distribution as cash dividends. Any legal restrictions on the availability and usage of dividend payments from the Guarantor's subsidiaries may impact the Group's ability to fund its operations and to service its indebtedness.

The Group is subject to restrictions on the remittance of Renminbi into and out of the PRC and governmental controls on currency conversion, and may be affected by the risks relating to fluctuations in exchange rates in the future.

The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and the remittance of currency out of PRC. Substantially all of the Group's operating income is denominated in Renminbi, a portion of which may need to be converted into other currencies in order to meet the Group's foreign currency obligations, such as payments of principal and interests under the Bonds or other foreign currency denominated debt, if any.

Under the existing PRC laws and regulations on foreign exchange, payments of current account items, including profit distributions, interest payments and trade and service related foreign exchange transactions, can be made in foreign currencies without prior approval from SAFE provided that certain procedural requirements are complied with. Approval from or registration with competent government authorities is required where Renminbi is to be converted into foreign currency and remitted out of the PRC to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may, at its discretion, take measures to restrict access to foreign currencies for current account and capital account transactions under certain circumstances. If the foreign exchange control system prevents the Group from obtaining sufficient foreign currencies to satisfy the Group's foreign currency demands, the Group may not be able to pay interests and/or principal to holders of the Bonds or other foreign currency denominated debt, if any. In addition, there can be no assurance that new laws or regulations will not be promulgated in the future that would have the effect of further restricting the remittance of Renminbi into or out of the PRC.

The proceeds from the offering of the Bonds will be received in U.S. dollars. As a result, any appreciation of Renminbi against the U.S. dollar or any other foreign currencies may result in the decrease in the value of the Group's foreign currency-denominated assets and the Group's proceeds from the offering of the Bonds. Conversely, any depreciation of Renminbi may adversely affect the Group's ability to service the Bonds.

The value of Renminbi against the U.S. dollar and other foreign currencies is subject to changes in the PRC's policies, as well as international economic and political developments. On 21 July 2005, the PRC government adopted a more flexible managed floating exchange rate system to allow the value of Renminbi to fluctuate within a regulated band that is based on market supply and demand with reference to a basket of currencies. From 21 July 2005 to 17 March 2014, the floating band of interbank spot foreign exchange market trading price of Renminbi against the U.S. dollar was gradually widened from 0.3 per cent. to 2 per cent. On 11 August 2015, PBOC adjusted the mechanism for market makers to form the central parity rate by requiring them to consider the closing exchange rate of the last trading date, the supply and demand of foreign exchange and the rate change at primary international currencies. On 11 December 2015, the China Foreign Exchange Trade System, a sub-institutional organisation of PBOC, published the China Foreign Exchange Trade System (CFETS) Renminbi exchange rate index for the first time which weighs the Renminbi based on 13 currencies, to guide the market in order to measure the Renminbi exchange rate from a new perspective. Although starting from 1 October 2016, Renminbi has been added to the Special Drawing Rights basket created by the International Monetary Fund, there can be no assurance that the PRC government will continue to gradually liberalise the control over cross-border Renminbi remittances in the future, that any pilot schemes for Renminbi cross-border utilisation will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting the remittance of Renminbi into or outside the PRC.

In addition, the value of Renminbi has depreciated significantly against the U.S. dollar since the end of 2015 and there can be no assurance that the Renminbi will not experience significant depreciation or appreciation against the U.S. dollar or against any other currency in the future. Furthermore, the Group is required to obtain SAFE's approval before converting significant amounts of foreign currencies into

Renminbi. As a result, any significant increase in the value of Renminbi against foreign currencies could reduce the value of the Group's foreign currency-denominated revenue and assets and could materially and adversely affect the Group's business, financial condition, results of operations and prospects.

The enforcement of the Labour Contract Law and other labour-related regulations in the PRC may adversely affect the Group's business and results of operations.

On 28 December 2012, the PRC government enacted the Labour Contract Law, which became effective on 1 July 2013. The Labour Contract Law establishes additional restrictions and increases the cost to employers upon termination of employees, including specific provisions related to fixed-term employment contracts, temporary employment, probation, consultation with the labour union and employee general assembly, employment without a contract, dismissal of employees, compensation upon termination and overtime work, and collective bargaining. According to the Labour Contract Law, an employer is obligated to sign an unlimited term labour contract with an employee if the employer continues to employ the employee after two consecutive fixed term labour contracts. The employer must also pay compensation to employees if the employer terminates an unlimited term labour contract unless an employee refuses to extend the labour contract with the employee under the same terms or better terms than those in the original contract. Further, under the Regulations on Paid Annual Leave for Employees which became effective on 1 January 2008, employees who have served more than one year with an employer are entitled to a paid vacation ranging from five to 15 days, depending on their length of service. Employees who waive such vacation time at the request of employers shall be compensated at three times their normal salaries for each waived vacation day. Under the National Leisure and Tourism Outline 2013-2020, which became effective on 2 February 2013, regulations on paid annual leave of employees shall have been implemented on a general basis by 2020. As a result of these protective labour measures or any additional future measures, the Group's labour costs may increase. There can be no assurance that any disputes, work stoppages or strikes will not arise in the future.

RISKS RELATING TO FINANCIAL AND OTHER INFORMATION

The Guarantor's audited consolidated financial statements have been prepared and presented in accordance with PRC GAAP, which is different from IFRS in certain respects.

The Guarantor's audited consolidated financial statements s included in this Information Memorandum have been prepared and presented in accordance with PRC GAAP. PRC GAAP is substantially in line with IFRS, except for certain modifications which reflect the PRC's unique circumstances and environment. Please see "*Description of Certain Differences between PRC GAAP and IFRS*" for details. Each investor should consult its own professional advisers for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

Historical consolidated financial information of the Group is not indicative of its current or future results of operations.

The historical financial information of the Group included in this Information Memorandum is not indicative of its future financial results. Such financial information is not intended to represent or predict the Group's results of operations of any future periods. The Group's future results of operations may change materially if its future growth deviates from the historical trends for various reasons, including factors beyond its control, such as changes in economic environment or government policies, PRC rules and regulations applicable to the Guarantor's businesses and the competitive landscape of the industries in which the Group operates its businesses. The Group may also acquire businesses or companies or dispose of its members or assets from time to time in accordance with the Group's business objectives. Period-to-period comparisons of the Group's historical operating results must be evaluated in light of the impact of any such transactions.

The Guarantor published and may continue to publish periodical financial information in the PRC pursuant to applicable PRC regulatory rules. Investors should be cautious and not place any reliance on the financial information other than that disclosed in this Information Memorandum.

The Guarantor from time to time issues debt securities in the domestic capital markets in the PRC. According to applicable PRC securities regulations on debt capital markets, the Guarantor needs to publish its quarterly, semi-annual and annual financial information to satisfy its continuing disclosure obligations relating to its debt securities issued in the domestic capital markets. After the Bonds are issued, the Guarantor is obligated by the terms of the Bonds, among others, to provide holders of the Bonds with its audited financial statements and certain unaudited periodical financial statements. The quarterly and semi-annual financial information published by the Group in the PRC is normally derived from the Group's management accounts which have not been audited or reviewed by independent auditors. Accordingly, such financial information published in the PRC should not be referred to or relied upon by potential purchasers to provide the same quality of information associated with any audited or reviewed information. The Guarantor makes no representation to and is not responsible to holders of the Bonds for the unaudited and unreviewed financial information from time to time published in the PRC and therefore investors should not place any reliance on any such financial information.

Certain facts and statistics in this Information Memorandum are derived from publications not independently verified by the Issuer, the Guarantor, the Placing Agents, the Trustee, the Agents or their respective advisers.

This Information Memorandum contains facts and statistics relating to the economy of the PRC, the Longkou City and the industries in which the Group operates. While the Issuer and the Guarantor have taken reasonable care to select reliable information sources and ensure that the facts and statistics relating to the PRC, the Longkou City and the industries in which the Group operates presented are accurately extracted from such sources, such facts and statistics have not been independently verified by the Issuer, the Guarantor, the Placing Agents, the Trustee, the Agents or any of their respective directors, officers, employees, agents, advisers, affiliates or representatives and, therefore, none of them makes any representation as to the accuracy of such facts and statistics, which may not be consistent with other information compiled within or outside the PRC. Due to ineffective calculation and collection methods and other problems, the facts and statistics herein may be inaccurate or may not be comparable to facts and statistics produced for other economies and should not be unduly relied upon.

There may be limited publicly available information about the Issuer and the Guarantor than is available in certain other jurisdictions.

As the Issuer and the Guarantor are both private companies, there may be less publicly available information about the Issuer and the Guarantor than is regularly made available by public companies in certain other jurisdictions.

RISKS RELATING TO THE BONDS AND THE GUARANTEE

The Bonds and the Guarantee are unsecured obligations.

The Bonds and the Guarantee are unsecured obligations of the Issuer and the Guarantor, respectively. The repayment of the Bonds and payment under the Guarantee may be adversely affected if:

- the Issuer or the Guarantor enters into bankruptcy, liquidation, reorganisation or other winding-up proceedings;there is a default in payment under the Issuer's or the Guarantor's future secured indebtedness or other unsecured indebtedness; or

- there is an acceleration of any of the Issuer's or the Guarantor's indebtedness.

If any of these events were to occur, the Issuer's or the Guarantor's assets may not be sufficient to pay amounts due on the Bonds.

The Bonds may not be a suitable investment for all investors.

Each potential investor in any Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Information Memorandum;

- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, or where the currency for principal or interest payments is different from the potential investor's currency;

- understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and

- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Additionally, the investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities.

The Bonds are redeemable in the event of certain withholding taxes being applicable.

No assurances are made by the Issuer as to whether or not payments on the Bonds may be made without withholding of PRC taxes if the Issuer is treated as a PRC tax resident enterprise. Although pursuant to the Terms and Conditions of the Bonds the Issuer is required to gross up payments in respect of the Bonds on account of any such withholding taxes or deductions, the Issuer also has the right to redeem the Bonds at any time in the event it has or will become obliged to pay additional amounts on account of any existing or future withholding or deduction for any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Hong Kong, the PRC or any subdivision or authority therein or thereof having power to tax as a result of any change in, or amendment to, the laws or regulations of Hong Kong, the PRC or any subdivision or authority therein or thereof having power to tax, or any change in the application or official interpretation of, or the stating of an official position with respect to, such laws or regulations, which change, amendment or statement becomes effective or is announced, as the case may be.

The Issuer may not be able to meet its outstanding obligations under the Bonds.

The Issuer may (and at maturity, will) be required to redeem all of the Bonds. If such an event were to occur, the Issuer may not have sufficient cash on hand and may not be able to arrange financing to redeem the Bonds in time, or on acceptable terms, or at all. The ability to redeem the Bonds in such event may also be limited by the terms of other debt instruments. Failure to repay, repurchase or redeem tendered Bonds by or on behalf of the Issuer may constitute an event of default under the Bonds, which may also constitute a default under the terms of the Issuer's other indebtedness.

The Group may issue additional Bonds in the future.

The Group may, from time to time, and without prior consultation of the Bondholders create and issue further bonds (see "*Terms and Conditions of the Bonds – Further Issues*") or otherwise raise additional capital through such means and in such manner as the Group may consider necessary. There can be no assurance that such future issuance or capital raising activity will not adversely affect the market price of the Bonds.

Income or gains from the Bonds may be subject to income tax or value added tax ("VAT") under PRC tax laws.

The Issuer is incorporated under the laws of the Hong Kong. Pursuant to the Enterprise Income Tax Law of the PRC (the "**EIT Law**") and its implementation regulations, enterprises that are established under the laws of foreign countries and regions but whose "de facto management bodies" are within the PRC are treated as PRC tax resident enterprises for the purposes of the EIT Law. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "de facto management body" of the Issuer is within the PRC, the Issuer may be held to be a PRC tax resident enterprise for the purposes of the EIT Law and income or gains paid with respect to the Bonds may considered to be derived from sources within the PRC.

Under the EIT Law and its implementation rules, any income or gains realised by non-resident enterprises may be subject to PRC enterprise income tax if such income or gains are regarded as derived from sources within the PRC. Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. In the event the Issuer or Guarantor is deemed to be a PRC tax resident enterprise by the PRC tax authorities in the future, interest paid on the Bonds or Guarantee may be considered to be PRC source, in which case the Issuer or Guarantor, as the case may be, would be required to withhold income tax at a rate of 10 per cent. from payments of interest in respect of the Bonds to any non-resident enterprise Bondholders. Any capital gain realized by a non-resident enterprise from the transfer of the Bonds may be regarded as being derived from sources within the PRC and accordingly may be subject to a PRC tax of up to 10 per cent. if the Issuer is treated as a PRC tax resident. Pursuant to the Individual Income Tax Law of the PRC and its implementation regulations, if the Issuer or Guarantor is considered to be a PRC tax resident enterprise, the Issuer or Guarantor, as the case may be, may be obliged to withhold such individual income tax on payments of interests to non-resident individual Bondholders. Any capital gain realized by a non-resident individual Bondholder from transfer of the Bonds may also be regarded as being derived from sources within the PRC and be subject to PRC tax of up to 20 per cent. if the Issuer is a PRC tax resident enterprise.

According to the Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the "**Arrangement**") which was promulgated on 21 August 2006, Bondholders who are Hong Kong residents, including both enterprise Bondholders and individual Bondholders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds.

On 23 March 2016, MOF and the State Administration of Taxation of the PRC ("**SAT**") issued the Circular of Full Implementation of Business Tax to VAT Reform Caishui [2016] No. 36 ("**Circular 36**"), which introduced a new VAT from 1 May 2016. VAT is applicable where the entities or individuals provide services within the PRC. VAT is unlikely to apply to any transfer of Bonds between entities or individuals located outside of the PRC and therefore unlikely to apply to gains realised upon such transfers, but there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC. Circular 36 and laws and regulations pertaining to VAT are relatively new, and the interpretation and enforcement of such laws and regulations involve uncertainties.

If a Bondholder, being a non-resident enterprise or non-resident individual, is required to pay any PRC income tax or VAT on gains on the transfer of the Bonds, the value of the relevant Bondholder's investment in the Bonds may be materially and adversely affected.

Modifications and waivers may be made in respect of the Terms and Conditions of the Bonds and the Trust Deed by the Trustee or less than all of the Bondholders.

The Terms and Conditions of the Bonds provide that the Trustee may (but shall not be obliged to), without the consent of the Bondholders, agree to any modification of the Deed of Guarantee, the Trust Deed, the Terms and Conditions of the Bonds and/or the Agency Agreement which in the opinion of the Trustee will not be materially prejudicial to the interests of the Bondholders and to any modification of the Deed of Guarantee, the Trust Deed, the Terms and Conditions of the Bonds and/or the Agency Agreement which in the opinion of the Trustee is of a formal, minor or technical nature or is to correct a manifest error or to comply with any mandatory provision of applicable law. The Trustee may request and conclusively rely upon an officer's certificate or an opinion of counsel concerning the compliance with the above conditions in respect of any modification and amendments.

If the Issuer or the Guarantor is unable to comply with the restrictions and covenants in their respective debt agreements (if any), or the Bonds, there could be a default under the terms of these agreements, or the Bonds, which could cause repayment of the Issuer or the Guarantor's debt to be accelerated.

If the Issuer or the Guarantor is unable to comply with the restrictions and covenants in the Bonds, or current or future debt obligations and other agreements (if any), there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to the Issuer or the Guarantor, accelerate repayment of the debt, declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, those debt agreements may contain cross-acceleration or cross-default provisions. As a result, the default by the Guarantor under one debt agreement may cause the acceleration of repayment of debt or result in a default under its other debt agreements, including the Bonds. If any of these events occur, there can be no assurance that there would be sufficient assets and cash flows to repay in full all of the Issuer's or the Guarantor's indebtedness, or that it would be able to find alternative financing. Even if the Issuer or the Guarantor could obtain alternative financing, there can be no assurance that it would be on terms that are favourable or acceptable to the Issuer or the Guarantor.

If the Guarantor fails to complete the SAFE registration in connection with the Guarantee within the time period prescribed by SAFE, there may be logistical hurdles for cross-border payment under the Guarantee.

Pursuant to the Deed of Guarantee executed by the Guarantor, the Guarantor will unconditionally and irrevocably guarantee the due payment of all sums expressed to be payable by the Issuer under the Bonds and the Trust Deed. The Guarantor is required to submit the Deed of Guarantee to the local SAFE for registration in accordance with, and within the time period prescribed by, the Provisions on the Foreign Exchange Administration of Cross-Border Guarantees (跨境擔保外匯管理規定). Although the non-registration does not render the Guarantee ineffective or invalid under PRC law, SAFE may impose penalties on the Guarantor if registration is not carried out within the stipulated timeframe. The Guarantor intends to register the Guarantee of the Bonds as soon as practicable and in any event before the Registration Deadline (being the day falling 120 calendar days after the Issue Date). If the SAFE registration is not completed within the Registration Deadline, the Issuer shall redeem, at the option of the holder of any Bond, such Bond pursuant to Condition 6(c) of the Terms and Conditions of the Bonds. If however any Bondholders fail to receive any amount payable to them on redemption, they may be required to rely on the exercise of the Deed of Guarantee and may face logistical hurdles at the time of remittance of funds (if any cross-border payment is to be made by the Guarantor under the Guarantee) as

domestic banks may require evidence of the SAFE registration in connection with the Deed of Guarantee in order to effect such remittance, although this does not affect the validity of the Guarantee itself.

The Bonds will be represented by a Global Certificate and holders of a beneficial interest in the Global Certificate must rely on the procedures of the relevant Clearing System(s).

The Bonds will be represented by a Global Certificate which will be deposited with a common depositary for Euroclear and Clearstream (each a "**Clearing System**"). Except in the circumstances described in the Global Certificate, investors will not be entitled to receive definitive Bonds. The Clearing System(s) will maintain records of the beneficial interests in the Global Certificate. While the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests only through the Clearing Systems.

While the Bonds are represented by the Global Certificates, the Issuer or, failing whom the Guarantor will discharge its payment obligations under the Bonds by making payments to the Clearing System for distribution to their account holders.

A holder of a beneficial interest in the Global Certificate must rely on the procedures of the Clearing System(s) to receive payments under the Bonds. Neither the Issuer nor the Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by the Clearing System(s) to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Certificate will not have a direct right under the Global Certificate to take enforcement action against the Issuer or the Guarantor in the event of a default under the Bonds but will have to rely upon their rights under the Trust Deed.

The Issuer and the Guarantor may not be able to raise the funds necessary to finance the purchase of Bonds upon occurrence of a Relevant Event.

Following the occurrence of a Relevant Event, Bondholders may require the Issuer to redeem their Bonds. See "*Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for Relevant Events*". The source of funds for any such redemption would be the Group's available cash or third-party financing. However, there is no assurance that the Issuer or, failing whom the Guarantor, would have sufficient funds at that time to make the required redemption of the Bonds. In addition, agreements to which the Issuer or the Guarantor is a party at that time may restrict or prohibit such a payment.

The insolvency laws of Hong Kong and the PRC and other local insolvency laws may differ from those of another jurisdiction with which the Bondholders are familiar.

As the Issuer and the Guarantor are incorporated under the laws of Hong Kong and the PRC, respectively, any insolvency proceeding relating to the Issuer or the Guarantor would likely involve Hong Kong or PRC insolvency laws, respectively, the procedural and substantive provisions of which may differ from comparable provisions of the local insolvency laws of jurisdictions with which the Bondholders are familiar.

The Trustee may request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction.

In certain circumstances, including, without limitation, giving of notice to the Issuer and the Guarantor pursuant to Condition 9 of the Terms and Conditions of the Bonds and taking steps and/or actions and/or

instituting proceedings pursuant to Condition 13 of the Terms and Conditions of the Bonds, the Trustee may, at its sole and absolute discretion, request the Bondholders to provide an indemnity and/or security and/or prefunding to its satisfaction before it takes steps and/or actions and/or institutes proceedings on behalf of the Bondholders. The Trustee shall not be obliged to take any such steps and/or actions and/or institute any such proceedings if not first indemnified and/or secured and/or prefunded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or prefunding can be a lengthy process and may impact on when such steps and/or actions can be taken and/or such proceedings can be instituted. The Trustee may not be able to take steps and/or actions and/or institute proceedings, notwithstanding the provision of an indemnity or security or prefunding to it, in breach of the terms of the Trust Deed or the Terms and Conditions of the Bonds and in such circumstances, or where there is uncertainty or dispute as to the applicable laws or regulations, to the extent permitted by the agreements and the applicable laws or regulations, it will be for the Bondholders to take such steps and/or actions and/or institute such proceedings directly.

Decisions that may be made on behalf of all Bondholders may be adverse to the interests of individual Bondholders.

The Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the meeting and Bondholders who voted in a manner contrary to the majority. Furthermore, there is a risk that the decision of the majority of Bondholders of the Bonds may be adverse to the interests of the individual Bondholders.

The due diligence investigations may not be able to expose all potential risks.

Although the Placing Agent has conducted due diligence investigations with respect to the Issuer, the Guarantor and the Guarantor's subsidiaries for the purposes of preparation of this Information Memorandum, there can be no assurance that these can fully expose all hidden problems, potential liabilities and unresolved disputes that the Issuer, the Guarantor and the Guarantor's subsidiaries may have. Also, the due diligence investigations conducted by the Placing Agent are limited to certain subsidiaries of the Guarantor and on a reasonable level, the scope of the due diligence investigation are limited and there can be no assurance that due diligence investigations can reveal all facts and all potential risks, which are material to the prospective investor in making the investment decision, are fully identified.

RISKS RELATING TO THE MARKET

An active trading market for the Bonds may not develop.

There can be no assurance as to the liquidity of the Bonds or that an active trading market will develop. If such a market were to develop, the Bonds could trade at prices that may be higher or lower than the initial issue price depending on many factors, including prevailing interest rates, the Group's operations and the market for similar securities. The Placing Agents are not obligated to make a market in the Bonds and any such market making, if commenced, may be discontinued at any time. No assurance can be given as to the liquidity of, or trading market for, the Bonds. In addition, the Bonds are being offered pursuant to exemptions from registration under the Securities Act and, as a result, investors will only be able to resell their Bonds in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act.

The liquidity and price of the Bonds following this offering may be volatile.

The price and trading volume of the Bonds may be highly volatile. Factors such as variations in the revenues, earnings and cash flows of the Group and proposals of new investments, strategic alliances and/or acquisitions, interest rates and fluctuations in prices for comparable companies could cause the price of the Bonds to change. Any such developments may result in large and sudden changes in the volume and price at which the Bonds will trade. There can be no assurance that these developments will not occur in the future.

Developments in other markets may adversely affect the market price of the Bonds.

The market price of the Bonds may be adversely affected by declines in the international financial markets and world economic conditions. The market for the Bonds is, to varying degrees, influenced by economic and market conditions in other markets, especially those in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can affect the securities markets and the securities of issuers in other countries, including China. Since the global financial crisis of 2008 and 2009, the international financial markets have experienced significant volatility. If similar developments occur in the international financial markets in the future, the market price of the Bonds could be adversely affected.

TERMS AND CONDITIONS OF THE BONDS

The following, subject to modification and other than the words in italics is the text of the Terms and Conditions of the Bonds (as defined below) which will appear on the reverse of each of the definitive certificates evidencing the Bonds and referred to in the Global Certificate:

The issue of the U.S.$110,000,000 7.0 per cent. guaranteed bonds due 2022 (the **"Bonds"**, which term shall include, unless the context requires otherwise, any further bonds issued in accordance with Condition 15 and consolidated and forming a single series therewith) was authorised by a written resolution of the directors of Nanshan Capital Holdings Limited (南山資本控股有限公司) (the **"Issuer"**) passed on 7 May 2021. The guarantee of the Bonds was authorised by a resolution of the board of directors of Nanshan Group Co., Ltd (南山集團有限公司) (the **"Guarantor"**) passed on 7 May 2021 and shareholders resolutions of the Guarantor dated 7 May 2021. The Bonds are constituted by a trust deed (as amended and/or supplemented from time to time, the **"Trust Deed"**) dated on or about 29 June 2021 (the "**Issue Date**") between the Issuer, the Guarantor and China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) (the **"Trustee"**, which expression shall, where the context so permits, include all persons for the time being the trustee or trustees under the Trust Deed and any successor) as trustee for itself and for the holders of the Bonds. These terms and conditions include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds. The Bonds have the benefit of a deed of guarantee (as amended and/or supplemented from time to time, the **"Deed of Guarantee"**) dated on or about 29 June 2021 executed by the Guarantor and the Trustee relating to the Bonds. An agency agreement (as amended and/or supplemented from time to time, the **"Agency Agreement"**) dated on or about 29 June 2021 relating to the Bonds has been entered into between the Issuer, the Guarantor, the Trustee, China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司) as the principal paying agent (in that capacity, the **"Principal Paying Agent"**, which expression shall include any successor thereof), the transfer agent (in that capacity, the **"Transfer Agent"**, which expression shall include any successor or additional transfer agent appointed from time to time) and the registrar (the **"Registrar"** which expression shall include any successor thereof) and any other agents named in it. Copies of the Trust Deed, the Deed of Guarantee and the Agency Agreement are available for inspection by the Bondholders at all reasonable times during usual business hours (being between 9:00 a.m. (Hong Kong time) to 3:00 p.m. (Hong Kong time) from Monday to Friday (other than public holidays)) at the specified office of the Trustee (being as at the Issue Date at 20/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong) following prior written request and with proof of holding and identity satisfactory to the Trustee. **"Agents"** means the Principal Paying Agent, the Registrar, the Transfer Agent and any other agent or agents appointed from time to time pursuant to the Agency Agreement with respect to the Bonds including their respective successors. The Bondholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Deed of Guarantee and are deemed to have notice of those provisions applicable to them of the Agency Agreement.

All capitalised terms that are not defined in these terms and conditions (these **"Conditions"**) will have the meanings given to them in the Trust Deed.

1 Form, Specified Denomination and Title

The Bonds are issued in registered form in the specified denomination of U.S.$200,000 (each, a "**Specified Denomination**") and integral multiples of U.S.$1,000 in excess thereof.

The Bonds are represented by registered certificates (the **"Certificates"**) and, save as provided in Condition 2(a), each Certificate shall represent the entire holding of Bonds by the same holder.

Title to the Bonds shall pass by transfer and registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the **"Register"**). Except as ordered by a court of competent jurisdiction or as otherwise required by law, the holder (as defined below) of any Bond shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate (other than the endorsed form of transfer) representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.

In these Conditions, "**Bondholder**" and, in relation to a Bond, "**holder**" mean the person in whose name a Bond is registered in the Register (or in the case of a joint holding, the first named thereof).

*Upon issue, the Bonds will be represented by a global certificate (the **"Global Certificate"**) deposited with a common depositary for, and representing Bonds registered in the name of a nominee of such common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, S.A ("**Clearstream**"). These Conditions are modified by certain provisions contained in the Global Certificate. See "Summary of Provisions Relating to the Bonds in Global Form".*

2 Transfers of Bonds and Delivery of New Certificates

(a) **Transfer**: A holding of Bonds may, subject to the Agency Agreement and Conditions 2(d) and 2(e), be transferred in whole or in part in the Specified Denomination upon the surrender (at the specified office of the Registrar or any Transfer Agent) of the Certificate(s) representing such Bonds to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or the relevant Transfer Agent may require; **provided, however**, that a Bond may not be transferred unless the principal amount of Bonds transferred and (where not all of the Bonds held by a holder are being transferred) the principal amount of the balance of Bonds not transferred are Specified Denominations. In the case of a transfer of part only of a holding of Bonds represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not transferred shall be issued to the transferor. In the case of a transfer of Bonds to a person who is already a holder of Bonds, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. No transfer of title to a Bond will be valid unless and until entered on the Register.

Transfers of interests in the Bonds evidenced by the Global Certificate will be effected in accordance with the rules of the relevant clearing systems.

(b) **Delivery of New Certificates**: Each new Certificate to be issued upon transfer of Bonds pursuant to Condition 2(a) shall be made available for delivery within seven business days of receipt of a duly completed form of transfer and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer and Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the relevant Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(b), "**business day**" means a day, other than a Saturday or Sunday or public holiday, on which commercial banks are generally open for business in the place of the specified office of the relevant Transfer Agent or the Registrar (as the case may be).

Except in the limited circumstances described in the Global Certificate, owners of interests in Bonds represented by the Global Certificate will not be entitled to receive definitive Certificates in respect of their individual holdings of Bonds. The Bonds are not issuable in bearer form.

(c) **Transfer or Exercise Free of Charge**: Certificates, on transfer, shall be issued and registered without charge to the relevant Bondholder by or on behalf of the Issuer, the Registrar or any Transfer Agent, but upon (i) payment by the relevant Bondholder of any tax, duty or other governmental charges that may be imposed in relation to such transfer (or the giving of such indemnity and/or security and/or pre-funding as the Registrar or the relevant Transfer Agent may require in respect thereof); (ii) the Registrar or the relevant Transfer Agent being satisfied in its absolute discretion with the documents of title or identity of the person making the application; and (iii) the relevant Agent being satisfied that the Regulations (as defined in Condition 2(e)) concerning transfer of Bonds have been complied with.

(d) **Closed Periods**: No Bondholder may require the transfer of a Bond to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Bond, (ii) after a Put Exercise Notice in respect of such Bond has been deposited pursuant to Condition 6(c), (iii) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a)) or (iv) after notice of redemption has been given pursuant to Condition 6(b).

(e) **Regulations**: All transfers of Bonds and entries on the Register will be made subject to the detailed regulations concerning transfer and registration of Bonds (the "**Regulations**"), the initial form of which is scheduled to the Agency Agreement. Each of the Issuer and the Registrar may change the regulations from time to time, with the prior written approval (in the case of any regulation proposed by the Issuer) of the Trustee and the Registrar. A copy of the current regulations will be made available for inspection by any Bondholder at the specified office of the Registrar at all reasonable times during usual business hours following prior written request and proof of holding and identity satisfactory to the Registrar.

3 Guarantee and Status

(a) **Guarantee**: The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Trust Deed and the Bonds. Its obligations in respect of the Bonds (the **"Guarantee"**) are contained in the Deed of Guarantee. The obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

(b) **Status**: The Bonds constitute direct, unsubordinated, unconditional and (subject to Condition 4(a)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4(a), at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

4 Covenants

(a) **Negative Pledge**: So long as any Bond remains outstanding (as defined in the Trust Deed), neither the Issuer nor the Guarantor will, and each of the Issuer and the Guarantor will ensure that none of its Subsidiaries will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its

absolute discretion deem not materially less beneficial to the interest of the Bondholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

(b) **Undertakings relating to the Guarantee**: The Guarantor undertakes to submit or cause to be submitted an application for the registration of the Deed of Guarantee with the State Administration of Foreign Exchange or its local counterparts (**"SAFE"**) within the timeframe prescribed by, and in accordance with, the Provisions on the Foreign Exchange Administration of Cross-Border Guarantees (跨境擔保外匯管理規定) promulgated by SAFE on 12 May 2014 which came into effect on 1 June 2014 (the **"Cross-Border Security Registration"**). The Guarantor shall use its best endeavours to complete the Cross-Border Security Registration and obtain a registration certificate from SAFE (or any other document evidencing the completion of registration issued by SAFE) on or before the Registration Deadline and comply with all applicable PRC laws and regulations in relation to the issue of the Bonds and the Deed of Guarantee.

The Guarantor shall within ten PRC Business Days after receipt of the registration certificate from SAFE (or any other document evidencing the completion of registration issued by SAFE), provide the Trustee with (i) a certificate substantially in the form set out in the Trust Deed signed by an Authorised Signatory of the Guarantor confirming the completion of the Cross-Border Security Registration and (ii) a copy of the relevant SAFE registration certificate or any other document evidencing the completion of registration issued by SAFE and the particulars of registration and a certified English translation thereof (the **"Registration Documents"**). In addition, the Guarantor shall procure that within ten PRC Business Days after the documents comprising the Registration Documents are delivered to the Trustee, the Issuer gives notice to the Bondholders (in accordance with Condition 16) confirming the completion of the Cross-Border Security Registration. The Trustee shall have no obligation or duty to monitor or ensure or assist with the registration of the Guarantee with SAFE on or before the Registration Deadline or to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection with the Cross-Border Security Registration and/or the Registration Documents or to translate or procure any translation thereof or to give notice to the Bondholders confirming the completion of the Cross-Border Security Registration, and shall not be liable to Bondholders or any other person for not doing so.

(c) **Issuer Activities**: So long as any Bond remains outstanding, the Issuer shall not, and the Guarantor will procure that the Issuer, other than engaging in the trading business, will not, carry on any other business activity whatsoever other than in connection with the issue of bonds, notes, debentures, loan stock certificates or other securities, and any other activities reasonably incidental thereto (such activities shall, for the avoidance of doubt, include the on-lending of the proceeds of such issue(s) to any other Subsidiaries of the Guarantor).

(d) **Financial Statements**: So long as any Bond remains outstanding, the Guarantor shall furnish the Trustee with (i) a Compliance Certificate of the Guarantor (on which the Trustee may rely conclusively as to such compliance and shall not be liable to any Bondholder or any other person for such reliance) and a copy of the Guarantor Audited Financial Reports within 150 calendar days of the end of each Relevant Period prepared in accordance with PRC GAAP (audited by a nationally or an internationally recognised firm of independent accountants (which may be the auditor of the Guarantor as at the Issue Date)); and (ii) a copy of the Guarantor Unaudited Semi-Annual Management Accounts within 90 calendar days of the end of each Relevant Period.

The Trustee shall not be required to review the Guarantor Audited Financial Reports or the Guarantor Unaudited Semi-Annual Management Accounts delivered to it as contemplated in this Condition 4(d) and, if the same shall not be in the English language, shall not be required to request or obtain or arrange for an English translation of the same, and the Trustee shall not be liable to any Bondholder or any other person for not doing so.

In these Conditions:

"Authorised Signatory" has the meaning given to it in the Trust Deed;

"Compliance Certificate" means a certificate of each of the Issuer or the Guarantor, as the case may be, in English substantially in the form set out in the Trust Deed and signed by an Authorised Signatory of the Issuer or, as the case may be, the Guarantor that, having made all reasonable enquiries, to the best knowledge, information and belief of the Issuer or, as the case may be, the Guarantor as at a date (the **"Certification Date"**) not more than five days before the date of the certificate that:

(i) no Event of Default (as defined in Condition 9) or Potential Event of Default (as defined in the Trust Deed) has occurred since the Certification Date of the last such certificate or (if none) the date of the Trust Deed or, if such an event had occurred, giving details of it; and

(ii) each of the Issuer and the Guarantor has complied with all its covenants and obligations under the Trust Deed, the Bonds and the Deed of Guarantee (as applicable);

"Guarantor Audited Financial Reports" means, for a Relevant Period, the annual audited consolidated balance sheet, income statement and statement of cashflows of the Guarantor together with any statements, reports (including any auditors' reports) and notes attached to or intended to be read with any of them;

"Guarantor Unaudited Semi-Annual Management Accounts" means, for a Relevant Period, the unaudited and unreviewed consolidated balance sheet, income statement and statement of cashflows of the Guarantor, prepared on a basis consistent with the Guarantor Audited Financial Reports;

"PRC" means the People's Republic of China, and for the purpose of these Conditions only, excluding the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"PRC Business Day" means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are generally open for business in Beijing;

"PRC GAAP" means the Accounting Standards for Business Enterprises in China issued by the Ministry of Finance of the PRC from time to time;

"Registration Deadline" means the day falling 120 calendar days after the Issue Date;

"Relevant Indebtedness" means any indebtedness incurred outside the PRC which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock certificates or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter market or other securities market (which, for the avoidance of doubt, does not include bilateral loans, syndicated loans or club deal loans);

"Relevant Period" means, in relation to the Guarantor Audited Financial Reports, each period of twelve months ending on the last day of the Guarantor's financial year (being 31 December of that financial year) and, in relation to the Guarantor Unaudited Semi-Annual Financial Reports, each period of six months ending on the last day of the first half of the Guarantor's financial year (being 30 June of that financial year); and

a **"Subsidiary"** of any person means (i) any company or other business entity of which that person owns or controls (either directly or through one or more other Subsidiaries) more than 50 per cent.

of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers or trustees of such company or other business entity, or (ii) any company or other business entity which at any time has its accounts consolidated with those of that person or which, under the laws, regulations or generally accepted accounting principles of the jurisdiction of incorporation of such person from time to time, should have its accounts consolidated with those of that person.

5 Interest

The Bonds bear interest on their outstanding principal amount from and including the Issue Date at the rate of 7.0 per cent. per annum, payable (i) in the amount of U.S.$35.0 per Calculation Amount on 29 December 2021 for a complete six months period from and including the Issue Date to but excluding 29 December 2021 and (ii) in the amount of U.S.$34.8 per Calculation Amount on 28 June 2022 for the period from and including 29 December 2021 to but excluding 28 June 2022 (each of 29 December 2021 and 28 June 2022 an "**Interest Payment Date**").

Each Bond will cease to bear interest from the due date for redemption unless, upon surrender of the Certificate representing such Bond, payment of principal or premium (if any) is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the date on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (b) the date falling seven days after the Trustee or the Principal Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Bondholder under these Conditions).

Interest in respect of any Bond shall be calculated per U.S.$1,000 in principal amount of the Bonds (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for the Interest Period (and for any period less than a complete Interest Period) shall be equal to the product of the rate of interest specified above, the Calculation Amount and the relevant day-count fraction determined on the basis of a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the number of days elapsed, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding 28 June 2022 is called the **"Interest Period"**.

6 Redemption and Purchase

(a) **Final Redemption**: Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on 28 June 2022 (the "**Maturity Date**"). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6.

(b) **Redemption for Taxation Reasons**: The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice in accordance with Condition 16 to the Bondholders (which notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent, at their principal amount together with any interest accrued to, but excluding, the date fixed for redemption, if the Issuer (or, if the Guarantee is called, the Guarantor) satisfies the Trustee immediately prior to the giving of such notice that (i) the Issuer (or, if the Guarantee were called, the Guarantor) has or will become obliged to pay Additional Tax Amounts (as defined in Condition 8) as provided or referred to in Condition 8 as a result of any change in, or amendment to, the laws or regulations of Hong Kong or the PRC, or, in each case, any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including but not

limited to any decision by a court of competent jurisdiction), which change or amendment becomes effective on or after 24 June 2021, and (ii) such obligation cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer (or the Guarantor, as the case may be) would be obliged to pay such Additional Tax Amounts were a payment in respect of the Bonds (or the Guarantee, as the case may be) then due.

Prior to the publication by the Issuer of any notice of redemption pursuant to this Condition 6(b), the Issuer (or the Guarantor, as the case may be) shall deliver to the Trustee:

(A) a certificate in English signed by any Authorised Signatory of the Issuer (or a certificate of the Guarantor signed by any Authorised Signatory of the Guarantor, as the case may be) stating that the obligation referred to in (i) above of this Condition 6(b) cannot be avoided by the Issuer (or the Guarantor, as the case may be) taking reasonable measures available to it; and

(B) an opinion, addressed to and in form and substance satisfactory to the Trustee, of independent tax or legal advisers of recognised standing to the effect that the Issuer (or the Guarantor, as the case may be) has or will become obliged to pay such Additional Tax Amounts as a result of such change or amendment or statement.

The Trustee shall be entitled (but shall not be obliged) to accept and rely upon such certificate and opinion (without further investigation or enquiry and without liability to the Bondholders or any other person) as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above of this Condition 6(b), in which event such certificate and opinion shall be conclusive and binding on the Bondholders.

All Bonds in respect of which any notice of redemption is given under this Condition 6(b) shall be redeemed on the date specified in such notice in accordance with this Condition 6(b).

Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying the calculations of any amount payable under any notice of redemption under this Condition 6(b) or any Put Exercise Notice under Condition 6(c) and shall not be liable to the Bondholders, the Issuer, the Guarantor or any other person for not doing so.

(c) **Redemption for Relevant Events**: At any time following the occurrence of a Relevant Event, the holder of any Bond will have the right, at such holder's option, to require the Issuer to redeem all but not some only of that holder's Bonds on the Put Settlement Date at 101 per cent. (in the case of a redemption for a Change of Control) or 100 per cent. (in the case of a redemption for a No Registration Event) of their principal amount, together with any interest accrued up to but excluding such Put Settlement Date. In order to exercise such right, the holder of the relevant Bond must deposit at the specified office of the Principal Paying Agent or any other Paying Agent a duly completed and signed notice of redemption, substantially in the form scheduled to the Agency Agreement, obtainable from the specified office of the Principal Paying Agent (a **"Put Exercise Notice"**), together with the Certificate evidencing the Bonds to be redeemed by not later than 30 days following a Relevant Event, or, if later, 30 days following the date upon which notice thereof is given to Bondholders by the Issuer in accordance with Condition 16.

The "**Put Settlement Date**" shall be the fourteenth day after the expiry of such period of 30 days as referred to above. A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds the subject of the Put Exercise Notices delivered as aforesaid on the Put Settlement Date.

The Issuer and the Guarantor shall give notice to Bondholders in accordance with Condition 16 (such notice shall be irrevocable) and in writing to the Trustee and the Principal Paying Agent by

not later than 14 days following the first day on which it becomes aware of the occurrence of a Relevant Event, which notice shall specify the procedure for exercise by holders of their rights to require redemption of the Bonds pursuant to this Condition 6(c), the requirements that holders must satisfy in order to do so, and the following:

(a) a statement that either a Change of Control or a No Registration Event has occurred;

(b) the date by which the Put Exercise Notice must be given;

(c) the redemption amount and the method by which such amount will be paid;

(d) the names and addresses of all Paying Agents; and

(e) a statement that a Put Exercise Notice, once validly given, may not be withdrawn.

Unless it has received notice pursuant to this Condition 6(c), the Trustee shall be entitled to assume that no Relevant Event has occurred. Neither the Agents nor the Trustee shall be required to monitor or to take any steps to ascertain whether a Relevant Event or any event which could lead to a Relevant Event has occurred or may occur, each of them shall be entitled to assume that no such event has occurred until it have received written notice to the contrary from the Issuer, and none of them shall have any obligation or duty to verify the accuracy, validity and/or genuineness of any documents in relation to or connection with the Registration Conditions and none of them shall be liable to Holders, the Issuer, the Guarantor or any other person for not doing so.

In this Condition 6:

a **"Change of Control"** occurs when:

(i) the Guarantor ceases to, directly or indirectly, hold or own at least 50 per cent. of the issued share capital of the Issuer;

(ii) the Controlling Persons, together with any other person who is a director of the Controlling Persons, cease to, directly or indirectly, hold or own at least 50 per cent. of the issued share capital of the Guarantor together; or

(iii) the Guarantor consolidates with or merges into or sells or transfers all or substantially all of the Guarantor's assets to any other person or persons, except where at least 50 per cent. of the issued share capital of such person(s) (in the case of asset sale or transfer) or the surviving entity (in the case of consolidation or merger) is/are, directly or indirectly, held or owned by the Controlling Persons;

"**Controlling Person(s)"** mean the Villagers Committee of Nanshan Village, Dongjiang Street, Longkou City (龍口市東江街道南山村村民委員會) (the "**Nanshan Villagers' Committee**"), who owns 51 per cent. of the Guarantor's issued share capital or its successors, together with Mr. Song Zuowen (宋作文), who owns 49 per cent. of the Guarantor's issued share capital;

a **"No Registration Event"** occurs when the Registration Conditions have not been satisfied in full on or before the Registration Deadline;

a **"person"** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

"Registration Conditions" means the receipt by the Trustee of the Registration Documents; and

a **"Relevant Event"** means a Change of Control or a No Registration Event.

So long as the Bonds are represented by the Global Certificate, the right of Bondholders to redemption of the Bonds following the occurrence of a Relevant Event will be effected in accordance with the rules of the relevant clearing systems.

(d) **Notices of Redemption**: All Bonds in respect of which any notice of redemption is given under this Condition 6 shall be redeemed on the date specified in such notice in accordance with this Condition 6. If there is more than one notice of redemption given in respect of any Bond (which shall include any notice given by the Issuer pursuant to Condition 6(b) and any Put Exercise Notice given by a Bondholder pursuant to Condition 6(c)), the notice given first in time shall prevail and in the event of two notices being given on the same date, the first to be given shall prevail. Neither the Trustee nor any of the Agents shall be responsible for calculating or verifying any calculations of any amounts payable under any notice of redemption or Put Exercise Notice nor shall they have a duty to verify the accuracy, validity and/or genuineness of any documents in relation to or in connection thereto nor shall they be liable to Bondholders, the Issuer, the Guarantor or any other person for not doing so.

(e) **Purchase**: The Issuer, the Guarantor and their respective Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price. The Bonds so purchased, while held by or on behalf of the Issuer, the Guarantor or any such Subsidiary, shall not entitle the holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for, among other things, the purposes of calculating quorums at meetings of the Bondholders or for the purposes of Conditions 9, 12(a) and 13.

(f) **Cancellation**: All Certificates representing Bonds redeemed or purchased by or on behalf of the Issuer, the Guarantor and their respective Subsidiaries shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Bonds and Certificates shall be cancelled forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Bonds shall be discharged.

7. Payments

(a) **Method of Payment**:

(i) Payments of principal and premium (if any) shall be made (subject to surrender of the relevant Certificates at the specified office of any Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Bonds represented by such Certificates) in the manner provided in Condition 7(a)(ii) below.

(ii) Interest on each Bond shall be paid on the due date to the person shown on the Register at the close of business on the fifth Payment Business Day before the due date for payment thereof (the **"Record Date"**). Payments of interest on each Bond shall be made in U.S. dollars by wire transfer to the registered account of the Bondholder. For the purposes of this Condition 7(a)(ii), a Bondholder's "**registered account**" means the U.S. dollar denominated account maintained by or on behalf of it with a bank, details of which appear on the Register at the close of business on the Record Date.

(iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested in writing by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of premium (if any) or interest being paid is

less than the amount then due, the Registrar will annotate the Register with the amount of premium (if any) or interest so paid.

*Notwithstanding the foregoing, so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system, each payment in respect of the Global Certificate will be made to the person shown as the holder in the Register at the close of business of the relevant clearing system on the Clearing System Business Day before the due date for such payments, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.*

(iv) **Payments subject to Fiscal Laws**: All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8; and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 8) any law implementing an intergovernmental approach thereto. No commission or expenses shall be charged to the Bondholders in respect of such payments.

(v) **Payment Initiation**: Payment instructions (for value on the due date or, if that is not a Payment Business Day, for value the first following day which is a Payment Business Day) will be initiated on the due date for payment (or, if that date is not a Payment Business Day, on the first following day which is a Payment Business Day), or, in the case of payments of principal or premium (if any) where the relevant Certificate has not been surrendered at the specified office of any Transfer Agent or of the Registrar, on a Payment Business Day on which the Principal Paying Agent is open for business and on which the relevant Certificate is surrendered.

(vi) **Appointment of Agents**: The Principal Paying Agent, the Registrar and the Transfer Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Principal Paying Agent, the Registrar and the Transfer Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Bondholder. The Issuer and the Guarantor reserve the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Agent and to appoint additional or other Paying Agents and/or Transfer Agents, provided that the Issuer and the Guarantor shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, and (iii) a Transfer Agent, in each case, as approved in writing by the Trustee.

Notice of any such termination or appointment or any change of any specified office of an Agent shall promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

(vii) **Delay in Payment**: Bondholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Bond if the due date is not a Payment Business Day, or if the Bondholder is late in surrendering or cannot surrender its Certificate (if required to do so).

(viii) **Non-Payment Business Days**: If any date for payment in respect of any Bond is not a Payment Business Day, the holder shall not be entitled to payment until the next following Payment Business Day nor to any interest or other sum in respect of such postponed payment or if a cheque mailed in accordance with Condition 7(a)(ii) arrives after the due

date for payment. In this Condition 7, **"Payment Business Day"** means a day (other than a Saturday, a Sunday or a public holiday) on which banks and foreign exchange markets are generally open for business and settlement of U.S. dollars payments in Hong Kong and New York City and (if surrender of the relevant Certificate is required) the relevant place of presentation.

8. Taxation

All payments of principal, premium (if any) and interest by or on behalf of the Issuer or the Guarantor in respect of the Bonds or under the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by Hong Kong or the PRC or, in each case, any political subdivision or authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

Where such withholding or deduction is made by the Issuer or, as the case may be, the Guarantor by or within the PRC at the rate up to and including the rate applicable on 24 June 2021 (the **"Applicable Rate"**), the Issuer or, as the case may be, the Guarantor will increase the amounts paid by it to the extent required, so that the net amount received by Bondholders equals the amount which would otherwise have been receivable by them had no such withholding or deduction been required.

If (a) the Issuer is required to make any deduction or withholding by or within Hong Kong, or(b) the Issuer, or as the case may be, the Guarantor is required to make a deduction or withholding by or within the PRC in excess of the Applicable Rate, then the Issuer (or the Guarantor, as the case may be) shall pay such additional amounts (**"Additional Tax Amounts"**) as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no Additional Tax Amounts shall be payable in respect of any Bond (or the Guarantee, as the case may be):

(a) **Other Connection**: to a holder (or to a third party on behalf of a holder) who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Hong Kong (in the case of payments made by the Issuer) or the PRC (in the case of payments made by the Issuer or the Guarantor) other than the mere holding of the Bond; or

(b) **Surrender more than 30 days after the Relevant Date**: in respect of which the Certificate representing it is presented or surrendered (where presentation or surrender is required) for payment more than 30 calendar days after the Relevant Date except to the extent that the holder of it would have been entitled to such Additional Tax Amounts on presenting or, as the case may be, surrendering the Certificate representing such Bond for payment on the last day of such period of 30 calendar days (as if such last day were a Payment Business Day).

References in these Conditions to principal, premium (if any) and interest shall be deemed also to refer to any Additional Tax Amounts which may be payable under this Condition 8 or otherwise any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Trust Deed and the Bonds.

"Relevant Date" in respect of any Bond means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date falling seven days after that on which notice is duly given to the Bondholders that, upon further presentation or, as the case may be, surrender of the Certificate representing such Bond being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such presentation or surrender.

Neither the Trustee nor any Agent shall be responsible for paying any tax, duty, assessment, charges, withholding or other payment referred to in this Condition 8 or for determining whether such amounts are

payable or the amount thereof, and none of them shall be responsible or liable for any failure by the Issuer, the Guarantor, any Bondholder or any third party to pay such tax, duty, assessment, charges, withholding or other payment in any jurisdiction or to provide any notice or information to the Trustee or any Agent that would permit, enable or facilitate the payment of any principal, premium (if any), interest or other amount under or in respect of the Bonds without deduction or withholding for or on account of any tax, duty, assessment, charge, withholding or other payment imposed by or in any jurisdiction.

9. Events of Default

If any of the following events (each an **"Event of Default"**) occurs the Trustee at its discretion may, and if so requested in writing by holders of at least 25 per cent. in aggregate principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution shall (provided that in any such case the Trustee shall first have been indemnified and/or secured and/or pre-funded to its satisfaction), give written notice to the Issuer and the Guarantor that the Bonds are due and payable. Upon any such notice being given to the Issuer, the Bonds shall immediately become, due and payable at their principal amount together (if applicable) with any accrued and unpaid interest:

(a) **Non-Payment**: there has been a failure to pay (i) the principal of or any premium (if any) on any of the Bonds when due or (ii) interest on any of the Bonds when due and such failure continues for a period of seven days; or

(b) **Breach of Other Obligations**: the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations under the Bonds, the Trust Deed or the Deed of Guarantee (where applicable) (other than where such default gives rise to a right of redemption pursuant to Condition 6(c)), which default is, in the opinion of the Trustee, incapable of remedy or, if such default is, in the opinion of the Trustee, capable of remedy, such default is not remedied within 45 calendar days after notice in writing of such default shall have been given to the Issuer or the Guarantor (as the case may be) by the Trustee; or

(c) **Cross-default**: (i) any other present or future indebtedness of the Issuer or the Guarantor or any of their respective Subsidiaries for or in respect of moneys borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or the Guarantor or any of their respective Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and

indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) have occurred equals or exceeds U.S.$20,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the U.S. dollar as quoted by any leading bank on the day on which this Condition 9(c) operates); or

(d) **Enforcement Proceedings**: a distress, attachment, execution or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Issuer or the Guarantor or any of the Principal Subsidiaries and is not discharged or stayed within 45 days; or

(e) **Security Enforced**: any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or the Guarantor or any of the Principal Subsidiaries on the whole or any material part of its assets becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) and is not discharged or stayed within 45 days; or

(f) **Insolvency**: the Issuer or the Guarantor or any of the Principal Subsidiaries is (or is deemed by law or a court of competent jurisdiction to be) insolvent or bankrupt, or unable to pay its debts as and when such debts fall due, stops, suspends or threatens to stop or suspend payment of all or a material part of its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of all or a material part of its debts or a moratorium is agreed or declared in respect of or affecting all or any material part of the debts of the Issuer, the Guarantor or any of the Principal Subsidiaries; or

(g) **Winding-up**: an order is made by a court of competent jurisdiction or an effective resolution is passed for the winding-up or dissolution of the Issuer or the Guarantor or any of the Principal Subsidiaries (except for any voluntary solvent winding-up of any of such Principal Subsidiaries), or the Issuer or the Guarantor ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a solvent winding-up, reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by the Trustee acting on an Extraordinary Resolution of the Bondholders, (ii) in the case of a Principal Subsidiary, whereby the undertaking and assets of such Principal Subsidiary are transferred to or otherwise vested in the Issuer, the Guarantor and/or any of their respective Subsidiaries; or

(h) **Nationalisation**: (i) any step is taken by any person acting under the authority of any national, regional or local government with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the undertaking, assets and revenues of the Issuer, the Guarantor or any of the Principal Subsidiaries or (ii) the Issuer, the Guarantor or any of the Principal Subsidiaries is prevented by any such person from exercising normal control over all or a material part of its undertaking, assets and revenues; or

(i) **Authorisation and Consents**: any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to enable the Issuer and the Guarantor lawfully to enter into, exercise their respective rights and perform and comply with their respective obligations under the Bonds, the Trust Deed and the Deed of Guarantee (as applicable), (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make the Bonds, the Trust Deed and the Deed of Guarantee admissible in evidence in the courts of Hong Kong is not taken, fulfilled or done; or

(j) **Illegality**: it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of its obligations under any of the Bonds, the Trust Deed and/or the Deed of Guarantee; or

(k) **Unenforceability of Guarantee**: the Guarantee becomes unenforceable or invalid or shall for any reason cease to be in full force and effect or is claimed to be unenforceable, invalid or not in full force and effect by the Guarantor; or

(l) **Analogous Events**: any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs of this Condition 9(d) to Condition 9(g).

In this Condition 9, "**Principal Subsidiary**" means any Subsidiary of the Guarantor:

(i) whose total revenue or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total revenue, as shown by its latest audited income statement, is at least five per cent. of the consolidated total revenue as shown by the latest published audited consolidated income statement of the Guarantor and its Subsidiaries including, for the avoidance of doubt, the Guarantor and its consolidated Subsidiaries' share of revenue of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(ii) whose net profit or (in the case of a Subsidiary which itself has Subsidiaries) consolidated net profit, as shown by its latest audited income statement, is at least five per cent. of the consolidated net profit as shown by the latest published audited consolidated income statement of the Guarantor and its Subsidiaries including, for the avoidance of doubt, the Guarantor and its consolidated Subsidiaries' share of profits of Subsidiaries not consolidated and of jointly controlled entities and after adjustments for minority interests; or

(iii) whose total assets or (in the case of a Subsidiary which itself has Subsidiaries) consolidated total assets, as shown by its latest audited balance sheet, are at least five per cent. of the consolidated total assets of the Guarantor and its Subsidiaries as shown by the latest published audited consolidated balance sheet of the Guarantor and its Subsidiaries including, the investment of the Guarantor in each Subsidiary whose accounts are not consolidated with the consolidated audited accounts of the Guarantor and after adjustment for minority interests; or

(iv) to which is transferred the whole or substantially the whole of the assets of a Subsidiary which immediately prior to such transfer was a Principal Subsidiary, provided that (x) the Principal Subsidiary which so transfers its assets shall forthwith upon such transfer cease to be a Principal Subsidiary and the Subsidiary to which the assets are so transferred shall forthwith become a Principal Subsidiary and (y) on or after the date on which the first published audited accounts (consolidated, if appropriate) of the Guarantor prepared as of a date later than such transfer are issued, whether such transferor Subsidiary or such transferee Subsidiary is or is not a Principal Subsidiary shall be determined on the basis of such accounts by virtue of the provisions of paragraphs (i), (ii) or (iii) above of this definition;

provided that, in relation to paragraphs (i), (ii) and (iii) above of this definition:

(A) in the case of a corporation or other business entity becoming a Subsidiary after the end of the financial period to which the latest consolidated audited accounts of the Guarantor relate, the reference to the then latest consolidated audited accounts of the Guarantor for the purposes of the calculation above shall, until consolidated audited accounts of the Guarantor for the financial period in which the relevant corporation or other business entity becomes a Subsidiary are published be deemed to be a reference to the then latest consolidated audited accounts of the Guarantor adjusted to consolidate the latest audited accounts (consolidated in the case of a Subsidiary which itself has Subsidiaries) of such Subsidiary in such accounts;

(B) if at any relevant time in relation to the Guarantor or any Subsidiary which itself has Subsidiaries no consolidated accounts are prepared and audited, total revenue, net profit or total assets of the Guarantor and/or any such Subsidiary shall be determined on the basis of pro forma consolidated accounts prepared for this purpose by or on behalf of the Guarantor;

(C) if at any relevant time in relation to any Subsidiary, no accounts are audited, its total revenue, net profit or total assets (consolidated, if appropriate) shall be determined on the basis of pro forma accounts (consolidated, if appropriate) of the relevant Subsidiary prepared for this purpose by or on behalf of the Guarantor; and

(D) if the accounts of any Subsidiary (not being a Subsidiary referred to in proviso (A) above) are not consolidated with those of the Guarantor, then the determination of whether or not such Subsidiary is a Principal Subsidiary shall be based on a pro forma consolidation of its accounts (consolidated, if appropriate) with the consolidated accounts (determined on the basis of the foregoing) of the Guarantor prepared for this purpose by or on behalf of the Guarantor.

10. Prescription

Claims against the Issuer or the Guarantor for payment in respect of the Bonds or the Guarantee shall be prescribed and become void unless made within 10 years (in the case of principal or premium (if any)) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11. Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or such Transfer Agent as may from time to time be designated by the Issuer for that purpose and notice of whose designation is given to Bondholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the relevant Transfer Agent may require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

12. Meetings of Bondholders, Modification and Waiver and entitlement of Trustee

(a) **Meetings of Bondholders**: The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including without limitation the sanctioning by Extraordinary Resolution of a modification of any of these Conditions or any provisions of the Trust Deed, the Agency Agreement or the Deed of Guarantee. Such a meeting may be convened by the Issuer, the Guarantor or the Trustee and shall be convened by the Trustee if requested in writing to do so by Bondholders holding not less than 10 per cent. in aggregate principal amount of the Bonds for the time being outstanding and subject to the Trustee being indemnified and/or secured and/or pre-funded to its satisfaction against all costs and expenses. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing more than 50 per cent. in aggregate principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, inter alia, (i) to modify the maturity of the Bonds or the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, any premium payable on redemption of, or interest on, the Bonds, (iii) to change the currency of payment of the Bonds, (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, or (v) to modify or cancel the Deed of Guarantee (subject to Condition 12(b)), in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in aggregate principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed).

The Trust Deed provides that a resolution (A) in writing signed by or on behalf of the holders of not less than 90 per cent. in aggregate principal amount of the Bonds for the time being outstanding or (B) passed by Electronic Consent (as defined in the Trust Deed) shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) **Modification and Waiver**: The Trustee may (but shall not be obliged to) agree, without the consent of the Bondholders, to (i) any modification of any of these Conditions or any of the provisions of the Trust Deed, the Agency Agreement and/or the Deed of Guarantee, that is in its opinion of a formal, minor or technical nature or is made to correct a manifest error or to comply with any mandatory provision of law, and (ii) any other modification (except as mentioned in the Trust Deed and the Deed of Guarantee), and any waiver or authorisation of any breach or proposed breach, of any of these Conditions or any of the provisions of the Trust Deed, the Agency Agreement and/or the Deed of Guarantee that is in the opinion of the Trustee not materially prejudicial to the interests of the Bondholders. Any such modification, authorisation or waiver shall be binding on the Bondholders and, unless the Trustee otherwise agrees, such modification, authorisation or waiver shall be notified by the Issuer to the Bondholders as soon as practicable. The Trustee may request and conclusively rely upon an officer's certificate and/or an opinion of counsel concerning the compliance with the above conditions in respect of any modification and amendments.

(c) **Entitlement of the Trustee**: In connection with the exercise of its functions, rights powers and discretions (including but not limited to those referred to in this Condition 12) the Trustee shall have regard to the interests of the Bondholders as a class and shall not have regard to the consequences of such exercise for individual Bondholders and the Trustee shall not be entitled to require on behalf of any Bondholder, nor shall any Bondholder be entitled to claim, from the Issuer, the Guarantor or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

13. Enforcement

At any time after the Bonds become due and payable, the Trustee may, at its discretion and without further notice, take such steps and/or actions and/or institute such proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Bonds and/or the Deed of Guarantee (as the case may be), but it need not take any such steps and/or actions and/or institute such proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least 25 per cent. in aggregate principal amount of the Bonds then outstanding, and (b) it shall have been indemnified and/or secured and/or pre-funded to its satisfaction. No Bondholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

14. Indemnification of the Trustee and the Agents

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including without limitation provisions relieving it from taking other actions, steps and/or proceedings to enforce its rights under the Trust Deed, the Agency Agreement, the Deed of Guarantee and/or these Conditions and in respect of the Bonds and to enforce payment or taking other actions, steps and/or proceedings unless being first indemnified and/or secured and/or pre-funded to its satisfaction and to be paid or reimbursed for its fees, costs, expenses and indemnity payments and any liabilities incurred by it in priority to the claims of Bondholders. The Trustee and its affiliates are entitled to enter into business transactions with the Issuer, the Guarantor and any entity related (directly or indirectly) to the Issuer or the Guarantor without accounting for any profit.

The Trustee and each Agent may rely conclusively and without liability to Bondholders, the Issuer, the Guarantor or any other person on any report, confirmation, certificate or information from or any advice or opinion of any legal counsel, accountants, financial advisers, financial institution or any other expert, whether or not obtained by or addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or any other person in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee may accept and shall be entitled to rely on any such report, confirmation, certificate, information, advice or opinion, in which event such report, confirmation, certificate, information, advice or opinion shall be conclusive and binding on the Issuer, the Guarantor and the Bondholders. The Trustee shall not be responsible or liable to the Issuer, the Guarantor, the Bondholders or any other person for any loss occasioned by acting on or refraining from acting on any such report, information, confirmation, certificate, opinion or advice.

Whenever the Trustee is required or entitled by the terms of the Trust Deed, the Agency Agreement, the Deed of Guarantee or these Conditions to exercise any discretion or power, take or refrain from any action, make any decision or give any direction, the Trustee is entitled, prior to exercising any such discretion or power, taking or refraining from any such action, making any such decision or giving any such direction, to seek directions from the Bondholders by way of Extraordinary Resolution or clarification of any directions, and the Trustee shall be entitled to rely on any such directions or clarification and shall not be responsible or liable for any loss or liability incurred by the Issuer, the Guarantor, the Bondholders or any other person as a result of any delay in it exercising such discretion or power, taking or refraining from such action, making such decision or giving such direction as a result of seeking such direction or clarification of any directions from the Bondholders or in the event that no direction or clarification is given to the Trustee by the Bondholders.

None of the Trustee or any of the Agents shall be responsible or liable for the performance by the Issuer, the Guarantor and any other person appointed by the Issuer and/or the Guarantor in relation to the Bonds of the duties and obligations on their part expressed in respect of the same and, unless it has written notice from the Issuer or the Guarantor to the contrary, the Trustee and each Agent shall be entitled to assume that the same are being duly performed. None of the Trustee or any Agent shall be liable to any Bondholder, the Issuer, the Guarantor or any other person for any action taken by the Trustee or such Agent in accordance with the instructions of the Bondholders. The Trustee and the Agents shall be entitled to rely conclusively on any direction, request or resolution of Bondholders given by holders of the requisite principal amount of Bonds outstanding or passed at a meeting of Bondholders convened and held in accordance with the Trust Deed. Neither the Trustee nor any of the Agents shall be under any obligation to ascertain whether any Event of Default, Potential Event of Default (as defined in the Trust Deed) or Relevant Event has occurred or monitor the performance or compliance of the Issuer or the Guarantor in the fulfilment of their respective obligations under the provisions of the Trust Deed, the Agency Agreement, the Deed of Guarantee or these Conditions.

Each Bondholder shall be solely responsible for making and continuing to make its own independent appraisal and investigation into the financial condition, creditworthiness, condition, affairs, status and nature of the Issuer, the Guarantor, the Company and their respective Subsidiaries, and the Trustee shall not at any time have any responsibility for the same and each Bondholder shall not rely on the Trustee in respect thereof.

If any sum due from the Issuer or the Guarantor in respect of the Bonds or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer or the Guarantor, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Bonds, the Issuer and the Guarantor shall indemnify the Trustee and each Bondholder, on the written demand of the Trustee or such Bondholder addressed to the Issuer and the Guarantor and delivered to the Issuer and the Guarantor, against any loss suffered as a result of any

discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which the Trustee or such Bondholder may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof. This indemnity constitutes a separate and independent obligation of each of the Issuer and the Guarantor and shall give rise to a separate and independent cause of action.

15. Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds either having the same terms and conditions as the Bonds in all respects (or in all respects except for the issue date, the first payment of interest on them and the timing for complying with the requirements set out in these Conditions in relation to the Cross-Border Security Registration) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any further bonds issued pursuant to this Condition 15 and consolidated and forming a single series with the Bonds. Any further bonds consolidated and forming a single series with the outstanding Bonds shall be constituted by a deed supplemental to the Trust Deed and shall be guaranteed by the Guarantor pursuant to a deed supplemental to the Deed of Guarantee.

16. Notices

Notices to the holders of Bonds shall be mailed to them by uninsured post at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday, a Sunday or a public holiday) after the date of mailing. The Issuer or the Guarantor shall also ensure that notices are duly published in a manner that complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which such publication is made.

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held by or on behalf of Euroclear and Clearstream, any notice to the holders of the Bonds shall be validly given by the delivery of the relevant notice to Euroclear and Clearstream, for communication by the relevant clearing system to entitled accountholders in substitution for notification as required by the Conditions and shall be deemed to have been given on the date of delivery to such clearing system.

17. Contracts (Rights of Third Parties) Act 1999

Save as contemplated in Condition 13 (Enforcement), no person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

18. Governing Law and Jurisdiction

(a) **Governing Law**: The Trust Deed, the Agency Agreement, the Deed of Guarantee and the Bonds and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law.

(b) **Jurisdiction**: The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds, the Deed of Guarantee, the Trust Deed or the Agency Agreement and accordingly any legal action or proceedings arising out of or in connection with any Bonds, the Deed of Guarantee, the Trust Deed or the Agency Agreement (**"Proceedings"**) may be brought to such courts. Each of the Issuer and the Guarantor has irrevocably submitted to the exclusive jurisdiction of such courts and waived any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum.

(c) **Agent for Service of Process**: The Guarantor irrevocably appoints the Issuer at its registered office at Nanshan Capital Holdings Limited, Room 2306, Block 1, Queensway Lippo Centre, Central and Western District, Hong Kong as its authorised agent in Hong Kong to accept service of process in any Proceedings based on any of the Bonds, the Deed of Guarantee, the Trust Deed or the Agency Agreement. If for any reason the Guarantor ceases to have such an agent in Hong Kong, it will promptly appoint a substitute process agent and deliver to the Trustee a copy of the agent's acceptance of that appointment within 30 days of such cessation. Nothing herein shall affect the right to serve process in any other manner permitted by law.

(d) **Waiver of Immunity**: Each of the Issuer and the Guarantor has waived any right to claim sovereign or other immunity from jurisdiction or execution and any similar defence, and has irrevocably consented to the giving of any relief or the issue of any process, including, without limitation, the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment made or given in connection with any Proceedings.

SUMMARY OF PROVISIONS RELATING TO THE BONDS IN GLOBAL FORM

The Global Certificate contains provisions which apply to the Bonds in respect of which the Global Certificate is issued, some of which modify the effect of the Terms and Conditions of the Bonds set out in this Information Memorandum. Terms defined in the Terms and Conditions of the Bonds have the same meaning in the paragraphs below. The following is a summary of those provisions:

The Bonds will be represented by the Global Certificate in registered form, which will be registered in the name of a nominee of, and deposited with, a common depositary for Euroclear and Clearstream.

Under the Global Certificate, the Issuer, for value received, promises to pay such principal and interest on the Bonds to the Bondholder on such date or dates as the same may become payable in accordance with the Terms and Conditions of the Bonds.

Owners of interests in the Bonds in respect of which the Global Certificate is issued will be entitled to have title to the Bonds registered in their names and to receive individual definitive Certificates if either Euroclear or Clearstream or any other clearing system (an "**Alternative Clearing System**") is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. In such circumstances, the Issuer will cause sufficient individual definitive Certificates to be executed and delivered to the Registrar for completion, authentication and despatch to the relevant Bondholders. A person with an interest in the Bonds in respect of which the Global Certificate is issued must provide the Registrar not less than 30 days' notice at its specified office of such Bondholder's intention to effect such exchange and a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such individual definitive Certificates.

Promise to Pay

The Issuer, for value received, promises to pay to the Registered Holder of the Bonds represented by the Global Certificate (subject to surrender of the Global Certificate if no further payment falls to be made in respect of such Bonds) on 28 June 2022 (or on such earlier date as the amount payable upon redemption under the Conditions may become repayable in accordance with the Conditions) the amount payable upon redemption under the Conditions in respect of the Bonds represented by the Global Certificate and to pay interest in respect of such Bonds from 29 June 2021 (the "**Issue Date**") in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by the Global Certificate, together with such other sums and additional amounts (if any) as may be payable under the Conditions, in accordance with the Conditions.

Each payment will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means a weekday (Monday to Friday, inclusive) except 25 December and 1 January.

Trustee's Powers

In considering the interests of the Bondholders whilst the Global Certificate is registered in the name of a nominee for a clearing system, the Trustee may, to the extent it considers it appropriate to do so in the circumstances, but without being obligated to do so, (a) have regard to any information as may have been made available to it by or on behalf of the relevant clearing system or its operator as to the identity of its accountholders (either individually or by way of category) with entitlements in respect of the Bonds and (b) consider such interests on the basis that such accountholders were the Bondholders in respect of which the Global Certificate is issued.

Notices

So long as the Bonds are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear or Clearstream or any Alternative Clearing System, notices to Bondholders shall be validly given by delivery of the relevant notice to Euroclear or Clearstream or such Alternative Clearing System, for communication by it to accountholders entitled to an interest in the Bonds in substitution for notification as required by the Terms and Conditions of the Bonds.

Transfers

Transfers of interests in the Bonds will be effected through the records of Euroclear and Clearstream (or any Alternative Clearing System) and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream (or any Alternative Clearing System) and their respective direct and indirect participants.

Cancellation

Cancellation of any Bond represented by the Global Certificate by the Issuer following its redemption or purchase by the Issuer, the Guarantor or any of their respective subsidiaries will be effected by a reduction in the principal amount of the Bonds in the register of Bondholders.

Meetings

For the purposes of any meeting of Bondholders, the Bondholder represented by the Global Certificate shall (unless the Global Certificate represents only one Bond) be treated as two persons for the purposes of any quorum requirements of a meeting of Bondholders and as being entitled to one vote in respect of each U.S.$1,000 in principal amount of the Bonds.

Bondholder's Redemption

The Bondholder's redemption option in Condition 6(c) may be exercised by the holder of this Global Certificate giving notice to the Principal Paying Agent within the time limits set out in that Condition, in accordance with the rules and procedures of Euroclear and Clearstream and any Alternative Clearing System, as applicable, failing which, in the form of the notice of redemption available from any Paying Agent and stating of the principal amount of Bonds in respect of which the option is exercised within the time limits specified in that Condition.

Issuer's Redemption

The option of the Issuer provided for in Condition 6(b) shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by that Condition.

USE OF PROCEEDS

The gross proceeds from the offering of the Bonds will be U.S.$110,000,000. The net proceeds, after deducting commissions and other fees and expenses payable in connection with the offering of the Bonds, will be used for funding working capital, general corporate purposes and project development.

EXCHANGE RATE

PRC

PBOC sets and publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi with reference to a basket of currencies in the market during the prior day. PBOC also takes into account other factors such as general conditions existing in the international foreign exchange markets. Since 1994, the conversion of Renminbi into foreign currencies, including US dollars, has been based on rates set by PBOC, which are set daily based on the previous day's interbank foreign exchange market rates and current exchange rates in the world financial markets. From 1994 to July 2005, the official exchange rate for the conversion of Renminbi to US dollars was generally stable. Although PRC Governmental policies were introduced in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currency for current account items, conversion of Renminbi into foreign exchange for capital items, such as foreign direct investment, loans or securities, requires the approval of SAFE and other relevant authorities. On 21 July 2005, the PRC Government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. The PRC Government has since made and in the future may make further adjustments to the exchange rate system. PBOC authorised the China Foreign Exchange Trading Center, effective since 4 January 2006, to announce the central parity exchange rate of certain foreign currencies against the Renminbi at 9:15 AM each business day. This rate is set as the central parity for the trading against the Renminbi in the inter-bank foreign exchange spot market and the over the counter exchange rate for that business day. On 18 May 2007, PBOC enlarged, effective on 21 May 2007, the floating band for the trading prices in the inter-bank foreign exchange spot market of Renminbi against the US dollar from 0.3 per cent. to 0.5 per cent. around the central parity rate. This allows the Renminbi to fluctuate against the US dollar by up to 0.5 per cent. above or below the central parity rate published by PBOC. On 19 June 2010, PBOC announced that it intended to further reform the Renminbi exchange rate regime by allowing greater flexibility in the Renminbi exchange rate and the band was expanded to 1.0 per cent. on 16 April 2012 and it was further expanded to 2.0 per cent. on 17 March 2014. More adjustments may be made to the exchange rate system by the PRC government in the future. Currently, the PROC announces the closing price of a foreign currency traded against Renminbi in the inter-bank foreign exchange spot market after the closing of the market on each business day, and makes it the central parity for the following business day.

On 11 August 2015, PBOC announced that the exchange rates between the Renminbi and foreign currencies would become more market driven, taking into account of the closing exchange rates on the previous trading day, supply and demand of foreign currencies and the fluctuations of exchanges rates between major international currencies. From 11 August to 13 August 2015, the value of the Renminbi depreciated by approximately 4.4 per cent. against the US dollar and has stabilised since then. The PRC governments may make further adjustments to the exchange rate system in the future.

The following table sets forth the noon buying rates for US dollars in New York City for cable transfers payable in Renminbi as certified by the Federal Reserve Bank of New York for customs purposes for and as at the periods indicated as set forth in the H.10 statistical release of the Federal Reserve Board.

	Noon Buying Rate			
Period	**End**	**Average[(1)]**	**High**	**Low**
	(Renminbi per US$1.00)			
2014	6.2046	6.1704	6.2591	6.2046
2015	6.4778	6.2869	6.4896	6.1870
2016	6.9430	6.6549	6.9580	6.4480
2017	6.5063	6.7569	6.9575	6.4773
2018	6.8755	6.6090	6.9737	6.2649
2019	6.9618	6.9081	7.1786	6.6822
2020	6.5250	6.9042	7.1681	6.5208
2021				
January	6.4282	6.4672	6.4822	6.4282
February	6.4730	6.4601	6.4869	6.4344
March	6.5518	6.5109	6.5716	6.4648
April	6.4749	6.5186	6.5649	6.4710
May	6.3674	6.4318	6.4749	6.3674
June (through 18 June)	6.4525	6.4039	6.4525	6.3865

Note:

(1) Averages are calculated by averaging the rates on the last business day of each month during the relevant year. Monthly averages are calculated by averaging the daily rates during the relevant monthly period.

CAPITALISATION AND INDEBTEDNESS

The following table sets forth the consolidated total borrowings (both current and non-current portions), total equity and total capitalisation of the Guarantor as at 31 December 2020 and adjusted to give effect to the issue of the Bonds. The table should be read in conjunction with the Guarantor's consolidated financial statements and the related notes included elsewhere in this Information Memorandum.

	As at 31 December 2020			
	Actual		As adjusted	
	(RMB) (Audited) (RMB in thousands)	(U.S.$) (Unaudited) (U.S.$ in thousands)	(RMB) (Audited) (RMB in thousands)	(U.S.$) (Unaudited) (U.S.$ in thousands)
Current indebtedness:				
Short-term loans	17,151,981.1	2,628,656.1	17,151,981.1	2,628,656.1
Accounts payable	4,421,105.2	677,564.0	4,421,105.2	677,564.0
Non-current liabilities due within one year	8,095,583.8	1,240,702.5	8,095,583.8	1,240,702.5
Total current indebtedness	29,668,670.1	4,546,922.6	29,668,670.1	4,546,922.6
Non-current indebtedness:				
Long-term loans	5,194,693.2	796,121.6	5,194,693.2	796,121.6
Bonds payable(2)	4,617,985.0	707,737.2	4,617,985.0	707,737.2
Bonds to be issued	–	–	717,750.0	110,000.0
Total non-current indebtedness	9,812,678.2	1,503,858.7	10,530,428.2	1,613,858.7
Total indebtedness	39,481,348.3	6,050,781.3	40,199,098.3	6,160,781.4
Total equity	138,597,292.8	21,240,964.4	138,597,292.8	21,240,964.4
Total capitalisation(3)	178,078,641.1	27,291,745.8	178,796,391.1	27,401,745.8

Notes:

(1) For convenience only, all translations from Renminbi into U.S. dollars are made at the rate of RMB6.5250 to U.S.$1.00, based on the noon buying rate as set forth in the H.10 statistical release of the Federal Reserve Bank of New York on 31 December 2020.

(2) Total capitalisation represents the sum of total current indebtedness, total non-current indebtedness and total equity.

Except as disclosed in the Information Memorandum, there has been no material adverse change in the Guarantor's consolidated capitalisation and indebtedness since 31 December 2020.

DESCRIPTION OF THE ISSUER

Overview

The Issuer was incorporated in Hong Kong as a company limited by shares on 14 May 2012 under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (company registration number: 1744380). The registered office of the Issuer is at Room A, 16/F, Wing Sing Commercial Centre, 12-16 Wing Lok Street, Sheung Wan, Hong Kong.

Business Activity

The Issuer is a wholly-owned subsidiary of the Guarantor. As at the date of this Information Memorandum, the Issuer was primarily engaged in trading business.

Director

The directors of the Issuer are Song Jianmin, Cao Lin and Chen Gang.

Share Capital

As at the date of this Information Memorandum, the issued share capital of the Issuer is U.S.$90,000,000. None of the equity securities of the Issuer is listed or dealt in on any stock exchange and no listing or permission to deal in such securities is being or is proposed to be sought as at the date of this Information Memorandum.

DESCRIPTION OF THE GROUP

OVERVIEW

Established in July 1992, the Guarantor is a company owned by the Nanshan Villagers Committee and Mr. Song Zuowen, the director of the Nanshan Villagers Committee, as to 51% and 49%, respectively. The predecessor of the Guarantor was Qiansong Village Glass Fiber Factory* (前宋村玻璃纖維廠), a village-owned enterprise in Dongjiang Town, Longkou City, which was established in 1979. In July 1992, it was restructured to Yantai Nanshan Qiansong Enterprise Group Headquarters* (煙台市南山前宋企業集團總公司) with a registered capital of RMB500,000. With the continuous development of the company, it was renamed as Nanshan Group Co., Ltd in April 1996, and the registered capital was increased to RMB135 million.

The Guarantor focuses on the aluminum and textile apparel businesses in both of domestic and overseas markets. As a company established and developed as a village-run enterprise and directly controlled by the Nanshan Villagers Committee, the Guarantor plays a key role in promoting the social and economic development of the Nanshan Village and has made significant contribution to the local tax income and finances. The Group is also engaged in other business sectors in relation to petrochemical, trading, real estate, financing, tourism, health and education.

As at 31 December 2020, the Guarantor had a paid-in capital of RMB1 billion and total assets of approximately RMB138.6 billion. For the years ended 31 December 2018, 2019 and 2020, the Group reported total operating income of approximately RMB31.49 billion, RMB43.5 billion and RMB48.9 billion, respectively, and net profit after tax of approximately RMB2.1 billion, RMB3.5 billion and RMB4.2 billion, respectively.

Aluminum Business Segment

The Group conducts its aluminum business primarily through the Guarantor and one of its major operating subsidiaries, namely, Shandong Nanshan Aluminum Industry Co., Ltd.* (山東南山鋁業股份有限公司). The Group has formed a complete aluminum processing industrial chain of thermoelectric – alumina – electrolytic aluminum – aluminum profile/melting – casting – hot rolling – cold rolling – foil rolling, and it possesses one of the largest aluminum production and processing bases in China with the most varieties. In recent years, the capacity of new projects in relation to aluminum business invested by the Guarantor has been gradually released, and the share of high value-added products has steadily increased, which has led to a significant increase in the scale and proportion of revenue from the aluminum business segment.

The Guarantor's aluminum business segment constituted one of the Guarantor's major business segments in terms of operating income. For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's aluminum business amounted to approximately RMB19.5 billion, RMB20.9 billion and RMB21.6 billion, respectively, representing approximately 46.7 per cent., 49.4 per cent. and 45.0 per cent. of the Group's total operating income for the same periods, respectively.

Textile and Apparel Segment

The Group conducts its textile and apparel business primarily through the Guarantor and one of its major operating subsidiaries, namely Shandong Nanshan Zhishang Technology Co., Ltd.* (山東南山智尚科技股份有限公司). The Guarantor's textile and apparel business segment mainly includes two sub-segments, namely worsted fabrics and garment production. All the production procedure for the textile and apparel is conducted in Nanshan Textile Apparel Industrial Park, which is located in Nanshan Industrial Park with a total gross area of more than 400,000 sqm., being one of the largest worsted compact spinning fabric production bases in the world.

For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's textile and apparel business amounted to approximately RMB1.9 billion, RMB1.7 billion and RMB1.3 billion, respectively, representing approximately 4.6 per cent., 4.1 per cent., and 2.8 per cent. of the Group's total operating income for the same periods, respectively.

Other Business Segment

The Group is also engaged in other businesses such as petrochemical, trading, real estate, financing, tourism, health and education.

For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's other business amounted to approximately RMB20.3 billion, RMB19.6 billion and RMB25.1 billion, respectively, representing approximately 48.7 per cent., 46.4 per cent. and 52.3 per cent. of the Group's total operating income for the same periods, respectively.

HISTORY AND DEVELOPMENT

The Guarantor is a company owned by the Nanshan Villagers Committee and Mr. Song Zuowen, the director of the Nanshan Villagers Committee, as to 51% and 49%, respectively. The table below sets forth selected key milestones in the Group's development history:

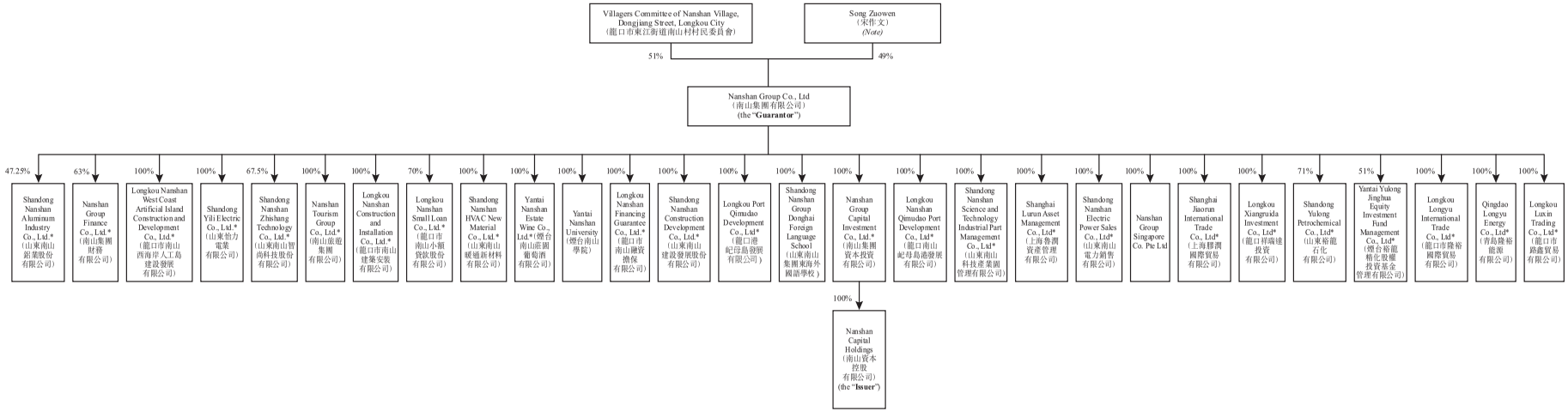
The table below sets forth selected key milestones in the Group's development history:

Time	Milestone
1992	The Guarantor was established in July 1992 with a registered capital of RMB500,000 (formerly known as Yantai Nanshan Qiansong Enterprise Group Headquarters* (煙台市南山前宋企業集團總公司)). The predecessor of the Guarantor was Qiansong Village Glass Fiber Factory* (前宋村玻璃纖維廠), a village-owned enterprise in Dongjiang Town, Longkou City, which was established in 1979. Upon establishment, the Guarantor was owned by the Nanshan Villagers' Committee (南山村委會).
1994	The Guarantor was renamed as Yantai Nanshan Group Company* (煙台南山集團公司) in May 1994.
1996	The Guarantor was renamed as Nanshan Group Company* (煙台南山集團公司) in April 1996, and the registered capital was increased to RMB135 million following the investment of RMB94 million and RMB40.50 million made by the Nanshan Villagers' Committee (南山村委會) and Mr. Song Zuowen (宋作文), respectively. Following the investment, the guarantor was held to 70% by the Nanshan Villagers' Committee (南山村委會) and 30% by Mr. Song Zuowen (宋作文), respectively.
2005	Mr. Song Zuowen (宋作文) transferred its 14.46% interest in the Issuer to the Nanshan Villagers' Committee (南山村委會). Upon the transfer, the Issuer was held as to 84.46% by the the Nanshan Villagers' Committee (南山村委會) and 15.54% by Mr. Song Zuowen (宋作文), respectively.

Time	Milestone
2006	The Nanshan Villagers' Committee (南山村委會) and Mr. Song Zuowen (宋作文) increased their capital investment in the Issuer by RMB730.58 million and RMB134.42 million, respectively. After the capital increase, the Issuer's registered capital was RMB1,000 million and was held as to 84.46% by the the Nanshan Villagers' Committee (南山村委會) and 15.54% by Mr. Song Zuowen (宋作文), respectively.
2009	The Guarantor was approved to change into a joint stock limited company as Nanshan Group Co., Ltd. with registered capital of RMB1,000 million, and was held as to 51% by the the Nanshan Villagers' Committee (南山村委會) and 49% by Mr. Song Zuowen (宋作文), respectively.
2020	The Guarantor ranked 79 in China's top 500 manufacturers (中國製造業500強第79名) and 194 in China's top 500 entrepreneurs according to China's Enterprise Confederation (中國企業聯合會) and China's Entrepreneur's Association (中國企業家協會).

CORPORATE STRUCTURE

The following chart sets forth a simplified corporate structure of the Group, which shows the Guarantor and its key subsidiaries as at 31 December 2020:



Note: Song Zuowen is the director of the Nanshan Villagers Committee.

COMPETITIVE STRENGTHS

The Guarantor believes that the Group has the following competitive strengths:

The Group has one of the most comprehensive aluminium production industrial chain in the PRC.

The Guarantor is one of the top tier aluminum producers in the PRC with products sold for high end use, including but not limited to aircraft, motor vehicles, railway transportation, ships and electricity etc. It is one of the aluminium product suppliers to the world's aircraft supply clubs. The Group has also supplied aluminum products to premium brands in the world. It is also the first manufacturer of a four-door vehicle's two shield aluminum plates.

As aluminum production is a traditional industry, the PRC government encourages enterprises to continue developing the industry in terms of structural adjustment, capacity optimization, and technological update. Enterprises with independent innovation technology and research and development capabilities are supported by the PRC government. Given the Guarantor's leading position in the PRC, it is envisaged with government support, it will continue to be one of the leading players in aluminum production industry in the PRC.

With continued strong support from the governmental authorities, the Guarantor believes that the Group will be able to continue to operate its aluminum business further expand its business operations to consolidate its existing position in the PRC and overseas market.

The Group's textile and apparel business is a national high technology enterprise which operates one of the few large-scale worsted compact spinning fabric production bases in the world.

The Group's textile and apparel industrial business chain covers the worsted spinning system from Australian high-quality wool procurement, combed top wool processing to spinning, weaving, dyeing and finishing. It also has a complete wool product development, production, and marketing system from fabrics to high-end garments, as well as a complete yarn preparation, order-to-production delivery quick response system, to provide customers with a one-stop efficient service. The Group has a complete product research and development and technological innovation system, and has high-level innovation platforms such as nationally recognized laboratories, national high-count pure wool product development bases, wool textile research institutes, professional wear research institutes, and international wool innovation centers. With the establishment of the Wool Design Center (WDC) in cooperation with the International Wool Bureau, and active participation in the research of domestic and foreign wool textile technology projects, the Group's textile and apparel business is a nationally high technology enterprise with originality and technology as its specialty and advanced customization as its main business strategy.

Diversified business portfolio enhancing the Group's risk resilience.

The Group has a diversified business portfolio which enhances its risk resilience and provides it with a steady stream of operating income from its businesses. The Group is primarily engaged in the aluminum business and textile apparel business. For the years ended 31 December 2018, 2019 and 2020, the Group's operating income derived from its aluminum business amounted to approximately RMB19.52 billion, RMB20.9 billion and RMB21.6 billion, respectively, representing approximately 46.7 per cent., 49.4 per cent. and 45.0 per cent. of the Group's total operating income for the same periods, respectively. For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's textile apparel business amounted to approximately RMB1.9 billion, RMB1.7 billion and RMB1.3 billion, respectively, representing approximately 4.6 per cent., 4.1 per cent., and 2.8 per cent. of the Group's total operating income for the same periods, respectively. While the Group's aluminum business and textile apparel business constitute the Group's major sources of operating income, the Group's other business segments, which primarily include petrochemical, trading, real estate, electricity, education and tourism

also provide attractive returns and cash flows to the Group. The Group's diversified business portfolio minimizes the risk of business concentration and the level of volatility in its overall earnings and financial position as a result of changes in economic conditions, production costs or other factors within any one sector. The Guarantor believes that the Group's diversified sources of income and cash flows will enhance the Group's stability as well as flexibility in managing its operations.

Diversified sources of funding and strong credit position.

The Group has access to various sources of funding including bank loans and corporate bonds. For example, the Guarantor issued RMB1 billion onshore corporate bonds in August 2019. As at 31 December 2020, the Group had an outstanding balance of all liabilities in the principal amount of approximately RMB66.2 billion. In addition to cash generated from its operations, the Group also maintains long term relationships with a number of banks, such as Industrial and Commercial Bank of China, Bank of China, China Construction Bank, Agricultural Bank of China, China Development Bank and Industrial Bank. As at 31 December 2020, the Group had aggregated banking facilities of approximately RMB77.4 billion, of which approximately RMB43.0 billion were unused. As such, the Guarantor believes that the Group has a robust liquidity position with access to diversified funding sources.

During the period of September 2020 to December 2020, the Guarantor has redeemed approximately RMB2.4 billion open market bonds. Assuming that all existing bonds of the Guarantor are sold back, the Guarantor's open market bond balance to be paid in 2021 will be approximately RMB10 billion, which is expected to be redeemed mainly through capital raising methods such as the Guarantor's own monetary funds, operating cash flow, bank facilities and assets disposal. As the Guarantor has maintained a stable and long-time cooperative relationship with its major banks, it is able to repay debts by way of borrowing new bank facilities or extending existing bank loans.

In addition, the Group actively manages its cash flow and capital commitments to ensure that it has sufficient funds to meet its existing and future cash flow requirements. The Group's ability to access diversified source of funding and its strong financing capability has enabled it to fulfil the capital need of its businesses and capitalise on various business opportunities.

Prudent financial structure.

The Group puts great emphasis on maintaining a prudent financial structure, which the Guarantor believes is the key to sustainable business development and maximising returns on the Group's investments. The Group has adopted prudent financial management policies to achieve greater financial efficiency. For example, the Group has maintained an adequate level of cash balance and current assets to fulfil its liquidity needs and has made investments which are in line with the Group's business strategies. In addition, the Group has established an accounting system independent of its controlling shareholder and formulated a financial management system to independently make financial decisions, and also established an independent financial department which is equipped with full-time financial staff. As at 31 December 2018 and 2019 and 2020, the Group held cash and cash equivalents of approximately RMB7.9 billion, RMB8.8 million and RMB15.3 billion, respectively, while the Group's current assets were approximately RMB41.3 billion, RMB45.4 billion and RMB55.4 billion, respectively. As at 31 December 2018 and 2019 and 2020, the Group's total liabilities were approximately RMB69.1 billion, RMB68.7 billion and RMB66.2 billion, respectively. With respect to its investment management, the Group has implemented effective control measures from the commencement to the completion of its production activities, which enable it to control operational costs to improve its results of operations.

Experienced management team with support from a dedicated team of staff.

The Group has an experienced management team with extensive knowledge in the industries in which the Group operates. The Guarantor believes that the team's industry knowledge and technical expertise enable the Group to make prudent business decisions so as to strengthen its operations in the relevant sectors in the Longkou City. Please see "*Directors, Supervisors and Senior Management*" for further information on the Group's senior management team.

The Group's experienced management team is also supported by a dedicated team of staff with extensive technical and industry knowledge. As at 31 December 2020, the Group had a total of 39,688 employees, approximately 45.79 per cent. of whom hold an undergraduate degree or above.

The Guarantor believes in the benefits of improving the skills and knowledge of its management team and employees, and conducts both in-house and external management and professional training programmes from time to time.

BUSINESS STRATEGIES

The Guarantor's objective is to maintain the Group's leading position in the various business segments in which it operates and to continue to expand its business operations. The Guarantor intends to implement the following strategies to achieve this objective:

Continue to focus on aluminum business segment by prioritising the aluminum product deep processing business in order to integrate the industrial chain, strengthen core industry competitiveness and realise large-scale operation.

The Guarantor plans to continue to actively leverage the extensive experiences and knowledge of the Group in relation to aluminum business as well as the strong and rapid economic growth of the PRC and increase its focus on aluminum business segment. In particular, the Group has formulated a sustainable development strategy in respect of the aluminum industry, i.e., "basing on a high starting point, using high technology, and creating high quality (立足高起點、利用高科技、創造高品質)". On the basis of further improving the aluminum industry value chain, the Group plans to develop high-tech, high-value-added aluminum deep-processing products to further enhance the Guarantor's cost advantage and risk resistance capability, so as to improve the Group's profitability and core competitiveness.

By completing a number of large-scale aluminum-related projects in recent years, the Group has built a strong presence and established itself as a leading market player in the aluminum industry not only in the PRC but also around the world. Throughout the past years, the Group has been positioned in the internationally competitive high-precision sheet, strip and foil civilian product market and dedicated to providing aluminum products mainly including high-precision aluminum foil, hot-rolled wool, aluminum foil wool, cans, construction products and transportation products. The Group has developed into one of the most important domestic tank material suppliers, occupying approximately 50% of the domestic market, while at the same time expanding the market for rail transit materials (such as high-speed railways, intercity railways, and subway car body materials) with broad market prospects. In recent years, it has begun to develop advanced aluminum products such as aviation materials, vehicle materials and ship materials, and supply them to aircraft manufacturers such as Boeing and certain top car manufacturers in the world, which fills the gaps in terms of aerospace, automotive sheet manufacturing and other fields in domestic market.

Going forward, the Group will actively respond to the domestic reforms for supply side and further upgrade the structure of aluminum products by focusing on developing more high-tech and high value-added aluminum alloy medium and thick plates and forging products. The aforesaid products are expected to be widely used in aerospace, transportation, automobiles, ships, energy and power, electronic communications, petrochemicals, metallurgy and mining, machinery and electrical appliances, etc. The Group will take an international vision and fully learn from foreign advanced experiences from the world's top aluminum processing companies, select talents from all over the world, inject international mindset and concepts, and enhance the core competitiveness of products. The Group targets to contribute to the "One Belt One Road" national strategy, with the goal of growing into a world-leading supplier of automotive and aerospace materials and a world-class aluminum company.

Further innovate the textile and apparel business to lead the industry product trend.

The Group's textile and apparel business is driven by "scientific and technological innovation", and the Group continuously improvise the level of corporate innovation through two major technological innovation paths. The first path is "prioritizing science and technology". The Guarantor is a national high-tech enterprise and a textile technology innovation demonstration enterprise with multiple high-level innovation platforms, such as "International Wool Innovation Center* (國際羊毛創新中心)", "Beifu Nanshan Vocational Wear Research Institute* (北服南山職業裝研究院)", "Xi'an Polytechnic University Wool Textile Research Institute* (西安工程大學毛紡織研究院)". Since its establishment, the Guarantor has vigorously carried out the research and development of cutting-edge technology in the textile and apparel industry, and has achieved fruitful scientific research results. The second path is "setting standards". In the past years, the Guarantor has participated in formulation of a number of technical standards in the textile field, including more than 20 national standards, industrial standards, unit consumption standards for processing trade, and CNTAC group standards.

In terms of wool worsted fabrics, as a "national high-count pure wool product development base enterprise", the Group is committed to the comprehensive development and technological innovation of all-wool high-count and high-quality worsted fabrics. The Group has established the first wool spinning research institute in the textile industry, and also the "Wool Innovation Center (羊毛創新中心)" in cooperation with the International Wool Bureau, which focuses on global wool technology innovation and attain a number of innovative technological achievements. Going forward, the Group will vigorously promote the international development strategy, and continue to synchronize the world's most authoritative fabric research and development and fashion trends with innovative and forward-looking strategic planning.

In terms of apparel, relying on several advantages including leading industrial technology, R&D and intelligent manufacturing capacity, the Group fully integrates upstream and downstream industry chain resources to realize the coordinated development with the Group's worsted fabrics, and establishes an effective and efficient operation mechanism. Going forward, the Group will continue to focus on sustainable intelligent manufacturing and technological innovation for its textile and apparel business to provide global consumers and brands with high quality products and services.

Strengthen management structure and internal control systems.

The Group will continue to improve and streamline its management structure and internal control systems so as to further increase its capability in terms of safety and quality control. In addition, the Group considers effective project management to be critical to enhancing its overall operational efficiency. The Group will allocate more resources to the research and development of production methods for aluminum products and textile apparel products, new technologies as well as project and operation management methods, while gradually implementing a centralised management system over its fixed assets, such as key technical equipment.

Adhere to prudent financial policy with stringent risk control and enhanced financial management.

The Guarantor believes that a prudent financial management system can reduce operational and financial risks and help achieve long-term sustainable growth. The Group has established standardised capital management mechanism to monitor capital, capital efficiency and capital risk prevention. For financial management, the Group focuses on financial risk control, value creation, implementation of budget management and establishment of information platform in order to encourage communications and interactions between business operations, contribute to the sustainable, healthy and rapid development of the Group and provide financial stability. For interest rate risks, the Group will adjust its composition of onshore and offshore debts as well as its direct and indirect financing structure in accordance with its credit policies and market changes. The Group has developed a set of prudent liquidity management indicators to control its liquidity risks and will maintain its liquidity ratio, accounts receivable turnover ratio, inventory turnover ratio and other relevant liquidity ratios at a reasonable level. It will also maintain a sufficient amount of banking facilities to support the Group's business operations. The Group strives to prudently manage its financials while fulfilling investment and development needs to drive its profitability.

Explore new financing channels.

The Group has traditionally funded its business operations and working capital through bank loans and issuance of debt securities in the domestic market. The Guarantor intends to explore and employ new financing channels, such as issuing bonds in international capital markets. In addition, the Group seeks to build and reinforce co-operative relationships with financial institutions to secure funding on more favourable terms to better support the Group's financing needs for development, in particular for the Yulong Island Refining and Chemical Integration Project* (裕龍島煉化一體化項目) in the petrochemical business segment, and maintain a reasonable and balanced debt structure.

The Yulong Island Refining and Chemical Integration Project is a major petrochemical project in the Shandong Province approved by the State Council in 2020 and considered to be the number one project of the Shandong Province. The first phase of the refining and chemical integration project starts with oil and end with chemicals. The products are mainly divided into refined oil and chemical products. The aim of this first phase of chemical integration project aims at oil control and enhancement. The Secretary of the Shandong Provincial Party Committee took the lead in setting up three-level government work teams in Shandong Province, Yantai City, and Longkou City to be responsible for leading the project and granting relevant approvals.

Continue to build a professional management team.

The Guarantor believes that the Group's experienced management team has been a key factor in contributing to its growth and development, in particular, in achieving its market position in the various industries in which the Group operates. The Group will continue to build a professional management team with well-qualified and experienced personnel, carry out regular training so as to enable the Group to continue to improve the efficiency of its operations and achieve its strategic goals through the expertise, and continuity, of the Group's management team.

BUSINESS SEGMENTS

After three decades of development, the main business sectors of the Group include aluminum and textile apparel business segments. The Group is also engaged in other business segments such as petrochemical, trading, real estate, financing, tourism, health and education. As a company established and developed as a village-run enterprise and is directly controlled by the Nanshan Villagers Committee, the Guarantor plays a key role in promoting the social and economic development of the Nanshan Village and contributes significantly to the local tax and finances.

The following table sets forth a breakdown of the Group's total operating income by business segment for the periods indicated:

	For the year ended 31 December					
	2018		2019		2020	
	Revenue ('000 RMB)	% of total revenue	Revenue ('000 RMB)	% of total revenue	Revenue ('000 RMB)	% of total revenue
Aluminum	19,515,224.0	46.70%	20,855,634.1	49.43%	21,589,618.5	45.0%
Textile Apparel	1,940,510.7	4.64%	1,743,845.2	4.13%	1,331,736.0	2.8%
Others	20,331,281.6	48.66%	19,595,370.4	46.44%	25,105,282.4	52.3%
Total	**41,787,016.3**	**100%**	**42,194,849.7**	**100%**	**48,026,636.9**	**100%**

Note: Others mainly include petrochemical, trading, real estate, electricity, education and health.

Aluminum Business Segment

The Guarantor's aluminum business segment constituted one of the Guarantor's major business segments in terms of operating income. For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's aluminum business amounted to approximately RMB19.5 billion, RMB20.9 billion and RMB21.6 billion, respectively, representing approximately 46.7 per cent., 49.4 per cent. and 45.0 per cent. of the Group's total operating income for the same periods, respectively.

The Group conducts its aluminum business primarily through the Guarantor and one of its major operating subsidiaries, namely, Shandong Nanshan Aluminum Industry Co., Ltd.* (山東南山鋁業股份有限公司), which possesses one of the largest aluminum production and processing bases in China with the most varieties. In recent years, the capacity of new projects in relation to aluminum business invested by the Guarantor has been gradually released, and the share of high value-added products has steadily increased, which has led to a significant increase in the scale and proportion of revenue from the aluminum business segment.

Major Products

The Group's aluminum products are mainly composed of profiles (industrial profiles and architectural profiles), hot-rolled plates, cold-rolled plates, aluminum foils and forgings. Set out below are the brief description of the Group's major aluminum products:

Major Aluminum Products	Description
Industrial Profiles (工業型材)	Mainly used in aerospace, high-speed trains, light rails, subways, conductive rails, ships, special vehicles, passenger cars, passenger cars, containers, pump bodies, woodworking machinery, electronics, electricity and other fields.
Architectural Profiles (建築型材)	Mainly used for doors and windows, curtain walls, protective nets, building templates, scaffolding, tents and housing supports, etc. Building doors and windows are divided into ordinary doors and windows and energy-saving doors and windows. Ordinary doors and windows are mainly suitable for civil and public buildings without energy-saving requirements. Energy-saving doors and windows are mainly suitable for civil and public buildings with energy-saving requirements.
Hot-rolled Plates and cold-rolled Plates (熱軋板、冷軋板)	Mainly include hot-rolled wool, tanker board, van board, high-grade PS plate substrate for printing, architectural decoration board, tank body material, tank cover material, pull ring material, curtain wall panel, decorative board, anti-theft bottle cover material, aluminum foil alloy plates and other high-quality aluminum plates, strips and foils. The maximum width of the product is 3800mm, and the maximum roll weight is 30 tons. The high-quality can body material and can lid pull ring material are widely used in the packaging of beer, beverages and semi-solid foods.
Aluminum Foils (鋁箔)	Mainly include high-precision double zero aluminum foil, high-end packaging foil, namely Tetra Pak foil, gold card foil, high-grade cigarette foil, power capacitor foil, cable foil, air-conditioning foil, flexible packaging foil, retort bag, household foil, sealing foil, battery foil etc. The maximum width of the product is 1,830mm, the minimum thickness is 0.0055mm, and various single and double-sided aluminum foils of different specifications can be produced according to customer requirements.
Forgings (鍛件)	Mainly used in aviation, shipbuilding, electromechanical, petrochemical, energy and other fields, including aircraft frames, beams, landing gear, engine turbine disks, gas turbines, aviation structural parts and couplings, oil pipeline flanges, and transportation structural parts, etc.

Procurement

The Group primarily procure bauxite as raw materials for production of its aluminum products. All electricity required for production of the aluminum products comes from the Group's own power plant, which provides abundant and stable power resources to ensure the efficient operation of the Group's aluminum industry chain.

Production Facilities and Production Procedure

The Group's aluminum business sector production base is located in Nanshan Industrial Park and Nanshandonghai Industrial Park in Longkou City, covering a gross site area of approximately 35 square kilometers. The transportation of goods in the production base mainly relies on automobile transportation.

The details of the production capacity of the Group's major aluminum products are set out below:

	Production Line	Products	Production Capacity
1.	Alumina	Alumina powder	1.4 million tons
2.	Aluminum ingot	Aluminum ingot	816,000 tons
3.	Profile	Profile	320,000 tons
4.	Hot-rolled	Hot-rolled coil	800,000 tons
5.	Cold-rolled	Cold-rolled coil	700,000 tons

The Group's main production equipment are all imported from Japan, the United States, Europe and other countries and regions, which has high degree of automation and reach domestic and international advanced levels.

Through the past years, led by the industrial chain development model, the Group has formed a complete aluminum processing industrial chain of thermoelectric – alumina – electrolytic aluminum – aluminum profile/melting – casting – hot rolling – cold rolling – foil rolling.

Sales and Marketing

The Group's aluminum products are sold to both domestic and overseas markets. In terms of domestic market, the customers are mainly located in east China, north China, south China and middle China, among which multinational companies and state-owned enterprises accounted for a relatively high proportion. In terms of overseas market, the sales have spread all over the world. The Group mainly adopts a direct sales model in trading its aluminum products.

In recent years, the Group has been committed to expanding the overseas market while continuing increasing the development of domestic market. In particular, the Group has established several sales branches in the United States, Singapore and Germany to achieve the effect of regional radiation.

Textile Apparel Business Segment

The Group conducts its textile apparel business primarily through the Guarantor and one of its major operating subsidiaries, namely Shandong Nanshan Zhishang Technology Co., Ltd.* (山東南山智尚科技股份有限公司) ("**Nanshan Textile**"). The Group's textile and apparel business segment mainly includes two sub-segments, namely worsted fabrics and garment production.

For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's textile and apparel business amounted to approximately RMB1.9 billion, RMB1.7 billion and RMB1.3 billion, respectively, representing approximately 4.6 per cent., 4.1 per cent., and 2.8 per cent. of the Group's total operating income for the same periods, respectively.

Major Products

The major products series of the Group's textile and apparel business segment include 20-180 full wool series, 40-180 full wool blended series, stretch series, wool mercerized shrink-proof series, Arcano series, etc.

Procurement

The major raw material for the Group's textile business is wool, and the Group uses high-quality Australian wool during the production process in order to produce more high-quality textile products. The Group has set up a subsidiary in Australia and directly participates in the Australian wool market auction. Generally, the Group formulates a purchase plan based on the factory's wool inventory, orders and prices.

Production Facilities and Production Procedure

All the production procedure for the textile and apparel is conducted in Nanshan Textile Apparel Industrial Park, which is located in Nanshan Industrial Park with a total gross area of more than 400,000 sqm., being one of the largest worsted compact spinning fabric production bases in the world.

Nanshan Textile has a full set of international advanced equipment such as sliver making, dyeing, spinning, weaving, finishing, and laboratory inspection and testing. The level of equipment and equipment has reached the international leader in the same industry and has a high degree of automation. All of the textile equipment is imported from seven countries including Germany, France, Britain, Italy, Belgium, etc., which has a high degree of automation.

The details of the production capacity of the Group's major textile products are set out below:

	Production Line	Products	Production Capacity
1.	Fabric	Worsted woolen fabric	16 million meters
2.	Clothing	High-end suit	1.35 million suits

The Group only commence mass production of textile products upon receiving purchase orders from customers. During the production process, Nanshan Textile combines information technology, management technology and manufacturing equipment technology together, adopts advanced management methods and technical means, as well as implements ERP system to establish a computer network and automatic control system which has covered the company, and realizes the integrated management system for production, design, inventory, quality control, workshop technology, operation management, supply, etc., which has comprehensively improved the level of enterprise informatization.

Sales and Marketing

The majority of the Group's textile products are traded to domestic market. The Group implements the branding strategy and has established a high-quality marketing team to provide customers with one-stop services from provision of fabrics to provision of garments. The Group's textile products are exported to more than 20 countries and regions around the world. Through years of efforts, the Group has established good and stable cooperative relationships with various internationally renowned clothing brands and domestic high-end and mid-to-high-end clothing brands, and has become a designated cooperative supplier for various domestic financial, communications, and electric power enterprises.

Other Business Segments

The Group is also engaged in other businesses such as petrochemical, real estate, electricity, financing, tourism, health and education.

For the years ended 31 December 2018, 2019 and 2020, the operating income derived from the Group's other business amounted to approximately RMB20.3 billion, RMB19.6 billion and RMB25.1 billion, respectively, representing approximately 48.7 per cent., 46.4 per cent. and 52.3 per cent. of the Group's total operating income for the same periods, respectively.

Petrochemical Business

The Group conducts its real estate business primarily through Shandong Yulong Petrochemical Co., Ltd.* (山東裕龍石化有限公司).

Real Estate Business

The Group conducts its real estate business primarily through Longkou Nanshan Construction and Installation Co., Ltd.* (龍口市南山建築安裝有限公司). The Guarantor has first-class qualifications for real estate development enterprises, and its business scope covers real estate development, sales and property management. The Group has successively developed a number of engineering projects in the A and B areas of Longkou Nanshan Century Garden* (龍口南山世紀花園), with a 100% passing rate of engineering quality, of which the excellence rate is 95%. The Group adopts a self-sale model for its real estate business, and the material supply, planning and construction, marketing and after-sales services are all operated and managed by the Group itself.

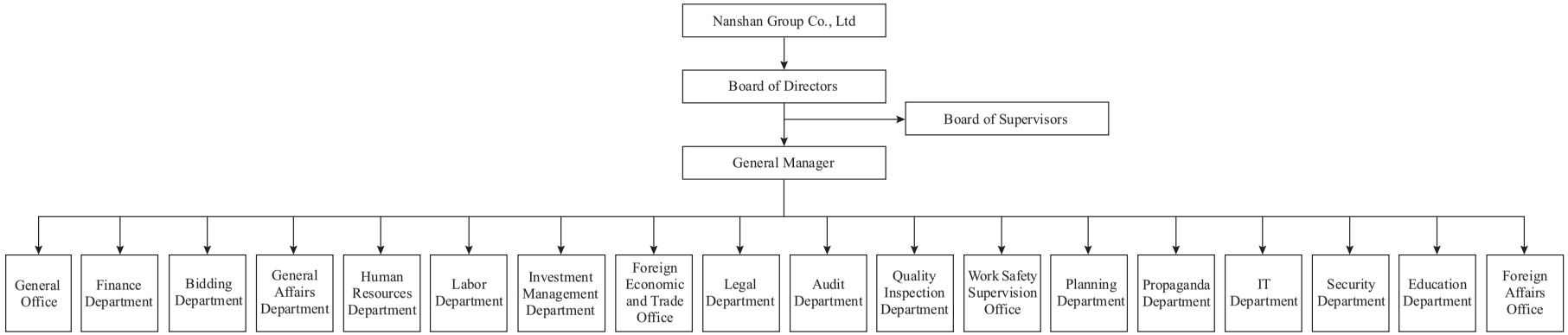
Electricity Business

The Group's power system includes thermal power plants, power maintenance companies, power transmission and transformation companies and other unites. It is mainly responsible for the power supply and heating tasks of the Group's companies. The abundant and stable power resources fundamentally ensure the efficient operation of the Group's electricity-aluminum business chain, and provide a strong power support and energy foundation for the development of various businesses of the Group. The main products of the Group's thermal power plants are electricity and steam. The Group's power resources can fully satisfy its own production needs, and the surplus is sold online.

CORPORATE GOVERNANCE STRUCTURE

The Guarantor has established a sound corporate governance structure comprising the board of directors, board of supervisors and operating management entities.

The following diagram sets forth a simplified corporate governance structure of the Guarantor as at 30 June 2019:



1. General Office

The general office is primarily responsible for organizing and coordinating the company's daily work, formulating the company's comprehensive management regulations and related systems; undertaking the drafting of company related documents, the organization of important meetings and activities; the company's corporate public relations management; liaison, coordination and management of the work of various departments and the Group's companies; organizing the preparation of annual assessment plan; supervising the completion progress according to the assessment plan, and the assessment and implementation of the reward and punishment policy.

2. Finance Department

The finance department is primarily responsible for formulating the company's unified financial management system and organizing its implementation in accordance with relevant national laws and regulations; preparation of the company's financial plans, strengthening the management of business accounting, reflecting and analyzing the implementation of the financial plans, inspecting and supervising the implementation of financial disciplines; coordination and communication of finance, taxation, banking and other institutions, regulating financial work with reference to changes in relevant laws and regulations; management of the company's taxation and costs; and undertaking the settlement of financial funds.

3. Human Resources Department

The human resources department is primarily responsible for the management, supervision and evaluation of the company's various departments; appointment and dismissal, rewards and punishments, hiring, assessment and deployment of employees; and organizing vocational training, induction training system and assessment system.

4. Audit Department

The audit department is primarily responsible for the audit of the company's internal assets, liabilities, profits and losses, and financial income and expenditure; audit and supervision of the operation and management activities of various departments and units of the company.

5. Work Safety Supervision Office

The work safety supervision office is primarily responsible for the production technology management of the Group's companies, organizing the formulation and revision of production technology management regulations, on-site procedures and operation guidance; and formulation and implementation of the company's safety supervision systems and methods.

6. Planning Department

The planning department is primarily responsible for the overall organization, participation and guidance of the company's project planning work; formulation of the planning strategies, review of the media activity plans, implementation of the overall planning creativity and design; and providing guidance in relation to project planning and design, and completion of the daily promotion and publicity work.

7. Labor Department

The labor department is primarily responsible for formulating the labor policies and salary settlement plans; evaluation of each unit, inspections to ensure the evaluation effect; and monitoring the accounting of salary account, share capital account and fund account.

8. Legal Department

The legal department is primarily responsible for providing feasibility, legality and legal risk analysis for the operation and management decisions; participating in major business activities negotiation, reviewing, modifying and signing of business contracts and agreements; assisting in and supervising the implementation of major business contracts and agreements; assisting in handling notarization, mortgage and other legal affairs; handling debt, debt clearance and collection work; and daily legal publicity work, including conducting regular legal education and training for employees.

9. IT Department

The IT department is primarily responsible for the planning and construction of the information system to integrate informatization and industrialization.

10. Foreign Economic and Trade Office

The foreign economic and trade office is primarily responsible for promoting communication and cooperation with strategic partners in the international market; searching for new and excellent foreign suppliers and innovating procurement mechanism; formulating and implementing short- and long-term strategic plans to promote strategic cooperation in the international market and accelerate the construction of overseas raw material production and processing bases.

11. Security Department

The security department is primarily responsible for maintaining normal production, operation, living and work order, preventing illegal crimes and various incidents to ensure the personal safety and property safety of employees; establishing and improving various safety and security work systems, and implementing the safety and security responsibility system.

12. Quality Inspection Department

The quality inspection department is primarily responsible for formulating the quality management manuals and program documents; providing trainings to employees in relation to quality; formulating raw materials and product quality standards and documents; reviewing and improving the mechanism and process of overall quality management, etc.

13. Bidding Department

The bidding department is primarily responsible for studying relevant laws, regulations and policies in relation to bidding; conducting preliminary market survey for potential bidding projects; reviewing the qualification and certificates of bidders; preparing bidding documents and draft contracts, conducting comprehensive analysis and approving the investment amount based on market conditions and previous bidding results; distributing bidding documents to qualified bidders; contacting qualified bidders and organizing open tender meetings and interviews; determining the winning bidder and issuance of bid-winning notice; and contract signing issue after the bidding.

14. General Affairs Department

The general affairs department is primarily responsible for assisting the management in organizing and coordinating the work of various departments; organization of administrative meetings, confidential management and external reception; the administrative management of foreign affair offices; and all logistics work of the company.

15. Propaganda Department

The propaganda department is primarily responsible for corporate image advertising, external public relations, brand management, trademark and domain name management, and internal publicity, etc.

16. Education Department

The education department is primarily responsible for the education and training of employees; supervising and assessing employees in relation to culture and technical knowledge; organizing pre-job safety training to new employees, assessment and grading for conversion; and also responsible for file management, including managing all archived documents and data according to the internal requirements.

17. Foreign Affairs Office

The foreign affairs office is primarily responsible for providing logistical support for various business activities of the company conducted at different foreign locations.

18. Investment Management Department

The investment management department is primarily responsible for collecting investment information and looking for valuable investment opportunities; conduction research, demonstration and evaluation of the potential company or project to be invested in, and proposing a feasibility report for the said company or project; design and formulation of the investment plan for a project; management of assets derived from the Group's investment activities; supervising the assets under management; and proposing disposal plans of managed assets, assisting auditors in carrying out audit work on managed assets.

RISK MANAGEMENT

The Group has established a risk management committee to ensure compliance with regulatory requirements and to implement risk control measures to lower operational and investment risks. The risk management system covers different aspects of the Group's operations, including strategic management, financial and capital management, asset management, investment management, connected transaction and information disclosure. Each level and department of the Group is well informed of the Group's internal control and risk management policies. The systematic approach adopted by the Group has helped the Group to manage its business in a disciplined manner.

OCCUPATIONAL SAFETY AND ENVIRONMENTAL PROTECTION

The Group adopts a comprehensive work safety system to ensure employee safety. The Group has established safety protocols and also implemented guidelines setting out the responsibilities of safety officers. The safety officer is involved in the planning and implementation of each project to ensure that safety objectives are met and plays a key role in monitoring the effectiveness of the safety measures, educating project members on the safety requirements, handling any infractions, ensuring safety records are properly kept and managing onsite safety and emergency incidents applicable to its operations and projects. As at 31 December 2020, the Group had not been subject to any fines or administrative action that had been filed with any PRC government authorities involving material non-compliance with any relevant safety regulations, nor was it required to take any specific compliance measures.

The Group is subject to environmental laws and regulations governing air pollution, noise emissions, hazardous substances, water and waste discharge and other environmental matters issued by the governmental authorities in the PRC. The Guarantor believes that the Group is in compliance in all

material respects with applicable environmental laws and regulations. As at 31 December 2020, the Group was not aware of any material environmental proceedings or investigations to which it is or might become a party.

EMPLOYEES

As at 31 December 2020, the Group had a total of approximately 39,688 employees, approximately 45.79 per cent. of whom hold an undergraduate degree or above. The Group maintains a good working relationship with its employees and as at 31 December 2020, the Group had not experienced any labour disputes that could cause material adverse effect to the operation and performance of the Group.

In accordance with the applicable regulations in regions where the Group has business operations, the Group makes contributions to the pension contribution plan, medical insurance and personal injury insurance. The Group generally enters into employment contracts with employees in accordance with applicable PRC laws. Such contracts typically include provisions on wages, vacation, employee benefits, training programmes, health and safety, confidentiality obligations and grounds for termination.

The Group's ability to attract, retain and motivate qualified personnel is critical to its success. The Guarantor believes that the Group offers its employees competitive compensation and is able to attract and retain qualified personnel. Remuneration to employees is based on their respective performance, working experience, duties and the prevailing market rates.

INSURANCE

The Group is covered by insurance policies which primarily covers fire, flood, worker's occupational safety, third party insurance and other material damage to property and public liability. The Guarantor believes that the Group's properties are covered with adequate insurance provided by reputable independent insurance companies and with commercially reasonable deductibles and limits on coverage, which are normal for the type and location of the properties to which they relate.

The Group maintains insurance coverage in amounts that the Guarantor believes are commensurate with its risk of loss and industry practice. Damage to the vehicles, buildings, facilities, equipment or other properties as a result of occurrences such as fire, flood, water damage, explosion, power loss, typhoons and other natural disasters or terrorism, or any decline in the Group's business as a result of any threat of war, outbreak of disease or epidemic, may potentially have a material adverse effect on the Group's financial condition and results of operations. Please see "*Risk Factors – Risks Relating to the Group's Business – The insurance coverage of the Group may not adequately protect it against all operational risks or any potential liabilities or losses*" in this Information Memorandum for a discussion of the risks associated with the Group's insurance coverage.

LEGAL AND REGULATORY PROCEEDINGS

The Group is involved, from time to time, in legal proceedings arising in the ordinary course of its operations. See "*Risk Factors – Risks Relating to the Group's Businesses – The Group may be subject to legal, litigation and regulatory proceedings*".

Except as disclosed in this Information Memorandum, to the best of the knowledge of the Guarantor, none of the Issuer, the Guarantor or any member of the Group is involved in any litigation or arbitration proceedings which could have a material and adverse effect on the condition (financial or other), prospects, results of operations or general affairs of the Issuer, the Guarantor or the Group.

DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

BOARD OF DIRECTORS

The following table sets forth the members of the board of directors of the Guarantor as at 31 December 2020:

Name	Position
Song Jianbo (宋建波)	Chairman of the board of the directors and general manager
Cheng Rence (程仁策)	Director
Wang Yuhai (王玉海)	Director and general manager
Song Jiancen (宋建岑)	Director and general manager
Song Changming (宋昌明)	Director
Zhao Liang (趙亮)	Director
Qu Shangwu (曲尚武)	Director

Song Jianbo (宋建波)

Mr. Song is the chairman of the board of directors and the general manager of the Guarantor. He is also the director of Shandong Nanshan Aluminum Industry Co., Ltd. (山東南山鋁業股份有限公司) ("**Nanshan Aluminum**"). Mr. Song previously worked as the office manager of the Guarantor. Mr. Cong holds an undergraduate degree. He is currently a senior economist and the vice president of China Non-ferrous Metals Industry Association (中國有色金屬工業協會).

Cheng Rence (程仁策)

Mr. Cheng is the director of the Guarantor. He is also a director of Nanshan Aluminum and a deputy director of Nanshan Textile. Mr. Cheng previously served as the deputy section chief of Longkou Paper Mill, the section chief of Technical Transformation Section of Longkou Economic and Trade Commission (龍口市經濟貿易委員會技術改造科), project director of the Guarantor, general manager of Nanshan Aluminum, deputy general manger of the Guarantor. Mr. Cheng holds an undergraduate degree.

Wang Yuhai (王玉海)

Mr. Wang is the director of the Guarantor. He previously served as the director of the key project office in Longkou City Planning Committee* (龍口市計劃委員會), and also as the assistant to the chairman, deputy general manager and general manager of the Guarantor. Mr. Wang holds an undergraduate degree.

Song Jiancen (宋建岑)

Mr. Song is the director of the Guarantor. He previously served as the general manager of the Shanghai branch company of the Guarantor, deputy prime minister of the Australian company of the Guarantor, and the chief supervisor of the Guarantor. Mr. Song holds an undergraduate degree.

Song Changming (宋昌明)

Mr. Song is the director of the Guarantor and also the director and general manager of Nanshan Aluminum. He previously served as the workshop director, factory director and deputy general manger of Nanshan Aluminum. Mr. Song holds an undergraduate degree.

Zhao Liang (趙亮)

Mr. Zhao is the director of the Guarantor and the director of Nanshan Textile. He previously served as the deputy director in the project department of the Guarantor; director of Beijing office; director of Jinan office and director of the project department of Jinan office; director of the foreign trade department of the Guarantor; and supervisor of Nanshan Aluminum. Mr. Zhao holds an undergraduate degree.

Qu Shangwu (曲尚武)

Mr. Qu is a director of the Guarantor. He previously worked in various positions in the Guarantor, including deputy director, executive deputy director and director of the project department, as well as deputy general manager. Mr. Qu holds an undergraduate degree.

BOARD OF SUPERVISORS

The following table sets forth the members of the board of supervisors of the Guarantor as at 30 June 2019:

Name	Position
Song Jianming (宋建民)	Chairman of the board of supervisors
Sui Rongqing (隋榮慶)	Supervisor
Sun Zhiliang (孫志亮)	Supervisor

Song Jianmin (宋建民)

Mr. Song is the chairman of board of supervisors of the Guarantor. He has served as the chief financial officer of Longkou Xinhua Wool Spinning Factory* (龍口新華毛紡廠), general manager of the Shenzhen branch of the Guarantor, director of the Hong Kong office of the Guarantor, general manager and chairman of Australian company of the Guarantor, deputy general manager and vice chairman of the Guarantor. Mr. Song holds an undergraduate degree. He has successively been awarded the titles of Model Worker of Yantai City* (煙台市勞動模範), deputy to the National People's Congress of Yantai City and Outstanding Party Member* (優秀黨員).

Sui Rongqing (隋榮慶)

Mr. Sui is the supervisor of the Guarantor. He previously served as the director of the brewing workshop and the sales manager in Nanshan Manor Wine Company* (南山莊園葡萄酒公司); sales manager of Yantai Donghai Aluminum Foil Co., Ltd.* (煙台東海鋁箔有限公司); chairman of supervisory board as well as director of the human resources department of Nanshan Aluminum. Mr. Sui holds an undergraduate degree.

Sun Zhiliang (孫志亮)

Mr. Sun is the supervisor of the Guarantor. He previously served as the workshop director of Longkou Signage Factory* (龍口市標牌廠), deputy director of testing station of Longkou Labor Bureau, project manager of Nanshan Group Zhuanghuang Installation Company* (南山集團裝璜安裝公司), marketing manager of Nanshan Group Textile General Factory* (南山集團紡織總廠), as well as deputy general manager and director of the Guarantor. Mr. Sun holds an undergraduate degree.

SENIOR MANAGEMENT

The following table sets forth the senior management members of the Guarantor as at 30 June 2019:

Name	Position
Wang Yuhai (王玉海)	Director and general manager
Song Jiancen (宋建岑)	Director and general manager
Zhang Suping (張素萍)	Financial director

Wang Yuhai (王玉海)

Please refer to the profile of Mr. Wang in "– *Board of Directors*" above.

Song Jiancen (宋建岑)

Please refer to the profile of Mr. Song in "– *Board of Directors*" above.

Zhang Suping (張素萍)

Ms. Zhang is the financial director of the Guarantor. She has served as the manager and deputy director of the finance department of the Guarantor.

PRC REGULATIONS

This section summarises the principal PRC laws and regulations which are relevant to the Group's business and operations. As this is a summary, it does not contain a detailed analysis of the PRC laws and regulations which are relevant to the Group's business and operations.

MAIN REGULATORY AUTHORITIES AND CONTENTS OF SUPERVISION

China's building and construction industry implements a regulatory system with the combination of comprehensive supervision and professional supervision. Government supervision over the building and construction industry mainly includes three aspects: the management on the competency and qualification of market players, the whole process management on the construction projects, and the management on the economic and technical standards of construction projects. The main regulatory authorities include:

- MOHURD (formerly Ministry of Construction of the PRC, the "**MOC**") and the competent local departments of MOHURD at various levels are responsible for the comprehensive supervision over the construction industry as well as the real estate development qualifications. Such management mainly includes: management on the competency and qualification of market players, approval and verification of the qualifications of various construction enterprises for access to market, examination and approval of occupational qualifications of individuals in the construction industry, supervision over and management on construction projects, and establishment of industrial standards.

- Ministry of Transport of the PRC (the "**MOT**") and the competent local departments of MOT at various levels are responsible for the construction projects of ports and highways nationwide.

- NDRC and the local development and reform commissions at various levels are responsible for the investment planning, examination and approval of city infrastructure construction projects.

- Ministry of Environmental Protection of the PRC (former State Environmental Protection Administration, the "**SEPA**") and the competent local departments of environmental protection at various levels are responsible for the environmental protection management of construction projects.

MAJOR LAWS AND REGULATIONS

SAFE Registration in relation to Cross-Border Security

Pursuant to the current applicable foreign exchange regulations, provision of cross-border security (including the provision of security interests by way of mortgage or pledge and the provision of guarantee) as defined in the relevant PRC regulations by PRC non-financial institutions, is subject to registration, reports and other regulatory requirements of SAFE.

On 12 May 2014, SAFE issued the Provisions on Foreign Exchange Administration of Cross-border Security (跨境擔保外匯管理規定) and the Implementation Guidelines for the Foreign Exchange Administration of Cross-border Security (跨境擔保外匯管理操作指引) (collectively the "**SAFE Circular 29**"), which became effective on 1 June 2014. According to the SAFE Circular 29: (i) cross-border security refers to the security provided by a security provider to a creditor under a written and legally binding agreement or instrument under which the security provider undertakes to fulfil relevant payment obligations in accordance with the security agreement, which may result in

cross-border receipt and payment of funds or cross-border transfer of asset ownership and other transactions of international receipt and payment. Based on the places of registration of the parties to the cross-border security transactions, cross-border security shall be divided into three types, namely "Neibaowaidai" (內保外貸), "Waibaoneidai" (外保內貸) and "Other forms of cross-border security" (其他形式的跨境擔保). In particular, Neibaowaidai refers to the cross-border security transaction under which the security provider is registered in the PRC, while both the debtor and the creditor are registered outside the PRC; (ii) provision of guarantees by PRC non-financial institution for offshore bond issuance by offshore entities constitutes transaction of "Neibaowaidai", and the PRC non-financial institution as the guarantor shall, register such cross-border security with SAFE within 15 working days after the execution of the guarantee; (iii) the proceeds of loans or bonds under the "Neibaowaidai" structure shall be used for the relevant expenses in the normal course of business of the foreign debtor, and shall not be used to support the foreign debtor to engage in transactions other than the normal course of business, to arbitrage any trade with fictitious transaction background, to carry out other forms of speculative transactions, or to directly or indirectly remit proceeds back to PRC by way of security investment; (iv) the proceeds of loans or bonds under the "Neibaowaidai" structure shall not be repatriated onshore and used in the PRC; (v) where "Neibaowaidai" is provided to secure the repayment obligations of an offshore entity under its offshore bond issuance, the offshore issuer shall be directly or indirectly owned by the PRC domestic institutions and the proceeds from the offshore bond issuance shall be applied to the overseas investment projects which are associated with the PRC domestic institutions in terms of equity interest and the relevant overseas institutions or projects shall have obtained or completed approvals, registrations, records or confirmations from or with the relevant PRC domestic authorities in charge of administration of overseas investment; and (vi) in case of performance of the "Neibaowaidai" which has been duly registered with SAFE, the PRC non-financial institution as the guarantor, may make the payment in relation to the performance of the "Neibaowaidai" under the registered "Neibaowaidai" at its own discretion, and shall de-register the "Neibaowaidai" and perform registration formalities in relation to its creditor rights against the offshore debtor arising out of the performance of the "Neibaowaidai". On 26 January 2017, SAFE issued the Circular on Further Promoting the Reform of Foreign Exchange Administration and Improving the Genuineness and Compliance Review and Verification Process (關於進一步推進外匯管理改革完善真實合規性審核的通知) ("**SAFE Circular 3**"), which eases certain restrictions on the use of proceeds raised under a "Neibaowaidai" structure and generally allows the proceeds raised under a "Neibaowaidai" structure to be repatriated onshore and used in the PRC by way of loans and equity investments. The second series of the Policy Q&As in relation to the SAFE Circular 3 (國家外匯管理局關於進一步推進外匯管理改革完善真實合規性審核的通知(匯發[2017]3號)政策問答(第二期), "**Policy Q&As in relation to the Circular 3**") published by SAFE on its official website on 27 April 2017 further clarified that, for offshore bond issuance by offshore entities which is secured by PRC onshore guarantees, the restrictions on the use of proceeds as mentioned in sub-paragraph (iii) and sub-paragraph (v) above still apply despite of SAFE Circular 3. However, in practice, application or exemption of such restrictions on the use of proceeds as mentioned in sub-paragraph (v) above to a large extent remains subject to SAFE' discretion on a case by case basis.

The SAFE Circular 3 and Policy Q&As in relation to the SAFE Circular 3 are relatively new and will be subject to interpretation and application by the relevant PRC authorities. Local authorities may adopt different practices in applying the SAFE Circular 3 and Policy Q&As in relation to the SAFE Circular 3.

Regulation on Fiscal Debts of Local Governments

In accordance with Guidance on Further Strengthening Adjustment of Credit Structure to Promote Fast and Smooth Development of National Economy (中國人民銀行、中國銀行業監督管理委員會關於進一步加強信貸結構調整促進國民經濟平穩較快發展的指導意見) issued jointly by the PBOC and CBRC in March 2009, local governments are encouraged to establish financing platforms to issue financing instruments such as enterprise bonds and medium term notes. In order to strengthen the management of financing platforms and effectively prevent fiscal financial risks, Circular 19 (國務院關於加強地方政府融資平台公司管理有關問題的通知) ("**Circular 19**") and Circular 2881 (關於進一步規範地方政府投融

資平台公司發行債券行為有關問題的通知) ("**Circular 2881**") were separately promulgated in June 2010 and November 2010, respectively. In accordance with Circular 19, all levels of local governments shall clear up the debts of their respective financing platform. In accordance with Circular 2881, indebtedness of local governments will impact financing platform's issuance of enterprise bonds.

On 21 September 2014, Circular 43 was promulgated by the State Council. Circular 43 aims at regulating financing system of local government and the three channels are presented. In accordance with Circular 43, financing platforms shall no longer serve the fiscal financing functions nor incur new government debts. Public interest projects may be funded by the government through issuing government bonds, since the new Budget Law of the PRC (the "New Budget Law"), which took effect on 29 December 2018, empowers local governments to issue government bonds, and public interest projects with income generated, such as city infrastructure construction, may be operated independently by social investors or jointly by the government and social investors through the establishment of special purpose companies.

Social investors or such special purpose companies shall invest in accordance with market-oriented principles and may be funded by, among other market-oriented approaches, bank loans, enterprise bonds, project revenue bonds and asset-backed securitisation. Social investors or the special purpose companies shall bear the obligation to pay off such debts and the government shall not be liable for any of the social investors' or special purpose companies' debts. Circular 43 also sets forth the general principles of dealing with existing debts of financing platforms. Based on the auditing results of such debts run by the local governments, the existing debts that should be repaid by the local governments shall be identified, reported to State Council for approval, and then included in the budget plan of local governments.

On 11 May 2015, Opinion on the Proper Solution of the Follow-up Financing Issues for Projects under Construction of Financing Platform of Local Governments issued jointly by the Ministry of Finance of the PRC, the PBOC and the CBRC (財政部人民銀行銀監會關於妥善解決地方政府融資平臺公司在建項目後續融資問題意見) ("**Circular 40**") was promulgated by the General Office of the State Council of the PRC. In accordance with Circular 40, local governments at all levels and banking financial institutions shall properly deal with follow-up financing issues for projects under construction of financing platform companies. Projects under construction refer to projects that have started construction upon the completion of examination, approval or filing procedures in accordance with relevant regulations manuscript by competent investment authorities before the date when the Circular 43 was promulgated.

The key tasks of local governments and banking financial institutions are as followings:

- *Support stock financing needs for projects under construction*. Local governments at all levels and banking financial institutions shall ensure the orderly development of projects under construction. For the loans to the projects under construction of financing platform companies, if the loan contracts with legal effect have been signed before 31 December 2014 and the loans have been granted but the contracts have not yet expired, banking financial institutions shall, under the premise of fully controlling risks and implementing credit conditions, continue to grant loans as agreed in the contracts, and shall not blindly call in loans in advance, delay or suspend the granting of loans.

- *Regulate increment financing for projects under construction*. Local governments at all levels shall pay close attention to the increment financing needs which are expected to be given fiscal support for the projects under construction of the financing platform companies, and shall, under the premise of compliance with laws and regulations and standard administration, make overall arrangements for various kinds of capitals such as fiscal capital and social capital and ensure the continuation and completion of projects under construction. For the projects under construction of financing platform companies for which the loan amount in the contracts that have been signed fails to meet the construction needs, if it is suitable for them to adopt government and social capital

cooperation mode, they shall prioritise such mode to make up the needs. And if they are in compliance with the relevant state provisions without any other funding sources for construction, but temporarily the government and social capital cooperation mode is not suitable, the increment financing needs shall be incorporated into government budget management and solved through issuing government bonds by local governments as required by laws and relevant regulations.

- *Administer in an effective and proper manner follow-up financing for projects under construction*. Banking financial institutions shall carefully check the destinations of the loans, and focus on supporting the projects under construction of financing platform companies in respects such as farmland water conservancy facilities, affordable housing projects and urban railway systems.

- *Improve supporting measures*. Under the premise of ensuring fiscal expenditure needs, in the regions where there are corresponding amount of government bonds issuance and where the treasury balances exceed the treasury payment for one and a half months, the local financial departments are allowed to, within the limit of the amount of government bonds issuance, make more efforts to effectively use the stock of fiscal funds in the previous years and use the surplus amount of the treasury for capital flow before government bond issuance, so as to address the time difference between the financing for projects under construction and government bonds issuance.

Regulation on the Issuance of Foreign Bonds

Pursuant to the NDRC Circular, which was promulgated by the NDRC and became effective on 14 September 2015, where domestic enterprises, overseas enterprises controlled by them or their overseas branches issue foreign debts, which are debt instruments of no less than one year of tenor that are denominated in domestic currency or foreign currency with the capital repaid and interest paid as agreed, including bonds issued overseas and long and medium-term international commercial loans, the enterprises shall apply to the NDRC for dealing with the formalities of record-filing and registration before issuance. The NDRC shall decide to accept it or not within five working days upon the receipt of the application and provide the Record-filing and Registration Certification of Issuance of Foreign Debts by Enterprises within seven working days after acceptance. The enterprises shall submit the issuance information to the NDRC within 10 working days after the end of issuance each time.

Pursuant to the Notice of the General Office of the NDRC on the Requirements for Local State-owned Enterprises to Apply for Record and Registration of Foreign Debt Issuance (國家發展改革委辦公廳關於對地方國有企業發行外債申請備案登記有關要求的通知), which was promulgated by the NDRC and became effective on 6 June 2019, all companies (including local state-owned enterprises) applying for Record and Registration of Foreign Debt Issuance shall submit a commitment letter stating the authenticity of application materials signed by the main decision makers of the company to the NDRC; and the NDRC will record irregularities of the companies that make false commitment in the National Credit Information Platform.

Bidding and Tendering Management

Bidding and tendering of various construction projects have been provided in the Bidding and Tendering Law of the People's Republic of China (中華人民共和國招標投標法) promulgated by SCNPC on 30 August 1999 and amended by No. 86 Presidential Decree in 2017 which became effective on 28 December 2017, Regulation on the Implementation of the Bidding and Tendering Law of the People's Republic of China (中華人民共和國招標投標法實施條例) promulgated by State Council on 20 December 2011 and amended on 1 March 2017, 19 March 2018 and 2 March 2019, Measures for the Construction Bidding and Tendering of Construction Projects (工程建設項目施工招標投標辦法) jointly promulgated by NDRC, MOC, MOR, MOT, Ministry of Information Industry of the People's Republic of China, Ministry of Water Resources of the People's Republic of China, and Civil Aviation Administration of China on 8 March 2003 and amended on 11 March 2013 which became effective on 1 May 2003,

amended on 11 March 2013 and became effective on 1 May 2013, Administrative Measures for the Bidding and Tendering of Design of Construction Projects (建築工程設計招標投標管理辦法) issued by Ministry of Housing and Urban-Rural Development ("MOHURD") on 24 January 2017 and became effective on 1 May 2017. Administrative Measures for the Bidding and Tendering of Housing Construction and Municipal Infrastructure Work (房屋建築和市政基礎設施工程施工招標投標管理辦法) issued by MOC on 1 June 2001 which was subsequently amended and became effective on 28 September 2018.

In accordance with the Bidding and Tendering Law of the People's Republic of China, certain types of projects shall go through bidding processes during phases, including project survey, design, construction, supervision and procurement of the essential equipment and materials relating to the project construction. Such projects include the projects related to social public interests and public security, including large infrastructure and utilities; projects invested by using state-owned fund or financed by the government in whole or in part; and projects using loans or aid funds of international organisations or foreign government.

The process of bidding and tendering consists of five stages including bid invitation, tendering, bid opening, bid evaluation and bid award. The principle of openness, fairness and equal competition shall be followed in the bidding and tendering for construction project contracting, and the contractor shall be chosen after evaluation. After the contractor is determined, the tenderee shall issue the notification to the successful bidder. The notification is legally binding on both the tenderee and the bid winner.

In accordance with the Bidding and Tendering Law of the People's Republic of China and Measures for the Construction Bidding and Tendering of Construction Projects, if any project that shall undergo bidding as required by law fails to go through the bidding process, or the items subject to bidding are broken up into pieces or the bidding requirement is otherwise evaded, the relevant administrative supervision department shall order rectification within a specified period, and may impose a fine of 0.5 per cent. Up to 1 per cent. of the contract amount of the project. For projects using the state-owned funds in whole or in part, the project approval authority may suspend the implementation of the project or suspend the fund appropriation, and impose punishment on the person direct in charge of the entity or other person directly liable. Further, in accordance with the provisions of the Interpretations of the Supreme People's Court on Issues of Law Application during the Trial of Construction Contracts for Building Projects (最高人民法院關於審理建設工程施工合同糾紛案件適用法律問題的解釋(一)) issued by the Supreme People's Court on 29 December 2020 and became effective on 1 January 2021, if any project that is required to undergo a bidding process fails to go through the bidding process or the bid award is invalid, the construction contract for building projects shall become invalid.

Quality Management

Laws and regulations on project quality mainly include Construction Law of the People's Republic of China, Regulation on Quality Management of Construction Projects (建設工程質量管理條例) issued by the State Council on 30 January 2000 which was subsequently amended on 7 October 2017 and on 23 April 2019 and became effective on the same day, Administrative Measures for Quality Management of Construction Project Survey (建設工程勘察質量管理辦法) amended by MOC on 22 November 2007, the Measures for the Administration of Quality Warranty Funds of Construction Projects (建設工程質量保證金管理辦法) issued jointly by MOHURD and MOF and amended on 20 June 2017 which became effective on 1 July 2017, Administrative Measures for Completion Acceptance Record of Building Construction and Municipal Infrastructure Projects (房屋建築和市政基礎設施工程竣工驗收備案管理辦法) issued by MOHURD on 19 October 2009 and became effective on the same date, Measures for Quality Warranty of Building Construction Projects (房屋建築工程質量保修辦法) issued by MOC on 30 June 2000 and became effective on the same date, and Measures for Completion (Delivery) Acceptance of Highway Works (公路工程竣(交)工驗收辦法) promulgated by Ministry of Communications, which has been dismantled now, on 31 March 2004 and became effective on 1 October 2004, and its Implement which is promulgated on 1 May 2010.

According to the Regulation on Quality Management of Construction Projects, all the building, surveying, designing, construction and supervision units shall be responsible for the quality of the construction projects. The competent administrative department of construction at or above county level is the competent authority for quality supervision and management of construction projects.

Work Safety Management

Major laws and regulations on work safety during the project contracting process include Work Safety Law of the PRC (中華人民共和國安全生產法) promulgated by SCNPC on 29 June 2002 which became effective on 1 November 2002, and amended on 31 August 2014 which amendment became effective on 1 December 2014, Regulation on Work Safety Management of Construction Projects (建設工程安全生產管理條例) promulgated by State Council on 24 November 2003 which became effective on 1 February 2004, Regulation on Work Safety Licenses (安全生產許可證條例) by State Council on 13 January 2004 and became effective on the same date, and amended on 29 July 2014 which amendment became effective on the same date. Interim Regulation of Penalty and Fine on Regulation on Work Safety Accident Report and Investigation ((生產安全事故報告和調查處理條例)罰款處罰暫行規定) promulgated by State Council on 12 July 2007 which became effective on the same date, and amended on 2 April 2015 which amendment became effective on 1 May 2015, and Administrative Provisions on Work Safety Licenses of Construction Enterprises (建築施工企業安全生產許可證管理規定) issued by MOC on 5 July 2004 and became effective on the same date and amended on 22 January 2015.

In accordance with the Work Safety Law of the PRC, Regulation on Work Safety Licenses and other related regulations, the state implements the work safety license system to construction enterprises. Any enterprise failing to obtain the work safety license shall not carryout production activity. In accordance with the Regulation on Work Safety Management of Construction Projects, all the building, surveying, designing, construction and supervision units shall be responsible for the work safety of construction projects. For general contracting projects, the general contractor shall assume full responsibility for the work safety of the construction site, and the subcontractor shall be jointly liable for the work safety of the subcontracted portions of work.

Environmental Protection Management

Major laws and regulations on environmental protection during the project construction process include the Environmental Protection Law of the PRC (中華人民共和國環境保護法) amended by SCNPC on 24 April 2014 which became effective on 1 January 2015, Law on Environmental Impact Assessment of the PRC (中華人民共和國環境影響評價法) promulgated by SCNPC on 28 October 2002 which was amended on 2 July 2016 and became effective on 1 September 2016, Administrative Regulations on Environmental Protection of Construction Projects (建設項目環境保護管理條例) issued by State Council on 29 November 1998 amended on 16 July 2017 and became effective on 1 October 2017.

In accordance with the provisions of the Administrative Regulations on Environmental Protection of Construction Projects and Administrative Measures for Environmental Protection Acceptance of Construction Projects upon Completion, the PRC Government implements the system of environmental impact assessment on construction projects. After the completion of a construction project, the competent administrative department of environmental protection will undergo environmental protection acceptance process and assess whether the construction project has met the requirements for environmental protection.

Environmental Protection

The Environmental Protection Law (中華人民共和國環境保護法), promulgated on 26 December 1989 by the Standing Committee of the National People's Congress, as amended on 24 April 2014 and became effective on 1 January 2015, establishes the legal framework for environmental protection in the PRC. The environmental protection department of the State Council supervises environmental protection work in the PRC, and establishes national standards for the discharge of pollutants. Each of the local environmental protection bureaus is responsible for the environmental protection work within their respective jurisdictions.

Air Pollution

The Air Pollution Prevention Law (大氣污染防治法), amended on 29 August 2015 and 26 October 2018 by the Standing Committee of the National People's Congress, which became effective on 26 October 2018, establishes the legal framework for air pollution prevention in the PRC. The environmental protection department of the State Council formulates national air quality standards. Each of the local environmental protection bureaus is authorised to regulate air pollution within each of their respective jurisdictions by formulating more specific local standards, and may impose penalties for violation.

Water Pollution

The Water Pollution Prevention Law (水污染防治法), amended on 28 February 2008 and 27 June 2017 and became effective on 1 January 2018, establishes the legal framework for water pollution prevention in the PRC. The environmental protection department of the State Council formulates national waste discharge standards. Enterprises that discharge waste into water shall pay a treatment fee. Each of the local environmental protection bureaus is authorised to regulate water pollution within each of their respective jurisdictions by formulating more specific local standards, and may impose penalties for violation, including suspending operations.

Noise Pollution

The Noise Pollution Prevention Law (環境噪聲污染防治法), promulgated by the Standing Committee of the National People's Congress on 29 October 1996, which became effective on 1 March 1997, amended by the Standing Committee of the National People's Congress on 29 December 2018, which became effective on the same date, establishes the framework for noise pollution prevention in the PRC. Under the Noise Pollution Prevention Law, any person undertaking a construction, decoration or expansion project which might cause environmental noise pollution, shall prepare and submit an environmental impact report to the environmental protection authority for approval. Facilities for prevention and control of environmental noise pollution shall be designed and approved by the environmental protection authority prior to the commencement of the project, and be built and put into use simultaneously with the project works. Facilities for prevention and control of environmental noise pollution may not be dismantled or suspended without the approval of the environmental protection authority.

Construction Projects

The Environmental Impact Appraisal Law (環境影響評價法), promulgated by the Standing Committee of the National People's Congress on 28 October 2002, amended on 2 July 2016 and on 29 December 2018 and became effective on the same day, the Administration Rules on Environmental Protection of Construction Projects (建設項目環境保護管理條例), promulgated by the State Council on 29 November 1998, amended on 16 July 2017 and effected on 1 October 2017, and the Measures for the Administration of Environmental Protection Examination and Acceptance of Completed Construction Projects (建設項目竣工環境保護驗收管理辦法), promulgated by the State Environmental Protection Administration on 27 December 2001, which became effective on 1 February 2002 and amended on 22 December 2010,

require enterprises planning construction projects to engage qualified professionals to provide assessment reports on the environmental impact of such projects. The assessment report shall be filed with and approved by the relevant environmental protection bureau, prior to the commencement of any construction work. The construction project shall not commence operation, unless inspected and approved by the relevant environmental protection bureau.

Labour

Employment Contracts

The Labour Contract Law (中華人民共和國勞動合同法), promulgated by SCNPC on 29 June 2007, which became effective on 1 January 2008 and was amended on 28 December 2012 and became effective on 1 July 2013, governs the relationship between employers and employees and provides for specific provisions in relation to the terms and conditions of an employee contract. The Labour Contract Law stipulates that employee contracts shall be in writing and signed. It imposes more stringent requirements on employers in relation to entering into fixed-term employment contracts, hiring of temporary employees and dismissal of employees. Pursuant to the Labour Contract Law, employment contracts lawfully concluded prior to the implementation of the Labour Contract Law and continuing as at the date of its implementation shall continue to be performed. Where an employment relationship was established prior to the implementation of the Labour Contract Law, but no written employment contract was concluded, a contract shall be concluded within one month after its implementation.

Employee Funds

Under applicable PRC laws, regulations and rules, including the Social Insurance Law of the PRC (中華人民共和國社會保險法), promulgated by SCNPC on 28 October 2010, which became effective on 1 July 2011, the Interim Regulations on the Collection and Payment of Social Insurance Premiums (社會保險費徵繳暫行條例), promulgated by State Council on 22 January 1999, which became effective on 22 January 1999, and Administrative Regulations on the Housing Provident Fund (住房公積金管理條例), promulgated by State Council on 3 April 1999, which became effective on 3 April 1999 and as amended on 24 March 2002, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance, maternity leave insurance, and to housing provident funds. These payments are made to local administrative authorities and any employer who fails to contribute may be fined and ordered to pay the outstanding amount within a stipulated time period.

REGULATIONS REGARDING OVERSEAS INVESTMENT AND ACQUISITION ACTIVITIES

NDRC supervision

According to the Measures for the Administration of Overseas Investment (企業境外投資管理辦法) effective from 1 March 2018, the procedure of approval and filing shall be respectively applied to different overseas investment projects. Specifically, if the project is related to sensitive countries, regions or industries, regardless of the investment amount, the projects shall be subject to the approval of NDRC. Where the amount of investment made by the Chinese party is U.S.$2 billion or more, the NDRC shall issue an examination opinion and report it to the State Council for confirmation. Projects other than as specified above shall be subject to the filing with the competent governmental body.

Specifically, overseas investment projects carried out by enterprises under central management, or those carried out by local enterprises in which the amount of Chinese investment reaches or exceeds U.S.$300 million shall be subject to the filing with NDRC. Those carried out by local enterprises in which the amount of Chinese investment is below U.S.$300 million shall be subject to the filing with competent development and reform departments of the provincial government.

Investment projects to be carried out in Hong Kong and/or the Macau Special Administrative Region shall be governed by the Measures for the Administration of Approval and Filing of Overseas Investment Projects.

According to the Administrative Measures for the Outbound Investment of Enterprises (企業境外投資管理辦法) which was promulgated by the NDRC on 26 December 2017 and became effective on 1 March 2018, the procedure of approval and filing shall be respectively applied to different overseas investment projects. In particular, overseas investment projects involving sensitive countries and regions or sensitive industries shall be subject to confirmation by the NDRC.

The Administrative Measures for the Outbound Investment of Enterprises shall apply when investors make investments abroad through enterprises that are located in Hong Kong, Macao and Taiwan region and under their control while the Measures shall not apply when natural persons within the territory of China directly make investments abroad or in Hong Kong, Macao and Taiwan region.

According to the NDRC Circular, which was issued by NDRC on 14 September 2015 and came into effect on the same day, if a PRC enterprise or an offshore enterprise controlled by a PRC enterprise wishes to issue bonds outside of the PRC with a maturity of more than one year, such enterprise must in advance of issuing such bonds, file certain prescribed documents with NDRC and procure a registration certificate from NDRC in respect of such issue.

The NDRC Circular relates to the matters as listed below:

- remove the quota review and approval system for the issuance of foreign debts by enterprises, reform and innovate the ways that foreign debts are managed, and implement the administration of record- filing and the registration system. Realise the supervision and administration of the size of foreign debts borrowed on a macro level with the record-filing, registration, and information reporting of the issuance of foreign debts by enterprises;

- before the issuance of foreign debts, enterprises shall first apply to NDRC for the handling of the record-filing and registration procedures and shall report the information on the issuance to NDRC within 10 working days of completion of each issuance;

- record-filing and registration materials to be submitted by an enterprise for the issuance of foreign debts shall include: application report for the issuance of foreign debts and issuance plan, including the currency, size, interest rate, and maturity of foreign debts, the purpose of the funds raised, back flow of funds, etc. The applicant shall be responsible for the authenticity, legality, and completeness of the application materials and information;

- NDRC shall decide whether to accept the application for record-filing and registration within 5 working days of receiving it and shall issue a Certificate for Record-filing and Registration of the Issuance of Foreign Debts by Enterprises within 7 working days of accepting the application and within the limit of the total size of foreign debts;

- the issuer of foreign debts shall handle the procedures related to the outflow and inflow of foreign debt funds with the Certificate for Record-filing and Registration according to the regulations. When the limit of the total size of foreign debts is exceeded, NDRC shall make a public announcement and no longer accept applications for record-filing and registration;

- if there is a major difference between the actual situation of the foreign debts issued by the enterprises and the situation indicated in the record-filing and registration, an explanation shall be given when reporting relevant information. NDRC shall enter the poor credit record of an enterprise which maliciously and falsely reports the size of its foreign debts for record-filing and registration into the national credit information platform.

MOFCOM supervision

MOFCOM issued the new version of the Administration of Overseas Investment (境外投資管理辦法) on 6 September 2014, effective from 6 October 2014 (the "**New Overseas Investment Rules**"). Under the New Overseas Investment Rules, a domestic enterprise intending to carry out any overseas investment shall report to the competent department of commerce for verification or filing and shall, with regard to an enterprise so verified or filed, issue thereto an Enterprise Overseas Investment Certificate (企業境外投資證書). If two or more enterprises make joint investment to establish an overseas enterprise, the larger (or largest) shareholder shall be responsible for the verification or filing procedure after soliciting written consent of other investing parties.

An enterprise that intends to invest in a sensitive country or region or a sensitive industry shall apply for the verification by MOFCOM. "**Sensitive countries and regions**" mean those countries without a diplomatic relationship with the PRC, or subject to the UN sanctions or otherwise under the list of verified countries and regions published by MOFCOM from time to time. "**Sensitive industries**" mean those industries involving the products and technologies which are restricted from being exported, or affecting the interests of more than one country (or region). In accordance with the New Overseas Investment Rules, a central enterprise shall apply to MOFCOM for verification and MOFCOM shall, within 20 working days of accepting such application, decide whether or not the verification is granted. For a local enterprise, it shall apply through the provincial department of commerce to MOFCOM for such verification. The provincial department of commerce shall give a preliminary opinion within 15 working days of accepting such local enterprise's application and report all application documents to MOFCOM, while MOFCOM shall decide whether or not the verification is granted within 15 working days of receipt of such preliminary opinion from the provincial department of commerce. Upon verification, the Enterprise Overseas Investment Certificate shall be issued to the investing enterprise by MOFCOM.

Other than those overseas investments subject to MOFCOM verification as described above, all other overseas investments are subject to a filing requirement. The investing enterprise shall fill complete the filing form through the Overseas Investment Management System, an online system maintained by MOFCOM and print out a copy of such filing form for stamping with the company chop, and then submit such stamped filing form together with a copy of its business licence, for filing at MOFCOM (for a central enterprise) or the provincial department of commerce (for a local enterprise) respectively. MOFCOM or the provincial department of commerce shall accept the filing and issue the Enterprise Overseas Investment Certificate within 3 working days of receipt of such filing form.

The investing enterprise must carry out the investment within 2 years of the date of the relevant Enterprise Overseas Investment Certificate, otherwise such Certificate will automatically expire and a new filing or verification application has to be made by the investing enterprise after such expiry. In addition, if any item recorded in such Certificate is changed, the investing enterprise shall handle an updating process at MOFCOM or the provincial department of commerce (as the case may be).

If an overseas invested Company carries out a re-investment activity offshore, the investing enterprise shall report such re-investment activity to MOFCOM or the provincial department of commerce (as the case may be) after the investment is completed offshore. The investing enterprise shall fill in and print out a copy of the Overseas Chinese-invested Enterprise Re-investment Report Form (境外中資企業再投資報告表) from the Overseas Investment Management System and stamp and submit such Report Form to MOFCOM or the provincial department of commerce.

The New Overseas Investment Rules specifically provide that an overseas invested Company cannot use the words of "**China**" ("**中國**" or "**中華**") in its name, unless otherwise approved.

Foreign exchange administration

According to Circular of SAFE on Further Improving and Revising the Foreign Exchange Control Policy on Direct Investment (國家外匯管理局關於進一步改進和調整直接投資外匯管理政策的通知), corporations, enterprises or other economic organisations (domestic investors) that have been permitted to make outbound investment shall go through the procedures of registration to the Foreign Exchange Bureau (外匯管理機構). The Foreign Exchange Bureau shall issue the Foreign Exchange Registration Certificate (外匯登記證) for overseas direct investment or an IC card to the domestic institution. The domestic institution shall go through the formalities for outward remittance of funds for overseas direct investment at a designated foreign exchange bank by presenting the approval document issued by the department in charge of overseas direct investment and the Foreign Exchange Registration Certificate for overseas direct investment. The scope of foreign exchange funds for overseas direct investment of domestic institutions includes their own foreign exchange funds, domestic loans in foreign currencies in compliance with relevant provisions, foreign exchange purchased with Renminbi, material objects, intangible assets and other foreign exchange funds approved by the Foreign Exchange Bureaus for overseas direct investment. The profits gained from overseas direct investment of domestic institutions may be deposited in overseas banks and used for overseas direct investment.

On 13 February 2015, SAFE promulgated Circular of the SAFE on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (國家外匯管理局關於進一步簡化和改進直接投資外匯管理政策的通知, the "**2015 SAFE Circular**"), which became effective on 1 June 2015. The 2015 SAFE Circular aims to deepen the reform of foreign exchange administration of capital accounts, promote and facilitate the capital operation of enterprises in making cross-border investments, regulate the direct investment-related foreign exchange administration business, improve the administration efficiency. The 2015 SAFE Circular cancel (i) the verification and approval of foreign exchange registration under domestic direct investment, and (ii) the verification and approval of foreign exchange registration under overseas direct investment. Instead, banks shall, in accordance with the 2015 SAFE Circular and the Operating Guidelines for Foreign Exchange Services under Direct Investment (see Appendix) attached hereto, directly examine and handle foreign exchange registration under domestic direct investment and foreign exchange registration under overseas direct investment (hereinafter collectively referred to as "**Foreign Exchange Registration of Direct Investment**"). SAFE and the Foreign Exchange Bureau shall conduct indirect regulation of Foreign Exchange Registration of Direct Investment via banks.

On 12 May 2014, the SAFE promulgated the Cross-Border Security Provisions which took effect on 1 June 2014 and superseded a series of regulations previously issued by the SAFE and brought substantial changes to the current cross-border security regime.

The Cross-Border Security Provisions require post-event registration of the cross-border security with a local SAFE branch, and subject to the exceptions set out in its Appendix 1, the enforcement of any properly registered cross-border security no longer requires prior verification by the SAFE. Also, the registration of cross-border security with a local SAFE branch is no longer a "perfection" requirement, i.e., the Cross-Border Security Provisions have clarified that failure to carry out any approval, registration or filing will not impact the validity of the security.

The Cross-Border Security Provisions also allow the cross-border security to be used for securing an offshore bond issuance, provided that (a) the offshore issuer shall be directly or indirectly owned by the onshore security provider; (b) the proceeds obtained from the offshore bond issuance shall be used for certain offshore projects which are related to the onshore security provider from a shareholding perspective; and (c) the issuer and such offshore projects have been duly approved by, registered and filed with, the relevant authorities in charge of outbound investment in PRC.

Although the approval/registration requirements relating to the cross-border security were largely relaxed under such Cross-Border Security Provisions, restrictions on the repatriation of proceeds from an offshore debt still applied, which provided that such proceeds may not be repatriated, whether directly or indirectly, from offshore to onshore, whether by way of equity investment or lending (which includes direct or indirect equity investment in an offshore company where 50 per cent. or more of its assets are located in the PRC) without obtaining prior approval from the SAFE. However, according to the Notice on Further Promoting the Reform of Foreign Exchange Administration and Improving Authenticity and Compliance Review (關於進一步推進外匯管理改革完善真實合規性審核的通知) newly promulgated by the SAFE on 26 January 2017, proceeds from offshore debt secured by cross-border security may be repatriated to the PRC for use directly or indirectly by way of loans, equity investment, etc.

State-owned assets supervision

The Interim Measures for Administration of Overseas State-owned Property Rights of Central Enterprises (中央企業境外國有產權管理暫行辦法) and the Interim Measures for the Supervision and Administration of Overseas State-owned Assets of Central Enterprises (中央企業境外國有資產監督管理暫行辦法) also apply to overseas investment projects. Where overseas enterprises wholly owned or controlled by central enterprises or their subsidiaries at all levels conduct economic activities such as transferring or acquiring properties, making non-monetary contribution, changing the state-owned shareholding in non-listed companies, consolidation, division, dissolution or liquidation, they shall appoint a professional agency with the corresponding qualifications, professional experiences and good reputation to evaluate or assess the subject matters, and the evaluation items or valuation results shall be submitted to the SASAC for record-filing or approval (as the case may be).

Pursuant to the Interim Measures for Administration of Overseas State-owned Property Right of Central Enterprises, the central enterprise shall, in a unified way, apply for property right registration with the SASAC, where any of the following events take place in connection with a central enterprise or its subsidiaries at all levels:

(1) where an overseas enterprise is established by way of investment, division or consolidation, or the property right of an overseas enterprise is obtained for the first time by way of acquisition or equity investment;

(2) where any change occurs to an overseas enterprise's basic information including its name, registration place, registered capital and the main business scope, or the overseas enterprise's property right information changes due to any changes in the capital contributors, amount of capital contributions and proportions of capital contributions;

(3) where an overseas enterprise no longer keeps state-owned property right due to dissolution, bankruptcy, or property right transfer and capital reduction; or

(4) other circumstances in which property right registration needs to be made.

TAXATION

The following summary of certain PRC and Hong Kong tax consequences of the purchase, ownership and disposition of Bonds is based upon applicable laws, regulations, rulings and decisions in effect as of the date of this Information Memorandum, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Bonds and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Bonds should consult their own tax advisers concerning the tax consequences of the purchase, ownership and disposition of Bonds.

PRC

The following summary describes the principal PRC tax consequences of ownership of the Bonds by beneficial owners who, or which, are not residents of mainland China for PRC tax purposes. These beneficial owners are referred to as (a) non-PRC Bondholders, or (b) beneficial owners who are entities or individuals located outside of the PRC in this "*Taxation – PRC*" section. In considering whether to invest in the Bonds, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdiction.

Income Tax

Pursuant to the EIT Law and its implementation regulations, enterprises that are established under the laws of foreign countries and regions whose "de facto management bodies" are within the territory of the PRC are treated as PRC tax resident enterprises for the purpose of the EIT Law. The EIT Law provides that the "de facto management body" of an enterprise is the organisation that exercises substantial and overall management and control over the production, employees, books of accounts and properties of the enterprise. If the relevant PRC tax authorities decide, in accordance with applicable tax rules and regulations, that the "de facto management body" of the Issuer is within the territory of the PRC, the Issuer may be treated as a PRC tax resident enterprise for the purpose of the EIT Law and income or gains paid with respect to the Bonds may considered to be derived from sources within the PRC.

Under the EIT Law and its implementation rules, any gains realised on the transfer of the Bonds by holders who are deemed under the EIT Law as non-resident enterprises may be subject to PRC enterprise income tax if such gains are regarded as income derived from sources within the PRC. Under the EIT Law, a "non-resident enterprise" means an enterprise established under the laws of a jurisdiction other than the PRC and whose actual administrative organisation is not in the PRC, which has established offices or premises in the PRC, or which has not established any offices or premises in the PRC but has obtained income derived from sources within the PRC. There remains uncertainty as to whether the gains realised on the transfer of Bonds by non-resident enterprise Bondholders would be treated as income derived from sources within the PRC and be subject to PRC enterprise income tax. In addition, under the Individual Income Tax Law of the PRC (the "**IIT Law**"), any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of the PRC for less than one year shall pay individual income tax for any income obtained within the PRC. In addition, according to the IIT Law recently amended on 31 August 2018, which will become effective on 1 January 2019, any individual who has no domicile and does not live within the territory of the PRC or who has no domicile but has lived within the territory of China for less than 183 days on a cumulative basis in a taxable year shall pay individual income tax for any income obtained within the PRC. There is uncertainty as to whether gains realised on the transfer of the Bonds by individual holders who are not PRC citizens or residents will be subject to PRC individual income tax. If such gains are subject to PRC income tax, the 10 per cent. enterprise income tax rate and 20 per cent. individual income tax rate will apply respectively unless there is an applicable tax treaty or arrangement that reduces or exempts such

income tax. The taxable income will be the balance of the total income obtained from the transfer of the Bonds minus all costs and expenses that are permitted under PRC tax laws to be deducted from the income. According to the Arrangement, Bondholders who are Hong Kong residents, including both enterprise holders and individual holders, will be exempted from PRC income tax on capital gains derived from a sale or exchange of the Bonds if such capital gains are not connected with an office or establishment that the Bondholders have in the PRC and all the other relevant conditions are satisfied.

Taxation on Interest

The EIT Law and its implementation regulations impose withholding tax at the rate of 10 per cent., or a lower rate if tax treaty benefits are available, on PRC-source income paid to a "non-resident enterprise" that does not have an establishment or place of business in the PRC or that has an establishment or place of business in the PRC but the relevant income is not effectively connected therewith. Pursuant to these provisions of the EIT Law, in the event the Issuer is considered to be a PRC resident enterprise by the PRC tax authorities in the future, interest payable to non-resident enterprise Bondholders may be treated as income derived from sources within the PRC and be subject to such PRC withholding tax at a rate of 10 per cent. Further, in accordance with the Individual Income Tax Law of the PRC which was amended on 30 June 2011 and took effect on 1 September 2011 and its implementation regulations, if the Issuer is considered to be a PRC tax resident enterprise, interest payable to non-resident individual Bondholders may be treated as income derived from sources within the PRC and be subject to a 20 per cent. individual income tax which the Issuer would be obliged to withhold from payments of interests to non-resident individual Bondholders. To the extent that the PRC has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of withholding tax, such lower rate may apply to qualified Bondholders.

As confirmed by the Issuer, as at the date of this Information Memorandum, the Issuer has not been given notice or informed by the PRC tax authorities that it is considered a PRC tax resident enterprise for the purpose of the EIT Law. On that basis, non-resident enterprise Bondholders will not be subject to income tax imposed by any governmental authority in the PRC in respect of the holding of the Bonds or any repayment of principal and payment of interest made thereon. However, there is no assurance that the Issuer will not be treated as a PRC tax resident enterprise under the EIT Law and related implementation regulations in the future.

In the event that the Guarantor is required to fulfill its obligations under the Guarantee by making interest payments on behalf of the Issuer, such interest payments under the Guarantee may considered to be derived from sources within the PRC. In such case, the Guarantor will be obliged to withhold PRC tax at a rate of 10 per cent. on such payments to non-PRC resident enterprise Bondholders and 20 per cent. for non-resident individual Bondholders. To the extent that the PRC has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, which allows a lower rate of withholding tax, such lower rate may apply to qualified Bondholders. Repayment of the principal will not be subject to PRC withholding tax.

Taxation on Capital Gains

The EIT Law and its implementation regulations impose a tax at the rate of 10 per cent., or a lower rate if tax treaty benefits are available, on income derived from sources within the PRC realised by a "non-resident enterprise" that does not have an establishment or place of business in the PRC or that has an establishment or place of business in the PRC but the relevant gain is not effectively connected therewith. The Individual Income Tax Law of the PRC and its implementation regulations impose a tax at the rate of 20 per cent. on income derived from sources within the PRC realised by non-resident individuals. If the Issuer is considered a PRC resident enterprise by the PRC tax authorities in the future, and if the capital gains realised by Bondholders are treated as income derived from sources within the PRC, such gains will

be subject to such PRC tax. To the extent that the PRC has entered into arrangements relating to the avoidance of double-taxation with any jurisdiction, such as Hong Kong, that allow a lower rate of tax, such lower rate may apply to qualified non-resident Bondholders.

VAT

On 23 March 2016, MOF and SAT issued the Circular of Full Implementation of Business Tax to VAT Reform (《關於全面推開營業税改徵增值税試點的通知》Caishui [2016] No. 36, "**Circular 36**") which provides for that the VAT pilot programme will cover construction industry, real estate industry, finance industry and life service industry on a nation-wide basis from 1 May 2016. Since then, the income derived from the provision of financial services which attracted business tax will be entirely replaced by, and subject to, VAT.

According to Circular 36, entities and individuals providing services within China are subject to VAT. The services subject to VAT include the provision of financial services such as the provision of loans. It is further clarified under Circular 36 that the "loans" refers to the activity of lending capital for another's use and receiving the interest income thereon. Based on the definition of "loans" under Circular 36, the issuance of Bonds may be regarded as financial services by Bondholders and the payments under the Bonds may be subject to VAT if the Issuer is a PRC resident enterprise for PRC tax purposes. Any taxable activities of taxpayers providing finance services shall be subject to a tax rate of 6 per cent. and the surcharges thereon (normally as 12 per cent. of the value-added tax payable).

Where a Bondholder who is an individual resells the Bonds, the VAT may be exempted according to Circular 36 if the resale of Bonds is treated as resale of financial products. Where a Bondholder who is an entity located outside of the PRC resells the Bonds to an entity or individual located outside of the PRC and derives any gain, since the services is not provided in China, Circular 36 should not apply and the Issuer does not have the obligation to withhold the VAT or the local levies. However, where a Bondholder who is an entity resells the Bonds, there is uncertainty as to the applicability of VAT if either the seller or buyer of Bonds is located inside the PRC.

In the event that the Guarantor is required to fulfill its obligations under the Guarantee by making interest payments on behalf of the Issuer, the interest and other interest like earnings received by a non-PRC resident Note holder from the Guarantor will be subject to a tax rate of 6 per cent. and the surcharges if the tax authorities deem this to be taxable item within the scope of Circular 36.

Circular 36 has been issued quite recently, the above statement may be subject to further change upon the issuance of further clarification rules and/or different interpretation by the competent tax authority. There is uncertainty as to the application of Circular 36.

Stamp Duty

No PRC stamp duty will be imposed on non-PRC Bondholders either upon issuance of the Bonds or upon a subsequent transfer of Bonds to the extent that the register of Bondholders is maintained outside the PRC and the issuance and the sale of the Bonds is made outside of the PRC.

HONG KONG

Withholding Tax

No withholding tax is payable in Hong Kong in respect of payments of principal or interest on the Bonds or in respect of any capital gains arising from the sale of the Bonds.

Profits Tax

Hong Kong profits tax is chargeable on every person carrying on a trade, profession or business in Hong Kong in respect of profits arising in or derived from Hong Kong from such trade, profession or business (excluding profits arising from the sale of capital assets).

Interest on the Bonds may be deemed to be profits arising in or derived from Hong Kong from a trade, profession or business carried on in Hong Kong in the following circumstances:

(i) interest on the Bonds is derived from Hong Kong and is received by or accrues to a corporation carrying on a trade, profession or business in Hong Kong;

(ii) interest on the Bonds is derived from Hong Kong and is received by or accrues to a person, other than a corporation, carrying on a trade, profession or business in Hong Kong and is in respect of the funds of that trade, profession or business;

(iii) interest on the Bonds is received by or accrues to a financial institution (as defined in the Inland Revenue Ordinance (Chapter 112 of the Laws of Hong Kong) (the "**IRO**")) and arises through or from the carrying on by the financial institution of its business in Hong Kong; or

(iv) interest on the Bonds is received by or accrues to a corporation, other than a financial institution, and arises through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO).

Sums received by or accrued to a financial institution by way of gains or profits arising through or from the carrying on by the financial institution of its business in Hong Kong from the sale, disposal and redemption of Bonds will be subject to Hong Kong profits tax. Sums received by or accrued to a corporation, other than a financial institution, by way of gains or profits arising through or from the carrying on in Hong Kong by the corporation of its intra-group financing business (within the meaning of section 16(3) of the IRO) from the sale, disposal or other redemption of Bonds will be subject to Hong Kong profits tax.

Sums derived from the sale, disposal or redemption of Bonds will be subject to Hong Kong profits tax where received by or accrued to a person, other than a corporation, who carries on a trade, profession or business in Hong Kong and the sum has a Hong Kong source unless otherwise exempted. The source of such sums will generally be determined by having regard to the manner in which the Bonds are acquired and disposed of.

In certain circumstances, Hong Kong profits tax exemptions (such as concessionary tax rates) may be available. Investors are advised to consult their own tax advisors to ascertain the applicability of any exemptions to their individual position.

Stamp Duty

No Hong Kong stamp duty will be chargeable upon the issue or transfer of a Bond.

DESCRIPTION OF CERTAIN DIFFERENCES BETWEEN PRC GAAP AND IFRS

The consolidated financial statements of the Group included in this Information Memorandum have been prepared and presented in accordance with PRC GAAP. PRC GAAP are substantially in line with IFRS, except for certain modifications that still exist between PRC GAAP and IFRS, which might be relevant to the financial information of the Group included herein.

The following is a general summary of certain differences between PRC GAAP and IFRS as applicable to the Group. The differences identified below are limited to those significant differences that are appropriate to the Group's financial statements. The Group is responsible for preparing the summary below. Since the summary is not meant to be exhaustive, there can be no assurance regarding the completeness of the summary. The Group has not prepared a complete reconciliation of the consolidated financial information and related footnote disclosure between PRC GAAP and IFRS and has not quantified such differences. Had any such quantification or reconciliation been undertaken by the Group, other potentially significant accounting and disclosure differences may be required that are not identified below. Additionally, no attempt has been made to identify possible future differences between PRC GAAP and IFRS as a result of prescribed changes in accounting standard. Regulatory bodies that promulgate PRC GAAP and IFRS have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between PRC GAAP and IFRS that may affect the financial information as a result of transactions or events that may occur in the future. Accordingly, no assurance is provided that the following summary of differences between PRC GAAP and IFRS is complete.

In making an investment decision, investors must rely upon their own examination of the Group, the terms of the offering and other disclosure contained herein. Investors should consult their own professional advisers for an understanding of the differences between PRC GAAP and IFRS and/or between PRC GAAP and other generally accepted accounting principles, and how those differences might affect the financial information contained herein.

REVERSAL OF AN IMPAIRMENT LOSS

Under PRC GAAP, once an impairment loss is recognised for a long term asset (including fixed assets, intangible assets and goodwill, etc.), it shall not be reversed in any subsequent period. Under IFRS, an impairment loss recognised in prior periods for an asset other than goodwill could be reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

RELATED PARTY DISCLOSURES

Under PRC GAAP, government-related entities are not treated as related parties except such government-related entities can exercise significant influence over the reporting entity. Under IFRS, government-related entities are treated as related parties.

APPROPRIATION OF SURPLUS RESERVE

Under PRC GAAP, surplus reserve is recognised according to the Company Law of PRC and company's articles of association. Under IFRS, surplus reserve is not recognised.

PLACEMENT AND SALE

We have entered into a placing and subscription agreement, among others, with the Placing Agents dated 24 June 2021 (the "**Placing Agreement**"), pursuant to which and subject to certain conditions contained therein, the Issuer has agreed to sell to the investors identified by the Placing Agents, and the Placing Agents has agreed to use reasonable efforts to procure subscribers, on a several and not joint basis, for the placement of the Bonds and facilitate the subscription and payment for the aggregate principal amount of the Bonds.

The Placing Agreement provides that the obligations of the Placing Agents are subject to certain conditions precedent, and entitles the Placing Agents to terminate it in certain circumstances prior to payment being made by such investor to the Issuer and the Bonds being issued.

General

The distribution of this Information Memorandum or any offering material and the offering, sale or delivery of the Bonds is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Information Memorandum or any offering material are advised to consult their own legal advisers as to what restrictions may be applicable to them and to observe such restrictions. This Information Memorandum may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each of the Placing Agents has represented and warranted that it has not offered or sold, and has agreed that it will not offer or sell, any of the Bonds constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Each of the Placing Agents has represented and agreed that neither it nor any of their respective affiliates (as defined in Rule 501(b) of Regulation D under the Securities Act ("**Regulation D**")), nor any person acting on its or their behalf, has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer and sale of the Bonds in the United States.

United Kingdom

Each of the Placing Agents has represented, warranted and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Hong Kong

Each of the Placing Agents has represented, warranted and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance.

Singapore

Each of the Placing Agents has acknowledged that this Information Memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each of the Placing Agents has represented and agreed that it has not offered or sold any Bonds or caused such Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell such Bonds or cause such Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Information Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Bonds, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Where the Bonds are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Bonds pursuant to an offer made under Section 275 of the SFA, except:

(i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law; or

(iv) as specified in Section 276(7) of the SFA.

Singapore SFA Product Classification: In connection with the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Bonds are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Japan

The Bonds have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Placing Agents has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Bonds in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

The People's Republic of China

Each of the Placing Agents has agreed that the offer of the Bonds is not an offer of securities within the meaning of the PRC Securities Law or other pertinent laws and regulations of the PRC and the Bonds are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the People's Republic of China.

GENERAL INFORMATION

1 **Clearing Systems**: The Bonds have been accepted for clearance through Euroclear and Clearstream under Common Code 234635158 and ISIN XS2346351583.

2 **Legal Entity Identifier**: The legal entity identifier of the Issuer is 3003008CUN9FOMT4W150.

3 **Authorisations**: The Issuer has obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Bonds. The issue of the Bonds was authorised by a written resolution of the directors of the Issuer passed on 7 May 2021. The Guarantor has obtained all necessary consents, approvals and authorisations in connection with the giving and performance of the Guarantee. The giving of the Guarantee was authorised by a resolution of the board of directors of the Guarantor passed on 7 May 2021 and shareholders' resolutions of the Guarantor dated 7 May 2021.

4 **No Material Adverse Change**: Except as otherwise disclosed in this Information Memorandum, there has been no change, or any development or event involving a prospective change, in the condition (financial or other), prospects, results of operations or general affairs of the Issuer, the Guarantor or the Group, which is material and adverse in the context of the issue and offering of the Bonds since 31 December 2020.

5 **Litigation**: Except as otherwise disclosed in this Information Memorandum, to the best of the knowledge of the Guarantor, none of the Issuer, the Guarantor or any member of the Group is involved in any litigation or arbitration proceedings which could have a material and adverse effect on the condition (financial or other), prospects, results of operations or general affairs of the Issuer, the Guarantor or the Group, and neither the Issuer nor the Guarantor is aware that any such proceedings are pending or threatened. The Group is involved, from time to time, in legal proceedings arising in the ordinary course of its operations.

6 **Available Documents**: So long as any of the Bonds is outstanding, copies of the following documents will be available for inspection from the Issue Date during normal business hours (being 9:00 a.m. to 3:00 p.m.) on any weekday (other than public holidays), at the specified office of the Principal Paying Agent, which at the date of this Information Memorandum is at 20/F, CCB Tower, 3 Connaught Road Central, Central, Hong Kong following prior written request and proof of holding and identity satisfactory to the Principal Paying Agent and the registered office of the Issuer:

- the articles of association of the Issuer;
- the articles of association of the Guarantor;
- the audited consolidated financial statements of the Guarantor as at and for the years ended 31 December 2019 and 2020;
- the Trust Deed;
- the Deed of Guarantee; and
- the Agency Agreement.

7 **Financial Statements**: The audited consolidated financial statements of the Guarantor as at and for the years ended 31 December 2019 and 2020, which are included elsewhere in this Information Memorandum, have been audited by Zhonghui, the Guarantor's independent auditor.

Each of the audited consolidated financial statements of the Guarantor as at and for the years ended 31 December 2019 and 2020, have been prepared in Chinese only and the English translation to them has been prepared and included in this Information Memorandum for reference only. None of the Placing Agents or any of their respective affiliates, directors, employees and advisers has independently verified or checked the accuracy of such translation and can give no assurance that the information contained in such translation is accurate, truthful or complete.

8 **Listing of the Bonds**: Application will be made to the HKSE for the listing of, and permission to deal in, the Bonds by way of debt issues to Professional Investors only and such permission is expected to become effective on or about 30 June 2021.

INDEX TO FINANCIAL STATEMENTS

Pages

English translation of the audited consolidated financial statements of the Group as at and for the years ended 31 December 2020

Audit Report F-9
Consolidated Balance Sheet F-12
Consolidated Statement of Income F-14
Consolidated Statement of Cash Flow F-15
Consolidated Statement of Changes in Owners' Equity F-16
Balance Sheet F-18
Income Statement F-20
Cash Flow Statement F-21
Statement of Changes in Owners' Equity F-23
Notes to Financial Statements F-24

Chinese version of the audited consolidated financial statements of the Group as at and for the years ended 31 December 2020

Audit Report F-218
Consolidated Balance Sheet F-221
Consolidated Statement of Income F-223
Consolidated Statement of Cash Flow F-224
Consolidated Statement of Changes in Owners' Equity F-225
Balance Sheet F-227
Income Statement F-229
Cash Flow Statement F-230
Statement of Changes in Owners' Equity F-231
Notes to Financial Statements F-233

English translation of the audited consolidated financial statements of the Group as at and for the years ended 31 December 2019

Audit Report F-408
Consolidated Balance Sheet F-411
Consolidated Statement of Income F-413
Consolidated Statement of Cash Flow F-414
Consolidated Statement of Changes in Owners' Equity F-415
Balance Sheet F-417
Income Statement F-419
Cash Flow Statement F-420
Statement of Changes in Owners' Equity F-421
Notes to the Financial Statements F-423

Chinese version of the audited consolidated financial statements of the Group as at and for the years ended 31 December 2019

Audit Report F-609
Consolidated Balance Sheet F-612
Consolidated Statement of Income F-614
Consolidated Statement of Cash Flow F-615
Consolidated Statement of Changes in Owners' Equity F-616
Balance Sheet F-618
Income Statement F-620
Cash Flow Statement F-621
Statement of Changes in Owners' Equity F-622
Notes to the Financial Statements F-624

Nanshan Group Co., Ltd.
Annual Report 2020

Contents

Chapter 1 Main Circumstances of the Company during the Reporting Period 2
Chapter II Auditor' s Report..... 4
Accounting Firm..... 202
Securities and Futures Related Business License..... 202

The Company undertake that there are no misrepresentations, misleading statements or material omissions in this report and they are liable for the authenticity, accuracy and completeness of this report.

Nanshan Group Co., Ltd. (Official Stamp)

[Stamp: Nanshan Group Co., Ltd.]

29 April 2021

Chapter 1 Main Circumstances of the Company during the Reporting Period

I. Company Information

Registered Name and Short Name	Nanshan Group Co., Ltd.(“Nanshan Group”)
English name and abbreviation	NANSHAN GROUP CO., LTD. (NANSHAN GROUP)
Registered capital	RMB 1 billion
Legal representative	Song Jianbo
Date of Incorporation	16 December 1992
Registered address	Nanshan Industrial Park, Longkou City
Business Premise	Nanshan Industrial Park, Longkou City, Shandong Province
Postal Code	265706
Website	http：//www.nanshan.com.cn
Contact number	0535-8616200
Fax Number	0535-8616200
Contact person	Gao Jing
Email	gaojng@nanshan.com.cn

II. Use of proceeds

As at the date of this report, the use of proceeds from non-financial corporate debt financing instruments issued by the Company and still outstanding is as follows.

Unit: 100 million RMB

SN	Short Name	Amount issued	Amount used	Amount Unused	Uses of proceeds used	Change of use or not	Whether the changes have been disclosed or not	Whether the changed use complies with the requirements national laws and regulations and company policy or not
1	18 Nanshan Group MTN002	5	5	0	Used to repay RMB500 million of the the Group's own maturing debt facilities	No	N/A	N/A
2	19 Nanshan Group MTN002	5	5	0	Used to repay RMB500 million of the issuer's own maturing debt facilities	No	N/A	N/A

Chapter II Auditor’s Report

中匯會計師事務所（特殊普通合夥）
Zhonghu Certified Public Accountants LLP

Address: 6/F, Block A, UDC Times Tower, No. 8 Xinye Road, Qianjiang New Town, Hangzhou, China
Postcode: 310016
Tel: 0571-88879999
Fax: 0571-88879000
www.zhcpa.cn

Nanshan Group Co., Ltd.
Auditor's Report 2020

Anti-counterfeiting page for Report from Shandong Province CPA Sector

Report Title:	Auditor's Report 2020 - Nanshan Group Co., Ltd.
Report No.:	Zhong Hui Kuai Sheng No. [2021] 3496
Client:	Nanshan Group Co., Ltd.
Report Date:	2021-04-27
Signatory:	Liu Yuansuo (CPA: 370100010021)
	Wu Yue (CPA: 110001670091)

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Report No.: Zhong Hui Kuai Sheng No. [2021] 3496

Accounting Firm:	ZHONGHUI Certified Public Accountants LLP (Special General Partnership)
Tel:	0531-81666257
Fax:	0531-81666259
Correspondence Address:	5-8, 12/F, Block A, UDC Times Tower, No. 8 Xinye Road, Qianjiang New Town, Jianggan, Hangzhou, China
Email:	zhjn@zhcpa.cn

Validation URL:http://sdcpacpvfw.cn (Under Anti-counterfeiting Filing)

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)
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www.zhcpa.cn

Contents

	Page
I. Auditor's Report	1-3
II. Financial statement	4-15
(1) Consolidated Balance Sheet	4-5
(2) Consolidated Income Statement	6
(3) Consolidated Cash Flow Statement	7
(4) Consolidated Statement of Changes in Owners' Equity	8-9
(5) Company Balance Sheet	10-11
(6) Company Income Statement	12
(7) Company Cash Flow Statement	13
(8) Company Statement of Changes in Shareholder's Equity	14-15
III. Notes to Financial Statements	16-180

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Zhonghu Certified Public Accountants LLP

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Postcode: 310016
Tel: 0571-88879999
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www.zhcpa.cn

Auditor's Report

Zhong Hui Kuai Sheng No. [2021] 3496

To all the shareholders of Nanshan Group Co., Ltd.:

I. Auditor's Opinion

We have audited the accompanying financial statements of Nanshan Group Co., Ltd. (hereinafter referred to as "Nanshan Group"), which comprise the Company's and consolidated balance sheets as at 31 December 2020, and the Company's and consolidated income statements, the Company's and consolidated cash flow statements, and the Company's and consolidated statements of changes in shareholders' equity for 2020, and the notes to these financial statements.

In our opinion, the accompanying financial statements of Nanshan Group present fairly, in all material respects, the Company's and consolidated financial position as of 31 December 2020, and the Company's and consolidated results of operations and cash flows for 2020 in accordance with Accounting Standards for Business Enterprises.

II. Basis for the Auditor's Opinion

We conducted our audit in accordance with the Auditing Standards for PRC Certified Public Accountants. Our responsibilities under those standards are further described in the "Certified Public Accountants' Responsibilities for the Audit of the Financial Statements" section of the audit report. We are independent of Nanshan Group in accordance with the Ethical Codes of Chinese Certified Public Accountants, and we have fulfilled our other responsibilities under the Ethical Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

III. Other Information

The management of the Nanshan Group (the "Management") is responsible for other information. Other information includes information covered in the Nanshan Group's 2020 Annual Report but excludes the financial statements and our auditor's report.

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

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

Based on the work so performed, we shall report any material misstatement as contained in the other information that we ascertain. There were none that require our reporting in such aspect.

IV. Responsibilities of The Management and Those Charged with Governance for the Financial Statements

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing Nanshan Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and use the going concern basis of accounting unless the Management either intend to liquidate Nanshan Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance ("Governance Level") at Nanshan Group are responsible for overseeing the Company’s financial reporting process.

V. The Responsibilities of the 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 auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the CAS will always detect a material misstatement when it exists. Misstatements can arise from 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 CSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. In addition, we performed the following tasks:

(1) to 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 audit opinion. As fraud could involve collusion, forgery, intentional omission, false statements or overriding internal controls, thus risks of inability to discover major misrepresentation are more severe than risks of inability to spot misrepresentation due to mistake.

(2) to understand and design relative internal control, to design appropriate auditing procedures, but not for the purpose of expressing an opinion on the effectiveness of internal control.

(3) to evaluate appropriateness of the Management choosing Accounting Policies, and their accounting estimates and relative disclosures.

(4) to 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 Nanshan Group's ability 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 audit evidence obtained up to the date of our auditor's report. Our conclusions are based on the information obtained up to the date of audit report. However, future events or conditions may cause Nanshan Group to cease to continue as a going concern.

(5) to evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) to obtain sufficient and appropriate audit evidences regarding the financial information of the entities or business activities within Nanshan Group to express an audit opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsibility for our audit opinion.

We communicate with the Governance panel regarding the planned scope, timing of the audit and significant audit findings, including deficiencies worth of attention in internal control that we identify during our audit.

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)	**PRC certified public accountant:**	[Stamp： Liu Yuansuo, PRC Certified Public Accountant]
Hangzhou, China	**PRC certified public accountant:**	[Stamp： Wu Yue, PRC Certified Public Accountant]
[Stamp：ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]	**Report Date: 27 April, 2021**	

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Balance Sheet

31 December, 2020

Table Kuai He 01 -1

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2020	1 January, 2020
Current assets:				
Monetary Funds	V(1)	1	19,670,407,688.08	13,480,239,534.27
Clearing settlement funds		2	-	-
Placements with banks and other financial institutions		3	-	-
Financial assets held for trading	V(2)	4	122,300,052.84	3,341,047,052.54
Derivative financial assets	V(3)	5	1,841,425.00	3,623,881.46
Notes Receivable	V(4)	6	1,445,965,645.73	1,293,957,085.26
Accounts receivable	V(5)	7	6,680,171,033.79	4,933,765,739.07
Accounts Receivable Financing	V(6)	8	400,190,780.50	1,119,283,690.11
Prepayments	V(7)	9	2,223.388,185.26	2,181,863,610.11
Premium Receivables		10	-	-
Receivable from reinsurers		11	-	-
Reinsurance contract reserves receivable		12	-	-
Other receivables	V(8)	13	6,608,220,273.66	8,374,000,721.50
Where: Interest receivable		14	9,731,921.27	18,164,293.52
Dividend receivable		15	16,000,000.00	-
Financial assets purchased under agreements to resell		16	-	-
Inventories	V(9)	17	16,495,365,654.32	17,068,983,252.90
Contract Assets		18	-	-
Assets held for sales	V(10)	19	105,240,412.62	28,628,012.89
Non-current assets due within one year	V(11)	20	148,210,000.00	259,820,000.00
Other current assets	V(12)	21	1,497,655,351.26	2,909,376,368.47
Total current assets		22	55,398,956,503.06	54,994,588,948.58
Non-current assets:			-	-
Loans and advances to customers	V(13)	23	982,925,903.05	2,587,704,677.89
Debt investment	V(14)	24	1,390,931,034.59	350,290,000.00
Other debt investments	V(15)	25	472,505,067.84	1,030,770,936.80
Long-term receivables	V(16)	26	328,544,232.73	578,591,895.57
Long-term equity investments	V(17)	27	4,821,976,092.88	3,200,883,395.56
Other equity instrument investments	V(18)	28	6,593,985,049.34	8,127,038,896.61
Other non-current financial assets	V(19)	29	264,710,000.00	380,230,000.00
Investment Properties	V(20)	30	1,558,794,054.69	1,620,010,018.44
Fixed assets	V(21)	31	36,231,549,295.92	36,875,029,812.45
Construction in progress	V(22)	32	18,352,817,164.96	18,333,047,879.22
Productive biological assets		33	-	-
Oil and gas assets		34	-	-
Intangible assets	V(23)	35	8,140,930,690.82	6,141,376,731.29
Development expenses		36	-	-
Goodwill	V(24)	37	812,431,088.46	-
Long-term deferred expenses	V(25)	38	261,156,701.71	101,709,475.68
Deferred tax assets	V(26)	39	216,550,311.41	308,616,797.97
Other non-current assets	V(27)	40	2,768,529,588.55	1,043,862,984.38
Total non-current assets		41	83,198,336,276.95	80,679,163,501.86
Total assets		42	138,597,292,780.01	135,673,752,450.45

Legal Representative: 

Chief Financial Officer: 

Chief Financial Officer: 

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Combined Balance sheet (Continued)

31 December, 2020

Table Kuai He 01 -2

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2020	1 January, 2020
Current liabilities:				
Short-term borrowings	V(28)	43	17,151,981,073.64	11,239,227,526.14
Borrowings from Central Bank	V(29)	44	552,499,494.21	403,323,237.50
Placements from banks and other financial institutions		45	-	-
Held-for-trading financial liabilities		46	-	-
Derivative financial liabilities	V(30)	47	1,619,856.51	4,248,002.34
Notes payable	V(30)	48	7,568,236,595.09	5,069,305,124.18
Accounts Payable	V(32)	49	4,421,105,204.23	5,592,975,147.69
Advance receipts	V(33)	50	4,096,991.15	-
Contractual liabilities	V(34)	51	3,017,158,683.71	2,939,755,495.45
Assets sold under agreements to repurchase	V(35)	52	604,524,842.47	862,155,579.26
Customer bank deposits and due to banks and other financial institutions	V(36)	53	1,259,916,508.65	70,925,636,32
Funds from securities trading agency		54	-	-
Funds from underwriting securities agency		55	-	-
Staff remuneration payables	V(37)	56	990,747,535.78	860,242,225.22
Taxes payable	V(38)	57	1,569,312,232.76	1,235,035,362.79
Other payables	V(39)	58	5,021,895,632.68	5,217,524,067.22
Where: Interest payable		59	384,626,961.08	666,184,535.44
Dividend payable		60	6,107,297.49	6,107,297.49
Handling charges and commission payable		61	-	-
Due to reinsurers		62	-	-
Liabilities held for sales		63	-	-
Non-current liabilities due within one year	V(40)	64	8,095,583,783.42	6,100,590,206.66
Other current liabilities	V(41)	65	3,884,807,180.87	5,770,501,554.29
Total current liabilities		66	54,143,485,615.17	45,365,809,165.06
Non-current liabilities:			-	-
Insurance contract reserves		67	-	-
Long-term borrowings	V(42)	68	5,194,593,219.20	6,193,436,677.06
Bonds payable	V(43)	69	4,617,984,992.44	15,707,420,930.78
Where: Preference shares		70;	-	-
Perpetual Bonds		71	-	-
Long-term payables	V(44)	72	1,011,808,908.38	620,832,551.64
Long-term staff remuneration payables		73	-	-
Estimated liabilities		74	-	-
Deferred revenue	V(45)	75;	1,189,901,695.35	772,674,464.12
Deferred tax liabilities	V(26)	76	30,883,498.09	10,318,366.34
Other non-current liabilities	V(46)	77	58,046,753.24	59,984,378.68
Total non-current liabilities		78	12,103,319,066.70	23,364,667,368.62
Total liabilities		79	66,246,804,681.87	68,730,476,533.68
Owners' Equity:				
Paid-in capital	V(47)	80	1,000,000,000.00	1,000,000,000,00
Other equity instruments		81	-	-
Where: Preference shares		82	-	-
Perpetual Bonds		83	-	-
Capital reserves	V (48)	84	1,646,862,851.09	1,117,847,638.04
Less: Treasury shares		85	-	-
Other comprehensive income	V(49)	86	-401,976,855.79	-863,566,973.44
Special Reserves	V(50)	87	-70,564.12	-
Surplus reserves	V(51)	88	4,789,524,032.28	4,563,025,276.78
General reserve		89	-	-
Retained profits	V(52)	90	38,346,005,053.84	37,749,993,289.65
Total equity attributable to owners of Company		91	45,380,344,517.30	43,567,299,231.03
Minority Stockholder's Interest		92	26,970,143,580.84	23,375,976,685.74
Total Owners' Equity		93	72,350,488,098.14	66,943,275,916.77
Total liabilities and owner's equity		94	138,597,292,780.01	135,673,752,450.45

Legal Representative: 

Chief Financial Officer: 

Chief Financial Officer: 

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Income Statement

Year 2020

Table Kuai He 02

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	Year 2020	Year 2019
I. Operating Income	V(53)	1	48,878,552,331.51	43,461,367,076.75
Where: Operating Income	V(53)	2	48,680,766,896.96	43,326,503,377.90
Interest income	V(53)	3	190,494,936.07	124,933,228.56
Earned premium	V(53)	4	-	1,107,900.96
Handling charges and commission income	V(53)	5	7,290,498.48	8,822,569.33
II. Total operating costs		6	45,398,264,442.97	42,586,724,671.30
Where: Operating Costs	V(53)	7	38,950,501,116.95	35,761,325,905.36
Interest expense	V(53)	8	26,701,916.26	30,069,110.20
Handling charges and commission expenses		9	835,091.04	659,192.87
Surrenders		10	-	-
Net claims paid		11	-	-
Change in insurance contract reserves, net		12	-	-
Policyholder dividend expense		13	-	-
Expenses for reinsurance accepted		14	-	-
Tax and Surcharges	V(54)	15	511,389,130.82	336,295,076.40
Selling expenses	V(55)	16	884,778,017.27	1,829,034,141.77
Administrative expenses	V(56)	17	1,714,642,784.62	1,870,749,271.02
R&D expenses	V(57)	18	1,521,176,906.88	897,508,394.14
Financial expenses	V(58)	19	1,788,239,479.13	1,861,083,579.54
Where: Interest expenses		20	1,885,799,192.35	2,164,760,363.60
Interest income		21	398,470,874.57	281,981,363.84
Plus: Other income	V(59)	22	1,026,499,818.04	482,097,713.75
Gains from investments (loss denoted by "-")	V(60)	23	487,935,415.92	2,794,357,804.32
Where: Share of profits in associates and joint ventures		24	331,263,191.18	138,575,960.09
Gains on derecognition of financial assets measured at amortised cost		25	-	-
Exchange gains (loss denoted by "-")		26	-	-
Gains on net exposure hedge (loss denoted by "-")		27	-	-
Gain on changes in fair value (loss is denoted by a "-")	V(61)	28	-14,595,140.46	2,036,634.24
Loss on Credit Impairment (loss is denoted as a "-")	V(62)	29	1,313,099.98	-5,914,294.92
Loss on Asset Impairment (loss is denoted by a "-")	V(63)	30	-73,779,792.26	-111,425,499.18
Gain on disposal of assets (loss denoted by a "-")	V(64)	31	125,170,238.63	-83,856,386.77
III. Operating profit (loss denoted by a "-")		32	5,032,831,528.39	3,951,938,376.89
Plus: Non-operating income	V(65)	33	195,972,301.92	193,952,502.01
Less: Non-operating expenses	V(66)	34	120,447,689.36	168,843,965.49
IV. Total profit (total losses denoted by a "-")		35	5,108,356,140.95	3,977,046,913.41
Less: Income tax expenses	V(60)	36	889,513,841.24	521,669,424.49
V. Net profit (net loss denoted by a "-")		37	4,218,842,299.71	3,455,377,488.92
(1) By continuity of operations:				
1. Net profit from continuing operations (net loss denoted by "-")		38	4,218,842,299.71	3,455,377,488.92
2. Net profit from discontinued operations (net loss denoted by "-")		39	-	-
(2) By Ownership				
(1) Net profit attributable to the owners of the Nanshan Group		40	2,842,353,538.90	2,445,045,557.32
2. Minority interests		41	1,376,488,760.81	1,010,331,931.60
VI. Other comprehensive income, net of tax		42	-1,666,433,997.70	-68,054,963.19
Other comprehensive income attributable to the owners of Company, net of tax		43	-1,558,252,901.56	-106,968,633.79
(1) Other comprehensive income that will not be reclassified to profit or loss		44	-1,043,873,371.07	506,450.45
1. Remeasurement of changes in defined benefit plans		45	-	-
2. Other comprehensive income that will not be reclassified to profit or loss under the equity method		46	-2,464,932.45	506,450.45
3. Other equity instrument investments - Changes in fair value		47	-1,041,408,438.62	-
4. Changes in the fair value of the business's own credit risk		48	-	-
5. Other		49	-	-
(2) Other comprehensive income that will be reclassified to profit or loss		50	-514,379,530.49	-107,475,084.24
1. Other comprehensive income that may be reclassified to profit or loss under the equity method		51	-21,809,967.55	-9,088,208.05
2. Changes in fair value of receivables financing		52	-	-
3. Change in fair value of other debt investments		53	-16,981,960.90	-296,862,984.82
4. Amount reclassified from financial assets to other comprehensive income		54	-	-
5. Provision for impairment of receivables financing		55	-	-
6. Provision for credit impairment of other debt investments		56	-	-
7. Cash flow hedge reserve		57	421,968.35	2,356,520.06
8. Exchange differences from retranslation of financial statements		58	-476,009,570.39	196,119,588.57
9. Other		59	-	-
Other comprehensive income attributable to minority shareholders, net of tax		60	-108,181,096.14	38,913,670.60
VII. Total comprehensive income (total comprehensive loss denoted by a "-")		61	2,552,408,302.01	3,387,322,525.73
Total comprehensive income attributable to owners		62	1,284,100,637.34	2,338,076,923.54
Total comprehensive income attributable to minority shareholders		63	1,268,307,664.67	1,049,245,602.20

Legal Representative: 宋波建印 Chief Financial Officer: 宋波建印 Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Cash Flow Statemen

Year 2020

Table Kuai He 03

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	Year 2020	Year 2019
I. Cash flows from operating activities:				
Cash generated from sale of goods and rendering of services		1	41,007,457,755.70	39,128,193,478.46
Net increase in customer bank deposits and due to banks and other financial institutions		2	1,189,416,011.25	-29,025,327.96
Net increase in borrowings from central bank		3	149,176,256.71	-24,897,700,00
Net increase in placements from other financial institutions		4	-	-
Premiums received from original insurance contracts		5	-	-
Net cash received from reinsurance business		6	-	-
Net increase in deposits from policyholders		7	-	-
Cash received on interest, handling fee and commission		8	221,847,885.68	142,797,202.09
Net increase in placements from banks and other financial institutions		9	-	-
Net increase in repurchase business capital		10	-257,600,000.00	140,100,000.00
Cash received from dealing in securities		11	-	-
Tax rebates received		12	971,879,586.46	1,109,367,007.03
Other cash received relating to operating activities	V(69)	13	2,332,799,689.03	898,314,093.40
Sub-total of cash inflows from operating activities		14	45,614,977,184.83	41,364,848,753.02
Cash paid for goods and services		15	29,146,760,291.83	23,488,211,931.10
Net increase in loans and advances to customers		16	-1,660,148,187.46	1,905,639,553.48
Net increase in deposits with central bank and other financial institutions		7	140,885,485.56	53,881,750.31
Original insurance contract claims paid		18	-	-
Increase in placements with banks and other financial institutions		19	-	-
Cash paid for interest, handling fees and commissions		20	27,328,517.09	29,216,120.44
Policyholder Dividend Paid		21	-	-
Cash paid to and for employees		22	3,099,260,956.23	3,065,965,628.87
Cash paid for taxes and surcharges		23	2,354,577,140.91	2,455,470,882.87
Other cash payments relating to operating activities	V(69)	24	2,613,046,646.00	3,153,841,525.04
Subtotal of Cash inflows from operating activities		25	35,721,710,850.16	34,152,227,392.11
Net cash flows from operating activities		26	9,893,266,334.67	7,212,621,360.91
II. Cash flow from investing activities:				
Cash received from disposal of investments		27	6,868,279,960.06	3,419,638,040.04
Cash received from returns on investments		28	189,906,522.16	155,794,827.72
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		29	2,654,282,577.95	16,889,604.08
Net cash received from disposal of subsidiaries and other operating entities		30	1,604,157,862.48	1,592,418,674.54
Other cash received concerning investing activities	V(69)	31	5,105,693,376.78	5,730,027,959.12
Sub-total of cash inflows from investing activities		32	16,422,320,299.43	10,914,769,105.50
Cash paid to acquire fixed assets, intangible assets and other long-term assets		33	6,182,494,361.91	3,270,394,480.21
Cash paid to acquire investments		34	4,330,579,991.48	6,051,609,942.19
Net increase in pledge loans		35		-
Net cash paid to acquire subsidiaries and other operating entities	:	36	463,149,882.93	-
Cash paid relating to other investing activities	V(69)	37	1,386,850,000.00	3,340,740,356.84
Sub-total of cash outflows from investing activities		38	12,363,074,236.32	12,662,744,779.25
Net cash flows from investing activities		39	4,059,246,063.11	-1,747,975,673.75
III. Cash flows from financing activities				
Cash received from capital contributions		40	1,633,548,250.16	232,155,801.24
Where: Cash received by subsidiaries from minority shareholders' investments		41	1,217,622,750.16	-
Cash received from borrowings		42	24,875,155,479.00	29,969,372,700.00
Cash received from other financing activities	V(69)	43	2,431,762,729.61	1,635,128,244.75
Sub-total of cash inflow from financing activities		44	28,940,466,458.77	31,836,656,745.99
Cash repayments of amounts borrowed		45	32,634,903,661.63	32,716,099,133.54
Cash paid for dividends, profit and interest		46	2,804,145,155.60	2,637,873,084.07
Where: Dividends and profits paid by subsidiaries to minority shareholders		47	315,177,093.25	315,177,093.25
Cash paid for other financing activities	V(69)	48	854,157,000.00	1,134,000,000.00
Sub-total of cash outflow from financing activities		49	36,293,205,817.23	36,487,972,217.61
Net cash flows from financing activities		50	-7,352,739,358.46	-4,651,315,471.62
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		51	-93,872,492.81	95,193,430.98
V. Net increase in cash and cash equivalents		52	6,505,900,546.51	908,523,646.52
Plus: Cash and cash equivalents at beginning of period		53	8,823,489,162.01	7,914,965,515.49
VI. Closing balance of cash and cash equivalents		54	15,329,389,708.52	8,823,489,162.01

Legal Representative:  Chief Financial Officer:  Chief Financial Officer: 

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Statement of Changes in Owners' Equity

Year 2020

Prepared by: Nanshan Group Co., Ltd.

Table Kuai He 04 -1
In: RMB Yuan

Item	Line No.	Year 2020									
		Owners' Equity attributable to owners of Company									
		Paid-in capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits	Minority Stockholder's Interest	Total Owners' Equity
I. Closing Balance of Prior Period	1	1,000,000,000.00	1,014,997,956.76	-	-863,566,973.44	-	4,563,025,276.78	-	37,852,842,970.93	23,375,976,685.74	66,943,275,916.77
Plus: Change in Accounting Policies	2	-	-	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period	3	-	102,849,681.28	-	-	-	-	-	-102,849,681.28	-	-
Consolidation under common control	4	-	-	-	-	-	-	-	-	-	-
Others	5	-	-	-	-	-	-	-	-	-	-
II. Opening balance Of current period	6	1,000,000,000.00	1,117,847,638.04	-	-863,566,973.44	-	4,563,025,276.78	-	37,749,993,289.65	23,375,976,685.74	66,943,275,916.77
III. Movements during the period (decrease denoted by a "-")	7	-	529,015,213.05	-	461,590,117.65	-70,564.12	226,498,755.50	-	596,011,764.19	3,594,166,895.10	5,407,212,181.37
(1) Total comprehensive income	8	-	-	-	-1,558,252,901.56	-	-	-	2,842,353,538.90	1,268,307,664.67	2,552,408,302.01
(2) Owners' contribution and withdrawal of capital	9	-	529,015,213.05	-	-	-	-	-	-	2,641,313,474.53	3,170,328,687.58
1. Common stock contributed by shareholders	10	-	-	-	-	-	-	-	-	2,798,755,486.60	2,798,755,486.60
2. Proceeds from other equity instruments holders	11	-	-	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	12	-	-	-	-	-	-	-	-	-	-
4. Others	13	-	529,015,213.05	-	-	-	-	-	-	-157,442,012.07	371,573,200.98
(3) Profit Sharing	14	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-315,177,201.71	-315,177,201.71
1. Appropriation to surplus reserves	15	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-	-
2. Appropriation to general reserves	16	-	-	-	-	-	-	-	-	-	-
3. Distribution to owners	17	-	-		-	-	-	-	-	-315,177,201.71	-315,177,201.71
4. Others	18	-	-	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	19	-	-	-	2,019,843,019.21	-	32,625,199.29	-	-2,052,468,218.50	-	-
1. Transfer of capital reserve to share capital	20	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	21	-	-		-	-	-	-	-	-	-
3. Surplus reserves making up of losses	22	-	-	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	23	-	-	-	-	-	-	-	-	-	-
5. Reasons for transfer of other comprehensive income to retained earnings	24	-	-	-	2,019,843,019.21	-	32,625,199.29	-	-2,052,468,218.50	-	-
6. Others	25	-	-	-	-	-	-	-	-	-	-
(5) Special Reserves	26	-	-	-	-	-70,564.12	-	-	-	-277,042.39	-347,606.51
1. Appropriation during the period	27	-	-	-	-	-127,169.34	-	-	-	-499,280.61	-626,449.95
2. Utilization during the period	28	-	-	-	-	56,605.22	-	-	-	222,238.22	278,843.44
(6) Other	29	-	-	-	-	-	-	-	-	-	-
IV. Closing Balance of the period	30	1,000,000,000.00	1,646,862,851.09	-	-401,976,855.79	-70,564.12	4,789,524,032.28	-	38,346,005,053.84	26,970,143,580.84	72,350,488,098.14

Legal Representative: 

Chief Financial Officer: 

Chief Financial Officer: 

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Statement of Changes in Owners' Equity (Continued)

Year 2020

Prepared by: Nanshan Group Co., Ltd.

Table Kuai He 04 -2
In: RMB Yuan

Item	Line No.	Year 2019									
		Owners' Equity attributable to owners of Company									
		Paid-in capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits	Minority Stockholder's Interest	Total Owners' Equity
I. Closing Balance of Prior Period	1	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
Plus: Change in Accounting Policies	2	-	-	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period	3	-	-	-	-	-	-	-	-	-	-
Consolidation under common control	4	-	-	-	-	-	-	-	-	-	-
Others	5	-	-	-	-	-	-	-	-	-	-
II. Opening balance Of current period	6	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65		4,350,528,548.06	-	36,608,934,364.60	22,671,617,400.14	63,879,611,933.34
III. Movements during the period (decrease denoted by "-")	7	-	9,867,996.57	-	-106,968,633.79	-	212,496,728.72	-	2,243,908,606.33	704,359,285.60	3,063,663,983.43
(1) Total comprehensive income	8	-	-	-	-106,968,633.79	.	-	-	2,445,045,557.32	1,049,245,602.20	3,387,322,525.73
(2) Owners' contribution and withdrawal of capital	9	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-29,709,223.35	-8,481,449.05
1. Common stock contributed by shareholders	10	-	-	-	-	-	-	-	-	87,419,291.43	87,419,291.43
2. Proceeds from other equity instruments holders	11	-	-	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	12	-	-	-	-	-	-	-	-	-	-
4. Others	13	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-117,128,514.78	-95,900,740.48
(3) Profit Sharing	14	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-315,177,093.25	-315,177,093.25
1. Appropriation to surplus reserves	15	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-	-
2. Appropriation to general reserves	16	-	-	-	-	-	-	-	-	-	-
3. Distribution to owners	17	-	-	-	-	-	-	-	-	-315,177,093.25	-315,177,093.25
4. Others	18	-	-	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	t9	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	20	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	21	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	22	-	-	-	-	-	-	-	-	-	-
Transfer of changes in defined benefit plans to retained earnings	23	-	-	-	-	-	-	-	-	-	-
5. Reasons for transfer of other comprehensive income to retained earnings	24	-	-	-	-	-	-	-	-	-	-
6. Others	25	-	-	-	-	-	-	-	-	-	-
(5) Special Reserves	26	-	-	-	-	-	-	-	-	-	-
1. Appropriation during the period	27	-	-	-	-	-	-	-	-	-	-
2. Utilization during the period	28	-	-	-	-	-	-	-	-	-	-
(6) Other	29	-	-	-	-	-	-	-	-	-	-
IV. Closing Balance of the period	30	1,000,000,000.00	1,014,997,956.76	-	-863,566,973.44	-	4,563,025,276.78	-	37,852,842,970.93	23,375,976,685.74	66,943,275,916.77

Legal Representative: 宋波建印

Chief Financial Officer: 宋波建印

Chief Financial Officer: 梁坤

Company Balance Sheet

31 December, 2020

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 01 -1

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Note No.	Line No.	31 December, 2020	1 January, 2020
Current assets:				
Monetary Funds		1	5,522,665,028.69	5,981,185,707.02
Clearing settlement funds		2	-	-
Placements with banks and other financial institutions		3	-	-
Financial assets held for trading		4	7,830,000.00	747,830,000.00
Derivative financial assets		5	-	-
Notes Receivable		6	400,100,000.00	850,000,000.00
Accounts receivable	XII(1)	7	357,145,034.51	725,983,846.77
Accounts Receivable Financing		18	13,788,000.00	3,250,000.00
Prepayments		9	36,189,155.31	118,716,286.30
Premium Receivables		10	-	-
Receivable from reinsurers		11	-	-
Reinsurance contract reserves receivable		12	-	-
Other receivables	XII(2)	13	52,287,041,634.11	47,599,159,131.81
Where: Interest receivable		14	18,123,245.44	22,282,400.53
Dividend receivable		15	16,000,000.00	-
Financial assets purchased under agreements to resell		16	-	-
Inventories		17	3,851,308,631.87	3,649,564,778.99
Contract Assets		18	-	-
Assets held for sales		19	14,000,000.00	14,000,000.00
Non-current assets due within one year		20	148,210,000.00	259,820,000,00
Other current assets		21	-	-
Total current assets		22	62,638,277,484.49	59,949,509,750.89
Non-current assets:			-	-
Loans and advances to customers		23	-	-
Debt investment		24	1,213,960,000.00	350,290,000.00
Other debt investments		25	-	-
Long-term receivables		26	-	-
Long-term equity investments	XII(3)	27	23,046,445,035.62	18,926,519,576.61
Other equity instrument investments		28	4,503,179,351.00	4,493,379,351.00
Other non-current financial assets		29	233,710,000.00	327,230,000.00
Investment Properties		30	-	-
Fixed assets		31	2,736,159,156.22	2,844,448,116.22
Construction in progress		32	53,607,742.66	419,404,319.64
Productive biological assets		33	-	-
Oil and gas assets		34	-	-
Intangible assets		35	904,799,701.04	945,432,656.39
Development expenses		36	-	-
Goodwill		37	-	-
Long-term deferred expenses		38	-	-
Deferred tax assets		39	2,703,715.40	5,896,159.27
Other non-current assets		40	1,138,855,229.05	307,370,229.05
Total non-current assets		41	33,833,419,930.99	28,619,970,408.18
Total assets		42	96,471,697,415.48	88,569,480,159.07

Legal Representative: 宋波印建

Chief Financial Officer: 宋波印建

Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Company Balance Sheet (Continued

31 December, 2020

Table Kuai He 01 -2

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2020	1 January, 2020
Current liabilities:				
Short-term borrowings		43	11,830,140,000.00	6,344,000,000.00
Borrowings from Central Bank		44	-	-
Placements from banks and other financial institutions		45	-	-
Held-for-trading financial liabilities		46	-	-
Derivative financial liabilities		47	-	-
Notes payable		48	5,856,106,433.00	3,827,144,915.34
Accounts Payable		49	24,884,320.22	35,549,929.24
Advance receipts		50	-	-
Contractual liabilities		51	1,100,769,989.12	198,208,834.57
Assets sold under agreements to repurchase		52	-	-
Customer bank deposits and due to banks and other financial institutions		53	-	-
Funds from dealing in securities		54	-	-
Funds from underwriting securities agency		55	-	-
Staff remuneration payables		56	9,286,900.62	8,086,704.39
Taxes payable		57	326,363,858.77	337,956,408.31
Other payables		58	15,591,825,668.74	9,513,506,048.58
Where: Interest payable		59	340,711,248.77	588,920,161.59
Dividend payable		60	-	-
Handling charges and commission payable		61	-	-
Due to reinsurers		62	-	-
Liabilities held for sales		63	-	-
Non-current liabilities due within one year		64	6,064,490,080.70	3,159,522,610.72
Other current liabilities		65	2,901,492,650.61	5,529,167,393.90
Total current liabilities		66	43,705,359,901.78	28,953,142,845.05
Non-current liabilities:				
Insurance contract reserves		67	-	-
Long-term borrowings		68	3,797,368,000.00	3,740,000,000.00
Bonds payable		69	4,541,759,967.40	14,212,234,586.19
Where: Preference shares		70	-	-
Perpetual Bonds		71	-	-
Long-term payables		72	-	-
Long-term staff remuneration payables		73	-	-
Estimated liabilities		74	-	-
Deferred revenue		75	27,028,983.28	27,087,649.96
Deferred tax liabilities		76	-	-
Other non-current liabilities		77	-	-
Total non-current liabilities		78	8,366,156,950.68	17,979,322,236.15
Total liabilities		79	52,071,516,852.46	46,932,465,081.20
Owners' Equity:				
Paid-in capital		80	1,000,000,000.00	1,000,000,000.00
Other equity instruments		81	-	-
Where: Preference shares		82	-	-
Perpetual Bonds		83	-	-
Capital reserves		84	893,850,775.76	371,397,945.57
Less: Treasury shares		85	-	-
Other comprehensive income		86	-47,685,716.57	-23,410,816.57
Special Reserves		87	-	-
Surplus reserves		88	4,789,524,032.28	4,563,025,276.78
General reserve		89	-	-
Retained profits		90	37,764,491,471.55	35,726,002,672.09
Total Owners' Equity		91	44,400,180,563.02	41,637,015,077.87
Total liabilities and owner's equity		92	96,471,697,415.48	88,569,480,159.07

Legal Representative: 宋建波印 Chief Financial Officer: 宋建波印 Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Company Income Statement

Year 2020

Table Kuai He 02

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	Year 2020	Year 2019
I. Operating Income	XII(4)	1	5,061,001,010.49	3,737,260,709.53
Where: Operating Income	XII(4)	2	5,061,001,010.49	3,737,260,709.53
Interest income		3	-	-
Earned premium		4	-	-
Handling charges and commission income		5	-	-
II. Total operating costs		6	5,034,002,070.64	3,551,194,174.96
Where: Operating Costs	XII(4)	7	4,757,531,350.33	3,325,842,678.21
Interest expense		8	-	-
Handling charges and commission expenses		9	-	-
Surrenders		10	-	-
Net claims paid		11	-	-
Change in insurance contract reserves, net		12	-	-
Policyholder dividend expense		13	-	-
Expenses for reinsurance accepted		14	-	-
Tax and Surcharges		15	18,811,930.04	18,497,728.38
Selling expenses		16	2,908,241.47	3,397,841.92
Administrative expenses		17	271,082,364.52	206,589,031.50
R&D expenses		18	-	-
Financial expenses		19	-16,331,815.72	-3,133,105.05
Where: Interest expenses		20	153,262,875.60	80,888,862.08
Interest income		21	216,611,067.84	160,034,786.39
Plus: Other income		22	908,704,736.87	409,541,180.52
Gains from investments (loss denoted by "-")	XII(5)	23	953,696,698.24	1,454,710,279.25
Where: Share of profits in associates and joint ventures		24	181,379,080.94	78,155,492.05
Gains on derecognition of financial assets measured at amortised cost		25	-	-
Exchange gains (loss denoted by "—")		26	-	-
Gains on net exposure hedge (loss denoted by "-")		27	-	-
Gain on changes in fair value (loss is denoted by a "-")		28	-	-
Loss on Credit Impairment (loss is denoted as a "-")		29	12,769,775.47	-
Loss on Asset Impairment (loss is denoted by a "-")		30	-	-5,161,990.81
Gain on disposal of assets (loss denoted by a "-")		31	-3,629,652.32	2,012,452.65
II. Operating profit (loss denoted by a "-")		32	1,898,540,498.11	2,047,168,456.18
Plus: Non-operating income		33	50,100,642.94	108,952,025.65
Less: Non-operating expenses		34	6,713,135.10	16,470,132.50
III. Total profit (total losses denoted by a "-")		35	1,941,928,005.95	2,139,650,349.33
Less: Income tax expenses		36	3,192,443.87	14,683,062.10
IV. Net profit (net loss denoted by a "-")		37	1,938,735,562.08	2,124,967,287.23
(1) Net profit from continuing operations (net loss denoted by a "-")		38	-	-
(2) Net profit from discontinued operations (net loss denoted by "-")		39	-	-
V. Other comprehensive income, net of tax		40	301,977,092.88	-8,581,757.60
(1) Other comprehensive income that will not be reclassified to profit or loss		41	323,787,060.43	506,450.45
1. Remeasurement of changes in defined benefit plans		42	-	-
2. Other comprehensive income that will not be reclassified to profit or loss under the equity method		43	-2,464,932.45	506,450.45
3. Other equity instrument investments - Changes in fair value		44	326,251,992.88	-
4. Changes in the fair value of the business's own credit risk		45	-	-
5. Other		46	-	-
(2) Other comprehensive income that will be reclassified to profit or loss		47	-21,809,967.55	-9,088,208.05
1. Other comprehensive income that may be reclassified to profit or loss under the equity method		48	-21,809,967.55	-9,088,208.05
2. Changes in fair value of receivables financing		49	-	-
3. Change in fair value of other debt investments		50	-	-
4. Amount reclassified from financial assets to other comprehensive income		51	-	-
5. Provision for impairment of receivables financing		52	-	-
6. Provision for credit impairment of other debt investments		53	-	-
7. Cash flow hedge reserve		54	-	-
8. Exchange differences from retranslation of financial statements		55	-	-
9. Other		56	-	-
VI. Total comprehensive income (total comprehensive loss denoted by a "-")		57	2,240,712,654.96	2,116,385,529.63

Legal Representative: 宋波印建 Chief Financial Officer: 宋波印建 Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Company Cash Flow Statement

Year 2020

Table Kuai He 03

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	Year 2020	Year 2019
I. Cash flows from operating activities:				
Cash generated from sale of goods and rendering of services		1	5,160,968,688.72	3,978,093,383.74
Net increase in customer bank deposits and due to banks and other financial institutions		2	-	-
Net increase in borrowings from central bank		3	-	-
Net increase in placements from other financial institutions		4	-	-
Premiums received from original insurance contracts		5	-	-
Net cash received from reinsurance business		6	-	-
Net increase in deposits from policyholders		7	-	-
Cash received on interest, handling fee and commission		8	-	-
Net increase in placements from banks and other financial institutions		9	-	-
Net increase in repurchase business capital		10	-	-
Net cash received from dealing in securities		11	-	-
Tax rebates received		12	-	-
Other cash received relating to operating activities		13	1,475,110,148.53	844,765,452.70
Sub-total of cash inflows from operating activities		14	6,636,078,837.25	4,822,858,836.44
Cash paid for goods and services		15	4,604,019,598.47	3,319,169,621.62
Net increase in loans and advances to customers		16	-	-
Net increase in deposits with central bank and other financial institutions		17	-	-
Original insurance contract claims paid		18	-	-
Net increase in placements from banks and other financial institutions		19	-	-
Cash paid on interest, handling fee and commission		20	-	-
Policyholder Dividend Paid		21	-	-
Cash paid to and for employees		22	22,284,238.16	16,965,280.71
Cash paid for taxes and surcharges		23	43,772,407.90	20,249,247.55
Other cash payments relating to operating activities		24	572,720,730.64	164,294,410.77
Sub-total of cash outflows from operating activities		25	5,242,796,975.17	3,520,678,560.65
Net cash flows from operating activities		26	1,393,281,862.08	1,302,180,275.79
II. Cash flow from investing activities:				
Cash received from disposal of investments		27	2,305,179,561.27	2,816,010,969.58
Cash received from returns on investments		28	868,930,709.36	149,981,480.48
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		29	1,157,021.37	1,638,858.97
Net cash received from disposal of subsidiaries and other operating entities		30	-	-
Other cash received concerning investing activities		31	5,638,352,254.37	2,622,498,308.32
Sub-total of cash inflows from investing activities		32	8,813,619,546.37	5,590,129,617.35
Cash paid to acquire fixed assets, intangible assets and other long-term assets		33	66,540,329.74	22,018,822.97
Cash paid to acquire investments		34	3,853,192,355.00	3,399,060,000.00
Net increase in pledged loans		35	-	-
Net cash paid to acquire subsidiaries and other operating entities		36	-	-
Other cash paid concerning investing activities		37	1,386,850,000.00	178,350,000.00
Sub-total of cash outflows from investing activities		38	5,306,582,684.74	3,599,428,822.97
Net cash flows from investing activities		39	3,507,036,861.63	1,990,700,794.38
III. Cash flows from financing activities:			-	-
Cash received from capital contributions		40	-	-
Cash received from borrowings		41	30,325,508,000.00	27,868,297,800.00
Cash received from other financing activities		42	-	-
Sub-total of cash inflow from financing activities		43	30,325,508,000.00	27,868,297,800.00
Cash repayments of amounts borrowed		44	34,272,198,000.00	27,925,528,000.00
Cash paid for dividends, profit and interest		45	1,932,252,131.39	1,347,486,714.07
Cash paid for other financing activities		46	-	-
Sub-total of cash outflow from financing activities		47	36,204,450,131.39	29,273,014,714.07
Net cash flows from financing activities		48	-5,878,942,131.39	-1,404,716,914.07
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		49	-	-
V. Net increase in cash and cash equivalents		50	-978,623,407.68	1,888,164,156.10
Plus: Cash and cash equivalents at beginning of period		51	4,336,436,122.36	2,448,271,966.26
VI. Closing balance of cash and cash equivalents		52	3,357,812,714.68	4,336,436,122.36

Legal Representative: 宋波建印 Chief Financial Officer: 宋波建印 Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Company Statement of Changes in Shareholder's Equity

Year 2020

Prepared by: Nanshan Group Co., Ltd.

Table Kuai He 04 -1
In: RMB Yuan

Item	Line No.	Year 2020								
		Paid-in capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits	Total Owners' Equity
I. Closing Balance of Prior Period:	1	1,000,000,000.00	371,397,945.57	-	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87
Plus: Correction of Accounting Errors	2	-	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period	3	-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
II. Opening balance Of current period	5	1,000,000,000.00	371,397,945.57	-	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87
III. Movements during the period (decrease denoted by a "-")	6	-	522,452,830.19	-	-24,274,900.00	-	226,498,755.50	-	2,038,488,799.46	2,763,165,485.15
(1) Total comprehensive income	7	-	-	-	301.977,092.88	-	-	-	1,938,735,562.08	2,240,712,654.96
(2) Owners' contribution and withdrawal of capital	8	-	522,452,830.19	-	-	-	-	-	-	522,452,830.19
1. Common stock contributed by shareholders	9	-	-	-	-	-	-	-	-	-
2. Proceeds from other equity instruments holders	10	-	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	11	-	-	-	-	-	-	-	-	-
4. Others	12	-	522,452,830.19	-	-	-	-	-	-	522,452,830.19
(3) Profit Sharing	13	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-
1. Appropriation to surplus reserves	14	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-
2. Appropriation to general reserves	15	-	-	-		-	-	-	-	-
3. Distribution to owners	16	-	-	-	-	-	-	-	-	-
4. Others	17	-	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	18	-	-	-	-326,251,992.88	-	32,625,199.29	-	293,626,793.59	-
1. Transfer of capital reserve to share capital	19	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	20	-	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	21	-	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	22	-	-	-	-	-	-	-	-	-
5. Reasons for transfer of other comprehensive income to retained earnings	23	-	-	-	-326,251,992.88		32,625,199.29	-	293,626,793,59	-
6. Others	24	-	-	-	-	-		-	-	-
(5) Special Reserves	25	-	-	-	-	-	-	-	-	-
1. Appropriation during the period	26	-	-	-	-	-	-	-	-	-
2. Utilization during the period	27	-	-	-	-	-	-	-	-	-
(6) Other	28	-	-	-	-	-	-	-	-	-
IV. Closing Balance of the period	29	1,000,000,000.00	893,850,775.76	-	-47,685,716.57	-	4,789,524,032.28	-	37,764,491,471.55	44,400,180,563.02

Legal Representative: 宋波印建

Chief Financial Officer: 宋波印建

Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Company's Statement of Changes in Shareholder's Equity (Continued)

Year 2020

Prepared by: Nanshan Group Co., Ltd.

Table Kuai He 04 -2
In: RMB Yuan

Item	Line No.	Year 2019								
		Paid-in capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits	Total Owners' Equity
I. Closing Balance of Prior Period	1	1,000,000,000.00	371,397,945.57	-	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
Plus: Change in Accounting Policies	2	-	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period	3	-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
II. Opening balance Of current period	5	1,000,000,000.00	371,397,945,57	-	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
III. Movements during the period (decrease denoted by a "-")	6	-	-	-	-8,581,757.60	-	212,496,728.72	-	1,912,470,558.51	2,116,385,529.63
(1) Total comprehensive income	7	-	-	-	-8,581,757.60	-	-	-	2,124,967,287.23	2,116,385,529.63
(2) Owners' contribution and withdrawal of capital	8	-	-	-	-	-	-	-	-	-
1. Common stock contributed by shareholders	9	-	-	-	-	-	-	-	-	-
2. Proceeds from other equity instruments holders	10	-	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	11	-	-	-	-	-	-	-	-	-
4. Others	12	-	-	-	-	-	-	-	-	-
(3) Profit Sharing	13	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-
1. Appropriation to surplus reserves	14	-	-	-	-	-	212,496,728.72	-	-212,196,728.72	-
2. Appropriation to general reserves	15	-	-	-	-	-	-	-	-	-
3. Distribution to owners	16	-	-	-	-	-	-	-	-	-
4. Others	17	-	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	18	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	19	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	20	-	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	21	-	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	22	-	-	-	-	-	-	-	-	-
5. Reasons for transfer of other comprehensive income to retained earnings	23	-	-	-	-	-	-	-	-	-
6. Others	24	-	-	-	-	-	-	-	-	-
(5) Special Reserves	25	-	-	-	-	-	-	-	-	-
1. Appropriation during the period	26	-	-	-	-	-	-	-	-	-
2. Utilization during the period	27	-	-	-	-	-	-	-	-	-
(6) Other	28	-	-	-	-	-	-	-	-	-
IV. Closing Balance of the period	29	1,000,000,000.00	371,397,945.57	-	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87

Legal Representative: 宋建波印

Chief Financial Officer: 宋建波印

Chief Financial Officer: 梁坤

Nanshan Group Co., Ltd.

Notes to Financial Statements

Year 2020

I. Basic information about the company

(1) Company Profile

Nanshan Group Limited (the "Company") was jointly initiated by Nanshan Village Committee and Song Zuowen and was registered with the Market Supervision Administration of Longkou City on 16 July 1992, and now holds a business licence with the uniform social credit code of 9137068116944191XU. Registered address: Nanshan Industrial Park, Longkou City, Shandong Province. Legal Representative: Song Jianbo. The Company has a current registered capital of RMB 1 billion, of which: RMB 510 million from the Nanshan Village Committee as capital contribution, representing 51% of the registered capital; RMB 490 million from Song Zuowen as capital contribution, representing 49% of the registered capital.

The Company operates in a broad range of industries. Scope of Business: General items: Sales of metal materials; Sale of knitted textiles and raw materials; Wholesale of clothing and accessories; Retail sale of clothing and apparel; Sales of construction materials; Sale of Furnitures; Sale of gold and silver products; Sales of machinery and equipment; Research and development of machinery and equipment; Sales of instruments and apparatus; General cargo warehousing services (excluding items requiring licensing approval such as dangerous chemicals); Production, sale, processing, transportation, storage and other related services of agricultural products; Housing rentals; Land use rights leases; Lease of machinery and equipment; Amusement park services; Fitness and leisure activities; Conference and exhibition services; Organisation of arts and cultural exchange activities; Sale of chemical products (excluding licensed chemical products); Sale of petroleum products (excluding dangerous chemicals); Sale of lubricating oils; Corporate Management; Trade brokers; Loading and unloading and shipment; Domestic freight forwarding (except for those items that are subject to approval in accordance with the law, the business licence shall be used to carry out business activities independently in accordance with the law) permitted items: Import and export of goods; Real estate development and operation; All types of engineering construction activities; Accommodation services; Food and beverage service; Recreational and entertainment activities; Generation, transmission and supply of electricity; Production and Supply of Thermal Power; (The items that requires approval by law can only be dealt in after being approved by the relevant departments. The specific business activities are subject to approval)

The ultimate beneficial owner of the Company is the Nanshan Village Committee.

(2) Scope of Consolidation

For details of the subsidiaries included in the consolidation scope of the company in 2020, please refer to Note VII “Equity in Other Entities”. Compared with the previous year, the Company has five new subsidiaries one removed subsidiary in the scope of consolidation this year. For details, see Note VI(2) “Changes in the scope of consolidation due to other reasons”.

II. Basis of Preparation of Financial Statements

(1) Basis of Preparation

The Company (except Shandong Nanshan Aluminum Industry Co., Ltd., "Nanshan Aluminium", Shandong Zhishang Technology Company Co., Ltd., "Zhishang Technology", and Hengtong Logistics Co.,Ltd., "Hengtong Logistics") prepares its financial statements on a going concern basis with in accordance with actual transactions and events measured and recognised according to the Basic Accounting Standards for Business Enterprises and other specific accounting standards.

Nanshan Aluminium, Zhishang Technology, and Hengtong Logistics prepares its financial statements on a going concern basis, based on actual transactions and events, in accordance with the Basic Accounting Standards for Business Enterprises and various specific accounting standards, the Guidelines for the Application of Accounting Standards for Business Enterprises, Explanation of Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"), and the disclosure requirements of Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Reporting (amended in 2014) issued by the China Securities Regulatory Commission (CSRC) (as amended in 2014).

(2) Assessment of the ability to continue as a going concern

There are no matters or circumstances relating to the Company that may cause any material doubts on its going concern assumptions for the 12 months from the end of the reporting period.

III. Significant accounting policies and estimates

(1) Statement of compliance with corporate accounting standards

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises and reflect truthfully and completely the Company's financial position, operating results and cash flows, and other relevant information.

(2) Accounting Period

The accounting year begins on January 1 and ends on December 31.

(3) Operating Cycle

A normal operating cycle starts from purchasing assets used to produce, and ends when cash or equivalent is realised. The operating cycle of the Company lasts for 12 months, and acts as an indicator for classification of liquidity of assets and liabilities.

(4) Reporting Currency

The Company and its domestic subsidiaries choose RMB as their functional currency. The foreign subsidiaries of the Company determine their functional currency based on the currency of the main economic environment in which they operate, and translate it into RMB when preparing financial statements.

The currency adopted by the Company in preparing financial statements is Renminbi.

(5) Accounting treatments of business combination under and not under common control

Business combination refers to a transaction or event bringing together two or more separate enterprises into one reporting entity. Business combinations are classified into business combinations under common control and not under common control.

1. Accounting treatments of business combination under common control

Business combinations under common control refers to combinations where the combined entities are ultimately controlled by the same party or parties before and after the combination and that control is not transitory.

The assets and liabilities that are obtained in the business combination shall be measured at their original carrying amounts at the combination date as recorded by the party being combined, except for the adjustments due to different accounting policies. The difference between the carrying amount of owners' equity attributable to the combined party as recorded in the consolidated financial statements of the ultimate controlling party and the carrying amount of the consideration paid for the combination or the aggregate nominal values of the shares issued is adjusted against the capital reserve of the Company or against the retained earnings of the Company in case of insufficient capital reserve.

For business combinations under common control that are achieved in steps through multiple transactions, the difference between the sum of the carrying amount of investments held prior to the combination and the carrying amount of new consideration paid on the date of combination, and the carrying amount of net assets obtained through the combination is adjusted against the capital reserve (equity premium) of the Company or against the retained earnings of the Company in case of insufficient capital reserve. The long-term investment held by the combining party prior to the acquistion of the control over the combined party, and the recognized profit or loss other comprehensive income and other change in owners' equity on the later date of the acquisition date when the original equity interests are acquired and the combination date when the combining party and the combined party are under the ultimate control of the same party shall separately offset the opening balance of retained earnings and the profit or loss of the current period during the period of comparative statements. However, the other comprehensive income due to the remeasurement of changes in net liability or net asset of defined benefit scheme by the acquiree is not included.

2. Accounting treatments of business combination not under common control

Business combinations not under common control refers to combinations where the combining entities are not ultimately controlled by the same party or parties before and after the combination.

Where the cost of the combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period if the cost of combination is verified less than the fair value of the identifiable net assets acquired from the acquiree during the combination after reviewing the fair value of various identifiable assets, liabilities and contigent liabilities acquired from the acquiree and the measurement of combination costs.

If, at the date of combination or at the end of the period that the combination belongs to, the fair value of the assets paid for at the consideration of the combination cannot be reasonably determined, or the fair value of the acquiree's identifiable assets or liabilities cannot be determined due to various reasons, the Company accounts for business combinations on the basis of the provisionally determined values at the end of the period of the combination. If further information available within 12 months from the date of acquistion indicates that an adjustment to the original provisionally determined value is necessary, the adjustment is deemed to have occurred on the date of acquisition and is made retrospectively, and the relevant adjustment is made to the comparative statement information provided on the basis of the provisional value; Adjustments to the cost of business combination or to the value of identifiable assets and liabilities acquired in business combination after 12 months from the date of acquisition are processed in accordance with the principles of "Business Accounting Standards No. 28 - Accounting Policies, Changes in Accounting Estimates and Corrections of Accounting Errors".

The Company does not recognize deductible temporary differences of the acquiree acquired in business combination that do not meet the conditions for recognition of deferred tax assets at the date of acquisition. Deferred tax assets are recognized when new or additional information becomes available within 12 months of the acquisition date that indicates that the relevant circumstances existed at the acquisition date, so the economic benefits arising from the temporary deductible differences of the acquiree at the acquisition date are expected to be realized, and goodwill is reduced; in case of insufficient goodwill, the difference is recognized in profit or loss for the period; Except as described above, deferred tax assets relating to business combinations are recognised in profit or loss for the period.

For a business combination not under common control that is achieved in steps through multiple transactions, the Company determines whether these multiple transactions are a "package deal" according to Accounting Standards for Business Enterprises. If the terms, conditions and economic effects of transactions fall in one or more of the following situations, the multiple transactions shall be regarded as a package deal for accounting treatment: (1) These transactions were entered into at the same time or after considering the effects on each other; (2) These transactions constituted a complete commercial result as a whole; (3) The occurrence of one transaction depends on the occurrence of at least one other transaction; (4) one transaction was not economical on its own but was economical when considering together with other transactions.

If it constitutes a "Package Deal", the Company accounts for all transactions as if they are a transaction that obtained control. If these transactions are not a "Package Deal", the equity interests in the acquiree held prior to the acquisition date is remeasured at the fair value of such interests at the acquistion date with the difference between its fair value and its carrying value recognised in profit or loss for the preriod in the consolidated financial statements; Equity interests in the acquiree already held prior to the acquisition date, if involving other comprehensive income and other changes in owners' equity, are recognised as income for the period on the acquisition date. However, the other comprehensive income due to the remeasurement of changes in net liability or net asset of defined benefit scheme by the acquiree is not included.

(3) Accounting treatment of transaction costs in business combinations

Intermediate fees such as audit, legal service, assessment and consultation and other relevant administrative expenses incurred for business combination are credited to profit or loss for the current period upon occurrence. Transaction costs of equity or debt securities issued as the considerations of business combination are included in their initial recognised amounts.

(6) Preparation of Consolidated Financial Statements

1. Scope of Consolidation

The scope of consolidated financial statements is determined on the basis of control. Control is the power the Company has over the acquiree(s) and is entitled to variable returns from its involvement in the operating activities of the acquiree and able to affect the amount of the returns by leveraging such power. The scope of the consolidation includes the Company and all of its subsidiaries. A subsidiary is the entity controlled by the Group (including the Company, severable part of investees, and structured bodies).

2. Preparation Method of Consolidated Financial Statements

The consolidated financial statements shall be prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. The consolidated financial statements prepared by the Company reflect the financial position, operating results and cash flows of the Company as a whole, in accordance with uniform accounting policies, by treating the entire enterprise group as a single accounting entity and in accordance with the recognition, measurement and presentation requirements of relevant corporate accounting standards.

The consolidated financial statements are presented to offset the effects of internal transactions between the Company and its subsidiaries and between its subsidiaries on the consolidated balance sheet, consolidated income statement, consolidated statement of cash flows and consolidated statement of changes in equity.

A subsidiary acquired through a business combination involving entities under common control in the reporting period shall be included in the scope of the consolidation from the beginning of the combination date, the subsidiary's income, expenses and profits are included in the consolidated statement of operations, and cash flows are included in the consolidated statement of cash flow from the acquisition date. During the reporting period, the opening balances of the consolidated balance sheet were adjusted, and the related items in the comparative statements were adjusted as if the consolidated entities had existed since the ultimate controlling party began to control it.

During the period, if a subsidiary is added as a result of the combination of companies not under common control, the opening balances of the consolidated balance sheet are not adjusted; their financial statements are adjusted based on the fair value of identifiable net assets as at the acquisition date. The revenues, expenses, and profits of the subsidiary from the acquisition date to the end of the reporting period are included in the consolidated income statement; The cash flows of the subsidiary from the acquisition date to the end of the period are included in the Consolidated Statements of Cash Flows.

Equity, profit or loss and comprehensive income for the period attributable to the minority shareholders of the subsidiary are stated separately under owners' equity in the consolidated balance sheet, net profit in the consolidated income statement and total comprehensive income respectively. Losses for the period assumed by the minority shareholders of the subsidiary in excess of the owners' equity attributable to the minority shareholders of the subsidiary in that subsidiary at the beginning of the period is offset against minority interests.

3. Acquisition of Minority Interests and Partial Disposal of Equity in a Subsidiary without Loss of Control

The difference between the cost of the newly acquired long-term equity investment as a result of the acquisition of a minority interest by the Company and its entitlement to the subsidairy's share of net assets, which is calculated on an ongoing basis from the acquisition date or the combination date, in accordance with the new additional percentage of ownership, and the difference between the disposal price received from the partial disposal of an equity investment in a subsidiary without loss of control and the disposal of the long-term equity investment relative to the subsidiary's share of the net assets, which is computed on an ongoing basis from the acquisition date or the combination date is adjusted for the equity premium in capital surplus in the consolidated balance sheet, and retained earnings is adjusted if the equity premium in capital surplus is insufficient.

4. Disposal of Equity in Subsidiaries Leading to Loss of Control

For the reporting period, the Company disposed of a subsidiary, and the revenues, expenses, and profits of that subsidiary from the beginning of the period to the date of disposal are included in the Consolidated Statements of Income; the cash flows of the subsidiary from the beginning of the period to the date of disposal are included in the Consolidated Statements of Cash Flows. Where control of a subsidiary is lost due to partial disposal of the equity investment held in a subsidiary, or any other reasons, the remaining equity investment is remeasured to fair value at the date in 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 acquisition date and goodwill is included in investment gains of the period during which the control is lost. Other comprehensive income related to the equity investment in the former subsidiary is accounted for on the same basis as if the assets and liabilities had been disposed of directly by the aquiror upon loss of control (i.e., except for changes in net liabilities or net assets aside from the remeasurement of the former subsidiary's defined benefit plan, the remainder is added to investment income of the period). The remaining interests shall be subsequently measured in accordance with relevant accounting standards such as "Accounting Standards for Business Enterprises No. 2 – Long-term Equity Investments" or "Accounting Standards for Business Enterprises No. 22 – Financial Instruments Recognition and Measurement", which are detailed in Note III (23)

"Long-term equity investments" or Note III (10) "Financial instruments".

5. Disposal of Equity Investment in a Subsidiary in Stages Until Loss of Control

Where the Company disposes of the equity investment in the subsidiary through several transactions until the Company loses control, it shall be determined whether such transactions are a package deal.

When the transactions are regarded for as a package deal, the transactions shall be accounted for as a single disposal transaction with loss of control; however, the difference between the consideration received from disposal and the share of net assets disposed of in each individual transaction before loss of control shall be recognised as other comprehensive income in the consolidated financial statements, and be all reclassified as profit or loss arising from the loss of control for the period when control is lost.

When the transactions are not regarded as a package deal, the individual transactions shall be accounted as "disposal of a portion of an interest in a subsidiary which does not lead to loss of control" and "disposal of a portion of an interest in a subsidiary which lead to loss of control" (detailed in previous paragraph). In other words, the difference between the disposal price and the corresponding share of the subsidiary's carrying value of the net assets, which is calculated on an ongoing basis from the acquisition date before the loss of control is accounted for as an equity transaction in capital surplus (equity premium). When control is lost, it cannot be transferred to profit or loss for the period in which the control is lost.

(7) Classification of joint arrangements and accounting treatment for joint operations

The joint venture arrangement refers to the arrangement jointly controlled by two or more parties. The Company classifies such arrangement as joint-operation and joint venture according to the rights and obligations set out in the arrangement.

Joint venture refers to the arrangement that the Company shares only the net asset of the invested entity. Equity method is adopted to account for investment in the joint ventures by the Company in accordance with the accounting policy as set out in Note III (23) 3 (2) "Long term equity investments accounted for under the equity method".

Joint operation refers to an arrangement that the Company shares the assets as well as the liabilities of the invested entity. The Company recognises the following items in relation to its share of benefits in joint operation and accounts for them according to relevant Accounting Standards for Business Enterprises:

1. assets the Company solely assumes and its share of jointly-assumed assets on a pro-rata basis

2. liabilities the Company solely assumes and its share of jointly-assumed liabilities on a pro-rata basis;

3. recognises the income generated from the sale of the outputs of the joint operation attributable to the Company;

4. recognises the income generated by the joint operation from the sale of outputs on a pro-rata basis;

5. expenses incurred solely by the Company and those incurred by the joint operation on a pro-rata basis.

When the Company, as a party to the joint operation, transfers or sells assets (which don't consistute a business, same below) to, or purchases assets from the joint operation, only the profit or loss arising from such transaction attributable to other participating parties in the joint operation will be recognised by the Company before such asset is sold to a third party. If any loss occurs due to such transaction and meets the criteria of "Accounting Standard for Business Enterprise No.8 – Impairment of assets", the Company will recognise its loss in full amount if the Company transfers or sells assets to the joint operation, and will recognise its prorata loss if the Company purchases the assets from joint operation.

(8) Recognition Criteria for cash and cash equivalents

When preparing the statement of cash flows, the Company’s cash on hand and deposits that can be used readily for payments are recognised as cash. Cash equivalents represent short-term (generally three months or less from the acquisition date) highly liquid investments that are readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value.

(9) Foreign currency transactions and translation of foreign currency statements

1. Business in Foreign currency

Foreign currency transactions are recorded in the reporting currency using the prevailing exchange rate at the date of the transaction (usually referred to as the midpoint of the foreign exchange rate on the day of the transaction as announced by the People's Bank of China, the same below). However, foreign currency translation transactions or transactions involving foreign currency conversion shall be translated into the reporting currency at the exchange rate actually used.

2. Translation Method of Monetary and Non-Monetary Items in Foreign Currencies

At the balance sheet date, monetary items in foreign currency are translated using the spot exchange rate at the balance sheet date, all resulting exchange differences are recognised in profit or loss for the current period, except the following are recognised in other comprehensive income: (1) those relating to foreign currency borrowings specifically for acquisition and construction of qualifying assets, which are capitalised in accordance with the principle of capitalisation of borrowing costs; (2) those on hedging instruments used to effectively hedge a net investment in a foreign operation (such difference is recognised in other comprehensive income until the net investment is disposed of, at which time it is recognised in profit or loss); and (3) Foreign currency monetary items that are measured at fair value through other comprehensive income are recognised in profit or loss for the period except for exchange differences arising from changes in carrying amounts other than amortised cost, which are included in other comprehensive income.

Non-monetary items in foreign currency measured at historical cost shall continue to be translated to the amount in the reporting currency at the spot exchange rate on the date of transaction. Non-monetary items in foreign currency at fair value are translated at spot rate on the date of recognition , where the difference between the translated and original amounts in the reporting currency is recognised in profit or loss.

3. Translation of foreign currency statements

Assets and liabilities in the balance sheet shall be translated using the spot exchange rates at the balance sheet date; other items of owners' equity items, except for "undistributed profits" items, shall be translated using the spot exchange rates at the time of occurrence; Income and expense items in the income statement shall be translated using the spot exchange rate of the day when the transaction occurs; The retained profits at the beginning of the year is the retained at the end of the year after the translation of the previous year; The retained profit at the end of the year is calculated and presented on the basis of translated profit distribution items; Exchange fluctuations arising from the translation mentioned above are recognized as other comprehensive income, and are presented separately in the shareholders' equity in the balance sheet. On disposal of a foreign operation and loss of its control, the foreign currency translation differences relating to this foreign operation shown in the balance sheet under shareholders' equity is transferred to profit or loss for the period of disposal, either in full or in a proportion corresponding to the percentage disposed of the foreign operation. When the proportion of interest held in a foreign operation is reduced without loss of control due to a portion of the equity investment in the foreign operation disposed or other reasons, the foreign currency translation differences relating to that portion of the foreign operation is included in Minority Stockholder's Interest and not transferred to profit or loss for the period.

The cash flow statement is translated using the spot exchange rate of the day when the cash flow occurs. The effect of exchange rate fluctuation on cash is presented as a reconciling item in the statement of cash flows under a separate line item entitled “foreign exchange rate fluctuation consequences on cash and cash equivalents".

(10) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one party and a financial liability or equity instrument of another party. Financial instruments include financial assets, financial liabilities and equity instruments.

1. Basis of classification and recognition and method of measurement of financial instruments

(1) Recognition and initial measurement of financial assets and financial liabilities

A financial asset or financial liability shall be recognised when the Company becomes a party to a contract in respect of the financial instrument. For financial assets acquired in the regular manner, the Company recognises the asset received and the liability assumed on the date of the transaction.

Financial assets and financial liabilities are measured at fair value on initial recognition. For the financial assets and liabilities at fair value through profit or loss (FVTPL), relevant transaction expenses are directly charged to the profit or loss for the period; and for other financial assets and liabilities, relevant transaction expenses are included in the initial recognised amount. For receivables that do not have a significant financing component at initial recognition, the initial measurement is based on the transaction price determined in accordance with the revenue recognition method in Note III(36).

(2) Classification and Subsequent measurement of financial assets

The Company classifies financial assets into financial assets at amortised cost, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss based on the business model used to manage the financial assets and the contractual cash flow characteristics of the financial assets.

1) Financial assets measured at amortised cost

A financial asset measured at amortised cost is a financial asset that also meets the following criteria: ①The Company's business model for managing this financial asset is to collect contractual cash flows; ② The contractual terms of the financial asset provide that the cash flows arising on a particular date are solely repayments of principal and payment of interests based on the outstanding principal amount.

Subsequent to initial recognition, such financial assets are measured at amortised cost using the effective interest method, with any resulting gain or loss included in profit or loss for the period when the asset is derecognised, amortised under the effective interest method or when an impairment is recognised.

The amortised cost of a financial asset shall be determined by adjusting the amount initially recognised for that financial asset as follows: (i) Deduct the principal amount repaid; (ii) plus or minus the cumulative amortisation resulting from the amortisation of the difference between that initial recognised amount and the maturity amount using the effective interest method; (iii) Net of accumulated provision for losses.

Effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the accounting periods. The effective interest rate is the rate used to discount the estimated future cash flows of a financial asset or financial liability through its expected life to the carrying amount of the financial asset or the amortised cost of the financial liability. In determining the effective interest rate, the Company estimates the expected cash flows taking into account all contractual terms of the financial asset or financial liability (e.g. early repayment, rollover, call option or other similar option, etc.), but does not take into account expected credit losses.

The Company determines interest income based on the carrying amount of the financial asset multiplied by the effective interest rate, except for the following: (i) For financial assets acquired or originated that are credit impaired, interest income is determined from initial recognition on the basis of the amortised cost of the financial asset and the effective interest rate adjusted for credit. (ii) Interest income on financial assets acquired or originated that are not credit impaired but become credit impaired in subsequent periods is determined on the basis of the amortised cost of the financial assets and the effective interest rate. If, in a subsequent period, the financial instrument ceases to be impaired because of an improvement in its credit risk and the improvement can be objectively related to an event occurring after the application of the above, the interest income should be determined by multiplying the effective interest rate by the carrying amount of the financial asset.

2) Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income are financial assets that also meet the following criteria: (i) The Company's business model for managing this financial asset is to both collect the contractual cash flows and to sell the financial asset. (ii) The contractual terms of the financial asset provide that the cash flows arising on a particular date are solely repayments of principal and payment of interests based on the outstanding principal amount.

Such financial assets are subsequently measured at fair value after initial recognition. Interest, impairment losses or gains and exchange gains or losses calculated using the effective interest method are recognised in profit or loss for the period, while other gains or losses are included in other comprehensive income. Upon termination of recognition, the accumulated gains or losses previously recorded in other comprehensive income shall be transferred to the profit and loss for the current period.

For investments in non-trading equity instruments, the Company may irrevocably designate them as financial assets at fair value through other comprehensive income on initial recognition. The designation is made on the basis of a single investment in a non-trading equity instrument and the underlying investment meets the definition of an equity instrument from the perspective of the issuer of the instrument. Subsequent to the initial designation of such investments, all related gains or losses (including exchange gains or losses) are included in other comprehensive income, except for dividends received (other than those attributable to the recovery of investment costs), which are recognised in profit or loss for the period. Upon termination of recognition, the accumulated gains or losses previously recorded in other comprehensive income shall be transferred to retained earnings.

3) Financial assets measured at fair value through changes in profit or loss.

Except for 1) and 2) above, the Company classifies all other financial assets as financial assets at fair value through profit or loss. On initial recognition, a financial asset may be irrevocably designated as a financial asset at fair value through profit or loss if it eliminates or significantly reduces the accounting mismatch. Where the contingent consideration recognised in a business combination in which the Company is not under common control constitutes a financial asset, the financial asset is classified as a financial asset at fair value through profit or loss.

Subsequent to initial recognition, such financial assets are subsequently measured at fair value, with any resulting gain or loss recognised in profit or loss for the period.

(3) Classification and subsequent measurement of financial liabilities

The Company classifies financial liabilities as financial liabilities at fair value through profit or loss, financial liabilities arising from transfers of financial assets that do not qualify for derecognition or continue to involve a financial liability arising from the transferred financial assets, financial guarantee contracts and financial liabilities measured at amortised cost.

1) Financial liabilities measured at fair value through changes in profit or loss

Financial liabilities at fair value through profit or loss comprise financial liabilities held for trading (including derivatives that are financial liabilities) and financial liabilities designated as at fair value through profit or loss. In a business combination not under common control, if a financial liability arises from contingent consideration recognised by the Company as the purchaser, the financial liability shall be accounted for at fair value through profit or loss for the period.

Financial liabilities at fair value through profit or loss are subsequently measured at fair value after initial recognition, with any resulting gain or loss included in profit or loss for the period.

The amount of change in the fair value of financial liabilities designated as at fair value through profit or loss arising from changes in the company's own credit risk is included in other comprehensive income unless such treatment would create or enlarge an accounting mismatch in profit or loss. Other changes in the fair value of the financial liability are recognised in profit or loss for the period. Upon termination of recognition, the accumulated gains or losses previously recorded in other comprehensive income shall be transferred to retained earnings.

2) A transfer of financial assets does not qualify for derecognition or continues to involve a financial liability arising from the transferred financial assets

Such financial liabilities are measured in accordance with the method determined by the accounting policy for transfers of financial assets in Note III(10).

3) Financial guarantee contracts

A financial guarantee contract is a contract that requires the Company to pay a specified amount to a contract holder who has suffered a loss when a specified debtor fails to pay its debt when due in accordance with the terms of the original or modified debt instrument.

Financial guarantee contracts that don't match 1) or 2) above are subsequently measured, after initial recognition, at the higher of: (i) the amount of the provision for losses determined in accordance with the impairment method for financial instruments in Note III(10)5; (ii) Amount initially recognised less accumulated amortisation determined in accordance with the revenue recognition method in Note III(36).

4) Financial liabilities measured at amortised cost

Except for 1), 2) and 3) above, the Company classifies all other financial liabilities as financial liabilities measured at amortised cost.

Subsequent to initial recognition, such financial liabilities are measured at amortised cost using the effective interest method, with any resulting gain or loss included in profit or loss for the period when the asset is derecognised, amortised under the effective interest method.

(4) Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued (including refinancing), repurchased, sold or cancelled by the Company are treated as changes in equity. Transaction costs associated with equity-settled transactions are deducted from equity. Various distributions by the Company to holders of equity instruments, excluding stock dividends, reduce shareholders' equity. The Company does not recognise changes in the fair value of equity instruments.

Distinction between financial liabilities and equity instruments:

A financial liability is a liability that meets one of the following conditions:

1) Contractual obligations to deliver cash or other financial assets to other parties.

2) Contractual obligations to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.

3) Non-derivative contracts that in the future require or may be settled using the entity's own equity instruments, and under which the entity will deliver a variable amount of its own equity instruments.

4) Derivative contracts that will require or may be settled in the future using the entity's own equity instruments, except for derivative contracts where a fixed amount of the entity's own equity instruments are exchanged for a fixed amount of cash or other financial assets.

A contractual obligation meets the definition of a financial liability if the Company cannot unconditionally avoid satisfying the obligation by delivering cash or other financial assets. If a financial instrument is required to be settled with or can be settled using the Company's own equity instrument, consideration needs to be given as to whether the Company's own equity instrument used to settle the instrument is intended to be a substitute for cash or other financial assets or is intended to entitle the holder of the instrument to a residual interest in the issuer's assets after deducting all liabilities. In the former case, the instrument is a financial liability of the Company; in the latter case, the instrument is an equity instrument of the Company.

(5) Derivatives and embedded derivatives

Derivatives, including forward foreign exchange contracts, currency exchange rate swap contracts, interest rate swap contracts and foreign exchange option contracts among others. Derivatives are initially measured at fair value on initial recognition and subsequently measured at fair value. Changes in the fair value of hedging derivatives are recognised in profit or loss for the period.

Embedded derivatives, which are derivatives embedded in a non-derivative instrument (i.e. a host contract). For hybrid contracts consisting of an embedded derivative and a host contract, if the host contract is a financial asset, the Company does not separate the embedded derivative from the hybrid contract and applies the Company's accounting policy on the classification of financial assets to the hybrid contract as a whole. If a hybrid contract contains a host contract that is not a financial asset and both of the following conditions are met, the Company separtes the embedded derivative from the hybrid contract and treats it as a separate derivative:

1) The economic characteristics and risks of the embedded derivatives are not closely related to those of the host contract.

2) A separate instrument with the same terms as the embedded derivative meets the definition of a derivative.

3) The hybrid contract is not measured at fair value and the change is accounted for in profit or loss for the period.

Where an embedded derivative is spun off from a hybrid contract, the Company accounts for the host contract of the hybrid contract in accordance with the requirements of the applicable accounting standard. Where the Company is unable to reliably measure the fair value of an embedded derivative in accordance with the terms and conditions of the embedded derivative, the fair value of the embedded derivative is determined based on the difference between the fair value of the hybrid contract and the fair value of the host contract. If, after using the above method, the fair value of the embedded derivative at the date of acquisition or subsequent balance sheet date is still not separately measurable, the Company designates the hybrid contract as a whole as a financial instrument measured at fair value through profit or loss.

2. Basis of recognition and measurement of transfers of financial assets

A transfer of a financial asset is a transfer or delivery by the Company of a financial asset (or its cash flows) to a party other than the issuer of the financial asset. A financial asset is derecognised when the Company transfers a previously recognised financial asset from its balance sheet.

The Company derecognises financial assets when one of the following conditions is met: (1) the contractual right to receive cash flows from the financial asset is terminated; (2) 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; and (3) The financial asset is transferred: the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but ceases the control over the financial asset.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership of a financial asset and retains control over the financial asset, it continues to recognise the financial asset to the extent of its continuing involvement in the transferred financial asset, and recognises the liability accordingly. The degree of continuing involvement means the level of risks born by the business resulting from the change in value of the financial asset.

Where a transfer of a financial asset in its entirely meets the criteria of the derecognition, the difference between the two amounts below is recognised in profit or loss: (1) The carrying value of the transferred financial assets on the date of derecognition; (2) The sum of the consideration received for the transfer of the financial asset and the amount corresponding to the derecognised portion of the cumulative amount of changes in fair value that would otherwise be included directly in other comprehensive income. When the partial transfer of a financial asset satisfies the derecognition conditions, the overall book value of the financial asset transferred is allocated between the derecognized portion and not derecognized portion by their respective fair values, and the difference between the two amounts below is recognised in profit or loss for the period: (1) The carrying value of the derecognised part on the date of derecognition; (2) The sum of the consideration received for the derecognised component and the amount corresponding to the derecognised portion of the cumulative amount of changes in fair value that would otherwise be included directly in other comprehensive income. For non-trading equity instruments that the Company designates as at fair value through other comprehensive income, the difference calculated as above is included in retained earnings if the derecognition condition is satisfied for the whole or part of the transfer.

3. Criteria for derecognition of financial liabilities

If the current obligation of the financial liability has been discharged in whole or in part, the Company shall derecognise the financial liability (or its corresponding part). An agreement is entered between the Company (debtor) and a creditor to replace the original financial liabilities with new financial liabilities with substantially different terms, derecognise the original financial liabilities as well as recognise the new financial liabilities. When material amendments are made by the Company to all or a portion of the contractual conditions of an original financial liability (or a part of it), the original financial liability shall be derecognised and the financial liability with amended conditions shall be recognised as a new financial liability.

When a financial liability is derecognised in full or in part, the difference between its carrying amount and the consideration paid (including transferred non-cash assets or liability) is recognised in profit or loss for the current period. Where the Company repurchases a portion of a financial liability, the carrying amount of the financial liability as a whole is allocated in proportion to the respective fair values of the portion that continues to be recognised and the portion that is derecognised at the date of repurchase to the fair value of the whole. The difference between the book value allocated to the derecognized portion and the consideration paid (including the non-cash assets transferred out or assumed liability) shall be recognised in profit or loss of the current period.

4. Determination of fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as described in Note III(11).

5. Impairment of financial instruments

The Company impairs financial assets measured at amortised cost, contract assets, investments in debt instruments measured at fair value through other comprehensive income, lease receivables and financial guarantee contracts as described in note III(10) 1(3) 3), on the basis of expected credit losses and recognises a provision for losses. Expected credit losses are the risk of default weighted average of credit losses on financial instruments. Credit losses represent the difference between all contractual cash flows receivable by the Company under the contract and all cash flows expected to be collected, discounted at the original effective interest rate, being the present value of the entire cash shortfall.

For financial assets purchased or originated that are credit impared, the company recognises a loss allowance at the balance sheet date only for cumulative changes in expected credit losses over the entire period since initial recognition.

For receivables or contract assets and lease receivables resulting from transactions under ASBE 14 - Revenue, the Company applies the simplified measurement method and measures the loss allowance at an amount equal to the expected credit loss over the full life of the receivable.

For financial instruments other than those measured above, the Company measures the allowance for losses in accordance with the normal method and assesses at each balance sheet date whether there has been a significant increase in credit risk since initial recognition. If the credit risk has increased significantly since initial recognition, the company measures the loss allowance at the amount of the expected credit loss over the entire duration; If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at the amount of expected credit losses over the next 12 months for that financial instrument.

Expected credit loss over the entire life of the instrument is the expected credit loss resulting from all possible events of default throughout the expected life of the financial instrument. Expected credit losses within the next 12 months are the expected credit losses arising from events of default on financial instruments that may occur within 12 months after the balance sheet date (or the expected duration if the expected duration of the financial instrument is less than 12 months) and form part of the expected credit losses over the entire duration.

The Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the risk of default of the financial instrument at the balance sheet date with the risk of default at the date of initial recognition, taking into account all reasonable and substantiated information, including forward-looking information, to determine the relative change in the expected duration of the financial instrument. For financial instruments where sufficient evidence of a significant increase in credit risk is not available at the individual instrument level at a reasonable cost, the Company considers the assessment of whether there is a significant increase in credit risk on a group basis. If the Company determines that a financial instrument has only a low level of credit risk at the balance sheet date, it is assumed that the credit risk of the financial instrument has not increased significantly since initial recognition.

The Company re-measures expected credit losses at each balance sheet date and the resulting increase or reversal of the provision for losses is recognised in profit or loss for the period as an impairment loss or gain. For financial assets measured at amortised cost, the loss allowance is reduced by the carrying amount of the financial asset as shown in the balance sheet; for investments in debt instruments measured at fair value through other comprehensive income, the Company recognises a loss allowance in other comprehensive income without reducing the carrying amount of the financial asset as shown in the balance sheet.

6. Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are presented in the balance sheet after offsetting when the Company has a legal right to offset the recognised financial assets and financial liabilities and such legal right is currently enforceable, and meanwhile the Company intends to settle them on a net basis or realise the financial assets for cash and settle the financial liabilities. Otherwise, the financial assets and financial liabilities are presented separately in the balance sheet without offsetting each other.

(11) Fair value

Fair value is the price that will be received when selling an asset or the price to be paid to transfer a liability in an orderly transaction between market participants on the date of measurement. The Company measures the underlying asset or liability at fair value, assuming that an orderly transaction to sell an asset or transfer a liability occurs in the primary market for the underlying asset or liability; where no primary market exists, the Company assumes that the transaction occurs in the most advantageous market for the underlying asset or liability. The primary market (or most advantageous market) is the market in which the Company has access to the transaction at the measurement date.

Using valuation techniques that are appropriate in the circumstances and are supported by sufficient available data and other information, the Company considers the ability of a market participant to put the asset to its best use to generate economic benefits, or to sell the asset to another market participant that can put it to its best use to generate economic benefits, giving preference to the use of the relevant observable inputs, and using unobservable inputs only when observable inputs are unavailable or impractical to obtain.

Assets and liabilities that are measured or disclosed at fair value in the financial statements are identified at their respective fair value hierarchy based on the lowest level of input that is significant to the fair value measurement as a whole: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access on the measurement date; Level 2 inputs are inputs other than those included within Level 1 that are observable for the assets or liabilities, either directly or indirectly, including: Quoted prices for similar assets or liabilities in active markets; Quoted prices for identical or similar assets or liabilities in inactive markets; observable input values other than quoted prices, such as interest and yield curves that are observable during normal quotation intervals; Level 3 inputs are the non-observable inputs of relevant assets or liabilities, including interest rates that are not directly observable or cannot be verified by observable market data, stock volatility, future cash flows from obligations disposed of assumed in business combinations, financial projections using own data, etc.. At each balance sheet date, the Company reassesses the assets and liabilities recognised in the financial statements that are measured at fair value on an ongoing basis to determine whether there has been a transition between the fair value measurement levels.

(12) Impairment of Notes Receivable

1. Impairment of notes receivable of the Company (other than Nanshan Aluminium, Zhishang Technology and Hengtong Logistics)

The Company determines and accounts for the expected credit loss on notes receivable in accordance with the simplified measurement method described in note III(10)5. At the balance sheet date, the Company measures credit losses on notes receivable at the present value of the difference between contractual cash flows receivable and cash flows expected to be collected. When information on expected credit losses cannot be assessed at a reasonable cost for a single note receivable, the Company divides the notes receivable into groups based on credit risk characteristics and estimates expected credit losses on a group basis by reference to historical credit loss experience, incorporating current conditions and considering forward-looking information. The basis for determining groups is as follows:

Group Name	Basis for determining a group	Method of provision for bad debts
Notes receivable group 1 - banker's acceptance bill	Banks with low credit risk	-
Notes receivable group 2 - trade acceptance bill	Companies with low credit risk	Percentage of balance
Notes receivable group 3 - trade acceptance bill	Companies with high credit risk	Individual Determination Method

Notes: A provision for bad debts is made using the percentage of balance method at 0.5% of the closing balance of trade acceptance bill.

2. Impairment of bills receivable - Nanshan Aluminium

Group Name	Basis for determining a group
Notes receivable group 1 - banker's acceptance bill	Banks with low credit risk
Notes receivable group 2 - trade acceptance bill	Companies with low credit risk
Notes receivable group 3 - trade acceptance bill	Companies with high credit risk

For the notes receivable classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and the expected credit loss rate throughout the lifetime.

3. Impairment of Notes Receivable - Zhishang Technology and Hengtong Logistics

Zhishang Technology and Hengtong Logistics measures the provision for losses for notes receivable at an amount equal to the expected credit loss over the entire life of the note. For the notes receivable classified as a group, Zhishang Technology and Hengtong Logistics refer to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and the expected credit loss rate throughout the lifetime. In addition to notes receivable that are assessed individually for credit risk, notes receivable are classified into different groups based on their credit risk characteristics:

Item	Type
Notes receivable group 1	Banker's acceptance bill
Notes receivable group 2	Trade acceptance bill

(13) Impairment of accounts receivable

1. Method of determining and accounting for expected credit losses on the Company's accounts receivable

The Company determines and accounts for expected credit losses on accounts receivable in accordance with the simplified measurement method described in note III(10)5. At the balance sheet date, the Company measures credit losses on Accounts receivable at the present value of the difference between contractual cash flows receivable and cash flows expected to be collected. When information on expected credit losses cannot be assessed at a reasonable cost for a single accounts receivable, the Company divides the accounts receivable into groups based on credit risk characteristics and estimates expected credit losses on a group basis by reference to historical credit loss experience, incorporating current conditions and considering forward-looking information. The basis for determining groups is as follows:

Receivables subject to provision in group

(1) Receivables subject to provision in group - the Company (excluding Nanshan Aluminium, Zhishang Technology and Hengtong Logistics)

Group Name	Basis for determining a group	Method of provision for bad debts
Other group	Receivables other than those under the above two items	Percentage of balance method
Low credit risk group	Amounts due from subsidiaries in the scope of consolidation	Provision for bad debts is made based on the difference between the present value of its future cash flows and its carrying value.

Notes: Provision for bad debts is made using the percentage of balance method at 0.5% of the closing balance of accounts receivable

(2) Method of determining and accounting for expected credit losses on the accounts receivable - Nanshan Aluminium

Basis for determining the group of accounts receivable:

Item	Type
Accounts receivable group 1	Amount due from external distributors
Accounts receivable group 2	Transactions between companies within the scope of the consolidated financial statements for the year

For the trade receivable classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the days overdue and expected credit loss through full life time in reference.

(3) Method of determining and accounting for expected credit losses on the accounts receivable - Zhishang Technology and Hengtong Logistics

For account receivables, whether or not there is a significant financing component, Zhishang Technology and Hengtong Logistics assesses the expected credit losses on the above accounts receivable, either individually or in group, taking into account all reasonable and substantiated information, including forward-looking information and using a simplified model of expected credit losses and always measures provision for losses based on the expected credit losses over the entire lifetime. The provision method is as follows: At the end of the period, receivables for which there is objective evidence of impairment are individually tested for impairment and an impairment loss is recognised based on the difference between the present value of the estimated future cash flows and their carrying amount, and a bad debt provision is made; When expected credit losses cannot be assessed at a reasonable cost for a single financial asset, Zhishang Technology and Hengtong Logistics takes into account the credit risk characteristics of different customers and assesses expected credit losses on accounts receivable in an ageing group.

For the trade receivable classified as a group, Zhishang Technology and Hengtong Logistics refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the account age and expected credit loss through full life time in reference. The expected credit loss rates are as follows:

Account age	Expected credit loss ratio (%)
Within one year (inclusive)	5.00
One to two years (inclusive)	10.00
Two to three years (inclusive)	20.00
Three to five years (inclusive)	50.00
More than five years	100.00

(14) Impairment of receivables financing

The Company determines and accounts for the expected credit loss on receivables financing in accordance with the simplified method described in note III(10)5. At the balance sheet date, the Company measures credit losses on receivables financing at the present value of the difference between contractual cash flows receivable and cash flows expected to be collected. When information on expected credit losses cannot be assessed at a reasonable cost for a single receivables financing, the Company divides the receivables financing into groups based on credit risk characteristics and estimates expected credit losses on a group basis by reference to historical credit loss experience, incorporating current conditions and considering forward-looking information. The basis for determining groups is as follows:

Item	Type
Receivables financing group 1 - banker's acceptance bill	Banks with low credit risk
Receivables financing group 2 - trade acceptance bill	Companies with high credit risk
Receivables financing group 3 - account receivables	Amount due from general distributors

(15) Impairment of other receivables

The Company determines and accounts for expected credit losses on other receivables in accordance with the general methodology described in note III(10)5. At the balance sheet date, the Company measures credit losses on other receivables at the present value of the difference between contractual cash flows receivable and cash flows expected to be collected. When information on expected credit losses cannot be assessed at a reasonable cost for a single other receivables, the Company divides the other receivables into groups based on credit risk characteristics and estimates expected credit losses on a group basis by reference to historical credit loss experience, incorporating current conditions and considering forward-looking information. The basis for determining groups is as follows:

Receivables subject to provision in group

1) Other receivables subject to provision in group - the Company (excluding Nanshan Aluminium, Zhishang Technology and Hengtong Logistics)

Group Name	Basis for determining a group	Method of provision for bad debts
Other group	Receivables other than the above three items	Percentage of balance method
Low credit risk group	Amounts due from subsidiaries in the scope of consolidation	Provision for bad debts is made based on the difference between the present value of its future cash flows and its carrying value.

Notes: Provision for bad debts is made using the percentage of balance method at 0.5% of the closing balance of other receivables

2) The basis for the group of other receivables for which bad debt provision is made by Nanshan Aluminium on a group basis is as follows.

Item	Type
Other receivables group 1	Dividend receivable
Other receivables group 2	Interest receivable
Other receivables group 3	Transactions between companies within the scope of the consolidated financial statements for the year
Other receivables group 4	Credit risk group

For the other receivables classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and expected credit loss rates over the next 12 months or throughout the lifetime.

3) The basis for the group of other receivables for which bad debt provision is made by Zhishang Technology on a group basis is as follows.

Item	Type
Other receivables group 1	Export tax refund receivables
Other receivables group 2	Balance due and others
Other receivables group 3	Staff petty cash receivable
Other receivables group 4	Guarantee and deposit receivables

For the other receivables classified as a group, Zhishang Technology calculates the expected credit loss according to the default risk exposure and expected credit loss rates over the next 12 months or throughout the lifetime.

Provision for losses made or reversed by Zhishang Technology is recognised in profit or loss for the period.

4) The basis for the group of other receivables for which bad debt provision is made by Hengtong Logistics on a group basis is as follows.

Item	Type
Other receivables group 1	Accident-related borrowing
Other receivables group 2	Current accounts and others

For other receivables classified as group 1, Hengtong Logistics makes a provision for bad debts based on the proportion of unrecovered amounts to the accident-related borrowings for each accounting year as the proportion of the provision for bad debts for accident-related borrowings at the end of the period; For other receivables classified as Group 2, Hengtong Logistics has prepared a table of ageing of other receivables against the expected credit loss rate for the entire duration of the period by making reference to historical credit loss experience and combining it with current conditions and forecasts of future economic conditions to calculate the expected credit loss.

(16) Inventories

1. Inventories include finished products or commodities held for sale in the ordinary course of activities, products in the course of production, materials and supplies consumed in the course of production or in the course of rendering services, materials in transit and materials for consigned processing.

2. Inventories acquired by the Company are measured at actual cost. The cost of purchased inventory [raw materials/inventory goods] is the purchase cost of the inventory, and the cost of inventory [Work in progress, semi-finished products, finished products, materials consigned for processing] obtained through further processing consists of the purchase cost and processing cost. The carrying value of inventory acquired by a debtor for debt restructuring is determined on the basis of the fair value of the forfeited titles and the related taxes and fees directly attributable to the inventory incurred in bringing the inventory to its current status and condition. To the extent that a nonmonetary asset exchange has commercial substance and the fair value of the inbound or outbound assets can be measured reliably, the inbound inventory exchanged for nonmonetary assets is generally recorded at the fair value of the outbound asset exchanged unless there is conclusive evidence that the fair value of the inbound asset is more reliable; for nonmonetary asset exchanges that do not satisfy the foregoing prerequisites, the cost of the inbound inventory exchanged is determined at the sum of the carrying value of the outbound asset exchanged and the related tax expense payable. The carrying value of inventories acquired by way of absorption and combination under common control is recognised at the carrying value of the combined party; the carrying value of inventories acquired by way of absorption and combination not under common control is recognised at fair value.

3. The cost of inventory shipped by the Company is measured using the weighted average method at the end of each month.

4. Amortization of low value consumables and packaging materials

For low value consumables, one-off amortisation method shall apply.

For packaging materials, one-off amortisation method shall apply.

5. On balance sheet dates, inventories are measured at the lower of cost and net realizable value. Net realisable value of inventories is the estimated selling price of the goods less the estimated costs to be incurred on completion, estimated selling expenses and relevant taxes. In determining the net realisable value of inventories, it is based on firm evidence obtained, taking into account the purpose for which the inventories are held and the impact of subsequent events on the balance sheet date. Unless there is clear evidence of an abnormal market price on the balance sheet date, the net realisable value of inventory for the period is based on the market price on the balance sheet date, where:

(1) For inventories of finished goods, merchandise, materials for sale and others that can be directly sold, their net realisable value is determined in the ordinary course of business by taking the estimated selling price of such inventories and deducting estimated selling expenses and related taxes and fees;

(2) For inventories of materials to be processed, their net realizable value is determined in the normal course of production and operations by deducting the estimated costs to be incurred upon completion, estimated selling expenses and relevant taxes and fees from the estimated selling price of finished goods produced; On the balance sheet date, in the same inventory, for parts with contractual prices and other without contractual prices, their net realisable values are determined separately and compared with their corresponding costs to determine the amount of provision or reversal of provision for inventory write-down respectively.

At the end of the period, the provision for impairment is made for each individual item of inventory; however, the provision for impairment is made for inventories high in volume but low in unit prices according to the type of inventory; the provision for impairment is made consolidatedly for inventories related to product lines produced and sold in the same region, with the same or similar end use or purpose, and for which it is difficult to measure some separately from the others.

After making the provision for inventory write-down, in case the factors causing inventory write-down no longer exists, and the net realisable value of the inventory is higher than its book-value, the original provision for inventory write-down shall be reversed and incorporated into the profit or loss for the period.

6. The Company adopts a perpetual inventory system.

(17) Contractual Assets

1. A contractual asset is a right to receive consideration for goods that the company has transferred to a customer and that is dependent on factors other than the passage of time. The Company's unconditional (depending only on the passage of time) right to receive consideration from customers is shown as a receivable.

The Company presents contractual assets and contractual liabilities under the same contract on a net basis after offsetting them against each other.

2. Impairment of contractual assets

The Company determines and accounts for expected credit losses on contractual assets in accordance with the simplified measurement method described in note III(10)5. At the balance sheet date, the Company measures credit losses on contractual assets at the present value of the difference between contractual cash flows receivable and cash flows expected to be collected. When information on expected credit losses cannot be assessed at a reasonable cost for a single contractual assets, the Company divides the contractual assets into groups based on credit risk characteristics and estimates expected credit losses on a group basis by reference to historical credit loss experience, incorporating current conditions and considering forward-looking information.

(18) Contract costs

1. Criteria for recognition of contract costs

Contract costs include contract acquisition costs and contract performance costs.

Incremental costs incurred by the company to acquire a contract, that are expected to be recovered, are contract acquisition costs and recognised as an asset. Expenditure incurred by the Company to obtain a contract, other than incremental costs expected to be recovered, is charged to current profit or loss as incurred, except to the extent that it is specifically borne by the customer.

Costs incurred by the Company in the performance of a contract that are not governed by ASBEs other than the revenue standard and which also satisfy the following conditions are recognised as an asset as contract performance costs: (1) The cost is directly related to a current or anticipated contract, including direct labour, direct materials, manufacturing or (similar) costs, costs expressly borne by the customer and other costs incurred solely in connection with that contract; (2) The cost adds to the Company's future resources for meeting its obligations; (3) The cost is expected to be recovered.

2. Amortisation of contract cost related assets

Assets recognised for contract acquisition costs are amortised to profit or loss on the same basis as assets recognised for contract performance costs ("contract cost related assets"), using the same basis as revenue recognition for the goods or services to which the asset relates. Amortisation over a period of less than one year is charged to current profit or loss as incurred.

3. Impairment of contract cost-related assets

In determining impairment losses for contract cost-related assets, the Company first determines impairment losses for other assets recognised in accordance with other corporate accounting standards that relate to the contract; An impairment loss is then determined for contract cost-related assets. Where the carrying value of a contract cost-related asset exceeds the difference between the remaining consideration that the company expects to obtain for the transfer of the commodity to which the asset relates and the estimated costs to be incurred to transfer the related commodity, an impairment provision is made for the excess and an impairment loss is recognised for the asset.

If, as a result of a change in the previous period's impairment factors, the difference between the residual consideration expected to be received by the company for the transfer of the commodity to which the asset relates and the estimated costs to be incurred to transfer the commodity is greater than the carrying amount of the asset, the provision for impairment of the asset is reversed and included in profit or loss for the period, provided that the carrying amount of the asset after the reversal does not exceed the carrying amount that would have been determined had no provision for impairment been made.

(19) Non-current assets held for sale or disposal group

1. Criteria for classification as held for sale

A non-current asset or disposal group for which the company recovers its carrying value primarily through sale (including a non-monetary asset exchange with a commercial substance, as described below) and not through the ongoing use of the asset or disposal group is classified as held for sale when the following conditions are met:

(1) Under the customary practice of selling such assets or disposal groups in similar transactions, a sale may be made immediately in the present condition;

(2) Sale is highly likely. That is to say, the Company has resolved on a plan to sell and has received a firm purchase commitment, and the sale is expected to be completed within one year. If the regulations require the approval of the relevant authority or supervisory authority before the sale can take place, the Company has obtained such approval. A firm purchase commitment refers to a legally binding purchase agreement signed by the Company and another party, which contains important terms such as the transaction price, time and sufficient severe penalties for breach of contract to make it highly unlikely that the agreement will be materially adjusted or cancelled.

If the Company loses control over its subsidiaries due to the sale of its investments in them, when the investment in the subsidiary to be sold meets the criteria for classification as held for sale, the investment in the subsidiary as a whole is classified as held for sale in the Company's own financial statements, and all assets and liabilities of the subsidiary are classified as held for sale in the consolidated financial statements, if the investment in the subsidiary meets the criteria for classification as held for sale.

If the non-current assets held for sale or the disposal group no longer meet the criteria for classification as held for sale, the Company stops classifying them as held for sale. If part of the assets or liabilities are removed from be treated as held for sale and the newly formed disposal group of the remaining assets or liabilities in the disposal group still satisfies the criteria for classification as held for sale, the Company classifies the newly formed disposal group into the held for sale category; otherwise, the non-current assets that satisfy the criteria for classification as held for sale are separately classified as held for sale.

For non-current assets or disposal groups that meet the criteria for classification as held for sale for the first time in the current period, the balance sheet of the comparable accounting period is not adjusted.

2. Initial and subsequent measurement of non-current assets held for sale and disposal groups

For non-current assets or disposal groups classified as held for sale on the acquisition date, the Company initially measures them at the lower of the initial measurement amount that would have been determined had they not been classified as held for sale or the net of fair value less costs to sell. Except for non-current assets or disposal groups acquired in the business combination, the difference arising from the net amount after fair value less selling costs of the non-current assets or disposal groups as the initial measurement amount is recorded in profit or loss for the current period.

Before the Company first classifies its non-current assets or disposal group as held for sale, the Company measures the carrying value of each asset and liability in the non-current assets or disposal group in accordance with relevant accounting standards. If the book value of a non-current asset held for sale or disposal group is greater than the net value of its fair value less costs to sell as measured at its initial measurement or as remeasured on the balance sheet date, the book value is written down to the net value of fair value less costs to sell, and the amount of the write-down is recognised in profit or loss for the period as asset impairment loss, and an impairment charge on the asset held for sale is recorded. Non-current assets held for sale or non-current assets in the disposal group are not depreciated or amortised, and interest and other charges on liabilities in the disposal group held for sale continue to be recognised.

When recognizing the amount of an impairment loss on an asset held for sale in a disposal group, the Company offset it against the carrying value of the goodwill in the disposal group and then against the carrying value of the disposal group on a pro rata basis based on the proportion of the carrying value of each non-current asset in the disposal group that is subject to the measurement requirements of Accounting Standards for Business Enterprises No. 42 - Non-Current Assets Held for Sale, Disposal Groups and Discontinued Operations (hereinafter referred to as Standard No. 42). When remeasuring the disposal group held for sale on the balance sheet date, the Company first measures the carrying value of the assets and liabilities in the disposal group that are not subject to the measurement requirements of Standard No. 42 in accordance with the relevant accounting standards, and then accounts for them in accordance with the relevant provisions described above.

If the net value of the fair value of non-current assets held for sale less costs to sell on the subsequent balance sheet date increases, the amount previously written down shall be restored and reversed within the amount of the impairment loss on the asset recognised after classification as held for sale and the reversal shall be credited to profit or loss; impairment losses on assets recognised before classification as held for sale shall not be reversed.

If the net value of the fair value of the disposal group held for sale less costs to sell on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of the impairment loss on the asset recognised as a non-current asset for which Standard 42 measurement requirements apply after classification as held for sale, and the amount reversed shall be increased proportionately to the carrying amount of each non-current asset in the disposal group, other than goodwill, for which Standard 42 measurement requirements apply, and the amount reversed shall be included in profit or loss for the current period. The carrying amount of goodwill that has been written off and the impairment loss on the asset recognised before classification as held for sale are not reversed.

3. Derecognition and measurement of assets classified as held for sale

When a non-current asset or disposal group no longer satisfies the criteria for classification as held for sale and is no longer classified as held for sale or a non-current asset is removed from the disposal group held for sale, it is measured at the lower of: (1) the carrying amount before classification as held for sale, adjusted for depreciation, amortisation or impairment that would have been recognised had it not been classified as held for sale and (2) the recoverable amount.

When the Company derecognizes a non-current asset held for sale or a disposal group, the unrecognized gain or loss is included in profit or loss.

(20) Impairment of debt investments

The Company determines and accounts for expected credit losses on debt investments in accordance with the general methodology described in note III(10)5. At the balance sheet date, the Company measures credit losses on its debt investments at the present value of the difference between the contractual cash flows receivable from the single debt investments and the cash flows expected to be received.

(21) Impairment of other debt investments

The Company determines and accounts for expected credit losses on other debt investments in accordance with the general methodology described in note III(10)5. At the balance sheet date, the Company measures credit losses on other debt investments at the present value of the difference between the contractual cash flows receivable from single other debt investments and the cash flows expected to be received.

(22) Impairment of long term receivables

The Company determines expected credit losses for lease receivables and long-term receivables with significant financing components resulting from transactions under ASBE No. 14 - Revenue in accordance with the simplified principles described in Note III(10)5 herein, and for other long-term receivables in accordance with the general method described in Note III(10)5 herein. At the balance sheet date, the Company measures credit losses on long-term receivables at the present value of the difference between the contractual cash flows receivable from a single long-term receivable and the cash flows expected to be collected.

(23) Long-term equity investments

Long-term equity investments referred to in this section are long-term equity investments in which the Company has control, joint control or significant influence over the investee, including equity investments in subsidiaries, joint ventures and associates.

1. Criteria for Joint Control and Significant Influence

Joint control is control that is shared over an arrangement in accordance with the relevant agreement and the activities related to the arrangement can only be decided upon with the unanimous consent of the participants sharing control. An investee is a joint venture of the Company if the Company, together with other joint venturers, exercises joint control over the investee and resultingly has rights over the net assets of the investee. Protective rights are not considered in determining the existence of joint control.

Significant influence is the right to participate in the financial and operating decisions of an entity, but not to control, or have joint control with other parties over, the formulation of those policies. Where the Company is able to exert significant influence over an investee, the investee is an affiliate of the Company. In determining whether significant influence can be exercised over an investee, consideration is given to the impact of the voting shares of the investee held directly or indirectly by the investor, as well as the impact of current potentially enforceable voting rights held by the investor and other parties, including current convertible warrants, stock options and convertible corporate bonds issued by the investee, upon their assumed conversion into equity interests in the investee’s entity.

2. Determination of investment cost of long-term equity investments

(1) The initial investment cost of a long-term equity investment obtained through a business combination under common control is the carrying amount of owners’ equity attributable to the combined party in the consolidated financial statements of the ultimate controlling party at the date of combination, if the consideration from the combining party is settled in cash, by way of transfer of non-cash assets, assumption of liabilities or issuance of equity securities. The difference between the initial investment cost of a long-term equity investment and the total amount of cash paid, non-cash assets transferred, the carrying value of assumed debt, or the par value of shares issued is adjusted for capital surplus; or against the retained earnings of the Company in case of insufficient capital reserve. If the Company acquires the equity interests of the combined party under common control in stages through multiple transactions, resulting in a business combination under common control, the Company should determine whether these transactions should be treated as a "package deal": If it constitutes a "Package Deal", the Company accounts for all transactions as if they are a transaction that obtained control. For transactions that do not qualify as a "package deal," the initial investment cost of the long-term equity investment is determined according to the book value of the combined party's shareholders’ interest in the consolidated financial statements of the ultimate controller at the date of combination. The difference between the initial cost of the long-term investment and the sum of the book value of the long-term investment before the combination and the book value of the new consideration paid for the shares acquired on the combination date is adjusted against capital surplus; or against the retained earnings of the Company in case of insufficient capital reserve. Equity investment acquired before the date of combination are not accounted for the period as they were accounted with the equity method or as other equity instrument investment due to available-for-sale financial assets.

(2) for business combination not under common control, the Company accounts for the initial investment cost of long-term equity investments based on the cost of the combination determined on the date of acquisition. The combination cost is the fair value of assets paid, liabilities incurred or assumed, and equity securities issued by the acquirer to obtain control of the acquiree on the date of acquisition. For the acquiree, any audit, legal service, assessment and consultation and other administrative expenses occurred during combination shall be recognised in profit or loss for the period; Transaction costs of equity or debt securities issued by the acquirer as the considerations for business combination are included in their initial recognised amounts. The Company includes the contingent consideration agreed to in the combination agreement as part of the corporate combination and transfer consideration in the cost of the business combination based on its fair value at the date of acquisition. For a business combination not under common control that is achieved in steps through multiple transactions, the Company determines whether these multiple transactions are a "package deal" according to Accounting Standards for Business Enterprises. If it constitutes a "Package Deal", the Company accounts for all transactions as if they are a transaction that obtained control. For transactions that do not qualify as "package deals", the initial investment cost of a long-term equity investment accounted for under the cost method is the sum of the book value of the equity investment originally held in the acquiree and the cost of the new investment; If the equity method is used to account for the equity interests originally held, the related other comprehensive income is not currently accounted for. The difference between the fair value and the book value of an equity investment previously held as other equity instrument investment, and the cumulative fair value change originally included in other comprehensive income, is directly transferred to retained earnings.

(3) Equity investments other than long-term equity investments resulting from business combinations are initially measured at cost: The initial cost of the investment acquired by paying cash is based on the actual purchase price paid; The initial investment cost of those acquired by the issuance of equity securities are measured based on the fair value of the equity securities issued, and the costs directly related to the issuance of equity securities are determined in accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments; To the extent that a non-monetary asset exchange has commercial substance and the fair value of the inbound or outbound asset can be measured reliably, the initial investment cost of inbound longterm equity investment exchanged is determined based on the fair value of the outbaound asset exchanged and the related tax payable in a a non-monetary asset exchange, unless there is conclusive evidence that the fair value of the inbound asset exchanged is more reliable; Non-monetary asset exchange that does not satisfy the above conditions use the carrying value of the outbound asset exchanged and the related tax payable as the initial investment cost of the inbound long term equity investment exchanged. The initial investment cost of a long-term equity investment acquired through a debt restructuring is determined based on the fair value of the forfeited titles. Fees, taxes and other necessary expenses directly related to the acquisition of the long-term equity investments are also included in the cost of investment.

For investments in which the additional investment enables the Company to exert significant influence over the investee or exercise joint control but not control, the cost of the long-term equity investment is the sum of the fair value of the originally held equity investment plus the cost of the additional investment, determined in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, as the initial investment cost under the equity method. The difference between the fair value and the book value of an equity investment previously held and classified as other equity instrument investment, and the cumulative fair value change originally included in other comprehensive income, should be directly transferred to retained earnings.

3. Subsequent measurement of long-term equity investments and recognition of profit or loss

(1) Long-term equity investments accounted for under the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method. Except for the price actually paid for obtaining the investment or the cash dividends or profits declared but not yet distributed which is included in the consideration, the Company recognizes cash dividends or profits declared by the investee as current investment gains.

(2) Long-term equity investments accounted for under the equity method

Long-term equity investments in associates and joint ventures are accounted for using the equity method.

If the initial investment cost of a long-term equity investment accounted for under the equity method is greater than the share of the fair value of the investee's identifiable net assets, which is attributable to the Company, at the time of investment, no adjustment is made to the initial investment cost of the long-term equity investment; if the initial investment cost of the long-term equity investment is less than the share of the fair value of the investee's identifiable net assets, which is attributable to the Company, at the time of investment, the difference shall be included in profit or loss, and the cost of the long-term equity investment is adjusted at the same time. After the acquisition of the long-term equity investment, if the accounting policies and accounting periods adopted by the investee are different from those of the Company, the financial statements of the investee shall be adjusted in accordance with the accounting policies and accounting periods of the Company, and the profit or loss and other comprehensive income of the investee shall be recognized accordingly. The Company recognises its share of the net profits or losses and other comprehensive income made by the investee as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly; The Company shall, based on the fair value of identifiable net assets of the investee at the time of acquisition, recognise its attributable share of the net profit or loss of the investee after the net profit of the investee is adjusted. The carrying value of the long-term equity investment is reduced accordingly by the portion of the equity attributable to the profits or cash dividends declared by the investee; For other changes in equity not due to the net income, other comprehensive income and profit sharing of the investee, the Company shall adjust the carrying amount of the long-term equity investment accordingly and include them in equity. Unrealized gains and losses from internal transactions between the Company and its associates and joint ventures are offset by the proportionate share of gains and losses attributable to the Company, and investment income is recognized on this basis. Losses from unrealized internal transactions with investees are recognized in full if they constitute impairment losses.

When the Company recognizes its share of losses incurred by an investee, they are treated in the following order: First, the carrying value of long-term equity investments is written down. Secondly, if the carrying value of the long-term equity investment is not sufficient, the carrying value of the other long-term equity interests, which in substance constitute a net investment in the investee, is used to further recognize the investment loss and to write down the carrying value of long-term receivables. If, after the above treatment, the company still has outstanding obligations under the investment contract or agreement, and recognizes an estimated liability based on the obligations expected to be incurred, and includes it in the investment loss for the current period. Where net profits are subsequently made by the investee, the Company resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognised.

During the period of holding investments, when preparing consolidated financial statements by the investee, the accounting shall be based on the amounts attributable to the investee in the net profit, other comprehensive income and other changes of the owner' equity in the consolidated financial statements.

Where the assets invested by the Company in joint ventures and associates constitute a business, and the investor thus acquires a long-term equity investment but control, the fair value of the invested business is used as the initial investment cost of the new long-term equity investment, and the difference between the initial investment cost and the carrying value of the invested business is fully credited to current profit or loss. Where the assets sold by the Company to a joint venture or an associate constitute a business, the difference between the consideration received and the carrying value of the business is fully credited to current profit or loss. Where assets acquired from associates and joint ventures constitute a business, the Company applies the accounting treatment in accordance with "Accounting Standards for Business Enterprises No. 20 - Business Combinations" and recognizes the full amount of the gain or loss associated with the transaction.

4. Disposal of long-term equity investments

For long-term equity investment, the balance between its book value and actual payment will be recognised in profit or loss for the period.

(1) Disposal of long-term equity investments under the equity method

For the long-term equity investment under the equity method, if the residual equity after disposal is still accounted for using the equity method, when disposing of such investment, part of amounts that shall be originally included in other comprehensive income shall be accounted for in proportion by using the same basis as the investee used for direct disposal of relevant assets or liabilities. Changes in equity recognized as a result of changes in ownership interests other than net income or loss, other comprehensive income and profit distribution by the investee are carried forward into profit or loss on a pro rata basis.

When the controls or material influences over the investee become lost due to partial disposal of equity investment and other reasons, the remaining equities shall be accounted for in accordance with the standards on recognition and measurement of financial instruments, and the difference between the fair value and the carrying value at the date of losing control or material influence shall be included in the profit or loss. The other comprehensive income of the previous equity investment recognized under the equity method is treated according to the accounting treatment same to the basis adopted by the investee to directly dispose the relative assets or liabilities when terminating the adoption of equity method. All owner's equities which are recognized due to other changes of owner's equity except for net profits and losses, other comprehensive income and profit distributions shall be transferred into the current profit or loss when ceasing to use the equity method.

(2) Disposal of long-term equity investments under the cost method

For long-term equity investments accounted for by the cost method, if the residual equity is still accounted for by the cost method after disposal, other comprehensive income recognized as a result of the use of equity method or accounted for using financial instruments recognition and measurement standards before the acquisition of control over the investee is treated on the same basis as if the relevant assets or liabilities had been disposed of directly by the investee, and is carried forward in the current period on a pro rata basis as follows; Changes in ownership interests in the net assets of the investee recognized under the equity method, other than net income or loss, other comprehensive income and net profit distribution, are carried forward to profit or loss on a pro rata basis in the current period.

If the Company's equity interest in an investee decreases as a result of a capital increase by another investor, and in turn the Company loses control but is able to exercise joint control or significant influence over the investee, the difference between the Company's share of the increase in the net assets of the investee resulting from the capital increase and expansion recognized in accordance with the new shareholding ratio and the original carrying value of the long-term equity investment corresponding to the degree of the decrease in the shareholding ratio is included in the current profit or loss; then the new equity interest ratio is deemed to have been adjusted under the equity method from the time the investment was acquired.

If the Company loses control over an existing subsidiary due to the disposal of a portion of its equity investment or for other reasons, and the remaining equity interest after disposal enbles the Company to exercise joint control or exert significant influence over the investee, the Company shall change to the equity method for accounting, and the remaining equity interest is deemed to be adjusted for the adoption of the equity method from the time the investment is acquired; Equity investment acquired before the date of combination are carried forward in relation to other comprehensive income and other owners' equity on a prorata basis; if the residual equity after disposal cannot enable the company to exercise common control or exert significant influence over the investee, it is instead accounted for in accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between its fair value and carrying value on the date of loss of control is included in profit or loss, and other comprehensive income and other equity are fully carried forward into proft or loss.

The Company disposes of its equity investment in a subsidiary in stages through multiple transactions until it loses control, and if the above transactions are part of a package deal, each transaction is accounted for as a disposal of the equity investment in the subsidiary with loss of control, with the difference between the disposal price and the book value of the corresponding long-term equity investment disposed of prior to the loss of control being recognised first in other comprehensive income, and then altogether in profit or loss in the period in which control is lost.

(24) Investment Properties

1. Investment properties refers to real estate properties held for rental or capital appreciation or both. This includes leased land use rights, land use rights that are held with a view to transfer after theiralue inncrease, leased buildings (including buildings self constructed and developed for lease after completion and buildings in the process of construction or development that are to be used for lease).

2. Investment properties are measured initially at cost and subsequently measured using the cost model. Subsequent expenditures related to an investment property shall be included in cost of investment property only when the economic benefits associated with the asset will likely flow to the Company and its cost can be measured reliably. Other subsequent expenditure is charged to profit or loss in the period in which it is incurred.

3. Investment properties measured using the cost model are depreciated or amortised in the same way as fixed assets and intangible assets.

4. When the use of an investment property is changed to self-use, it is reclassified as fixed asset or intangible asset at the date of the change with the carrying amount of the investment property before change is used as the carrying amount of the property after change. If self use property or inventory is changed to earn rentals or capital appreciation, from the date of the change, it is reclassified from the fixed assets or intangible assets to investment properties, and if the property is measured using the cost model, the carrying value of the real estate is the carrying value before the change; if it changes to investment properties measured using the fair value model, the fair value at the date of change is the book value after the change.

5. When an investment property is disposed of, or permanently withdrawn from use and no economic benefits are expected from its disposal, the investment property is derecognized. Income from the sale, transfer, retirement or destruction of investment property is recognized in profit or loss, net of its carrying value and related taxes and fees.

(25) Fixed assets

1. Criteria for recognition of fixed assets

A fixed asset is a tangible asset that has the following characteristics at the same time: (1) held for the production of goods, provision of services, lease, or operation and management; (2) with a useful life exceeding one accounting year.

Fixed assets are recognized when the following conditions are also met: (1) it is likely that the economic benefits associated with the fixed asset will flow to the Company; (2) the cost of the fixed asset can be measured reliably. Subsequent expenditures relating to fixed assets are included in the cost of fixed assets if the above recognition criteria are met; if not, they are included in the profit or loss for the period in which they occur.

2. Initial measurement of fixed assets

Fixed assets are initially measured at cost. For fixed assets that are expected to incur greater costs upon disposal, the disposal costs are estimated and their present values are included in the cost of fixed assets.

3. Classification of Fixed Assets and Depreciation Methods

Depreciation of fixed assets begins when the assets are ready for their intended use and ceases when they are derecognized or classified as non-current assets held for sale. If the useful lives of the various components of fixed assets are different or provide economic benefits to the Company in different ways, different depreciation rates and depreciation methods are selected and executed separately. The depreciable lives and depreciation rates of various types of fixed assets are as follows:

Fixed Asset Categories	Depreciation method	Depreciable life (years)	Estimated Net Residual Value (%)	Annual depreciation rate (%)
Buildings and constructions	Straight-line	20-40	5.00	2.38-4.75
Machinery and equipment	Straight-line	10-20	5.00	4.75-9.50
Transportation vehicles	Straight-line	8-16	5.00	5.94-11.88
Other equipment	Straight-line	3-20	5.00	4.75-31.67

Description:

(1) fixed asset renovation costs qualifying for capitalisation are depreciated separately using the straight line method over the shorter of the interval between the two renovation and the remaining useful life of the fixed asset.

(2) For fixed assets for which an impairment charge has been made, the depreciation rate shall also be calculated after deducting the accumulated amount of the fixed asset impairment charge.

(3) The Company reviews the useful life, estimated net residual value and depreciation method of fixed assets at least annually, and any changes are treated as changes in accounting estimates.

4. Basis for Recognition and Pricing of Fixed Assets Through Finance Lease

A fixed asset leased by the Company is recognized as a finance lease when it meets one or more of the following criteria:

(1) At the end of the lease term, the ownership of the leased asset is transferred to the Company;

(2) The Company has an option to purchase the leased asset, for a purchase price that is expected to be substantially less than the fair value of the leased asset at the time the option is exercised, such that it is reasonably certain on the lease inception date that the Company will exercise such an option;

(3) the lease term accounts for a significant portion of the leased asset's useful life even though ownership of the asset is not transferred;

(4) The present value of the Company's minimum lease payments on the lease inception date is substantially equal to the fair value of the leased asset on the lease inception date; the present value of the lessor's minimum lease receipts on the lease inception date is substantially equal to the fair value of the leased asset on the lease inception date.

(5) Leased assets are unique in nature and can only be used by the Company if no major modifications are made.

Fixed assets leased under finance leases are recorded at the lower of the fair value of the leased asset on the lease inception date and the present value of the minimum lease payments. The minimum lease payment is recognized as long-term payable, and the difference between them is recognized as unrecognized finance charge. Initial direct costs, such as handling fees, legal fees, travel expenses and stamp duty, which are attributable to the lease and are incurred in the course of negotiating and signing the lease agreement, are included in the value of the leased asset. Unrecognised finance charges are apportioned between periods over the lease term using the effective interest method.

Fixed assets that are held under finance leases shall be depreciated by applying the same policy as that for the fixed assets owned by the Company. If it can be reasonably determined that the ownership of the leased assets can be obtained at the end of the lease period, the leased assets are depreciated over their useful lives; otherwise, the leased assets are depreciated over the shorter of the lease terms and the useful lives of the leased assets.

5. Other Description

(1) Fixed assets that have been out of use for 3 consecutive months due to lack of work and natural disasters among others are recognised as idle fixed assets (except for seasonal outages). Idle fixed assets are depreciated in the same manner as other fixed assets of the same category.

(2) A fixed asset is derecognised with no more depreciation and provision for impairment when it is in a state of disposal or when no economic benefits are expected to arise from its use or disposal.

(3) Income from the sale, transfer, retirement or destruction of fixed assets is recognised in profit or loss for the period, net of the its book value and related taxes and fees.

(4) Major repairs incurred by the Company for periodic inspection of fixed assets are included in the cost of fixed assets to the extent that there is substantiated evidence that the conditions for recognition of fixed assets are met, and those that do not are recognised in profit or loss for the period. Fixed assets are depreciated at regular intervals between major repairs.

(26) Construction in progress

1. Construction in progress is recognized when it is likely that an inflow of economic benefits will occur and the cost can be measured reliably. Construction in progress is measured at the actual cost incurred in constructing the asset before it reaches its intended use.

2. Construction in progress is reclassified as fixed assets at the actual cost of construction when it is ready for its intended use. When the construction in progress reaches its intended use but has not yet been settled, it is first reclassified as fixed assets at its estimated value and then adjusted to its original provisional value at its actual cost after the settlement of the final accounts for completion of construction, but no further adjustment is made to the depreciation already charged.

(27) Borrowing costs

Borrowing costs refer to interest on borrowings, amortisation of discounts or premiums, ancillary costs and exchange differences arising from foreign currency borrowings among others.

1. Criteria for recognition of capitalised borrowing costs

Borrowing costs incurred by the Company that are directly attributable to the purchase or production of assets qualified for capitalization are capitalized and included in the cost of the related assets; other borrowing costs are recognized as expenses when incurred and included in the profit or loss.

2. Period in which the borrowing costs are capitalized

(1) Capitalization begins when the following conditions are also met: 1) Capital expenditures are occurred; 2) Borrowing costs are incurred; 3) Acquisition, construction or production that are necessary to enable the asset reach its intended usable or saleable condition have commenced.

(2) Suspension of capitalization: The capitalisation of borrowing costs is suspended when an abnormal interruption occurs in the process of acquiring or producing an asset eligible for capitalisation and the interruption lasts for more than three consecutive months until the asset acquisition or production activity is resumed; Borrowing costs incurred during the period of interruption are recognised in expense for the period and continue to be capitalised until acquisition, construction or production of the asset recommences. Borrowing costs continue to be capitalized when assets qualified for capitalization are acquired or produced in a condition necessary for their intended use or marketability.

(3) Cessation of capitalization: Borrowing costs cease to be capitalized when the assets acquired or produced qualified for capitalization criteria are in a condition ready for use or sale. If parts of an asset being acquired, constructed or produced that qualifies for capitalization is completed separately and is ready for individual use, borrowing costs of the parts cease to be capitalized. The capitalization of borrowing costs ceases when the entire project is completed and the asset is ready for use or sale.

3. Calculation of the capitalization rate and the capitalization amount of borrowing costs

When a special loan is borrowed for the purpose of acquiring or producing assets qualified for capitalization, the amount of interest to be capitalized is determined based on the interest expense actually incurred for the special loan (including amortisation of discounts or premiums determined in accordance with the effective interest method), less the amount of interest income earned by depositing unused borrowed funds with a bank or investment income earned by making temporary investments. If the assets subject to the capitalization condition use general borrowings, the amount of interest to be capitalized on the general borrowings is determined by multiplying the weighted average of the accumulated asset expenses in excess of the special borrowings by the capitalization rate (weighted average interest rate). The amount of interest to be capitalized in each accounting period during the capitalization period does not exceed the amount of interest actually incurred on the related borrowings during the period. Exchange differences on foreign-currency special borrowings are capitalized during the capitalization period. Ancillary costs incurred on special loans are capitalized before the assets are ready for use or sale, and those incurred after the assets are ready for use or sale are included in profit or loss; and are recognised in profit or loss for the period when they occur after the intended use or saleable condition is reached. Ancillary costs incurred for general borrowings are charged to profit or loss when incurred. Where there is a discount or premium on borrowings, the amount of the discount or premium to be amortised is determined for each accounting period using the effective interest method, and the amount of interest is adjusted for each period.

(28) Biological assets

1. Recognition Criteria and Categories of biological assets

Biological assets refer to living animal and plants, including consumable biological assets, productive biological assets and public welfare biological assets. Biological assets are recognized when all the following conditions are met: (1) A business owns or controls the biological asset as a result of a past transaction or event; (2) it is likely that the economic benefits or service potential associated with this biological asset flow into a business;

(3) The cost of this biological asset can be measured reliably.

2. Biological assets are measured at cost.

3. Productive biological assets are depreciated using the average method over their useful lives.

4. When harvesting or selling consumable biological assets, or harvesting agricultural products with productive biological assets, the weighted average method is used to carry forward costs.

5. Methods of impairment testing and provision for impairment of biological assets

For biological assets subsequently measured at cost at the balance sheet date, if there is conclusive evidence that the net realisable value of a consumable biological asset or the recoverable amount of a productive biological asset is less than its carrying amount due to natural disasters, disease and pests, animal diseases or changes in market demand, a provision for decline in value of consumable biological assets is made for the difference between the net realisable value and the carrying amount of the consumable biological asset; A provision for impairment of productive biological assets is made for the difference between the recoverable amount of the asset groups or groups of asset groups and their carrying amounts.

No provision for impairment is made for public welfare biological assets.

(29) Intangible assets

1. Initial measurement of intangible assets

Intangible assets are initially measured at cost. The cost of an acquired intangible asset includes the purchase price, related taxes and fees and other expenses that are directly attributable to bringing the asset to its intended use. If the payment for an intangible asset is delayed beyond the normal credit conditions and it is of financing nature in effect, the cost of the intangible assets shall be ascertained based on the present value of the purchase price. The carrying value of intangible assets acquired by debt restructuring that are used by the debtor to offset debt is determined based on the fair value of the forfeited titles and other costs, such as taxes, that are directly attributable to bringing the asset to its intended use. When a non-monetary asset exchange has commercial substance and the fair value of the inbound or outbound asset exchanged can be measured reliably, the cost of inbound intangible assets exchanged is measured at the fair value of the outbound asset exchanged and the related taxes payable, unless there is conclusive evidence that the fair value of the inbound asset exchanged is more reliable; for a non-monetary asset exchange that does not satisfy these conditions, the cost of the inbound intangible asset exchanged is measured at the carrying value of the outbound asset exchanged and the related taxes payable with no gain or loss recognized.

Expenditures related to an intangible asset shall be included in cost of intangible asset only when the economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. Other expenditures shall be charged to profit or loss when incurred.

Land use rights acquired are generally accounted for as intangible assets. Expenditure on land use rights and construction costs for self-developed buildings, such as factories, are accounted for as intangible assets and fixed assets, respectively. In the case of acquired houses and buildings, the cost is allocated between the land use right and the building. If it is difficult to allocate the land use right and the building, all of them are treated as fixed assets.

2. Useful life and amortisation of intangible assets

Intangible asset is an intangible asset with a finite useful life is treated as an intangible asset with a finite useful life if it can be reasonably determined that the intangible asset will bring economic benefits to the Company, based on a combination of factors such as contractual or other legal rights of the intangible asset, industry conditions, historical experience, and relevant expert evidence; and an intangible asset with an infinite useful life if it cannot be reasonably determined that the intangible asset will bring economic benefits to the Company.

For intangible assets with a finite useful life, the following factors are generally considered in estimating their useful lives: (1) The usual life cycle of the product produced using the asset, and information on the useful life of similar assets available; (2) The current status of technology and techniques and an estimate of future development trends; (3) The market demand for the products produced or labour provided from the asset (4) The actions expected to be taken by present or potential competitors; (5) The expected maintenance expenditure to maintain the ability of the asset to generate economic benefits and the company's projected ability to meet such expenditure; (6) The relevant legal requirements or similar restrictions on the duration of control over the asset, such as the duration of the licence and lease; (7) The relationship to the useful life of other assets held by the Company. To estimate the useful life of intangible assets with a finite useful life:

Item	Basis of expected useful life	Duration (years)
Software	Expected Useful Life	2-10
Mining Rights (leasehold)	Expected Useful Life	30
Trademark	Expected Useful Life	5-10
Land use rights	Registered Usefule Life on Land Use Certificate	50-70
Right to use of sea zone	Registered Usefule Life on Sea Use Certificate	50

For intangible assets with finite useful lives, its amortisation amount is amortised within its useful lives systematically and reasonably, if it is unable to determine the expected realization pattern reliably, intangible assets are amortised by the straight-line method with details as follows: Items Intangible assets with uncertain service life are not amortised, but the service life of the intangible asset is reviewed every year and an impairment test is performed.

At the end of each year, the Company reviews the useful life and amortisation method of intangible assets with finite useful lives and adjusts the existing estimate if it differs from the previous estimate and treats it as a change in accounting estimate; It is estimated that an intangible asset can no longer bring future economic benefits to the Company, the carrying amount of which should be credited into profit or loss for the current period.

3. Recognition and measurement of internal research and development projects

Expense on internal research and development projects is divided into expenditure on research stage and expenditure on development stage. The criteria for distinguishing between research and development stages are as follows: A stage of planned investigation for the acquisition of new techniques and knowledge, should be identified as a research stage, which has the characteristics of being planned and exploratory; the application of research results or other knowledge to a plan or design to produce new or substantially improved materials, devices and products before commercial production or use shall be recognized as the development stage, which is characterized by specificity and a greater possibility of producing results.

Expenses incurred during the research stage of an internal research and development project are charged to profit or loss as they are incurred. Expenses incurred during the development stage of an internal research and development project are recognized as an intangible asset when the following conditions are also met: (1) it is technically feasible to complete the intangible asset so that it can be used or sold; (2) There is intention to complete intangible assets for use or sale; (3) the intangible asset can produce economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there is usage for the intangible asset; (4) There is sufficient technical, financial and other resource support to complete the development of the intangible asset and the ability to use or sell the intangible asset; (5) the expenditure attributable to the development phase of the intangible asset can be measured reliably. If the above conditions are not met, they are charged to profit or loss as incurred, and if it is not possible to distinguish between research stage expenditures and development stage expenditures, all research and development expenditures incurred are charged to profit or loss in the current period.

(30) Impairment of long term assets

For long-term assets such as long-term equity investments, investment properties and production biological assets measured using the cost model, fixed assets, construction in progress, oil and gas assets, intangible assets, and goodwill, they might be impaired if there are any of the following indications:

1. a significant decline in the market value of the asset during the current period, which is significantly greater than the decline that would be expected due to the passage of time or normal use;

2. the economic, technical or legal environment in which the Company operates and the market in which its assets are located have changed or will change significantly in the current period or in the near future, thereby adversely affecting the company;

3. market interest rates or other market rates of return on investments have increased during the period, which affects the company's discount rate for calculating the present value of expected future cash flows from the assets, resulting in a significant reduction in the recoverable amount of the assets;

4. there is evidence that the asset is obsolete or physically damaged;

5. the asset has been or will be idle, discontinued or scheduled for early disposal;

6. there is evidence reported internally by the company that the economic performance of the asset has been or will be less than expected. For example, net cash flows generated by the asset or operating profit (or loss) realized is significantly lower (or higher) than the forecast amount;

7. there are other indications that an asset may have been impaired.

Such long-term assets should be tested for impairment if there is an indication that they are impaired on the balance sheet date. If, as a result of an impairment test, the recoverable amount of an asset is less than its book value, an impairment charge is made for the difference and included in the impairment loss. The recoverable amount is the higher of the asset's net fair value less disposal expenses and the present value of the asset's estimated future cash flows. please refer to Note III(11) herein for the details of fair value determination; disposal expenses include legal fees, related taxes, moving expenses and direct costs incurred in bringing the asset to marketable condition; the present value of the asset's estimated future cash flows is determined by discounting the estimated future cash flows from the asset's ongoing use and final disposal, using an appropriate discount rate.

The asset impairment charge is calculated and recognised on an individual asset basis. Where it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of that asset group is determined by reference to the asset group to which that asset group belongs. An asset group is the smallest group of assets that can generate cash inflows independently.

Goodwill, which is presented separately in the financial statements, is tested for impairment by allocating the carrying value of the goodwill to the asset group or the group of asset groups that are expected to benefit from the synergies of the business combination. If the test results indicate that the recoverable amount of the asset group or the group of asset groups containing the allocated goodwill is less than its carrying amount, a corresponding impairment loss is recognised. The impairment loss is first deducted from the book value of goodwill that is allocated to the asset group or the group of asset groups, and then deducted from the book value of other assets within the asset groups or the group of asset groups in proportion to the book value of other assets.

Impairment test to goodwill and intangible assets with indefinite useful life shall be carried out at least at the end of each year.

An impairment loss once recognized shall not be reversed in a subsequent period.

(31) Long-term deferred expenses

Long-term deferred expenses are recorded as actual expenses and amortised equally over the benefit period or stipulated period. If the Long-term prepaid expenses are no longer beneficial to the subsequent accounting periods, the full unamortised balance is then transferred to profit or loss. Where:

Prepaid operating lease payments on leased fixed assets are amortised equally over the term of the lease agreements.

Expenditures paid for improvement of fixed assets under operating lease are amortised over the lease term or remaining service life of the asset, whichever is shorter.

Renovation expenses for fixed assets leased under finance leases that are qualified for capitalization are amortised over the shortest of the interval between two renovations, the remaining lease term and the remaining useful life of the fixed assets.

(32) Employee Benefits

Employee remuneration refers to the various forms of rewards or compensation given by the company in order to obtain the services provided by employees or to terminate the labor relationship. Employee remuneration includes short-term remuneration, post-employment benefits, resignation benefits and other long-term employee benefits. The benefits provided by the company to the spouse, children, dependents, survivors and other beneficiaries of the deceased employee are also considered as employee remuneration.

According to the liquidity, employee compensation is shown in the balance sheet under the items of “Employee benefits payable" and "other non-current liabilities" respectively.

1. Accounting treatment of short-term remuneration

In the accounting period in which employee provide services to the Company, the Company recognizes as a liability the actual employee wages, bonuses, social insurance premiums (such as medical insurance premiums, workers' compensation insurance premiums and maternity insurance premiums paid on behalf of employees on a prescribed basis and ratio) and housing provident funds, and includes them in the current profit or loss or the cost of the related assets. Employee benefit expenses are measured at fair value if they are non-monetary benefits and can be measured reliably. If it is expected that such liabilities cannot be fully paid within 12 months after the end of the annual report period for rendering relevant services by the employee, which has material financial effects, such liabilities will be measured at the amount discounted.

2. Accounting treatment for post-employment benefits

The post-employment benefits are categorized as defined contribution plans and defined benefit plans. A defined contribution plan is a post-employment benefit plan in which the company is no longer obligated to make further payments after making fixed contributions to a separate fund; A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

(1) Defined contribution plan

The Company pays basic pension insurance and unemployment insurance for its employees in accordance with current government regulations, and recognizes a liability based on the amount of contributions to be made during the accounting period in which the employees provide services to the Company by setting up a defined contribution plan, which is included in the current profit and loss or the cost of related assets.

3. Accounting treatment for termination benefits

The employee compensation liability arising from the termination benefits is recognized and included in profit and loss at the earlier of the date when the Company is unable to unilaterally revoke the termination benefits provided under the Labor Dissolution Plan or the proposed redundancy plan, or the date when the Company recognizes the costs or expenses of the reorganization leading to the payment of the termination benefits. However, if the termination benefits are not expected to be fully paid within 12 months from the reporting period, it shall be accounted for other long-term staff remuneration.

Internal retirement plans are treated on the same basis as the termination benefits described above. The Company recognizes the wages and social insurance premiums among others to be paid to employees under the Internal Retirement Plan from the date the employees cease service to the date of their normal retirement in profit and loss (lay-off benefits) when the conditions for recognition of the estimated liability are met. Financial compensation (e.g., normal pension) after the official retirement date is treated as post-employment benefits.

4. Accounting treatment for other long-term employee benefits

Other long-term employee benefits provided by the Company to its employees are accounted for according to the defined contribution plan if they meet the requirements of the defined contribution plan, otherwise they are accounted for according to the defined benefit plan. However, the portion of "changes in net liabilities or net assets resulting from the remeasurement of the defined benefit plan" in the employee compensation cost is included in the current profit or loss or the cost of related assets.

(33) Estimated liabilities

A contingent obligation is recognised as provisions when it relates to a contingent item and the following conditions are also met: 1. the obligation assumed is a present obligation; 2. it is likely that an outflow of economic benefits will be required to settle the obligation; and 3. the amount of the obligation can be measured reliably.

Provisions are initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks, uncertainties and time value of money associated with the contingency. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows.

The best estimates are dealt with in the following circumstances: Where there is a continuous range (or consecutive interval) of required expenditures within which various outcomes are equally likely to occur, the best estimate is the mid-point of the range: This is determined by the average of the upper and lower limit amounts. If there is no continuous range (or consecutive interval) of the required expenditures, or if there is a continuous range but the probabilities of various outcomes within the range are different, the best estimate is determined based on the most probable amount,; where the contingency is related to a number of items, the best estimate should be calculated and determined according to the possible results and the relevant possibilities.

Where all or part of the expenditure required to settle an estimated liabilities is expected to be reimbursed by a third party, the amount of reimbursement is recognised separately as an asset when it is virtually certain that it will be received, and the amount of reimbursement recognised does not exceed the book value of the estimated liabilities.

The carrying amount of a provision is reviewed on the 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 best estimate.

(34) Share-Based Payments

1. Types of Share-Based Payments

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 include the equity-settled share-based payments or the cash-settled share-based payments.

2. Determination of Fair Value of Equity Instruments

(1) Where an active market exists, it is determined using quoted prices in the active market; (2) Should there be no active market, it is determined using the valuation metods, including prices used in recent market transactions by knowledgeable and willing parties, reference to the current fair value of other financial instruments that are substantially the same, discounted cash flow techniques and option pricing models.

3. Basis for Recognizing the Best Estimate of Exercisable Equity Instruments

At each balance sheet date within the vesting period, the number of the equity instruments expected to be exercisable is revised based on the best estimate made according to subsequent information such as the latest changes known in the number of employees exercising options. The final estimated number of exercisable equity instruments at the exercise date should be the same as the actual number of exercisable options.

4. Accounting Treatment of Share-Based Payments

(1) Equity-Settled Share-Based Payments

Equity-settled share-based payments in exchange for employee services shall be exercisable immediately after the grant is completed, and the payments shall be recognised in profit or loss for the current period at the fair value of the equity instruments at the grant date, with capital surplus adjusted accordingly; Exercised options can only be made when the service within the vesting period is completed or the prescribed performance conditions are met. At every balance sheet date within the vesting period, based on the best estimation of the number of the exercisable equity instruments, and according to the fair value of equity instruments on the grant date, the services obtained in the current period are included in relevant costs or expenses, and the capital reserve is adjusted accordingly. No further adjustments are made to the relevant costs or expenses recognised and total owners' equity after the exercise date.

Equity-settled share-based payments in exchange for services from other parties are measured at the fair value of the other party's services at the date of acquisition if the fair value of the other party's services can be reliably measured; Where the fair value of the services of other parties cannot be reliably measured but the fair value of the equity instrument can be reliably measured, the equity instrument is measured at its fair value at the date of acquisition of the services and is included in the related cost or expense, with a corresponding increase in owners' equity.

(2) Cash-Settled Share-Based Payments

The cash-settled share-based payments in exchange for employee services are exercised immediately after the grant, and the fair value of the liability assumed by the Company is included in the relevant costs or expenses with accordingly increased liabilities; This cash-settled share-based payments in exchange for employee services can only be exercised after completing the service within the vesting period or meeting the prescribed performance conditions. On each balance sheet date of the vesting period, based on the best estimate of the condition of exercising options, and according to the fair value amounts of the company's liabilities, the services obtained in the current period are included in relevant costs or expenses as well as the liabilities accordingly. The fair value of the liabilities is remeasured at each balance sheet date and settlement date prior to the settlement of the relevant liabilities, with the change in fair value recognised in profit or loss for the period.

(3) Modification and Termination of Share-Based Payment Plans

If the modification increases the fair value of the equity instruments granted, the company recognises an increase in the acquisition of services corresponding to the increase in the fair value of the equity instruments; if the modification increases the number of equity instruments granted, the company recognises the fair value of the increased equity instruments as an increase in the acquisition of services accordingly; If vesting conditions are modified in a manner favourable to employees, the Company takes the modified vesting conditions into account when dealing with the vesting conditions.

If modification reduces the fair value of the equity instrument granted, the Company continues to recognise the amount of services acquired based on the fair value of the equity instrument at the date of grant, irrespective of the reduction in the fair value of the equity instrument; if modification reduces the number of equity instruments granted, the company treats the reduction as a cancellation of the equity instruments granted; If vesting conditions are modified in a manner unfavourable to employees, the modified vesting conditions will not be taken into account when dealing with the vesting conditions.

If an equity-settled share-based payment is cancelled, it is treated as an accelerated exercise on the date of cancellation and the amount not yet recognised is recognised immediately (the amount to be recognised over the remaining vesting period is immediately recognised in profit or loss for the period and capital reserve is recognised at the same time). If employees or other parties can choose to fulfil the non-vesting conditions but have not fulfilled them during the pending period, then the equity-settled share-based payments are dealt with as cancelled. However, if a new equity instrument is granted and it is agreed at the date of grant, the equity instrument granted is used to replace the cancelled equity instrument, the replacement equity instrument granted is treated in the same manner as if the terms and conditions of the original equity instrument had been modified.

5. Accounting for share-based payment transactions involving the Company and its shareholder(s) or beneficial owner

Share-based payment transactions involving the Company and its shareholder(s) or beneficial owner, where one of the settlement entities and the service recipient are within the Company and the other are outside the Company, are accounted for in the Company's consolidated financial statements in accordance with the following requirements:

(1) if a settlement entity settles in its own equity instruments, the share-based payment transaction is treated as an equity-settled share-based payment; Otherwise, it is treated as a cash-settled share-based payment.

If the settlement entity is an investor in the service recipient, it is recognised as a long-term equity investment in the service recipient at the date of grant the fair value of the equity instrument or the fair value of the liability to be assumed, together with capital reserve (other capital reserve) or liabilities recognised at the same time.

(2) Where a service recipient has no settlement obligations or grants its own equity instruments to employees, such share-based payment transaction will be treated as equity-settled share-based payment; where a service recipient has settlement obligations and grants equity instruments (other than its own) to employees, such share-based payment transaction will be treated as cash-settled share-based payment. Where a share-based payment transaction occurs between entities within the Company and the recipient and the settlement entity are not the same entity, the recognition and measurement of the share-based payment transaction in the respective financial statements of the recipient and the settlement entity are treated in accordance with the above standards.

(35) Contractual liabilities

Contractual liabilities represent the Company's obligations to transfer goods to customers for consideration received or receivable from them. The Company presents contractual assets and contractual liabilities under the same contract on a net basis after offsetting them against each other.

(36) Revenue

Since 1 January, 2020, the Company implemented the "Accounting Standard for Business Enterprises No. 14 - Revenue (2017 Amendment)" (Cai Kuai [2017] No. 22) issued by the Ministry of Finance on 5 July, 2017 (the "New Revenue Standard").

Principle of recognition of gross revenue

Under the new revenue standard, the Company uses the transfer of control as the standard of judgment for the point of revenue recognition. The Company recognises revenue when it has fulfilled its contractual performance obligations, i.e. when a customer obtains control of the relevant goods.

The Company performs its obligation over a certain period of time if one of the following conditions is satisfied; Otherwise, the Company performs it obligation at a certain point in time: (1) A customer receives and consumes the economic benefits of the company's performance at the same time as the company performs the contract; (2) A customer is able to control the goods under construction in the course of the Company's performance; (3) The goods produced in the course of the performance of the contract by the Company are of irreplaceable use and the Company is entitled to payment for the part of the performance accrued to date throughout the period of the contract.

For obligations performed over a certain period of time, the Company recognises revenue in accordance with the progress of performance over that period of time, except where the progress of performance is not reasonably determinable. Where the progress of performance is not reasonably determineable, revenue is recognised on the basis of the amount of costs incurred until such time as the progress of performance is reasonably determineable, if the Company expects to be reimbursed for the costs already incurred.

For performance obligations performed at a point in time, the Company recognises revenue at the point at which a customer obtains control of the relevant goods. In determining whether a customer has acquired control of a commodity, the company considers the following indications: (1) The company has a present right to receive payment in respect of the goods, and that is a customer has a present obligation to pay for the goods; (2) the company has transferred legal title to the goods to a customer, and that is the customer has legal title to the goods; (3) the company has physically transferred the goods to a customer, and that is the customer has physically taken possession of the goods; (4) the company has transferred to a customer the principal risks and rewards of ownership of the goods, and that is the customer has acquired the principal risks and rewards of ownership of the goods; (5) A customer has accepted the goods; (6) Other indications that a customer has acquired control of the goods.

Where a contract contains two or more performance obligations, the Company apportions the transaction price to each individual performance obligation at the contract commencement date in proportion to the individual selling price of the goods committed to each individual performance obligation and measures revenue according to the transaction price apportioned to each individual performance obligation. The transaction price is the amount of consideration that the company expects to be entitled to receive as a result of the transfer of the goods to a customer. Amounts received by the Company on behalf of third parties and amounts expected to be refunded by the Company to customers are accounted for as liabilities and are not included in the transaction price. Where variable consideration exists in a contract, the Company determines the best estimate of the variable consideration based on the expected or most likely amount, provided that the transaction price including the variable consideration does not exceed the amount for which it is highly probable that there will be no material reversal of the revenue recognised in the aggregate when the relevant uncertainty is removed. Where there is a significant financing component to the contract, the company determines the price of the transaction based on the amount payable in cash assuming a customer acquires control of the goods at the time of acquisition. The difference between this transaction price and the contract consideration is amortised over the contract period using the effective interest method. Where, at the date of commencement of the contract, the company anticipates that the interval between the customer's acquisition of control of the goods and a customer's payment of the price will not exceed one year, the existence of a significant financing component in the contract is not taken into account.

(37) Government subsidies

1. Categories of government subsidies

Government grants are monetary or non-monetary assets that the Company receives from the government at no cost to the Company. There are two types of government subsidies: asset-related government subsidies and revenue-related government subsidies.

Asset-related government subsidies refer to government subsidies received by the Company for the purchase or other formation of long-term assets, including financial allocations for the purchase of fixed assets or intangible assets and financial discount of special loans for fixed assets. Government subsidies that include both asset-related and revenue-related components are accounted for separately; if it is difficult to distinguish between the two, they are classified as revenue-related government subsidies.

The specific criteria adopted by the Company for classifying government subsidies are as follows:

(1) Government subsidies are classified as asset-related government subsidies if the target of the subsidies is used for the purchase or other formation of long-term assets, or if the expenditures on the target of the subsidies are mainly used for the purchase or other formation of long-term assets.

(2) Government subsidies received under government subsidy documents that are wholly or mainly used to compensate for expenses or losses incurred or to be incurred in future periods are classified as revenue-related government subsidies.

(3) If the subject of the government subsidy is not explicitly specified in the government file, the government subsidy is classified as a revenue-related government subsidy or an asset-related government subsidy in the following manner: If the government file specifies the specific project for which the subsidy is intended, the amount of expenses that result in the formation of assets and the amount of expenses that are included in expenses will be divided according to the relative ratio set out in the budget of the specific project, which is reviewed on balance sheet dates and adjusted when necessary; If only general description is provided and no specific project is specified in the government file, it is treated as a revenue-related government subsidy.

2. Timing of recognition of government subsidies

Government subsidies are generally recognised and measured at the actual amount received when they are received. However, if there is concrete evidence that the Company expects to receive financial assistance as of the end of the period in which it meets the relevant conditions set forth in the financial aid policy, it is measured at the amount of financial assistance that should be received. Government subsidies measured at the amount receivable should also meet the following conditions:

(1) It is based on a fiscal support project and its fiscal fund administration measures that have been officially issued by the local fiscal department and voluntarily made public in accordance with the provisions of the Regulations on the Disclosure of Government Information, and such administration measures shall be universal (any qualified company may apply) rather than specifically targeted at a particular company;

(2) The amount of the subsidy receivable has been confirmed by a document issued by an authorized governmental authority or may be reasonably estimated by the authority itself in accordance with the relevant provisions of a duly published fiscal fund management practice, and there is no material uncertainty as to the estimated amount;

(3) a deadline of appropriation is expressly committed to in the relevant subsidy approval document, and the appropriation is secured through a corresponding fiscal budget so that there is reasonable assurance that it will be received within the prescribed period;

(4) Other relevant conditions, if any, that should be met based on the specific circumstances of the Company and the subsidy.

3. Accounting treatment of government subsidies

Government subsidies that are monetary assets are measured at the amount received or receivable; if they are non-monetary assets, they are measured at fair value; if the fair value of non-monetary assets cannot be reliably obtained, they are measured at nominal amounts. Government subsidies that are measured at nominal amounts are recorded directly in profit or loss for the period.

The Company uses the gross-up method for government subsidies, with specific accounting practices as described below:

Asset-related government subsidy is recognized as deferred income and is included in profit or loss over the useful lives of related assets in reasonable and systematic methods; Where the related assets are sold, transferred, decommissioned or damaged prior to the end of their useful lives, the unallocated balance of the relevant deferred income shall be treated as profit or loss on the asset disposal for the current period.

Government subsidies to compensate the Company for related costs or losses in future periods are recognized as deferred income and charged to profit or loss in the period in which they are recognized; government subsidies to compensate the Company for related costs or losses incurred by the Company are charged directly to profit or loss.

Policy-based subsidies on loan interest rates are accounted for separately under the following two scenarios:

(1) Where subsidy funds are paid to the loaning bank, the loaning bank provides the loan to the Company at a preferential policy rate, and the Company recognises the actual borrowing amount received as the borrowing amount, calculating the relevant borrowing costs based on the loan principal and the preferential policy rate.

(2) Where subsidy funds are paid directly to the Company, the Company will offset the corresponding borrowing costs by such interest subsidies.

Where government subsidies recognised are required to be returned, they are accounted for in the period in which they are required to be returned as follows:

(1) the carrying amount of the asset is adjusted if the corresponding carrying amount of the asset is reduced on initial recognition;

(2) Related deferred revenue balance is reduced by the book value of the deferred revenue, if any, and the excess is recognised in profit or loss for the period;

(3) In other cases, they are directly recognised in profit or loss for the period.

The principles for distinguishing government grants between profit or loss items are: Government subsidies related to the day-to-day activities of the Company are included in other income or offset against related costs and expenses, based on the nature of the economic activity; Government subsidies that are not related to the Company's day-to-day activities are recognised as in non-operating income and expenses.

(38) Deferred tax assets and deferred income tax liabilities

1. Recognition and measurement of deferred tax assets and deferred tax liabilities

Temporary differences arising from the difference between the carrying amount of an asset or liability and its tax base are recognised as deferred tax using the balance sheet liability method. The Company's current income taxes and deferred income taxes are included in profit or loss as income tax expense or gain, excluding those arising from the following: (1) business combinations; (2) transactions or events that are recognized directly in owners' equity.

A deferred tax asset is recognised for deductible temporary differences, carry forward of unused deductible tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of deductible tax losses and tax credits can be utilised, except where the deferred tax asset arises from a transaction that:

(1) the transaction is not a business combination and the transaction does not affect either profit or taxable income at the time it occurs;

(2) in respect of the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

All the taxable temporary differences are recognised as deferred tax liabilities except for those incurred in the following transactions:

(1) The initial recognition of goodwill, or the initial recognition of an asset or liability arising from a transaction that has the following characteristics: the transaction is not a business combination and the transaction does not affect either profit or taxable income at the time it occurs;

(2) The taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, and 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 reverse in the foreseeable future.

Deferred tax assets or deferred tax liabilities are recognised based on the difference between the carrying amounts of the assets or liabilities and their tax bases (or, for an item not recognised as assets or liabilities but whose tax base can be determined under tax laws, the difference between the tax base and the carrying amount), and are calculated at the tax rates expected to apply to the period in which the assets are recovered or the liabilities are settled.

Deferred tax assets are recognised to the extent that it is likely that future taxable income will be available to offset deductible temporary differences. On the balance sheet date, deferred tax assets unrecognised in prior periods are recognised to the extent that there is obvious evidence that it has become likely that sufficient taxable profit will be available in subsequent periods against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed, and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

2. When the Company has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When there is a legal right to net-settle current tax assets and current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxing authority on the same taxable entity or on different taxable entities, the Company's deferred tax assets and deferred tax liabilities are presented net of offsetting when, in each future period in which significant deferred tax assets and liabilities are reversed, the taxable entity involved intends to either settle current tax assets and liabilities on a net basis or acquire assets and settle liabilities simultaneously.

(39) Lease

1. Category of Leases

Leases are classified as finance leases or operating leases. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset, and the ownership of the asset may or may not be transferred at the end of the lease. Leases other than finance leases are operating leases.

The criteria for recognition of finance leases are described in Note III(25)4 "Basis of Recognition and Method of Calculation of Fixed Assets Leased under Finance Leases".

2. Accounting treatment of operating leases

(1) Lessor: The leasing fee received by the Company from leasing out assets shall be amortised using straight line method in the entire term of the lease excluding the rental free period and is recognised as the lease income. Initial direct costs paid by the Company in connection with the lease transaction are included in the expense for the current period or, in the case of large amounts, are capitalized and amortized over this lease period on the same basis as recognition of lease related revenue. When the Company incurs lease related costs that are attributable to the lessee, the Company deducts such costs from gross rental income and allocates the rental expense over the lease term based on the amount deducted. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

(2) Lessees: Leasing fees paid by the Company for leased assets are allocated to expense on a straight-line basis over the entire term of the lease without deduction of the rent-free period. The initial directs expenses related to lease transaction and which is paid by the Company is charged as the current expenses; When the lessor undertakes the expenses related to the lease which the Company shall bear, the Company shall deduct the part of the expenses from the total amount of the rental, and the rental expenses shall be apportioned during the lease term and included in the current expenses. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

3. Accounting Treatment of Finance Leases

Lessor: At the beginning of the lease term, the Company records the book value of finance lease receivables as the sum of the minimum lease payments and the initial direct charges, and records the unguaranteed residual values; The difference between the sum of minimum lease receipts, initial direct charges and unguaranteed residuals and their present value is recognised as an unrealised financing gain. Unrealized financing gains are recognized as proceeds from financing in the period in which they arise using the effective interest method. The balance of finance leasing receivables net of unrealized financing gains is presented as long-term debt and long-term debt due within one year, respectively. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

Lessees: At the beginning of the lease term, the Company records the lower of the fair value of the leased asset and the present value of the minimum lease payments as the recognized value of the leased asset, and the minimum lease payments as the recognized value of long-term payables, with the difference recognized as unrecognized financing charges. The initial direct charge is included in the value of the leased asset. Unrecognised financing charges are recognised in the period in which they fall due using the effective interest method over the lease term. The balance of the minimum lease payments after deducting the unrecognised finance charges is shown separately as long-term liabilities and long-term liabilities due within one year. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

(40) Discontinued Operations

1. Criiteria for Discontinuation

A discontinued operation is a component of the company that satisfies one of the following conditions and that can be separately distinguished and that has been disposed of or classified as held for sale:

(1) the component represents a separate principal business or a separate principal operating region;

(2) The component is part of an associated plan that is intended to be disposed of with respect to a separate principal business or a separate principal operating region;

(3) This component is a subsidiary acquired exclusively for resale.

2. Presentation of discontinued operations

If the disposal group intended to be discontinued partially meets the definitions of discontinued operations, it is presented as a discontinued operation from the date of discontinuation; if it loses control over a subsidiary due to the sale of its investment in the subsidiary and the subsidiary meets the definition of discontinued operations, the related gain or loss from discontinued operation is presented in the consolidated statement of income; the amount of adjustment to the gain or loss on discontinued opperation is presented as a gain or loss on disposal of the discontinued operation in the statement of income.

If the non-current assets or disposal group is no longer classified as held for sale or the non-current assets are removed from the disposal group held for sale, the Company reports the adjusted amount of the carrying value of the non-current assets or disposal group as a gain or loss from continuing operations in the current statement of income. If the Company's subsidiaries, joint operations, joint ventures, associates and certain investments in joint ventures or associates are no longer classified as held for sale or are removed from the disposal group held for sale, the Company adjusts the comparative information in the current financial statements for the comparable accounting periods following each classification as held for sale.

Impairment losses or reversals of non-current assets held for sale or disposal groups that do not meet the definition of discontinued operations and gains or losses on disposals are reported as income from continuing operations. Operating gains or losses such as impairment losses or reversals and gains or losses on disposals of discontinued operations are presented as profit or loss from discontinued operations.

For discontinued operations reported in the current period, the Company restates the information originally presented as profit or loss from continuing operations in the current financial statements as profit or loss from discontinued operations in comparable accounting periods. For discontinued operations that no longer meet the criteria for classification as held for sale, the Company restates the information originally reported as profit or loss from discontinued operations in the current financial statements as profit or loss from continuing operations in the comparable accounting period.

(41) Other significant accounting policies and estimates

1. Hedge Accounting

(1) Classification of hedges:

1) A fair value hedge is a hedge of the exposure to changes in the fair value of a recognised asset or liability for which a firm commitment (except foreign exchange risk) has not been recognised.

2) A cash flow hedge is a hedge of the risk of changes in cash flows arising from a particular type of risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign exchange risk arising from an unrecognised firm commitment.

3) A hedge of net investment in foreign operations is a hedge of the foreign exchange risk of net investment in foreign operations. Net investment in foreign operations represents the Company's equity share in the net assets of its foreign operations.

(2) Designation of hedging relationships and determination of hedging effectiveness:

At the inception of a hedge relationship, the Company has a formal designation of the hedge relationship and prepares formal written documentation regarding the hedge relationship, risk management objectives and hedging strategy. This document sets out hedging instrument, hedged item or transaction, nature of hedged risk and the Company's approach to evaluating the effectiveness of the hedging instrument.

Hedge effectiveness is the extent to which changes in the fair value or cash flows of a hedging instrument can offset changes in the fair value or cash flows of the hedged item arising from the hedged risk. The Company evaluates hedge effectiveness on an ongoing basis to determine whether the hedge is highly effective for the accounting period in which the hedge relationship is designated. The Company considers a hedge to be highly effective if it satisfies both of the following conditions:

1) There is an economic relationship between the hedged item and the hedging instrument. The economic relationship causes the value of the hedging instrument and the hedged item to change in opposite directions due to the same exposure to the hedged risk.

2) The effect of credit risk is not dominant in value changes arising from the economic relationship between the hedged item and the hedging instrument.

3) The hedge ratio of a hedging relationship should be equal to the ratio of the number of hedged items that the Company actually hedges to the actual number of hedging instruments that hedge them, but should not represent an imbalance in the relative weights of the hedged items and hedging instruments that would render the hedge ineffective and may produce accounting results that are inconsistent with the hedge accounting objective.

(3) Hedge accounting treatment.:

1) Fair value hedge

Changes in the fair value of hedging derivatives are recognised in profit or loss for the period. Changes in the fair value of the hedged item arising from the hedged risk are recognised in profit or loss for the period, together with an adjustment to the carrying amount of the hedged item.

For fair value hedges relating to financial instruments measured at amortised cost, adjustments to the carrying amount of the hedged item should be amortised at the effective interest rate, which is recalculated at the date when amortisation commences, and recognised in profit or loss for the period. Such amortisation may commence from the date of adjustment, but no later than the point at which the hedge gain and loss adjustment for the hedged item is discontinued.

Where the hedged item is a firm commitment that has not been recognised, the cumulative change in the fair value of the firm commitment arising from the hedged risk is recognised as an asset or liability and the related gain or loss is recognised in profit or loss for the period. When an asset is acquired or a liability is assumed in satisfaction of a firm commitment, the amount initially recognised for that asset or liability should be adjusted to include the cumulative change in the fair value of the hedged item that has been recognised.

2) Cash flow hedge

The portion of the gain or loss on a hedging instrument that is an effective hedge is included in other comprehensive income as a cash flow hedge reserve.

Where the hedged item is a forecast transaction and the forecast transaction leads the Company to subsequently recognise a non-financial asset or non-financial liability, or where the forecast transaction of a non-financial asset or non-financial liability creates a firm commitment to which fair value hedge accounting applies, the Company should transfer the amount of the cash flow hedge reserve originally recognised in other comprehensive income to the amount initially recognised for that asset or liability.

For cash flow hedges not covered above, the Company should transfer the amount of cash flow hedge reserve originally recognised in other comprehensive income to profit or loss in the same period in which the hedged expected cash flows affect profit or loss.

If the amount of the cash flow hedge reserve recognised in other comprehensive income is a loss that is not expected to be recovered, in whole or in part, in a future accounting period, the Company should, if it is not expected to be recovered, transfer the portion that is not expected to be recovered from other comprehensive income to profit or loss for the period.

3) Hedge of net investment in foreign operation

Hedge of net investment in foreign operation, including hedge of monetary item that are part of the net investment, are treated similarly to cash flow hedge. The portion of gain or loss on a hedging instrument that is determined to be an effective hedge is included in other comprehensive income and the ineffective portion is recognised in profit or loss for the period.

(42) Notes on changes in significant accounting policies and accounting estimates

The figures set out in this section are denominated in RMB unless otherwise stated.

1. Change in significant accounting policies

(1) Since 1 January, 2020, the Company implemented the "Accounting Standard for Business Enterprises No. 14 - Revenue (2017 Amendment)" (Cai Kuai [2017] No. 22) issued by the Ministry of Finance on 5 July, 2017.

[Note 1] Under the old revenue standard, the Company uses the risk-reward transfer as the standard of judgment for the point of revenue recognition. Revenue from the sale of goods is recognised when the following conditions are also met: (1) the company has transferred to a purchaser the principal risks and rewards of ownership of the goods; (2) the company neither retains continuing management rights associated with ownership nor exercises effective control over the merchandise sold; (3) the amount of revenue can be measured reliably; (4) the associated economic benefits are likely to flow to the business; (5) When the related costs incurred or to be incurred can be measured reliably.

Under the new revenue standard, the Company uses the transfer of control as the standard of judgment for the point of revenue recognition. The Company recognises revenue when it has fulfilled its contractual performance obligations, i.e. when a customer obtains control of the relevant goods. If certain conditions are met, the Company is obliged to perform over a certain period of time, otherwise, it is obliged to perform at a certain point in time. Where a contract contains two or more performance obligations, the Company apportions the transaction price to each individual performance obligation at the contract commencement date in proportion to the individual selling price of the goods committed to each individual performance obligation and measures revenue according to the transaction price apportioned to each individual performance obligation.

The implementation of the new revenue standard has not resulted in any material changes to the specific principles of revenue recognition of the Company, and only additional contract assets or contract liabilities are presented in the balance sheet based on the relationship between the performance of contractual obligations and customer payments under the new revenue standard.

In accordance with the relevant provisions of the new revenue standard, no adjustment is made to the financial statements for the comparative period and the difference between the implementation of the new revenue standard and the previous standard on 1 January 2020 retrospectively adjusts the amount of opening retained earnings and other relevant items in the financial statements for the current period

(The Company only adjusts for the cumulative impact of contracts not yet completed at the date of initial performance).

(2) The Company have implemented the MOF revised Accounting Standards for Business Enterprises 22 - Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises 23 - Transfer of Financial Assets, Accounting Standards for Business Enterprises 24 - Hedging, and Accounting Standards for Business Enterprises 37 - Presentation of Financial Instruments (hereinafter referred to as the new financial instruments standards) sicne 1 January 2020.

In accordance with the relevant regulatory requirements on transition in the new Standard for financial instruments, the Company will not make retrospective adjustments to the comparative statements for the same period of the previous year and the change in accounting policy will not have any impact on the financial position and results of operations of the Company in previous years.

2. Notes on changes in accounting estimates

The Company has no change in accounting estimates in this year.

3. How first-time implementation of the new revenue standard and new financial instruments standard adjust the relevant items in the the financial statements at the beginning of the year of the first-time implementation.

(1) Consolidated Balance Sheet

Item	31 December, 2019	1 January, 2020	Adjustments
Monetary Funds	13,707,244,342.51	13,480,239,534.27	-227,004,808.24
Financial assets held for trading	2,443,733,198.90	3,341,047,052.54	897,313,853.64
Financial assets measured at fair value through changes in profit or loss.	114,376,163.42	N/A	-114,376,163.42
Notes Receivable	1,308,565,843.23	1,293,957,085.26	-14,608,757.97
Accounts Receivable Financing	1,104,674,932.14	1,119,283,690.11	14,608,757.97
Other receivables	8,406,051,675.63	8,374,000,721.50	-32,050,954.13
Where: Interest receivable	50,215,247.65	18,164,293.52	-32,050,954.13
Non-current assets due within one year	-	259,820,000.00	259,820,000.00
Other current assets	3,169,196,368.47	2,909,376,368.47	-259,820,000.00
Loans and advances to customers	2,576,667,284.47	2,587,704,677.89	11,037,393.42
Debt investment	-	350,290,000.00	350,290,000.00

Item	31 December, 2019	1 January, 2020	Adjustments
Available-for-sale financial assets	10,001,869,154.69	N/A	-10,001,869,154.69
Other debt investments	-	1,030,770,936.80	1,030,770,936.80
Other equity instrument investments	40,090,000.00	8,127,038,896.61	8,086,948,896.61
Other non-current financial assets	31,000,000.00	380,230,000.00	349,230,000.00
Other non-current assets	1,394,152,984.38	1,043,862,984.38	-350,290,000.00
Assets sold under agreements to repurchase	862,100,000.00	862,155,579.26	55,579.26
Customer bank deposits and due to banks and other financial institutions	65,946,569.03	70,925,636.32	4,979,067.29
Other payables	5,222,558,713.77	5,217,524,067.22	-5,034,646.55
Where: Interest payable	671,219,181.99	666,184,535.44	-5,034,646.55
Advance receipts	3,127,716,332.64	-	-3,127,716,332.64
Contractual liabilities	N/A	2,939,755,495.45	2,939,755,495.45
Other current liabilities	5,582,540,717.10	5,770,501,554.29	187,960,837.19

[Note 1] Except for the adjustments to the consolidated balance sheet items shown in this table, the first-time implementation of the new financial instruments standard and the new revenue standard did not have an impact on the carrying value of other consolidated balance sheet items at the beginning of the year of first-time implementation.

Description of Adjustments by Accounting Items:

Ministry of Finance issued ASBE No. 22 - Recognition and Measurement of Financial Instruments (Caihui [2017] No. 7), ASBE No. 23 - Transfers of Financial Assets (Caihui [2017] No. 8), ASBE No. 24 - Hedge Accounting (Caihui [2017] No. 9) and ASBE No. 37 - Presentation of Financial Instruments (Caihui [2017] No. 14) (collectively the “New Standards for Financial Instruments”) and require domestic listed businesses to implement the New Financial Instrument Standards from 1 January 2019. In accordance with the requirements, the Company reclassified "available-for-sale financial assets" in the 2019 year-end statements to "other debt investments", and “other non-current financial asset”, “other equity instrument investment”, “financial assets held for trading ” and "financial assets measured at fair value through changes in profit or loss" reclassified to “financial assets held for trading ”; Wealth management products in "Monetary funds" were reclassified to "Trading financial assets”, and entrusted loans in "Other current assets" was reclassified to "Non-current assets due within one year”, and Non-current assets with maturity within one year" and entrusted loans in "Other non-current assets" were reclassified to "Debt investments". Notes to be endorsed or discounted in "Notes receivable” was reclassified to “Receivables Financing"; Interest receivable on financial instruments based on the effective interest rate method in "other receivables" was reclassified to "bank deposits", "loans and advances granted" and "other debt investments". Interest payable on financial instruments based on the effective interest rate method in "other payables" was reclassified to "Customer bank deposits and due to banks and other financial institutions" and "financial assets sold for repurchase" respectively.

According to the Circular on Amendments to and Issuance of Enterprise Accounting Standard No. 14 - Revenue (Cai Kuai [2018] No. 22) amended and issued by the Ministry of Finance on 5 July 2017, enterprises listed both domestically and internationally and for enterprises listed outside China that adopt IFRS or ASBE in preparing their financial statements are required to implement it from 1 January 2018; Other enterprises domestically listed are required to implement it from 1 January 2020; Non-listed companies implementing ASBEs are required to implement it from 1 January 2021. The Company reclassified "Advance receipts" to "Contract liabilities" and "Other current liabilities" in the 2019 year-end statements.

(2) Company Balance Sheet

Item	31 December, 2019	1 January, 2020	Adjustments
Monetary Funds	6,181,185,707.02	5,981,185,707.02	-200,000,000.00
Financial assets held for trading	N/A	747,830,000.00	747,830,000.00
Notes Receivable	853,250,000.00	850,000,000.00	-3,250,000.00
Accounts Receivable Financing	N/A	3,250,000.00	3,250,000.00
Non-current assets due within one year	-	259,820,000.00	259,820,000.00
Other current assets	259,820,000.00	-	-259,820,000.00
Debt investment	N/A	350,290,000.00	350,290,000.00
Available-for-sale financial assets	5,368,439,351.00	N/A	-5,368,439,351.00
Other equity instrument investments	N/A	4,493,379,351.00	4,493,379,351.00
Other non-current financial assets	N/A	327,230,000.00	327,230,000.00
Other non-current assets	657,660,229.05	307,370,229.05	-350,290,000.00
Advance receipts	227,376,228.47	-	-227,376,228.47
Contractual liabilities	N/A	198,208,834.57	198,208,834.57
Other current liabilities	5,500,000,000.00	5,529,167,393.90	29,167,393.90

[Note] Except for the adjustments to the company balance sheet items shown in this table, the first-time implementation of the new revenue standard did not have an impact on the carrying value of other company balance sheet items at the beginning of the year of first-time implementation.

Description of Adjustments by Accounting Items:

Ministry of Finance issued ASBE No. 22 - Recognition and Measurement of Financial Instruments (Caihui [2017] No. 7), ASBE No. 23 - Transfers of Financial Assets (Caihui [2017] No. 8), ASBE No. 24 - Hedge Accounting (Caihui [2017] No. 9) and ASBE No. 37 - Presentation of Financial Instruments (Caihui [2017] No. 14) (collectively the “New Standards for Financial Instruments”) and require domestic listed businesses to implement the New Financial Instrument Standards from 1 January 2019. In accordance with the requirements, the Company reclassified "available-for-sale financial assets" to "other non-current financial asset”, "other equity instrument investment" and “financial assets held for trading” in their 2019 year-end statements. “financial assets measured at fair value through changes in profit or loss” is reclassified into “financial assets held for trading”; Wealth management products in "Monetary funds" were reclassified to "Trading financial assets”, and entrusted loans in "Other current assets" was reclassified to "Non-current assets due within one year”, and Non-current assets with maturity within one year”; entrusted loans in "Other non-current assets" were reclassified to "Debt investments”. Notes to be endorsed or discounted in "Notes receivable” was reclassified to “Receivables Financing”;

According to the Circular on Amendments to and Issuance of Enterprise Accounting Standard No. 14 - Revenue (Cai Kuai [2018] No. 22) amended and issued by the Ministry of Finance on 5 July 2017, enterprises listed both domestically and internationally and for enterprises listed outside China that adopt IFRS or ASBE in preparing their financial statements are required to implement it from 1 January 2018; Other enterprises domestically listed are required to implement it from 1 January 2020; Non-listed companies implementing ASBEs are required to implement it from 1 January 2021. The Company reclassified "Advance receipts" to "Contract liabilities" and "Other current liabilities" in the 2019 year-end statements.

IV. Taxation

(1) Major taxes and tax rates

Taxes	Tax basis	Tax rate
Value Added Tax	Value added in the process of selling goods or providing taxable services	Taxes are calculated and paid at 3%, 5%, 6%, 9%, 10%, 11%, 13%, and 16%. For exported goods subject to the “Tax Exemption, Crediting and Refunding” Policy, the export rebate rates are 15% or 16%.
Land value added tax	Value added on the transfer of rights to use state land and buildings and other attachments thereon for compensation; Prepayments for a pre-sale property are made according to the prepayment rates applicable at the location of the property.	the four-level progressive rate (30% - 60%); The prepayment rate is subject to the specific requirements of the location of the property.
Property tax	1.2% of the residual amount equal to the original value of the property less 30% if taxed on the basis of the property price; 12% of the rental income if taxed on the basis of the rent.	1.2%、12%
Urban maintenance and construction tax	Turnover tax payable	7%, 5%, etc.
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%
Enterprise income tax	Income tax payable	30%、25%、21%、20% 17%, 15.825%, 15%, 9%, etc.

(2) Tax concessions and approvals

1. Value Added Tax

For domestically sold products, sales tax is calculated at rates of 16% or 13% and paid after crediting input tax; For exported goods subject to the “Tax Exemption, Crediting and Refunding” Policy, the export rebate rates are 15% or 16% (see notes for details).

[Note] (1) According to Announcement on Policies Concerning Further Reform of Value-Added Tax (Cai Shui Hai [2019] No. 39) issued by the Ministry of Finance and the State Taxation Administration, since 1 April 2019, the rebate rates are adjusted to 13% and 9% where the tax rates of 16% and 10% were applicable.

(2) According to Announcement on Policies Concerning Further Reform of Value-Added Tax (Cai Shui Hai [2019] No. 39) issued by the Ministry of Finance and the State Taxation Administration, since 1 April 2019, the export rebate rate applicable to aluminium foil is adjusted to 13% from 15%.

2. Enterprise income tax

(1) On 22 February 2019, Nanshan Aluminium, a subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201837000107) pursuant to the Notice on the Recognition of 505 Enterprises, including Maihe Robotics Automation Company Co., Ltd., as the First Batch of High and New Technology Enterprises in 2018, jointly issued by the Department of Science and Technology of Shandong Province, the Department of Finance of Shandong Province and the Shandong Provincial Tax Bureau. The qualification is valid for three years from 1 January 2018 to 31 December 2020 during which the Company is entitled to the preferential enterprise income tax rate of 15%.

(2) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201937002142). The qualification is valid for three years from 1 January 2019 to 31 December 2021 during which the Company is entitled to the preferential enterprise income tax rate of 15%.

（3） The tax rate is 30% for Nanshan Aluminium Australia Limited., a controlled subsidiary of the Company; The tax rate is 17% for Nanshan Aluminium Singapore Limited., a controlled subsidiary of the Company; The tax rate is 17% for GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD., a controlled subsidiary of Nanshan Aluminium Singapore Limited.; The tax rate is 25% for PT BINTAN ALUMINA INDONESIA, a controlled subsidiary of GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD.; The tax rate is 15.825% for Shandong Nanshan Aluminium Europa GmbH, a controlled subsidiary of the Company and the federal income tax rate is 21% for Nanshan American Advanced Aluminium Technology Co., Ltd., a controlled subsidiary of the Company.

(4) According to the Notice of the State Administration of Taxation on the Implementation of Preferential Income Tax Rate for High and New Technology Enterprises (Guo Shui Han [2009] No. 203), High and New Technology Enterprises are entitled to the preferential enterprise income tax rate of 15%. On 15 December, 2016，Zhishang Technology, a subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201637001039). The qualification is valid for three years from 1 January 2017 to 31 December 2019 during which the Company is entitled to the preferential enterprise income tax rate of 15%. Zhishang Technology, a subsidiary of the Company, has passed the High and New Technology Enterprise Qualification review and obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201937002139). The qualification is valid for three years from 1 January 2019 to 31 December 2021 during which the Company is entitled to the preferential enterprise income tax rate of 15%.

(5) According to Notice on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises (Cai Shui (2019) No. 13), the portion of the annual taxable income of small and micro enterprises below RMB 1 million shall be reduced by 25% before being taxed at the enterprise income tax rate of 20%; The portion of annual taxable income more than RMB 1 million but less than RMB 3 million shall be reduced by 50% before being taxed at the enterprise income tax rate of 20%; In 2020, Shandong Betani Clothing Co., Ltd., Filat (Beijing) Trading Co., Ltd., Beijing Nanshan E-commerce Co., Ltd., and Nanshan Zizhongtang Protection Technology Co., Ltd., subsidiaries of the Company, paid their enterprise income taxes as small and micro businesses.

(6) According to the circular of the State Administration of Taxation on the implementation of the taxation policy for the development of the western region, from 1 January 2011 to 31 December 2020, corporate income tax will be levied at a reduced rate of 15% on enterprises in the on-demand industries located in the western region. In the letter from the Beihai Development and Reform Commission regarding the review of the recognition of certain businesses of Guangxi Huahengtong Energy Technology Co., Ltd. under the on Demand Industry Category, Guangxi Huahengtong Energy Technology Co., Ltd., a subsidiary of the Company, was deemed to have commenced the business of storage and transportation of liquefied natural gas, which is in compliance with paragraph 3 "Storage and transportation of crude oil, natural gas, liquefied natural gas and refined oil products and construction of pipeline transmission facilities and networks" of Article 7 "Oil and natural gas" of the On Demand Category.

(7) In the Notice on Continuation and Amendment of Several Policies and Regulations on Promoting the Opening-Up and Development of Guangxi's Beibu Gulf Economic Zone (Gui Zheng Fa [2014] No. 5), newly established enterprises that are entitled to a 15% reduction in the enterprise income tax rate for the development of the western part of the country and at the same time are 40% exempted from the local portion of the enterprise income tax. In accordance with the above Notice, Guangxi Huahengtong Energy Technology Co., Ltd., a subsidiary of the Company, is subject to an income tax rate of 9%.

V. Notes to items in the consolidated financial statements

Unless otherwise specified, 'beginning of period' refers to January 1, 2020; 'end of period' refers to December 31, 2020; 'this year' refers to Year 2020; 'last year' refers to Year 2019, in the following notes. The amount is in Renminbi Yuan (RMB).

(1) Cash at bank and on hand

1. Breakdown

Item	Closing balance	Opening balance
Cash on hand	10,106,547.97	9,572,827.24
Bank deposit	15,319,283,160.55	8,813,916,334.77
Other cash at bank and on hand	4,332,559,712.56	4,648,647,490.28
Interest receivable not yet due	8,458,267.00	8,102,881.98
Total	19,670,407,688.08	13,480,239,534.27
Where: Total deposit outside Mainland China	2,970,264,155.69	1,717,498,561.54

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Other monetary funds at the end of the period comprise Banker's Acceptance Draft Security Deposit, Loan Security Deposit, Letter of Credit Security Deposit, Guarantee Security Deposit, and Futures Security Deposit.

3. For details of the Company's amounts at the end of the period that are restricted in use due to mortgages or freezes, as well as those held offshore and whose repatriation is restricted, please refer to Note V(71) "Assets with restricted ownership rights or right to use".

4. For details of monetary funds in foreign currency, please refer to Note V(72) "Monetary Items in Foreign Currency".

(2) Financial assets held for trading

Item	Closing balance	Opening balance
Financial assets measured at fair value through changes in profit or loss.	102,300,052.84	3,341,047,052.54
Where: Investment in debt instruments	-	-
Equity instrument investments	13,371,459.44	60,665,404.00
Other	88,928,593.40	836,648,449.64
Structured Deposit	-	2,443,733,198.90
Ineffective hedging instrument	-	-
Financial assets designated as measured at fair value through changes in profit or loss.	20,000,000.00	-
Where: Investment in debt instruments	-	-
Equity instrument investments	-	-
Other	20,000,000.00	-
Total	122,300,052.84	3,341,047,052.54

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

(3) Derivative financial assets

1. Breakdown

Item	Closing balance	Opening balance
Hedging Instruments	1,841,425.00	3,623,881.46
Total	1,841,425.00	3,623,881.46

2. The Company's derivative financial assets at the end of the reporting period represent the floating earnings on aluminium futures contracts held as effective hedges.

(4) Notes Receivable

1. Breakdown

Category	Closing balance	Opening balance
Banker's acceptance bill	779,708,322.87	4,450,000.00
Trade acceptance bill	694,493,474.18	1,327,161,202.94

Category	Closing balance	Opening balance
Subtotal	1,474,201,797.05	1,331,611,202.94
Less: Bad debt provision	28,236,151.32	37,654,117.68
Total	1,445,965,645.73	1,293,957,085.26

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Disclosures by the method of provisions for bad debts

(1) Excluding Nanshan Aluminium, Zhishang Technology and Hengtong Logistics

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	-	-	-	-	-
Where:					
Bad debt provision on group basis	44,155,835.09	100.00	190,833.97	-	43,965,001.12
Where:					
Banks with low credit risk	5,989,042.08	13.56	-	-	5,989,042.08
Companies with low credit risk	38,166,793.01	86.44	190,833.97	0.50	37,975,959.04
Companies with high credit risk	-	-	-	-	-
Total	44,155,835.09	100.00	190,833.97	-	43,965,001.12

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount:	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision withdrawn in separate item	-	-	-	-	-
Where:					
Bad debt provision on group basis	499,724,948.25	100.00	-	-	499,724,948.25
Where:					
Banks with low credit risk	4,450,000.00	0.89	-	-	4,450,000.00
Companies with low credit risk	495,274,948.25	99.11	-	-	495,274,948.25
Companies with high credit risk	-	-	-	-	-

Category	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Provision ratio (%)	
Total	499,724,948.25	100.00	-	-	499,724,948.25

(2) Nanshan Aluminium

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	-	-	-	-	-
Where:					
Bad debt provision on group basis	1,354,122,790.73	100.00	27,993,959.51	-	1,326,128,831.22
Where:					
Banks with low credit risk	773,719,280.79	57.14	-	-	773,719,280.79
Companies with low credit risk	20,524,319.82	1.51	-	-	20,524,319.82
Companies with high credit risk	559,879,190.12	41.35	27,993,959.51	5.00	531,885,230.61
Total	1,354,122,790.73	100.00	27,993,959.51	-	1,326,128,831.22

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision withdrawn in separate item	-	-	-	-	-
Where:					
Bad debt provision on group basis	831,886,254.69	100.00	37,654,117.68	-	794,232,137.01
Where:					
Banks with low credit risk	-	-	-	-	-
Companies with low credit risk	78,803,901.11	9.47	-	-	78,803,901.11
Companies with high credit risk	753,082,353.58	90.53	37,654,117.68	5.00	715,428,235.90
Total	831,886,254.69	100.00	37,654,117.68	-	794,232,137.01

(3) Zhishang Technology

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	-	-	-	-	-
Where:					
Bad debt provision on group basis	513,578.40	100.00	51,357.84	10.00	462,220.56
Where:					
Banker's Acceptance Bill Group	-	-	-	-	-
Trade acceptance bill group	513,578.40	100.00	51,357.84	10.00	462,220.56
Total	513,578.40	100.00	51,357.84	10.00	462,220.56

(4) Hengtong Logistics

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	-	-	-	-	-
Where:					
Bad debt provision on group basis	75,409,592.83	100.00	-	-	75,409,592.83
Where:					
Banker's Acceptance Bill Group	-	-	-	-	-
Trade acceptance bill group	75,409,592.83	100.00	-	-	75,409,592.83
Total	75,409,592.83	100.00	-	-	75,409,592.83

3. Provisions made for bad debt

Notes receivable of provision for bad debt in combo at the end of year

(1) Excluding Nanshan Aluminium, Zhishang Technology and Hengtong Logistics

Group	Book balance	Bad debt provision	Provision ratio (%)
Banks with low credit risk	5,989,042.08	-	-
Companies with low credit risk	38,166,793.01	190,833.97	0.50
Companies with high credit risk	-	-	-
Subtotal	44,155,835.09	190,833.97	

(2) Nanshan Aluminium

Group	Book balance	Bad debt provision	Provision ratio (%)
Banks with low credit risk	773,719,280.79	-	-
Companies with low credit risk	20,524,319.82	-	-
Companies with high credit risk	559,879,190.12	27,993,959.51	5.00
Subtotal	1,354,122,790.73	27,993,959.51	

(3) Zhishang Technology

Group	Book balance	Bad debt provision	Provision ratio (%)
Banker's Acceptance Bill Group	-	-	-
Trade acceptance bill group	513,578.40	51,357.84	10.00
Subtotal	513,578.40	51,357.84	10.00

(4) Hengtong Logistics

Group	Book balance	Bad debt provision	Provision ratio (%)
Banker's Acceptance Bill Group	-	-	-
Trade acceptance bill group	75,409,592.83	-	-
Subtotal	75,409,592.83	-	-

4. Provisions for bad debts that are made, recovered or reversed for the period

Category	Opening balance	Changes of amount in the period				Closing balance
		Provision	Recovery or reversal	Resell or write-off	Other	
Bad debt provision on individual basis	-	-	-	-	-	-
Bad debt provision on group basis	37,654,117.68	242,191.81	9,660,158.17	-	-	28,236,151.32
Subtotal	37,654,117.68	242,191.81	9,660,158.17	-	-	28,236,151.32

5. There are no notes receivable pledged at the end of the period

6. There was no notes transferred to accounts receivable at the end of the period due to non-performance by the drawers.

(5) Accounts receivable

1. Disclosure by age

Account age	Closing balance
Less than 1 year	5,834,279,015.63
1 to 2 years	196,665,629.63

Account age	Closing balance
2-3 years	532,838,231.59
More than 3 years	306,938,578.29
Subtotal	6,870,721,455.14
Less: Bad debt provision	-190,550,421.35
Total	6,680,171,033.79

2. Disclosures by the method of provisions for bad debts

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	27,553,345.62	0.40	21,348,702.37	77.48	6,204,643.25
Bad debt provision on group basis	6,843,168,109.52	99.60	169,201,718.98	2.47	6,673,966,390.54
Where:					
Credit risk group	2,778,032,210.86	40.43	148,876,039.49	5.36	2,629,156,171.37
Other group	4,065,135,898.66	59.17	20,325,679.49	0.50	4,044,810,219.17
Total	6,870,721,455.14	100.00	190,550,421.35	2.77	6,680,171,033.79

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	-	-	-	-	-
Where:					
Bad debt provision on group basis	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07
Where:					
Credit risk group	2,299,184,103.71	45.34	122,948,695.14	5.35	2,176,235,408.57
Other group	2,771,387,266.83	54.66	13,856,936.33	0.50	2,757,530,330.50
Total	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07

3. Provisions made for bad debt

(1) Accounts receivable with a provision for bad debts on an individual basis at the end of the period

Entity name	Book balance	Bad debt provision	Provision ratio (%)	Reasons
Mesco Manufacturng, LLC	4,251,599.72	1,372,557.67	32.28	Assessment of risk on individual basis
Metal Fnshng Solutons	2,266,901.37	2,266,900.35	100.00	Assessment of risk on individual basis
Wabash Natonal, LP	855,190.98	848,237.00	99.19	Assessment of risk on individual basis
Shandong Electric Power Construction No. 2 Engineering Company	295,000.00	295,000.00	100.00	Not expected to be recovered
Zibo Xingyun Logistics Co. Ltd.	328,994.56	328,994.56	100.00	Not expected to be recovered
Shandong Tianhong New Energy Chemical Co., Ltd.	8,387,007.78	8,387,007.78	100.00	Not expected to be recovered
Shandong Qicheng Logistics Co. Ltd.	839,450.00	839,450.00	100.00	Not expected to be recovered
Shandong Runyin Biochemical Co., Ltd.	6,153,181.31	4,922,545.05	80.00	There are recovery uncertainty
Dongying Renhe Logistics Co., Ltd.	395,200.00	197,600.00	50.00	There are recovery uncertainty
Guangrao Guangtong Logistics Co., Ltd.	66,000.00	33,000.00	50.00	There are recovery uncertainty
Guangrao County Dongfang Hualong Logistics Co., Ltd.	703,371.69	351,685.85	50.00	There are recovery uncertainty
Dongying Shenchi Logistics Co., Ltd.	28,350.00	14,175.00	50.00	There are recovery uncertainty
Dongying Xiangtai Logistics Co., Ltd.	132,000.00	66,000.00	50.00	There are recovery uncertainty
Dongying Hengbang Transportation Co., Ltd.	146,508.19	73,254.10	50.00	There are recovery uncertainty
Dongying Yintai Logistics Co., Ltd.	457,440.00	228,720.00	50.00	There are recovery uncertainty
Dongying Yuan Tong Transportation Co., Ltd.	60,500.00	30,250.00	50.00	There are recovery uncertainty
Dongying Aoxing Logistics Co., Ltd.	164,250.00	82,125.00	50.00	There are recovery uncertainty
Dongying Jingchen Logistics Co., Ltd.	297,000.00	148,500.00	50.00	There are recovery uncertainty
Dongying Yinghai Logistics Co., Ltd.	53,600.00	26,800.00	50.00	There are recovery uncertainty
Dongying Guanghui Logistics Co., Ltd.	143,000.00	71,500.00	50.00	There are recovery uncertainty
Dongying Xintong Yuan Transportation Co., Ltd.	148,400.00	74,200.00	50.00	There are recovery uncertainty
Dongying Huawei Logistics Co., Ltd.	110,000.00	55,000.00	50.00	There are recovery uncertainty
Dongying Zhaocheng Transportation Co., Ltd.	19,200.00	9,600.00	50.00	There are recovery uncertainty
Kenli Shengkai Logistics Co., Ltd.	231,000.00	115,500.00	50.00	There are recovery uncertainty
Shandong Yuan Shun Transportation Co., Ltd.	443,900.00	221,950.00	50.00	There are recovery uncertainty
Dongying Xinrun Logistics Co., Ltd.	92,000.00	46,000.00	50.00	There are recovery uncertainty
Guangrao Guangda Logistics Co., Ltd.	64,000.00	32,000.00	50.00	There are recovery uncertainty
Dongying Tengmai Transportation Co., Ltd.	16,500.00	8,250.00	50.00	There are recovery uncertainty

Entity name	Book balance	Bad debt provision	Provision ratio (%)	Reasons
Dongying Boyuan Transportation Co., Ltd.	225,500.00	112,750.00	50.00	There are recovery uncertainty
Dongying Shun Tong Transportation Co., Ltd.	38,500.00	19,250.00	50.00	There are recovery uncertainty
Shandong Gaida Logistics Co., Ltd.	33,000.00	16,500.00	50.00	There are recovery uncertainty
Dongying Zagman Petroleum Technology Development Co., Ltd.	27,500.00	13,750.00	50.00	There are recovery uncertainty
Shandong Province Kenli Automobile Industry Trading Company	40,800.00	20,400.00	50.00	There are recovery uncertainty
Shandong Dongying Yongyuan Logistics Co. Ltd.	38,500.02	19,250.01	50.00	There are recovery uncertainty
Subtotal	27,553,345.62	21,348,702.37	-	

(2) Accounts receivable for which bad debt provision is made by groups of credit risk at the end of the period

1) Withdrawal of bad debt provision - Nanshan Aluminium

Account age	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	2,315,021,881.81	115,751,094.08	5.00
1-2 years (inclusive)	91,535,450.31	9,153,545.03	10.00
2-3 years (inclusive)	25,338,543.93	5,067,708.79	20.00
More than 3 years	-	-	-
Subtotal	2,431,895,876.05	129,972,347.90	5.34

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	1,929,839,406.14	96,491,970.33	5.00
1-2 years (inclusive)	124,249,842.46	12,424,984.25	10.00
2-3 years (inclusive)	1,099,555.27	219,911.05	20.00
More than 3 years	-	-	-
Subtotal	2,055,188,803.87	109,136,865.63	5.31

2. Withdrawal of bad debt provision - Zhishang Technology

Account age	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	193,626,217.64	9,681,310.86	5.00

Account age	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
1-2 years (inclusive)	11,679,642.19	1,167,964.22	10.00
2-3 years (inclusive)	4,425,116.21	885,023.24	20.00
3-5 years (inclusive)	225,302.03	112,651.02	50.00
More than 5 years	-	-	-
Subtotal	209,956,278.07	11,846,949.34	5.64

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	219,579,874.86	10,978,993.75	5.00
1-2 years (inclusive)	20,970,043.44	2,094,800.43	10.00
2-3 years (inclusive)	3,282,184.79	656,436.96	20.00
3-5 years (inclusive)	163,196.75	81,598.37	50.00
More than 5 years	-	-	-
Subtotal	243,995,299.84	13,811,829.51	5.66

3) Provisions made for bad debt - Hengtong Logistics

Account age	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	133,610,692.57	6,680,534.64	5.00
1-2 years (inclusive)	1,376,652.22	137,665.22	10.00
2-3 years (inclusive)	1,192,711.95	238,542.39	20.00
3-5 years (inclusive)	-	-	-
More than 5 years	-	-	-
Subtotal	136,180,056.74	7,056,742.25	5.18

(3) Other accounts receivable for which bad debt provision is made in group at the end of the period

Account age	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	3,192,020,223.61	15,960,101.12	0.50
1-2 years (inclusive)	79,684,722.94	398,423.61	0.50

Account age	Closing balance		
	Book balance	Bad debt provision	Provision ratio (%)
2-3 years (inclusive)	501,881,859.50	2,509,409.30	0.50
More than 3 years	291,549,092.61	1,457,745.46	0.50
Subtotal	4,065,135,898.66	20,325,679.49	0.50

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Provision ratio (%)
Within 1 year (inclusive)	1,100,834,121.78	5,504,170.60	0.50
1-2 years (inclusive)	1,285,496,135.63	6,427,480.68	0.50
2-3 years (inclusive)	333,966,829.93	1,669,834.15	0.50
More than 3 years	51,090,179.49	255,450.90	0.50
Subtotal	2,771,387,266.83	13,856,936.33	0.50

4. Provisions for bad debts that are made, recovered or reversed for the period

(1) Provision for bad debts for the period

Category	Opening balance	Changes of amount in the period				Closing balance
		Provision	Recovery or reversal	Resell or write-off	Other	
Bad debt provision on individual basis	-	21,402,295.06	-	53,592.69	-	21,348,702.37
Bad debt provision on group basis	136,805,631.47	37,176,531.78	4,780,444.27	-	-	169,201,718.98
Subtotal	136,805,631.47	58,578,826.84	4,780,444.27	53,592.69	-	190,550,421.35

(2) Where: provision for recovery or reversal of bad debts in the period

The amount of bad debt provision reversed during the period was RMB4,780,444.27; there were no accounts receivable for which the Company had made full or substantial provision for bad debts in previous years and which were fully or partially recovered during the period.

5. Actual write-off of accounts receivable during the period

Item	Write-offs
Actual write-off of accounts receivable	53,592.69

6. Top 5 in accounts receivable at the end of the period

The aggregate amount of the Company's top 5 accounts receivable at the end of the year, aggregated by parties in default, was RMB3,351,029,243.37, representing 48.76% of the total year-end balance of accounts receivable, and the corresponding provision for bad debts at the end of the year was RMB32,774,893.11.

7. Accounts receivable derecognised due to transfer of financial assets

(1) Nanshan America Co., Ltd., a wholly-owned subsidiary of Nanshan Aluminium, signed an accounts receivable factoring contract with BNP Paribas. According to the contract, BNP Paribas bought out the accounts receivable under the contract. On December 31, 2020, the company's accounts receivable derecognised as a result was RMB1,089,302,900.44 (USD166,945,531.80).

(2) Nanshan Aluminium Europe Co., Ltd., a wholly-owned subsidiary of Nanshan Aluminium, signed an accounts receivable factoring contract with BNP Paribas. According to the contract, BNP Paribas bought out the accounts receivable under the contract. On December 31, 2020, the company's accounts receivable derecognised as a result amounted to RMB 89,998,179.60 (including USD 8,641,109.92 and EUR 611,220.45).

8. There are no assets or liabilities formed by its continuous involvement of transferring other receivables during the period.

9. For details of accounts receivable in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(6) Account Receivables Financing

1. Breakdown

Item	Closing balance	Opening balance
Notes receivable measured at fair value through other comprehensive income	400,190,780.50	1,119,283,690.11

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Changes in receivables financing and changes in fair value during the period

Item	Opening balance	Change in cost for the period	Change in fair value during the period	Closing balance
Notes receivable measured at fair value through other comprehensive income	1,119,283,690.11	-719,092,909.61	-	400,190,780.50

Continued:

Item	Opening costs	Closing costs	Cumulative fair value movements	Accumulated provision for losses recognised in other comprehensive income
Notes receivable measured at fair value through other comprehensive income	1,119,283,690.11	400,190,780.50	-	-

3. The Company had no pledged receivables financing at the end of the period.

4. There was no notes transferred to accounts receivable at the end of the period due to non-performance by the drawers.

(7) Advance receipts

1. Aging analysis

Account age	Closing value	Opening balance

	Amount	Percentage (%)	Amount	Percentage (%)
Less than 1 year	2,071,420,283.88	93.17	1,581,188,687.32	72.47
1 to 2 years	33,501,696.92	1.51	102,236,593.12	4.69
2-3 years	13,615,964.59	0.61	12,462,193.14	0.57
More than 3 years	104,850,239.87	4.71	485,976,136.53	22.27
Total	2,223,388,185.26	100.00	2,181,863,610.11	100.00

2. Top 5 prepayments in terms of amount

The cumulative amount of the top five prepayment balances of the Company at the end of the period was $752,400,022.39, representing 33.85% of the prepayment balance.

3. Prepayments aged over one year and of significant amounts were not settled in a timely manner because the agreement had not been completed.

4. At the end of the period, no obvious sign of impairment of prepayments were noted, so no provision for impairment was made.

(8) Other receivables

1. Breakdown

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Interest receivable	9,731,921.27	-	9,731,921.27
Dividend receivable	16,000,000.00	-	16,000,000.00
Other receivables	6,693,614,205.52	111,125,853.13	6,582,488,352.39
Total	6,719,346,126.79	111,125,853.13	6,608,220,273.66

Continued:

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Interest receivable	18,164,293.52	-	18,164,293.52
Dividend receivable	-	-	-
Other receivables	8,442,475,171.64	86,638,743.66	8,355,836,427.98
Total	8,460,639,465.16	86,638,743.66	8,374,000,721.50

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Interest receivable

Item	Closing balance	Opening balance

Item	Closing balance	Opening balance
Interest income on borrowing	8,726,552.40	14,249,217.51
Interest income from financial Leasing	1,005,368.87	3,915,076.01
Subtotal	9,731,921.27	18,164,293.52
Less: Bad debt provision	-	-
Subtotal	9,731,921.27	18,164,293.52

3. Dividend receivable

Item	Closing balance	Opening balance
Subtotal	16,000,000.00	-
Less: Bad debt provision	-	-
Subtotal	16,000,000.00	-

4. Other receivables

(1) Disclosure by age

Account age	Closing balance
Less than 1 year	2,500,525,133.90
1 to 2 years	1,507,152,998.18
2-3 years	1,604,946,101.62
More than 3 years	1,080,989,971.82
Subtotal	6,693,614,205.52
Less: Bad debt provision	111,125,853.13
Subtotal	6,582,488,352.39

(2) Classification by nature

Nature of amount	Closing value	Opening balance
Inter-group current accounts - entities	6,259,416,647.66	8,166,045,930.51
Inter-group current accounts - individuals	193,303,334.72	71,307,153.06
Security deposit and guarantee	216,003,188.64	193,829,070.10
Other	24,891,034.50	11,293,017.97
Subtotal	6,693,614,205.52	8,442,475,171.64

(3) Breakdown

Category	Closing balance

	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	41,755,539.26	0.62	41,755,539.26	100.00	-
Bad debt provision on group basis	6,651,858,666.26	99.38	69,370,313.87	1.04	6,582,488,352.39
Subtotal	6,693,614,205.52	100.00	111,125,853.13	1.66	6,582,488,352.39

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	12,500,000.00	0.15	12,500,000.00	100.00	-
Bad debt provision on group basis	8,429,975,171.64	99.85	74,138,743.66	0.88	8,355,836,427.98
Subtotal	8,442,475,171.64	100.00	86,638,743.66	1.03	8,355,836,427.98

(4) Provisions made for bad debt

1) Other receivables with individually significant amounts and subject to separate provision at the end of the period

Entity name	Book balance	Bad debt provision	Provision ratio (%)	Reasons
Yunnan Hongxiang Yixintang Pharmaceutical (Group) Co. Ltd.	12,500,000.00	12,500,000.00	100.00	Not expected to be recovered
Qingdao Longke Communication Network System Co., Ltd.	17,000,000.00	17,000,000.00	100.00	Not expected to be recovered
Lsa Zou Xangyun	9,861,270.72	9,861,270.72	100.00	Not expected to be recovered
Shandong Tianhong New Energy Chemical Co., Ltd.	500,000.00	500,000.00	100.00	Not expected to be recovered
Longkou Hengtong Automobile Trading Co., Ltd.	1,603,118.14	1,603,118.14	100.00	Not expected to be recovered
Shanxi Lianfa Energy Co., Ltd.	291,150.40	291,150.40	100.00	Not expected to be recovered
Subtotal	41,755,539.26	41,755,539.26	100.00	-

2) Other receivables for which bad debt provision is made in group at the end of the period

Other receivables for which bad debt provision is made in the group of credit risk at the end of the period

A. Other receivables for which bad debt provision is made in the group of credit risk at the end of the period - Nanshan Aluminium

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	283,668,747.21	14,183,437.36	5.00

Account age	Closing balance		
1 to 2 years	13,815,532.11	1,381,553.21	10.00
2-3 years	20,000.00	4,000.00	20.00
More than 3 years	36,900,970.48	18,450,485.24	50.00
Subtotal	334,405,249.80	34,019,475.81	10.17

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	248,930,517.18	12,446,525.85	5.00
1 to 2 years	100,000.00	10,000.00	10.00
2-3 years	741,866.27	148,373.25	20.00
More than 3 years	37,163,137.50	18,581,568.75	50.00
Subtotal	286,935,520.95	31,186,467.85	10.87

B. Provisions made for bad debt - Zhishang Technology

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	28,245,443.99	1,412,272.20	5.00
1 to 2 years	5,766,466.08	576,646.61	10.00
2-3 years	3,162,302.03	632,460.41	20.00
3-5 years	607,433.41	303,716.71	50.00
More than 5 years	1,500.00	1,500.00	100.00
Subtotal	37,783,145.51	2,926,595.93	7.75

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	25,210,807.02	1,260,540.36	5.00
1 to 2 years	4,877,701.49	487,770.15	10.00
2-3 years	2,837,282.56	567,456.51	20.00
3-5 years	87,978.16	43,989.09	50.00
More than 5 years	42,603.31	42,603.31	100.00

Account age	Opening balance		
Subtotal	33,056,372.54	2,402,359.42	7.27

C. Provision for bad debts - Hengtong Logistics

Risk Group	Closing balance		
	Book balance	Provision for bad debts:	Provision ratio (%)
Current accounts, provisions and other	12,008,989.66	894,675.99	7.45
Temporary borrowings for accident handling	530,893.62	193,914.20	36.53
Subtotal	12,539,883.28	1,088,590.19	8.68

[Note] Provision for bad debts on accident-related borrowing at the end of the period is based on the proportion of unrecovered amounts to that accident-related borrowing in each accounting year.

D. Other groups

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	2,184,084,265.75	10,920,421.33	0.50
1 to 2 years	1,477,663,525.12	7,388,317.63	0.50
2-3 years	1,601,263,799.59	8,006,319.00	0.50
More than 3 years	1,004,118,797.21	5,020,593.98	0.50
Subtotal	6,267,130,387.67	31,335,651.94	0.50

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	2,815,133,885.59	14,075,669.43	0.50
1 to 2 years	2,287,628,041.14	11,438,140.20	0.50
2-3 years	1,318,610,672.38	6,593,053.36	0.50
More than 3 years	1,688,610,679.04	8,443,053.40	0.50
Subtotal	8,109,983,278.15	40,549,916.39	0.50

(5) Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision made during the period - RMB29,383,156.19; The amount of other receivables recovered during the period was RMB4,896,046.72.

(6) There were actually no other receivables written off during the period.

(7) There were no government grants receivable as at 31 December 2020.

(8) Top 5 other receivables in terms of amount at the end of the period

The aggregate amount of the top 5 other receivables at the end of the year, aggregated by parties in default, was RMB1,960,772,463.17, representing 29.29% of the total year-end balance of other receivables, and the corresponding provision for bad debts at the end of the year amounted to RMB21,469,225.84.

(9) There are no other receivables derecognised due to transfer of financial assets during the reporting period

(10) There are no amount of assets or liabilities developed as other receivables have been transferred but the involvement continues during the reporting period

(11) For details of other receivables in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(9) Inventories

1. Breakdown

Item	Closing balance		
	Book balance	Provision for write-down of inventories or provision for impairment of contractual performance costs	Book value
Raw materials	2,155,133,920.65	8,655,930.87	2,146,477,989.78
Products in process	9,524,259,263.93	9,642,147.48	9,514,617,116.45
Products in stock	4,920,633,608.90	89,314,033.06	4,831,319,575.84
Materials consigned for processing	2,939,123.78	-	2,939,123.78
Low value consumables	11,848.47	-	11,848.47
Total	16,602,977,765.73	107,612,111.41	16,495,365,654.32

Continued:

Item	Opening balance		
	Book balance	Provision for write-down of inventories or provision for impairment of contractual performance costs	Book value
Raw materials	2,576,766,157.49	19,218,572.95	2,557,547,584.54
Products in process	9,313,092,997.87	10,447,182.00	9,302,645,815.87
Products in stock	5,266,447,810.28	77,684,326.75	5,188,763,483.53
Materials consigned for processing	19,739,060.64	-	19,739,060.64
Low value consumables	287,308.32	-	287,308.32
Total	17,176,333,334.60	107,350,081.70	17,068,983,252.90

[Note] There are no assets in the closing inventory that are used to secure debt.

2. Provision for write-down of inventories and provision for impairment of contractual performance costs

Categories	Opening balance	Increment this year		Decrement this year		Closing balance
		Provision	Other	Reversal or Write-back	Other	
Raw materials	19,218,572.95	4,929,698.35	-	15,492,340.43	-	8,655,930.87
Products in process	10,447,182.00	6,489,271.41	-	7,294,305.93	-	9,642,147.48
Products in stock	77,684,326.75	67,327,482.92	-	55,697,776.61	-	89,314,033.06
Subtotal	107,350,081.70	78,746,452.68	-	78,484,422.97	-	107,612,111.41

3. No interest was capitalised in the closing balance of inventories.

(10) Assets held for sales

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Subsidiaries ready for sale	28,628,012.89	-	28,628,012.89	28,628,012.89	-	28,628,012.89
Long-term assets ready for sale	76,612,399.73	-	76,612,399.73	-	-	-
Total	105,240,412.62	-	105,240,412.62	28,628,012.89	-	28,628,012.89

2. Other Description

(1) In December 2018, the Board of Directors of the Company approved the proposed transfer of the equity interests in three companies, namely Longkou Weihua Property Company Limited, Qingdao Linghai Mingzhu Property Company Limited and Qingdao Kaitong Property Company Limited, to external parties and as at 31 December 2020, the transfer was in progress.

(2) Longkou Port Group Co., Ltd. intends to purchase long-term assets such as buildings, land use rights and machinery and equipment from Hengtong Logistics and its subsidiary, Longkou City Gang Heng Storage Co., Ltd.

(11) Non-current assets due within one year

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Debt investments due within one year	-	-	-	-	-	-
Other debt investments due within one year	-	-	-	-	-	-
Long-term receivables due within one year	-	-	-	-	-	-

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Other	148,210,000.00	-	148,210,000.00	259,820,000.00	-	259,820,000.00
Total	148,210,000.00	-	148,210,000.00	259,820,000.00	-	259,820,000.00

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

(12) Other current assets

1. Breakdown

Item	Closing balance		Opening balance			
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Debt investments due within one year acquired	-	-	-	-	-	-
Other debt investments due within one year acquired	-	-	-	-	-	-
Contract acquisition costs	-	-	-	-	-	-
Costs of goods returned receivable	-	-	-	-	-	-
Input tax to be deducted	698,050,335.51	-	698,050,335.51	476,707,422.92	-	476,707,422.92
Prepaid tax	719,710,009.23	-	719,710,009.23	611,270,580.87	-	611,270,580.87
Other	79,895,006.52	-	79,895,006.52	1,821,398,364.68	-	1,821,398,364.68
Total:	1,497,655,351.26	-	1,497,655,351.26	2,909,376,368.47	-	2,909,376,368.47

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. At the end of the period, no obvious sign of impairment of other current assets was noted, so no provision for impairment was made.

(13) Loans and advances to customers

1. Breakdown

Item	Closing balance	Opening balance
Corporate Loans and Advances	1,006,295,280.28	2,666,443,467.74
Short-term loans	856,343,344.00	1,261,280,000.00
Bill Discounting	149,951,936.28	349,163,467.74

Item	Closing balance	Opening balance
Medium to Long Term Loans	-	1,056,000,000.00
Interest receivable not yet due	13,127,564.91	11,037,393.42
Less: General provision for loan losses	10,255,190.74	26,744,141.11
Less: Dedicated reserve for loan losses - special mention	1,678,866.88	-
Less: Dedicated reserve for loan losses - normal	24,562,884.52	63,032,042.16
Less: Special reserve for loan losses	-	-
Net loans and advances	982,925,903.05	2,587,704,677.89

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. The balance at the end of the period mainly represented loans originated by Nanshan Group Finance Company Limited, a controlled subsidiary of the Company.

(14) Debt investment

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Entrusted Loans：	1,213,960,000.00	-	1,213,960,000.00	350,290,000.00	-	350,290,000.00
Treasury Bonds:	175,349,471.29	-	175,349,471.29	-	-	-
Interest receivable not yet due	1,621,563.30		1,621,563.30	-	-	-
Total	1,390,931,034.59	-	1,390,931,034.59	350,290,000.00	-	350,290,000.00

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Significant Debt Investments

(1) Entrusted loans

Item	Closing balance	Opening balance
Hainan Manning Hongji Property Company Limited	1,213,960,000.00	350,290,000.00

(2) Treasury Bonds

Debt items	Closing balance				Opening balance			
	Face value	Coupon rate (%)	Effective interest rate (%)	Maturity Date	Face value	Nominal interest rate (%)	Effective interest rate (%)	Maturity Date
20 Interest-bearing treasury bonds 06	30,000,000.00	3.02	2.68	2030/5/21	-	-	-	-

Debt items	Closing balance				Opening balance			
	Face value	Coupon rate (%)	Effective interest rate (%)	Maturity Date	Face value	Coupon rate (%)	Effective interest rate (%)	Maturity Date
20 Interest-bearing treasury bonds 06	20,000,000.00	3.06	2.68	2030/5/21	-	-	-	-
20 Interest-bearing treasury bonds 06	20,000,000.00	3.07	2.68	2030/5/21	-	-	-	-
20 Interest-bearing treasury bonds 06	20,000,000.00	3.08	2.68	2030/5/21	-	-	-	-
20 Interest-bearing treasury bonds 06	10,000,000.00	3.10	2.68	2030/5/21	-	-	-	-
20 Interest bearing government bonds 08	20,000,000.00	3.20	2.85	2027/6/4	-	-	-	-
20 Interest bearing government bonds 08	10,000,000.00	3.18	2.85	2027/6/4	-	-	-	-
20 Interest bearing government bonds 08	10,000,000.00	3.19	2.85	2027/6/4	-	-	-	-
20 Interest bearing government bonds 08	10,000,000.00	3.18	2.85	2027/6/5	-	-	-	-
20 Interest bearing government bonds 08	10,000,000.00	3.19	2.85	2027/6/6	-	-	-	-
20 Interest bearing government bonds 08	20,000,000.00	3.21	2.85	2027/6/7	-	-	-	-
Subtotal	180,000,000.00	-	-	-	-	-	-	-

3. At the end of the period, no obvious sign of impairment of debt investment was noted, so no provision for impairment was made.

(15) Other debt investments

Item	Opening balance	Changes of amount in the period				Closing balance
		Cost	Fair value	Interest accrued	Interest adjustment	
Government Bond	693,961,192.03	-230,000,000.00	-27,483,744.37	-1,566,971.79	19,122,304.37	454,032,780.24
Policy-based Financial Bond	238,667,307.38	-230,000,000.00	64,017.10	-5,925,557.38	-2,805,767.10	-
Interbank and other financial institution debt	88,927,359.32	-87,124,860.00	74,970.00	-1,877,469.32	-	-
Corporate Bonds	-	10,000,000.00	-628,537.40	387,260.28	-65,202.60	9,693,520.28
UOBSP (Investment in Bond)	9,215,078.07	-436,310.75	-	-	-	8,778,767.32
Total	1,030,770,936.80	-537,561,170.75	-27,973,294.67	-8,982,738.21	16,251,334.67	472,505,067.84

Continued:

Item	Closing costs	Cumulative fair value movements	Accumulated provision for losses recognised in other comprehensive income	REMARKS
Government Bond	482,909,291.08	-28,876,510.84	-	-
Policy-based Financial Bond	-	-	-	-
Interbank and other financial institution debt	-	-	-	-

Item	Closing costs	Cumulative fair value movements	Accumulated provision for losses recognised in other comprehensive income	REMARKS
Corporate Bonds	10,322,057.68	-628,537.40	-	-
UOBSP (Investment in Bond)	8,778,767.32	-	-	-
Total	502,010,116.08	-29,505,048.24	-	-

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

(16) Long-term receivables

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Bad debt provision	Book value	Book balance	Bad debt provision	Book value
Finance Lease	329,863,479.98	1,319,247.25	328,544,232.73	634,370,822.81	1,436,620.80	578,591,895.57
Where: Unrealized financing income	22,696,624.57	-	22,696,624.57	54,342,306.44	-	54,342,306.44
Instalment sales of goods	-	-	-	-	-	-
Instalment provision for labour services	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total	329,863,479.98	1,319,247.25	328,544,232.73	634,370,822.81	1,436,620.80	578,591,895.57

2. At the end of the period, no obvious sign of impairment of long-term receivables was noted, so no provision for impairment was made.

(17) Long-term equity investments

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in joint ventures	29,034,917.64	-	29,034,917.64	29,864,376.83	-	29,864,376.83
Investments in affiliates	4,792,941,175.24	-	4,792,941,175.24	3,171,019,018.73	-	3,171,019,018.73
Total	4,821,976,092.88	-	4,821,976,092.88	3,200,883,395.56	-	3,200,883,395.56

2. Investments in affiliates and joint ventures

Investee name	Initial investment cost	Opening balance	Changes of amount in the period	
			Additional investments	Investment reduction
(1) Joint Ventures				

Investee name	Initial Investment Costs	Opening balance	Changes of amount in the period	
			Additional investments	Investment reduction
Hainan Manning Hongji Property Company Limited	10,000,000.00	9,464,089.17	-	-
Nanshan (Hainan Manning) Property Company Limited	200,000,000.00	-	-	-
Yantai Nanshan Sunac Property Co., Ltd.	10,000,000.00	-	-	-
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	20,589,600.00	20,400,287.66	-	-
(2) Affiliates				
Yantai Bank Co., Ltd.	1,808,300,000.00	2,251,588,726.55	-	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	312,000,000.00	546,968,185.09	-	-
Longkou Haitong Real Estate Development Co., Ltd.	280,307,671.37	277,104,303.00	-	-
Qingdao Nanxin Investment Co., Ltd.	245,000,000.00	-	-	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	1,020,000.00	970,559.00	-	-
LN Development (Strlng) Pte Ltd	9,570,876.00	73,663,184.77	-	-
W Capital Markets Pte. Ltd	9,236,439.00	9,275,486.09	-	-
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	2,000,000.00	1,605,003.39	-	1,605,003.39
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	10,000,000.00	9,843,570.84	-	-
Longkou Shunhe Building Materials Co., Ltd.	4,000,000.00	-	4,000,000.00	-
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	900,000,000.00	-	900,000,000.00	-
Changchun Fusheng Nanshan Automotive Aluminium Co., Ltd.	4,900,000.00	-	4,900,000.00	-
Beihai Xin'ao Huaheng Logistics Co., Ltd.	12,000,000.00	-	32,730,364.13	-
Bohai Hengtong Ferry Company Limited	44,000,000.00	-	42,955,709.94	-
Chongqing Xiangtai Gas Co., Ltd.	87,933,040.68	-	91,208,933.31	-
Total	3,970,857,627.05	3,200,883,395.56	1,075,795,007.38	1,605,003.39

Continued:

Investee name	Changes of amount in the period			
	Investment gains or losses recognised under the equity method	Change in other comprehensive income	Other changes in equity	Declaration of cash dividends or profits
(1) Joint Ventures				
Hainan Manning Hongji Property Company Limited	5,000.00	-	-	-

Investee name	Changes of amount in the period			
	Investment gains or losses recognised under the equity method	Change in other comprehensive income	Other changes in equity	Declaration of cash dividends or profits
Nanshan (Hainan Manning) Property Company Limited	-	-	-	-
Yantai Nanshan Sunac Property Co., Ltd.	-	-	-	-
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	-834,459.19	-	-	-
(2) Affiliates	-	-	-	-
Yantai Bank Co., Ltd.	75,301,130.08	-24,274,900.00	522,452,830.19	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	113,601,182.41	-	-	275,168,400.00
Longkou Haitong Real Estate Development Co., Ltd.	-364,183.41	-	-	-
Qingdao Nanxin Investment Co., Ltd.	-	-	-	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	-232.87	-	-	-
LN Development (Strlng) Pte Ltd	147,413,908.75	-6,990,120.61	-	-
W Capital Markets Pte. Ltd	-2,284,979.42	-379,907.43	-	-
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	-	-	-	-
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	-1,165,928.70	-	-	-
Longkou Shunhe Building Materials Co., Ltd.	4,199,581.85	-	-	-
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	-6,357,069.98	-	-	-
Changchun Fusheng Nanshan Automotive Aluminium Co., Ltd.	-473,033.76	-	-	-
Beihai Xin'ao Huaheng Logistics Co., Ltd.	915,497.50	-	-	-
Bohai Hengtong Ferry Company Limited	-119,636.06		-	-
Chongqing Xiangtai Gas Co., Ltd.	1,426,413.98	-	-	-
Total	331,263,191.18	-31,644,928.04	522,452,830.19	275,168,400.00

Continued:

Investee name	Changes of amount in the period		Closing balance	Closing balance of provision for impairment
	Provision for impairment	Other		
(1) Joint Ventures				
Hainan Manning Hongji Property Company Limited	-	-	9,469,089.17	-
Nanshan (Hainan Manning) Property Company Limited	-	-	-	-
Yantai Nanshan Sunac Property Co., Ltd.	-	-	-	-

Investee name	Changes of amount in the period		Closing balance	Closing balance of provision for impairment
	Provision for impairment	Other		
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	-	-	19,565,828.47	-
(2) Affiliates				
Yantai Bank Co., Ltd.	-	-	2,825,067,786.82	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	-	-	385,400,967.50	-
Longkou Haitong Real Estate Development Co., Ltd.	-	-	276,740,119.59	-
Qingdao Nanxin Investment Co., Ltd.	-	-	-	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	-	-	970,326.13	-
LN Development (Strlng) Pte Ltd	-	-	214,086,972.91	-
W Capital Markets Pte. Ltd	-	-	6,610,599.24	-
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	-	-	-	-
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	-	-	8,677,642.14	-
Longkou Shunhe Building Materials Co., Ltd.	-	-	8,199,581.85	-
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	-	-	893,642,930.02	-
Changchun Fusheng Nanshan Automotive Aluminium Co., Ltd.	-	-	4,426,966.24	-
Beihai Xin'ao Huaheng Logistics Co., Ltd.	-	-	33,645,861.63	-
Bohai Hengtong Ferry Company Limited	-	-	42,836,073.88	-
Chongqing Xiangtai Gas Co., Ltd.	-	-	92,635,347.29	-
Total	-	-	4,821,976,092.88	-

3. At the end of the period, no obvious sign of impairment of long-term equity investment was noted, so no provision for impairment was made.

(18) Other equity instrument investments

1. Breakdown

Item	Closing balance	Opening balance
Heal thscences	7,101,216.00	7,450,416.00
PAAM Real Estate Investment P/L	-	56,286,938.81
PAAM Real Estate Investment P/L	327,464,646.15	351,610,483.15
Romect Maquare Pavlon	458,726,662.04	448,267,448.73

Item	Closing balance	Opening balance
Aikang Aircraft Limited	398,470,000.00	398,470,000.00
Virgin Australia	-	1,235,348,249.72
Beijing Huiguan New Technology Co., Ltd.	5,545.10	44,366,204.72
Tianlong Technology Group Co., Ltd.	107,142,855.00	299,999,994.00
Guokai Houde (Beijing) Investment Fund Co. Ltd.	50,000,000.00	50,000,000.00
Hengfeng Bank Co., Ltd.	4,017,136,751.00	4,017,136,751.00
Longkou Liuhai Mining Co., Ltd.	39,072,600.00	39,072,600.00
Longkou Nanrun Panshi Investment Partnership (Limited Partnership)	-	5,500.00
Longkou Nanshan Mao Hong Investment Partnership (Limited Partnership) ：	50.00	50.00
Longkou Nanshan Taisheng Investment Partnership (Limited Partnership)	1,092.00	5,700.00
Longkou Nanshan Xingyu Investment Partnership (Limited Partnership)	-	100.00
Longkou Nanshan CNOOC Natural Gas Co., Ltd.	40,090,000.00	40,090,000.00
Longkou Xincheng Merger & Acquisition Investment Partnership (Limited Partnership)	-	6,225,000.00
Longkou BOC Fudeng Nanshan Village Bank Co., Ltd.	20,000,000.00	20,000,000.00
Mingcheng Zhihui (Hangzhou) Equity Investment Co., Ltd.	100,000,000.00	100,000,000.00
Pingtan Wancheng Equity Investment Centre (Limited Partnership)	10,000,000.00	10,000,000.00
Qingdao Haige Property Company Limited	9,176,535.99	9,176,535.99
Qingdao Haijia Property Company Limited	4,900,000.00	4,900,000.00
Qingdao Haikun Property Company Limited	5,000,000.00	5,000,000.00
Qingdao Hailan Property Company Limited	8,856,653.99	8,856,653.99
Qingdao Haiquan Property Company Limited	4,900,000.00	4,900,000.00
Qingdao Haishang Estates Limited	4,900,000.00	4,900,000.00
Qingdao Haixuan Property Company Limited	9,288,325.91	9,288,325.91
Shanghai New Culture Media Group Co., Ltd.	300,075,000.00	300,075,000.00
Shenzhen Bo Hou Youyuan Investment Partnership (Limited Partnership)	-	100.00
Shenzhen Dacheng Value Investment Partnership (Limited Partnership)	120,000.85	120,000.85
Shenzhen Nanshan Xincheng Equity Investment Partnership (Limited Partnership)	149,583,950.00	149,583,950.00
Shenzhen Nanshan AVIC Unmanned Systems Equity Investment Fund	61,962,121.09	83,939,393.94

Item	Closing balance	Opening balance
Shenzhen Panshi Qianhe New Materials and High-end Equipment Investment Partnership (Limited Partnership)	139,800,000.00	215,700,000.00
Shenzhen Rongtai Zhonghe No. 1 Equity Investment Partnership (Limited Partnership)	26,236,992.00	26,236,992.00
Tianjin Yaheng Investment Management Partnership (Limited Partnership)	-	1,508,860.80
Xinyu Nanshan Changteng Investment Partnership (Limited Partnership)	51,217,647.00	51,217,647.00
Yantai Nansheng Investment Partnership	14,000,000.00	14,000,000.00
Yantai Shengkun Investment Partnership	11,400,000.00	11,400,000.00
Zhongguancun Technology Leasing Company Limited.	99,900,000.00	99,900,000.00
Zhongtai Securities Co., Ltd.	2,000,000.00	2,000,000.00
Shenzhen Nanshan Dacheng New Materials Investment Partnership (Limited Partnership)	92,000,000.00	-
GO PEOPLE PTY LTD	13,154,775.22	-
AC Bridge Internatonal Group PTY LTD	501,630.00	-
Qingdao Nanxin Yuanhai Property Co., Ltd.	9,800,000.00	-
Total	6,593,985,049.34	8,127,038,896.61

Description: For adjustments to opening figures in accordance with the new standard on financial instrumentsm, please refer to "Note III(42)".

2. Investments in non-trading equity instruments

Item	Dividend income recognised	Accumulated profits	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as fair value through other comprehensive income	Reasons for transfer of other comprehensive income to retained earnings
Healthscences	-	-	-	-	Note 1	-
PAAM Real Estate Investment P/L	-	-	-	-	Note 1	-
PAAM Real Estate Investment P/L	-	-	-	-	Note 1	-
Romect Maquare Pavlon Trust Project	-	-	-	-	Note 1	
Aikang Aircraft Limited	-	-	-	-	Note 1	-
Virgin Australia	-	-	2,240,143,334.54	2,240,143,334.54	Note 1	Insolvent liquidation
Beijing Huiguan New Technology Co., Ltd.	-	-	76,800,901.82	76,800,901.82	Note 1	Disposal
Tianlong Technology Group Co., Ltd.	-	-	192,857,139.00	-	Note 1	-
Guokai Houde (Beijing) Investment Fund Co. Ltd.	8,695,652.17	-	-	-	Note 1	-
Hengfeng Bank Co., Ltd.	-	-	-	-	Note 1	-
Longkou Liuhai Mining Co., Ltd.	-	-	-	-	Note 1	-
Longkou Nanrun Panshi Investment Partnership (Limited Partnership)	660.00	-	-	-	Note 1	-
Longkou Nanshan Maohang Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Longkou Nanshan Taisheng Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-

Item	Dividend income recognised	Accumulated profits	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as fair value through other comprehensive income	Reasons for transfer of other comprehensive income to retained earnings
Longkou Nanshan Xingyu Investment Partnership (Limited Partnership)	8.14	-	-	-	Note 1	-
Longkou Nanshan CNOOC Natural Gas Co., Ltd.	-	-	-	-	Note 1	-
Longkou Xincheng Merger & Acquisition Investment Partnership (Limited Partnership)	58,380.00	358,380.00	-	-358,380.00	Note 1	Investment project closure
Longkou BOC Fudeng Nanshan Village Bank Co., Ltd.	-	-	-	-	Note 1	-
Mingcheng Zhihui (Hangzhou) Equity Investment Co., Ltd.	-	-	-	-	Note 1	-
Pingtan Wancheng Equity Investment Centre (Limited Partnership)	-	-	-	-	Note 1	-
Qingdao Haige Property Company Limited	-	-	-	-	Note 1	–
Qingdao Haijia Property Company Limited	-	-	-	-	Note 1	-
Qingdao Haikun Property Company Limited	-	-	-	-	Note 1	-
Qingdao Hailan Property Company Limited	-	-	-	-	Note 1	-
Qingdao Haiquan Property Company Limited	-	-	-	-	Note 1	-
Qingdao Haishang Estates Limited	-	-	-	-	Note 1	-
Qingdao Haixuan Property Company Limited	-	-	-	-	Note 1	-

Item	Dividend income recognised	Accumulated profits	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as fair value through other comprehensive income	Reasons for transfer of other comprehensive income to retained earnings
Shanghai New Culture Media Group Co., Ltd.	-	-	-	-	Note 1	
Shenzhen Bo Hou Youyuan Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	
Shenzhen Dacheng Value Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Shenzhen Nanshan Xincheng Equity Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Shenzhen Nanshan AVIC Unmanned Systems Equity Investment Fund Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Shenzhen Panshi Qianhe New Materials and High-end Equipment Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Shenzhen Rongtai Zhonghe No. 1 Equity Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Tianjin Yaheng Investment Management Partnership (Limited Partnership)	-	15,374.60	36,771,865.60	36,756,491.00	Note 1	Disposal
Xinyu Nanshan Changteng Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
Yantai Nansheng Investment Partnership	-	-	-	-	Note 1	-
Yantai Shengkun Investment Partnership	-	-	-	-	Note 1	-
Zhongguancun Technology Leasing Company Limited.	3,745,000.00	-	-	-	Note 1	-
Zhongtai Securities Co., Ltd.	-	-	-	-	Note 1	-

Item	Dividend income recognised	Accumulated profits	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as fair value through other comprehensive income	Reasons for transfer of other comprehensive income to retained earnings
Shenzhen Nanshan Dacheng New Materials Investment Partnership (Limited Partnership)	-	-	-	-	Note 1	-
GO PEOPLE PTY LTD	-	-	-	-	Note 1	-
AC Bridge Internatonal Group PTY LTD	-	-	-	-	Note 1	-
Qingdao Nanxin Yuanhai Property Co., Ltd.	-	-	-	-	Note 1	-
Total	12,499,700.31	373,754.60	2,546,573,240.96	2,353,342,347.36	-	-

[Note] On initial recognition, an business designates its investments in non-trading equity instruments as financial assets at fair value through other comprehensive income, which are reported as investments in other equity instruments.

(19) Other non-current financial assets

Item	Closing balance	Opening balance
Shandong Kerong Angel Venture Capital Partnership (Limited Partnership)	10,000,000.00	10,000,000.00
Trust Products	233,710,000.00	327,230,000.00
Shenzhen Nanshan Dacheng New Materials Investment Partnership (Limited Partnership)	21,000,000.00	43,000,000.00
Total	264,710,000.00	380,230,000.00

Description: In accordance with the new Financial Instruments Standard, the Company has made adjustments to the opening figures as described in Note III(42).

(20) Investment Properties

1. Breakdown

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Outsourcing	Transfer from inventories / fixed assets / construction in progress	Increment from business merger	Other	Disposal	Other outbound transfer	
(1) Original book value								
Buildings and constructions	1,515,006,175.48	347,663.70	-	10,435,338.58	-	-	70,950,319.64	1,454,838,858.12
Land use rights	171,617,019.55	-	-	20,891,588.74	-	-	7,556,299.08	184,952,309.21
Total	1,686,623,195.03	347,663.70	-	31,326,927.32	-	-	78,506,618.72	1,639,791,167.33
(2) Accumulated depreciation/amortisation		Provision/amortisation						
Buildings and constructions	50,064,611.70	13,065,630.38	-	1,226,787.25	-	-	2,337,509.42	62,019,519.91
Land use rights	16,548,564.89	1,904,991.10	-	1,125,472.64	-	-	728,080.95	18,850,947.68
Total	66,613,176.59	14,970,621.48	-	2,352,259.89	-	-	3,065,590.37	80,870,467.59
(3) Provision for impairment		Provision						
Buildings and constructions	-	-	-	126,645.05	-	-	-	126,645.05
Land use rights	-	-	-	-	-	-	-	-
Total	-	-	-	126,645.05	-	-	-	126,645.05
(4) Book value	-	-	-	-	-	-	-	-

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Outsourcing	Transfer from inventories / fixed assets / construction in progress	Increment from business merger	Other	Disposal	Other outbound transfer	
Buildings and constructions	1,464,941,563.78	-	-	-	-	-	-	1,392,692,693.16
Land use rights	155,068,454.66	-	-	-	-	-	-	166,101,361.53
Total	1,620,010,018.44	-	-	-	-	-	-	1,558,794,054.69

2. There were no investment properties used as guarantees as at 31 December 2020.

3. Other decreases in the original value of investment properties and accumulated amortisation during the period include those due to the effect of changes in exchange rates.

(21) Fixed assets

1. Breakdown

Item	Closing balance	Opening balance
Fixed assets	36,231,549,295.92	36,875,029,812.45
Disposal of fixed assets	-	-
Total	36,231,549,295.92	36,875,029,812.45

2. Fixed assets

(1) Breakdown

Item	Opening figure:	Increase during the period	Decrement this year	Closing balance

		Procurement	Transferred-in from construction in progress	Increment from business merger	Other	Disposal or retirement	Other	
(1) Original book value								
Buildings and constructions	22,315,928,305.96	231,799,092.78	577,353,460.30	308,056,980.56	24,926,487.95	63,811,261.23	128,282,100.94	23,265,970,965.38
Machinery and equipment	34,080,993,832.93	152,823,178.26	331,731,530.37	176,805,582.37	1,371,398.12	178,270,898.58	73,294,209.49	34,492,160,413.98
Transportation vehicles	1,075,715,838.98	63,977,141.42	725,663.72	533,740,399.84	11,695,606.41	81,216,748.01	1,972,929.67	1,602,664,972.69
Electronic and other equipment	1,857,853,959.28	64,225,900.97	1,017,412.00	40,921,274.63	265,873.62	19,550,681.40	3,166,200.59	1,941,567,538.51
Subtotal	59,330,491,937.15	512,825,313.43	910,828,066.39	1,059,524,237.40	38,259,366.10	342,849,589.22	206,715,440.69	61,302,363,890.56
(2) Cumulative depreciation		Provision						
Buildings and constructions	5,274,241,508.94	595,230,381.25	-	64,009,443.26	876,937.27	28,385,674.17	21,313,544.01	5,884,659,052.54
Machinery and equipment	15,843,412,985.05	1,716,195,675.85	-	71,453,593.66	2,869,036.98	165,208,384.69	31,668,860.49	17,437,054,046.36
Transportation vehicles	475,822,508.50	63,295,091.52	-	289,959,965.87	12,108,460.29	26,885,650.30	375,280.68	813,925,095.20
Electronic and other equipment	861,472,122.21	63,086,710.20	-	32,956,589.78	323,871.97	18,565,663.32	4,610,230.30	934,663,400.54
Subtotal	22,454,949,124.70	2,437,807,858.82	-	458,379,592.57	16,178,306.51	239,045,372.48	57,967,915.48	25,070,301,594.64
(3) Provision for impairment		Provision						
Buildings and constructions	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Transportation vehicles	-	-	-	-	-	-	-	-

Item	Opening balance	Increment this year				Decrease during the period		
		Procurement	Transferred-in from construction in progress	Increment from business merger	Other	Disposal or retirement	Other	Closing balance
Electronic and other equipment	513,000.00	-	-	-	-	-	-	513,000.00
Subtotal	513,000.00	-	-	-	-	-	-	513,000.00
(4) Book value								
Buildings and constructions	17,041,686,797.02	-	-	-	-	-	-	17,381,311,912.84
Machinery and equipment	18,237,580,847.88	-	-	-	-	-	-	17,055,106,367.62
Transportation vehicles	599,893,330.48	-	-	-	-	-	-	788,739,877.49
Electronic and other equipment	995,868,837.07	-	-	-	-	-	-	1,006,391,137.97
Subtotal	36,875,029,812.45	-	-	-	-	-	-	36,231,549,295.92

[Note] The amount of depreciation for the period is RMB2,437,807,858.82. The original value of fixed assets of RMB910,828,066.39 was transferred from construction in progress as part of the increase during the period. The original value of fully depreciated fixed assets remaining in use at the end of the period was RMB1,570,147,681.55.

(2) There were no fixed assets temporarily idle during the reporting period.

(3) There were no fixed assets leased out under operating leases at the end of the period.

(4) Information on fixed assets without certificates of title

Item	Book value	Reasons for not getting the certificate of title
Industrial material extrusion workshop	127,659,313.53	In progress
Industrial material nitriding workshop	15,357,899.51	In progress
Triple rolling finished goods warehouse	43,047,827.09	In progress
Industrial Materials processing workshop	9,551,127.29	In progress
Industrial Materials Warehouse	9,864,509.64	In progress
Aluminium oxidation workshop	44,241,738.11	In progress
Aluminium Finished Goods Warehouse	21,253,239.46	In progress
Aluminium extrusion workshop	34,090,908.44	In progress
Aluminium painting workshop	13,410,720.29	In progress
110KV Substation Plant	7,931,942.75	In progress
Melt and casting plants	24,728,369.12	In progress
Steel Structure Plant	83,304,246.12	In progress
Round ingot casting plant	84,870,036.06	In progress
220KV Substation Plant	20,047,697.92	In progress
150MN extrusion workshop	149,336,379.80	In progress
Donghai Round Ingot Workshop	15,866,302.04	In progress
Forging - Office Building	4,039,140.82	In progress
Forging Plant	357,658,018.35	In progress
40,000 tonne aluminium foil plant	70,034,311.49	In progress
40,000 tonne aluminium foil general purpose warehouse	21,017,972.78	In progress
Phase I Desulphurisation Process Building	5,418,406.31	In progress
Mechanical Performance Test Plant	8,029,290.20	In progress
Forging substations	16,468,855.28	In progress
Semi-works experiment centre plant	18,649,554.54	In progress

Item	Book value	Reasons for not getting the certificate of title
Forging surface treatment workshop	13,422,550.96	In progress
Medium thickness plate 110kV substations	8,621,120.31	In progress
Medium thickness plate scrap packing workshop	6,559,601.44	In progress
Medium thickness plate spare parts warehouse	6,155,229.15	In progress
Power mechanical repair workshop	5,262,608.68	In progress
Nanshan Aluminium Exhibition Hall	16,506,570.41	In progress
Aluminium 3D Warehouse and Accessories	35,031,501.59	In progress
Aluminium extrusion and painting workshop	120,611,493.48	In progress
Seawater desalination workshop	24,378,480.30	In progress
Medium thickness plate finished product warehouse	12,401,731.93	In progress
Jingfang wastewater treatment plant	3,829,545.00	In progress
Total	1,458,658,240.19	-

(5) For details of fixed assets used as pledge or collateral at the end of the period, please refer to Note V(71) "Assets with restricted ownership rights or right to use".

(22) Construction in progress

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	18,347,132,041.22	-	18,347,132,041.22	18,329,339,658.35	-	18,329,339,658.35
Project materials	5,685,123.74	-	5,685,123.74	3,708,220.87	-	3,708,220.87
Total	18,352,817,164.96	-	18,352,817,164.96	18,333,047,879.22	-	18,333,047,879.22

2. Construction in progress

(1) Breakdown

Project name	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book balance	Book balance	Provision for impairment	Book value
Donghai Development	10,533,293,961.05	-	10,533,293,961.05	13,811,480,602.62	-	13,811,480,602.62
Aluminium Thermal Engineering	6,041,463,483.29	-	6,041,463,483.29	3,563,768,894.99	-	3,563,768,894.99

Project name	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Other	1,772,374,596.88	-	1,772,374,596.88	954,090,160.74	-	954,090,160.74
Subtotal	18,347,132,041.22	-	18,347,132,041.22	18,329,339,658.35	-	18,329,339,658.35

(2) Significant additions and deletions to construction in progress

Project name	Budget (RMB0,000)	Opening balance	Increment this year	Conversion to fixed assets this year	Other decrements this year	Closing balance
Donghai Development	2,000,000.00	13,811,480,602.62	664,315,484.49	369,990,152.13	3,572,511,973.93	10,533,293,961.05
1-million tonne alumina project at Bintan Nanshan Industrial Park, Indonesia	568,539.30	1,250,161,294.70	2,380,091,307.94	5,254,276.84	-	3,624,998,325.80
Annual production capacity of 14,000 tonnes of large precision moulded forgings	150,950.00	85,342,132.74	207,467.59	85,549,600.33	-	-
High strength and high tenacity high-end aluminium alloy production line for aerospace	104,262.00	988,147,317.09	217,041,525.17	91,596,164.56	-	1,113,592,677.70
Zero star project	-	344,431,454.57	33,325,215.16	254,947,525.49	1,566,037.62	121,243,106.62
Automotive Lightweight Aluminium Sheet Production Line	156,444.00	866,621,160.03	129,142,062.63	27,410,352.30	-	968,352,870.36
High performance high-end aluminium foil production line	45,309.00	25,095,605.44	105,472,050.60	-	-	130,567,656.04
Alumina Project Phase II at Bintan Nanshan Industrial Park, Indonesia	306,849.47	-	74,959,289.47	-	-	74,959,289.47
Subtotal	3,332,353.77	17,371,279,567.19	3,604,554,403.05	834,748,071.65	3,574,078,011.55	16,567,007,887.04

Continued:

Project name	Percentage of project input to budget (%)	Project progress (%)	Accumulated amount of interest capitalized	Where: Amount of interest capitalized for the period	Interest capitalization rate for the period (%)	Source of funds
Donghai Development	72.00	-	3,691,811,684.80	524,274,544.42	-	Self-funded
1-million tonne alumina project at Bintan Nanshan Industrial Park, Indonesia	64.00	90.00	-	-	-	Funds Raised / Own Funds
Annual production capacity of 14,000 tonnes of large precision moulded forgings	-	-	48,332,544.91	-	-	Self-funded
High strength and high tenacity high-end aluminium alloy production line for aerospace	107.00	97.00	-	-	-	Self-funded

Project name	Percentage of project input to budget (%)	Project progress (%)	Accumulated amount of interest capitalized	Where: Amount of interest capitalized for the period	Interest capitalization rate for the period (%)	Source of funds
Zero star project	-	-	-	-	-	Self-funded
Automotive Lightweight Aluminium Sheet Production Line	62.00	80.00	-	-	-	Self-funded
High performance high-end aluminium foil production line	29.00	50.00	-	-	-	Self-funded
Alumina Project Phase II at Bintan Nanshan Industrial Park, Indonesia	3.00	7.00	-	-	-	Self-funded
Subtotal	-	-	3,740,144,229.71	524,274,544.42	-	-

(3) At the end of the period, no obvious sign of impairment of construction in progress was noted, so no provision for impairment was made.

(4) There was no construction in progress as at 31 December 2020 that was used as security for borrowings.

3. Project materials

(1) Breakdown

Item	Closing balance	Opening balance
Specialized materials	5,685,123.74	3,708,220.87

(2) At the end of the period, no obvious sign of impairment of project materials was noted, so no provision for impairment was made.

(23) Intangible assets

1. Breakdown

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Internal research and development	Increment from business merger	Other	Disposal	Other outbound transfer	
(1) Original book value								
Land use rights	7,569,880,380.24	85,580,390.46	-	183,299,372.72	540,838.59	29,528,234.19	108,154,877.74	7,701,617,870.08
Software	23,162,021.30	5,069,059.06	-	32,041,047.02	137,748.00	583,772.13	53,508.49	59,772,594.76
Trademark rights	180,700.00	-	-	-	-	-	-	180,700.00
Other	40,993,428.47	125,333,123.45	-	-	1,566,303.92	-	377,382.90	167,515,472.94
Right to use of sea zone	-	1,610,213,862.00	-	-	-	-	-	1,610,213,862.00
Mining Rights (leasehold)	-	270,745,950.80	-	3,000,000.00	-	-	3,000,000.00	270,745,950.80
Total	7,634,216,530.01	2,096,942,385.77	-	218,340,419.74	2,244,890.51	30,112,006.32	111,585,769.13	9,810,046,450.58
(2) Accumulated amortisation		Provision	Other			Disposal	Other	
Land use rights	1,455,979,554.77	131,221,633.45	-	20,372,979.48	540,838.59	6,025,605.44	5,051,569.18	1,597,037,831.67
Software	18,016,395.14	5,116,574.85	-	17,381,530.08	137,748.00	583,772.13	45,300.62	40,023,175.32
Trademark rights	103,902.27	18,069.96	-	-	-	-	-	121,972.23

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Internal research and development	Increment from business merger	Other	Disposal	Other outbound transfer	
Other	18,739,946.54	5,319,328.86	-	-	266.30	-	179,440.69	23,880,101.01
Right to use of sea zone	-	8,052,679.53	-	-	-	-	-	8,052,679.53
Mining Rights (leasehold)	-	-	-	-	-	-	-	-
Total	1,492,839,798.72	149,728,286.65	-	37,754,509.56	678,852.89	6,609,377.57	5,276,310.49	1,669,115,759.76
(3) Provision for impairment		Provision	Other			Disposal	Other	
Land use rights	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-
Trademark rights	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-
Right to use of sea zone	-	-	-	-	-	-	-	-
Mining Rights (leasehold)	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
(4) Book value								
Land use rights	6,113,900,825.47	-	-	-	-	-	-	6,104,580,038.41

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Internal research and development	Increment from business merger	Other	Disposal	Other outbound transfer	
Software	5,145,626.16	-	-	-	-	-	-	19,749,419.44
Trademark rights	76,797.73	-	-	-	-	-	-	58,727.77
Other	22,253,481.93	-	-	-	-	-	-	143,635,371.93
Right to use of sea zone	-	-	-	-	-	-	-	1,602,161,182.47
Mining Rights (leasehold)	-	-	-	-	-	-	-	270,745,950.80
Total	6,141,376,731.29	-	-	-	-	-	-	8,140,930,690.82

[Note] Amortisation for the period amounted to RMB149,728,286.65. The Company has no intangible assets developed through internal research and development.

2. At the end of the period, no obvious sign of impairment of intangible assets was noted, so no provision for impairment was made.

For details of intangible assets used as collateral or security at the end of the period, please refer to Note V(71) "Assets with restricted ownership rights or right to use".

4. Other in the increase and decease in the original value and accumulated amortisation of intangible assets for the period includes amounts due to the effect of changes in exchange rates.

(24) Goodwill

1. Original carrying value of goodwill

Name of the investee or the event that created goodwill	Opening balance	Increase during the period		Decrease during the period		Closing balance
		Goodwill arising from business combinations	Other	Disposal	Other	
Hengtong Logistics Co.,Ltd.	-	812,431,088.46	-	-	-	812,431,088.46

2. For Goodwill developed during the period, please refer to Note VI(1) "Business combinations not under common control" to these financial statements.

(25) Long-term deferred expenses

Item	Opening balance	Increase in the current period	Amortisation for the period	Other decreases	Closing balance
Overhaul costs and start-up costs	58,578,009.68	216,844,245.99	73,526,498.80	-	201,895,756.87
Other	43,131,466.00	20,867,586.68	4,738,107.84	-	59,260,944.84
Total	101,709,475.68	237,711,832.67	78,264,606.64	-	261,156,701.71

[Note] Others are amortisation of land compensation, amortisation of maintenance of equipment and facilities and so on

(26) Deferred income tax assets / deferred income tax liabilities

1. Deferred income tax assets without offsetting

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for outstanding liabilities	3,815,183.67	953,795.92	4,958,068.60	1,239,517.15
Provision for Guaranteed Indemnity	58,308,311.50	14,577,077.88	58,320,908.36	14,580,227.09
Bad debt provision	318,536,593.34	63,090,747.78	185,602,197.77	30,427,512.98
Provision for impairment of contractual assets	-	-	-	-
Provision for write-down of inventories or provision for impairment of contractual performance costs	101,754,143.94	16,853,370.01	68,985,404.79	12,043,957.24
Provision for impairment of long-term equity investments	-	-	-	-
Provision for depreciation of fixed assets	-	-	-	-
Provision for impairment of fixed assets	513,000.00	76,950.00	513,000.00	76,950.00
Losses to be covered	185,247,697.12	36,063,350.92	717,770,638.37	152,273,263.67
Deferred revenue	39,710,785.47	5,994,117.85	41,930,803.59	6,333,370.57
Loss/gain on changes in fair value	29,505,048.24	7,376,262.12	1,531,753.68	382,938.42
Intangible asset amortisation	-	-	-	-

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for loan losses	24,562,884.52	6,140,721.13	61,305,442.16	15,326,360.54
Other comprehensive income	1,572,900.00	235,935.00	4,248,002.34	644,758.99
Difference in taxable asset value	14,659,374.74	3,664,843.68	14,986,257.92	3,746,564.48
Unrealised internal profit	298,644,580.99	61,523,139.12	330,881,158.86	71,541,376.84
Total	1,076,830,503.53	216,550,311.41	1,491,033,636.44	308,616,797.97

2. Deferred income tax liabilities without offseting

Item	Closing balance		Opening balance	
	Temporary differences in tax payable	Deferred tax liabilities	Temporary differences in tax payable	Deferred tax liabilities
Loss/gain on changes in fair value	114,028,232.40	28,507,058.10	8,733,198.90	1,309,979.84
Other comprehensive income	1,841,425.00	276,213.75	3,623,881.46	711,797.87
Other	8,400,904.96	2,100,226.24	33,186,354.52	8,296,588.63
Total	124,270,562.36	30,883,498.09	45,543,434.88	10,318,366.34

3. Details of unrecognised deferred income tax assets

Item	Closing balance	Opening balance
Deductible temporary differences	17,233,799.93	58,355,561.20
Deductible losses	2,034,697,327.95	1,166,248,852.97
Subtotal	2,051,931,127.88	1,224,604,414.17

(27) Other non-current assets

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Circulation Right for Equity Separation	307,370,229.05	-	307,370,229.05	307,370,229.05	-	307,370,229.05
Prepayments for purchase and construction of long-term assets	633,125,875.82	-	633,125,875.82	703,242,796.33	-	703,242,796.33
Other	1,828,033,483.68	-	1,828,033,483.68	33,249,959.00	-	33,249,959.00
Total	2,768,529,588.55	-	2,768,529,588.55	1,043,862,984.38	-	1,043,862,984.38

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. The prepayments for purchase and construction of long-term assets were mainly broken down as follows

Entity name	Relations with the Company	Closing balance	Time of Prepayment	Reasons for non-settlement
1st	Unrelated parties	41,744,033.28	Year 2020	Contract Advance
2nd	Unrelated parties	41,526,208.76	Year 2020	Contract Advance
3rd	Unrelated parties	34,834,400.00	Year 2020	Contract Advance
4th	Unrelated parties	21,118,682.91	Year 2020	Contract Advance
5th	Unrelated parties	18,541,767.48	Year 2020	Contract Advance
Total		157,765,092.43		

(28) Short-term borrowings

1. Breakdown

Type of borrowings	Closing balance	Opening balance
Guaranteed loan	6,015,094,633.68	4,926,277,526.14
Accounts receivable secured loan	20,894,794.15	150,000,000.00
Pledged loan	1,084,000,000.00	340,000,000.00
Credit loan	6,596,638,251.04	3,839,000,000.00
Guaranteed Borrowing + Secured Borrowing	750,065,940.00	-
Guaranteed Borrowing + Pledged Borrowing	500,000,000.00	-
Bill Discounting Facility	2,181,960,000.00	1,983,950,000.00
Interest payable not due	3,327,454.77	-
Total	17,151,981,073.64	11,239,227,526.14

2. The Company had no overdue short-term borrowings at the end of the reporting period.

3. For details of borrowings in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(29) Borrowings from Central Bank

Item	Closing balance	Opening balance
Bill Rediscounting	552,499,494.21	403,323,237.50

(30) Derivative financial liabilities

1. Breakdown

Item	Closing balance	Opening balance
Hedging Instruments	1,619,856.51	4,248,002.34

2. The Company's derivative financial liabilities at the end of the reporting period represent floating losses on aluminium futures contracts held as effective hedges.

(31) Notes payable

Type	Closing value	Opening balance
Banker's acceptance bill	6,882,445,404.61	4,640,728,657.12
Trade acceptance bill	685,791,190.48	428,576,467.06
Total	7,568,236,595.09	5,069,305,124.18

[Note] No notes payable were due and unpaid at the end of the period.

(32) Accounts Payable

1. Breakdown

Account age	Closing value	Opening value
Less than 1 year	2,800,886,783.85	3,445,365,195.55
1 to 2 years	513,439,463.34	658,910,589.08
2 to 3 years	441,438,933.40	559,007,182.50
More than 3 years	665,340,023.64	929,692,180.56
Total	4,421,105,204.23	5,592,975,147.69

2. The company's accounts payable of more than one year at the end of the reporting period are mainly unpaid payments for construction.

3. For details of accounts payable in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(33) Advance receipts

1. Breakdown

Account age	Closing value	Opening value
Less than 1 year	4,096,991.15	-

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Receipts in advance at the end of the period represent the receipt of uncontracted land transfers and advance receipts for equipment leases.

3. During the reporting period, the Company had no significant advance receipts aged more than one year.

(34) Contractual liabilities

Item	Closing balance	Opening balance
Advance receipts	3,017,158,683.71	2,939,755,495.45

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

(35) Assets sold under agreements to repurchase

Item	Closing balance	Opening balance
Interbank and other financial institutions - Bonds	604,500,000.00	862,100,000.00
Interest payable not due	24,842.47	55,579.26
Total	604,524,842.47	862,155,579.26

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

[Note] The sale and repurchase of financial assets was a repurchase operation conducted by Nanshan Group Finance Limited, a controlled subsidiary of the Company.

(36) Customer bank deposits and due to banks and other financial institutions

Item	Closing balance	Opening balance
Demand deposit from member entities	1,255,362,580.28	65,946,569.03
Interest payable not due	4,553,928.37	4,979,067.29
Total	1,259,916,508.65	70,925,636.32

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

[Note] it represents deposits taken from members by Nanshan Group Finance Company Limited, a controlled subsidiary of the Company.

(37) Employee benefits payable

1. Breakdown

Item	Opening balance	Increment this year	Decrement this year	Closing balance
(1) Short-term renumeration	858,546,606.37	3,116,465,433.99	2,984,484,607.56	990,527,432.80
(2) Post-employment Benefits — defined contribution plan	1,695,618.85	112,879,781.85	114,355,297.72	220,102.98
(3) Dismissal benefits	-	-	-	-
(4) Other benefits due within one year	-	-	-	-
Total	860,242,225.22	3,229,345,215.84	3,098,839,905.28	990,747,535.78

2. Short-term remuneration

Item	Opening balance	Increment this year	Decrement this year	Closing balance
(1) Wages, bonuses, allowances and subsidies	467,210,427.31	2,914,038,674.29	2,845,172,609.67	536,076,491.93
(2) Staff Welfare Payments	2,497,118.42	31,933,066.58	31,558,720.43	2,871,464.57
(3) Social insurance premiums	559,081.76	66,641,772.42	67,047,141.95	153,712.23
Where: Medical insurance premiums	425,264.54	59,649,887.89	59,923,423.74	151,728.69
Worker's compensation insurance premiums	77,102.35	6,172,135.12	6,247,253.93	1,983.54
Maternity insurance premiums	56,714.87	260,646.85	317,361.72	-
Others	-	559,102.56	559,102.56	-
(4) Housing provident fund	1,725,766.01	28,706,196.44	29,053,282.80	1,378,679.65
(5) Funding for trade unions and vocational education	386,465,203.39	72,708,529.68	9,274,165.18	449,899,567.89
(6) Other short-term benefits	89,009.48	2,437,194.58	2,378,687.53	147,516.53
(7) Short-term profit sharing schemes	-	-	-	-
Subtotal	858,546,606.37	3,116,465,433.99	2,984,484,607.56	990,527,432.80

3. Defined contribution plan

Item	Opening balance	Increment this year	Decrement this year	Closing balance
(1) Basic pension insurance	1,329,165.64	108,526,039.41	109,636,529.88	218,675.17
(2) Unemployment insurance premiums	366,453.21	4,353,742.44	4,718,767.84	1,427.81
(3) Corporate Pension Payment	-	-	-	-
Subtotal	1,695,618.85	112,879,781.85	114,355,297.72	220,102.98

(38) Taxes payable

Item	Closing balance	Opening balance
Value Added Tax	271,547,438.05	215,974,870.95
Consumption tax	507,062.66	11,822,016.26
Urban maintenance and construction tax	51,230,990.60	10,877,157.03
Enterprise income tax	1,149,061,385.38	890,347,110.80
Property tax	25,306,335.37	25,607,613.14
Land value added tax	27,121,181.29	41,418,896.21
Land use tax	13,012,861.86	13,896,404.09

Item	Closing balance	Opening balance
Education surcharge	9,530,032.83	4,712,478.10
Local education surcharge	4,849,948.89	3,441,487.58
Special fund for water conservancy construction	3,278,516.10	2,305,290.84
Personal income tax withholding	1,673,366.91	2,094,417.87
Other	12,193,112.82	12,537,619.92
Total	1,569,312,232.76	1,235,035,362.79

(39) Other payables

1. Breakdown

Item	Closing balance	Opening value
Interest payable	384,626,961.08	666,184,535.44
Dividend payable	6,107,297.49	6,107,297.49
Other payables	4,631,161,374.11	4,545,232,234.29
Total	5,021,895,632.68	5,217,524,067.22

Description: In accordance with the New Standards for Financial Instruments, the Company have adjusted their opening amounts as described in detail in "Note III(42)".

2. Interest payable

(1) Breakdown

Item	Closing balance	Opening balance
Interest on corporate borrowings	49,859,453.96	44,577,412.90
Corporate bond interest	334,767,507.12	621,607,122.54
Subtotal	384,626,961.08	666,184,535.44

(2) The Company had no overdue interest payable at the end of the reporting period.

3. Dividends payable

Item	Closing balance	Opening balance
Dividends on ordinary shares	6,107,297.49	6,107,297.49

4. Other payables

(1) Breakdown

Item	Closing balance	Opening balance
Inter-group current accounts - entities	3,119,428,988.71	3,333,849,668.57

Item	Closing balance	Opening balance
Inter-group current accounts - individuals	258,459,639.27	333,078,342.99
Security deposit and guarantee	241,353,280.13	246,175,813.85
Shareholders' Contribution	175,940,450.54	368,990,841.67
Other	835,979,015.46	263,137,567.21
Subtotal	4,631,161,374.11	4,545,232,234.29

[Note] The portion of other payables as at 31 December 2020, in which the shareholders' capital contribution was the excess of the actual investment by the minority shareholders of a controlled subsidiary of Nanshan Aluminium, a subsidiary of the Company, over its subscribed registered capital amounted to RMB175,940,450.54, which was temporarily recorded as other payables as the statutory change procedure had not been completed.

(2) For details of other payables in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(40) Non-current liabilities due within one year

1. Breakdown

Item	Closing balance	Opening balance
Long-term borrowings due within one year	1,665,105,679.77	2,636,892,038.08
Bonds payables due within one year	5,694,490,080.70	3,212,798,578.19
Long-term payables due within one year	735,988,022.95	250,899,590.39
Total	8,095,583,783.42	6,100,590,206.66

2.- Breakdown of long-term borrowings due within the year (1)

Type of borrowings	Closing balance	Opening balance
Pledged loan	66,666,666.64	66,666,666.64
Guaranteed Borrowing + Secured Borrowing	1,207,495,722.37	1,142,024,171.44
Guaranteed loan	150,943,290.76	350,201,200.00
Credit loan	140,000,000.00	578,000,000.00
Mortgage loan	100,000,000.00	-
Guaranteed Borrowing + Pledged Borrowing	-	500,000,000.00
Subtotal	1,665,105,679.77	2,636,892,038.08

[Note] There are no overdue loans under the long-term loans due within one year.

(2) Top 5 long-term loans due within one year in terms of amount

Loan provider	Start Date	Due Date	Currency	Annual interest rate (%)	Closing balance	
					Original Currency Amount	RMB Amount
Maybank	2016/6/27	2021/12/31	SGD	1.2% + SBOR	105,419,789.70	519,867,150.93
Industrial and Commercial Bank of China Limited	2016/8/29	2021/2/25	RMB	4.90	33,333,333.62	33,333,333.62
	2016/8/29	2021/8/25	RMB	4.90	33,333,333.62	33,333,333.62
	2019/4/2	2021/1/3	RMB	5.80	140,000,000.00	140,000,000.00
	2019/4/4	2021/4/20	RMB	4.51	50,000,000.00	50,000,000.00
	2019/4/4	2021/10/20	RMB	4.51	50,000,000.00	50,000,000.00
	2015/12/22	2021/3/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/6/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/9/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/12/15	RMB	4.90	22,857,142.86	22,857,142.86
China Development Bank Shandong Branch	2012/6/28	2021/5/20	RMB	4.90	187,350,000.00	187,350,000.00
	2012/6/28	2021/11/20	RMB	4.90	187,350,000.00	187,350,000.00
Agricultural Bank of China Co., Ltd.	2012/6/28	2021/5/20	RMB	4.90	75,000,000.00	75,000,000.00
	2012/6/28	2021/11/20	RMB	4.90	75,000,000.00	75,000,000.00
Hengfeng Bank Co., Ltd.	2019/12/26	2021/6/26	RMB	5.70	34,000,000.00	34,000,000.00
	2019/12/26	2021/12/26	RMB	5.70	34,000,000.00	34,000,000.00
	2019/12/27	2021/6/27	RMB	5.70	16,000,000.00	16,000,000.00
	2019/12/27	2021/12/27	RMB	5.70	16,000,000.00	16,000,000.00
	2019/12/30	2021/6/30	RMB	5.70	15,000,000.00	15,000,000.00
	2019/12/30	2021/12/30	RMB	5.70	15,000,000.00	15,000,000.00
Subtotal						1,572,662,389.61

Continued:

Loan provider	Start Date	Due Date	Currency:	Annual interest rate (%)	Opening balance	
					Original currency amount:	RMB Amount
Maybank	2016/6/27	2021/12/31	SGD	1.2%+ SIBOR	-	-
Industrial and Commercial Bank of China Limited	2016/8/29	2021/2/25	RMB	4.90	33,333,333.62	33,333,333.62
	2016/8/29	2021/8/25	RMB	4.90	33,333,333.62	33,333,333.62
	2019/4/2	2021/1/3	RMB	5.80	140,000,000.00	140,000,000.00
	2019/4/4	2021/4/20	RMB	4.51	50,000,000.00	50,000,000.00

Loan provider	Start Date	Due Date	Currency	Annual interest rate (%)	Opening balance	
					Original Currency Amount	RMB Amount
	2019/4/4	2021/10/20	RMB	4.51	50,000,000.00	50,000,000.00
	2015/12/22	2021/3/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/6/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/9/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/12/15	RMB	4.90	22,857,142.86	22,857,142.86
China Development Bank Shandong Branch	2012/6/28	2021/5/20	RMB	4.90	187,350,000.00	187,350,000.00
	2012/6/28	2021/11/20	RMB	4.90	187,350,000.00	187,350,000.00
Agricultural Bank of China Co., Ltd.	2012/6/28	2021/5/20	RMB	4.90	70,000,000.00	70,000,000.00
	2012/6/28	2021/11/20	RMB	4.90	75,000,000.00	75,000,000.00
Hengfeng Bank Co., Ltd.	2019/12/26	2021/6/26	RMB	5.70	34,000,000.00	34,000,000.00
	2019/12/26	2021/12/26	RMB	5.70	34,000,000.00	34,000,000.00
	2019/12/27	2021/6/27	RMB	5.70	16,000,000.00	16,000,000.00
	2019/12/27	2021/12/27	RMB	5.70	16,000,000.00	16,000,000.00
	2019/12/30	2021/6/30	RMB	5.70	15,000,000.00	15,000,000.00
	2019/12/30	2021/12/30	RMB	5.70	15,000,000.00	15,000,000.00
Subtotal					-	1,047,795,238.68

3. Bonds payables due within one year

Name of bonds	Face value	Issue date	Duration (years)	Amount issued	Opening interest payable
15 Nanlv 01	500,000,000.00	2015/9/25	5	500,000,000.00	6,672,054.79
15 Nanlv 02	1,000,000,000.00	2015/9/25	5	1,000,000,000.00	4,368,061.37
17 Nanshan Group MTN001	1,000,000,000.00	2017/8/22	3	1,000,000,000.00	21,760,555.54
17 Nanshan Group MTN002	1,000,000,000.00	2017/10/23	3	1,000,000,000.00	10,829,166.67
15 Nanshan 02	1,000,000,000.00	2015/12/25	5	1,000,000,000.00	370,954.28
18 Nanshan Group MTN002	500,000,000.00	2018/10/22	3	500,000,000.00	6,025,138.88
18 Nanshan Group MTN001	1,000,000,000.00	2018/4/12	3	1,000,000,000.00	42,006,944.46
16 Nanshan 01	2,500,000,000.00	2016/3/14	5	2,500,000,000.00	82,109,822.49
16 Nanshan 03	2,400,000,000.00	2016/5/26	5	2,400,000,000.00	2,196,132.00
16 Nanshan 04	900,000,000.00	2016/8/29	5	900,000,000.00	4,099,440.00

Name of bonds	Face value	Issue date	Duration (years)	Amount issued	Opening interest payable
16 Nanshan 06	700,000,000.00	2016/11/16	5	700,000,000.00	1,011,750.00
16 Nanshan 07	800,000,000.00	2016/11/16	5	800,000,000.00	4,200,000.00
16 Nanshan 05	700,000,000.00	2016/8/29	5	700,000,000.00	13,825,000.00
18 Nanshan 03	1,100,000,000.00	2018/8/17	3	1,100,000,000.00	34,558,333.34
18 Nanshan 01	1,300,000,000.00	2018/4/19	3	1,300,000,000.00	48,995,555.59
Subtotal	16,400,000,000.00			16,400,000,000.00	283,028,909.41

Continued:

Name of bonds	Interest accrued during the period	Interest paid during the period	Closing interest payable	Closing balance
15 Nanlv 01	-	6,672,054.79	-	-
15 Nanlv 02	-	4,368,061.37	-	-
17 Nanshan Group MTN001	59,800,000.00	81,560,555.54	-	-
17 Nanshan Group MTN002	56,500,000.00	67,329,166.67	-	-
15 Nanshan 02	22,354,865.68	22,725,819.96	-	-
18 Nanshan Group MTN002	30,465,138.86	30,550,000.00	5,940,277.74	500,000,000.00
18 Nanshan Group MTN001	60,375,000.00	57,500,000.00	44,881,944.46	1,000,000,000.00
16 Nanshan 01	134,614,370.76	119,663,665.00	97,060,528.25	2,175,265,725.90
16 Nanshan 03	3,610,080.00	3,610,080.00	2,196,132.00	74,096,021.77
16 Nanshan 04	11,901,600.00	11,901,600.00	4,099,440.00	208,038,780.48
16 Nanshan 06	7,824,200.00	8,094,000.00	741,950.00	141,192,707.40
16 Nanshan 07	32,480,000.00	33,600,000.00	3,080,000.00	799,075,880.50
16 Nanshan 05	31,237,500.00	31,500,000.00	13,562,500.00	699,409,648.56
18 Nanshan 03	39,697,799.67	63,800,000.00	10,456,133.01	1,000.00
18 Nanshan 01	23,673,333.31	68,900,000.00	3,768,888.90	97,410,316.09
Subtotal	514,533,888.28	611,775,003.33	185,787,794.36	5,694,490,080.70

4. Long-term payables due within one year

Name of Payee	Term of Payment	Principal	Interest (%)	Interest accrued	Closing balance	Borrowing terms
Zhengzhou Hengbo Environmental Technology Co., Ltd.	10 years	34,141,235.23	4.90	9,858,764.77	3,061,577.44	10 years or a total of 10 million tonnes water treated, whichever is later
SPDB Financial Leasing Co., Ltd.	Four times a year	450,000,000.00	4.75	8,613,260.85	192,873,539.55	Finance Lease

Name of Payee	Term of Payment	Principal	Interest (%)	Interest accrued	Closing balance	Borrowing terms
Nanshan Financial Leasing (Tianjin) Co., Ltd.	Two/four times per year	1,159,498,948.00	6.75-12.55	78,622,909.91	413,605,982.86	Finance Lease
Youlian International Finance Leasing (Shenzhen) Co., Ltd.	Four times a year	228,000,000.00	3.38-11.30	9,316,195.52	86,446,923.10	Finance Lease
Longkou City Natural Resources and Planning Bureau	Once per year	45,880,000.00	4.90	5,880,000.00	40,000,000.00	Mining Rights (leasehold)
Subtotal		1,917,520,183.23		112,291,131.05	735,988,022.95	

5. For details of non-current liabilities due within on year in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(41) Other current liabilities

1. Breakdown

Item and Content	Closing balance	Opening balance
Short-term Bonds payable	2,800,000,000.00	5,500,000,000.00
Repayment of un-derecognised notes receivable	799,220,746.43	-
Sales tax to be carried or amortised	205,898,505.34	187,960,837.19
Other	79,687,929.10	82,540,717.10
Total	3,884,807,180.87	5,770,501,554.29

2. Changes in /additions to and deletions from short-term bonds payable

Name of bonds	Face value	Issue date	Payment Date	Bond period	Amount issued
19 Nanshan Group SCP002	1,000,000,000.00	2019/4/22	2020/1/17	8 months	1,000,000,000.00
19 Nanshan Group SCP003	1,000,000,000.00	2019/5/13	2020/2/7	8 months	1,000,000,000.00
19 Nanshan Group SCP004	500,000,000.00	2019/6/24	2020/3/20	8 months	500,000,000.00
19 Nanshan Group SCP005	1,000,000,000.00	2019/8/16	2020/5/12	8 months	1,000,000,000.00
19 Nanshan Group SCP006	500,000,000.00	2019/9/3	2020/5/30	8 months	500,000,000.00
19 Nanshan Group CP001	1,000,000,000.00	2019/5/28	2020/5/28	12 months	1,000,000,000.00
19 Nanshan Group CP002	500,000,000.00	2019/10/25	2020/10/25	12 months	500,000,000.00
20 Nanshan Group SCP001	500,000,000.00	2020/03/27	2020/12/22	9 months	500,000,000.00
20 LU Nanshan Group ZR001	252,000,000.00	2020/3/11	2021/3/11	12 months	252,000,000.00
20 LU Nanshan Group ZR002	400,000,000.00	2020/5/26	2021/5/26	12 months	400,000,000.00
20 LU Nanshan Group ZR003	378,000,000.00	2020/5/26	2021/4/26	12 months	378,000,000.00

Name of bonds	Par Value:	Issue date	Payment Date	Bond period	Amount issued
20 LU Nanshan Group ZR004	500,000,000.00	2020/6/24	2021/6/24	12 months	500,000,000.00
20 LU Nanshan Group ZR005	500,000,000.00	2020/7/30	2021/7/30	12 months	500,000,000.00
20 LU Nanshan Group ZR006	170,000,000.00	2020/8/13	2021/8/13	12 months	170,000,000.00
20 Lu Nanshan Group ZR007	400,000,000.00	2020/9/14	2021/9/14	12 months	400,000,000.00
20 LU Nanshan Group ZR008	200,000,000.00	2020/9/16	2021/9/16	12 months	200,000,000.00
Subtotal	8,800,000,000.00	-	-	-	8,800,000,000.00

Continued:

Name of bonds	Opening balance	Current issue	Interests provided in face value	Repayment this year	Closing balance
19 Nanshan Group SCP002	1,000,000,000.00	-	-	1,000,000,000.00	-
19 Nanshan Group SCP003	1,000,000,000.00	-	-	1,000,000,000.00	-
19 Nanshan Group SCP004	500,000,000.00	-	-	500,000,000.00	-
19 Nanshan Group SCP005	1,000,000,000.00	-	-	1,000,000,000.00	-
19 Nanshan Group SCP006	500,000,000.00	-	-	500,000,000.00	-
19 Nanshan Group CP001	1,000,000,000.00	-	-	1,000,000,000.00	-
19 Nanshan Group CP002	500,000,000.00	-	-	500,000,000.00	-
20 Nanshan Group SCP001	-	500,000,000.00	-	500,000,000.00	-
20 LU Nanshan Group ZR001	-	252,000,000.00	-	-	252,000,000.00
20 LU Nanshan Group 13ZR002	-	400,000,000.00	-	-	400,000,000.00
20 LU Nanshan Group ZR003	-	378,000,000.00	-	-	378,000,000.00
20 LU Nanshan Group ZR004	-	500,000,000.00	-	-	500,000,000.00
20 LU Nanshan Group ZR005	-	500,000,000.00	-	-	500,000,000.00
20 LU Nanshan Group ZR006	-	170,000,000.00	-	-	170,000,000.00
20 LU Nanshan Group ZR007	-	400,000,000.00	-	-	400,000,000.00
20 LU Nanshan Group ZR008	-	200,000,000.00	-	-	200,000,000.00
Subtotal	5,500,000,000.00	3,300,000,000.00	-	6,000,000,000.00	2,800,000,000.00

(42) Long-term borrowings

1. Breakdown

Type of borrowings	Closing balance	Opening balance
Guaranteed Borrowings	3,428,255,790.83	3,308,325,329.33
Pledged loan	66,666,666.80	133,333,333.44
Guaranteed Borrowing + Secured Borrowing	640,957,142.96	1,881,778,014.29
Credit loan	807,368,000.00	420,000,000.00
Mortgage loan	250,000,000.00	450,000,000.00
Interest payable not due	1,445,618.61	-
Total	5,194,693,219.20	6,193,436,677.06

2. The Company had no long term loans overdue at the end of the reporting period.

3. For details of long-term borrowings in foreign currencies at the end of the period, please refer to Note V(72) "Monetary items in foreign currencies".

(43) Bonds payable

1. Breakdown

Item	Closing balance	Opening balance
Face value	4,625,639,000.00	15,751,713,000.00
Interest adjustment	-7,654,007.56	-44,292,069.22
Total	4,617,984,992.44	15,707,420,930.78

2. Changes in bonds payables (excluding other financial instruments classified as financial liabilities such as preference shares and perpetual bonds)

Name of bonds	Face value	Issue date	Bond duration (years)	Amount issued	Opening balance
18 Nanshan Group MTN002	500,000,000.00	2018/10/22	3.00	500,000,000.00	500,000,000.00
18 Nanshan Group MTN001	1,000,000,000.00	2018/4/12	3.00	1,000,000,000.00	1,000,000,000.00
19 Nanshan Group MTN001	500,000,000.00	2019/4/12	3.00	500,000,000.00	500,000,000.00
19 Nanshan Group MTN002	500,000,000.00	2019/5/31	3.00	500,000,000.00	500,000,000.00
16 Nanshan 01	2,500,000,000.00	2016/3/14	5.00	2,500,000,000.00	2,171,700,007.00
16 Nanshan 03	2,400,000,000.00	2016/5/26	5.00	2,400,000,000.00	70,646,138.78
16 Nanshan 04	900,000,000.00	2016/8/29	5.00	900,000,000.00	206,785,935.14

Name of bonds	Face value	Issue date	Bond duration (years)	Amount issued	Opening balance
16 Nanshan 06 （3+2）	700,000,000.00	2016/11/16	5.00	700,000,000.00	140,227,881.82
16 Nanshan 07	800,000,000.00	2016/11/16	5.00	800,000,000.00	797,962,952.50
16 Nanshan 05	700,000,000.00	2016/8/29	5.00	700,000,000.00	698,421,402.97
17 Nanshan 01	500,000,000.00	2017/7/25	5.00	500,000,000.00	498,262,474.30
17 Nanshan 02	500,000,000.00	2017/8/14	5.00	500,000,000.00	498,226,500.74
18 Nanshan 02	700,000,000.00	2018/4/19	5.00	700,000,000.00	696,879,941.96
18 Nanshan 03	1,100,000,000.00	2018/8/17	3.00	1,100,000,000.00	1,095,552,858.21
18 Nanshan 05	500,000,000.00	2018/12/25	3.00	500,000,000.00	49,463,181.28
18 Nanshan 01	1,300,000,000.00	2018/4/19	3.00	1,300,000,000.00	1,295,388,600.28
19 Nanshan 01	1,000,000,000.00	2019/1/21	3.00	1,000,000,000.00	998,583,223.36
19 Nanshan 03	1,000,000,000.00	2019/6/18	3.00	1,000,000,000.00	996,116,710.84
19 Nanshan 04	1,000,000,000.00	2019/8/7	3.00	1,000,000,000.00	998,778,837.78
19 Nanshan 05	500,000,000.00	2019/10/22	3.00	500,000,000.00	499,237,939.23
17 Nanlv Bond	1,500,000,000.00	2017/8/28	5.00	1,500,000,000.00	1,495,186,344.59
Subtotal	20,100,000,000.00	-	-	20,100,000,000.00	15,707,420,930.78

Continued:

Name of bonds	Current issue	Interest adjustment	Repayment this year	Transfer to non-current liabilities due within one year	Closing balance
18 Nanshan Group MTN002	-	-	-	500,000,000.00	-
18 Nanshan Group MTN001	-	-	-	1,000,000,000.00	-
19 Nanshan Group MTN001	-	-	-	-	500,000,000.00
19 Nanshan Group MTN002	-	-	-	-	500,000,000.00
16 Nanshan 01	-	3,565,718.90	-	2,175,265,725.90	-
16 Nanshan 03	-	3,449,882.99	-	74,096,021.77	-
16 Nanshan 04	-	1,252,845.34	-	208,038,780.48	-
16 Nanshan 06 (3+2)	-	964,825.58	-	141,192,707.40	-
16 Nanshan 07	-	1,112,928.00	-	799,075,880.50	-
16 Nanshan 05	-	988,245.59	-	699,409,648.56	-
17 Nanshan 01	-	683,576.92	483,380,000.00	-	15,566,051.22
17 Nanshan 02	-	681,425.66	499,535,000.00	-	-627,073.60

Name of bonds	Current issue	Interest adjustment	Repayment this year	Transfer to non-current liabilities due within one year	Closing balance
18 Nanshan 02	-	686,098.02	-	-	697,566,039.98
18 Nanshan 03	-	4,447,141.79	1,099,999,000.00	1,000.00	-
18 Nanshan 05	-	536,818.72	50,000,000.00	-	-
18 Nanshan 01	-	2,021,715.81	1,200,000,000.00	97,410,316.09	-
19 Nanshan 01	-	695,185.06	-	-	999,278,408.42
19 Nanshan 03	-	1,560,103.13	-	-	997,676,813.97
19 Nanshan 04	-	463,485.68	666,446,000.00	-	332,796,323.46
19 Nanshan 05	-	265,464.72	-	-	499,503,403.95
17 Nanlv Bond	-	2,670,056.76	1,421,631,376.31	-	76,225,025.04
Subtotal	-	26,045,518.67	5,420,991,376.31	5,694,490,080.70	4,617,984,992.44

3. The Company did not issue any new corporate bonds in FY2020.

(44) Long-term payables

1. Breakdown

Item	Closing balance	Opening balance
Long-term payables	1,011,808,908.38	620,832,551.64

2. Long-term payables

Item	Closing balance	Opening balance
Finance Lease	771,478,661.96	561,952,551.64
Security deposit for financial leasing	49,680,000.00	58,880,000.00
BOT Wastewater Treatment Project	30,431,060.82	-
Mining Rights (leasehold)	160,000,000.00	-
Fund for use of sea zone	219,185.60	-
Subtotal	1,011,808,908.38	620,832,551.64

(45) Deferred revenue

1. Breakdown

Item	Opening balance	Increment this year	Decrease during the period	Other changes	Closing balance	Reasons of formation
Government subsidies	767,759,605.68	443,125,340.00	39,201,485.75	13,196,882.47	1,184,880,342.40	Fiscal grant received
Other	4,914,858.44	871,453.76	764,959.25	-	5,021,352.95	-
Total	772,674,464.12	443,996,793.76	39,966,445.00	13,196,882.47	1,189,901,695.35	-

2. Items involving government grants:

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
VAT rebate on purchases of domestically produced equipment	17,891,274.41	-	Other income	2,886,131.16	-	15,005,143.25	Assets-related	Related to the purchase of equipment
VAT rebate on purchases of domestically produced equipment	9,502,131.88	-	Other income	1,909,752.72	-	7,592,379.16	Assets-related	Related to the purchase of equipment
VAT rebate on purchases of domestically produced equipment	8,267,026.23	-	Other income	1,215,837.00	-	7,051,189.23	Assets-related	Construction Related
Funding for Key Technology Topics on Short Process Alloying and Plastic Forming of Aluminium Liquids	2,236,666.61	-	Other income	368,000.00	-	1,868,666.61	Assets-related	Construction Related
Funding for the development of a public service platform for aluminium smelting and aluminium processing	399,999.81	-	Other income	66,666.74	-	333,333.07	Assets-related	Related to the purchase of equipment
Budget for production line of 220,000 tonnes per annum of new alloy materials for rail transportation	7,417,941.87	-	Other income	706,470.74	-	6,711,471.13	Assets-related	Construction Related
Funding for the development of high performance aluminium alloy medium thickness plates	12,750,000.00	-	Other income	1,000,000.00	-	11,750,000.00	Assets-related	Related to the purchase of equipment
Funds for High Performance Aluminium Alloy Sheet and Strip Engineering Research Centre	320,000.02	-	Other income	26,666.64	-	293,333.38	Assets-related	Construction Related
High Performance Specialty Aluminium Alloy Materials	755,555.55	-	Other income	66,666.66	-	688,888.89	Assets-related	Construction Related

Production Line Project								

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
National subsidies for major demonstration projects on circular economy and resource conservation (key energy-saving projects) and major industrial pollution projects	7,888,888.88	-	Other income	666,666.66	-	7,222,222.22	Assets-related	Construction Related
Aluminium Alloy Melting and Casting Production Line System Optimisation Project	453,333.33	-	Other income	40,000.00	-	413,333.33	Assets-related	Related to the purchase of equipment
Red mud filtration waste water recycling project	1,700,000.48	-	Other income	199,999.92	-	1,500,000.56	Assets-related	Construction Related
Funds for Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization (Second Batch of Investment Plans Within the Budget of the Central Government 2012)	8,819,444.11	-	Other income	833,333.40	-	7,986,110.71	Assets-related	Construction Related
Funds for Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization (Second Batch of Investment Plans Within the Budget of the Central Government 2011)	2,800,925.75	-	Other income	277,777.80	-	2,523,147.95	Assets-related	Construction Related
Funds for research and industrialisation of aluminium alloy foils for heat exchangers in automobiles	437,500.28	-	Other income	62,499.96	-	375,000.32	Assets-related	Construction Related
Excellence Centre Innovation Capacity Building Project Fund	3,611,111.00	-	Other income	277,777.80	-	3,333,333.20	Assets-related	Construction Related
Funding for Aluminium Alloy Sheet and Strip Production Project	626,666.47	-	Other income	80,000.04	-	546,666.43	Assets-related	Related to the purchase of equipment
Government subsidy for 100,000 tonnes per annum high performance metal materials production line for rail transportation	5,000,000.00	-	Other income	1,000,000.00	-	4,000,000.00	Assets-related	Related to the purchase of equipment
Large-scale precision mould production line renovation project	1,400,000.00	-	Other income	200,000.00	-	1,200,000.00	Assets-related	Related to the purchase of equipment

Funding for lightweight high performance aluminium alloy sheet and strip for rail vehicles project	16,000,000.00	-	Other income	2,000,000.00	-	14,000,000.00	Assets-related	Related to the purchase of equipment
Grant for 150MN Engineering Technology Renovation Project	699,999.97	-	Other income	66,666.68	-	633,333.29	Assets-related	Construction Related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
Funding for the technical renovation of new 150MN large high-strength and high-tensile aluminium alloy material production line for transportation	26,298,999.97	-	Other income	2,504,666.68	-	23,794,333.29	Assets-related	Related to the purchase of equipment
Development and industrialisation of 150MN large format ultra-high strength, high toughness and corrosion resistant aluminium alloy material for aerospace	2,200,000.00	-	Other income	200,000.00	-	2,000,000.00	Assets-related	Construction Related
Funding for Cogeneration Unit Denitrification Renovation Project	1,287,037.05	-	Other income	111,111.12	-	1,175,925.93	Assets-related	Related to the purchase of equipment
Funding for Donghai Thermal Power Low NOx Combustion Renovation Project	1,076,571.41	-	Other income	311,819.56	-	764,751.85	Assets-related	Related to the purchase of equipment
Denitrification, desulphurisation and de-dusting efficiency improvement project for cogeneration units	2,548,888.66		Other income	246,666.68		2,302,221.98	Assets-related	Related to the purchase of equipment
Heat and Power Phase I Desulphurisation and De-dusting Renovation Project	3,200,000.08	-	Other income	266,666.64	-	2,933,333.44	Assets-related	Related to the purchase of equipment
National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	6,399,999.94		Other income	533,333.40	-	5,866,666.54	Assets-related	Construction Related
Tax Enhancement Scheme Funding	1,049,918.10	-	Other income	1,034,895.00	-11,760.65	3,262.45	Assets-related	Other
14,000 tonnes per annum large moulded forgings project	913,888.89	-	Other income	66,666.66	-	847,222.23	Assets-related	Related to the purchase of equipment
Aerospace Alloy Materials Production Line Technical Renovation Project	1,827,777.78		Other income	133,333.34		1,694,444.44	Assets-related	Related to the purchase of equipment
Aerospace New Materials Production Line Post-processing Technology Renovation Project	1,827,777.78	-	Other income	133,333.34	-	1,694,444.44	Assets-related	Related to the purchase of equipment

Provincial machine for human technology transformation projects	1,827,777.78	-	Other income	133,333.34		1,694,444.44	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2015	23,333,333.33		Other income	2,000,000.00	-	21,333,333.33	Assets-related	Other
Funding for 20,000 tonnes per annum wide width automotive aluminium sheet production line technical transformation project	34,219,111.10	-	Other income	2,933,066.66		31,286,044.44	Assets-related	Related to the purchase of equipment

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
Desulphurisation and de-dusting project	1,500,000.02	-	Other income	133,333.32	-	1,366,666.70	Assets-related	Related to the purchase of equipment
Electrolytic aluminium and supporting carbon production line flue gas desulphurisation and efficient de-dusting treatment project	15,596,000.00	-	Other income	1,114,000.00	-	14,482,000.00	Assets-related	Related to the purchase of equipment
Central Government's Special Fund for Foreign Economic and Trade Development 2016	20,816,560.15	-	Other income	1,734,713.28	-	19,081,846.87	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2016	27,416,666.67	-	Other income	2,000,000.00	-	25,416,666.67	Assets-related	Other
Marine High Performance, Medium Strength, Weldable and Corrosion Resistant Aluminium Alloy Sheets R&D Project	772,222.21	-	Other income	66,666.66	-	705,555.55	Assets-related	Other
Aerospace high strength and high tenacity high-end aluminium alloy production line project	200,000,000.00	-	-	-	-	200,000,000.00	Assets-related	Related to the purchase of equipment
High Speed Train 7050 aluminium alloy axle-box forging technology research and development	1,988,888.89	-	Other income	133,333.33	-	1,855,555.56	Assets-related	Related to the purchase of equipment
Municipal Special Funds for Industrial Transformation and Upgrading 2016	3,999,999.94	-	Other income	333,333.36	-	3,666,666.58	Assets-related	Related to the purchase of equipment
Central Government's Special Fund for Foreign Economic and Trade Development 2017	1,266,499.95	-	Other income	99,333.36	-	1,167,166.59	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2017	9,275,972.22	-	Other income	676,666.67	-	8,599,305.55	Assets-related	Related to the purchase of equipment
Subsidised funding for expanded import of advanced technology and equipment	7,149,894.70	-	Other income	521,572.96	-	6,628,321.74	Assets-related	Other
High-speed train compartment large section aluminium alloy profile production line construction project	27,112,333.33	-	Other income	1,996,000.00	-	25,116,333.33	Assets-related	Related to the purchase of equipment
Automotive lightweight aluminium and magnesium alloy materials production line product	5,248,915.52	-	Other income	384,406.68	-	4,864,508.84	Assets-related	Related to the purchase of equipment

optimization technology renovation								
National New Materials Production and Application Demonstration Platform Development Project	13,074,729.34	-	Other income	956,687.52	-	12,118,041.82	Assets-related	Related to the purchase of equipment
Transportation High Performance Aluminium Alloy Materials Production Line Technical Renovation Project	3,413,944.46	-	Other income	251,333.32	-	3,162,611.14	Assets-related	Related to the purchase of equipment

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
Funding for the technical renovation of new large high-strength and high-tensile aluminium alloy material production line for transportation	3,812,293.32	-	Other income	272,306.68	-	3,539,986.64	Assets-related	Related to the purchase of equipment
Aerospace wing beam high performance aluminium alloy profile program	25,000,000.00	-	-	-	-	25,000,000.00	Assets-related	Related to the purchase of equipment
Grants for Desalination Project	10,000,000.00	-	Other income	666,666.60	-	9,333,333.40	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2018	514,636.36	-	Other income	40,363.64	-	474,272.72	Assets-related	Other
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	60,517.24	-	Other income	4,482.76	-	56,034.48	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2018	1,009,000.00	-	-	-	-	1,009,000.00	Assets-related	Other
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	116,666.72	-	Other income	8,333.28	-	108,333.44	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2018	1,433,550.03	-	Other income	100,599.96	-	1,332,950.07	Assets-related	Other
Environmentally friendly equipment renovation	9,146,672.00	-	Other income	653,328.00	-	8,493,344.00	Assets-related	Related to the purchase of equipment
Electrolytic aluminium and ancillary carbon production line desulphurisation and high efficiency de-dusting project	15,172,222.22	-	Other income	1,073,333.33	-	14,098,888.89	Assets-related	Related to the purchase of equipment
Breakwater	118,720,000.00	-	-	-	-	118,720,000.00	Assets-related	Construction Related
BIF - Business Improvement Fund	64,221.91		Other income	31,358.41	-2,257.55	30,605.95	Assets-related	Other
Industrial Development Special Fund	321,933.29		-	-	-29,266.68	292,666.61	Assets-related	Other
Economic and Trade Development Special Fund	335,716.67	-	-	-	-29,400.00	306,316.67	Assets-related	Other

Sewerage treatment projects	26,430,000.00	-	-	-		26,430,000.00	Assets-related	Other

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
Guangxi Advanced Aluminium Processing Innovation Centre Special Fund	-	5,000,000.00	-	-	-	5,000,000.00	Assets-related	Related to the purchase of equipment
2019 Provincial New and Old Power Energy Conversion - Research on Forging Processes for Hard-to-Deform Alloy Disc Parts for Aircraft Engines	-	3,200,000.00	Other income	142,222.22	-	3,057,777.78	Assets-related	Related to the purchase of equipment
2019 City with Strong Manufacturing Capacity - Aerospace wing beam high performance aluminium alloy profile production line technical renovation project	-	10,000,000.00	-	-	-	10,000,000.00	Assets-related	Related to the purchase of equipment
Central Government's Special Fund for Foreign Economic and Trade Development 2019	-	815,100.00	Other income	34,120.44	-	780,979.56	Assets-related	Other
Provincial-level support funds for pilot counties in relation to the transformation and upgrading of foreign trade	-	1,000,000.00	-	-	-	1,000,000.00	Assets-related	Other
Funding for the closure of coal unloading and storage yards	-	14,650,000.00	-	-	-	14,650,000.00	Assets-related	Construction Related
Central Government Tertiary Industry Development Fund 2019	-	1,486,661.00	Other income	80,360.04	-	1,406,300.96	Assets-related	Other
2018 Provincial-level Industrial Quality and Efficiency Improvement - Aerospace High-end Aluminium Alloy Production Line Process Optimisation Technical Renovation Project	-	7,459,200.00	Other income	372,960.00	-	7,086,240.00	Assets-related	Other
High Quality Development Fund for Manufacturing 2020 (New Corrosion Resistant Aluminium Alloy Materials and Large Components for Marine Applications)	-	7,000,000.00	Other income	466,666.66	-	6,533,333.34	Assets-related	Other
Central Government's Special Fund for Foreign Economic and Trade Development 2020	-	13,571,579.00	-	-	-	13,571,579.00	Assets-related	Other
Coal Storage Yard Closure and Renovation Project	-	8,000,000.00	-	-	-	8,000,000.00	Assets-related	Construction Related
Funding for expanding imports of advanced equipment and technologies	-	75,000.00	Other income	4,657.51	-	70,342.49	Assets-related	Related to the purchase of equipment
Leading Manufacturing City Strategy Award ad Grants	-	805,300.00	Other income	4,653.18	-	800,646.82	Assets-related	Other

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related	Description
			Incoming items	Amount				
Fund for Port Computerised Storage and Logistics Project	-	-	Other income	58,141.66	2,579,834.16	2,521,692.50	Assets-related	Other
Fund for LNG transportation vehicle gas-to-fuel conversion project	-	-	Other income	55,609.72	111,219.57	55,609.85	Assets-related	Other
IPO Support Fund (Land Premium Rebate)	-	-	Other income	16,541.81	8,485,949.57	8,469,407.76	Assets-related	Other
Fund for Applications of Natural Gas Vehicle in Road Transportation Project	-	-	Other income	35,434.72	779,564.00	744,129.28	Assets-related	Other
Fund for application of LNG vehicles in road freight transportation project	-	-	Other income	5,650.00	135,600.00	129,950.00	Assets-related	Other
Fund for Logistics Information System Application Project	-	-	Other income	57,908.33	694,900.05	636,991.72	Assets-related	Other
Fund for Van Training Grounds Project	-	-	Other income	2,500.00	482,500.00	480,000.00	Assets-related	Other
Reservoir Manager Fund	-	62,500.00	Other income	52,100.00	-	10,400.00	Revenue-related	Other
Yulong Island Refinery Integration Project	-	370,000,000.00	-	-	-	370,000,000.00	Assets-related	Construction Related
Total	767,759,605.68	443,125,340.00	-	39,201,485.75	13,196,882.47	1,184,880,342.40	-	

Notes: The amount of other changes increased due to the business combination of Hengtong Logistics, an entity not under common control, on 30 November 2020. The details of this combination are as follows:

(1) In 2012, Hengtong Logistics, a controlled subsidiary of the Company, received RMB10.00 million from the Finance Bureau of Longkou City as a special fund for Port Computerised Warehouse Logistics Project. The Company amortises items under the government grant as follows: building-related grants over 20 years and machinery and equipment-related grants over 10 years, which are amortised by RMB 58,141.66 in the profit and loss for the period.

(2) In 2015, Hengtong Logistics, a controlled subsidiary of the Company, received RMB4.0039 million from the Finance Bureau of Longkou City as a special fund for LNG transport vehicle oil to gas project. The Company amortised the LNG vehicles over a depreciable life of 6 years and amortised RMB55,609.72 in the current period.

(3) In 2015, Hengtong Logistics, a controlled subsidiary of the Company, received RMB9.4950 million from the Finance Bureau of Longkou City as state owned land premium rebate. The Company amortises it over the beneficiary period and RMB16,541.81 for the period.

(4) Hengtong Logistics, a controlled subsidiary of the Company, received RMB2,551,300,000 from the Transport Bureau and Finance Bureau of Yantai City in 2016 as a subsidy for Application of LNG vehicles in road transportation project, which was amortised by the Company over a depreciable life of six years for LNG vehicles and amortised by RMB35,434.72 during the period.

(5) Hengtong Logistics, a controlled subsidiary of the Company, received RMB5.9252 million from the Transport Bureau and Finance Bureau of Yantai City in 2016, of which RMB 0.4068 million is a subsidy for Application of LNG vehicles in road cargo, which was amortised by the Company over a depreciable life of six years for LNG vehicles and amortised by RMB5,650.00 during the period; and RMB 3.4745 million as a subsidy for computerised logistics system, which was amortised by the Company over the service equipment's amortisation life of 5 years and amortised by RMB 57,908.33 for the period.

(6) Hengtong Logistics, a controlled subsidiary of the Company, received RMB600,000 from the Finance Bureau of Longkou City in 2016, as a special fund for construction of the van training site of Longkou Hengtong Driver Training Co., Ltd., which was amortised by the Company over a depreciable life of 20 years and amortised by RMB2,500.00 for the period.

3. Other notes

Construction Related government grant was increased by RMB392,650,000.00 for the period; Equipment procurement related government grant was increased by RMB18,275,000.00 for the period; Other government grant was increased by RMB32,200,340.00 for the period;

These grants were amortised based on the own useful life of each asset, and for the period, the construction-related government grants was amortised by RMB5,501,696.66; Equipment procurement related government grant was amortised by RMB24,014,823.28; and Other government grant was amortised by RMB9,684,965.81;

(46) Other non-current liabilities

Item	Closing balance	Opening balance
Higher Education Development Fund	58,046,753.24	59,984,378.68

(47) Paid-in capital

Investor	Opening balance	Percentage of capital contribution at the beginning of the period (%)	Increase during the period	Decrement this year	Closing balance	Percentage of capital contribution at the end of the period (%)
Nanshan Village Committee	510,000,000.00	51.00	-	-	510,000,000.00	51.00
Song Zuowen	490,000,000.00	49.00	-	-	490,000,000.00	49.00
Total	1,000,000,000.00	100.00	-	-	1,000,000,000.00	100.00

(48) Capital reserves

Item	Opening balance	Increment this year	Decrement this year	Closing balance
Capital premium	451,808,621.02	-	-	451,808,621.02
Other capital reserve	666,039,017.02	529,015,213.05	-	1,195,054,230.07
Total	1,117,847,638.04	529,015,213.05	-	1,646,862,851.09

(49) Other comprehensive income

1. Breakdown

Item	Opening balance	Change for the period						Closing balance
		Amount incurred before income tax during the period	Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	Less: Amount transferred to retained earnings for the period but previously included in other comprehensive income	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
(1) Other comprehensive income that will not be reclassified to profit or loss	-1,150,007,929.14	-1,043,873,371.07	-	-2,019,843,019.21	-	975,969,648.14	-	-174,038,281.00
1. Remeasurement of changes in defined benefit plans	-	-	-	-	-	-	-	-
2) Other comprehensive income that will not be reclassified to profit or loss under the equity method	-496,487.43	-2,464,932.45	-	-	-	-2,464,932.45	-	-2,961,419.88
3) Other equity instrument investments - Changes in fair value	-1,149,511,441.71	-1,041,408,438.62	-	-2,019,843,019.21	-	978,434,580.59	-	-171,076,861.12
4) Changes in the fair value of the business's own credit risk	-	-	-	-	-	-	-	-
(2) Other comprehensive income that will be reclassified to profit or loss	286,440,955.70	-630,636,412.90	-1,103,776.32	-	-6,972,009.95	-514,379,530.49	-108,181,096.14	-227,938,574.79
1) Other comprehensive income that may be reclassified to profit or loss under the equity method	-19,374,702.33	-21,809,967.55	-	-	-	-21,809,967.55	-	-41,184,669.88
2) Changes in fair	-	-	-	-	-	-	-	-

value of receivables financing								
3) Change in fair value of other debt investments	-1,148,815.14	-27,977,804.16	-	-	-6,993,323.70	-16,981,960.90	-4,002,519.56	-18,130,776.04
4) Amount reclassified from financial assets to other comprehensive income	-	-	-	-	-	-	-	-
5) Provision for impairment of receivables financing	-	-	-	-	-	-	-	-

Item	Opening balance	Change for the period						Closing balance
		Amount incurred before income tax during the period	Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	Less: Amount transferred to retained earnings for the period but previously included in other comprehensive income	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
6) Provision for credit impairment of other debt investments	-	-	-	-	-	-	-	-
7) Cash flow hedge reserve	-521,565.45	-210,373.07	-1,103,776.32	-	21,313.75	421,968.35	450,121.15	-99,597.10
8) Exchange differences from retranslation of financial statements	307,486,038.62	-580,638,268.12	-	-	-	-476,009,570.39	-104,628,697.73	-168,523,531.77
Total	-863,566,973.44	-1,674,509,783.97	-1,103,776.32	-2,019,843,019.21	-6,972,009.95	461,590,117.65	-108,181,096.14	-401,976,855.79

(50) Special Reserves

1. Breakdown

Item	Opening balance	Increment this year	Decrement this year	Closing balance
Safe Production Fee	-	-127,169.34	-56,605.22	-70,564.12

2. The special reserve incurred during the period was due to Hengtong Logistics, a subsidiary of the Company in accordance with the Notice of the Ministry of Finance and the State Administration of Work Safety on Printing and Distributing the “Administrative Measures for the Collection and Use of Enterprise Safe Production Fees” (Cai Qi [2012] No. 16), and based on the actual revenue of the previous period, respectively 1% of general cargo transportation income and 1.5% of dangerous goods transportation income as Safe Production Fee with the progressive rebate on excess method for gas station income.

(51) Surplus reserves

1. Breakdown

Item	Opening balance	Increment this year	Decrement this year	Closing balance
Statutory surplus reserve	500,000,000.00	-	-	500,000,000.00
Any surplus reserves	4,063,025,276.78	226,498,755.50	-	4,289,524,032.28
Total	4,563,025,276.78	226,498,755.50	-	4,789,524,032.28

2. The increase in the Company's surplus for the period was due to the arbitrary reserve of RMB193,873,556.21 based on the net profit for the period and the transfer of other comprehensive income to retained earnings within owners' equity of RMB32,625,199.29.

(52) Retained profits

Item	This Period	Opening balance
Closing balance previous year	37,852,842,970.93	35,608,934,364.60
Plus: Adjustment of retained earnings at the beginning of this year	-102,849,681.28	-
Adjusted opening balance at the beginning of this year	37,749,993,289.65	35,608,934,364.60
Plus: Owners' net profit attributable to parent for the period	2,842,353,538.90	2,445,045,557.32
Transfer of changes in defined benefit plans to retained earnings	-	-
Other inbound transfer	-2,052,468,218.50	11,359,777.73
Less: Withdrawal of Statutory surplus reserve	-	-
Arbitrary surplus reserve appropriated	193,873,556.21	212,496,728.72
Common stock dividends payable	-	-

Item	This Period	Opening balance
Dividends on ordinary shares transferred to share capital	-	-
Retained earnings at the end of the year	38,346,005,053.84	37,852,842,970.93

(53) Operating income/operating cost

1. Breakdown

Item	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Main businesses	48,026,636,875.49	38,461,438,365.56	42,194,849,636.69	34,972,322,421.42
Other businesses	851,915,456.02	516,599,758.69	1,266,517,440.06	819,731,787.01
Total	48,878,552,331.51	38,978,038,124.25	43,461,367,076.75	35,792,054,208.43

2. Operating revenue/operating cost (by sector)

Sector	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Industry	23,019,141,091.93	17,515,533,444.50	22,708,009,075.13	17,785,460,127.93
Construction, Real Estate	1,590,813,661.20	1,059,198,850.46	2,538,429,563.77	1,885,527,749.91
Services	17,411,189,392.49	16,164,186,897.04	14,372,451,570.15	13,560,541,910.42
Other	6,005,492,729.87	3,722,519,173.56	2,575,959,427.64	1,740,792,633.16
Subtotal	48,026,636,875.49	38,461,438,365.56	42,194,849,636.69	34,972,322,421.42

3. Operating revenue/operating cost (by region)

Region	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
In China	34,742,042,677.03	27,469,511,932.72	32,287,503,696.82	27,344,920,246.57
Overseas	13,284,594,198.46	10,991,926,432.84	9,907,345,939.87	7,627,402,174.85
Subtotal	48,026,636,875.49	38,461,438,365.56	42,194,849,636.69	34,972,322,421.42

4. Top five customers in terms of operating revenue

Client Name	Operating Income	As a percentage of total operating revenue (%)
1st	4,644,900,000.00	9.50
2nd	3,314,806,288.17	6.78
3rd	2,833,645,560.40	5.80

Client Name	Operating Income	As a percentage of total operating revenue (%)
4th	2,721,007,782.99	5.57
5th	1,226,871,946.15	2.51
Subtotal	14,741,231,577.71	30.16

(54) Tax and Surcharges

Item	This Period	Previous year
Urban maintenance and construction tax	84,897,066.30	64,470,798.68
Education surcharge	36,428,143.26	27,815,105.78
Local education surcharge	24,285,972.22	18,539,102.03
Water conservancy construction fund	6,278,134.86	4,506,775.51
Property tax	88,440,633.04	101,257,689.14
Land use tax	56,504,769.01	54,233,871.35
Stamp duty	20,368,000.22	18,204,968.66
Vehicle and vessel use tax	362,713.49	342,005.59
Land value added tax	157,663,911.61	4,927,764.48
Environmental protection tax	26,889,491.61	-
Water Resources Tax	4,896,111.21	-
Other	4,374,183.99	41,996,995.18
Total	511,389,130.82	336,295,076.40

Notes: For details of the payment criteria, please refer to Note IV Taxes.

(55) Selling expenses

Item	This Period	Previous year
Transportation costs	65,679,472.00	807,869,880.18
Marketing Expenses	335,646,027.97	501,005,807.05
Employee Benefits	219,091,115.15	256,680,078.51
Amortisation and leasing fees	109,220,388.14	156,618,382.73
Entertainment expenses	-30,535,376.54	31,390,479.56
Travel expenses	19,356,333.18	36,144,078.01

Item	This Period	Previous year
Insurance premiums	20,502,942.67	-
Service Charge	25,034,783.62	-
Other	59,711,578.00	39,325,435.73
Total	884,778,017.27	1,829,034,141.77

(56) Administrative expenses

Item	This Period	Previous year
Employee Benefits	649,620,228.53	750,152,061.77
Company expenses	472,404,724.17	581,335,042.76
Entertainment expenses	57,938,923.98	53,353,561.17
Amortisation and leasing fees	400,745,800.43	397,595,028.35
Travel expenses	14,849,720.96	29,292,819.64
Other	119,083,386.55	59,020,757.33
Total	1,714,642,784.62	1,870,749,271.02

(57) R&D expenses

Item	This Period	Previous year
Employee Benefits	184,581,207.69	58,083,694.89
Direct materials	1,164,324,811.82	781,396,786.66
Depreciation and amortisation	108,441,793.71	16,594,079.75
Other	63,829,093.66	41,433,832.84
Total	1,521,176,906.88	897,508,394.14

(58) Finance Costs

Item	This Period	Previous year
Interest expenses	2,410,073,736.77	2,676,587,217.25
Less: Interest capitalisation	524,274,544.42	511,826,853.65
Less: Interest income	398,470,874.57	281,981,363.84
Exchange losses	57,734,269.76	-582,974.17

Item	This Period	Previous year
Less: Exchange gains	-154,478,740.65	110,789,276.78
Other	88,698,150.94	89,676,830.73
Total	1,788,239,479.13	1,861,083,579.54

(59) Other gains

1. Breakdown

Item	This Period	Previous year
Government Grants - Revenue-related	987,350,432.29	447,130,061.83
Government Grants - Asset-related	39,149,385.75	34,967,651.92
Total	1,026,499,818.04	482,097,713.75

2. Government grant breakdown

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Patent Support Fund:	-	146,000.00	Revenue-related
Civil-Military Integration Industry Development Fund	-	400,000.00	Revenue-related
Talent Cultivation Funds (Taishan Industry Leading Talents Project Special Fund)	-	2,100,000.00	Revenue-related
Funds for Standardisation Funding Projects	-	566,800.00	Revenue-related
Manufacturing and application technologies for high performance aluminium alloy large format sheet and strip	-	1,280,000.00	Revenue-related
"Double Hundred Program" Innovation Talent Award	-	3,150,000.00	Revenue-related
Industrial big data-based intelligent process control technology for aluminium/copper strip	-	1,071,000.00	Revenue-related
Postdoctoral Research Station Doctor Onboarding Grant	-	1,050,000.00	Revenue-related
Employment Support Scheme	3,982,234.39	2,358,270.31	Revenue-related
National Fund for Responding to Trade Friction	-	41,000.00	Revenue-related
Provincial Business Development and Market Development Fund	-	860,400.00	Revenue-related
Development and application of high performance ultra-thin aluminium alloy battery foil technology	-	1,000,000.00	Revenue-related
Shandong Province Direct Debt Financing Incentive Fund	-	300,000.00	Revenue-related
Central Government Foreign Trade Development Fund	3,062,400.00	2,800,000.00	Revenue-related
Provincial fund for international market development	-	300,000.00	Revenue-related
Talent Award Grant	50,000.00	100,000.00	Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
High strength, high toughness and corrosion resistant Al-Zn-Mg alloy forming technology for large and complex components	-	2,100,000.00	Revenue-related
DEVELOPMENT OF ALUMINIUM PROFILES FOR 600KM/H HIGH-SPEED MAGNETIC LEVITATION TRAIN BODIES	-	2,000,000.00	Revenue-related
Special For research on 7XXX series aluminium alloys pre-controlled medium thickness plate with high strength, high toughness damage tolerance	-	200,000.00	Revenue-related
New fast response aluminium alloy sheet for passenger car coverings industrialisation and manufacturing technology	-	140,000.00	Revenue-related
Non-ferrous Metals Energy Saving Green Standard Revision Grant	-	80,000.00	Revenue-related
Development of high performance 7150 aluminium alloy material and extrusion technology for wing beams	-	400,000.00	Revenue-related
Industrial Big Data-based intelligent collaborative control and optimization of aerospace aluminium sheet production	-	800,000.00	Revenue-related
Capital Markets Opening up and Innovation Pilot Fund	50,000.00	-	Revenue-related
New Materials Industry Cluster Development	778,000.00	-	Revenue-related
Provincial-level support funds for pilot counties in relation to the transformation and upgrading of foreign trade	1,000,000.00	-	Revenue-related
Grant for Shanghai Aluminium Exhibition	84,035.25	-	Revenue-related
Fiscal Aid for Research and Development	2,090,100.00	-	Revenue-related
Personal income tax handling fee rebate	284,966.88	-	Revenue-related
Provincial fund for international market development 2020	150,000.00	-	Revenue-related
Municipal Economic and Trade Development Special Fund 2020 and Provincial Business Development and Market Development Fund 2019	1,265,900.00	-	Revenue-related
Central Government's Fund for Foreign Economic and Trade Development 2019 and Provincial Business Development and Market Development Fund	3,871,418.00	-	Revenue-related
Municipal Economic and Trade Development Special Fund 2019	369,000.00	-	Revenue-related
Subsidy for safety liability insurance	13,970.01	-	Revenue-related
Yantai Bureau of Industry and Information Technology 2018-2019 Technology Research and Development Program	200,000.00	-	Revenue-related
Market Supervision Authority of Shandong Province "Tai Shan Industry" Project	200,000.00	-	Revenue-related
Human Resources and Social Security Bureau "Double Hundred Talent Program" Project	1,140,000.00	-	Revenue-related
Longkou Municipal Market Supervision Administration Intellectual Property Special Grant	420,400.00	-	Revenue-related
Longkou City Science and Technology Bureau 2019 Shandong Province Key Research and Development Program	5,443,000.00	-	Revenue-related
Longkou City Science and Technology Bureau 2019 Innovation Base Construction	1,500,000.00	-	Revenue-related
Longkou Science and Technology Bureau 2018-2019 Technology R&D Programme Fund	350,000.00	-	Revenue-related
Longkou City Finance Bureau "Blue Talent" Project	7,000,000.00	-	Revenue-related
Human Resources Grants for the "Gathering Talents for a Better Longkou" Project in Longkou City	900,000.00	-	Revenue-related

Industrial big data-based intelligent process control technology for aluminium/copper strip project	134,000.00	-	Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Yantai Innovation-driven Development Special Fund	-	100,000.00	Revenue-related
Research and development fund for 7050 aluminium alloy axle housing forging technology for high-speed trains	133,333.33	11,111.11	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	140,963.60	115,813.60	Assets-related
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	12,816.04	12,816.04	Assets-related
Funding for the technical renovation of new large high-strength and high-tensile aluminium alloy material production line for transportation	272,306.68	272,306.68	Assets-related
Electrolytic aluminium and supporting carbon production line flue gas desulphurisation and efficient de-dusting treatment project	1,114,000.00	1,114,000.00	Assets-related
National New Materials Production and Application Demonstration Platform Development Project	956,687.52	752,765.96	Assets-related
Transportation High Performance Aluminium Alloy Materials Production Line Technical Renovation Project	251,333.32	251,333.32	Assets-related
High-speed train compartment large section aluminium alloy profile production line construction project	1,996,000.00	1,996,000.00	Assets-related
Funds for the production line product optimisation technological renovation project for automotive lightweight aluminium and magnesium alloy materials	384,406.68	384,406.68	Assets-related
Funding for Key Technology Topics on Short Process Alloying and Plastic Forming of Aluminium Liquids	368,000.00	368,000.04	Assets-related
Funding for the development of a public service platform for aluminium smelting and aluminium processing	66,666.74	66,666.73	Assets-related
Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization (Second Batch of Investment Plans Within the Budget of the Central Government 2011-2012)	1,111,111.20	1,111,111.20	Assets-related
Government refund of VAT on imported equipment	6,011,720.88	6,011,720.88	Assets-related
Funds for research and industrialisation of aluminium alloy foils for heat exchangers in automobiles	62,499.96	62,499.96	Assets-related
Funds for Excellence Centre Innovation Capacity Building Project	277,777.80	277,777.80	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2016	3,734,713.28	2,818,046.61	Assets-related
Technical transformation of 40,000 tonnes per annum high-precision multi-purpose aluminium foil production line	333,333.36	333,333.36	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2017	776,000.03	465,861.14	Assets-related
Funding for Aluminium Alloy Sheet and Strip Production Project	80,000.04	80,000.04	Assets-related
Funds for red mud filtration waste water recycling project	199,999.92	199,999.92	Assets-related
Government subsidy for 100,000 tonnes per annum high performance metal materials production line for rail transportation	1,000,000.00	1,000,000.00	Assets-related
Large-scale precision mould production line renovation project	200,000.00	200,000.00	Assets-related
Funding for lightweight high performance aluminium alloy sheet and strip for rail vehicles project	2,000,000.00	2,000,000.00	Assets-related
Funding for 2*200MW Cogeneration Unit Denitrification Renovation Project	111,111.12	111,111.12	Assets-related

Funding for Donghai Thermal Power Low NOx Combustion Renovation Project	311,819.56	311,819.56	Assets-related
Funding for denitrification, desulphurisation and de-dusting efficiency improvement project for cogeneration units	246,666.68	246,666.68	Assets-related
Funding for Heat and Power Phase I Desulphurisation and De-dusting Renovation Project	266,666.64	266,666.64	Assets-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Grant for 150MN Engineering Technology Renovation Project	66,666.68	66,666.68	Assets-related
Funding for the technical renovation of new 150MN large high-strength and high-tensile aluminium alloy material production line for transportation	2,504,666.68	2,504,666.68	Assets-related
Funding for development and industrialisation of 150MN large format ultra-high strength, high toughness and corrosion resistant aluminium alloy material for aerospace	200,000.00	200,000.00	Assets-related
Tax Enhancement Scheme Funding	1,034,895.00	1,033,620.00	Assets-related
Budget for production line of 220,000 tonnes per annum of new alloy materials for rail transportation	706,470.74	706,470.72	Assets-related
Desulphurisation and de-dusting project	133,333.32	133,333.32	Assets-related
Funding for High Performance Specialty Aluminium Alloy Materials Production Line Project	66,666.66	66,666.67	Assets-related
National subsidies for major demonstration projects on circular economy and resource conservation (key energy-saving projects) and major industrial pollution projects	666,666.66	666,666.67	Assets-related
Funding for Aluminium Alloy Melting and Casting Production Line System Optimisation Project	40,000.00	40,000.00	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2015	2,000,000.00	2,000,000.00	Assets-related
Funding for 20,000 tonnes per annum wide width automotive aluminium sheet production line technical transformation project	2,933,066.66	2,933,066.67	Assets-related
Marine High Performance, Medium Strength, Weldable and Corrosion Resistant Aluminium Alloy Sheets R&D Project	66,666.66	66,666.67	Assets-related
14,000 tonnes per annum large moulded forgings project	66,666.66	36,111.11	Assets-related
Aerospace Alloy Materials Production Line Technical Renovation Project	133,333.34	72,222.22	Assets-related
Aerospace New Materials Production Line Post-processing Technology Renovation Project	133,333.34	72,222.22	Assets-related
Provincial funding for machine for human technology transformation projects	133,333.34	72,222.22	Assets-related
Subsidised funding for expanded import of advanced technology and equipment	521,572.96	282,518.65	Assets-related
Funding for the development of high performance aluminium alloy medium thickness plates	1,000,000.00	1,000,000.00	Assets-related
National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	533,333.40	533,333.40	Assets-related
Subsidy fund for High Performance Aluminium Alloy Sheets and Strips	26,666.64	26,666.64	Assets-related
Grants for Desalination Project	666,666.60	-	Assets-related
2018 Provincial-level Industrial Quality and Efficiency Improvement - Aerospace High-end Aluminium Alloy Production Line Process Optimisation Technical Renovation Project	372,960.00	-	Assets-related
		-	Assets-related
		-	Assets-related
2019 Provincial New and Old Power Energy Conversion - Research on Forging Processes for Hard-to-Deform Alloy Disc Parts for Aircraft Engines	142,222.22	-	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2019	34,120.44	-	Assets-related
Central Government Tertiary Industry Development Fund 2019	80,360.04	-	Assets-related
High Quality Development Fund for Manufacturing 2020 (New Corrosion Resistant Aluminium Alloy Materials and Large	466,666.66	-	Assets-related

Components for Marine Applications)			
Personal Income Tax Handling Fee Refund	44,236.82	-	Revenue-related
Central Government Foreign Trade Development Fund	7,400.00	14,800.00	Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Patent Award Fund	8,000.00	2,000.00	Revenue-related
Employment Support Fund	1,146,639.64	603,590.45	Revenue-related
Economic and Trade Development Special Fund	146,600.00	234,000.00	Revenue-related
Domestic IPO Guidance and Filing Grant	1,820,000.00	-	Revenue-related
Enterprise Reform Fund	2,000,000.00	-	Revenue-related
Foreign Trade and Commerce and Circulation Special Fund	101,067.00	-	Revenue-related
Business Development Policy Fund	207,300.00	-	Revenue-related
Export subsidy funds	47,826.00	-	Revenue-related
Subsidy for vocational training (Work for Training)	10,000.00	-	Revenue-related
Tax credits for self-employed veterans and other key groups to start their own businesses	168,150.00	-	Revenue-related
Model Worker Innovation Workshop Grant	50,000.00	-	Revenue-related
Silver Award in the Mayor's Cup Industrial Design Competition	100,000.00	-	Revenue-related
Funding for expanding imports of advanced equipment and technologies	4,657.51	-	Assets-related
Leading Manufacturing City Strategy Award ad Grants	4,653.18	-	Assets-related
Industrial Quality and Efficiency Improvement Fund	-	2,000,000.00	Revenue-related
Standardisation Specific Grant	-	216,000.00	Revenue-related
Business Development and Market Development Funds	-	50,200.00	Revenue-related
VAT Withholding Handling Fee Refund	-	9,373.90	Revenue-related
Technology R&D Grant Fund	-	200,000.00	Revenue-related
Fiscal Aid for Research and Development	-	21,600.00	Revenue-related
Restructuring Incentive Fund - Award for Listed Companies by Theme	-	1,000,000.00	Revenue-related
Talent Attraction Award Fund for Enterprises and Institutions	-	50,000.00	Revenue-related
Funding for international market development	-	203,000.00	Revenue-related
Fuel schemes tax credit /government credit	-	91,277.13	Revenue-related
Government grant - Jobkeeper (subsidy for businesses)	4,945,349.70	-	Revenue-related
Jobs Support Scheme	3,435,954.44	-	Revenue-related
Special fund for Construction	2,350,000.00	-	Revenue-related
CCPIT Subsidies	462,000.00	-	Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Grants from Shanghai Clearing House	7,000.00	-	Revenue-related
Township Support Funds	650,000.00	-	Revenue-related
Employment Support Subsidy	765.00	-	Revenue-related
Talent Development Grants	1,000,000.00	-	Revenue-related
Refund of special account for ancillary charges	140,700.00	-	Revenue-related
Reservoir Manager Fund	52,100.00	-	Revenue-related
Tax dongle technical maintenance fee waiver	280.00	-	Revenue-related
Land Value Added Tax rebate	10,807,800.00	-	Revenue-related
Employment Support Scheme	765,741.49	-	Revenue-related
Hong Kong Government Employment Support Scheme	38,138.92	-	Revenue-related
Work for Training Grant	93,000.00	-	Revenue-related
VAT Instant Rebate	1,770.59	-	Revenue-related
Central Government Foreign Trade Development Fund and Provincial Business Development and Market Development Fund	8,590,000.00	-	Revenue-related
Internship Allowance	466,733.54	-	Revenue-related
Employment Aid	164,903.46	-	Revenue-related
Aid Funding	80,000.00	-	Revenue-related
Value-added tax relief for small taxpayers	141,046.34	-	Revenue-related
"Internet Plus" Transportation Enterprise Grant	1,282,641.71	-	Revenue-related
Paid Parental Leave	12,979.90	-	Revenue-related
Paternity leave allowance	25,263.25	-	Revenue-related
Maternity leave subsidy:	29,385.00	-	Revenue-related
Wage Credit Scheme	115,226.85	-	Revenue-related
Special Employment Credit	9,256.45	-	Revenue-related
MOM WPD LEVY	117,474.11	-	Revenue-related
Provision for Job Support Scheme	1,119,332.92	-	Revenue-related
Tax rebate for foreign workers	360,001.31	-	Revenue-related
Salary Aid	90,014.93	-	Revenue-related
Disability Employment Support	4,042,115.00	3,389,566.00	Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Grant for purchase of innovative equipment	-	305,403.00	Revenue-related
Longkou City Finance Bureau allocates revenue-related support funds	899,380,000.00	352,834,018.56	Revenue-related
Pudong New District Economic Development Fiscal Support Fund	-	89,000.00	Revenue-related
Talent Employment Support Allowance	32,759.46	10,631.83	Revenue-related
Tax Collection handling fee refunds	145,197.20	595,039.18	Revenue-related
Shandong Province Financial Innovation and Development Fund	-	14,180,500.00	Revenue-related
Shanghai Pudong New District Expo Area Development Management Committee Development Support Fund	236,000.00	952,000.00	Revenue-related
Provincial Hospitality Industry Support Grant	-	2,000,000.00	Revenue-related
Grants for market-based convention and exhibition projects	-	1,380,000.00	Revenue-related
Tax relief	5,962,856.73	5,005,160.04	Revenue-related
Rural Revitalisation Support Fund	-	38,210,000.00	Revenue-related
Government Employment Support Document	-	107,458.50	Revenue-related
Tax Collection handling fee refunds	-	31,972.93	Revenue-related
Fund for LNG transportation vehicle gas-to-fuel conversion project	55,609.72	-	Assets-related
Fund for Van Training Grounds Project	2,500.00	-	Assets-related
Fund for Port Computerised Storage and Logistics Project	58,141.66	-	Assets-related
IPO Support Special Fund (Land Premium Rebate)	16,541.81	-	Assets-related
Fund for Applications of Natural Gas Vehicle in Road Transportation Project	35,434.72	-	Assets-related
Green, recycling and low-carbon traffic and transportation development project	63,558.33	-	Assets-related
Environmentally friendly equipment renovation	653,328.00	653,328.00	Assets-related
Electrolytic aluminium and ancillary carbon production line desulphurisation and high efficiency de-dusting project	1,073,333.33	927,777.78	Assets-related
BF - Business Improvement Fund	31,358.41	31,590.53	Assets-related
Total	1,026,499,818.04	482,097,713.75	

3. How do revenue related large government subsidies come to form

The government grants received during the period in relation to revenue were mainly (1) grant funds of RMB4,042,115.00; (2) Development Special Fund and Market Development Fund of RMB20,171,085.00; (3) Government support funds of RMB901,266,000.00; (4) Enterprise Reform Fund of RMB2,000,000.00; (5) Talent Cultivation Grant of RMB1,000,000.00; (6) Tax Collection handling fee refunds RMB190,387.14; (7) Tax concessions of RMB16,910,749.95; (8) Employment Support Allowance of RMB15,792,303.94; (9) Project-specific grants of RMB22,906,002.96; (10) Other: RMB3,071,788.30.

(60) Investment income

1. Breakdown

Item	This Period	Previous year
Income from long-term equity investment accounted for under the equity method	331,263,191.18	138,575,960.09
Investment income arising from disposal of long-term equity investment	-112,569.50	2,451,188,031.64
Gains arising from remeasurement of the remaining equity interest at fair value after loss of control	-	-
Investment income from financial asset held for trading during the holding period	46,047,340.28	-
Dividend income earned on investments in other equity instruments during the holding period	12,561,497.09	22,186,899.42
Interest income earned on debt investments during the holding period	463,233.97	-
Interest income earned on other debt investments during the holding period	32,810,392.52	53,009,128.82
Investment income arising on disposal of financial assets held for trading.	60,364,393.42	144,374,186.42
Investment income arising on disposal of other debt investments		-
Gains on derecognition of financial assets measured at amortised cost	-	-
Other investment income	4,537,936.96	-14,976,402.07
Total	487,935,415.92	2,794,357,804.32

2. Key items under investment income from long-term equity investment accounted for using the equity method

Investee name	This Period	Previous year	Reason for change in the period from the previous year
Yantai Bank Co., Ltd.	75,301,130.08	71,804,651.53	Increase in net profit of investee
Qingdao Xin Heng Li Investment Development Co., Ltd.	113,601,182.41	6,792,908.50	Increase in net profit of investee
Hainan Manning Hongji Property Company Limited	5,000.00	200,680.67	Increase in net profit of investee
LN Development (Strlng) Pte Ltd	147,413,908.75	62,895,383.63	Increase in net profit of investee
Zhuhai Hengqin Nanshan Kaiyuan Property Management Co., Ltd.	-	-173,259.61	Investee removed during the period
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	-834,459.19	-189,312.34	Decrease in net profit of investee
Longkou Haitong Real Estate Development Co., Ltd.	-364,183.41	-3,203,368.37	Decrease in net profit of investee
Changchun Fusheng Nanshan Automotive Aluminium Co., Ltd.	-473,033.76	-	Investee added during the period
W Capital Markets Pte. Ltd	-2,284,979.42	890,344.06	Decrease in net profit of investee
Beijing Sunac Nanshan Real Estate Co., Ltd.	-232.87	-285,638.82	Decrease in net profit of investee

Investee name	This Period	Previous year	Reason for change in the period from the previous year
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	-1,165,928.70	-156,429.16	Decrease in net profit of investee
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	-6,357,069.98	-	Investee added during the period
Longkou Shunhe Building Materials Co., Ltd.	4,199,581.85	-	Investee added during the period
Beihai Xin'ao Huaheng Logistics Co., Ltd.	915,497.50	-	Investee added during the period
Bohai Hengtong Ferry Company Limited	-119,636.06	-	Investee added during the period
Chongqing Xiangtai Gas Co., Ltd.	1,426,413.98	-	Investee added during the period
Subtotal	331,263,191.18	138,575,960.09	-

3. The Company has no significant restrictions on remittance of investment returns

(61) Gains on changes in fair value

Item	This Period	Previous year
Financial assets measured at fair value through changes in profit or loss.	-14,595,140.46	2,813,559.24
Financial liabilities measured at fair value through changes in profit or loss	-	-776,925.00
Total	-14,595,140.46	2,036,634.24

(62) Credit impairment losses

Item	This Period	Previous year
Bad debt losses on receivables	-35,471,261.63	8,326,386.88
Bad debt losses on other receivables	-25,150,184.43	-13,814,267.09
Bad debt losses on notes receivable	9,417,966.36	-426,414.71
Bad debt losses on long term receivables	117,373.55	-
Loans and advances to customers	52,399,206.13	-
Total	1,313,099.98	-5,914,294.92

(63) Asset impairment losses

Item	This Period	Previous year
Loss on write-down of inventories and impairment loss on contract performance costs	-73,653,147.21	-45,953,050.37
Bad debt losses	-	-67,701,449.05
Fixed assets impairment losses	-	2,337,330.51

Item	This Period	Previous year
Other	-126,645.05	-108,330.27
Total	-73,779,792.26	-111,425,499.18

(64) Gains on Disposal of Assets

Item	This Period	Previous year
Gains recognised when the disposal is classified into non-current assets held for sale (except financial instruments, long-term equity investments and investment properties) or disposal groups (except subsidiaries and operations)	-	-
Gain recognised on disposal of non-current assets not classified as held for sale	125,170,238.63	-83,856,386.77
Where: Fixed assets	106,863,513.25	-83,856,386.77
Construction in progress	18,306,725.38	-
Gain arising on exchange of non-current assets for non-monetary assets	-	-
Total	125,170,238.63	-83,856,386.77

(65) Non-operating income

1. Breakdown

Item	This Period	Previous year
Donation accepted	65,165.80	128,104.88
Government subsidies	17,660,836.99	20,558,698.68
Various Incentive Payments	-	1,389,636.54
Forfeiture and liquidated damage income	85,447,183.44	76,267,228.80
Unpayable Payables	69,831,144.60	57,730,377.39
Gain on decommissioning and retirement of non-current assets	767,279.30	1,987,108.81
Other	22,200,691.79	35,891,346.91
Total	195,972,301.92	193,952,502.01

2. Government grants included in non-operating income for the period

Item	This Period	Previous year	Assets-related/Revenue-related
Government Subsdy-Cash Boost	99,006.00	-	Revenue-related
Employment Support Programme	989,576.66	-	Revenue-related

Item	This Period	Previous year	Assets-related/Revenue-related
LOA/SHN：	14,147.42	-	Revenue-related
Levy rebate and waver	22,736.93	-	Revenue-related
Cash grant and rental waver	1,447,415.82	-	Revenue-related
Rent waiver and refund	2,064,175.93	-	Revenue-related
Employment Support Scheme：	8,965,139.21	-	Revenue-related
Non-residential property tax rebate	774,066.03	-	Revenue-related
SEC Special Employment Payments	50,607.34	-	Revenue-related
WCS (wage subsidy after increasing production capacity)	511,527.10	-	Revenue-related
Jobs Support Scheme	1,984,266.25	-	Revenue-related
Wage credit scheme	11,472.55	-	Revenue-related
Property tax rebate	533,549.78	-	Revenue-related
Employment Subsidy	24,000.00	-	Revenue-related
Urban and Rural Test Item Testing Fee	700.00	-	Revenue-related
Senior Citizen Canteen Information System Grant	91,000.00	-	Revenue-related
Pandemic prevention and control subsidies	1,000.00	-	Revenue-related
Aiwei B Aid	2,002.25	-	Revenue-related
Funding for Childhood Caries Prevention and Treatment	47,520.00	-	Revenue-related
Immunisation Planning Vaccination Grants	675.00		Revenue-related
Talent Subsidy	2,000.00	-	Revenue-related
Aviation Development Special Fund	-	240,000.00	Revenue-related
Incentives for newly included tertiary businesses	-	100,000.00	Revenue-related
CCPIT Subsidies	-	1,090,000.00	Revenue-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	-	2,200,000.00	Revenue-related
Provincial Business Development and Market Development Fund 2018	-	2,931,000.00	Revenue-related
Employment Support Scheme	-	214,874.18	Revenue-related
Longkou Public Employment Service Centre Trainee Allowance	-	174,765.00	Revenue-related
New Leap Forward Private Enterprise Award	-	5,000,000.00	Revenue-related

Item	This Period	Previous year	Assets-related/Revenue-related
Seawall Construction (Nanshan) Project Special Fund	-	7,370,000.00	Assets-related
Yantai Innovation-driven Development Special Fund 2018	-	1,000,000.00	Assets-related
Wage Credit Scheme (WCS)	24,252.72	238,059.50	Revenue-related
Total	17,660,836.99	20,558,698.68	-

3. Information on Government Grants:

Government grants received during the period were all revenue related, of which (1) RMB2,531,518.62 was for Wage Credit Scheme; (2) RMB10,005,323.21 for Employment Support Programme; (3) RMB3,511,591.75 for rent waiver and refund; (4) RMB1,675.00 for pandemic prevention and control; (5) RMB3,071,788.30 for Others.

(66) Non-operating expenses

Item	This Period	Previous year
Outbound donations	20,108,844.55	38,637,663.28
Losses on retirement and damage of assets	45,561,936.93	66,247,752.12
Fine expenses	3,667,420.84	39,355,811.87
Compensation and default payment	27,800,481.89	11,312,885.28
Late payment of taxes	11,530,704.88	48,054.47
Other	11,778,300.27	13,241,798.47
Total	120,447,689.36	168,843,965.49

(67) Income tax expenses

Item	This Period	Previous year
Current income tax expense	780,274,674.80	563,451,767.48
Deferred income tax expenses	109,239,166.44	-41,782,342.99
Total	889,513,841.24	521,669,424.49

(68) Other comprehensive income

For details of other comprehensive income, see note V(49) "Other comprehensive income".

(69) Notes to the key items in the consolidated cash flow statement

1. Other cash received in relation to operating activities

Item	This Period	Previous year
Interest income	398,470,874.57	281,981,363.84
Government subsidies	1,044,160,655.03	502,656,412.43
Revenue forfeited	34,765,118.41	76,267,228.80
Time deposit	747,690,000.00	-
Other	107,713,041.02	37,409,088.33
Total	2,332,799,689.03	898,314,093.40

2. Other cash paid in relation to operating activities

Item	This Period	Previous year
Cash expenses in marketing expenses	556,466,513.98	1,415,735,680.53
Cash paid in administrative expenses, research and development expenses	1,892,430,661.14	1,545,832,800.40
Cash expenses in financial expenses	88,698,150.95	89,676,830.73
Outbound donations	20,108,844.55	38,637,663.28
Other	55,342,475.38	63,958,550.10
Total	2,613,046,646.00	3,153,841,525.04

3. Other cash received in relation to investing activities

Item	This Period	Previous year
Reversal of previously purchased wealth management products	200,000,000.00	4,531,560,000.00
Investment income from wealth management products purchased	58,827,523.87	128,315,201.43
Entrusted loans taken back	783,000,000.00	676,880,000.00
Decrease in long term receivables	250,047,662.84	393,272,757.69
Current accounts	3,813,818,190.07	-
Total	5,105,693,376.78	5,730,027,959.12

4. Other cash paid in relation to investing activities

Item	This Period	Previous year
Wealth Management Products Purchased	-	2,435,000,000.00
Entrusted loans paid	1,386,850,000.00	178,350,000.00
Current accounts	-	727,390,356.84

Item	This Period	Previous year
Total	1,386,850,000.00	3,340,740,356.84

5. Other cash received in relation to financing activities

Item	This Period	Previous year
Letter of Guarantee Security Deposit	-	412,510,609.00
Bill Discounting Security Deposit	1,134,000,000.00	-
Increase in long term payables	685,414,542.88	450,900,893.11
Current accounts	612,348,186.73	771,716,742.64
Total	2,431,762,729.61	1,635,128,244.75

6. Other cash paid in relation to financing activities

Item	This Period	Previous year
Cost of issue paid	4,157,000.00	-
Bill Discounting Security Deposit	850,000,000.00	1,134,000,000.00
Total	854,157,000.00	1,134,000,000.00

(70) Supplementary information to the cash flow statement

1. Supplementary information to cash flow statement

Item	This Period	Previous year
(1) Adjustment of net profit to cash flows from operating activities:	-	-
Net profit	4,218,842,299.71	3,455,377,488.92
Plus: Provision for asset impairment	73,779,792.26	111,425,499.18
Credit impairment losses	-1,313,099.98	5,914,294.92
Fixed asset depreciation, depreciation of oil and gas assets and productive biological asset depreciation:	2,437,807,858.82	2,716,533,222.58
Intangible asset amortisation	149,728,286.65	135,223,009.12
Amortization of long-term deferred expenses	78,264,606.64	283,541,508.98
Loss on disposal of fixed assets, intangible assets and other long-term assets (with gains denoted by "-")	-125,170,238.63	83,856,386.77
Loss on retirement of fixed assets (with gains denoted by "-")	44,794,657.63	66,247,752.12
Loss on changes in fair value (with gains denoted by "-")	14,595,140.46	-2,036,634.24
Financial costs (with gains denoted by "-")	1,885,799,192.35	2,164,760,363.60

Item	This Period	Previous year
Investment losses (with gains denoted by a "-")	-487,935,415.92	-2,794,357,804.32
Decrease in deferred income tax assets (with increase denoted by "-")	92,066,486.56	-41,164,505.70
Increase in deferred income tax liabilities (with decrease denoted by "-")	20,565,131.75	10,287,766.34
Decrease in inventories (with increase denoted by "-")	573,617,598.58	1,015,919,471.92
Decrease in operating receivables (with increase denoted by "-")	5,124,710,030.88	2,367,049,825.14
Increase in operating payables (with decrease denoted by "-")	-4,954,575,993.09	-2,365,956,284.43
Losses recognised when the disposal is classified into non-current assets held for sale (except financial instruments, long-term equity investments and investment properties) or disposal groups (except subsidiaries and operations) (with gain denoted by "-")	-	-
Other	747,690,000.00	-
Net cash flows from operating activities	9,893,266,334.67	7,212,621,360.91
(2) Significant investment and fundraising activities that do not involve cash flow:		-
Conversion of debt into capital	-	-
Convertible corporate bonds due within one year	-	-
Fixed assets leased-in under Finance Lease	-	-
(3) Net changes in cash and cash equivalents:	-	-
Closing cash balance	15,329,389,708.52	8,823,489,162.01
Less: Openning cash balance	8,823,489,162.01	7,914,965,515.49
Plus: Closing balance of cash equivalents	-	-
Less: Opening balance of cash equivalents	-	-
Net increase in cash and cash equivalents	6,505,900,546.51	908,523,646.52

2. Cash and cash equivalents

Item	Closing balance	Opening balance
(1) Cash	15,329,389,708.52	8,823,489,162.01
Where: Cash on hand	10,106,547.97	9,572,827.24
Bank deposits readily available for payment	15,319,283,160.55	8,813,916,334.77
Other monetary funds readily available for payment	-	-
(2) Cash equivalents	-	-
Where: Debt investments due within three months	-	-
(3) Closing balance of cash and cash equivalents	15,329,389,708.52	8,823,489,162.01

Item	Closing balance	Opening balance
Where: Cash and cash equivalents used restrictly by the parent or intra-group subsidiary	-	-

[Note] Notes on supplementary information of cash flow statement:

In 2020, the closing amount of cash was RMB 15,329,389,708.52 in the cash flow statement. The closing value of monetary funds was RMB 19,670,407,688.08 in the balance sheet as of 31 December 2020, and the difference of RMB 4,341,017,979.56 arose from the deduction of Banker's Acceptance Draft Security Deposit, Loan Security Deposit, Letter of Credit Security Deposit, Guarantee Security Deposit, Futures Security Deposit and outstanding interests receivable that don't meet the criteria of cash and cash equivalents.

(71) Assets with restricted ownership or right to use

Item	Closing book value	Reasons for restrictions
Monetary Funds	4,332,559,712.56	Banker's Acceptance Draft Security Deposit, Loan Security Deposit, Letter of Credit Security Deposit, Bond Security Deposit, and Futures Security Deposit
Notes Receivable	774,232,859.19	Endorsed not yet due
Accounts receivable	20,894,794.15	Factoring with recourse
Long-term equity investments	2,682,644,950.73	Pledge of shares, pledge of loans
Fixed assets	2,189,644,128.57	Borrowing Security Deposit
Intangible assets	1,211,284,790.12	Mortgage of land, mortgage of sea use rights
Total	11,211,261,235.32	

(72) Monetary Items in Foreign Currency

Item	Balance in foreign currency at end of period	Exchange rate	Converted Balance in RMB at the end of the period
Monetary Funds			
Where: AUD	22,984,765.53	5.0163	115,298,479.35
HKD	16,532.00	0.8416	13,913.33
KRW	42,800.00	0.0060	256.80
USD	239,962,404.85	6.5249	1,565,730,695.41
EUR	8,802,226.87	8.0250	70,637,870.64
JPY	1,000,000.00	0.0632	63,200.00
TWD	510.00	0.2326	118.63
SGD	230,707,909.42	4.9314	1,137,712,984.54

Item	Balance in foreign currency at end of period	Exchange rate	Converted Balance in RMB at the end of the period
NZD	2,865.00	4.8309	13,840.53
IDR	2,276,539,355,629.11	0.0004626	1,053,226,873.89
GBP	1,224,208.05	8.8903	10,883,576.83
Accounts receivable			
Where: AUD	50,126.53	5.0163	251,449.71
USD	141,949,121.75	6.5249	926,203,824.51
EUR	13,177,669.26	8.0250	105,750,795.82
SGD	89,982,287.08	4.9314	443,738,650.51
GBP	104,786.61	8.8903	931,584.40
Other receivables			
Where: AUD	288,655,066.73	5.0163	1,447,980,411.24
USD	124,722,574.31	6.5249	813,802,325.12
EUR	16,824.38	8.0250	135,015.65
SGD	530,294,410.38	4.9314	2,615,093,855.35
IDR	579,740,500.00	0.0004626	268,213.36
Short-term borrowings			
Where: USD	93,888,841.42	6.5249	612,615,301.38
SGD	152,100,000.00	4.9314	750,065,940.00
Accounts Payable			
Where: AUD	844,318.52	5.0163	4,235,354.99
USD	94,979,063.06	6.5249	619,728,888.57
EUR	5,047,976.27	8.0250	40,510,009.56
SGD	9,807,851.72	4.9314	48,366,439.97
IDR	14,384,863,981.04	0.0004626	6,655,068.48
Other payables			
Where: AUD	486,097,273.69	5.0163	2,438,409,754.01
USD	28,539,928.67	6.5249	186,220,180.58
EUR	59,965.96	8.0250	481,226.83

Item	Balance in foreign currency at end of period	Exchange rate	Converted Balance in RMB at the end of the period
SGD	864,765,905.40	4.9314	4,264,506,585.89
IDR	2,408,460,172.79	0.0004626	1,115,117.06
Non-current liabilities due within one year			
Where: SGD	105,419,789.70	4.9314	519,867,150.93
Long-term borrowings			
Where: AUD	50,400,000.00	5.0163	252,821,520.00
USD	80,000,000.00	6.5249	521,992,000.00

(73) Government subsidies

1. Breakdown

Item	Amount increased during the period	Listed items	recognised in profit or loss for the period	
			Item	Amount
Asset Related Subsidy	369,937,500.00	Deferred revenue	Other income	39,149,385.75
Income related grant	62,500.00	Deferred revenue	Other income	52,100.00
Income related grant	987,298,332.29	Other income	Other income	987,298,332.29
Income related grant	17,660,836.99	Non-operating income	Non-operating income	17,660,836.99
Total	1,374,959,169.28			1,044,160,655.03

For details of government grants received during the period, please refer to Notes V(45) "Deferred income", Note V(59) "Other gains" and Note V(65) "Non-operating income".

VI. Changes to the scope of consolidation

The figures set out in this section are denominated in RMB unless otherwise stated.

(1) Combination under common control

1. Combination under common control during the period

Name of acquiree	Point of acquisition of shareholding	Cost of acquisition of equity	Shareholding acquisition ratio (%)	Method of acquisition of shareholding
Hengtong Logistics Co.,Ltd.	2020-11-18	1,071,254,347.88	20.30	Secondary Market Acquisition

Continued:

Name of acquiree	Date of Acquisition	Basis for determining the date of acquisition	Revenue of acquiree from date of acquisition to period end	Net profit of acquiree from date of acquisition to period end

Name of acquiree	Date of Acquisition	Basis for determining the date of acquisition	Revenue of acquiree from date of acquisition to period end	Net profit of acquiree from date of acquisition to period end
Hengtong Logistics Co.,Ltd.	2020-11-30	[Note]	585,662,969.18	39,590,534.72

[Note] Pursuant to the resolution of the shareholders' meeting of the Company, the Company entered into an equity transfer contract with Liu Zhendong, Yu Jiangshui, Li Jian, Liu Guoyang, Wang Guangchen, Xie Lingling, Yu Shiwei and Li Jiaguo on 3 March 2020, whereby the Company was transferred 7.30% equity interest in Hengtong Logistics for RMB165 million; The Company entered into an equity transfer contract with Liu Zhendong on 19 October 2020, whereby the Company was transferred 5.79% equity interest in Hengtong Logistics for RMB285.00 million; The Company entered into an equity transfer contract with Song Jianbo on 22 October 2020, whereby the Company was transferred 2.00% equity interest in Hengtong Logistics for RMB81,849,600; On 22 October 2020, the Company entered into an equity transfer contract with Longkou Nanshan Investment Co., Ltd., whereby the Company was transferred 5.2084% equity interest in Hengtong Logistics for RMB213,512,800. The Company had substantive control of Hengtong Logistics as at 18 November 2020. 30 November, 2020 was determined as the date of acquisition, so Hengtong Logistics was included in the consolidated financial statements beginning 1 December 2020.

2. Consolidation costs and goodwill

Consolidation costs	Hengtong Logistics Co.,Ltd.
- Cash	745,002,355.00
- Fair value of equity interests held prior to the date of acquisition at the date of acquisition	326,251,992.88
Total consolidation costs	1,071,254,347.88
Less: Fair value share of identifiable net assets acquired	258,823,259.42
Amount by which goodwill/consolidation cost is less than the fair value of the share of identifiable net assets acquired	812,431,088.46

3. identifiable assets and liabilities of the acquiree at the date of acquisition

Item	Hengtong Logistics Co., Ltd.	
	Fair value at the date of acquisition	Carrying value at the date of acquisition
Monetary Funds	293,652,472.07	293,652,472.07
Notes Receivable	85,771,982.64	85,771,982.64
Accounts receivable	244,630,547.66	244,630,547.66
Prepayments	78,792,414.71	78,792,414.71
Other receivables	17,707,151.21	17,707,151.21
Inventories	8,358,756.16	8,358,756.16
Other current assets	26,820,036.92	26,820,036.92
Long-term equity investments	166,888,725.33	166,888,725.33
Investment Properties	29,053,307.97	29,053,307.97

Item	Hengtong Logistics Co., Ltd.	
	Fair value at the date of acquisition	Carrying value at the date of acquisition
Fixed assets	653,837,596.09	598,581,748.91
Construction in progress	4,709,514.26	4,709,514.26
Intangible assets	211,057,402.36	161,085,017.14
Long-term deferred expenses	11,282,430.39	11,282,430.39
Deferred tax assets	14,725,753.75	14,725,753.75
Other non-current assets	4,293,075.00	4,293,075.00
Less: Borrowings	271,960,000.00	271,960,000.00
Notes payable	20,000,000.00	20,000,000.00
Accounts payable	137,314,668.66	137,314,668.66
Advance receipts	60,922,589.35	60,922,589.35
Staff remuneration payables	20,208,983.20	20,208,983.20
Taxes payable	17,664,052.21	17,664,052.21
Other payables	8,942,821.95	8,942,821.95
Deferred revenue	13,269,567.35	13,269,567.35
Deferred tax liabilities	26,307,058.10	-
Net Assets	1,274,991,425.70	1,196,070,251.40
Less: Minority Stockholder's Interest	71,108,788.90	71,108,788.90
Net assets acquired	1,203,882,636.80	1,124,961,462.50

(1) Methodology for determining the fair value of identifiable assets and liabilities

The land use rights and buildings among the identifiable net assets of Hengtong Logistics, the subject of the acquisition, have been appraised by Yantai Zexin Asset Appraisal & Valuation Company Limited, with a base date of 31 December 2020. According to the valuation report, taking into account the effect of deferred income tax and the effect of this capital increase, the fair value of the identifiable net assets of the equity interest acquired in Hengtong Logistics was RMB1,274,991,425.70.

(2) Changes in the scope of consolidation arising from other causes

1. Increase in significant subsidiaries by means of direct creation or investment. (it means increase in subsidiaries by means of creation or spin-off rather than merger and acquisition)

In March 2020, the Company invested in the establishment of Qingdao Longyu Energy Co., Ltd. It completed its business registration on 27 March 2020 with a registered capital of RMB100,000,000. The Company has contributed RMB100,000,000, representing 100°% of its registered capital, and has substantive control over the Company, and therefore it has been included in the consolidated financial statements from the date of its establishment.

In June 2020, the Company invested in the establishment of Longkou Lu Xin Trading Co., Ltd. On 4 June 2020, it completed its business registration with a registered capital of RMB100 million. The Company has contributed RMB100 million, representing 100% of its registered capital, and has substantive control over the Company, and therefore it has been included in the consolidated financial statements from the date of its establishment.

In November 2020, the Company invested in the establishment of Shandong Yulong Thermal Power Co., Ltd. On 24 November 2020, it completed its business registration with a registered capital of RMB1.5 billion. The Company has contributed RMB1.5 billion, representing 100% of its registered capital, and has substantive control over the Company, and therefore it has been included in the consolidated financial statements from the date of its establishment.

In April 2020, the Company invested in the establishment of Shandong Yulong Port Services Co., Ltd. On 3 April 2020, it completed its business registration with a registered capital of RMB100 million. The Company has contributed RMB100 million, representing 100% of its registered capital, and has substantive control over the Company, and therefore it has been included in the consolidated financial statements from the date of its establishment.

2. Reduction of significant subsidiaries due to other reasons (for example, the write-off of reduced subsidiaries due to bankruptcy, closure, dissolution on expiry and so on)

Longkou Beihai Thermal Power Co., Ltd. was cancelled on 14 May 2020. Therefore, the company is no longer included in the consolidated financial statements from the time of its cancellation.

VII. Interests in other entities

The figures set out in this section are denominated in RMB10,000 unless otherwise stated.

(1) Interests in subsidiaries

1. Composition of the Group by significant subsidiaries

Subsidiary Name	Level	Main place of operation	Registration place	Nature of business	Shareholding (%)		Means of acquisition
					Direct	Indirect	
Shandong Nanshan Aluminum Industry Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	23.72	23.53	Investment
Shandong Nanshan Zhishang Technology Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	67.50	-	Investment
Shandong Nanshan Nuan Tong New Materials Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	100.00	-	Investment
Shandong Yili Power Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	100.00	-	Investment

Subsidiary Name	Level	Main place of operation	Registration place	Nature of business	Shareholding (%)		Means of acquisition
					Direct	Indirect	
Yantai Nanshan Zhuangyuan Wine Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacturing	100.00	-	Investment
Nanshan Group Capital Investment Limited	Level 1	Beijing	Beijing	Other	100.00	-	Investment
Shanghai Lurun Asset Management Co., Ltd.	Level 1	Shanghai	Shanghai	Other	100.00	-	Investment
Shandong Nanshan Science and Technology Industrial Park Management Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Other	100.00	-	Investment
Nanshang Tourism Group Company Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Trade	100.00	-	Investment
NAN SHAN GROUP SINGAPORE CO. PTE. LTD	Level 1	Singapore	Singapore	General	100.00	-	Consolidated
Nanshang Tourism Group Company Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tourism	100.00	-	Investment
Longkou Nanshan Microfinance Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	45.00	25.00	Investment
Nanshan Group Finance Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	63.00	37.00	Investment
Longkou Nanshan Finance Guarantee Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	100.00	-	Investment
Longkou City Nanshan West Coast Artificial Island Construction and Development Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Construction	100.00	-	Investment
Longkou Nanshan Construction & Installation Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Construction	100.00	-	Investment
Longkou Nanshan Qimu Island Port Development Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tertiary Industry	100.00	-	Investment
Longkou Port Qiamu Island Development Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tertiary Industry	100.00	-	Investment
Longkou Xiangrui Investment Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Other	100.00	-	Investment
Shandong Nanshan Construction Development Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Real estate	100.00	-	Investment
Longkou Longyu International Trading Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Trade	100.00	-	Investment
Yantai Yulong Jinghua Equity Investment Fund Management Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	51.00	-	Investment
Shandong Yulong Petrochemical Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	71.00	-	Investment
Qingdao Longyu Energy Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Wholesale	100.00	-	Investment
Longkou Lu Xin Trading Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Wholesale	100.00	-	Investment
Shandong Yulong Thermal Power Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Electricity and Heat Production and Supply	100.00	-	Investment
Shandong Yulong Port	Level 1	Longkou City,	Longkou City,	Marine	100.00	-	Investment

Services Limited :		Shandong Province	Shandong Province	Transportation			
Hengtong Logistics Co.,Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Road transportation and gas	20.30	-	Acquisition

Subsidiary Name	Level	Main place of operation	Registration place	Nature of business	Shareholding (%)		Means of acquisition
					Direct	Indirect	
				Production and Supply			

[Note 1] The Company directly holds 23.72% of Shandong Nanshan and indirectly holds 23.53% through Shandong Yili Power Co., Ltd. and is its largest shareholder and has substantial control over it with a majority on the board of directors, therefore it is included in the consolidated financial statements.

[Note 2] The Company directly owns 20.30% of Hengtong Logistics and already has effective control of the company, so it is included in the consolidated financial statements.

2. Significant non-wholly owned subsidiaries

Subsidiary Name	Minority shareholding (%)	Profit or loss for the period attributable to minority shareholders	Dividends paid to minority shareholders during the period	Closing balance of minority stockholder's interest
Shandong Nanshan Aluminum Industry Co., Ltd.	52.75	263,741,673.76	-315,177,093.25	3,901,803,000.07
Shandong Nanshan Zhishang Technology Co., Ltd.	32.50	-1,280,235.84	-	5,917,102.56
Hengtong Logistics Co.,Ltd.	79.70	11,536,475.93	-	82,645,264.83

[Note] The amount here is in RMB.

3. Key financial information on significant non-wholly owned subsidiaries

Subsidiary Name	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,312,467.13	3,288,719.30	5,601,186.43	1,066,838.69	105,654.62	1,172,493.31
Shandong Nanshan Zhishang Technology Co., Ltd.	183,441.55	59,552.39	242,993.94	83,802.19	5,633.11	89,435.30
Hengtong Logistics Co.,Ltd.	86,670.33,	90,379.96	177,050.29	52,215.20	1,303.78	53,518.98

Continued:

Subsidiary Name	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,272,360.07	3,203,575.01	5,475,935.08	1,094,099.13	226,969.18	1,321,068.31
Shandong Nanshan Zhishang Technology Co., Ltd.	142,192.74	60,797.83	202,990.57	97,648.35	-	97,648.35
Hengtong Logistics Co.,Ltd.	75,573.34	99,061.96	174,635.30	53,701.31	1,326.96	55,028.27

Continued:

Subsidiary Name	This Period

	Operating Income	Net profit	Total comprehensive income	Cash inflows from operating activities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,229,899.26	222,109.87	193,728.40	588,341.08
Shandong Nanshan Zhishang Technology Co., Ltd.	135,778.75	8,622.78	8,308.76	36,991.45
Hengtong Logistics Co.,Ltd.	58,566.30	3,959.05	3,959.05	15,221.09

Continued:

Subsidiary Name	Previous year			
	Operating Income	Net profit	Total comprehensive income	Cash inflows from operating activities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,150,900.91	173,628.09	180,118.45	379,204.24
Shandong Nanshan Zhishang Technology Co., Ltd.	177,083.06	12,103.52	12,090.05	38,175.83
Hengtong Logistics Co.,Ltd.	-	-	-	-

(2) Interest in joint venture arrangements or associates

1. Significant joint ventures or associates

Name of joint ventures or associates	Main place of operation	Registration place	Nature of business	Shareholding (%)		Accounting for investments in joint ventures or associates
				Direct	Indirect	
Nanshan (Hainan Manning) Property Company Limited	Hainan	Hainan	Property development	50.00	-	Equity method
Hainan Manning Hongji Property Company Limited	Hainan	Hainan	Property development	50.00	-	Equity method
Yantai Bank Co., Ltd.	Yantai	Yantai	Banking	34.83	-	Equity method
Qingdao Xin Heng Li Investment Development Co., Ltd.	Qingdao	Qingdao	Property development	39.00	-	Equity method
Qingdao Nanxin Investment Co., Ltd.	Qingdao	Qingdao	Property development	49.00	-	Equity method
Yantai Nanshan Sunac Property Co., Ltd.	Yantai	Yantai	Property development	50.00	-	Equity method
Longkou Haitong Real Estate Development Co., Ltd.	Yantai	Yantai	Property development	40.00	-	Equity method
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	Yantai	Yantai	Gas production and supply industry	40.00	-	Equity method
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	Yantai	Yantai	Automotive manufacturing	50.00	-	Equity method
LN Development (Strlng) Pte Ltd	Singapore	Singapore	Property development	-	49.00	Equity method
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	Yantai	Yantai	Property development	30.00	-	Equity method

2. Excess losses incurred in joint ventures or associates

Name of joint ventures or associates	Accumulated unrecognised losses from prior periods	Unrecognised loss for the period (or net profit shared for the period)	Accumulated unrecognised losses at the end of the period

Name of joint ventures or associates	Accumulated unrecognised losses from prior periods	Unrecognised loss for the period (or net profit shared for the period)	Accumulated unrecognised losses at the end of the period
Nanshan (Hainan Manning) Property Company Limited	-62,434,626.89	-50,256,781.00	-112,691,407.89

[Note] The amount here is in RMB.

VIII. Related-party relations and transactions

The data in this section is denominated in Renminbi Yuan (RMB) unless otherwise stated.

(1) Related-party relations

1. Parent company of the Company

Parent company/beneficial owner	Nature of business	Registration place	Registered capital (RMB 10,000)	Parent company's ratio of shares in the business (%)	Parent company's ratio of voting in the business (%)
Nanshan Village Committee	Non-profit organisations	Longkou City	None	51.00	51.00

The ultimate beneficiary of the Company is Nanshan Village Committee.

2. Subsidiaries of the Company

For details of the Company's subsidiaries, please refer to Note VII(1) "Interests in Subsidiaries".

3. Information about joint ventures and associates of the Company

For details of the Company's significant joint ventures and associates, please refer to Note VII(2) "Interests in joint venture arrangements or associates".

4. Other connected parties of the Company

Name of other connected parties	Relations with the Company
Qingdao Jin Heng Li Property Co., Ltd.	A subsidiary of Qingdao Xin Heng Li Investment Development Co., Ltd., an associate of the Company
Wanning Nanshan Rongchuang Industrial Co., Ltd.	A subsidiary of Nanshan (Hainan Manning) Property Co., Ltd., a joint venture of the Company
Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	A subsidiary of Yantai Nanshan Rongchuang Property Co., Ltd., an associate of the Company
Qingdao Haiqin Property Co., Ltd.	A subsidiary of Longkou Haitong Real Estate Development Co., Ltd., an associate of the company
LN Development	Associates
Liu Zhendong	Investors exercising significant influence over the Company's controlled subsidiaries
Greenford Agri-Tech Co., Ltd.	A company controlled by the investors that exercise significant influence over the Company's controlled subsidiaries
Yantai Shunjin Nanshan Rongchuang Property Co., Ltd.	A subsidiary of Yantai Nanshan Rongchuang Property Co., Ltd., an associate of the Company
Longkou Nanshan Xing Yuan Hen Property Co., Ltd.	A subsidiary of Qingdao Nanxin Investment Co., Ltd., an associate of the Company

(2) Connected transactions

1. Purchase and sale of goods, acceptance and provision of services

Name of connected party	Content of related party transaction	Pricing Policy	This Period	Previous year
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	Sales and development of products	Market Price	380,180.74	10,553.97
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	Sales and development of products	Market Price	-	294,955.72
Hainan Manning Hongji Property Company Limited	Sales and development of products	Market Price	2,654.87	-
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	Sales and development of products	Market Price	2,000.74	-
Longkou Shunhe Building Materials Co., Ltd.	Provision of services	Market Price	879,507.53	-
Greenford Agri-Tech Co., Ltd.	Beef, milk, etc.	Market Price	6,458,034.68	-
Greenford Agri-Tech Co., Ltd.	Vehicle Rental Fee	Market Price	13,007.07	-
Greenford Agri-Tech Co., Ltd.	LPG	Market Price	1,571.10	-
Greenford Agri-Tech Co., Ltd.	Shipping Cost	Market Price	1,865,220.16	-
Greenford Agri-Tech Co., Ltd.	Loading and unloading charges	Market Price	1,299,324.06	-
Greenford Agri-Tech Co., Ltd.	Farm machinery operating expenses	Market Price	173,520.00	-
Total	-	-	11,075,020.95	305,509.69

2. Interest income and interest expense

Name of connected party	Content of related party transaction	This Period	Previous year
Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	Interest income	-	49,008,729.82
Hainan Manning Hongji Property Company Limited	Interest income	32,951,339.69	39,866,876.32
Longkou Nanshan Xing Yuan Hen Property Co., Ltd.	Interest income	873,211.48	308,360.45
Yantai Bank Co., Ltd.	Interest income	14,261,855.99	483,595.45

3. Attracting deposits from connected parties

Name of connected party	Closing balance	Opening balance
Hainan Manning Hongji Property Company Limited	27,446.17	10,240,015.75
Yantai Nanshan Sunac Property Co., Ltd.	3,316.68	1,851.74
Nanshan (Hainan Manning) Property Company Limited	11,896.28	1,475,484.30
Qingdao Jin Heng Li Property Co., Ltd.	16,731.00	19,124.18
Qingdao Nanxin Investment Co., Ltd.	609.86	607.70
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	1,237,446,073.20	-

Name of connected party	Closing balance	Opening balance
Wanning Nanshan Rongchuang Industrial Co., Ltd.	20,157.73	20,086.16
Qingdao Xin Heng Li Investment Development Co., Ltd.	45.48	42,660.40
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	39,138,034.17	40,828,563.76

[Note] it represents deposits attracted from members by Nanshan Group Finance Co., Ltd., a subsidiary of the Company.

4. Origination of Loans

Name of connected party	This Period	Previous year
Hainan Manning Hongji Property Company Limited	-	521,000,000.00

[Note] it represents loans originated by Nanshan Group Finance Co., Ltd., a subsidiary of the Company.

5. Entrusted Loans

Name of connected party	This Period	Previous year
Hainan Manning Hongji Property Company Limited	1,213,960,000.00	610,110,000.00

(3) Payables and receivables with connected parties

1. Amounts due from connected parties

Item	Name of connected party	Closing balance	Opening balance
Accounts receivable	Qingdao Nanxin Investment Co., Ltd.	251,109,000.00	251,109,000.00
	Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	2,562,216.48	922,480.00
	National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	1,390,971.26	5,233,181.25
	Qingdao Jin Heng Li Property Co., Ltd.	28,424.78	594,175.41
	Yantai Shunjin Nanshan Rongchuang Property Co., Ltd.	2,662,602.00	3,503,291.00
	Greenford Agri-Tech Co., Ltd.	4,474,243.56	-
Other receivables	Qingdao Nanxin Investment Co., Ltd.	10,000,000.00	10,000,000.00
	Qingdao Haiqin Property Co., Ltd.	362,809,390.15	364,009,390.15
	Longkou Haitong Real Estate Development Co., Ltd.	46,686,097.48	46,686,097.48
	Hainan Manning Hongji Property Company Limited	9,898,586.32	2,817,271.12
	Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	121.90	-
	Nanshan (Hainan Manning) Property Company Limited	31,000,000.00	31,000,000.00
	Longkou Nanshan Xing Yuan Hen Property Co., Ltd.	34,024,016.58	34,024,016.58

Item	Name of connected party	Closing balance	Opening balance
	National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.		3,368,800.00
	Liu Zhendong	350,000,000.00	-
Prepayment	Yantai Bank Co., Ltd.	32,819,551.80	114,639,551.80
Other non-current assets	Qingdao Nanxin Investment Co., Ltd.	99,519,000.00	109,319,000.00
	Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	731,966,000.00	661,966,000.00
	LN Development	950,623,121.68	997,369,706.23
Debt investments/Non-current assets due within one year	Hainan Manning Hongji Property Company Limited	1,213,960,000.00	610,110,000.00

2. Amounts due to connected parties

Item	Name of connected party	Closing balance	Opening balance
Accounts payable	Wanning Nanshan Rongchuang Industrial Co., Ltd.	400,000,000.00	400,000,000.00
Accounts payable	Qingdao Jin Heng Li Property Co., Ltd.	312,000,000.00	441,340,000.00
Accounts payable	Hainan Manning Hongji Property Company Limited	79,819,936.81	149,908,270.56
Accounts payable	Yantai Nanshan Sunac Property Co., Ltd.	620,000.00	620,000.00
Accounts payable	Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	2,857,852.00	6,218,597.21
Accounts payable	Qingdao Nanxin Investment Co., Ltd.	1,000,000.00	-
Accounts payable	Nanshan (Hainan Manning) Property Company Limited	178,934,403.94	176,454,403.94
Accounts payable	Greenford Agri-Tech Co., Ltd.	559,270.00	-
Accounts payable	Yantai Shunjin Nanshan Rongchuang Property Co., Ltd.	122,535,114.00	51,680,000.00

IX. Commitments and Contingencies

The figures set out in this section are denominated in RMB unless otherwise stated.

(1) Significant Commitments

The pledge of property by each company in the scope of consolidation to secure its own external borrowings (in: RMB 10,000)

Guarantor	Mortgagee	Subject matter under mortgage	Guaranteed Borrowing Balance	Due Date
Nanshan Group Co., Ltd.	Minsheng Bank Yantai Branch	Aluminium Shares	30,000.00	2021/10/14
Nanshan Group Co., Ltd.	ICBC Longkou Sub-branch	Land use rights	35,000.00	2024/1/19
Shandong Yili Power Co., Ltd.	Minsheng Bank Yantai Branch	Aluminium Shares	50,000.00	2021/9/21

Guarantor	Mortgagee	Subject matter under mortgage	Guaranteed Borrowing Balance	Due Date
Yantai Nanshan Hotel Management Co., Ltd.	Bank of China Longkou Sub-branch	House ownership and land use rights	26,500.00	2024/5/22
Longkou Nanshan Qishudao Port Development Co., Ltd.	ICBC Longkou Sub-branch	Right to use of sea zone	1,500.00	2023/11/25
Longkou City Nanshan West Coast Artificial Island Construction and Development Co., Ltd.	BOC Fudeng Village Bank, China Development Bank Shandong Branch, Agricultural Bank Longkou Sub-branch	Land use rights	78,930.00	2022/6/27
PARK REGIS INVESTMENTS PTE. LTD.	DBS Bank (DBS)	House ownership and land use rights	410.00 (Singapore Dollars)	Indefinite
NS PROPERTY DEVELOPMENT PTE LTD	UOB Bank Ltd	House ownership and land use rights	14,800.00 (Singapore Dollars)	Indefinite
MIDDLE INVESTMENT PTE LTD	Maybank	House ownership and land use rights	10,541.98 (Singapore dollars)	2021/12/31

(2) Contingencies

As of December 31, 2020, Nanshan Aluminium, a subsidiary of the Company, issued letters of guarantee amounting to RMB104,398,400 and letters of credit amounting to RMB483,278,200; The balance of the performance bond issued by Hengtong Logistics, a subsidiary of the Company, was RMB200,795,200. The amount derecognized for the Company's endorsed or discounted notes receivable that were outstanding at the balance sheet date was RMB459.9713 million and the amount derecognized for the Company's endorsed or discounted receivables financing that were outstanding at the balance sheet date was RMB7,452,107,600 million.

Save for the above, there are no contingencies that need to be disclosed by the Company.

X. Non-adjusting events after the balance sheet date

As at the date of approval of the financial statements, the Company has no material post balance sheet adjustments that should be disclosed.

XI. Other significant matters

The data in this section is denominated in Renminbi Yuan (RMB) unless otherwise stated.

(1) Information on correction of Errors in the Previous Period

Retrospective Restatement Method

Content of Accounting Error Correction	Approval Status	Affected Statement Items	Amount affected
		Capital reserves	102,849,681.28

Content of Accounting Error Correction	Approval Status	Affected Statement Items	Amount affected
An error in investment income for the year 2019 was identified this year and the error has been corrected using the retrospective restatement method in the preparation of these financial statements.	The corrections are approved by the Company's 2020 ad hoc Board of Directors	Investment income	-102,849,681.28
		Retained profits	-102,849,681.28

During the year, an error was identified in the calculation of investment income on the disposal of Qingdao Airlines Co. Ltd. in 2019 and the error has been corrected using the retrospective restatement method in the preparation of the comparative financial statements for 2020. After the correction, the capital reserve at the end of 2019 was increased by RMB 102,849,681.28, the investment income in 2019 was decreased by RMB 102,849,681.28 and the undistributed profit at the end of 2019 was decreased by RMB102,849,681.28.

(2) Debt restructuring

The Company had no significant debt restructuring during the period.

(3) Asset Replacement

There were no significant asset replacements during the period.

(4) Annuity Plan

There were no significant annuity program events for the period.

(5) Discontinued Operations

The Company had no significant discontinued operations during the period.

(6) Segment Information

The Company has no information on significant segments for the period.

XII. Notes to key items in the company financial statements

'beginning of period' refers to January 1, 2020; 'end of period' refers to December 31, 2020; 'this year' refers to Year 2020; 'last year' refers to Year 2019, in the following notes. The amount is in Renminbi Yuan (RMB).

(1) Accounts receivable

1. Disclosure by Age

Account age	Closing balance
Less than 1 year	69,659,985.84

Account age	Closing balance
1 to 2 years	-
2-3 years	288,967,518.00
More than 3 years	-
Subtotal	-358,627,503.84
Less: Bad debt provision	1,482,469.33
Total	357,145,034.51

2. Disclosures by the method of provisions for bad debts

Category	Closing balance				Book value
	Book balance		Bad debt provision		
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision withdrawn in separate item	-	-	-	-	-
Where					
Bad debt provision on group basis	358,627,503.84	100.00	1,482,469.33	0.41	357,145,034.51
Where					
Low credit risk group	62,133,637.04	17.33	-	-	62,133,637.04
Other group	296,493,866.80	82.67	1,482,469.33	0.50	295,011,397.47
Total	358,627,503.84	100.00	1,482,469.33	-	357,145,034.51

Continued:

Type	Opening balance				Book value
	Book balance		Bad debt provision		
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision withdrawn in separate item	-	-	-	-	-
Where	-	-			-
Bad debt provision on group basis	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77
Where					
Low credit risk group	-	-	-	-	-
Other group	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77
Total	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77

3. Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision made during the period - RMB2,165,690.70; There were no accounts receivable for which the Company had made full or substantial provision for bad debts in prior years and which were fully or partially recovered in the current period.

4. There were no receivables recovered through other means such as debt restructuring during the period.

5. There were no actual write-off of accounts receivable during the period.

6. There were no accounts receivable derecognised due to transfer of financial assets.

7. There were no assets or liabilities formed by its continuous involvement of transferring other receivables during the period.

(2) Other receivables

1. Breakdown

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Interest receivable	18,123,245.44	-	18,123,245.44
Dividend receivable	16,000,000.00	-	16,000,000.00
Other receivables	52,262,250,780.93	9,332,392.26	52,252,918,388.67
Total	52,296,374,026.37	9,332,392.26	52,287,041,634.11

Continued:

Item	Opening balance		
	Book balance:	Bad debt provision	Book value
Interest receivable	22,282,400.53	-	22,282,400.53
Dividend receivable	-	-	-
Other receivables	47,596,813,208.31	19,936,477.03	47,576,876,731.28
Total	47,619,095,608.84	19,936,477.03	47,599,159,131.81

2. Interest receivable

(1) Breakdown

Item	Closing balance	Opening balance
Interest on borrowings	18,123,245.44	22,282,400.53

(2) There was no significant overdue interest in the period.

3. Dividends receivable

Item	Closing balance	Opening balance

Item	Closing balance	Opening balance
Subtotal	16,000,000.00	-
Less: Bad debt provision	-	-
Subtotal	16,000,000.00	-

4. Other receivables

(1) Disclosure by age

Account age	Closing balance
Less than 1 year	21,667,406,217.25
1 to 2 years	18,720,613,211.00
2-3 years	11,004,916,957.19
More than 3 years	869,314,395.49
Subtotal	52,262,250,780.93
Less: Bad debt provision	9,332,392.26
Subtotal	52,252,918,388.67

(2) Classification by nature

Nature of amount	Closing value	Opening balance
Inter-group current accounts - entities	52,242,413,627.24	8,166,045,930.51
Inter-group current accounts - individuals	2,150,000.00	71,307,153.06
Security deposit and guarantee	14,890,222.98	193,829,070.10
Other	2,796,930.71	11,293,017.97
Subtotal	52,262,250,780.93	8,442,475,171.64

(3) Provisions made for bad debt

Other receivables for which bad debt provision is made in group at the end of the period

1) Low credit risk group

Account age	Book balance	Bad debt provision	Provision ratio (%)
Connected Party Group	50,395,772,328.69	-	-

2) Other group

Group	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	463,761,584.32	2,318,807.92	0.50
1 to 2 years	164,549,514.81	822,747.57	0.50

Group	Book balance	Bad debt provision	Provision ratio (%)
2-3 years	417,852,957.62	2,089,264.79	0.50
More than 3 years	820,314,395.49	4,101,571.98	0.50
Subtotal	1,866,478,452.24	9,332,392.26	0.50

(4) Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision made during the period - RMB10,604,084.77; There were no other accounts receivable for which the Company had made full or substantial provision for bad debts in prior years and which were fully or partially recovered in the current period.

(5) There were no other receivables recovered through other means such as debt restructuring during the period.

(6) There were actually no other receivables written off during the period.

(7) There are no other receivables derecognised due to transfer of financial assets during the reporting period

(8) There are no amount of assets or liabilities developed as other receivables have been transferred but the involvement continues during the reporting period

(3) Long-term equity investments

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book value	Provision for impairment	Book value
Investments in subsidiaries	18,662,685,383.01	-	18,662,685,383.01	15,847,148,535.13	-	15,847,148,535.13
Investments in affiliates and joint ventures	4,383,759,652.61	-	4,383,759,652.61	3,079,371,041.48	-	3,079,371,041.48
Total	23,046,445,035.62		23,046,445,035.62	18,926,519,576.61	-	18,926,519,576.61

2. Information on Subsidiaries

Investee name	Opening balance	Increase during the period	Decrease during the period	Closing balance
Chung Gai Properties Co., Ltd.	5,823,481,128.19	-	-	5,823,481,128.19
Longkou City Nanshan West Coast Artificial Island Construction and Development Co., Ltd.	2,555,000,000.00	-	-	2,555,000,000.00
NAN SHAN GROUP SNGAPORE CO. PTE. LTD	2,332,847,538.22	213,500,000.00	-	2,546,347,538.22
Nanshan Group Capital Investment Co., Ltd.	1,000,000,000.00	-	-	1,000,000,000.00
Longkou Port Qiamu Island Development Limited	571,386,500.00	-	-	571,386,500.00
Group Finance Co., Ltd.	440,000,000.00	165,872,500.00	-	605,872,500.00
Travel Group Co., Ltd.	360,000,000.00	360,000,000.00	-	-

Investee name	Opening balance	Increase during the period	Decrease during the period	Closing balance
Shandong Nanshan Construction and Development Company Co., Ltd.	340,000,000.00	-	-	340,000,000.00
Shanghai Lurun Asset Management Co., Ltd.	301,000,000.00	-	-	301,000,000.00
Shandong Yulong Petrochemical Co., Ltd.	41,000,000.00	1,420,000,000.00	41,000,000.00	1,420,000,000.00
Shandong Nanshan Zhishang Technology Co., Ltd.	282,211,833.37	-	-	282,211,833.37
Longkou Nanshan Finance Guarantee Co., Ltd.	200,000,000.00	-	200,000,000.00	-
Shandong Nanshan Nuan Tong New Materials Co., Ltd.	188,000,000.00	-	-	188,000,000.00
Shandong Yili Power Co., Ltd.	150,000,000.00	-	-	150,000,000.00
Shandong Nanshan Science and Technology Industrial Park Management Co., Ltd.	100,000,000.00	-	-	100,000,000.00
Yantai Nanshan Zhuangyuan Wine Co., Ltd.	73,040,000.00	-	73,040,000.00	-
Longkou Nanshan Microfinance Co., Ltd.	60,000,000.00	-	15,000,000.00	45,000,000.00
Longkou Nanshan Qishudao Port Development Co., Ltd.	50,000,000.00	-	-	50,000,000.00
Hengtong Logistics Co.,Ltd.	-	1,071,254,347.88	1,071,254,347.88	-
Other	979,181,535.35	396,887,218.27	395,977,218.27	980,091,535.35
Subtotal:	15,847,148,535.13	3,267,514,066.15	451,977,218.27	18,662,685,383.01

3) Investments in associates and joint ventures

Investee name	Initial Investment Costs	Opening balance	Changes of amount in the period			
			Additional investments	Investment reduction	Investment gains or losses recognised under the equity method	Change in other comprehensive income
(1) Joint Ventures						
Yantai Nanshan Sunac Property Co., Ltd.	10,000,000.00	25,000,000.00	-	-	-	-
(2) Affiliates						
Yantai Bank Co., Ltd.	1,808,300,000.00	2,251,588,726.55	-	-	75,301,130.08	-24,274,900.00
Qingdao Xin Heng Li Investment Development Co., Ltd.	312,000,000.00	546,968,185.09	-	-	113,601,182.41	-
Qingdao Nanbo Investment Co., Ltd.	245,000,000.00	245,000,000.00	-	-	-	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	1,020,000.00	970,559.00	-	-	-232.87	-
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	10,000,000.00	9,843,570.84	-	-	-1,165,928.70	-

Investee name	Initial investment cost	Opening balance	Changes of amount in the period			
			Additional investments	Investment reduction	Investment gains or losses recognised under the equity method	Change in other comprehensive income
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	900,000,000.00	-	900,000,000.00	-	-6,357,069.98	-
Subtotal	3,286,320,000.00	3,079,371,041.48;	900,000,000.00	-	181,379,080.94	-24,274,900.00

Continued:

Investee name	Changes of amount in the period				Closing balance	Closing balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profit distribution	Provision for impairment	Other		
(1) Joint Ventures						
Yantai Nanshan Sunac Property Co., Ltd.	-	-	-	-	25,000,000.00	-
(2) Affiliates						
Yantai Bank Co., Ltd.	522,452,830.19	-	-	-	2,825,067,786.82	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	-	275,168,400.00	-	-	385,400,967.50	-
Qingdao Nanxin Investment Co., Ltd.	-	-	-	-	245,000,000.00	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	-	-	-	-	970,326.13	-
National Pipeline Group Nanshan (Shandong) Natural Gas Co., Ltd.	-	-	-	-	8,677,642.14	-
Shandong Yulong Petrochemical Industry Park Development Co., Ltd.	-	-	-	-	893,642,930.02	-
Subtotal	522,452,830.19	275,168,400.00	-	-	4,383,759,652.61	-

(4) Operating income/operating cost

1. Breakdown

Item	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Main businesses	5,059,416,981.19	4,757,340,804.22	3,692,091,502.05	3,325,659,496.07
Other businesses	1,584,029.30	190,546.11	45,169,207.48	183,182.14
Total	5,061,001,010.49	4,757,531,350.33	3,737,260,709.53	3,325,842,678.21

2. Operating revenue/operating cost (by sector)

Sector	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Services	4,556,865,782.94	4,577,784,729.26	3,535,712,606.90	3,297,866,472.43

Sector	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Other	502,551,198.25	179,556,074.96	156,378,895.15	27,793,023.64
Subtotal	5,059,416,981.19	4,757,340,804.22	3,692,091,502.05	3,325,659,496.07

(5) Investment income

Item	This Period	Previous year
Income on Long-term equity investments accounted for under the cost method	737,327,794.65	158,235,814.39
Income from long-term equity investment accounted for under the equity method	181,379,080.94	78,155,492.05
Investment income arising from disposal of long-term equity investment	-6,716,602.38	1,210,080,245.58
Gain arising from remeasurement of the remaining equity interest at fair value after loss of motherhood rights	-	-
Investment income from financial asset held for trading during the holding period	-	-
Dividend income earned on investments in other equity instruments during the holding period	61,824.41	-
Interest income earned on debt investments during the holding period	-	-
Interest income earned on other debt investments during the holding period	-	-
Investment income arising on disposal of financial assets held for trading	41,644,600.62	8,238,727.23
Investment income arising on disposal of other debt investments	-	-
Gains on derecognition of financial assets measured at amortised cost	-	-
Other investment income	-	-
Total	953,696,698.24	1,454,710,279.25

XIII. Approval of financial statements

The 2020 annual financial statements were approved for reporting by the Boad of Directors of the Company on April 27, 2021.

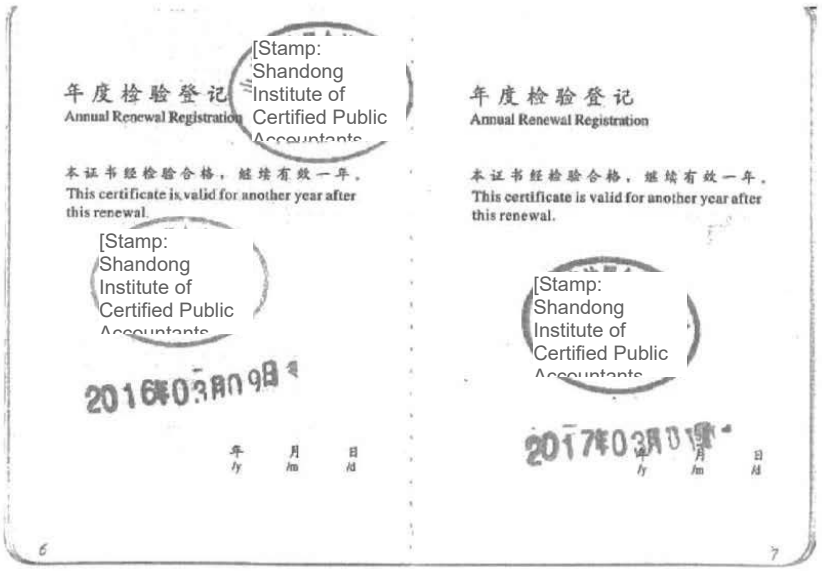
Nanshan Group Co., Ltd.

27 April, 2021

[Stamp: Nanshan Group Co., Ltd.]



[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

[Stamp: Shandong Institute of Certified Public Accountants]

2016年03月09日

年 月 日
/y /m /d

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年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

[Stamp: Shandong Institute of Certified Public Accountants]

2017年03月01日

年 月 日
/y /m /d

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注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出 Shandong Hexin
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2018年 3月 26日
/y /m /d

同意调入
Agree the holder to be transferred to

ZHONGHUI Certified

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2018年 3月 26日
/y /m /d

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注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

年 月 日
/y /m /d

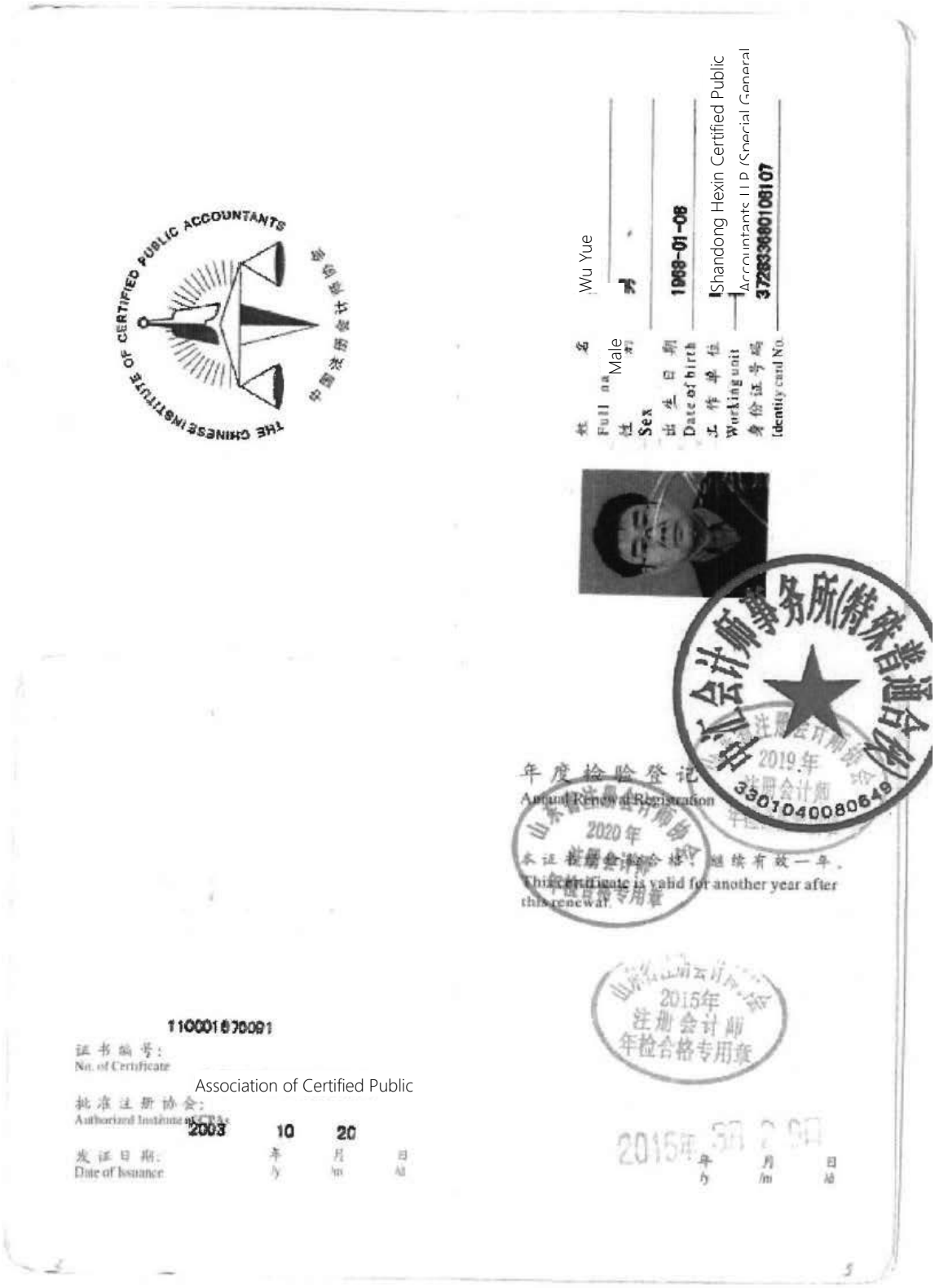
同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

年 月 日
/y /m /d

11



[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]



[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]

Uniform Social Credit Code

91330000087374063A （1/1）

Business Licence

(Carbon copy)

Scan the QR code to log on the "National Enterprise Credit Information Publicity System" to learn more about registration, filing, licensing and regulatory information.

Name	ZHONGHUI Certified Public Accountants LLP (Special General Partnership) [Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]	Date of Incorporation	19 December 2013
Type	Special general partnership	Duration of Partnership	Permanent since 19 November 2013
Executive partner	Yu Qiang	Principal place of business	Room 601, Building A, Hualian Times Plaza, No. 8 Xinye Road, Jianggan District, Hangzhou, Zhejiang
Scope of Business	Review of corporate accounting statements and issuance of audit reports; verification of corporate capital and issuance of capital verification reports; handling of audits of corporate merger, division and liquidation matters and issuance of relevant reports; audit of annual financial statements for infrastructure projects; bookkeeping; accounting consultancy, tax consultancy, management consultancy, accounting training; and other businesses as required by laws and regulations. (The items that requires approval by law can only be dealt in after being approved by the relevant departments)	Only for the purpose of Zhong Hui Kuai Report No. [2020] 1857	

Registrar	[Stamp: Zhejiang Provincial Market Supervision Administration]
	9 January 2021

The website of the National Enterprise Credit Information Publicity System is http://www.gsxt.gov.cn

Market entities shall submit their annual reports through the National Enterprise Credit Information Publicity System from 1 January to 30 June each year.

Produced by the State Administration for Market Supervision

Certificate number: 0001679

Accounting Firm Practising Certificate

Name: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]

Lead partner: Yu Qiang

Chief accountant:

Place of business: Room 601, Building A, Hualian Times Plaza, No. 8 Xinye Road, Jianggan District, Hangzhou

Type of organisation: Special general partnership

Practising certificate number: 33000014

Pracising approval document number: Zhe Cai Kuai [2013] No. 54

Date approved for practice: 4 December 2013

Description

1. The Accounting Firm Practising Certificate is a proof that the holder has been approved by the financial authority in accordance with the law to practise the statutory business as a public certified accountant.
2. If any matter recorded in the Accounting Firm Practising Certificate changes, an application for renewal should be filed with the financial authority.
3. The Accounting Firm Practising Certificate may not be forged, altered, rented, lent or transferred.
4. If an accounting firm terminates or cancels its licence to practise, it shall surrender its Accounting Firm Practising Certificate to the financial authority.

Only for the purpose of Zhong Hui Kuai Report No. [2020] 1857

Issuing authority: Zhejiang Provincial Department of Finance

2 May, 2018

Prepared by the Ministry of Finance of the People's Republic of China

Certificate number: 000381

Accounting Firm

Securities and Futures Related Business License

After examination by the Ministry of Finance and the China Securities Regulatory Commission, ZHONGHUI CERTIFIED PUBLIC ACCOUNTANTS LLP (Special General Partnership) is approved to carry out securities and futures related business.

[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]

[Stamp: Ministry of Finance of the People's Republic of China]

[Stamp: China Securities Regulatory Commission]

Lead partner: Yu Qiang

Certificate No.: 45

Issue Date: 6 November, 2019

Certificate valid until: 6 November, 2021

南山集团有限公司
2020年年度报告

目录

第一章 报告期内企业主要情况.....2

第二章 审计报告.....4

公司承诺本报告不存在虚假记载、误导性陈述或重大遗漏，并对真实性、准确性、完整性承担法律责任。

南山集团有限公司（公章）

二〇二一年四月二十九日

第一章 报告期内企业主要情况

一 、公司信息

注册名称及简称	南山集团有限公司（简称南山集团）
英文名称及缩写	NANSHAN GROUP CO.,LRD.（NANSHAN GROUP）
公司注册资本	人民币100,000万元
公司的法定代表人	宋建波
成立时间	1992年07月16日
公司注册地址	龙口市南山工业园
公司办公地址	山东省龙口市南山工业园
邮政编码	265706
公司网址	http://www.nanshan.com.cn
联系电话	0535-8616200
传真号码	0535-8616200
联系人	高静
电子邮箱	gaojing@nanshan.com.cn

二、募集资金使用情况

截至本报告出具日，由公司发行且处于存续期间的非金融企业债务融资工具募集资金使用情况如下：

单位：亿元

序号	债券简称	发行金额	已使用金额	未使用金额	已使用金额的用途	用途是否变更	变更是否已披露	变更后用途是否符合国家法律法规及政策要求
1	18南山集MTN002	5	5	0	用于归还集团本部即将到期的债务融资工具5亿元	否	不适用	不适用
2	19南山集MTN002	5	5	0	用于偿还发行人本部即将到期的债务融资工具5亿元	否	不适用	不适用

第二章 审计报告

中汇会计师事务所（特殊普通合伙）
Zhonghui Certified Public Accountants LLP

地址（Add）：中国杭州市钱江新城新业路8号UDC时代大厦A座6层
邮编（P.C）：310016
电话（Tel）：0571-88879999
传真（Fax）：0571-88879000
www.zhcpa.cn

南山集团有限公司
2020 年度审计报告

山东省注册会计师行业报告防伪页

报告标题：	南山集团有限公司2020年度审计报告
报告文号：	中汇会审[2021]3496号
客户名称：	南山集团有限公司
报告时间：	2021-04-27
签字注册会计师：	刘元锁　（CPA：370100010021）
	吴岳　（CPA：110001670091）

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报告文号：中汇会审[2021]3496号

事务所名称：	中汇会计师事务所(特殊普通合伙)
事务所电话：	0531-81666257
传真：	0531-81666259
通讯地址：	杭州市江干区钱江新城新业路8号UDC时代大厦A座5-8、12层
电子邮件：	zhjn@zhcpa.cn

防伪查询网址：http://sdcpacpvfw.cn(防伪报备栏目)查询

中汇会计师事务所（特殊普通合伙）
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目　　录

	页次
一、审计报告	1-3
二、财务报表	4-15
（一）合并资产负债表	4-5
（二）合并利润表	6
（三）合并现金流量表	7
（四）合并所有者权益变动表	8-9
（五）母公司资产负债表	10-11
（六）母公司利润表	12
（七）母公司现金流量表	13
（八）母公司所有者权益变动表	14-15
三、财务报表附注	16-180

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审 计 报 告

中汇会审[2021]3496号

南山集团有限公司全体股东：

一、审计意见

我们审计了南山集团有限公司(以下简称“南山集团”)财务报表，包括2020年12月31日的合并及母公司资产负债表，2020年度的合并及母公司利润表、合并及母公司现金流量表、合并及母公司所有者权益变动表以及财务报表附注。

我们认为，后附的财务报表在所有重大方面按照企业会计准则的规定编制，公允反映了南山集团2020年12月31日的合并及母公司财务状况以及2020年度的合并及母公司经营成果和现金流量。

二、形成审计意见的基础

我们按照中国注册会计师审计准则的规定执行了审计工作。审计报告的“注册会计师对财务报表审计的责任”部分进一步阐述了我们在这些准则下的责任。按照中国注册会计师职业道德守则，我们独立于南山集团，并履行了职业道德方面的其他责任。我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

三、其他信息

南山集团管理层(以下简称管理层)对其他信息负责。其他信息包括南山集团2020年度报告中涵盖的信息，但不包括财务报表和我们的审计报告。

我们对财务报表发表的审计意见不涵盖其他信息，我们也不对其他信息发表任何形式的鉴证结论。

结合我们对财务报表的审计，我们的责任是阅读其他信息，在此过程中，考虑其他信息是否与财务报表或我们在审计过程中了解到的情况存在重大不一致或者似乎存在重大错报。

基于我们已执行的工作，如果我们确定其他信息存在重大错报，我们应当报告该事实。在这方面，我们无任何事项需要报告。

四、管理层和治理层对财务报表的责任

管理层负责按照企业会计准则的规定编制财务报表，使其实现公允反映，并设计、执行和维护必要的内部控制，以使财务报表不存在由于舞弊或错误导致的重大错报。

在编制财务报表时，管理层负责评估南山集团的持续经营能力，披露与持续经营相关的事项(如适用)，并运用持续经营假设，除非管理层计划清算南山集团、终止运营或别无其他现实的选择。

南山集团治理层(以下简称治理层)负责监督南山集团的财务报告过程。

五、注册会计师对财务报表审计的责任

我们的目标是对财务报表整体是否不存在由于舞弊或错误导致的重大错报获取合理保证，并出具包含审计意见的审计报告。合理保证是高水平的保证，但并不能保证按照审计准则执行的审计在某一重大错报存在时总能发现。错报可能由于舞弊或错误导致，如果合理预期错报单独或汇总起来可能影响财务报表使用者依据财务报表作出的经济决策，则通常认为错报是重大的。

在按照审计准则执行审计工作的过程中，我们运用职业判断，并保持职业怀疑。同时，我们也执行以下工作：

(一) 识别和评估由于舞弊或错误导致的财务报表重大错报风险，设计和实施审计程序以应对这些风险，并获取充分、适当的审计证据，作为发表审计意见的

基础。由于舞弊可能涉及串通、伪造、故意遗漏、虚假陈述或凌驾于内部控制之上，未能发现由于舞弊导致的重大错报的风险高于未能发现由于错误导致的重大错报的风险。

（二）了解与审计相关的内部控制，以设计恰当的审计程序，但目的并非对内部控制的有效性发表意见。

（三）评价管理层选用会计政策的恰当性和作出会计估计及相关披露的合理性。

（四）对管理层使用持续经营假设的恰当性得出结论。同时，根据获取的审计证据，就可能导致对南山集团持续经营能力产生重大疑虑的事项或情况是否存在重大不确定性得出结论。如果我们得出结论认为存在重大不确定性，审计准则要求我们在审计报告中提请报表使用者注意财务报表中的相关披露；如果披露不充分，我们应当发表非无保留意见。我们的结论基于截至审计报告日可获得的信息。然而，未来的事项或情况可能导致南山集团不能持续经营。

（五）评价财务报表的总体列报、结构和内容，并评价财务报表是否公允反映相关交易和事项。

（六）就南山集团中实体或业务活动的财务信息获取充分、适当的审计证据，以对财务报表发表审计意见。我们负责指导、监督和执行集团审计，并对审计意见承担全部责任。

我们与治理层就计划的审计范围、时间安排和重大审计发现等事项进行沟通，包括沟通我们在审计中识别出的值得关注的内部控制缺陷。

中汇会计师事务所（特殊普通合伙）　　中国注册会计师：

中国·杭州　　中国注册会计师：

报告日期：2021 年 4 月 27 日

合并资产负债表

2020年12月31日

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会合01表-1

编制单位：南山集团有限公司　　金额单位：人民币元

资产	注释号	行次	2020年12月31日	2020年1月1日
流动资产：				
货币资金	五（一）	1	19,670,407,688.08	13,480,239,534.27
结算备付金		2	-	-
拆出资金		3	-	-
交易性金融资产	五（二）	4	122,300,052.84	3,341,047,052.54
衍生金融资产	五（三）	5	1,841,425.00	3,623,881.46
应收票据	五（四）	6	1,445,965,645.73	1,293,957,085.26
应收账款	五（五）	7	6,680,171,033.79	4,933,765,739.07
应收款项融资	五（六）	8	400,190,780.50	1,119,283,690.11
预付款项	五（七）	9	2,223,388,185.26	2,181,863,610.11
应收保费		10	-	-
应收分保账款		11	-	-
应收分保合同准备金		12	-	-
其他应收款	五（八）	13	6,608,220,273.66	8,374,000,721.50
其中：应收利息		14	9,731,921.27	18,164,293.52
应收股利		15	16,000,000.00	-
买入返售金融资产		16	-	-
存货	五（九）	17	16,495,365,654.32	17,068,983,252.90
合同资产		18	-	-
持有待售资产	五（十）	19	105,240,412.62	28,628,012.89
一年内到期的非流动资产	五（十一）	20	148,210,000.00	259,820,000.00
其他流动资产	五（十二）	21	1,497,655,351.26	2,909,376,368.47
流动资产合计		22	55,398,956,503.06	54,994,588,948.58
非流动资产：				
发放贷款及垫款	五（十三）	23	982,925,903.05	2,587,704,677.89
债权投资	五（十四）	24	1,390,931,034.59	350,290,000.00
其他债权投资	五（十五）	25	472,505,067.84	1,030,770,936.80
长期应收款	五（十六）	26	328,544,232.73	578,591,895.57
长期股权投资	五（十七）	27	4,821,976,092.88	3,200,883,395.56
其他权益工具投资	五（十八）	28	6,593,985,049.34	8,127,038,896.61
其他非流动金融资产	五（十九）	29	264,710,000.00	380,230,000.00
投资性房地产	五（二十）	30	1,558,794,054.69	1,620,010,018.44
固定资产	五（二十一）	31	36,231,549,295.92	36,875,029,812.45
在建工程	五（二十二）	32	18,352,817,164.96	18,333,047,879.22
生产性生物资产		33	-	-
油气资产		34	-	-
无形资产	五（二十三）	35	8,140,930,690.82	6,141,376,731.29
开发支出		36	-	-
商誉	五（二十四）	37	812,431,088.46	-
长期待摊费用	五（二十五）	38	261,156,701.71	101,709,475.68
递延所得税资产	五（二十六）	39	216,550,311.41	308,616,797.97
其他非流动资产	五（二十七）	40	2,768,529,588.55	1,043,862,984.38
非流动资产合计		41	83,198,336,276.95	80,679,163,501.86
资产总计		42	138,597,292,780.01	135,673,752,450.45

法定代表人：宋波印建　　主管会计工作负责人：宋波印建　　会计机构负责人：梁坤

合并资产负债表(续)

2020年12月31日

会合01表-2

编制单位：鹏山集团有限公司　　金额单位：人民币元

项目	注释号	行次	2020年12月31日	2020年1月1日
流动负债：				
短期借款	五（二十八）	43	17,151,981,073.64	11,239,227,526.14
向中央银行借款	五（二十九）	44	552,499,494.21	403,323,237.50
拆入资金		45	-	-
交易性金融负债		46	-	-
衍生金融负债	五（三十）	47	1,619,856.51	4,248,002.34
应付票据	五（三十一）	48	7,568,236,595.09	5,069,305,124.18
应付账款	五（三十二）	49	4,421,105,204.23	5,592,975,147.69
预收款项	五（三十三）	50	4,096,991.15	-
合同负债	五（三十四）	51	3,017,158,683.71	2,939,755,495.45
卖出回购金融资产款	五（三十五）	52	604,524,842.47	882,155,579.26
吸收存款及同业存放	五（三十六）	53	1,259,916,508.65	70,925,636.32
代理买卖证券款		54	-	-
代理承销证券款		55	-	-
应付职工薪酬	五（三十七）	56	990,747,535.78	860,242,225.22
应交税费	五（三十八）	57	1,569,312,232.76	1,235,035,362.79
其他应付款	五（三十九）	58	5,021,895,632.68	5,217,524,067.22
其中：应付利息		59	384,626,961.08	666,184,535.44
应付股利		60	6,107,297.49	6,107,297.49
应付手续费及佣金		61	-	-
应付分保账款		62	-	-
持有待售负债		63	-	-
一年内到期的非流动负债	五（四十）	64	8,095,583,783.42	6,100,590,206.66
其他流动负债	五（四十一）	65	3,884,807,180.87	5,770,501,554.29
流动负债合计		66	54,143,485,615.17	45,365,809,165.06
非流动负债：				
保险合同准备金		67	-	-
长期借款	五（四十二）	68	5,194,693,219.20	6,193,436,677.06
应付债券	五（四十三）	69	4,617,984,992.44	15,707,420,930.78
其中：优先股		70	-	-
永续债		71	-	-
长期应付款	五（四十四）	72	1,011,808,908.38	620,832,551.64
长期应付职工薪酬		73	-	-
预计负债		74	-	-
递延收益	五（四十五）	75	1,189,901,695.35	772,674,464.12
递延所得税负债	五（二十六）	76	30,883,498.09	10,318,366.34
其他非流动负债	五（四十六）	77	58,046,753.24	59,984,378.68
非流动负债合计		78	12,103,319,066.70	23,364,667,368.62
负债合计		79	66,246,804,681.87	68,730,476,533.68
所有者权益：				
实收资本	五（四十七）	80	1,000,000,000.00	1,000,000,000.00
其他权益工具		81	-	-
其中：优先股		82	-	-
永续债		83	-	-
资本公积	五（四十八）	84	1,646,862,851.09	1,117,847,638.04
减：库存股		85	-	-
其他综合收益	五（四十九）	86	-401,976,855.79	-863,566,973.44
专项储备	五（五十）	87	-70,564.12	-
盈余公积	五（五十一）	88	4,789,524,032.28	4,563,025,276.78
一般风险准备		89	-	-
未分配利润	五（五十二）	90	38,346,005,053.84	37,749,993,289.65
归属于母公司所有者权益合计		91	45,380,344,517.30	43,567,299,231.03
少数股东权益		92	26,970,143,580.84	23,375,976,685.74
所有者权益合计		93	72,350,488,098.14	66,943,275,916.77
负债和所有者权益总计		94	138,597,292,780.01	135,673,752,450.45

法定代表人：　　主管会计工作负责人：　　会计机构负责人：

合并利润表

2020年度

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会合02表

编制单位：[redacted]集团有限公司　　金额单位：人民币元

项目	注释号	行次	2020年度	2019年度
一、营业收入	五（五十三）	1	48,878,552,331.51	43,461,367,076.75
其中：营业收入	五（五十三）	2	48,680,766,896.96	43,326,503,377.90
[redacted]	五（五十三）	3	190,494,936.07	124,933,228.56
[redacted]	五（五十三）	4	-	1,107,900.96
手续费及	五（五十三）	5	7,290,498.48	8,822,569.33
二、营业总成本		6	45,398,264,442.97	42,586,724,671.30
其中：营业成本	五（五十三）	7	38,950,501,116.95	35,761,325,905.36
利息支出	五（五十三）	8	26,701,916.26	30,069,110.20
手续费及佣金支出	五（五十三）	9	835,091.04	659,192.87
退保金		10	-	-
赔付支出净额		11	-	-
提取保险责任准备金净额		12	-	-
保单红利支出		13	-	-
分保费用		14	-	-
税金及附加	五（五十四）	15	511,389,130.82	336,295,076.40
销售费用	五（五十五）	16	884,778,017.27	1,829,034,141.77
管理费用	五（五十六）	17	1,714,642,784.62	1,870,749,271.02
研发费用	五（五十七）	18	1,521,176,906.88	897,508,394.14
财务费用	五（五十八）	19	1,788,239,479.13	1,861,083,579.54
其中：利息费用		20	1,885,799,192.35	2,164,760,363.60
利息收入		21	398,470,874.57	281,981,363.84
加：其他收益	五（五十九）	22	1,026,499,818.04	482,097,713.75
投资收益(损失以“－”号填列)	五（六十）	23	487,935,415.92	2,794,357,804.32
其中：对联营企业和合营企业的投资收益		24	331,263,191.18	138,575,960.09
以摊余成本计量的金融资产终止确认收益		25	-	-
汇兑收益(损失以“－”号填列)		26	-	-
净敞口套期收益（损失以“－”号填列）		27	-	-
公允价值变动收益(损失以“－”号填列)	五（六十一）	28	-14,595,140.46	2,036,634.24
信用减值损失(损失以“-”号填列)	五（六十二）	29	1,313,099.98	-5,914,294.92
资产减值损失(损失以“-”号填列)	五（六十三）	30	-73,779,792.26	-111,425,499.18
资产处置收益(损失以“－”号填列)	五（六十四）	31	125,170,238.63	-83,856,386.77
三、营业利润(亏损以“－”号填列)		32	5,032,831,528.39	3,951,938,376.89
加：营业外收入	五（六十五）	33	195,972,301.92	193,952,502.01
减：营业外支出	五（六十六）	34	120,447,689.36	168,843,965.49
四、利润总额(亏损总额以“－”号填列)		35	5,108,356,140.95	3,977,046,913.41
减：所得税费用	五（六十七）	36	889,513,841.24	521,669,424.49
五、净利润(净亏损以“－”号填列)		37	4,218,842,299.71	3,455,377,488.92
（一）按经营持续性分类				
1．持续经营净利润(净亏损以“-”号填列)		38	4,218,842,299.71	3,455,377,488.92
2．终止经营净利润(净亏损以“-”号填列)		39	-	-
（二）按所有权归属分类				
1．归属于母公司所有者的净利润		40	2,842,353,538.90	2,445,045,557.32
2．少数股东损益		41	1,376,488,760.81	1,010,331,931.60
六、其他综合收益的税后净额		42	-1,666,433,997.70	-68,054,963.19
归属母公司所有者的其他综合收益的税后净额		43	-1,558,252,901.56	-106,968,633.79
（一）不能重分类进损益的其他综合收益		44	-1,043,873,371.07	506,450.45
1．重新计量设定受益计划变动额		45	-	-
2．权益法下不能转损益的其他综合收益		46	-2,464,932.45	506,450.45
3．其他权益工具投资公允价值变动		47	-1,041,408,438.62	-
4．企业自身信用风险公允价值变动		48	-	-
5．其他		49	-	-
（二）将重分类进损益的其他综合收益		50	-514,379,530.49	-107,475,084.24
1．权益法下可转损益的其他综合收益		51	-21,809,967.55	-9,088,208.05
2．应收款项融资公允价值变动		52	-	-
3．其他债权投资公允价值变动		53	-16,981,960.90	-296,862,984.82
4．金融资产重分类计入其他综合收益的金额		54	-	-
5．应收款项融资信用减值准备		55	-	-
6．其他债权投资信用减值准备		56	-	-
7．现金流量套期储备		57	421,968.35	2,356,520.06
8．外币财务报表折算差额		58	-476,009,570.39	196,119,588.57
9．其他		59	-	-
归属于少数股东的其他综合收益的税后净额		60	-108,181,096.14	38,913,670.60
七、综合收益总额(综合亏损总额以“－”号填列)		61	2,552,408,302.01	3,387,322,525.73
归属于母公司所有者的综合收益总额		62	1,284,100,637.34	2,338,076,923.54
归属于少数股东的综合收益总额		63	1,268,307,664.67	1,049,245,602.20

法定代表人：宋建波印　　主管会计工作负责人：宋建波印　　会计机构负责人：梁坤

合并现金流量表

2020年度

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会合03表

编制单位：[redacted]山集团有限公司　　金额单位：人民币元

项目	注释号	行次	2020年度	2019年度
一、经营活动产生的现金流量：				
销售商品、提供劳务收到的现金		1	41,007,457,755.70	39,128,193,478.46
客户存款和同业存放款项净额		2	1,189,416,011.25	-29,025,327.96
向中央银行借款净增加额		3	149,176,256.71	-24,897,700.00
向其他金融机构拆入资金净增加额		4	-	-
收到原保险合同保费取得的现金		5	-	-
收到再保险业务现金净额		6	-	-
保户储金及投资款净增加额		7	-	-
收取利息、手续费及佣金的现金		8	221,847,885.68	142,797,202.09
拆入资金净增加额		9	-	-
回购业务资金净增加额		10	-257,600,000.00	140,100,000.00
代理买卖证券收到的现金净额		11	-	-
收到的税费返还		12	971,879,586.46	1,109,367,007.03
收到其他与经营活动有关的现金	五（六十九）	13	2,332,799,689.03	898,314,093.40
经营活动现金流入小计		14	45,614,977,184.83	41,364,848,753.02
购买商品、接受劳务支付的现金		15	29,146,760,291.83	23,488,211,931.10
客户贷款及垫款净增加额		16	-1,660,148,187.46	1,905,639,553.48
存放中央银行和同业款项净增加额		17	140,885,485.56	53,881,750.31
支付原保险合同赔付款项的现金		18	-	-
拆出资金净增加额		19	-	-
支付利息、手续费及佣金的现金		20	27,328,517.09	29,216,120.44
支付保单红利的现金		21	-	-
支付给职工以及为职工支付的现金		22	3,099,260,956.23	3,065,965,628.87
支付的各项税费		23	2,354,577,140.91	2,455,470,882.87
支付其他与经营活动有关的现金	五（六十九）	24	2,613,046,646.00	3,153,841,525.04
经营活动现金流出小计		25	35,721,710,850.16	34,152,227,392.11
经营活动产生的现金流量净额		26	9,893,266,334.67	7,212,621,360.91
二、投资活动产生的现金流量：				
收回投资收到的现金		27	6,868,279,960.06	3,419,638,040.04
取得投资收益收到的现金		28	189,906,522.16	155,794,827.72
处置固定资产、无形资产和其他长期资产收回的现金净额		29	2,654,282,577.95	16,889,604.08
处置子公司及其他营业单位收到的现金净额		30	1,604,157,862.48	1,592,418,674.54
收到其他与投资活动有关的现金	五（六十九）	31	5,105,693,376.78	5,730,027,959.12
投资活动现金流入小计		32	16,422,320,299.43	10,914,769,105.50
购建固定资产、无形资产和其他长期资产支付的现金		33	6,182,494,361.91	3,270,394,480.21
投资支付的现金		34	4,330,579,991.48	6,051,609,942.19
质押贷款净增加额		35		-
取得子公司及其他营业单位支付的现金净额		36	463,149,882.93	-
支付其他与投资活动有关的现金	五（六十九）	37	1,386,850,000.00	3,340,740,356.84
投资活动现金流出小计		38	12,363,074,236.32	12,662,744,779.25
投资活动产生的现金流量净额		39	4,059,246,063.11	-1,747,975,673.75
三、筹资活动产生的现金流量：				
吸收投资收到的现金		40	1,633,548,250.16	232,155,801.24
其中：子公司吸收少数股东投资收到的现金		41	1,217,622,750.16	-
取得借款收到的现金		42	24,875,155,479.00	29,969,372,700.00
收到其他与筹资活动有关的现金	五（六十九）	43	2,431,762,729.61	1,635,128,244.75
筹资活动现金流入小计		44	28,940,466,458.77	31,836,656,745.99
偿还债务支付的现金		45	32,634,903,661.63	32,716,099,133.54
分配股利、利润或偿付利息支付的现金		46	2,804,145,155.60	2,637,873,084.07
其中：子公司支付给少数股东的股利、利润		47	315,177,093.25	315,177,093.25
支付其他与筹资活动有关的现金	五（六十九）	48	854,157,000.00	1,134,000,000.00
筹资活动现金流出小计		49	36,293,205,817.23	36,487,972,217.61
筹资活动产生的现金流量净额		50	-7,352,739,358.46	-4,651,315,471.62
四、汇率变动对现金及现金等价物的影响		51	-93,872,492.81	95,193,430.98
五、现金及现金等价物净增加额		52	6,505,900,546.51	908,523,646.52
加：期初现金及现金等价物余额		53	8,823,489,162.01	7,914,965,515.49
六、期末现金及现金等价物余额		54	15,329,389,708.52	8,823,489,162.01

法定代表人：[redacted]　　主管会计工作负责人：[redacted]　　会计机构负责人：[redacted]

合并所有者权益变动表

2020年度

编制单位：南山集团有限公司

会合04表-1

金额单位：人民币元

项目	行次	2020年度									
		归属于母公司所有者权益								少数股东权益	所有者权益合计
		实收资本	资本公积	减：库存股	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润		
一、上期期末余额	1	1,000,000,000.00	1,014,997,956.76	-	-863,566,973.44	-	4,563,025,276.78	-	37,852,842,970.93	23,375,976,685.74	66,943,275,916.77
加：会计政策变更	2	-	-	-	-	-	-	-	-	-	-
前期差错更正	3	-	102,849,681.28	-	-	-	-	-	-102,849,681.28	-	-
同一控制下企业合并	4	-	-	-	-	-	-	-	-	-	-
其他	5	-	-	-	-	-	-	-	-	-	-
二、本期期初余额	6	1,000,000,000.00	1,117,847,638.04	-	-863,566,973.44	-	4,563,025,276.78	-	37,749,993,289.65	23,375,976,685.74	66,943,275,916.77
三、本期增减变动金额（减少以“-”号填列）	7	-	529,015,213.05	-	461,590,117.65	-70,564.12	226,498,755.50	-	596,011,764.19	3,594,166,895.10	5,407,212,181.37
（一）综合收益总额	8	-	-	-	-1,558,252,901.56	-	-	-	2,842,353,538.90	1,268,307,664.67	2,552,408,302.01
（二）所有者投入和减少资本	9	-	529,015,213.05	-	-	-	-	-	-	2,641,313,474.53	3,170,328,687.58
1．股东投入的普通股	10	-	-	-	-	-	-	-	-	2,798,755,486.60	2,798,755,486.60
2．其他权益工具持有者投入资本	11	-	-	-	-	-	-	-	-	-	-
3．股份支付计入所有者权益的金额	12	-	-	-	-	-	-	-	-	-	-
4．其他	13	-	529,015,213.05	-	-	-	-	-	-	-157,442,012.07	371,573,200.98
（三）利润分配	14	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-315,177,201.71	-315,177,201.71
1．提取盈余公积	15	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-	-
2．提取一般风险准备	16	-	-	-	-	-	-	-	-	-	-
3．对所有者的分配	17	-	-	-	-	-	-	-	-	-315,177,201.71	-315,177,201.71
4．其他	18	-	-	-	-	-	-	-	-	-	-
（四）所有者权益内部结转	19	-	-	-	2,019,843,019.21	-	32,625,199.29	-	-2,052,468,218.50	-	-
1．资本公积转增资本	20	-	-	-	-	-	-	-	-	-	-
2．盈余公积转增资本	21	-	-	-	-	-	-	-	-	-	-
3．盈余公积弥补亏损	22	-	-	-	-	-	-	-	-	-	-
4．设定受益计划变动额结转留存收益	23	-	-	-	-	-	-	-	-	-	-
5．其他综合收益结转留存收益	24	-	-	-	2,019,843,019.21	-	32,625,199.29	-	-2,052,468,218.50	-	-
6．其他	25	-	-	-	-	-	-	-	-	-	-
（五）专项储备	26	-	-	-	-	-70,564.12	-	-	-	-277,042.39	-347,606.51
1．本期提取	27	-	-	-	-	-127,169.34	-	-	-	-499,280.61	-626,449.95
2．本期使用	28	-	-	-	-	56,605.22	-	-	-	222,238.22	278,843.44
（六）其他	29	-	-	-	-	-	-	-	-	-	-
四、本期期末余额	30	1,000,000,000.00	1,646,862,851.09	-	-401,976,855.79	-70,564.12	4,789,524,032.28	-	38,346,005,053.84	26,970,143,580.84	72,350,488,098.14

法定代表人：

主管会计工作负责人：

会计机构负责人：

合并所有者权益变动表(续)

2020年度

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会合04表12

编制单位：南山集团有限公司

金额单位：人民币元

项目	行次	2019年度									
		归属于母公司所有者权益								少数股东权益	所有者权益合计
		实收资本	资本公积	减：库存股	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润		
一、上期期末余额	1	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
加：会计政策变更	2	-	-	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-	-	-
同一控制下企业合并	4	-	-	-	-	-	-	-	-	-	-
其他	5	-	-	-	-	-	-	-	-	-	-
二、本期期初余额	6	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
三、本期增减变动金额(减少以“-”号填列)	7	-	9,867,996.57	-	-106,968,633.79	-	212,496,728.72	-	2,243,908,606.33	704,359,285.60	3,063,663,983.43
(一) 综合收益总额	8	-	-	-	-106,968,633.79	-	-	-	2,445,045,557.32	1,049,245,602.20	3,387,322,525.73
(二) 所有者投入和减少资本	9	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-29,709,223.35	-8,481,449.05
1. 股东投入的普通股	10	-	-	-	-	-	-	-	-	87,419,291.43	87,419,291.43
2. 其他权益工具持有者投入资本	11	-	-	-	-	-	-	-	-	-	-
3. 股份支付计入所有者权益的金额	12	-	-	-	-	-	-	-	-	-	-
4. 其他	13	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-117,128,514.78	-95,900,740.48
(三) 利润分配	14	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-315,177,093.25	-315,177,093.25
1. 提取盈余公积	15	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-	-
2. 提取一般风险准备	16	-	-	-	-	-	-	-	-	-	-
3. 对所有者的分配	17	-	-	-	-	-	-	-	-	-315,177,093.25	-315,177,093.25
4. 其他	18	-	-	-	-	-	-	-	-	-	-
(四) 所有者权益内部结转	19	-	-	-	-	-	-	-	-	-	-
1. 资本公积转增资本	20	-	-	-	-	-	-	-	-	-	-
2. 盈余公积转增资本	21	-	-	-	-	-	-	-	-	-	-
3. 盈余公积弥补亏损	22	-	-	-	-	-	-	-	-	-	-
4. 设定受益计划变动额结转留存收益	23	-	-	-	-	-	-	-	-	-	-
5. 其他综合收益结转留存收益	24	-	-	-	-	-	-	-	-	-	-
6. 其他	25	-	-	-	-	-	-	-	-	-	-
(五) 专项储备	26	-	-	-	-	-	-	-	-	-	-
1. 本期提取	27	-	-	-	-	-	-	-	-	-	-
2. 本期使用	28	-	-	-	-	-	-	-	-	-	-
(六) 其他	29	-	-	-	-	-	-	-	-	-	-
四、本期期末余额	30	1,000,000,000.00	1,014,997,956.76	-	-863,566,973.44	-	4,563,025,276.78	-	37,852,842,970.93	23,375,976,685.74	66,943,275,916.77

法定代表人：宋建波

主管会计工作负责人：宋建波

会计机构负责人：梁坤

母公司资产负债表

2020年12月31日

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会企01表-1

编制单位：[illegible]集团有限公司　　金额单位：人民币元

项目	注释号	行次	2020年12月31日	2020年1月1日
流动资产：				
货币资金		1	5,522,665,028.69	5,981,185,707.02
结算备付金		2	-	-
拆出资金		3	-	-
交易性金融资产		4	7,830,000.00	747,830,000.00
衍生金融资产		5	-	-
应收票据		6	400,100,000.00	850,000,000.00
应收账款	十二（一）	7	357,145,034.51	725,983,846.77
应收款项融资		8	13,788,000.00	3,250,000.00
预付款项		9	36,189,155.31	118,716,286.30
应收保费		10	-	-
应收分保账款		11	-	-
应收分保合同准备金		12	-	-
其他应收款	十二（二）	13	52,287,041,634.11	47,599,159,131.81
其中：应收利息		14	18,123,245.44	22,282,400.53
应收股利		15	16,000,000.00	-
买入返售金融资产		16	-	-
存货		17	3,851,308,631.87	3,649,564,778.99
合同资产		18	-	-
持有待售资产		19	14,000,000.00	14,000,000.00
一年内到期的非流动资产		20	148,210,000.00	259,820,000.00
其他流动资产		21	-	-
流动资产合计		22	62,638,277,484.49	59,949,509,750.89
非流动资产：				
发放贷款及垫款		23	-	-
债权投资		24	1,213,960,000.00	350,290,000.00
其他债权投资		25	-	-
长期应收款		26	-	-
长期股权投资	十二（三）	27	23,046,445,035.62	18,926,519,576.61
其他权益工具投资		28	4,503,179,351.00	4,493,379,351.00
其他非流动金融资产		29	233,710,000.00	327,230,000.00
投资性房地产		30	-	-
固定资产		31	2,736,159,156.22	2,844,448,116.22
在建工程		32	53,607,742.66	419,404,319.64
生产性生物资产		33	-	-
油气资产		34	-	-
无形资产		35	904,799,701.04	945,432,656.39
开发支出		36	-	-
商誉		37	-	-
长期待摊费用		38	-	-
递延所得税资产		39	2,703,715.40	5,896,159.27
其他非流动资产		40	1,138,855,229.05	307,370,229.05
非流动资产合计		41	33,833,419,930.99	28,619,970,408.18
资产总计		42	96,471,697,415.48	88,569,480,159.07

法定代表人：宋建波印　　主管会计工作负责人：宋建波印　　会计机构负责人：梁坤

母公司资产负债表(续)

2020年12月31日

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会企01表-2

编制单位：南山集团有限公司　　金额单位：人民币元

项　目	注释号	行次	2020年12月31日	2020年1月1日
流动负债：				
短期借款		43	11,830,140,000.00	6,344,000,000.00
向中央银行借款		44	-	-
拆入资金		45	-	-
交易性金融负债		46	-	-
衍生金融负债		47	-	-
应付票据		48	5,856,106,433.00	3,827,144,915.34
应付账款		49	24,884,320.22	35,549,929.24
预收款项		50	-	-
合同负债		51	1,100,769,989.12	198,208,834.57
卖出回购金融资产款		52	-	-
吸收存款及同业存放		53	-	-
代理买卖证券款		54	-	-
代理承销证券款		55	-	-
应付职工薪酬		56	9,286,900.62	8,086,704.39
应交税费		57	326,363,858.77	337,956,408.31
其他应付款		58	15,591,825,668.74	9,513,506,048.58
其中：应付利息		59	340,711,248.77	588,920,161.59
应付股利		60	-	-
应付手续费及佣金		61	-	-
应付分保账款		62	-	-
持有待售负债		63	-	-
一年内到期的非流动负债		64	6,064,490,080.70	3,159,522,610.72
其他流动负债		65	2,901,492,650.61	5,529,167,393.90
流动负债合计		66	43,705,359,901.78	28,953,142,845.05
非流动负债：				
保险合同准备金		67	-	-
长期借款		68	3,797,368,000.00	3,740,000,000.00
应付债券		69	4,541,759,967.40	14,212,234,586.19
其中：优先股		70	-	-
永续债		71	-	-
长期应付款		72	-	-
长期应付职工薪酬		73	-	-
预计负债		74	-	-
递延收益		75	27,028,983.28	27,087,649.96
递延所得税负债		76	-	-
其他非流动负债		77	-	-
非流动负债合计		78	8,366,156,950.68	17,979,322,236.15
负债合计		79	52,071,516,852.46	46,932,465,081.20
所有者权益：				
实收资本		80	1,000,000,000.00	1,000,000,000.00
其他权益工具		81	-	-
其中：优先股		82	-	-
永续债		83	-	-
资本公积		84	893,850,775.76	371,397,945.57
减：库存股		85	-	-
其他综合收益		86	-47,685,716.57	-23,410,816.57
专项储备		87	-	-
盈余公积		88	4,789,524,032.28	4,563,025,276.78
一般风险准备		89	-	-
未分配利润		90	37,764,491,471.55	35,726,002,672.09
所有者权益合计		91	44,400,180,563.02	41,637,015,077.87
负债和所有者权益总计		92	96,471,697,415.48	88,569,480,159.07

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

母公司利润表

2020年度

会企02表

编制单位：[redacted]集团有限公司　　金额单位：人民币元

项目	注释号	行次	2020年度	2019年度
一、营业收入	十二（四）	1	5,061,001,010.49	3,737,260,709.53
其中：营业收入	十二（四）	2	5,061,001,010.49	3,737,260,709.53
利息收入		3	-	-
已赚保费		4	-	-
手续费及佣金收入		5	-	-
二、营业总成本		6	5,034,002,070.64	3,551,194,174.96
其中：营业成本	十二（四）	7	4,757,531,350.33	3,325,842,678.21
利息支出		8	-	-
手续费及佣金支出		9	-	-
退保金		10	-	-
赔付支出净额		11	-	-
提取保险责任准备金净额		12	-	-
保单红利支出		13	-	-
分保费用		14	-	-
税金及附加		15	18,811,930.04	18,497,728.38
销售费用		16	2,908,241.47	3,397,841.92
管理费用		17	271,082,364.52	206,589,031.50
研发费用		18	-	-
财务费用		19	-16,331,815.72	-3,133,105.05
其中：利息费用		20	153,262,875.60	80,888,862.08
利息收入		21	216,611,067.84	160,034,786.39
加：其他收益		22	908,704,736.87	409,541,180.52
投资收益（损失以“－”号填列）	十二（五）	23	953,696,698.24	1,454,710,279.25
其中：对联营企业和合营企业的投资收益		24	181,379,080.94	78,155,492.05
以摊余成本计量的金融资产终止确认收益		25	-	-
汇兑收益（损失以“-”号填列）		26	-	-
净敞口套期收益（损失以“－”号填列）		27	-	-
公允价值变动收益（损失以“－”号填列）		28	-	-
信用减值损失（损失以“-”号填列）		29	12,769,775.47	-
资产减值损失（损失以“-”号填列）		30	-	-5,161,990.81
资产处置收益（损失以“－”号填列）		31	-3,629,652.32	2,012,452.65
二、营业利润（亏损以“－”号填列）		32	1,898,540,498.11	2,047,168,456.18
加：营业外收入		33	50,100,642.94	108,952,025.65
减：营业外支出		34	6,713,135.10	16,470,132.50
三、利润总额（亏损总额以“－”号填列）		35	1,941,928,005.95	2,139,650,349.33
减：所得税费用		36	3,192,443.87	14,683,062.10
四、净利润（净亏损以“－”号填列）		37	1,938,735,562.08	2,124,967,287.23
（一）持续经营净利润（净亏损以“-”号填列）		38	-	-
（二）终止经营净利润（净亏损以“-”号填列）		39	-	-
五、其他综合收益的税后净额		40	301,977,092.88	-8,581,757.60
（一）不能重分类进损益的其他综合收益		41	323,787,060.43	506,450.45
1．重新计量设定受益计划变动额		42	-	-
2．权益法下不能转损益的其他综合收益		43	-2,464,932.45	506,450.45
3．其他权益工具投资公允价值变动		44	326,251,992.88	-
4．企业自身信用风险公允价值变动		45	-	-
5．其他		46	-	-
（二）将重分类进损益的其他综合收益		47	-21,809,967.55	-9,088,208.05
1．权益法下可转损益的其他综合收益		48	-21,809,967.55	-9,088,208.05
2．应收款项融资公允价值变动		49	-	-
3．其他债权投资公允价值变动		50	-	-
4．金融资产重分类计入其他综合收益的金额		51	-	-
5．应收款项融资信用减值准备		52	-	-
6．其他债权投资信用减值准备		53	-	-
7．现金流量套期储备		54	-	-
8．外币财务报表折算差额		55	-	-
9．其他		56	-	-
六、综合收益总额（综合亏损总额以“－”号填列）		57	2,240,712,654.96	2,116,385,529.63

法定代表人：宋波　　主管会计工作负责人：宋波　　会计机构负责人：梁坤

母公司现金流量表

2020年度

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会企03表

编制单位：[redacted]集团有限公司　　金额单位：人民币元

项目	注释号	行次	2020年度	2019年度
一、经营活动产生的现金流量：				
销售商品、提供劳务收到的现金		1	5,160,968,688.72	3,978,093,383.74
客户存款和同业存放款项净增加额		2	-	-
向中央银行借款净增加额		3	-	-
向其他金融机构拆入资金净增加额		4	-	-
收到原保险合同保费取得的现金		5	-	-
收到再保险业务现金净额		6	-	-
保户储金及投资款净增加额		7	-	-
收取利息、手续费及佣金的现金		8	-	-
拆入资金净增加额		9	-	-
回购业务资金净增加额		10	-	-
代理买卖证券收到的现金净额		11	-	-
收到的税费返还		12	-	-
收到其他与经营活动有关的现金		13	1,475,110,148.53	844,765,452.70
经营活动现金流入小计		14	6,636,078,837.25	4,822,858,836.44
购买商品、接受劳务支付的现金		15	4,604,019,598.47	3,319,169,621.62
客户贷款及垫款净增加额		16	-	-
存放中央银行和同业款项净增加额		17	-	-
支付原保险合同赔付款项的现金		18	-	-
拆出资金净增加额		19	-	-
支付利息、手续费及佣金的现金		20	-	-
支付保单红利的现金		21	-	-
支付给职工以及为职工支付的现金		22	22,284,238.16	16,965,280.71
支付的各项税费		23	43,772,407.90	20,249,247.55
支付其他与经营活动有关的现金		24	572,720,730.64	164,294,410.77
经营活动现金流出小计		25	5,242,796,975.17	3,520,678,560.65
经营活动产生的现金流量净额		26	1,393,281,862.08	1,302,180,275.79
二、投资活动产生的现金流量：				
收回投资收到的现金		27	2,305,179,561.27	2,816,010,969.58
取得投资收益收到的现金		28	868,930,709.36	149,981,480.48
处置固定资产、无形资产和其他长期资产收回的现金净额		29	1,157,021.37	1,638,858.97
处置子公司及其他营业单位收到的现金净额		30	-	-
收到其他与投资活动有关的现金		31	5,638,352,254.37	2,622,498,308.32
投资活动现金流入小计		32	8,813,619,546.37	5,590,129,617.35
购建固定资产、无形资产和其他长期资产支付的现金		33	66,540,329.74	22,018,822.97
投资支付的现金		34	3,853,192,355.00	3,399,060,000.00
质押贷款净增加额		35	-	-
取得子公司及其他营业单位支付的现金净额		36	-	-
支付其他与投资活动有关的现金		37	1,386,850,000.00	178,350,000.00
投资活动现金流出小计		38	5,306,582,684.74	3,599,428,822.97
投资活动产生的现金流量净额		39	3,507,036,861.63	1,990,700,794.38
三、筹资活动产生的现金流量：				
吸收投资收到的现金		40	-	-
取得借款收到的现金		41	30,325,508,000.00	27,868,297,800.00
收到其他与筹资活动有关的现金		42	-	-
筹资活动现金流入小计		43	30,325,508,000.00	27,868,297,800.00
偿还债务支付的现金		44	34,272,198,000.00	27,925,528,000.00
分配股利、利润或偿付利息支付的现金		45	1,932,252,131.39	1,347,486,714.07
支付其他与筹资活动有关的现金		46	-	-
筹资活动现金流出小计		47	36,204,450,131.39	29,273,014,714.07
筹资活动产生的现金流量净额		48	-5,878,942,131.39	-1,404,716,914.07
四、汇率变动对现金及现金等价物的影响		49	-	-
五、现金及现金等价物净增加额		50	-978,623,407.68	1,888,164,156.10
加：期初现金及现金等价物余额		51	4,336,436,122.36	2,448,271,966.26
六、期末现金及现金等价物余额		52	3,357,812,714.68	4,336,436,122.36

法定代表人：[redacted]　　主管会计工作负责人：[redacted]　　会计机构负责人：[redacted]

母公司所有者权益变动表

2020年度

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会企04表-1

编制单位：南山集团有限公司

金额单位：人民币元

项目	行次	2020年度								
		实收资本	资本公积	减：库存股	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润	所有者权益合计
一、上期期末余额	1	1,000,000,000.00	371,397,945.57	-	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87
加：会计政策变更	2	-	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-	-
其他	4	-	-	-	-	-	-	-	-	-
二、本期期初余额	5	1,000,000,000.00	371,397,945.57	-	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87
三、本期增减变动金额(减少以“-”号填列)	6	-	522,452,830.19	-	-24,274,900.00	-	226,498,755.50	-	2,038,488,799.46	2,763,165,485.15
(一) 综合收益总额	7	-	-	-	301,977,092.88	-	-	-	1,938,735,562.08	2,240,712,654.96
(二) 所有者投入和减少资本	8	-	522,452,830.19	-	-	-	-	-	-	522,452,830.19
1. 股东投入的普通股	9	-	-	-	-	-	-	-	-	-
2. 其他权益工具持有者投入资本	10	-	-	-	-	-	-	-	-	-
3. 股份支付计入所有者权益的金额	11	-	-	-	-	-	-	-	-	-
4. 其他	12	-	522,452,830.19	-	-	-	-	-	-	522,452,830.19
(三) 利润分配	13	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-
1. 提取盈余公积	14	-	-	-	-	-	193,873,556.21	-	-193,873,556.21	-
2. 提取一般风险准备	15	-	-	-	-	-	-	-	-	-
3. 对所有者的分配	16	-	-	-	-	-	-	-	-	-
4. 其他	17	-	-	-	-	-	-	-	-	-
(四) 所有者权益内部结转	18	-	-	-	-326,251,992.88	-	32,625,199.29	-	293,626,793.59	-
1. 资本公积转增资本	19	-	-	-	-	-	-	-	-	-
2. 盈余公积转增资本	20	-	-	-	-	-	-	-	-	-
3. 盈余公积弥补亏损	21	-	-	-	-	-	-	-	-	-
4. 设定受益计划变动额结转留存收益	22	-	-	-	-	-	-	-	-	-
5. 其他综合收益结转留存收益	23	-	-	-	-326,251,992.88	-	32,625,199.29	-	293,626,793.59	-
6. 其他	24	-	-	-	-	-	-	-	-	-
(五) 专项储备	25	-	-	-	-	-	-	-	-	-
1. 本期提取	26	-	-	-	-	-	-	-	-	-
2. 本期使用	27	-	-	-	-	-	-	-	-	-
(六) 其他	28	-	-	-	-	-	-	-	-	-
四、本期期末余额	29	1,000,000,000.00	893,850,775.76	-	-47,685,716.57	-	4,789,524,032.28	-	37,764,491,471.55	44,400,180,563.02

法定代表人：宋建波印

主管会计工作负责人：宋建波印

会计机构负责人：梁坤

母公司所有者权益变动表(续)

2020年度

中汇会计师事务所(特殊普通合伙)
审核专用章(6)

会企04表-2

编制单位：南山集团有限公司　　金额单位：人民币元

项目	行次	2019年度								
		实收资本	资本公积	减：库存股	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润	所有者权益合计
一、上期期末余额	1	1,000,000,000.00	371,397,945.57	-	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
加：会计政策变更	2	-	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-	-
其他	4	-	-	-	-	-	-	-	-	-
二、本期期初余额	5	1,000,000,000.00	371,397,945.57	-	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
三、本期增减变动金额(减少以“-”号填列)	6	-	-	-	-8,581,757.60	-	212,496,728.72	-	1,912,470,558.51	2,116,385,529.63
(一) 综合收益总额	7	-	-	-	-8,581,757.60	-	-	-	2,124,967,287.23	2,116,385,529.63
(二) 所有者投入和减少资本	8	-	-	-	-	-	-	-	-	-
1. 股东投入的普通股	9	-	-	-	-	-	-	-	-	-
2. 其他权益工具持有者投入资本	10	-	-	-	-	-	-	-	-	-
3. 股份支付计入所有者权益的金额	11	-	-	-	-	-	-	-	-	-
4. 其他	12	-	-	-	-	-	-	-	-	-
(三) 利润分配	13	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-
1. 提取盈余公积	14	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-
2. 提取一般风险准备	15	-	-	-	-	-	-	-	-	-
3. 对所有者的分配	16	-	-	-	-	-	-	-	-	-
4. 其他	17	-	-	-	-	-	-	-	-	-
(四) 所有者权益内部结转	18	-	-	-	-	-	-	-	-	-
1. 资本公积转增资本	19	-	-	-	-	-	-	-	-	-
2. 盈余公积转增资本	20	-	-	-	-	-	-	-	-	-
3. 盈余公积弥补亏损	21	-	-	-	-	-	-	-	-	-
4. 设定受益计划变动额结转留存收益	22	-	-	-	-	-	-	-	-	-
5. 其他综合收益结转留存收益	23	-	-	-	-	-	-	-	-	-
6. 其他	24	-	-	-	-	-	-	-	-	-
(五) 专项储备	25	-	-	-	-	-	-	-	-	-
1. 本期提取	26	-	-	-	-	-	-	-	-	-
2. 本期使用	27	-	-	-	-	-	-	-	-	-
(六) 其他	28	-	-	-	-	-	-	-	-	-
四、本期期末余额	29	1,000,000,000.00	371,397,945.57	-	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

南山集团有限公司

财务报表附注

2020 年度

一、公司基本情况

（一）公司概况

南山集团有限公司(以下简称“本公司”或“公司”）由南山村村民委员会和宋作文共同发起设立，于 1992 年 7 月 16 日在龙口市市场监督管理局登记注册，现持有统一社会信用代码为 9137068116944191XU 的营业执照。公司注册地：山东省龙口市南山工业园。法定代表人：宋建波。公司现有注册资本 100,000 万元，其中：南山村村民委员会出资 51,000 万元，占注册资本的 51%；宋作文出资 49,000 万元，占注册资本的 49%。

本公司属综合行业。经营范围为：一般项目：金属材料销售；针纺织品及原料销售；服装服饰批发；服装服饰零售；建筑材料销售；家具销售；金银制品销售；机械设备销售；机械设备研发；仪器仪表销售；普通货物仓储服务（不含危险化学品等需许可审批的项目）；农产品的生产、销售、加工、运输、贮藏及其他相关服务；住房租赁；土地使用权租赁；机械设备租赁；游乐园服务；健身休闲活动；会议及展览服务；组织文化艺术交流活动；化工产品销售（不含许可类化工产品）；石油制品销售（不含危险化学品）；润滑油销售；企业管理；贸易经纪；装卸搬运；国内货物运输代理（除依法须经批准的项目外，凭营业执照依法自主开展经营活动）许可项目：货物进出口；房地产开发经营；各类工程建设活动；住宿服务；餐饮服务；游艺娱乐活动；发电、输电、供电业务；热力生产和供应（依法须经批准的项目，经相关部门批准后方可开展经营活动，具体经营项目以审批结果为准）

本公司最终实际控制人为南山村村民委员会。

（二）合并范围

本公司 2020 年度纳入合并范围的子公司情况详见附注七“在其他主体中的权益”。与上年度相比，本公司本年度合并范围子公司增加五家，注销一家，详见本附注六(二)“其他原因引起的合并范围的变动”。

二、财务报表的编制基础

（一） 编制基础

本公司(除山东南山铝业股份有限公司以下简称“南山铝业”及山东智尚科技股份有限公司以下简称“智尚科技”及恒通物流股份有限公司以下简称“恒通股份”)以持续经营为基础，根据实际发生的交易和事项，按照《企业会计准则—基本准则》和其他各项具体会计准则的规定进行确认和计量，在此基础上编制财务报表。

南山铝业、智尚科技及恒通股份以持续经营为基础，根据实际发生的交易和事项，按照财政部颁布的《企业会计准则——基本准则》和各项具体会计准则、企业会计准则应用指南、企业会计准则解释及其他相关规定(以下合称“企业会计准则”)，以及中国证券监督管理委员会《公开发行证券的公司信息披露编报规则第 15 号——财务报告的一般规定》(2014 年修订)的披露规定编制财务报表。

(二)持续经营能力评价

本公司不存在导致对报告期末起 12 个月内的持续经营假设产生重大疑虑的事项或情况。

三、主要会计政策和会计估计

(一) 遵循企业会计准则的声明

本公司编制的财务报表符合企业会计准则的要求，真实、完整地反映了公司的财务状况、经营成果和现金流量等有关信息。

(二) 会计期间

会计年度自公历 1 月 1 日起至 12 月 31 日止。

(三) 营业周期

正常营业周期是指本公司从购买用于加工的资产起至实现现金或现金等价物的期间。本公司以 12 个月作为一个营业周期，并以其作为资产和负债的流动性划分标准。

(四) 记账本位币

本公司及境内子公司采用人民币为记账本位币。本公司境外子公司根据其经营所处的主

要经济环境中的货币确定其记账本位币，编制财务报表时折算为人民币。

本公司编制本财务报表时所采用的货币为人民币。

（五）同一控制下和非同一控制下企业合并的会计处理

企业合并，是指将两个或两个以上单独的企业合并形成一个报告主体的交易或事项。企业合并分为同一控制下企业合并和非同一控制下企业合并。

1．同一控制下企业合并的会计处理

参与合并的企业在合并前后均受同一方或相同的多方最终控制，且该控制并非暂时性的，为同一控制下的企业合并。

公司在企业合并中取得的被合并方的资产、负债，除因会计政策不同而进行的调整以外，按照合并日被合并方在最终控制方合并财务报表中的账面价值计量。公司取得的被合并方所有者权益在最终控制方合并财务报表中的账面价值的份额与支付的合并对价账面价值(或发行股份面值总额)的差额，调整资本公积；资本公积不足冲减的，调整留存收益。

通过多次交易分步实现同一控制下的企业合并，合并前持有投资的账面价值加上合并日新支付对价的账面价值之和，与合并中取得的净资产账面价值的差额，调整资本公积(股本溢价)，资本公积不足冲减的，调整留存收益。合并方在取得被合并方控制权之前持有的长期股权投资，在取得原股权之日与合并方与被合并方同处于同一方最终控制之日孰晚日起至合并日之间已确认有关损益、其他综合收益和其他所有者权益变动，应分别冲减比较报表期间的期初留存收益或当期损益，由于被投资方重新计量设定受益计划净负债或净资产变动而产生的其他综合收益除外。

2．非同一控制下企业合并的会计处理

参与合并的企业在合并前后不受同一方或相同的多方最终控制的，为非同一控制下的企业合并。

公司在购买日对合并成本大于合并中取得的被购买方可辨认净资产公允价值份额的差额，确认为商誉；对于合并成本小于合并中取得的被购买方可辨认净资产公允价值份额，首先对取得的被购买方各项可辨认资产、负债及或有负债的公允价值以及合并成本的计量进行复核，经复核后合并成本仍小于合并中取得的被购买方可辨认净资产公允价值份额的，其差额计入当期损益。

如果在购买日或合并当期期末，因各种因素影响无法合理确定作为合并对价付出的各项资产的公允价值，或合并中取得被购买方各项可辨认资产、负债的公允价值，合并当期期末，

公司以暂时确定的价值为基础对企业合并进行核算。自购买日算起 12 个月内取得进一步的信息表明需对原暂时确定的价值进行调整的，则视同在购买日发生，进行追溯调整，同时对以暂时性价值为基础提供的比较报表信息进行相关的调整；自购买日算起 12 个月以后对企业合并成本或合并中取得的可辨认资产、负债价值的调整，按照《企业会计准则第 28 号——会计政策、会计估计变更和会计差错更正》的原则进行处理。

公司在企业合并中取得的被购买方的可抵扣暂时性差异，在购买日不符合递延所得税资产确认条件的，不予以确认。购买日后 12 个月内，如取得新的或进一步的信息表明购买日的相关情况已经存在，预期被购买方在购买日可抵扣暂时性差异带来的经济利益能够实现的，确认相关的递延所得税资产，同时减少商誉，商誉不足冲减的，差额部分确认为当期损益；除上述情况以外，确认与企业合并相关的递延所得税资产，计入当期损益。

通过多次交易分步实现的非同一控制下企业合并，根据企业会计准则判断该多次交易是否属于“一揽子交易”。多次交易的条款、条件以及经济影响符合以下一种或多种情况，通常表明应将多次交易事项作为一揽子交易进行会计处理：(1)这些交易是同时或者在考虑了彼此影响的情况下订立的；(2)这些交易整体才能达成一项完整的商业结果；(3)一项交易的发生取决于其他至少一项交易的发生；(4)一项交易单独看是不经济的，但是和其他交易一并考虑时是经济的。

属于“一揽子交易”的，将各项交易作为一项取得控制权的交易进行会计处理。不属于“一揽子交易”的，在合并财务报表中，对于购买日之前持有的被购买方的股权，按照该股权在购买日的公允价值进行重新计量，公允价值与其账面价值的差额计入当期投资收益；购买日之前已经持有的被购买方的股权涉及其他综合收益、其他所有者权益变动转为购买日当期收益，由于被投资方重新计量设定受益计划净负债或净资产变动而产生的其他综合收益除外。

3．企业合并中有关交易费用的处理

为进行企业合并发生的审计、法律服务、评估咨询等中介费用以及其他相关管理费用，于发生时计入当期损益。作为合并对价发行的权益性证券或债务性证券的交易费用，计入权益性证券或债务性证券的初始确认金额。

（六）合并财务报表的编制方法

1．合并范围

合并财务报表的合并范围以控制为基础确定。控制是指本公司拥有对被投资方的权力，

通过参与被投资方的相关活动而享有可变回报，并且有能力运用对被投资方的权力影响该回报金额。合并范围包括本公司及全部子公司。子公司，是指被本公司控制的主体(含企业、被投资单位中可分割的部分、结构化主体等)。

2．合并报表的编制方法

本公司以自身和各子公司的财务报表为基础，根据其他有关资料，编制合并报表。本公司编制合并财务报表，将整个企业集团视为一个会计主体，依据相关企业会计准则的确定、计量和列报要求，按照统一的会计政策，反映本公司整体财务状况、经营成果和现金流量。

合并财务报表时抵销本公司与各子公司、各子公司相互之间发生的内部交易和往来对合并资产负债表、合并利润表、合并现金流量表、合并所有者权益变动表的影响。

在报告期内因同一控制下企业合并增加的子公司以及业务，视同该子公司以及业务自同受最终控制方控制之日起纳入本公司的合并范围，将其自同受最终控制方控制之日起的经营成果、现金流量分别纳入合并利润表、合并现金流量表中。在报告期内，同时调整合并资产负债表的期初数，同时对比较报表的相关项目进行调整，视同合并后的报表主体自最终控制方开始控制时点起一直存在。

本期若因非同一控制下企业合并增加子公司的，则不调整合并资产负债表期初数；以购买日可辨认净资产公允价值为基础对其财务报表进行调整。将子公司自购买日至期末的收入、费用、利润纳入合并利润表；该子公司自购买日至期末的现金流量纳入合并现金流量表。

子公司少数股东应占的权益、损益和当期综合收益中分别在合并资产负债表中所有者权益项目下、合并利润表中净利润项目和综合收益总额项下单独列示。子公司少数股东分担的当期亏损超过了少数股东在该子公司期初所有者权益中所享有份额而形成的余额，冲减少数股东权益。

3．购买少数股东股权及不丧失控制权的部分处置子公司股权

本公司因购买少数股权新取得的长期股权投资成本与按照新增持股比例计算应享有子公司自购买日或合并日开始持续计算的净资产份额之间的差额，以及在不丧失控制权的情况下因部分处置对子公司的股权投资而取得的处置价款与处置长期股权投资相对应享有子公司自购买日或合并日开始持续计算的净资产份额之间的差额，均调整合并资产负债表中的资本公积中的股本溢价，资本公积中的股本溢价不足冲减的，调整留存收益。

4．丧失控制权的处置子公司股权

本期本公司处置子公司，则该子公司期初至处置日的收入、费用、利润纳入合并利润表；该子公司期初至处置日的现金流量纳入合并现金流量表。因处置部分股权投资或其他原因丧

失了对原有子公司控制权时，对于处置后的剩余股权投资，本公司按照其在丧失控制权日的公允价值进行重新计量。处置股权取得的对价与剩余股权公允价值之和，减去按原持股比例计算应享有原有子公司自购买日开始持续计算的净资产的份额与商誉之和，形成的差额计入丧失控制权当期的投资收益。与原有子公司股权投资相关的其他综合收益，在丧失控制权时采用被购买方直接处置相关资产和负债相同的基础进行会计处理(即除了在该原有子公司重新计量设定受益计划外净负债或者净资产导致的变动以外，其余一并转入当期投资收益)。其后，对该部分剩余股权按照《企业会计准则第 2 号——长期股权投资》或《企业会计准则第 22 号——金融工具确认和计量》等相关规定进行后续计量，详见本附注三(二十三)“长期股权投资”或本附注三(十)“金融工具”。

5．分步处置对子公司股权投资至丧失控制权的处理

本公司通过多次交易分步处置对子公司股权投资直至丧失控制权的，需区分处置对子公司股权投资直至丧失控制权的各项交易是否属于一揽子交易。

处置对子公司股权投资直至丧失控制权的各项交易属于一揽子交易的，将各项交易作为一项处置子公司并丧失控制权的交易进行会计处理；但是，在丧失控制权之前每一次处置价款与处置投资对应的享有该子公司净资产份额的差额，在合并财务报表中确认为其他综合收益，在丧失控制权时一并转入丧失控制权当期的损益。

不属于一揽子交易的，对其中的每一项交易视情况分别按照“不丧失控制权的情况下部分处置对子公司的长期股权投资”和“因处置部分股权投资或其他原因丧失了对原有子公司的控制权”(详见前段)适用的原则进行会计处理。即在丧失控制权之前每一次处置价款与处置投资对应的享有该子公司自购买日开始持续计算的净资产账面价值份额之间的差额，作为权益性交易计入资本公积(股本溢价)。在丧失控制权时不得转入丧失控制权当期的损益。

(七) 合营安排分类及共同经营会计处理方法

合营安排，是指一项由两个或两个以上的参与方共同控制的安排。本公司根据在合营安排中享有的权利和承担的义务，将合营安排分为共同经营和合营企业。

合营企业，是指本公司仅对该安排的净资产享有权利的合营安排。本公司对合营企业的投资采用权益法核算，按照本附注三(二十三)3(2)“权益法核算的长期股权投资”中所述的会计政策处理。

共同经营，是指本公司享有该安排相关资产且承担该安排相关负债的合营安排。本公司确认与共同经营中利益份额相关的下列项目，并按照相关企业会计准则的规定进行会计处

理：

1．确认本公司单独所持有的资产，以及按本公司份额确认共同持有的资产；

2．确认本公司单独所承担的负债，以及按本公司份额确认共同承担的负债；

3．确认出售本公司享有的共同经营产出份额所产生的收入；

4．按本公司份额确认共同经营因出售产出所产生的收入；

5．确认单独所发生的费用，以及按本公司份额确认共同经营发生的费用。

当本公司作为合营方向共同经营投出或出售资产(该资产不构成业务，下同)或者自共同经营购买资产时，在该等资产出售给第三方之前，本公司仅确认因该项交易产生的损益中属于共同经营其他参与方的部分。该等资产发生符合《企业会计准则第 8 号——资产减值》等规定的资产减值损失的，对于由本公司向共同经营投出或者出售资产的情况，本公司全额确认损失；对于本公司自共同经营购买资产的情况，本公司按承担的份额确认该损失。

(八) 现金及现金等价物的确定标准

在编制现金流量表时，将本公司库存现金及可以随时用于支付的存款确认为现金。现金等价物是指企业持有的期限短(一般是指从购买日起 3 个月内到期)、流动性强、易于转换为已知金额现金、价值变动风险很小的投资。

(九) 外币业务折算和外币报表的折算

1．外币交易业务

对发生的外币业务，采用交易发生日的即期汇率(通常指中国人民银行公布的当日外汇牌价的中间价，下同)折合记账本位币记账。但公司发生的外币兑换业务或涉及外币兑换的交易事项，按照实际采用的汇率折算为记账本位币金额。

2．外币货币性项目和非货币性项目的折算方法

资产负债表日，对于外币货币性项目采用资产负债表日即期汇率折算，由此产生的汇兑差额，除：(1)属于与购建符合资本化条件的资产相关的外币专门借款产生的汇兑差额按照借款费用资本化的原则处理；(2)用于境外经营净投资有效套期的套期工具的汇兑差额(该差额计入其他综合收益，直至净投资被处置才被确认为当期损益)；以及(3)以公允价值计量且其变动计入其他综合收益的外币货币性项目除摊余成本之外的其他账面余额变动产生的汇兑差额计入其他综合收益之外，均计入当期损益。

以历史成本计量的外币非货币性项目，仍采用交易发生日的即期汇率折算的记账本位币

金额计量。以公允价值计量的外币非货币性项目，采用公允价值确定日的即期汇率折算，折算后的记账本位币金额与原记账本位币金额的差额，计入当期损益。

3．外币报表折算

资产负债表中的资产和负债项目，采用资产负债表日的即期汇率折算；所有者权益项目除“未分配利润”项目外，其他项目采用发生时的即期汇率折算；利润表中的收入和费用项目，采用交易发生日的即期汇率折算；年初未分配利润为上一年折算后的年末未分配利润；年末未分配利润按折算后的利润分配各项目计算列示；按照上述折算产生的外币财务报表折算差额，在资产负债表股东权益项目下的“其他综合收益”项目反映。处置境外经营并丧失控制权时，将资产负债表中股东权益项目下列示的、与该境外经营相关的外币报表折算差额，全部或按处置该境外经营的比例转入处置当期损益。在处置部分股权投资或其他原因导致持有境外经营权益比例降低但不丧失对境外经营控制权时，与该境外经营处置部分相关的外币报表折算差额将归属于少数股东权益，不转入当期损益。

现金流量表采用现金流量发生日的即期汇率折算。汇率变动对现金的影响额作为调节项目，在现金流量表中单独列示“汇率变动对现金及现金等价物的影响”项目反映。

（十）金融工具

金融工具是指形成一方的金融资产并形成其他方的金融负债或权益工具的合同。金融工具包括金融资产、金融负债和权益工具。

1．金融工具的分类、确认依据和计量方法

(1)金融资产和金融负债的确认和初始计量

本公司成为金融工具合同的一方时，确认一项金融资产或金融负债。对于以常规方式购买金融资产的，本公司在交易日确认将收到的资产和为此将承担的负债。

金融资产和金融负债在初始确认时以公允价值计量。对于以公允价值计量且其变动计入当期损益的金融资产和金融负债，相关的交易费用直接计入当期损益，对于其他类别的金融资产和金融负债，相关交易费用计入初始确认金额。对于初始确认时不具有重大融资成分的应收账款，按照本附注三(三十六)的收入确认方法确定的交易价格进行初始计量。

(2)金融资产的分类和后续计量

本公司根据管理金融资产的业务模式和金融资产的合同现金流量特征将金融资产分类为以摊余成本计量的金融资产、以公允价值计量且其变动计入其他综合收益的金融资产和以公允价值计量且其变动计入当期损益的金融资产。

1)以摊余成本计量的金融资产

以摊余成本计量的金融资产，是指同时符合下列条件的金融资产：①本公司管理该金融资产的业务模式是以收取合同现金流量为目标；②该金融资产的合同条款规定，在特定日期产生的现金流量，仅为对本金和以未偿付本金金额为基础的利息的支付。

该类金融资产在初始确认后采用实际利率法以摊余成本计量，所产生的利得或损失在终止确认、按照实际利率法摊销或确认减值时，计入当期损益。

对于金融资产的摊余成本，应当以该金融资产的初始确认金额经下列调整后的结果确定：①扣除已偿还的本金；②加上或减去采用实际利率法将该初始确认金额与到期日金额之间的差额进行摊销形成的累计摊销额；③扣除累计计提的损失准备。

实际利率法，是指计算金融资产或金融负债的摊余成本以及将利息收入或利息费用分摊计入各会计期间的方法。实际利率，是指将金融资产或金融负债在预计存续期的估计未来现金流量，折现为该金融资产账面余额或该金融负债摊余成本所使用的利率。在确定实际利率时，本公司在考虑金融资产或金融负债所有合同条款(如提前还款、展期、看涨期权或其他类似期权等)的基础上估计预期现金流量，但不考虑预期信用损失。

本公司根据金融资产账面余额乘以实际利率计算确定利息收入，但下列情况除外：①对于购入或源生的已发生信用减值的金融资产，自初始确认起，按照该金融资产的摊余成本和经信用调整的实际利率计算确定其利息收入。②对于购入或源生的未发生信用减值、但在后续期间成为已发生信用减值的金融资产，按照该金融资产的摊余成本和实际利率计算确定其利息收入。若该金融工具在后续期间因其信用风险有所改善而不再存在信用减值，并且这一改善在客观上可与应用上述规定之后发生的某一事件相联系，应转按实际利率乘以该金融资产账面余额来计算确定利息收入。

2)以公允价值计量且其变动计入其他综合收益的金融资产

以公允价值计量且其变动计入其他综合收益的金融资产，是指同时符合下列条件的金融资产：①本公司管理该金融资产的业务模式既以收取合同现金流量为目标又以出售该金融资产为目标。②该金融资产的合同条款规定，在特定日期产生的现金流量，仅为对本金和以未偿付本金金额为基础的利息的支付。

该类金融资产在初始确认后以公允价值进行后续计量。采用实际利率法计算的利息、减值损失或利得及汇兑损益计入当期损益，其他利得或损失计入其他综合收益。终止确认时，将之前计入其他综合收益的累计利得或损失从其他综合收益中转出，计入当期损益。

对于非交易性权益工具投资，本公司可在初始确认时将其不可撤销地指定为以公允价值

计量且其变动计入其他综合收益的金融资产。该指定基于单项非交易性权益工具投资的基础上作出，且相关投资从工具发行者的角度符合权益工具的定义。此类投资在初始指定后，除了获得的股利(属于投资成本收回部分的除外)计入当期损益外，其他相关的利得或损失(包括汇兑损益)均计入其他综合收益。终止确认时，将之前计入其他综合收益的累计利得或损失从其他综合收益中转出，计入留存收益。

3)以公允价值计量且其变动计入当期损益的金融资产

除上述 1)、2)情形外，本公司将其余所有的金融资产分类为以公允价值计量且其变动计入当期损益的金融资产。在初始确认时，如果能够消除或显著减少会计错配，可以将金融资产不可撤销地指定为以公允价值计量且其变动计入当期损益的金融资产。本公司在非同一控制下的企业合并中确认的或有对价构成金融资产的，该金融资产分类为以公允价值计量且其变动计入当期损益的金融资产。

该类金融资产在初始确认后以公允价值进行后续计量，产生的利得或损失计入当期损益。

(3)金融负债的分类和后续计量

本公司将金融负债分类为以公允价值计量且其变动计入当期损益的金融负债、金融资产转移不符合终止确认条件或继续涉入被转移金融资产所形成的金融负债、财务担保合同及以摊余成本计量的金融负债。

1)以公允价值计量且其变动计入当期损益的金融负债

以公允价值计量且其变动计入当期损益的金融负债，包括交易性金融负债(含属于金融负债的衍生工具) 和指定为以公允价值计量且其变动计入当期损益的金融负债。在非同一控制下的企业合并中，本公司作为购买方确认的或有对价形成金融负债的，该金融负债应当按照以公允价值计量且其变动计入当期损益进行会计处理。

以公允价值计量且其变动计入当期损益的金融负债在初始确认后以公允价值进行后续计量，产生的利得或损失计入当期损益。

因公司自身信用风险变动引起的指定为以公允价值计量且其变动计入当期损益的金融负债的公允价值变动金额计入其他综合收益，除非该处理会造成或扩大损益中的会计错配。该金融负债的其他公允价值变动计入当期损益。终止确认时，将之前计入其他综合收益的累计利得或损失从其他综合收益中转出，计入留存收益。

2)金融资产转移不符合终止确认条件或继续涉入被转移金融资产所形成的金融负债

该类金融负债按照本附注三(十)2 金融资产转移的会计政策确定的方法进行计量。

3)财务担保合同

财务担保合同，是指当特定债务人到期不能按照最初或修改后的债务工具条款偿付债务时，要求本公司向蒙受损失的合同持有人赔付特定金额的合同。

不属于上述 1)或 2)情形的财务担保合同，在初始确认后按照下列两项金额之中的较高者进行后续计量：①按照本附注三(十)5 金融工具的减值方法确定的损失准备金额；②初始确认金额扣除按照本附注三(三十六)的收入确认方法所确定的累计摊销额后的余额。

4)以摊余成本计量的金融负债

除上述 1)、2)、3)情形外，本公司将其余所有的金融负债分类为以摊余成本计量的金融负债。

该类金融负债在初始确认后采用实际利率法以摊余成本计量，产生的利得或损失在终止确认或在按照实际利率法摊销时计入当期损益。

(4)权益工具

权益工具是指能证明拥有本公司在扣除所有负债后的资产中的剩余权益的合同。本公司发行(含再融资)、回购、出售或注销权益工具作为权益的变动处理。与权益性交易相关的交易费用从权益中扣减。本公司对权益工具持有方的各种分配(不包括股票股利)，减少股东权益。本公司不确认权益工具的公允价值变动额。

金融负债与权益工具的区分：

金融负债，是指符合下列条件之一的负债：

1)向其他方交付现金或其他金融资产的合同义务。

2)在潜在不利条件下，与其他方交换金融资产或金融负债的合同义务。

3)将来须用或可用企业自身权益工具进行结算的非衍生工具合同，且企业根据该合同将交付可变数量的自身权益工具。

4)将来须用或可用企业自身权益工具进行结算的衍生工具合同，但以固定数量的自身权益工具交换固定金额的现金或其他金融资产的衍生工具合同除外。

如果本公司不能无条件地避免以交付现金或其他金融资产来履行一项合同义务，则该合同义务符合金融负债的定义。如果一项金融工具须用或可用本公司自身权益工具进行结算，需要考虑用于结算该工具的本公司自身权益工具，是作为现金或其他金融资产的替代品，还是为了使该工具持有方享有在发行方扣除所有负债后的资产中的剩余权益。如果是前者，该工具是本公司的金融负债；如果是后者，该工具是本公司的权益工具。

(5)衍生工具及嵌入衍生工具

衍生工具，包括远期外汇合约、货币汇率互换合同、利率互换合同及外汇期权合同等。衍生工具于初始确认时以公允价值进行初始计量，并以公允价值进行后续计量。衍生工具的公允价值变动计入当期损益。

嵌入衍生工具，是指嵌入到非衍生工具(即主合同)中的衍生工具。对于嵌入衍生工具与主合同构成的混合合同，若主合同属于金融资产的，本公司不从该混合合同中分拆嵌入衍生工具，而将该混合合同作为一个整体适用本公司关于金融资产分类的会计政策。若混合合同包含的主合同不属于金融资产，且同时符合下列条件的，本公司将嵌入衍生工具从混合合同中分拆，作为单独的衍生工具处理：

1)嵌入衍生工具的经济特征及风险与主合同的经济特征及风险不紧密相关。

2)与该嵌入衍生工具具有相同条款的单独工具符合衍生工具的定义。

3)该混合合同不是以公允价值计量且其变动计入当期损益进行会计处理。

嵌入衍生工具从混合合同中分拆的，本公司按照适用的会计准则规定对混合合同的主合同进行会计处理。本公司无法根据嵌入衍生工具的条款和条件对嵌入衍生工具的公允价值进行可靠计量的，该嵌入衍生工具的公允价值根据混合合同公允价值和主合同公允价值之间的差额确定。使用了上述方法后，该嵌入衍生工具在取得日或后续资产负债表日的公允价值仍然无法单独计量的，本公司将该混合合同整体指定为以公允价值计量且其变动计入当期损益的金融工具。

2．金融资产转移的确认依据及计量方法

金融资产转移，是指本公司将金融资产(或其现金流量)让与或交付该金融资产发行方以外的另一方。金融资产终止确认，是指本公司将之前确认的金融资产从其资产负债表中予以转出。

满足下列条件之一的金融资产，本公司予以终止确认：(1)收取该金融资产现金流量的合同权利终止；(2)该金融资产已转移，且将金融资产所有权上几乎所有的风险和报酬转移给转入方；(3)该金融资产已转移，虽然本公司既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，但是放弃了对该金融资产的控制。

若本公司既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，且保留了对该金融资产的控制的，则按照继续涉入被转移金融资产的程度继续确认有关金融资产，并相应确认有关负债。继续涉入所转移金融资产的程度，是指该金融资产价值变动使企业面临的风险水平。

金融资产整体转移满足终止确认条件的，将下列两项金额的差额计入当期损益：(1)被

转移金融资产在终止确认日的账面价值；(2)因转移金融资产而收到的对价，与原直接计入其他综合收益的公允价值变动累计额中对应终止确认部分的金额之和。金融资产部分转移满足终止确认条件的，将所转移金融资产整体的账面价值，在终止确认部分和未终止确认部分之间，按照各自的相对公允价值进行分摊，并将下列两项金额的差额计入当期损益：(1)终止确认部分在终止确认日的账面价值；(2)终止确认部分收到的对价，与原直接计入其他综合收益的公允价值变动累计额中对应终止确认部分的金额之和。对于本公司指定为以公允价值计量且其变动计入其他综合收益的非交易性权益工具，整体或部分转移满足终止确认条件的，按上述方法计算的差额计入留存收益。

3．金融负债终止确认条件

金融负债(或其一部分)的现时义务已经解除的，本公司终止确认该金融负债(或该部分金融负债)。本公司(借入方)与借出方之间签订协议，以承担新金融负债方式替换原金融负债，且新金融负债与原金融负债的合同条款实质上不同的，终止确认原金融负债，同时确认一项新金融负债。本公司对原金融负债(或其一部分)的合同条款做出实质性修改的，终止确认原金融负债，同时按照修改后的条款确认一项新金融负债。

金融负债(或其一部分)终止确认的，本公司将其账面价值与支付的对价(包括转出的非现金资产或承担的负债)之间的差额，计入当期损益。本公司回购金融负债一部分的，按照继续确认部分和终止确认部分在回购日各自的公允价值占整体公允价值的比例，对该金融负债整体的账面价值进行分配。分配给终止确认部分的账面价值与支付的对价(包括转出的非现金资产或承担的负债)之间的差额，计入当期损益。

4．金融工具公允价值的确定

金融资产和金融负债的公允价值确定方法见本附注三(十一)。

5．金融工具的减值

本公司以预期信用损失为基础，对以摊余成本计量的金融资产、合同资产、以公允价值计量且其变动计入其他综合收益的债务工具投资、租赁应收款以及本附注三(十)1(3)3)所述的财务担保合同进行减值处理并确认损失准备。预期信用损失，是指以发生违约的风险为权重的金融工具信用损失的加权平均值。信用损失，是指本公司按照原实际利率折现的、根据合同应收的所有合同现金流量与预期收取的所有现金流量之间的差额，即全部现金短缺的现值。

对于购买或源生的已发生信用减值的金融资产，公司在资产负债表日仅将自初始确认后整个存续期内预期信用损失的累计变动确认为损失准备。

对于由《企业会计准则第 14 号——收入》规范的交易形成的应收款项或合同资产及租赁应收款，本公司运用简化计量方法，按照相当于整个存续期内的预期信用损失金额计量损失准备。

除上述计量方法以外的金融工具，本公司按照一般方法计量损失准备，在每个资产负债表日评估其信用风险自初始确认后是否已经显著增加。如果信用风险自初始确认后已显著增加，公司按照整个存续期内预期信用损失的金额计量损失准备；如果信用风险自初始确认后未显著增加，公司按照该金融工具未来 12 个月内预期信用损失的金额计量损失准备。

整个存续期预期信用损失，是指因金融工具整个预计存续期内所有可能发生的违约事件而导致的预期信用损失。未来 12 个月内预期信用损失，是指因资产负债表日后 12 个月内(若金融工具的预计存续期少于 12 个月，则为预计存续期)可能发生的金融工具违约事件而导致的预期信用损失，是整个存续期预期信用损失的一部分。

本公司考虑所有合理且有依据的信息，包括前瞻性信息，通过比较金融工具在资产负债表日发生违约的风险与在初始确认日发生违约的风险，确定金融工具预计存续期内发生违约风险的相对变化，以评估金融工具的信用风险自初始确认后是否已显著增加。对于在单项工具层面无法以合理成本获得关于信用风险显著增加的充分证据的金融工具，本公司以组合为基础考虑评估信用风险是否显著增加。若本公司判断金融工具在资产负债表日只具有较低的信用风险，则假定该金融工具的信用风险自初始确认后并未显著增加。

本公司在每个资产负债表日重新计量预期信用损失，由此形成的损失准备的增加或转回金额，作为减值损失或利得计入当期损益。对于以摊余成本计量的金融资产，损失准备抵减该金融资产在资产负债表中列示的账面价值；对于以公允价值计量且其变动计入其他综合收益的债务工具投资，公司在其他综合收益中确认其损失准备，不抵减该金融资产在资产负债表中列示的账面价值。

6．金融资产和金融负债的抵销

当本公司具有抵销已确认金融资产和金融负债的法定权利，且目前可执行该种法定权利，同时本公司计划以净额结算或同时变现该金融资产和清偿该金融负债时，金融资产和金融负债以相互抵销后的金额在资产负债表内列示。除此以外，金融资产和金融负债在资产负债表内分别列示，不予相互抵销。

（十一）公允价值

公允价值是指市场参与者在计量日发生的有序交易中，出售一项资产所能收到或者转移

一项负债所需支付的价格。本公司以公允价值计量相关资产或负债，假定出售资产或者转移负债的有序交易在相关资产或负债的主要市场进行；不存在主要市场的，本公司假定该交易在相关资产或负债的最有利市场进行。主要市场(或最有利市场)是本公司在计量日能够进入的交易市场。

本公司采用在当前情况下适用并且有足够可利用数据和其他信息支持的估值技术，考虑市场参与者将该资产用于最佳用途产生经济利益的能力，或者将该资产出售给能够用于最佳用途的其他市场参与者产生经济利益的能力，优先使用相关可观察输入值，只有在可观察输入值无法取得或取得不切实可行的情况下，才使用不可观察输入值。

在财务报表中以公允价值计量或披露的资产和负债，根据对公允价值计量整体而言具有重要意义的最低层次输入值，确定所属的公允价值层次：第一层次输入值，是在计量日能够取得的相同资产或负债在活跃市场上未经调整的报价；第二层次输入值，是除第一层次输入值外相关资产或负债直接或间接可观察的输入值，包括：活跃市场中有类似资产或负债的报价；非活跃市场中相同或类似资产或负债的报价；除报价以外的其他可观察输入值，如在正常报价间隔期间可观察的利益和收益率曲线等；第三层次输入值，是相关资产或负债的不可观察输入值，包括不能直接观察或无法由可观察市场数据验证的利率、股票波动率、企业合并中承担的弃置义务的未来现金流量、使用自身数据做出的财务预测等。每个资产负债表日，本公司对在财务报表中确认的持续以公允价值计量的资产和负债进行重新评估，以确定是否在公允价值计量层次之间发生转换。

（十二）应收票据减值

1．本公司（除南山铝业、智尚科技及恒通股份）应收票据减值

本公司按照本附注三(十)5所述的简化计量方法确定应收票据的预期信用损失并进行会计处理。在资产负债表日，本公司按应收取的合同现金流量与预期收取的现金流量之间的差额的现值计量应收票据的信用损失。当单项应收票据无法以合理成本评估预期信用损失的信息时，本公司根据信用风险特征将应收票据划分为若干组合，参考历史信用损失经验，结合当前状况并考虑前瞻性信息，在组合基础上估计预期信用损失，确定组合的依据如下：

组合名称	确定组合的依据	坏账准备的计提方法
应收票据组合 1--银行承兑汇票	信用风险较低的银行	-
应收票据组合 2--商业承兑汇票	信用风险较低的企业	余额百分比
应收票据组合 3--商业承兑汇票	信用风险较高的企业	个别认定法

注：采用余额百分比法计提坏账准备，按商业承兑汇票期末余额的 0.5%计提坏账准备。

2．南山铝业应收票据减值

组合名称	确定组合的依据
应收票据组合 1--银行承兑汇票	信用风险较低的银行
应收票据组合 2--商业承兑汇票	信用风险较低的企业
应收票据组合 3--商业承兑汇票	信用风险较高的企业

对于划分为组合的应收票据，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和整个存续期预期信用损失率，计算预期信用损失。

3．智尚科技及恒通股份应收票据减值

智尚科技及恒通股份对于应收票据按照相当于整个存续期内的预期信用损失金额计量损失准备。对于划分为组合的应收票据，智尚科技及恒通股份参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和整个存续期预期信用损失率，计算预期信用损失。除了单项评估信用风险的应收票据外，基于应收票据的信用风险特征，将其划分为不同组合：

项　目	类　型
应收票据组合 1	银行承兑汇票
应收票据组合 2	商业承兑汇票

（十三）应收账款减值

1.本公司应收账款的预期信用损失的确定方法及会计处理方法

本公司按照本附注三(十)5所述的简化计量方法确定应收账款的预期信用损失并进行会计处理。在资产负债表日，本公司按应收取的合同现金流量与预期收取的现金流量之间的差额的现值计量应收账款的信用损失。当单项应收账款无法以合理成本评估预期信用损失的信息时，本公司根据信用风险特征将应收账款划分为若干组合，参考历史信用损失经验，结合当前状况并考虑前瞻性信息，在组合基础上估计预期信用损失，确定组合的依据如下：

按组合计提坏账准备的应收款项

(1)本公司（除南山铝业、智尚科技及恒通股份）按组合计提坏账准备的应收款项

组合名称	确定组合的依据	坏账准备的计提方法
其他组合	除上述两项款项之外的应收款项	余额百分比法
低信用风险组合	应收本公司合并范围内子公司款项	根据其未来现金流量现值低于其账面价值的差额计提坏账准备

注：采用余额百分比法计提坏账准备，按应收账款期末余额的 0.5%计提坏账准备

(2)南山铝业应收账款的预期信用损失的确定方法及会计处理方法

应收账款确定组合的依据如下：

项　目	类　型
应收账款组合 1	应收外部经销商
应收账款组合 2	合并财务报表范围内公司间往来

对于划分为组合的应收账款，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，编制应收账款逾期天数与整个存续期预期信用损失率对照表，计算预期信用损失。

(3)智尚科技及恒通股份应收账款的预期信用损失的确定方法及会计处理方法

对于应收账款，无论是否存在重大融资成分，智尚科技及恒通股份考虑所有合理且有依据的信息，包括前瞻性信息，以单项或组合的方式对上述应收款项预期信用损失进行估计，并采用预期信用损失的简化模型，始终按照整个存续期的预期信用损失计量损失准备。计提方法如下：期末对有客观证据表明其已发生减值的应收款项单独进行减值测试，根据其预计未来现金流量现值低于其账面价值的差额，确认减值损失，计提坏账准备；当单项金融资产无法以合理成本评估预期信用损失的信息时，智尚科技及恒通股份考虑了不同客户的信用风险特征，以账龄组合为基础评估应收款项的预期信用损失。

对于划分为组合的应收账款，智尚科技及恒通股份参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，编制应收账款账龄与整个存续期预期信用损失率对照表，计算预期信用损失。预期信用损失率如下：

账　龄	预期信用损失率(%)
一年以内(含一年)	5.00
一年至二年(含二年)	10.00
二年至三年(含三年)	20.00
三年至五年(含五年)	50.00
五年以上	100.00

(十四) 应收款项融资减值

本公司按照本附注三(十)5 所述的简易方法确定应收款项融资的预期信用损失并进行会计处理。在资产负债表日，本公司按应收取的合同现金流量与预期收取的现金流量之间的差额的现值计量应收款项融资的信用损失。当单项应收款项融资无法以合理成本评估预期信

用损失的信息时，本公司根据信用风险特征将应收款项融资划分为若干组合，参考历史信用损失经验，结合当前状况并考虑前瞻性信息，在组合基础上估计预期信用损失，确定组合的依据如下：

项　目	类　型
应收款项融资组合 1--银行承兑汇票	信用风险较低的银行
应收款项融资组合 2--商业承兑汇票	信用风险较高的企业
应收款项融资组合 3--应收账款	应收一般经销商

（十五）其他应收款减值

本公司按照本附注三(十)5 所述的一般方法确定其他应收款的预期信用损失并进行会计处理。在资产负债表日，本公司按应收取的合同现金流量与预期收取的现金流量之间的差额的现值计量其他应收款的信用损失。当单项其他应收款无法以合理成本评估预期信用损失的信息时，本公司根据信用风险特征将其他应收款划分为若干组合，参考历史信用损失经验，结合当前状况并考虑前瞻性信息，在组合基础上估计预期信用损失，确定组合的依据如下：

按组合计提坏账准备的应收款项

1)本公司除南山铝业、智尚科技及恒通股份外按组合计提坏账准备的其他应收款

组合名称	确定组合的依据	坏账准备的计提方法
其他组合	除上述三项款项之外的其他应收款	余额百分比法
低信用风险组合	应收本公司合并范围内子公司款项	根据其未来现金流量现值低于其账面价值的差额计提坏账准备

注：采用余额百分比法计提坏账准备，按其他应收款期末余额的 0.5%计提坏账准备

2)南山铝业按组合计提坏账准备的其他应收款组合的依据如下：

项　目	类　型
其他应收款组合 1	应收股利
其他应收款组合 2	应收利息
其他应收款组合 3	合并财务报表范围内公司间往来
其他应收款组合 4	信用风险组合

对于划分为组合的其他应收款，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和未来12个月内或整个存续期预期信用损失率，计算预期信用损失。

3)智尚科技按组合计提坏账准备的其他应收款组合的依据如下：

项　目	类　型
其他应收款组合 1	应收出口退税
其他应收款组合 2	应收往来款项及其他
其他应收款组合 3	应收职工备用金
其他应收款组合 4	应收保证金及押金

对划分为组合的其他应收款，智尚科技通过违约风险敞口和未来12个月内或整个存续期预期信用损失率，计算预期信用损失。

智尚科技将计提或转回的损失准备计入当期损益。

4)恒通股份按组合计提坏账准备的其他应收款组合的依据如下：

项　目	类　型
其他应收款组合 1	事故借款
其他应收款组合 2	往来款及其他

对于划分为组合一的其他应收款，恒通股份根据每一会计年度未收回款项占该部分事故借款的比例作为期末事故借款坏账准备的计提比例，计提坏账准备；对于划分为组合二的其他应收款，恒通股份参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，编制其他应收款账龄与整个存续期预期信用损失率对照表，计算预期信用损失。

（十六）存货

1．存货包括在日常活动中持有以备出售的产成品或商品、处在生产过程中的在产品、在生产过程或提供劳务过程中耗用的材料和物料、在途物资和委托加工物资等。

2．企业取得存货按实际成本计量。(1)外购存货[原材料/库存商品]的成本即为该存货的采购成本，通过进一步加工取得的存货[在产品、半成品、产成品、委托加工物资]成本由采购成本和加工成本构成。(2)债务重组取得债务人用以抵债的存货，以放弃债权的公允价值和使该存货达到当前位置和状态所发生的可直接归属于该存货的相关税费为基础确定其入账价值。(3)在非货币性资产交换具备商业实质和换入资产或换出资产的公允价值能够可靠计量的前提下，非货币性资产交换换入的存货通常以换出资产的公允价值为基础确定其入账价值，除非有确凿证据表明换入资产公允价值更加可靠；不满足上述前提的非货币性资产交换，以换出资产的账面价值和应支付的相关税费作为换入存货的成本。(4)以同一控制下的企业吸收合并方式取得的存货按被合并方的账面价值确定其入账价值；以非同一控制下的企业吸收合并方式取得的存货按公允价值确定其入账价值。

3．企业发出存货的成本计量采用月末一次加权平均法。

4．低值易耗品和包装物的摊销方法

低值易耗品按照一次转销法进行摊销。

包装物按照一次转销法进行摊销。

5．资产负债表日，存货采用成本与可变现净值孰低计量。存货可变现净值是按存货的估计售价减去至完工时估计将要发生的成本、估计的销售费用以及相关税费后的金额。在确定存货的可变现净值时，以取得的确凿证据为基础，同时考虑持有存货的目的以及资产负债表日后事项的影响，除有明确证据表明资产负债表日市场价格异常外，本期期末存货项目的可变现净值以资产负债表日市场价格为基础确定，其中：

(1)产成品、商品和用于出售的材料等直接用于出售的商品存货，在正常生产经营过程中以该存货的估计售价减去估计的销售费用和相关税费后的金额确定其可变现净值；

(2)需要经过加工的材料存货，在正常生产经营过程中以所生产的产成品的估计售价减去至完工时估计将要发生的成本、估计的销售费用和相关税费后的金额确定其可变现净值；资产负债表日，同一项存货中一部分有合同价格约定、其他部分不存在合同价格的，分别确定其可变现净值，并与其对应的成本进行比较，分别确定存货跌价准备的计提或转回的金额。

期末按照单个存货项目计提存货跌价准备；但对于数量繁多、单价较低的存货，按照存货类别计提存货跌价准备；与在同一地区生产和销售的产品系列相关、具有相同或者类似最终用途或目的，且难以与其他项目分开计量的存货，则合并计提存货跌价准备。

计提存货跌价准备后，如果以前减记存货价值的影响因素已经消失，导致存货的可变现净值高于其账面价值的，在原已计提的存货跌价准备金额内予以转回，转回的金额计入当期损益。

6．存货的盘存制度为永续盘存制。

(十七) 合同资产

1．合同资产是指公司已向客户转让商品而有权收取对价的权利，且该权利取决于时间流逝之外的其他因素。公司拥有的、无条件(仅取决于时间流逝)向客户收取对价的权利作为应收款项列示。

公司将同一合同下的合同资产和合同负债相互抵销后以净额列示。

2．合同资产的减值

本公司按照本附注三(十)5所述的简化计量方法确定合同资产的预期信用损失并进行会计处理。在资产负债表日，本公司按应收取的合同现金流量与预期收取的现金流量之间的差

额的现值计量合同资产的信用损失。当单项合同资产无法以合理成本评估预期信用损失的信息时，本公司根据信用风险特征将合同资产划分为若干组合，参考历史信用损失经验，结合当前状况并考虑前瞻性信息，在组合基础上估计预期信用损失。

（十八）合同成本

1．合同成本的确认条件

合同成本包括合同取得成本及合同履约成本。

公司为取得合同发生的增量成本预期能够收回的，作为合同取得成本确认为一项资产。公司为取得合同发生的、除预期能够收回的增量成本之外的其他支出，在发生时计入当期损益，明确由客户承担的除外。

公司为履行合同发生的成本，不属于除收入准则外的其他企业会计准则规范范围且同时满足下列条件的，作为合同履约成本确认为一项资产：(1)该成本与一份当前或预期取得的合同直接相关，包括直接人工、直接材料、制造费用或(类似费用)、明确由客户承担的成本以及仅因该合同而发生的其他成本；(2)该成本增加了公司未来用于履行履约义务的资源；(3)该成本预期能够收回。

2．与合同成本有关的资产的摊销

合同取得成本确认的资产与和合同履约成本确认的资产(以下简称“与合同成本有关的资产”)采用与该资产相关的商品或服务收入确认相同的基础进行摊销，计入当期损益。摊销期限不超过一年则在发生时计入当期损益。

3．与合同成本有关的资产的减值

在确定与合同成本有关的资产的减值损失时，公司首先对按照其他企业会计准则确认的、与合同有关的其他资产确定减值损失；然后确定与合同成本有关的资产的减值损失。与合同成本有关的资产，其账面价值高于公司因转让与该资产相关的商品预期能够取得的剩余对价与为转让该相关商品估计将要发生的成本的差额的，超出部分计提减值准备，并确认为资产减值损失。

计提减值准备后，如果以前期间减值的因素发生变化，使得公司因转让与该资产相关的商品预期能够取得的剩余对价与为转让该相关商品估计将要发生的成本的差额高于该资产账面价值的，转回原已计提的资产减值准备，并计入当期损益，但转回后的资产账面价值不超过假定不计提减值准备情况下该资产在转回日的账面价值。

（十九）持有待售的非流动资产或处置组

1．划分为持有待售类别的条件

公司主要通过出售(包括具有商业实质的非货币性资产交换，下同)而非持续使用一项非流动资产或处置组收回其账面价值的，在满足下列条件时，将其划分为持有待售类别：

(1)根据类似交易中出售此类资产或处置组的惯例，在当前状况下即可立即出售；

(2)出售极可能发生，即公司已经就一项出售计划作出决议且获得确定的购买承诺，预计出售将在一年内完成。有关规定要求相关权力机构或者监督部门批准后方可出售的，公司已经获得批准。确定的购买承诺，是指公司与其他方签订的具有法律约束力的购买协议，该协议包含交易价格、时间和足够严厉的违约惩罚等重要条款，使协议出现重大调整或者撤销的可能性极小。

公司因出售对子公司的投资等原因导致其丧失对子公司控制权的，当拟出售的子公司投资满足持有待售类别划分条件时，在母公司个别财务报表中将对子公司投资整体划分为持有待售类别，在合并报表中将子公司所有资产和负债划分为持有待售类别。

持有待售的非流动资产或处置组不再满足持有待售类别划分条件的，公司停止将其划分为持有待售类别。部分资产或负债从持有待售的处置组中移除的，处置组中剩余资产或负债新组成的处置组仍满足持有待售划分条件的，公司将新组成的处置组划分为持有待售类别，否则将满足持有待售类别划分条件的非流动资产单独划分为持有待售类别。

对于当期首次满足持有待售类别划分条件的非流动资产或处置组，不调整可比会计期间的资产负债表。

2．持有待售类的非流动资产或处置组的初始计量及后续计量

对于取得日划分为持有待售类别的非流动资产或处置组，公司在初始计量时比较假定其不划分为持有待售类别情况下的初始计量金额和公允价值减去出售费用后的净额，以两者孰低计量。除公司合并中取得的非流动资产或处置组外，由非流动资产或处置组以公允价值减去出售费用后的净额作为初始计量金额而产生的差额，计入当期损益。

公司将非流动资产或处置组首次划分为持有待售类别前，按照相关会计准则规定计量非流动资产或处置组中各项资产和负债的账面价值。在初始计量或资产负债表日重新计量持有待售的非流动资产或处置组时，其账面价值高于公允价值减去出售费用后的净额的，将账面价值减记至公允价值减去出售费用后的净额，减记的金额确认为资产减值损失，计入当期损益，同时计提持有待售资产减值准备。持有待售的非流动资产或处置组中的非流动资产不计提折旧或摊销，持有待售的处置组中的负债的利息和其他费用应继续予以确认。

公司对持有待售的处置组确认资产减值损失金额时，先抵减处置组商誉的账面价值，再根据处置组中适用《企业会计准则第 42 号——持有待售的非流动资产、处置组和终止经营》(以下简称第 42 号准则)计量规定的各项非流动资产账面价值所占比重，按比例抵减其账面价值。公司在资产负债表日重新计量持有待售的处置组时，首先按照相关会计准则规定计量处置组中不适用第 42 号准则计量规定的资产和负债的账面价值，再按照上述相关规定进行会计处理。

后续资产负债表日持有待售的非流动资产公允价值减去出售费用后的净额增加的，以前减记的金额应当予以恢复，并在划分为持有待售类别后确认的资产减值损失金额内转回，转回金额计入当期损益；划分为持有待售类别前确认的资产减值损失不得转回。

后续资产负债表日持有待售的处置组公允价值减去出售费用后的净额增加的，以前减记的金额应当予以恢复，并在划分为持有待售类别后适用第 42 号准则计量规定的非流动资产确认的资产减值损失金额内转回，转回金额依据处置组中除商誉外的适用第 42 号准则计量规定的各项非流动资产账面价值所占比重，按比例增加其账面价值，同时将转回金额计入当期损益。已抵减的商誉账面价值以及划分为持有待售类别前确认的资产减值损失不得转回。

3．划分为持有待售类别的终止确认和计量

非流动资产或处置组不再满足持有待售类别的划分条件而不再继续划分为持有待售类别或非流动资产从持有待售的处置组中移除时，按照以下两者孰低计量：(1)划分为持有待售类别前的账面价值，按照假定不划分为持有待售类别情况下本应确认的折旧、摊销或减值等进行调整后的金额；(2)可收回金额。

公司终止确认持有待售的非流动资产或处置组时，将尚未确认的利得或损失计入当期损益。

(二十) 债权投资减值

本公司按照本附注三(十)5 所述的一般方法确定债权投资的预期信用损失并进行会计处理。在资产负债表日，本公司按单项债权投资应收取的合同现金流量与预期收取的现金流量之间的差额的现值计量债权投资的信用损失。

(二十一) 其他债权投资减值

本公司按照本附注三(十)5 所述的一般方法确定其他债权投资的预期信用损失并进行会计处理。在资产负债表日，本公司按单项其他债权投资应收取的合同现金流量与预期收取

的现金流量之间的差额的现值计量其他债权投资的信用损失。

（二十二）长期应收款减值

本公司对租赁应收款和由《企业会计准则第 14 号——收入》规范的交易形成的包含重大融资成分的长期应收款项按照本附注三(十)5 所述的简化原则确定预期信用损失，对其他长期应收款按照本附注三(十)5 所述的一般方法确定预期信用损失并进行会计处理。在资产负债表日，本公司按单项长期应收款应收取的合同现金流量与预期收取的现金流量之间的差额的现值计量长期应收款的信用损失。

（二十三）长期股权投资

本部分所指的长期股权投资是指本公司对被投资单位具有控制、共同控制或重大影响的长期股权投资，包括对子公司、合营企业和联营企业的权益性投资。

1．共同控制和重大影响的判断标准

共同控制，是指按照相关约定对某项安排所共有的控制，并且该安排的相关活动必须经过分享控制权的参与方一致同意后才能决策。本公司与其他合营方一同对被投资单位实施共同控制且对被投资单位实施共同控制且对被投资单位净资产享有权利的，被投资单位为本公司的合营企业。判断是否存在共同控制时，不考虑享有的保护性权利。

重大影响，是指对一个企业的财务和经营决策有参与决策的权力，但并不能够控制或者与其他方一起共同控制这些政策的制定。本公司能够对被投资单位施加重大影响的，被投资单位为本公司联营企业。在确定能否对被投资单位施加重大影响时，考虑投资方直接或间接持有被投资单位的表决权股份以及投资方及其他方持有的当期可执行潜在表决权在假定转换为对被投资方单位的股权后产生的影响，包括被投资单位发行的当期可转换的认股权证、股份期权及可转换公司债券等的影响。

2．长期股权投资的投资成本的确定

(1)同一控制下的合并形成的，合并方以支付现金、转让非现金资产、承担债务或发行权益性证券作为合并对价的，在合并日按取得被合并方所有者权益在最终控制方合并财务报表中的账面价值的份额作为其初始投资成本。长期股权投资初始投资成本与支付的现金、转让的非现金资产、所承担债务账面价值或发行股份的面值总额之间的差额调整资本公积；资本公积不足冲减的，调整留存收益。通过多次交易分步取得同一控制下被合并方的股权，最终形成同一控制下企业合并的，应分别是否属于“一揽子交易”进行处理：属于“一揽子交

易”的，将各项交易作为一项取得控制权的交易进行会计处理。不属于“一揽子交易”的，在合并日按照应享有被合并方股东权益在最终控制方合并财务报表中的账面价值的份额作为长期股权投资的初始投资成本，长期股权投资初始投资成本与达到合并前的长期股权投资账面价值加上合并日进一步取得股份新支付对价的账面价值之和的差额，调整资本公积；资本公积不足冲减的，调整留存收益。合并日之前持有的股权投资因采用权益法核算或为其他权益工具投资而确认的其他综合收益，暂不进行会计处理。

(2)非同一控制下的企业合并形成的，公司按照购买日确定的合并成本作为长期股权投资的初始投资成本。合并成本为购买日购买方为取得对被购买方的控制权而付出的资产、发生或承担的负债以及发行的权益性证券的公允价值。购买方为企业合并而发生的审计、法律服务、评估咨询等中介费用以及其他相关管理费用于发生时计入当期损益；购买方作为合并对价发行的权益性证券或债务性证券的交易费用，计入权益性证券或债务性证券的初始确认金额。本公司将合并协议约定的或有对价作为企业合并转移对价的一部分，按照其在购买日的公允价值计入企业合并成本。通过多次交易分步实现的非同一控制下企业合并，根据企业会计准则判断该多次交易是否属于“一揽子交易”。属于“一揽子交易”的，将各项交易作为一项取得控制权的交易进行会计处理。不属于“一揽子交易”的，按照原持有被购买方的股权投资账面价值加上新增投资成本之和，作为改按成本法核算的长期股权投资的初始投资成本；原持有的股权采用权益法核算的，相关其他综合收益暂不进行会计处理；原持有股权投资为其他权益工具投资的，其公允价值与账面价值之间的差额，以及原计入其他综合收益的累计公允价值变动直接转入留存收益。

(3)除企业合并形成的长期股权投资外的其他股权投资，按成本进行初始计量：以支付现金取得的，按照实际支付的购买价款作为其初始投资成本；以发行权益性证券取得的，按照发行权益性证券的公允价值作为其初始投资成本，与发行权益性证券直接相关的费用，按照《企业会计准则第 37 号——金融工具列报》的有关规定确定；在非货币性资产交换具有商业实质和换入资产或换出资产的公允价值能够可靠计量的前提下，非货币性资产交换换入的长期股权投资以换出资产的公允价值和应支付的相关税费确定其初始投资成本，除非有确凿证据表明换入资产的公允价值更加可靠；不满足上述前提的非货币性资产交换，以换出资产的账面价值和应支付的相关税费作为换入长期股权投资的初始投资成本。通过债务重组取得的长期股权投资，其初始投资成本以放弃债权的公允价值为基础确定。与取得长期股权投资直接相关的费用、税金及其他必要支出也计入投资成本。

对于因追加投资能够对被投资单位实施重大影响或实施共同控制但不构成控制的，长期

股权投资成本为按照《企业会计准则第 22 号——金融工具确认和计量》确定的原持有股权投资的公允价值加上新增投资成本之和，作为改按权益法核算的初始投资成本。原持有的股权投资分类为其他权益工具投资的，其公允价值与账面价值之间的差额，以及原计入其他综合收益的累计公允价值变动应当直接转入留存收益。

3．长期股权投资的后续计量及损益确认方法

(1)成本法核算的长期股权投资

公司对子公司的长期股权投资，采用成本法核算。除取得投资时实际支付的价款或对价中包含的已宣告但尚未发放的现金股利或利润外，公司按照享有被投资单位宣告发放的现金股利或利润确认当期投资收益。

(2)权益法核算的长期股权投资

对联营企业和合营企业的长期股权投资，采用权益法核算。

采用权益法核算的长期股权投资的初始投资成本大于投资时应享有被投资单位可辨认净资产公允价值份额的，不调整长期股权投资的初始投资成本；长期股权投资的初始投资成本小于投资时应享有被投资单位可辨认净资产公允价值份额的，其差额应当计入当期损益，同时调整长期股权投资的成本。取得长期股权投资后，被投资单位采用的会计政策及会计期间与公司不一致的，按照公司的会计政策及会计期间对被投资单位的财务报表进行调整，并据以确认投资损益和其他综合收益等。按照应享有或应分担的被投资单位实现的净损益和其他综合收益的份额，分别确认投资收益和其他综合收益，同时调整长期股权投资的账面价值；在确认应享有被投资单位净损益的份额时，以取得投资时被投资单位各项可辨认资产等的公允价值为基础，对被投资单位的净利润进行调整后确认。按照被投资单位宣告分派的利润或现金股利计算应享有的部分，相应减少长期股权投资的账面价值；对于被投资单位除净损益、其他综合收益和利润分配以外所有者权益的其他变动，调整长期股权投资的账面价值并计入所有者权益。公司与联营企业、合营企业之间发生的未实现内部交易损益按照享有的比例计算归属于公司的部分，予以抵销，在此基础上确认投资收益。与被投资单位发生的未实现内部交易损失，属于资产减值损失的，全额确认。

在公司确认应分担被投资单位发生亏损时，按照以下顺序进行处理：首先，冲减长期股权投资的账面价值。其次，长期股权投资的账面价值不足以冲减的，以其他实质上构成对被投资单位净投资的长期权益账面价值为限继续确认投资损失、冲减长期应收项目的账面价值。经过上述处理，按照投资合同或协议约定企业仍承担额外义务的，按预计承担的义务确认预计负债，计入当期投资损失。被投资单位以后期间实现净利润的，本公司在收益弥补未

确认的亏损分担额后，恢复确认收益分享额。

在持有投资期间，被投资单位编制合并财务报表的，以合并财务报表中的净利润、其他综合收益和其他所有者权益变动中归属于被投资单位的金额为基础进行核算。

对于本公司向合营企业与联营企业投出的资产构成业务的，投资方因此取得长期股权投资但未取得控制权的，以投出业务的公允价值作为新增长期股权投资的初始投资成本，初始投资成本与投出业务的账面价值之差，全额计入当期损益。本公司向合营企业或者联营企业出售的资产构成业务的，取得的对价与业务的账面价值之差，全额计入当期损益。本公司自联营及合营企业购入的资产构成业务的，按《企业会计准则第 20 号——企业合并》的规定进行会计处理，全额确认与交易相关的利得或损失。

4．长期股权投资的处置

处置长期股权投资，其账面价值与实际取得价款的差额，计入当期损益。

(1)权益法核算下的长期股权投资的处置

采用权益法核算的长期股权投资，处置后的剩余股权仍采用权益法核算的，在处置该项投资时，采用与被投资单位直接处置相关资产或者负债相同的基础，按相应比例对原计入其他综合收益的部分进行会计处理。因被投资单位除净损益、其他综合收益和利润分配以外的其他所有者权益变动而确认的所有者权益，按比例结转入当期损益。

因处置部分股权投资等原因丧失了对投资单位的共同控制或者重大影响的，处置后的剩余股权改按金融工具确认和计量准则核算，其在丧失共同控制或重大影响之日的公允价值与账面价值之间的差额计入当期损益。原股权投资因采用权益法核算而确认的其他综合收益，在终止确认权益法核算时采用与被投资单位直接处置相关资产或负债相同的基础进行会计处理。因被投资方除净损益、其他综合收益和利润分配以外的其他所有者权益变动而确认的所有者权益，在终止采用权益法核算时全部转入当期损益。

(2)成本法核算下的长期股权投资的处置

采用成本法核算的长期股权投资，处置后剩余股权仍采用成本法核算的，其在取得对被投资单位的控制之前因采用权益法核算或者金融工具确认和计量准则核算而确认的其他综合收益，采用与被投资单位直接处置相关资产或者负债相同的基础进行处理，并按比例结转当期损益；因采用权益法核算而确认的被投资单位净资产中除净损益、其他综合收益和净利润分配以外的其他所有者权益变动按比例结转当期损益。

因其他投资方增资而导致本公司持股比例下降、从而丧失控制权但能对被投资单位实施共同控制或施加重大影响的，按照新的持股比例确认本公司应享有的被投资单位因增资扩股

而增加净资产的份额，与应结转持股比例下降部分所对应的长期股权投资原账面价值之间的差额计入当期损益；然后，按照新的持股比例视同自取得投资时即采用权益法核算进行调整。

公司因处置部分股权投资或其他原因丧失了对原有子公司控制权的，处置后的剩余股权能够对被投资单位实施共同控制或施加重大影响的，改按权益法核算，并对该剩余股权视同自取得时即采用权益法核算进行调整，购买日之前持有的股权投资因采用权益法核算而确认的其他综合收益和其他所有者权益按比例结转；处置后的剩余股权不能对被投资单位实施共同控制或施加重大影响的，改按《企业会计准则第 22 号——金融工具确认和计量》的有关规定进行会计处理，其在丧失控制之日的公允价值与账面价值间的差额计入当期损益，其他综合收益和其他所有者权益全部结转为当期损益。

本公司通过多次交易分步处置对子公司股权投资直至丧失控制权，如果上述交易属于一揽子交易的，将各项交易作为一项处置子公司股权投资并丧失控制权的交易进行会计处理，在丧失控制权之前每一次处置价款与所处置的股权对应的长期股权投资账面价值之间的差额，先确认为其他综合收益，到丧失控制权时再一并转入丧失控制权的当期损益。

（二十四）投资性房地产

1．投资性房地产是指为赚取租金或资本增值、或者两者兼有而持有的房地产。包括已出租的土地使用权、持有并准备增值后转让的土地使用权、已出租的建筑物(含自行建造或开发活动完成后用于出租的建筑物以及正在建造或开发过程中将来用于出租的建筑物)。

2．投资性房地产按照成本进行初始计量，采用成本模式进行后续计量。如与投资性房地产有关的后续支出，如果与该资产有关的经济利益很可能流入且其成本能可靠地计量，则计入投资性房地产成本。其他后续支出，在发生时计入当期损益。

3．对成本模式计量的投资性房地产，采用与固定资产和无形资产相同的方法计提折旧或进行摊销。

4．投资性房地产的用途改变为自用时，自改变之日起，将该投资性房地产转换为固定资产或无形资产，按转换前的账面价值作为转换后的入账价值。自用房地产的用途或者存货改变为赚取租金或资本增值时，自改变之日起，将固定资产或无形资产转换为投资性房地产，转换为采用成本模式计量的投资性房地产的，以转换前的账面价值作为转换后的入账价值；转换为以公允价值模式计量的投资性房地产的，以转换日的公允价值作为转换后的入账价值。

5．当投资性房地产被处置、或者永久退出使用且预计不能从其处置中取得经济利益时，

终止确认该项投资性房地产。投资性房地产出售、转让、报废或毁损的处置收入扣除其账面价值和相关税费后计入当期损益。

（二十五）固定资产

1．固定资产确认条件

固定资产是指同时具有下列特征的有形资产：(1)为生产商品、提供劳务、出租或经营管理持有的；(2)使用寿命超过一个会计年度。

固定资产同时满足下列条件的予以确认：(1)与该固定资产有关的经济利益很可能流入企业；(2)该固定资产的成本能够可靠地计量。与固定资产有关的后续支出，符合上述确认条件的，计入固定资产成本；不符合上述确认条件的，发生时计入当期损益。

2．固定资产的初始计量

固定资产按照成本进行初始计量。对弃置时预计将产生较大费用的固定资产，预计弃置费用，并将其现值计入固定资产成本。

3．固定资产分类及折旧计提方法

固定资产自达到预定可使用状态时开始计提折旧，终止确认时或划分为持有待售非流动资产时停止计提折旧。如固定资产各组成部分的使用寿命不同或者以不同的方式为企业提供经济利益，则选择不同折旧率和折旧方法，分别计提折旧。各类固定资产折旧年限和折旧率如下：

固定资产类别	折旧方法	折旧年限(年)	预计净残值率(%)	年折旧率(%)
房屋及建筑物	年限平均法	20-40	5.00	2.38-4.75
机器设备	年限平均法	10-20	5.00	4.75-9.50
运输工具	年限平均法	8-16	5.00	5.94-11.88
其他设备	年限平均法	3-20	5.00	4.75-31.67

说明：

(1)符合资本化条件的固定资产装修费用，在两次装修期间与固定资产尚可使用年限两者中较短的期间内，采用年限平均法单独计提折旧。

(2)已计提减值准备的固定资产，还应扣除已计提的固定资产减值准备累计金额计算折旧率。

(3)公司至少年度终了对固定资产的使用寿命、预计净残值和折旧方法进行复核，如发生改变则作为会计估计变更处理。

4．融资租入固定资产的认定依据和计价方法

当本公司租入的固定资产符合下列一项或数项标准时，确认为融资租入固定资产：

(1)在租赁期届满时，租赁资产的所有权转移给本公司；

(2)本公司有购买租赁资产的选择权，所订立的购买价款预计将远低于行使选择权时租赁资产的公允价值，因而在租赁开始日就可以合理确定本公司将会行使这种选择权；

(3)即使资产的所有权不转移，但租赁期占租赁资产使用寿命的大部分；

(4)本公司在租赁开始日的最低租赁付款额现值，几乎相当于租赁开始日租赁资产公允价值；出租人在租赁开始日的最低租赁收款额现值，几乎相当于租赁开始日租赁资产公允价值；

(5)租赁资产性质特殊，如果不作较大改造，只有本公司才能使用。

融资租赁租入的固定资产，按租赁开始日租赁资产公允价值与最低租赁付款额的现值两者中较低者，作为入账价值。最低租赁付款额作为长期应付款的入账价值，其差额作为未确认融资费用。在租赁谈判和签订租赁合同过程中发生的，可归属于租赁项目的手续费、律师费、差旅费、印花税等初始直接费用，计入租入资产价值。未确认融资费用在租赁期内各个期间采用实际利率法进行分摊。

融资租入的固定资产采用与自有固定资产一致的政策计提租赁资产折旧。能够合理确定租赁期届满时将会取得租赁资产所有权的，在租赁资产尚可使用年限内计提折旧；无法合理确定租赁期届满时能够取得租赁资产所有权的，在租赁期与租赁资产尚可使用年限两者中较短的期间内计提折旧。

5．其他说明

(1)因开工不足、自然灾害等导致连续 3 个月停用的固定资产确认为闲置固定资产(季节性停用除外)。闲置固定资产采用和其他同类别固定资产一致的折旧方法。

(2)若固定资产处于处置状态，或者预期通过使用或处置不能产生经济利益，则终止确认，并停止折旧和计提减值。

(3)固定资产出售、转让、报废或者毁损的处置收入扣除其账面价值和相关税费后的差额计入当期损益。

(4)本公司对固定资产进行定期检查发生的大修理费用，有确凿证据表明符合固定资产确认条件的部分，计入固定资产成本，不符合固定资产确认条件的计入当期损益。固定资产在定期大修理间隔期间，照提折旧。

（二十六）在建工程

1．在建工程同时满足经济利益很可能流入、成本能够可靠地计量则予以确认。在建工程按建造该项资产达到预定可使用状态前所发生的实际成本计量。

2．在建工程达到预定可使用状态时，按工程实际成本转入固定资产。已达到预定可使用状态但尚未办理竣工结算的，先按估计价值转入固定资产，待办理竣工决算后再按实际成本调整原暂估价值，但不再调整原已计提的折旧。

（二十七）借款费用

借款费用，包括借款利息、折价或者溢价的摊销、辅助费用以及因外币借款而发生的汇兑差额等。

1．借款费用资本化的确认原则

公司发生的借款费用，可直接归属于符合资本化条件的资产的购建或者生产的，予以资本化，计入相关资产成本；其他借款费用，在发生时根据其发生额确认为费用，计入当期损益。

2．借款费用资本化期间

(1)当同时满足下列条件时，开始资本化：1)资产支出已经发生；2)借款费用已经发生；3)为使资产达到预定可使用或可销售状态所必要的购建或者生产活动已经开始。

(2)暂停资本化：若符合资本化条件的资产在购建或者生产过程中发生非正常中断，并且中断时间连续超过 3 个月，暂停借款费用的资本化；中断期间发生的借款费用确认为当期费用，直至资产的购建或者生产活动重新开始。该项中断如是所购建或生产的符合资本化条件的资产达到预定可使用状态或者可销售状态必要的程序，则借款费用继续资本化。

(3)停止资本化：当所购建或者生产符合资本化条件的资产达到预定可使用或者可销售状态时，借款费用停止资本化。当购建或者生产符合资本化的资产中部分项目分别完工且可单独使用时，该部分资产借款费用停止资本化。购建或者生产的资产的各部分分别完工，但必须等到整体完工后才可使用或者对外销售的，在该资产整体完工时停止借款费用资本化。

3．借款费用资本化率及资本化金额的计算方法

为购建或者生产符合资本化条件的资产而借入专门借款的，以专门借款当期实际发生的利息费用(包括按照实际利率法确定的折价或溢价的摊销)，减去将尚未动用的借款资金存入银行取得的利息收入或进行暂时性投资取得的投资收益后的金额，确定应予资本化的利息金额；为购建或者生产符合资本化条件的资产占用了一般借款的，根据累计资产支出超过专门

借款的资产支出加权平均数乘以占用一般借款的资本化率(加权平均利率),计算确定一般借款应予资本化的利息金额。在资本化期间内,每一会计期间的利息资本化金额不超过当期相关借款实际发生的利息金额。外币专门借款本金及利息的汇兑差额,在资本化期间内予以资本化。专门借款发生的辅助费用,在所购建或生产的符合资本化条件的资产达到预定可使用或者可销售状态之前发生的,予以资本化;在达到预定可使用或者可销售状态之后发生的,计入当期损益。一般借款发生的辅助费用,在发生时计入当期损益。借款存在折价或者溢价的,按照实际利率法确定每一会计期间应摊销的折价或者溢价金额,调整每期利息金额。

(二十八)生物资产

1.生物资产的确认标准及分类

生物资产是指有生命的动物和植物,包括消耗性生物资产、生产性生物资产和公益性生物资产。生物资产同时满足下列条件的,才能予以确认:(1)企业因过去的交易或者事项而拥有或者控制该生物资产;(2)与该生物资产有关的经济利益或服务潜能很可能流入企业;(3)该生物资产的成本能够可靠地计量。

2.生物资产按照成本计量。

3.生产性生物资产折旧采用年限平均法。

4.收获或出售消耗性生物资产,或生产性生物资产收获农产品时,采用加权平均法结转成本。

5.生物资产减值测试及减值准备计提方法

资产负债表日,以成本模式进行后续计量的生物资产,当有确凿证据表明由于遭受自然灾害、病虫害、动物疫病侵袭或市场需求变化等原因,使消耗性生物资产的可变现净值或生产性生物资产的可收回金额低于其账面价值的,按照消耗性生物资产类别的可变现净值低于账面价值的差额,计提消耗性生物资产跌价准备;按照资产组或资产组组合的可收回金额低于其账面价值的差额,计提生产性生物资产减值准备。

公益性生物资产不计提减值准备。

(二十九)无形资产

1.无形资产的初始计量

无形资产按成本进行初始计量。外购无形资产的成本,包括购买价、相关税费以及直接归属于该项资产达到预定用途所发生的其他支出。购买无形资产的价款超过正常信用条件延

期支付，实质上具有融资性质的，无形资产的成本以购买价款的现值为基础确定。债务重组取得债务人用以抵债的无形资产，以放弃债权的公允价值和可直接归属于使该资产达到预定用途所发生的税金等其他成本为基础确定其入账价值。在非货币性资产交换具备商业实质且换入或换出资产的公允价值能够可靠计量的前提下，非货币性资产交换换入的无形资产以换出资产的公允价值和应支付的相关税费作为换入无形资产的成本，除非有确凿证据表明换入资产的公允价值更可靠；不满足上述前提的非货币性资产交换，以换出资产的账面价值和应支付的相关税费作为换入无形资产的成本，不确认损益。

与无形资产有关的支出，如果相关的经济利益很可能流入本公司且成本能可靠地计量，则计入无形资产成本。除此之外的其他项目的支出，在发生时计入当期损益。

取得的土地使用权通常作为无形资产核算。自行开发构建厂房等建筑物，相关的土地使用权支出和建筑物建造成本分别作为无形资产和固定资产核算。如为外购的房屋及建筑物，则将有关价款在土地使用权和建筑物之间分配，难以合理分配的，全部作为固定资产处理。

2．无形资产使用寿命及摊销

根据无形资产的合同性权利或其他法定权利、同行业情况、历史经验、相关专家论证等综合因素判断，能合理确定无形资产为公司带来经济利益期限的，作为使用寿命有限的无形资产；无法合理确定无形资产为公司带来经济利益期限的，视为使用寿命不确定的无形资产。

对使用寿命有限的无形资产，估计其使用寿命时通常考虑以下因素：(1)运用该资产生产的产品通常的寿命周期、可获得的类似资产使用寿命的信息；(2)技术、工艺等方面的现阶段情况及对未来发展趋势的估计；(3)以该资产生产的产品或提供劳务的市场需求情况；(4)现在或潜在的竞争者预期采取的行动；(5)为维持该资产带来经济利益能力的预期维护支出，以及公司预计支付有关支出的能力；(6)对该资产控制期限的相关法律规定或类似限制，如特许使用期、租赁期等；(7)与公司持有其他资产使用寿命的关联性等。使用寿命有限的无形资产的使用寿命估计情况：

项目	预计使用寿命依据	期限(年)
软件	预计受益期限	2-10
采矿权	预计受益期限	30
商标	预计受益期限	5-10
土地使用权	土地使用权证登记使用年限	50-70
海域使用权	海域使用权证登记使用年限	50

使用寿命有限的无形资产，在使用寿命内按照与该项无形资产有关的经济利益的预期实

现方式系统合理地摊销，无法可靠确定预期实现方式的，采用直线法摊销。使用寿命不确定的无形资产不予摊销，但每年均对该无形资产的使用寿命进行复核，并进行减值测试。

本公司于每年年度终了，对使用寿命有限的无形资产的使用寿命及摊销方法进行复核，与以前估计不同的，调整原先估计数，并按会计估计变更处理；预计某项无形资产已经不能给企业带来未来经济利益的，将该项无形资产的账面价值全部转入当期损益。

3．内部研究开发项目支出的确认和计量

内部研究开发项目的支出，区分为研究阶段支出和开发阶段支出。划分研究阶段和开发阶段的标准：为获取新的技术和知识等进行的有计划的调查阶段，应确定为研究阶段，该阶段具有计划性和探索性等特点；在进行商业性生产或使用前，将研究成果或其他知识应用于某项计划或设计，以生产出新的或具有实质性改进的材料、装置、产品等阶段，应确定为开发阶段，该阶段具有针对性和形成成果的可能性较大等特点。

内部研究开发项目研究阶段的支出，于发生时计入当期损益。内部研究开发项目开发阶段的支出，同时满足下列条件的，确认为无形资产：(1)完成该无形资产以使其能够使用或出售在技术上具有可行性；(2)具有完成该无形资产并使用或出售的意图；(3)无形资产产生经济利益的方式，包括能够证明运用该无形资产生产的产品存在市场或无形资产自身存在市场，无形资产将在内部使用的，可证明其有用性；(4)有足够的技术、财务资源和其他资源支持，以完成该无形资产的开发，并有能力使用或出售该无形资产；(5)归属于该无形资产开发阶段的支出能够可靠地计量。如不满足上述条件的，于发生时计入当期损益；无法区分研究阶段支出和开发阶段支出的，将发生的研发支出全部计入当期损益。

（三十）长期资产减值

长期股权投资、采用成本模式计量的投资性房地产和生产性生物资产、固定资产、在建工程、油气资产、无形资产、商誉等长期资产，存在下列迹象的，表明资产可能发生了减值：

1．资产的市价当期大幅度下跌，其跌幅明显高于因时间的推移或者正常使用而预计的下跌；

2．企业经营所处的经济、技术或者法律等环境以及资产所处的市场在当期或者将在近期发生重大变化，从而对企业产生不利影响；

3．市场利率或者其他市场投资报酬率在当期已经提高，从而影响企业计算资产预计未来现金流量现值的折现率，导致资产可收回金额大幅度降低；

4．有证据表明资产已经陈旧过时或者其实体已经损坏；

5．资产已经或者将被闲置、终止使用或者计划提前处置；

6．企业内部报告的证据表明资产的经济绩效已经低于或者将低于预期，如资产所创造的净现金流量或者实现的营业利润(或者亏损)远远低于(或者高于)预计金额等；

7．其他表明资产可能已经发生减值的迹象。

上述长期资产于资产负债日存在减值迹象的，应当进行减值测试。减值测试结果表明资产的可收回金额低于其账面价值的，按其差额计提减值准备并计入减值损失。可收回金额为资产的公允价值减去处置费用后的净额与资产预计未来现金流量的现值两者之间的较高者。公允价值的确定方法详见本附注三(十一)；处置费用包括与资产处置有关的法律费用、相关税费、搬运费以及为使资产达到可销售状态所发生的直接费用；资产预计未来现金流量的现值，按照资产在持续使用过程中和最终处置时所产生的预计未来现金流量，选择恰当的折现率对其进行折现后的金额加以确定。

资产减值准备按单项资产为基础计算并确认，如果难以对单项资产的可收回金额进行估计的，以资产组所属的资产组确定资产组的可收回金额。资产组是能够独立产生现金流入的最小资产组合。

在财务报表中单独列示的商誉，在进行减值测试时，将商誉的账面价值分摊至预期从企业合并的协同效应收益中收益的资产组或资产组组合。测试结果表明包含分摊的商誉的资产组或者资产组组合的可收回金额低于其账面价值的，确认相应的减值损失。减值损失金额先抵减分摊至该资产组或者资产组组合的商誉的账面价值，再根据资产组或者资产组组合中除商誉以外的其他各项资产的账面价值所占比重，按比例抵减其他各项资产的账面价值。

商誉和使用寿命不确定的无形资产至少在每年年终终了进行减值测试。

上述资产减值损失一经确认，在以后期间不予转回。

(三十一) 长期待摊费用

长期待摊费用按实际支出入账，在受益期或规定的期限内平均摊销。如果长期待摊的费用项目不能使以后会计期间受益，则将尚未摊销的该项目的摊余价值全部转入当期损益。其中：

预付经营租入固定资产的租金，按租赁合同规定的期限平均摊销。

经营租赁方式租入的固定资产改良支出，按剩余租赁期与租赁资产尚可使用年限两者中较短的期限平均摊销。

融资租赁方式租入的固定资产符合资本化条件的装修费用，按两次装修间隔期间、剩余

租赁期与固定资产尚可使用年限三者中较短的期限平均摊销。

（三十二）职工薪酬

职工薪酬，是指企业为获得职工提供的服务或解除劳动关系而给予的各种形式的报酬或补偿。职工薪酬包括短期薪酬、离职后福利、辞退福利和其他长期职工福利。企业提供给职工配偶、子女、受赡养人、已故员工遗属及其他受益人等的福利，也属于职工薪酬。

根据流动性，职工薪酬分别列示于资产负债表的“应付职工薪酬”项目和“其他非流动负债”项目。

1．短期薪酬的会计处理方法

本公司在职工提供服务的会计期间，将实际发生的职工工资、奖金、按规定的基准和比例为职工缴纳的医疗保险费、工伤保险费和生育保险费等社会保险费和住房公积金，确认为负债，并计入当期损益或相关资产成本。职工福利费为非货币性福利的，如能够可靠计量的，按照公允价值计量。如果该负债预期在职工提供相关服务的年度报告期结束后十二个月内不能完全支付，且财务影响重大的，则该负债将以折现后的金额计量。

2．离职后福利的会计处理方法

离职后福利计划包括设定提存计划和设定受益计划。其中，设定提存计划，是指向独立的基金缴存固定费用后，企业不再承担进一步支付义务的离职后福利计划；设定受益计划，是指除设定提存计划以外的离职后福利计划。

(1)设定提存计划

本公司按当期政府的相关规定为职工缴纳基本养老保险和失业保险，在职工为本公司提供服务的会计期间，根据设定提存计划计算的应缴存金额确认为负债，并计入当期损益或相关资产成本。

3．辞退福利的会计处理方法

在本公司不能单方面撤回因解除劳动关系计划或者裁减建议所提供的辞退福利时，和本公司确认与涉及支付辞退福利的重组相关的成本或费用时两者孰早日，确认辞退福利产生的职工薪酬负债，并计入当期损益。但辞退福利预期在年度报告期结束后十二个月不能完全支付的，按照其他长期职工薪酬处理。

职工内部退休计划采用与上述辞退福利相同的原则处理。本公司将自职工停止提供服务日至正常退休日的期间拟支付的内退人员工资和缴纳的社会保险费等，在符合预计负债确认条件时，计入当期损益(辞退福利)。正式退休日期之后的经济补偿(如正常养老退休金)，按

照离职后福利处理。

4．其他长期职工福利的会计处理方法

本公司向职工提供的其他长期职工福利，符合设定提存计划的，按照设定提存计划进行会计处理，除此之外按照设定受益计划进行会计处理。但相关职工薪酬成本中“重新计量设定受益计划净负债或净资产所产生的变动”部分计入当期损益或相关资产成本。

（三十三）预计负债

当与或有事项相关的义务同时符合以下条件，将其确认为预计负债：1．该义务是承担的现时义务；2．该义务的履行很可能导致经济利益流出；3．该义务的金额能够可靠地计量。

预计负债按照履行相关现时义务所需支出的最佳估计数进行初始计量，并综合考虑与或有事项有关的风险、不确定性和货币时间价值等因素。货币时间价值影响重大的，通过对相关未来现金流出进行折现后确定最佳估计数。

最佳估计数分别分以下情况处理：所需支出存在一个连续范围(或区间)，且该范围内各种结果发生的可能性相同的，则最佳估计数按照该范围的中间值：即上下限金额的平均数确定。所需支出不存在一个连续范围(或区间)，或虽然存在一个连续范围但该范围内各种结果发生的可能性不相同的，如或有事项涉及单个项目的，则最佳估计数按照最可能发生金额确定；如或有事项涉及多个项目的，则最佳估计数按各种可能结果及相关概率计算确定。

本公司清偿预计负债所需支出全部或部分预期由第三方补偿的，补偿金额在基本确定能够收到时，作为资产单独确认，且确认的补偿金额不超过预计负债的账面价值。

每个资产负债表日对预计负债的账面价值进行复核。有确凿证据表明该账面价值不能反映当前最佳估计数的，按照当前最佳估计数对该账面价值进行调整。

（三十四）股份支付

1．股份支付的种类

本公司的股份支付是为了获取职工(或其他方)提供服务而授予权益工具或者承担以权益工具为基础确定的负债的交易。包括以权益结算的股份支付和以现金结算的股份支付。

2．权益工具公允价值的确定方法

(1)存在活跃市场的，按照活跃市场中的报价确定；(2)不存在活跃市场的，采用估值技术确定，包括参考熟悉情况并自愿交易的各方最近进行的市场交易中使用的价格、参照实质上相同的其他金融工具的当前公允价值、现金流量折现法和期权定价模型等。

3．确认可行权权益工具最佳估计的依据

等待期内每个资产负债表日，本公司根据最新取得的可行权职工人数变动等后续信息做出最佳估计，修正预计可行权的权益工具数量。在可行权日，最终预计可行权权益工具的数量应当与实际可行权数量一致。

4．股份支付的会计处理

(1)以权益结算的股份支付

以权益结算的股份支付换取职工提供服务的，授予后立即可行权的，在授予日按照权益工具的公允价值计入相关成本或费用，相应调整资本公积；完成等待期内的服务或达到规定业绩条件才可行权的，在等待期内的每个资产负债表日，以对可行权权益工具数量的最佳估计为基础，按权益工具授予日的公允价值，将当期取得的服务计入相关成本或费用，相应调整资本公积，在可行权日之后不再对已确认的相关成本或费用和所有者权益总额进行调整。

以权益结算的股份支付换取其他方服务的，若其他方服务的公允价值能够可靠计量的，按照其他方服务在取得日的公允价值计量；其他方服务的公允价值不能可靠计量但权益工具公允价值能够可靠计量的，按照权益工具在服务取得日的公允价值计量，计入相关成本或费用，相应增加所有者权益。

(2)以现金结算的股份支付

以现金结算的股份支付换取职工服务的，授予后立即可行权的，在授予日按公司承担负债的公允价值计入相关成本或费用，相应增加负债；完成等待期内的服务或达到规定业绩条件才可行权的换取职工服务的以现金结算的股份支付，在等待期内的每个资产负债表日，以对可行权情况的最佳估计为基础，按公司承担负债的公允价值，将当期取得的服务计入相关成本或费用和相应的负债。在相关负债结算前的每个资产负债表日以及结算日，对负债的公允价值重新计量，其变动计入当期损益。

(3)修改、终止股份支付计划

如果修改增加了所授予的权益工具的公允价值，公司按照权益工具公允价值的增加相应地确认取得服务的增加；如果修改增加了所授予的权益工具的数量，公司将增加的权益工具的公允价值相应地确认为取得服务的增加；如果公司按照有利于职工的方式修改可行权条件，公司在处理可行权条件时，考虑修改后的可行权条件。

如果修改减少了授予的权益工具的公允价值，公司继续以权益工具在授予日的公允价值为基础，确认取得服务的金额，而不考虑权益工具公允价值的减少；如果修改减少了授予的权益工具的数量，公司将减少部分作为已授予的权益工具的取消来进行处理；如果以不利于

职工的方式修改了可行权条件，在处理可行权条件时，不考虑修改后的可行权条件。

如果取消了以权益结算的股份支付，则于取消日作为加速行权处理，立即确认尚未确认的金额(将剩余等待期内应确认的金额立即计入当期损益，同时确认资本公积)。职工或者其他方能够选择满足非可行权条件但在等待期内未满足的，作为取消以权益结算的股份支付处理。但是，如果授予新的权益工具，并在新权益工具授予日认定所授予权益工具用于替代被取消的权益工具的，则以与处理原权益工具条款和条件修改相同的方式，对被授予的替代权益工具进行处理。

5．涉及本公司与本公司股东或实际控制人的股份支付交易的会计处理

涉及本公司与本公司股东或实际控制人的股份支付交易，结算企业与接受服务企业中其一在本公司内，另一在本公司外的，在本公司合并财务报表中按照以下规定进行会计处理：

(1)结算企业以其本身权益工具结算的，将该股份支付交易作为权益结算的股份支付处理；除此之外，作为现金结算的股份支付处理。

结算企业是接受服务企业的投资者的，按照授予日权益工具的公允价值或应承担负债的公允价值确认为对接受服务企业的长期股权投资，同时确认资本公积(其他资本公积)或负债。

(2)接受服务企业没有结算义务或授予本企业职工的是其本身权益工具的，将该股份支付交易作为权益结算的股份支付处理；接受服务企业具有结算义务且授予本企业职工的并非其本身权益工具的，将该股份支付交易作为现金结算的股份支付处理。本公司内各企业之间发生的股份支付交易，接受服务企业和结算企业不是同一企业的，在接受服务企业和结算企业各自的个别财务报表中对该股份支付交易的确认和计量，比照上述原则处理。

(三十五) 合同负债

合同负债是指公司已收或应收客户对价而应向客户转让商品的义务。公司将同一合同下的合同资产和合同负债相互抵销后以净额列示。

(三十六) 收入

本公司自 2020 年 1 月 1 日起执行财政部于 2017 年 7 月 5 日发布《企业会计准则第 14 号——收入(2017 年修订)》(财会[2017]22 号)(以下简称“新收入准则”)。

收入的总确认原则

新收入准则下，公司以控制权转移作为收入确认时点的判断标准。公司在履行了合同中的履约义务，即在客户取得相关商品控制权时确认收入。

满足下列条件之一的，公司属于在某一时段内履行履约义务；否则，属于在某一时点履行履约义务：(1)客户在公司履约的同时即取得并消耗公司履约所带来的经济利益；(2)客户能够控制公司履约过程中在建的商品；(3)公司履约过程中所产出的商品具有不可替代用途，且公司在整个合同期间内有权就累计至今已完成的履约部分收取款项。

对于在某一时段内履行的履约义务，公司在该段时间内按照履约进度确认收入，但是，履约进度不能合理确定的除外。当履约进度不能合理确定时，公司已经发生的成本预计能够得到补偿的，按照已经发生的成本金额确认收入，直到履约进度能够合理确定为止。

对于在某一时点履行的履约义务，公司在客户取得相关商品控制权时点确认收入。在判断客户是否已取得商品控制权时，公司考虑下列迹象：(1)公司就该商品享有现时收款权利，即客户就该商品负有现时付款义务；(2)公司已将该商品的法定所有权转移给客户，即客户已拥有该商品的法定所有权；(3)公司已将该商品实物转移给客户，即客户已实物占有该商品；(4)公司已将该商品所有权上的主要风险和报酬转移给客户，即客户已取得该商品所有权上的主要风险和报酬；(5)客户已接受该商品；(6)其他表明客户已取得商品控制权的迹象。

合同中包含两项或多项履约义务的，公司在合同开始日，按照各单项履约义务所承诺商品的单独售价的相对比例，将交易价格分摊至各单项履约义务，按照分摊至各单项履约义务的交易价格计量收入。交易价格，是公司因向客户转让商品而预期有权收取的对价金额。公司代第三方收取的款项以及公司预期将退还给客户的款项，作为负债进行会计处理，不计入交易价格。合同中存在可变对价的，公司按照期望值或最可能发生金额确定可变对价的最佳估计数，但包含可变对价的交易价格，不超过在相关不确定性消除时累计已确认收入极可能不会发生重大转回的金额。合同中存在重大融资成分的，公司按照假定客户在取得商品控制权时即以现金支付的应付金额确定交易价格。该交易价格与合同对价之间的差额，在合同期间内采用实际利率法摊销。合同开始日，公司预计客户取得商品控制权与客户支付价款间隔不超过一年的，不考虑合同中存在的重大融资成分。

(三十七) 政府补助

1．政府补助的分类

政府补助，是指本公司从政府无偿取得货币性资产或非货币性资产。分为与资产相关的政府补助和与收益相关的政府补助。

与资产相关的政府补助，是指本公司取得的、用于购建或以其他方式形成长期资产的政府补助，包括购买固定资产或无形资产的财政拨款、固定资产专门借款的财政贴息等；与收益相关的政府补助，是指除与资产相关的政府补助之外的政府补助。对于同时包含与资产相关部分和与收益相关部分的政府补助，区分不同部分分别进行会计处理；难以区分的，整体归类为与收益相关的政府补助。

本公司在进行政府补助分类时采取的具体标准为：

(1)政府补助文件规定的补助对象用于购建或以其他方式形成长期资产，或者补助对象的支出主要用于购建或以其他方式形成长期资产的，划分为与资产相关的政府补助。

(2)根据政府补助文件获得的政府补助全部或者主要用于补偿以后期间或已发生的费用或损失的政府补助，划分为与收益相关的政府补助。

(3)若政府文件未明确规定补助对象，则采用以下方式将该政府补助款划分为与资产相关的政府补助或与收益相关的政府补助：1)政府文件明确了补助所针对的特定项目的，根据该特定项目的预算中将形成资产的支出金额和计入费用的支出金额的相对比例进行划分，对该划分比例需在每个资产负债表日进行复核，必要时进行变更；2)政府文件中对用途仅作一般性表述，没有指明特定项目的，作为与收益相关的政府补助。

2．政府补助的确认时点

本公司对于政府补助通常在实际收到时，按照实收金额予以确认和计量。但对于期末有确凿证据表明能够符合财政扶持政策规定的相关条件预计能够收到财政扶持资金，按照应收的金额计量。按照应收金额计量的政府补助应同时符合以下条件：

(1)所依据的是当地财政部门正式发布并按照《政府信息公开条例》的规定予以主动公开的财政扶持项目及其财政资金管理办法，且该管理办法应当是普惠性的(任何符合规定条件的企业均可申请)，而不是专门针对特定企业制定的；

(2)应收补助款的金额已经过有权政府部门发文确认，或者可根据正式发布的财政资金管理办法的有关规定自行合理测算，且预计其金额不存在重大不确定性；

(3)相关的补助款批文中已明确承诺了拨付期限，且该款项的拨付是有相应财政预算作为保障的，因而可以合理保证其可在规定期限内收到；

(4)根据本公司和该补助事项的具体情况，应满足的其他相关条件(如有)。

3．政府补助的会计处理

政府补助为货币性资产的，按收到或应收的金额计量；为非货币性资产的，按公允价值计量；非货币性资产公允价值不能可靠取得的，按名义金额计量。按照名义金额计量的政府补助，直接计入当期损益。

本公司对政府补助采用的是总额法，具体会计处理如下：

与资产相关的政府补助确认为递延收益，在相关资产使用寿命内按照合理、系统的方法分期计入当期损益；相关资产在使用寿命结束前被出售、转让、报废或发生毁损的，将相关递延收益余额转入资产处置当期的损益。

与收益相关的政府补助，用于补偿本公司以后期间的相关成本费用或损失的，确认为递延收益，并在确认相关成本费用或损失的期间，计入当期损益；用于补偿企业已发生的相关成本费用或损失的，直接计入当期损益。

本公司取得的政策性优惠贷款贴息，区分以下两种情况，分别进行会计处理：

(1)财政将贴息资金拨付给贷款银行，由贷款银行以政策性优惠利率向企业提供贷款的，本公司以实际收到的借款金额作为借款的入账价值，按照借款本金和该政策性优惠利率计算相关借款费用。

(2)财政将贴息资金直接拨付给本公司的，本公司将对应的贴息冲减相关借款费用。

已确认的政府补助需要退回的，在需要退回的当期分以下情况进行会计处理：

(1)初始确认时冲减相关资产账面价值的，调整资产账面价值；

(2)存在相关递延收益的，冲减相关递延收益账面余额，超出部分计入当期损益；

(3)属于其他情况的，直接计入当期损益。

政府补助计入不同损益项目的区分原则为：与本公司日常活动相关的政府补助，按照经济业务实质，计入其他收益或冲减相关成本费用；与本公司日常活动无关的政府补助，计入营业外收支。

（三十八）递延所得税资产和递延所得税负债

1．递延所得税资产和递延所得税负债的确认和计量

本公司根据资产、负债与资产负债日的账面价值与计税基础之间的暂时性差异，采用资产负债表债务法确认递延所得税。公司当期所得税和递延所得税作为所得税费用或收益计入当期损益，但不包括下列情况产生的所得税：(1)企业合并；(2)直接在所有者权益中确认的交易或者事项。

对于可抵扣暂时性差异、能够结转以后年度的可抵扣亏损和税款抵减，公司以很可能取

得用来抵扣可抵扣暂时性差异、可抵扣亏损和税款抵减的未来应纳税所得额为限，确认由此产生的递延所得税资产，除非该可抵扣暂时性差异是在以下交易中产生的：

(1)该交易不是企业合并，并且交易发生时既不影响会计利润也不影响应纳税所得额；

(2)对于与子公司、合营企业及联营企业投资相关的可抵扣暂时性差异，同时满足下列条件的，确认相应的递延所得税资产：暂时性差异在可预见的未来很可能转回，且未来很可能获得用来抵扣可抵扣暂时性差异的应纳税所得额。

各项应纳税暂时性差异均确认相关的递延所得税负债，除非该应纳税暂时性差异是在以下交易中产生的：

(1)商誉的初始确认，或者具有以下特征的交易中产生的资产或负债的初始确认：该交易不是企业合并，并且交易发生时既不影响会计利润也不影响应纳税所得额；

(2)对于与子公司、合营企业及联营企业投资相关的应纳税暂时性差异，该暂时性差异转回的时间能够控制并且该暂时性差异在可预见的未来很可能不会转回。

根据资产、负债的账面价值与其计税基础之间的差额(未作为资产和负债确认的项目按照税法规定可以确定其计税基础的，该计税基础与其账面数之间的差额)，按照预期收回该资产或清偿该负债期间的适用税率计算确认递延所得税资产或递延所得税负债。

确认递延所得税资产以很可能取得用来抵扣可抵扣暂时性差异的应纳税所得额为限。资产负债表日，有确凿证据表明未来期间很可能获得足够的应纳税所得额用来抵扣可抵扣暂时性差异的，确认以前会计期间未确认的递延所得税资产。对递延所得税资产的账面价值进行复核，如果未来期间很可能无法获得足够的应纳税所得额用以抵扣递延所得税资产的利益，则减记递延所得税资产的账面价值。在很可能获得足够的应纳税所得额时，转回减记的金额。

2．当拥有以净额结算的法定权利，且意图以净额结算或取得资产、清偿负债同时进行时，本公司当期所得税资产及当期所得税负债以抵销后的净额列报。

当拥有以净额结算当期所得税资产及当期所得税负债的法定权利，且递延所得税资产及递延所得税负债是与同一税收征管部门对同一纳税主体征收的所得税相关或者是对不同的纳税主体相关，但在未来每一具有重要性的递延所得税资产及负债转回的期间内，涉及的纳税主体意图以净额结算当期所得税资产和负债或是同时取得资产、清偿负债时，本公司递延所得税资产及递延所得税负债以抵销后的净额列报。

(三十九)租赁

1．租赁的分类

租赁分为融资租赁和经营租赁。融资租赁为实质上转移了与资产所有权有关的全部风险和报酬的租赁，其所有权最终可能转移，也可能不转移。融资租赁以外的其他租赁为经营租赁。

融资租赁的确认条件见本附注三(二十五)4“融资租入固定资产的认定依据和计价方法”之说明。

2．经营租赁的会计处理

(1)出租人：公司出租资产收取的租赁费，在不扣除免租期的整个租赁期内，按直线法进行分摊，确认为租赁相关收入。公司支付的与租赁交易相关的初始直接费用，计入当期费用；如金额较大的，则予以资本化，在这个租赁期间内按照与租赁相关收入确认相同的基础分期计入当期收益。公司承担了应由承租方承担的与租赁相关的费用时，公司将该部分费用从租金收入总额扣除，按扣除后的租金费用在租赁期内分配。或有租金于实际发生时计入当期损益。

(2)承租人：公司租入资产所支付的租赁费，在不扣除免租期的整个租赁期内，按直线法进行分摊，计入当期费用。公司支付的与租赁交易相关的初始直接费用，计入当期费用；资产出租方承担了应由公司承担的与租赁相关的费用时，公司将该部分费用从租金总额中扣除，按扣除后的租金费用在租赁期内分摊，计入当期费用。或有租金于实际发生时计入当期损益。

3．融资租赁的会计处理

出租人：在租赁期开始日本公司按最低租赁收款额与初始直接费用之和作为应收融资租赁款的入账价值，同时记录未担保余值；将最低租赁收款额、初始直接费用及未担保余值之和与其现值之和的差额确认为未实现融资收益。未实现融资收益在租赁期内各个期间采用实际利率法计算确认当期的融资收入。应收融资租赁款扣除未实现融资收益后的余额分别长期债权和一年内到期的长期债权列示。或有租金于实际发生时计入当期损益。

承租人：在租赁期开始日本公司将租赁资产公允价值与最低租赁付款额现值两者中较低者作为租入资产的入账价值，将最低租赁付款额作为长期应付款的入账价值，其差额作为未确认融资费用。初始直接费用计入租入资产价值。未确认融资费用在租赁期内各个期间采用实际利率法计算确认当期的融资费用。最低租赁付款额扣除未确认融资费用后的余额分别长期负债和一年内到期的长期负债列示。或有租金于实际发生时计入当期损益。

（四十）终止经营

1．终止经营的条件

终止经营，是指公司满足下列条件之一的、能够单独区分的组成部分，且该组成部分已经处置或划分为持有待售类别：

(1)该组成部分代表一项独立的主要业务或一个单独的主要经营地区；

(2)该组成部分是拟对一项独立的主要业务或一个单独的主要经营地区进行处置的一项相关联计划的一部分；

(3)该组成部分是专为转售而取得的子公司。

2．终止经营的列报

拟结束使用而非出售的处置组满足终止经营定义中有关组成部分的，自停止使用日起作为终止经营列报；因出售对子公司的投资等原因导致其丧失对子公司控制权，且该子公司符合终止经营定义的，在合并报表中列报相关终止经营损益；在利润表中将终止经营处置损益的调整金额作为终止经营损益列报。

非流动资产或处置组不再划分为持有待售类别或非流动资产从持有待售的处置组中移除的，公司在当期利润表中将非流动资产或处置组的账面价值调整金额作为持续经营损益列报。公司的子公司、共同经营、合营企业、联营企业以及部分对合营企业或联营企业的投资不再继续划分为持有待售类别或从持有待售的处置组中移除的，公司在当期财务报表中相应调整各个划分为持有待售类别后可比会计期间的比较数据。

不符合终止经营定义的持有待售的非流动资产或处置组，其减值损失或转回金额及处置损益作为持续经营损益列报。终止经营的减值损失或转回金额等经营损益及处置损益作为终止经营损益列报。

对于当期列报的终止经营，公司在当期财务报表中，将原来作为持续经营损益列报的信息重新作为可比会计期间的终止经营损益列报。终止经营不再满足持有待售类别划分条件的，公司在当期财务报表中，将原来作为终止经营损益列报的信息重新作为可比会计期间的持续经营损益列报。

（四十一）其他重要的会计政策和会计估计

1．套期会计

(1)套期保值的分类：

1)公允价值套期，是指对已确认资产或负债，尚未确认的确定承诺(除外汇风险外)的公

允价值变动风险进行的套期。

2)现金流量套期，是指对现金流量变动风险进行的套期，此现金流量变动源于与已确认资产或负债、很可能发生的预期交易有关的某类特定风险，或一项未确认的确定承诺包含的外汇风险。

3)境外经营净投资套期，是指对境外经营净投资外汇风险进行的套期。境外经营净投资，是指企业在境外经营净资产中的权益份额。

(2)套期关系的指定及套期有效性的认定：

在套期关系开始时，本公司对套期关系有正式指定，并准备了关于套期关系、风险管理目标和套期策略的正式书面文件。该文件载明了套期工具、被套期项目或交易，被套期风险的性质，以及本公司对套期工具有效性评价方法。

套期有效性，是指套期工具的公允价值或现金流量变动能够抵销被套期风险引起的被套期项目公允价值或现金流量变动的程度。本公司持续地对套期有效性进行评价，判断该套期在套期关系被指定的会计期间内是否高度有效。套期同时满足下列条件时，本公司认定其为高度有效：

1)被套期项目和套期工具之间存在经济关系。该经济关系使得套期工具和被套期项目的价值因面临相同的被套期风险而发生方向相反的变动。

2)被套期项目和套期工具经济关系产生的价值变动中，信用风险的影响不占主导地位。

3)套期关系的套期比率，应当等于企业实际套期的被套期项目数量与对其进行套期的套期工具实际数量之比，但不应当反映被套期项目和套期工具相对权重的失衡，这种失衡会导致套期无效，并可能产生与套期会计目标不一致的会计结果。

(3)套期会计处理方法：

1)公允价值套期

套期衍生工具的公允价值变动计入当期损益。被套期项目的公允价值因套期风险而形成的变动，计入当期损益，同时调整被套期项目的账面价值。

就与按摊余成本计量的金融工具有关的公允价值套期而言，对被套期项目账面价值所作的调整，应当按照开始摊销日重新计算的实际利率进行摊销，并计入当期损益。该摊销可以自调整日开始，但不应当晚于对被套期项目终止进行套期利得和损失调整的时点。

被套期项目为尚未确认的确定承诺的，该确定承诺的公允价值因被套期风险引起的累计公允价值变动确认为一项资产或负债，相关的利得或损失计入当期损益。当履行确定承诺而取得资产或承担负债时，应当调整该资产或负债的初始确认金额，以包括已确认的被套期项

目的公允价值累计变动额。

2)现金流量套期

套期工具利得或损失中属于有效套期的部分，作为现金流量套期储备，应当计入其他综合收益。

被套期项目为预期交易，且该预期交易使企业随后确认一项非金融资产或非金融负债的，或者非金融资产或非金融负债的预期交易形成一项适用于公允价值套期会计的确定承诺时，企业应当将原在其他综合收益中确认的现金流量套期储备金额转出，计入该资产或负债的初始确认金额。

对于不属于上述涉及的现金流量套期，企业应当在被套期的预期现金流量影响损益的相同期间，将原在其他综合收益中确认的现金流量套期储备金额转出，计入当期损益。

如果在其他综合收益中确认的现金流量套期储备金额是一项损失，且该损失全部或部分预计在未来会计期间不能弥补的，企业应当在预计不能弥补时，将预计不能弥补的部分从其他综合收益中转出，计入当期损益。

3)境外经营净投资套期

对境外经营净投资的套期，包括作为净投资的一部分的货币性项目的套期，其处理与现金流量套期类似。套期工具的利得或损失中被确定为有效套期的部分计入其他综合收益，而无效套期的部分确认为当期损益。

(四十二) 主要会计政策和会计估计变更说明

本节所列数据除非特别注明，金额单位为人民币元。

1．重要会计政策变更

(1)财政部于 2017 年 7 月 5 日发布《企业会计准则第 14 号——收入(2017 年修订)》(财会[2017]22 号)，本公司自 2020 年 1 月 1 日起执行新收入准则。

[注 1]原收入准则下，公司以风险报酬转移作为收入确认时点的判断标准。商品销售收入同时满足下列条件时予以确认：(1)公司已将商品所有权上的主要风险和报酬转移给购买方；(2)公司既没有保留与所有权相联系的继续管理权，也没有对已售出的商品实施有效控制；(3)收入的金额能够可靠地计量；(4)相关的经济利益很可能流入企业；(5)相关的已发生或将发生的成本能够可靠地计量时。

新收入准则下，公司以控制权转移作为收入确认时点的判断标准。公司在履行了合同中的履约义务，即在客户取得相关商品控制权时确认收入。在满足一定条件时，公司属于在某

一段时间内履行履约义务，否则，属于在某一时点履行履约义务。合同中包含两项或多项履约义务的，公司在合同开始日，按照各单项履约义务所承诺商品的单独售价的相对比例，将交易价格分摊至各单项履约义务，按照分摊至各单项履约义务的交易价格计量收入。

新收入准则的实施未引起本公司收入确认具体原则的实质性变化，仅根据新收入准则规定中履行履约义务与客户付款之间的关系在资产负债表中增加列示合同资产或合同负债。

本公司按照新收入准则的相关规定，对比较期间财务报表不予调整，2020 年 1 月 1 日执行新收入准则与原准则的差异追溯调整当期期初留存收益及财务报表其他相关项目金额(公司仅对在首次执行日尚未完成的合同的累积影响数进行调整)。

(2)本公司自 2020 年 1 月 1 日起执行财政部修订后的《企业会计准则第 22 号——金融工具确认和计量》、《企业会计准则第 23 号——金融资产转移》、《企业会计准则第 24 号——套期保值》、以及《企业会计准则第 37 号——金融工具列报》(以下简称新金融工具准则)。根据新金融工具准则中衔接规定相关要求，公司对上年同期比较报表不进行追溯调整，本次会计政策变更不会对公司以前年度的财务状况、经营成果产生影响。

2．会计估计变更说明

本期公司无会计估计变更事项。

3．首次执行新收入准则、新金融工具准则调整首次执行当年年初财务报表相关项目情况

(1)合并资产负债表

项目	2019 年 12 月 31 日	2020 年 1 月 1 日	调整数
货币资金	13,707,244,342.51	13,480,239,534.27	-227,004,808.24
交易性金融资产	2,443,733,198.90	3,341,047,052.54	897,313,853.64
以公允价值计量且其变动计入当期损益的金融资产	114,376,163.42	不适用	-114,376,163.42
应收票据	1,308,565,843.23	1,293,957,085.26	-14,608,757.97
应收款项融资	1,104,674,932.14	1,119,283,690.11	14,608,757.97
其他应收款	8,406,051,675.63	8,374,000,721.50	-32,050,954.13
其中：应收利息	50,215,247.65	18,164,293.52	-32,050,954.13
一年内到期的非流动资产	-	259,820,000.00	259,820,000.00
其他流动资产	3,169,196,368.47	2,909,376,368.47	-259,820,000.00
发放贷款及垫款	2,576,667,284.47	2,587,704,677.89	11,037,393.42
债权投资	-	350,290,000.00	350,290,000.00

项目	2019 年 12 月 31 日	2020 年 1 月 1 日	调整数
可供出售金融资产	10,001,869,154.69	不适用	-10,001,869,154.69
其他债权投资	-	1,030,770,936.80	1,030,770,936.80
其他权益工具投资	40,090,000.00	8,127,038,896.61	8,086,948,896.61
其他非流动金融资产	31,000,000.00	380,230,000.00	349,230,000.00
其他非流动资产	1,394,152,984.38	1,043,862,984.38	-350,290,000.00
卖出回购金融资产款	862,100,000.00	862,155,579.26	55,579.26
吸收存款及同业存放	65,946,569.03	70,925,636.32	4,979,067.29
其他应付款	5,222,558,713.77	5,217,524,067.22	-5,034,646.55
其中：应付利息	671,219,181.99	666,184,535.44	-5,034,646.55
预收款项	3,127,716,332.64	-	-3,127,716,332.64
合同负债	不适用	2,939,755,495.45	2,939,755,495.45
其他流动负债	5,582,540,717.10	5,770,501,554.29	187,960,837.19

[注 1]除对本表列示的合并资产负债表项目进行调整外，首次执行新金融工具准则、新收入准则未对其他合并资产负债表项目的首次执行当年年初账面价值产生影响。

各科目调整情况说明：

根据财政部颁布的《企业会计准则第 22 号-金融工具确认和计量》(财会[2017]7 号)、《企业会计准则第 23 号-金融资产转移》(财会[2017]8 号)、《企业会计准则第 24 号-套期会计》(财会[2017]9 号)、《企业会计准则第 37 号-金融工具列报》(财会[2017]14 号)(统称为新金融工具准则)，并要求境内上市企业自 2019 年 1 月 1 日起施行。根据规定本公司将 2019 年末报表中“可供出售金融资产”重分类至“其他债权投资”、“其他非流动金融资产”和“其他权益工具投资”、“交易性金融资产”；“以公允价值计量且其变动计入当期损益的金融资产”重分类至“交易性金融资产”；“货币资金”中的理财产品重分类至“交易性金融资产”；“其他流动资产”中的委托贷款重分类至“一年内到期的非流动资产”；“其他非流动资产”中的委托贷款重分类至“债权投资”。“应收票据”中将计划背书或贴现的票据重分类至“应收款项融资”；“其他应收款”中的基于实际利率法计提的金融工具的应收利息重分类至“银行存款”、“发放贷款及垫款”、“其他债权投资”。“其他应付款”中基于实际利率法计提的金融工具的应付利息分别重分类至 “吸收存款及同业存放”、“卖出回购金融资产”。

根据财政部 2017 年 7 月 5 日修订发布的《关于修订印发<企业会计准则第 14 号—收入>

的通知》（财会[2017]22 号），并要求在境内外同时上市的企业及在境外上市并采用国际财务报告准则或企业会计准则编制财务报表的企业，自 2018 年 1 月 1 日起施行；其他境内上市企业自 2020 年 1 月 1 日起施行；执行企业会计准则的非上市公司，自 2021 年 1 月 1 日起施行。根据规定公司将 2019 年末报表中“预收款项”重分类至“合同负债”和“其他流动负债”。

(2)母公司资产负债表

项目	2019 年 12 月 31 日	2020 年 1 月 1 日	调整数
货币资金	6,181,185,707.02	5,981,185,707.02	-200,000,000.00
交易性金融资产	不适用	747,830,000.00	747,830,000.00
应收票据	853,250,000.00	850,000,000.00	-3,250,000.00
应收款项融资	不适用	3,250,000.00	3,250,000.00
一年内到期的非流动资产	-	259,820,000.00	259,820,000.00
其他流动资产	259,820,000.00	-	-259,820,000.00
债权投资	不适用	350,290,000.00	350,290,000.00
可供出售金融资产	5,368,439,351.00	不适用	-5,368,439,351.00
其他权益工具投资	不适用	4,493,379,351.00	4,493,379,351.00
其他非流动金融资产	不适用	327,230,000.00	327,230,000.00
其他非流动资产	657,660,229.05	307,370,229.05	-350,290,000.00
预收款项	227,376,228.47	-	-227,376,228.47
合同负债	不适用	198,208,834.57	198,208,834.57
其他流动负债	5,500,000,000.00	5,529,167,393.90	29,167,393.90

[注] 除对本表列示的母公司资产负债表项目进行调整外，首次执行新收入准则未对其他母公司资产负债表项目的首次执行当年年初账面价值产生影响。

各科目调整情况说明：

根据财政部颁布的《企业会计准则第 22 号-金融工具确认和计量》(财会[2017]7 号)、《企业会计准则第 23 号-金融资产转移》(财会[2017]8 号)、《企业会计准则第 24 号-套期会计》(财会[2017]9 号)、《企业会计准则第 37 号-金融工具列报》(财会[2017]14 号)(统称为新金融工具准则)，并要求境内上市企业自 2019 年 1 月 1 日起施行。根据规定本公司将 2019 年末报表中“可供出售金融资产”重分类至 “其他非流动金融资产”和“其他权益工

具投资”、“交易性金融资产”；“以公允价值计量且其变动计入当期损益的金融资产”重分类至“交易性金融资产”；“货币资金”中的理财产品重分类至“交易性金融资产”；“其他流动资产”中的委托贷款重分类至“一年内到期的非流动资产”；“其他非流动资产”中的委托贷款重分类至“债权投资”。“应收票据”中将计划背书或贴现的票据重分类至“应收款项融资”；

根据财政部 2017 年 7 月 5 日修订发布的《关于修订印发<企业会计准则第 14 号—收入>的通知》（财会[2017]22 号），并要求在境内外同时上市的企业及在境外上市并采用国际财务报告准则或企业会计准则编制财务报表的企业，自 2018 年 1 月 1 日起施行；其他境内上市企业自 2020 年 1 月 1 日起施行；执行企业会计准则的非上市公司，自 2021 年 1 月 1 日起施行。根据规定公司将 2019 年末报表中“预收款项”重分类至“合同负债”和“其他流动负债”。

四、税项

（一）主要税种及税率

税　种	计税依据	税　率
增值税	销售货物或提供应税劳务过程中产生的增值额	按3%、5%、6%、9%、10%、11%、13%、16%、等税率计缴。出口货物执行“免、抵、退”税政策，退税率为13%、16%。
土地增值税	有偿转让国有土地使用权及地上建筑物和其他附着物产权产生的增值额；对预售房款根据房地产所在地规定的预缴率预缴。	实行四级超率累进税率(30%-60%)计缴；预缴率适用房地产所在地具体规定。
房产税	从价计征的，按房产原值一次减除30%后余值的1.2%计缴；从租计征的，按租金收入的12%计缴。	1.2%、12%
城市维护建设税	应缴流转税税额	7%、5%等
教育费附加	应缴流转税税额	3%
地方教育附加	应缴流转税税额	2%
企业所得税	应纳税所得额	30%、25%、21%、20% 17%、15.825%、15%、9%等

（二）税收优惠及批文

1．增值税

内销产品按 16%、13%税率计算销项税并在抵扣进项税额后缴纳；出口货物享受“免、抵、退”税政策，退税率为 13%、16%（详见注）。

[注](1)根据财政部税务总局《关于深化增值税改革有关政策的公告》财政部、税务总局、海关总署公告[2019]39 号文，自 2019 年 4 月 1 日起，原适用 16%和 10%税率的，税率调整为 13%和 9%。

(2)根据财政部税务总局《关于深化增值税改革有关政策的公告》财政部、税务总局、海关总署公告[2019]39 号文，自 2019 年 4 月 1 日起铝箔产品出口退税率由 16%调整到 13%。

2．企业所得税

(1)2019 年 2 月 22 日，根据山东省科学技术厅、山东省财政厅、山东省税务局联合下发《关于认定迈赫机器人自动化股份有限公司等 505 家企业为 2018 年度第一批高新技术企业的通知》，本公司之子公司南山铝业取得高新技术企业资格证书(证书编号:GR201837000107)，税率为 15%，资格有效期为三年，企业所得税优惠期为 2018 年 1 月 1 日至 2020 年 12 月 31 日。

(2)本公司控股子公司龙口南山铝压延新材料有限公司取得高新技术企业资格证书(证书编号:GR2019 37002142)，税率为 15%，资格有效期为三年，企业所得税优惠期为 2019 年 1 月 1 日至 2021 年 12 月 31 日。

(3)本公司控股子公司—南山铝业澳大利亚有限公司税率为 30%；本公司控股子公司—南山铝业新加坡有限公司税率为 17%；南山铝业新加坡有限公司的控股子公司 GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD.税率为 17%；GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD.的控股子公司 PT BINTAN ALUMINA INDONESIA 税率为 25%；本公司控股子公司—Shandong Nanshan Aluminium Europa GmbH 税率为 15.825%，本公司控股子公司—南山美国先进铝技术有限责任公司、本公司控股子公司—南山美国有限公司联邦所得税税率为 21%。

(4)根据《国家税务总局关于实施高新技术企业所得税优惠有关问题的通知》(国税函[2009]203 号)，高新技术企业享受 15%的企业所得税率。本公司之子公司智尚科技于 2016 年 12 月 15 日取得了编号为 GR201637001039 的高新技术企业证书，公司自 2017 年 1 月 1 日至 2019 年 12 月 31 日享受 15%的企业所得税优惠税率政策。本公司之子公司智尚科技通过了高新技术企业复审，取得了编号为 GR201937002139 的高新技术企业证书，公司自 2019 年 1 月 1 日至 2021 年 12 月 31 日享受 15%的企业所得税优惠税率政策。

(5)根据《关于实施小微企业普惠性税收减免政策的通知》(财税〔2019〕13 号)，对小型微利企业年应纳税所得额不超过 100 万元的部分，减按 25%计入应纳税所得额，按 20%的税率缴纳企业所得税；对年应纳税所得额超过 100 万元但不超过 300 万元的部分，减按 50%计入应纳税所得额，按 20%的税率缴纳企业所得税。本公司之子公司山东贝塔尼服装有限公

司、菲拉特(北京)贸易有限公司、北京南山电子商务有限公司、南山自重堂防护科技有限公司 2020 年度按照小型微利企业交纳企业所得税。

(6)根据国家税务总局关于深入实施西部大开发战略有关税收政策的通知中，自 2011 年 1 月 1 日至 2020 年 12 月 31 日，对设在西部地区的鼓励类产业企业减按 15%的税率征收企业所得税。北海市发展和改革委员会关于广西华恒通能源科技有限公司部分业务复核鼓励类认定的函中，认定本公司之子公司广西华恒通能源科技有限公司开展的液化天然气的储运业务符合鼓励类第七条“石油、天然气”第 3 款“原油、天然气、液化天然气、成品油的储运和管道输送设施及网络建设”。

(7)桂政发[2014]5 号关于延续和修订促进广西北部湾经济区开放开发若干政策规定的通知中，新办的享受国家西部大开发减按 15%税率征收企业所得税的企业，免征属于地方分享部分的企业所得税（40%）。根据上述通知，本公司之子公司广西华恒通能源科技有限公司的所得税征收率 9%。

五、合并财务报表项目注释

以下注释项目除非特别注明，期初系指 2020 年 1 月 1 日，期末系指 2020 年 12 月 31 日；本期系指 2020 年度，上年系指 2019 年度。金额单位为人民币元。

(一) 货币资金

1. 明细情况

项　目	期末数	期初数
库存现金	10,106,547.97	9,572,827.24
银行存款	15,319,283,160.55	8,813,916,334.77
其他货币资金	4,332,559,712.56	4,648,647,490.28
未到期应收利息	8,458,267.00	8,102,881.98
合　计	19,670,407,688.08	13,480,239,534.27
其中：存放在境外的款项总额	2,970,264,155.69	1,717,498,561.54

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2. 期末其他货币资金包括银行承兑汇票保证金、借款保证金、信用证保证金、保函保证金、期货保证金。

3. 期末公司因抵押或冻结等对使用有限制、以及存放在境外且资金汇回受到限制的款

项详见本附注五(七十一)“所有权或使用权受到限制的资产”之说明。

4．外币货币资金明细情况详见本附注五(七十二)“外币货币性项目”之说明。

(二) 交易性金融资产

项　目	期末数	期初数
以公允价值计量且其变动计入当期损益的金融资产	102,300,052.84	3,341,047,052.54
其中：债务工具投资	-	-
权益工具投资	13,371,459.44	60,665,404.00
其他	88,928,593.40	836,648,449.64
结构性存款	-	2,443,733,198.90
无效套期工具	-	-
指定以公允价值计量且其变动计入当期损益的金融资产	20,000,000.00	-
其中：债务工具投资	-	-
权益工具投资	-	-
其他	20,000,000.00	-
合　计	122,300,052.84	3,341,047,052.54

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

(三) 衍生金融资产

1．明细情况

项　目	期末数	期初数
套期工具	1,841,425.00	3,623,881.46
合　计	1,841,425.00	3,623,881.46

2．报告期末公司的衍生金融资产为持有的有效套期的铝期货合约浮动盈利。

(四) 应收票据

1．明细情况

种　类	期末数	期初数
银行承兑汇票	779,708,322.87	4,450,000.00
商业承兑汇票	694,493,474.18	1,327,161,202.94

种　类	期末数	期初数
账面余额小计	1,474,201,797.05	1,331,611,202.94
减：坏账准备	28,236,151.32	37,654,117.68
账面价值合计	1,445,965,645.73	1,293,957,085.26

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．按坏账计提方法分类披露

(1)除南山铝业、智尚科技及恒通股份

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	44,155,835.09	100.00	190,833.97	-	43,965,001.12
其中：					
信用风险较低的银行	5,989,042.08	13.56	-	-	5,989,042.08
信用风险较低的企业	38,166,793.01	86.44	190,833.97	0.50	37,975,959.04
信用风险较高的企业	-	-	-	-	-
合　计	44,155,835.09	100.00	190,833.97	-	43,965,001.12

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	499,724,948.25	100.00	-	-	499,724,948.25
其中：					
信用风险较低的银行	4,450,000.00	0.89	-	-	4,450,000.00
信用风险较低的企业	495,274,948.25	99.11	-	-	495,274,948.25
信用风险较高的企业	-	-	-	-	-

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
合 计	499,724,948.25	100.00	-	-	499,724,948.25

(2)南山铝业

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	1,354,122,790.73	100.00	27,993,959.51	-	1,326,128,831.22
其中：					
信用风险较低的银行	773,719,280.79	57.14	-	-	773,719,280.79
信用风险较低的企业	20,524,319.82	1.51	-	-	20,524,319.82
信用风险较高的企业	559,879,190.12	41.35	27,993,959.51	5.00	531,885,230.61
合 计	1,354,122,790.73	100.00	27,993,959.51	-	1,326,128,831.22

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	831,886,254.69	100.00	37,654,117.68	-	794,232,137.01
其中：					
信用风险较低的银行	-	-	-	-	-
信用风险较低的企业	78,803,901.11	9.47	-	-	78,803,901.11
信用风险较高的企业	753,082,353.58	90.53	37,654,117.68	5.00	715,428,235.90
合 计	831,886,254.69	100.00	37,654,117.68	-	794,232,137.01

(3)智尚科技

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	513,578.40	100.00	51,357.84	10.00	462,220.56
其中：					
银行承兑汇票组合	-	-	-	-	-
商业承兑汇票组合	513,578.40	100.00	51,357.84	10.00	462,220.56
合　计	513,578.40	100.00	51,357.84	10.00	462,220.56

(4)恒通股份

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	75,409,592.83	100.00	-	-	75,409,592.83
其中：					
银行承兑汇票组合	-	-	-	-	-
商业承兑汇票组合	75,409,592.83	100.00	-	-	75,409,592.83
合　计	75,409,592.83	100.00	-	-	75,409,592.83

3．坏账准备计提情况

期末按组合计提坏账准备的应收票据

(1)除南山铝业、智尚科技及恒通股份

组　合	账面余额	坏账准备	计提比例(%)
信用风险较低的银行	5,989,042.08	-	-
信用风险较低的企业	38,166,793.01	190,833.97	0.50
信用风险较高的企业	-	-	-
小　计	44,155,835.09	190,833.97	

(2)南山铝业

组　合	账面余额	坏账准备	计提比例(%)
信用风险较低的银行	773,719,280.79	-	-
信用风险较低的企业	20,524,319.82	-	-
信用风险较高的企业	559,879,190.12	27,993,959.51	5.00
小　计	1,354,122,790.73	27,993,959.51	

(3)智尚科技

组　合	账面余额	坏账准备	计提比例(%)
银行承兑汇票组合	-	-	-
商业承兑汇票组合	513,578.40	51,357.84	10.00
小　计	513,578.40	51,357.84	10.00

(4)恒通股份

组　合	账面余额	坏账准备	计提比例(%)
银行承兑汇票组合	-	-	-
商业承兑汇票组合	75,409,592.83	-	-
小　计	75,409,592.83	-	-

4．本期计提、收回或转回的坏账准备情况

种类	期初数	本期变动金额				期末数
		计提	收回或转回	转销或核销	其他	
按单项计提坏账准备	-	-	-	-	-	-
按组合计提坏账准备	37,654,117.68	242,191.81	9,660,158.17	-	-	28,236,151.32
小　计	37,654,117.68	242,191.81	9,660,158.17	-	-	28,236,151.32

5．期末公司无已质押的应收票据。

6．期末公司无因出票人未履约而将其转应收账款的票据。

(五) 应收账款

1．按账龄披露

账　龄	期末数
1 年以内	5,834,279,015.63
1-2 年	196,665,629.63

账　龄	期末数
2-3 年	532,838,231.59
3 年以上	306,938,578.29
账面余额小计	6,870,721,455.14
减：坏账准备	190,550,421.35
账面价值合计	6,680,171,033.79

2．按坏账计提方法分类披露

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	27,553,345.62	0.40	21,348,702.37	77.48	6,204,643.25
按组合计提坏账准备	6,843,168,109.52	99.60	169,201,718.98	2.47	6,673,966,390.54
其中：					
信用风险组合	2,778,032,210.86	40.43	148,876,039.49	5.36	2,629,156,171.37
其他组合	4,065,135,898.66	59.17	20,325,679.49	0.50	4,044,810,219.17
合　计	6,870,721,455.14	100.00	190,550,421.35	2.77	6,680,171,033.79

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07
其中：					
信用风险组合	2,299,184,103.71	45.34	122,948,695.14	5.35	2,176,235,408.57
其他组合	2,771,387,266.83	54.66	13,856,936.33	0.50	2,757,530,330.50
合　计	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07

3．坏账准备计提情况

(1)期末按单项计提坏账准备的应收账款

单位名称	账面余额	坏账准备	计提比例(%)	理由
Mesco Manufacturing, LLC	4,251,599.72	1,372,557.67	32.28	单项评估风险
Metal Finishing Solutions	2,266,901.37	2,266,900.35	100.00	单项评估风险
Wabash National, LP	855,190.98	848,237.00	99.19	单项评估风险
山东电力建设第二工程公司	295,000.00	295,000.00	100.00	预计无法收回
淄博星运物流有限公司	328,994.56	328,994.56	100.00	预计无法收回
山东天宏新能源化工有限公司	8,387,007.78	8,387,007.78	100.00	预计无法收回
山东齐成物流有限责任公司	839,450.00	839,450.00	100.00	预计无法收回
山东润银生物化工股份有限公司	6,153,181.31	4,922,545.05	80.00	收回存在不确定性
东营人和物流有限公司	395,200.00	197,600.00	50.00	收回存在不确定性
广饶广通物流有限公司	66,000.00	33,000.00	50.00	收回存在不确定性
广饶县东方华龙物流有限公司	703,371.69	351,685.85	50.00	收回存在不确定性
东营神驰物流有限公司	28,350.00	14,175.00	50.00	收回存在不确定性
东营市祥泰物流有限公司	132,000.00	66,000.00	50.00	收回存在不确定性
东营恒邦运输有限公司	146,508.19	73,254.10	50.00	收回存在不确定性
东营银泰物流有限公司	457,440.00	228,720.00	50.00	收回存在不确定性
东营元通运输有限公司	60,500.00	30,250.00	50.00	收回存在不确定性
东营奥星物流有限公司	164,250.00	82,125.00	50.00	收回存在不确定性
东营市京晨物流有限公司	297,000.00	148,500.00	50.00	收回存在不确定性
东营市瀛海物流有限公司	53,600.00	26,800.00	50.00	收回存在不确定性
东营广汇物流有限公司	143,000.00	71,500.00	50.00	收回存在不确定性
东营鑫通源运输有限公司	148,400.00	74,200.00	50.00	收回存在不确定性
东营华威物流有限公司	110,000.00	55,000.00	50.00	收回存在不确定性
东营市兆成运输有限责任公司	19,200.00	9,600.00	50.00	收回存在不确定性
垦利胜凯物流有限公司	231,000.00	115,500.00	50.00	收回存在不确定性
山东远顺运输有限公司	443,900.00	221,950.00	50.00	收回存在不确定性
东营鑫润物流有限责任公司	92,000.00	46,000.00	50.00	收回存在不确定性
广饶县广大物流有限公司	64,000.00	32,000.00	50.00	收回存在不确定性
东营市腾迈运输有限责任公司	16,500.00	8,250.00	50.00	收回存在不确定性

单位名称	账面余额	坏账准备	计提比例(%)	理由
东营市博源运输有限责任公司	225,500.00	112,750.00	50.00	收回存在不确定性
东营顺通运输有限责任公司	38,500.00	19,250.00	50.00	收回存在不确定性
山东盖达物流有限公司	33,000.00	16,500.00	50.00	收回存在不确定性
东营市飒格曼石油科技开发有限公司	27,500.00	13,750.00	50.00	收回存在不确定性
山东省垦利汽车工业贸易公司	40,800.00	20,400.00	50.00	收回存在不确定性
东营永源物流有限责任公司	38,500.02	19,250.01	50.00	收回存在不确定性
小　计	27,553,345.62	21,348,702.37	-	

(2)期末按信用风险组合计提坏账准备的应收账款

1)南山铝业坏账准备计提情况

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内（含1年）	2,315,021,881.81	115,751,094.08	5.00
1-2年（含2年）	91,535,450.31	9,153,545.03	10.00
2-3年（含3年）	25,338,543.93	5,067,708.79	20.00
3年以上	-	-	-
小　计	2,431,895,876.05	129,972,347.90	5.34

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内（含1年）	1,929,839,406.14	96,491,970.33	5.00
1-2年（含2年）	124,249,842.46	12,424,984.25	10.00
2-3年（含3年）	1,099,555.27	219,911.05	20.00
3年以上	-	-	-
小　计	2,055,188,803.87	109,136,865.63	5.31

2)智尚科技坏账准备计提情况

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内（含1年）	193,626,217.64	9,681,310.86	5.00

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1-2 年（含 2 年）	11,679,642.19	1,167,964.22	10.00
2-3 年（含 3 年）	4,425,116.21	885,023.24	20.00
3-5 年（含 5 年）	225,302.03	112,651.02	50.00
5 年以上	-	-	-
小　计	209,956,278.07	11,846,949.34	5.64

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1 年以内（含 1 年）	219,579,874.86	10,978,993.75	5.00
1-2 年（含 2 年）	20,970,043.44	2,094,800.43	10.00
2-3 年（含 3 年）	3,282,184.79	656,436.96	20.00
3-5 年（含 5 年）	163,196.75	81,598.37	50.00
5 年以上	-	-	-
小　计	243,995,299.84	13,811,829.51	5.66

3)恒通股份坏账准备计提情况

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1 年以内（含 1 年）	133,610,692.57	6,680,534.64	5.00
1-2 年（含 2 年）	1,376,652.22	137,665.22	10.00
2-3 年（含 3 年）	1,192,711.95	238,542.39	20.00
3-5 年（含 5 年）	-	-	-
5 年以上	-	-	-
小　计	136,180,056.74	7,056,742.25	5.18

(3)期末按其他组合计提坏账准备的应收账款

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1 年以内（含 1 年）	3,192,020,223.61	15,960,101.12	0.50
1-2 年（含 2 年）	79,684,722.94	398,423.61	0.50

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
2-3 年（含 3 年）	501,881,859.50	2,509,409.30	0.50
3 年以上	291,549,092.61	1,457,745.46	0.50
小　计	4,065,135,898.66	20,325,679.49	0.50

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1 年以内（含 1 年）	1,100,834,121.78	5,504,170.60	0.50
1-2 年（含 2 年）	1,285,496,135.63	6,427,480.68	0.50
2-3 年（含 3 年）	333,966,829.93	1,669,834.15	0.50
3 年以上	51,090,179.49	255,450.90	0.50
小　计	2,771,387,266.83	13,856,936.33	0.50

4．本期计提、收回或转回的坏账准备情况

(1)本期计提坏账准备情况

种类	期初数	本期变动金额				期末数
		计提	收回或转回	转销或核销	其他	
按单项计提坏账准备	-	21,402,295.06	-	53,592.69	-	21,348,702.37
按组合计提坏账准备	136,805,631.47	37,176,531.78	4,780,444.27	-	-	169,201,718.98
小　计	136,805,631.47	58,578,826.84	4,780,444.27	53,592.69	-	190,550,421.35

(2)其中本期坏账准备收回或转回的情况

本期转回的坏账准备金额 4,780,444.27 元；本报告期无公司以前年度已全额或较大比例计提坏账准备，本期又全额或部分收回的应收账款。

5．本期实际核销的应收账款情况

项　目	核销金额
实际核销的应收账款	53,592.69

6．期末应收账款金额前 5 名情况

本公司本年按欠款方归集的年末余额前五名应收账款汇总金额为 3,351,029,243.37 元，占应收账款年末余额合计数的比例为 48.76%，相应计提的坏账准备年末余额汇总金额为 32,774,893.11 元。

7．因金融资产转移而终止确认的应收账款

(1)南山铝业之全资子公司南山美国有限公司与法巴银行签订应收账款保理合同，根据合同约定，法巴银行买断对合同所属的应收账款，2020 年 12 月 31 日，公司由此终止确认的应收账款金额为 1,089,302,900.44 元（166,945,531.80 美元）。

(2)南山铝业之全资子公司南山铝业欧洲有限公司与法巴银行签订应收账款保理合同，根据合同约定，法巴银行买断对合同所属的应收账款，2020 年 12 月 31 日，公司由此终止确认的应收账款金额为 89,998,179.60 元（其中美元终止确认金额 8,641,109.92 美元，欧元终止确认金额 611,220.45 欧元）。

8．本期无转移应收账款且继续涉入形成的资产、负债金额。

9．期末外币应收账款情况详见本附注五(七十二)“外币货币性项目”之说明。

(六) 应收款项融资

1．明细情况

项　目	期末数	期初数
以公允价值计量且其变动计入其他综合收益的应收票据	400,190,780.50	1,119,283,690.11

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．应收款项融资本期增减变动及公允价值变动情况

项　目	期初数	本期成本变动	本期公允价值变动	期末数
以公允价值计量且其变动计入其他综合收益的应收票据	1,119,283,690.11	-719,092,909.61	-	400,190,780.50

续上表：

项　目	期初成本	期末成本	累计公允价值变动	累计在其他综合收益中确认的损失准备
以公允价值计量且其变动计入其他综合收益的应收票据	1,119,283,690.11	400,190,780.50	-	-

3．期末公司无已质押的应收款项融资。

4．期末公司无因出票人未履约而将其转应收账款的票据。

(七) 预付款项

1．账龄分析

账　龄	期末数	期初数

	金额	比例(%)	金额	比例(%)
1年以内	2,071,420,283.88	93.17	1,581,188,687.32	72.47
1-2年	33,501,696.92	1.51	102,236,593.12	4.69
2-3年	13,615,964.59	0.61	12,462,193.14	0.57
3年以上	104,850,239.87	4.71	485,976,136.53	22.27
合　计	2,223,388,185.26	100.00	2,181,863,610.11	100.00

2．预付款项金额前 5 名情况

本公司期末预付款项余额前五名累计金额为 752,400,022.39 元，占预付款项余额的比例为 33.85%。

3．账龄超过 1 年且金额重大的预付款项未及时结算的原因为协议尚未执行完毕。

4．期末未发现预付款项存在明显减值迹象，故未计提减值准备。

（八）其他应收款

1．明细情况

项　目	期末数		
	账面余额	坏账准备	账面价值
应收利息	9,731,921.27	-	9,731,921.27
应收股利	16,000,000.00	-	16,000,000.00
其他应收款	6,693,614,205.52	111,125,853.13	6,582,488,352.39
合　计	6,719,346,126.79	111,125,853.13	6,608,220,273.66

续上表：

项　目	期初数		
	账面余额	坏账准备	账面价值
应收利息	18,164,293.52	-	18,164,293.52
应收股利	-	-	-
其他应收款	8,442,475,171.64	86,638,743.66	8,355,836,427.98
合　计	8,460,639,465.16	86,638,743.66	8,374,000,721.50

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．应收利息

项　目	期末数	期初数

项　目	期末数	期初数
借款利息收入	8,726,552.40	14,249,217.51
融资租赁利息收入	1,005,368.87	3,915,076.01
账面余额小计	9,731,921.27	18,164,293.52
减：坏账准备	-	-
账面价值小计	9,731,921.27	18,164,293.52

3. 应收股利

项　目	期末数	期初数
账面余额小计	16,000,000.00	-
减：坏账准备	-	-
账面价值小计	16,000,000.00	-

4. 其他应收款

(1)按账龄披露

账　龄	期末数
1 年以内	2,500,525,133.90
1-2 年	1,507,152,998.18
2-3 年	1,604,946,101.62
3 年以上	1,080,989,971.82
账面余额小计	6,693,614,205.52
减：坏账准备	111,125,853.13
账面价值小计	6,582,488,352.39

(2)按性质分类情况

款项性质	期末数	期初数
单位往来款项	6,259,416,647.66	8,166,045,930.51
个人往来款项	193,303,334.72	71,307,153.06
保证金、押金	216,003,188.64	193,829,070.10
其他	24,891,034.50	11,293,017.97
小　计	6,693,614,205.52	8,442,475,171.64

(3)明细情况

种 类	期末数

	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	41,755,539.26	0.62	41,755,539.26	100.00	-
按组合计提坏账准备	6,651,858,666.26	99.38	69,370,313.87	1.04	6,582,488,352.39
小　计	6,693,614,205.52	100.00	111,125,853.13	1.66	6,582,488,352.39

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	12,500,000.00	0.15	12,500,000.00	100.00	-
按组合计提坏账准备	8,429,975,171.64	99.85	74,138,743.66	0.88	8,355,836,427.98
小　计	8,442,475,171.64	100.00	86,638,743.66	1.03	8,355,836,427.98

(4)坏账准备计提情况

1)期末单项金额重大并单项计提坏账准备的其他应收款

单位名称	账面余额	坏账准备	计提比例(%)	理由
云南鸿翔一心堂药业（集团）股份有限公司	12,500,000.00	12,500,000.00	100.00	预计无法收回
青岛龙科通信网络系统有限公司	17,000,000.00	17,000,000.00	100.00	预计无法收回
Lisa Zou Xiangyun	9,861,270.72	9,861,270.72	100.00	预计无法收回
山东天宏新能源化工有限公司	500,000.00	500,000.00	100.00	预计无法收回
龙口市恒通汽车贸易有限公司	1,603,118.14	1,603,118.14	100.00	预计无法收回
山西联发能源有限公司	291,150.40	291,150.40	100.00	预计无法收回
小　计	41,755,539.26	41,755,539.26	100.00	-

2)期末按组合计提坏账准备的其他应收款

①期末按信用风险组合计提坏账准备的其他应收款

A. 南山铝业期末按信用风险组合计提坏账准备的其他应收款

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	283,668,747.21	14,183,437.36	5.00

账　龄	期末数		
1-2 年	13,815,532.11	1,381,553.21	10.00
2-3 年	20,000.00	4,000.00	20.00
3 年以上	36,900,970.48	18,450,485.24	50.00
小　计	334,405,249.80	34,019,475.81	10.17

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1 年以内	248,930,517.18	12,446,525.85	5.00
1-2 年	100,000.00	10,000.00	10.00
2-3 年	741,866.27	148,373.25	20.00
3 年以上	37,163,137.50	18,581,568.75	50.00
小　计	286,935,520.95	31,186,467.85	10.87

B.智尚科技坏账准备计提情况

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1 年以内	28,245,443.99	1,412,272.20	5.00
1-2 年	5,766,466.08	576,646.61	10.00
2-3 年	3,162,302.03	632,460.41	20.00
3-5 年	607,433.41	303,716.71	50.00
5 年以上	1,500.00	1,500.00	100.00
小　计	37,783,145.51	2,926,595.93	7.75

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1 年以内	25,210,807.02	1,260,540.36	5.00
1-2 年	4,877,701.49	487,770.15	10.00
2-3 年	2,837,282.56	567,456.51	20.00
3-5 年	87,978.16	43,989.09	50.00
5 年以上	42,603.31	42,603.31	100.00

账　龄	期初数		
小　计	33,056,372.54	2,402,359.42	7.27

C.恒通股份坏账准备计提情况

风险组合	期末数		
	账面余额	坏账准备	计提比例(%)
往来款、备用金及其他	12,008,989.66	894,675.99	7.45
事故处理暂借款	530,893.62	193,914.20	36.53
小　计	12,539,883.28	1,088,590.19	8.68

[注]事故处理暂借款根据每一会计年度未收回款项占该部分事故借款的比例作为期末事故借款坏账准备的计提比例。

D. 其他组合

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	2,184,084,265.75	10,920,421.33	0.50
1-2年	1,477,663,525.12	7,388,317.63	0.50
2-3年	1,601,263,799.59	8,006,319.00	0.50
3年以上	1,004,118,797.21	5,020,593.98	0.50
小　计	6,267,130,387.67	31,335,651.94	0.50

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	2,815,133,885.59	14,075,669.43	0.50
1-2年	2,287,628,041.14	11,438,140.20	0.50
2-3年	1,318,610,672.38	6,593,053.36	0.50
3年以上	1,688,610,679.04	8,443,053.40	0.50
小　计	8,109,983,278.15	40,549,916.39	0.50

(5)本期计提、收回或转回的坏账准备情况

本期计提坏账准备金额29,383,156.19元；本期收回的其他应收款金额为4,896,046.72元。

(6)本期无实际核销的其他应收款情况。

(7)截至 2020 年 12 月 31 日无应收政府补助款。

(8)期末其他应收款金额前 5 名情况

本公司本年按欠款方归集的年末余额前五名其他应收款汇总金额为 1,960,772,463.17 元，占其他应收款年末余额合计数的比例为 29.29%，相应计提的坏账准备年末余额汇总金额为 21,469,225.84 元。

(9)报告期内无因金融资产转移而终止确认的其他应收款。

(10)报告期内无转移其他应收款且继续涉入形成的资产、负债金额。

(11)期末外币其他应收款情况详见本附注五(七十二)“外币货币性项目”之说明。

(九) 存货

1. 明细情况

项目	期末数		
	账面余额	存货跌价准备或合同履约成本减值准备	账面价值
原材料	2,155,133,920.65	8,655,930.87	2,146,477,989.78
在产品	9,524,259,263.93	9,642,147.48	9,514,617,116.45
库存商品	4,920,633,608.90	89,314,033.06	4,831,319,575.84
委托加工物资	2,939,123.78	-	2,939,123.78
低值易耗品	11,848.47	-	11,848.47
合　计	16,602,977,765.73	107,612,111.41	16,495,365,654.32

续上表：

项　目	期初数		
	账面余额	存货跌价准备或合同履约成本减值准备	账面价值
原材料	2,576,766,157.49	19,218,572.95	2,557,547,584.54
在产品	9,313,092,997.87	10,447,182.00	9,302,645,815.87
库存商品	5,266,447,810.28	77,684,326.75	5,188,763,483.53
委托加工物资	19,739,060.64	-	19,739,060.64
低值易耗品	287,308.32	-	287,308.32
合　计	17,176,333,334.60	107,350,081.70	17,068,983,252.90

[注]期末存货中无用于债务担保的资产。

2. 存货跌价准备和合同履约成本减值准备

类　别	期初数	本期增加		本期减少		期末数
		计提	其他	转回或转销	其他	
原材料	19,218,572.95	4,929,698.35	-	15,492,340.43	-	8,655,930.87
在产品	10,447,182.00	6,489,271.41	-	7,294,305.93	-	9,642,147.48
库存商品	77,684,326.75	67,327,482.92	-	55,697,776.61	-	89,314,033.06
小　计	107,350,081.70	78,746,452.68	-	78,484,422.97	-	107,612,111.41

3. 存货期末余额中无利息资本化金额。

（十）持有待售资产

1. 明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
准备出售的子公司	28,628,012.89	-	28,628,012.89	28,628,012.89	-	28,628,012.89
准备出售的长期资产	76,612,399.73	-	76,612,399.73	-	-	-
合　计	105,240,412.62	-	105,240,412.62	28,628,012.89	-	28,628,012.89

2. 其他说明

(1)2018 年 12 月，经公司董事会批准拟将持有的龙口伟华置业有限公司、青岛嶺海明珠置业有限公司、青岛凯通置业有限公司三家公司股权对外转让，截止 2020 年 12 月 31 日，转让工作正在进行中。

(2)龙口港集团有限公司拟购买恒通股份及其子公司龙口市港恒仓储有限公司房屋建筑物、土地使用权及机器设备等长期资产。

（十一）一年内到期的非流动资产

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
一年内到期的债权投资	-	-	-	-	-	-
一年内到期的其他债权投资	-	-	-	-	-	-
一年内到期的长期应收	-	-	-	-	-	-

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
款						
其他	148,210,000.00	-	148,210,000.00	259,820,000.00	-	259,820,000.00
合　计	148,210,000.00	-	148,210,000.00	259,820,000.00	-	259,820,000.00

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

（十二）其他流动资产

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
购入的一年内到期的债权投资	-	-	-	-	-	-
购入的一年内到期的其他债权投资	-	-	-	-	-	-
合同取得成本	-	-	-	-	-	-
应收退货成本	-	-	-	-	-	-
待抵扣进项税额	698,050,335.51	-	698,050,335.51	476,707,422.92	-	476,707,422.92
预交税款	719,710,009.23	-	719,710,009.23	611,270,580.87	-	611,270,580.87
其他	79,895,006.52	-	79,895,006.52	1,821,398,364.68	-	1,821,398,364.68
合　计	1,497,655,351.26	-	1,497,655,351.26	2,909,376,368.47	-	2,909,376,368.47

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．期末未发现其他流动资产存在明显减值迹象，故未计提减值准备。

（十三）发放贷款和垫款

1．明细情况

项　目	期末数	期初数
企业贷款和垫款	1,006,295,280.28	2,666,443,467.74
短期贷款	856,343,344.00	1,261,280,000.00
票据贴现	149,951,936.28	349,163,467.74

项　目	期末数	期初数
中长期贷款	-	1,056,000,000.00
未到期应收利息	13,127,564.91	11,037,393.42
减：贷款损失一般准备金	10,255,190.74	26,744,141.11
减：贷款损失专项准备金-关注类	1,678,866.88	-
减：贷款损失专项准备金-正常类	24,562,884.52	63,032,042.16
减：贷款损失特种准备金	-	-
贷款及垫款净额	982,925,903.05	2,587,704,677.89

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．期末余额主要为本公司控股子公司南山集团财务有限公司发放的贷款。

（十四）债权投资

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
委托贷款	1,213,960,000.00	-	1,213,960,000.00	350,290,000.00	-	350,290,000.00
国债	175,349,471.29	-	175,349,471.29	-	-	-
未到期应收利息	1,621,563.30		1,621,563.30	-	-	-
合计	1,390,931,034.59	-	1,390,931,034.59	350,290,000.00	-	350,290,000.00

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．重要的债权投资

(1)委托贷款

项　目	期末数	期初数
海南万宁弘基置业有限公司	1,213,960,000.00	350,290,000.00

(2)国债

债权项目	期末数				期初数			
	面值	票面利率(%)	实际利率(%)	到期日	面值	票面利率(%)	实际利率(%)	到期日
20附息国债06	30,000,000.00	3.02	2.68	2030/5/21	-	-	-	-

债权项目	期末数				期初数			
	面值	票面利率(%)	实际利率(%)	到期日	面值	票面利率(%)	实际利率(%)	到期日
20附息国债06	20,000,000.00	3.06	2.68	2030/5/21	-	-	-	-
20附息国债06	20,000,000.00	3.07	2.68	2030/5/21	-	-	-	-
20附息国债06	20,000,000.00	3.08	2.68	2030/5/21	-	-	-	-
20附息国债06	10,000,000.00	3.10	2.68	2030/5/21	-	-	-	-
20附息国债08	20,000,000.00	3.20	2.85	2027/6/4	-	-	-	-
20附息国债08	10,000,000.00	3.18	2.85	2027/6/4	-	-	-	-
20附息国债08	10,000,000.00	3.19	2.85	2027/6/4	-	-	-	-
20附息国债08	10,000,000.00	3.18	2.85	2027/6/5	-	-	-	-
20附息国债08	10,000,000.00	3.19	2.85	2027/6/6	-	-	-	-
20附息国债08	20,000,000.00	3.21	2.85	2027/6/7	-	-	-	-
小　计	180,000,000.00	-	-	-	-	-	-	-

3. 期末未发现债权投资存在明显减值迹象，故未计提减值准备。

（十五）其他债权投资

项　目	期初数	本期变动				期末数
		成本	公允价值	应计利息	利息调整	
政府债券	693,961,192.03	-230,000,000.00	-27,483,744.37	-1,566,971.79	19,122,304.37	454,032,780.24
政策性金融债券	238,667,307.38	-230,000,000.00	64,017.10	-5,925,557.38	-2,805,767.10	-
同业及其他金融机构债	88,927,359.32	-87,124,860.00	74,970.00	-1,877,469.32	-	-
企业债券	-	10,000,000.00	-628,537.40	387,260.28	-65,202.60	9,693,520.28
UOBSP(债券投资)	9,215,078.07	-436,310.75	-	-	-	8,778,767.32
合　计	1,030,770,936.80	-537,561,170.75	-27,973,294.67	-8,982,738.21	16,251,334.67	472,505,067.84

续上表：

项　目	期末成本	累计公允价值变动	累计在其他综合收益中确认的损失准备	备注
政府债券	482,909,291.08	-28,876,510.84	-	-
政策性金融债券	-	-	-	-
同业及其他金融机构债	-	-	-	-

项　目	期末成本	累计公允价值变动	累计在其他综合收益中确认的损失准备	备注
企业债券	10,322,057.68	-628,537.40	-	-
UOBSP（债券投资）	8,778,767.32	-	-	-
合　计	502,010,116.08	-29,505,048.24	-	-

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

(十六) 长期应收款

1．明细情况

项　目	期末数			期初数		
	账面余额	坏账准备	账面价值	账面余额	坏账准备	账面价值
融资租赁	329,863,479.98	1,319,247.25	328,544,232.73	634,370,822.81	1,436,620.80	578,591,895.57
其中：未实现融资收益	22,696,624.57	-	22,696,624.57	54,342,306.44	-	54,342,306.44
分期收款销售商品	-	-	-	-	-	-
分期收款提供劳务	-	-	-	-	-	-
其他	-	-	-	-	-	-
合　计	329,863,479.98	1,319,247.25	328,544,232.73	634,370,822.81	1,436,620.80	578,591,895.57

2．期末未发现长期应收款存在明显减值迹象，故未计提减值准备。

(十七) 长期股权投资

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
对合营企业投资	29,034,917.64	-	29,034,917.64	29,864,376.83	-	29,864,376.83
对联营企业投资	4,792,941,175.24	-	4,792,941,175.24	3,171,019,018.73	-	3,171,019,018.73
合　计	4,821,976,092.88	-	4,821,976,092.88	3,200,883,395.56	-	3,200,883,395.56

2．对联营、合营企业投资

被投资单位名称	初始投资成本	期初数	本期变动	
			追加投资	减少投资
(1)合营企业				

被投资单位名称	初始投资成本	期初数	本期变动	
			追加投资	减少投资
海南万宁弘基置业有限公司	10,000,000.00	9,464,089.17	-	-
南山（海南万宁）置业有限公司	200,000,000.00	-	-	-
烟台南山融创置业有限公司	10,000,000.00	-	-	-
南山飞卓宇航工业有限公司	20,589,600.00	20,400,287.66	-	-
(2)联营企业				
烟台银行股份有限公司	1,808,300,000.00	2,251,588,726.55	-	-
青岛新恒力投资发展有限公司	312,000,000.00	546,968,185.09	-	-
龙口海通房地产开发有限公司	280,307,671.37	277,104,303.00	-	-
青岛南信投资有限公司	245,000,000.00	-	-	-
北京融创南山房地产有限公司	1,020,000.00	970,559.00	-	-
LN Development (Stirling) Pte Ltd	9,570,876.00	73,663,184.77	-	-
W Capital Markets Pte.Ltd	9,236,439.00	9,275,486.09	-	-
珠海横琴南山开源资产管理有限公司	2,000,000.00	1,605,003.39	-	1,605,003.39
国家管网集团南山（山东）天然气有限公司	10,000,000.00	9,843,570.84	-	-
龙口市顺和建材有限公司	4,000,000.00	-	4,000,000.00	-
山东裕龙石化产业园发展有限公司	900,000,000.00	-	900,000,000.00	-
长春富晟南山汽车铝业有限公司	4,900,000.00	-	4,900,000.00	-
北海新奥华恒物流有限公司	12,000,000.00	-	32,730,364.13	-
渤海恒通轮渡有限公司	44,000,000.00	-	42,955,709.94	-
重庆祥泰燃气有限公司	87,933,040.68	-	91,208,933.31	-
合　计	3,970,857,627.05	3,200,883,395.56	1,075,795,007.38	1,605,003.39

续上表：

被投资单位名称	本期变动			
	权益法下确认的投资损益	其他综合收益变动	其他权益变动	宣告发放现金股利或利润
(1)合营企业				
海南万宁弘基置业有限公司	5,000.00	-	-	-

被投资单位名称	本期变动			
	权益法下确认的投资损益	其他综合收益变动	其他权益变动	宣告发放现金股利或利润
南山（海南万宁）置业有限公司	-	-	-	-
烟台南山融创置业有限公司	-	-	-	-
南山飞卓宇航工业有限公司	-834,459.19	-	-	-
(2)联营企业				
烟台银行股份有限公司	75,301,130.08	-24,274,900.00	522,452,830.19	-
青岛新恒力投资发展有限公司	113,601,182.41	-	-	275,168,400.00
龙口海通房地产开发有限公司	-364,183.41	-	-	-
青岛南信投资有限公司	-	-	-	-
北京融创南山房地产有限公司	-232.87	-	-	-
LN Development (Stirling) Pte Ltd	147,413,908.75	-6,990,120.61	-	-
W Capital Markets Pte.Ltd	-2,284,979.42	-379,907.43	-	-
珠海横琴南山开源资产管理有限公司	-	-	-	-
国家管网集团南山（山东）天然气有限公司	-1,165,928.70	-	-	-
龙口市顺和建材有限公司	4,199,581.85	-	-	-
山东裕龙石化产业园发展有限公司	-6,357,069.98	-	-	-
长春富晟南山汽车铝业有限公司	-473,033.76	-	-	-
北海新奥华恒物流有限公司	915,497.50	-	-	-
渤海恒通轮渡有限公司	-119,636.06	-	-	-
重庆祥泰燃气有限公司	1,426,413.98	-	-	-
合　计	331,263,191.18	-31,644,928.04	522,452,830.19	275,168,400.00

续上表：

被投资单位名称	本期变动		期末数	减值准备期末余额
	计提减值准备	其他		
(1)合营企业				
海南万宁弘基置业有限公司	-	-	9,469,089.17	-
南山（海南万宁）置业有限公司	-	-	-	-
烟台南山融创置业有限公司	-	-	-	-

被投资单位名称	本期变动		期末数	减值准备期末余额
	计提减值准备	其他		
南山飞卓宇航工业有限公司	-	-	19,565,828.47	-
(2)联营企业				
烟台银行股份有限公司	-	-	2,825,067,786.82	-
青岛新恒力投资发展有限公司	-	-	385,400,967.50	-
龙口海通房地产开发有限公司	-	-	276,740,119.59	-
青岛南信投资有限公司	-	-	-	-
北京融创南山房地产有限公司	-	-	970,326.13	-
LN Development (Stirling) Pte Ltd	-	-	214,086,972.91	-
W Capital Markets Pte.Ltd	-	-	6,610,599.24	-
珠海横琴南山开源资产管理有限公司	-	-	-	-
国家管网集团南山（山东）天然气有限公司	-	-	8,677,642.14	-
龙口市顺和建材有限公司	-	-	8,199,581.85	-
山东裕龙石化产业园发展有限公司	-	-	893,642,930.02	-
长春富晟南山汽车铝业有限公司	-	-	4,426,966.24	-
北海新奥华恒物流有限公司	-	-	33,645,861.63	-
渤海恒通轮渡有限公司	-	-	42,836,073.88	-
重庆祥泰燃气有限公司	-	-	92,635,347.29	--
合　计	-	-	4,821,976,092.88	-

3．期末未发现长期股权投资存在明显减值迹象，故未计提减值准备。

（十八）其他权益工具投资

1．明细情况

项　目	期末数	期初数
Healthsciences	7,101,216.00	7,450,416.00
PAAM Real Estate Investment I P/L	-	56,286,938.81
PAAM Real Estate Investment II P/L	327,464,646.15	351,610,483.15
Romeciti Maquarie Pavilion	458,726,662.04	448,267,448.73

项　目	期末数	期初数
爱康飞机有限公司	398,470,000.00	398,470,000.00
澳洲维珍航空	-	1,235,348,249.72
北京汇冠新技术股份有限公司	5,545.10	44,366,204.72
天珑科技集团股份有限公司	107,142,855.00	299,999,994.00
国开厚德（北京）投资基金有限公司	50,000,000.00	50,000,000.00
恒丰银行股份有限公司	4,017,136,751.00	4,017,136,751.00
龙口柳海矿业有限公司	39,072,600.00	39,072,600.00
龙口南润磐石投资合伙企业（有限合伙）	-	5,500.00
龙口南山茂行投资合伙企业（有限合伙）	50.00	50.00
龙口南山泰盛投资合伙企业（有限合伙）	1,092.00	5,700.00
龙口南山新裕投资合伙企业（有限合伙）	-	100.00
龙口南山中油天然气有限公司	40,090,000.00	40,090,000.00
龙口新成并购投资合伙企业（有限合伙）	-	6,225,000.00
龙口中银富登南山村镇银行股份有限公司	20,000,000.00	20,000,000.00
明诚致慧（杭州）股权投资有限公司	100,000,000.00	100,000,000.00
平潭万成股权投资中心（有限合伙）	10,000,000.00	10,000,000.00
青岛海阁置业有限公司	9,176,535.99	9,176,535.99
青岛海嘉置业有限公司	4,900,000.00	4,900,000.00
青岛海坤置业有限公司	5,000,000.00	5,000,000.00
青岛海澜置业有限公司	8,856,653.99	8,856,653.99
青岛海泉置业有限公司	4,900,000.00	4,900,000.00
青岛海上置业有限公司	4,900,000.00	4,900,000.00
青岛海轩置业有限公司	9,288,325.91	9,288,325.91
上海新文化传媒集团股份有限公司	300,075,000.00	300,075,000.00
深圳博厚悠远投资合伙企业（有限合伙）	-	100.00
深圳大成价值投资合伙企业（有限合伙）	120,000.85	120,000.85
深圳南山新成股权投资合伙企业(有限合伙）	149,583,950.00	149,583,950.00
深圳南山中航无人系统股权投资基金合	61,962,121.09	83,939,393.94

项　目	期末数	期初数
伙企业（有限合伙）		
深圳磐石千和新材料及高端装备投资合伙企业（有限合伙）	139,800,000.00	215,700,000.00
深圳市融泰中和一号股权投资合伙企业（有限合伙）	26,236,992.00	26,236,992.00
天津亚亨投资管理合伙企业（有限合伙）	-	1,508,860.80
新余南山长腾投资合伙企业（有限合伙）	51,217,647.00	51,217,647.00
烟台南晟投资合伙企业	14,000,000.00	14,000,000.00
烟台盛坤投资合伙企业	11,400,000.00	11,400,000.00
中关村科技租赁有限公司	99,900,000.00	99,900,000.00
中泰证券股份有限公司	2,000,000.00	2,000,000.00
深圳南山大成新材料投资合伙企业(有限合伙)	92,000,000.00	-
GO PEOPLE　PTY LTD	13,154,775.22	-
AC Bridge International Group PTY LTD	501,630.00	-
青岛南信远海置业有限公司	9,800,000.00	-
合　计	6,593,985,049.34	8,127,038,896.61

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”

2．非交易性权益工具投资

项目名称	确认的股利收入	累计利得	累计损失	其他综合收益转入留存收益的金额	指定为以公允价值计量且其变动计入其他综合收益的原因	其他综合收益转入留存收益的原因
Healthsciences	-	-	-	-	注1	-
PAAM Real Estate Investment I P/L	-	-	-	-	注1	-
PAAM Real Estate Investment II P/L	-	-	-	-	注1	-
Romeciti Maquarie Pavilion 信托项目	-	-	-	-	注1	-
爱康飞机有限公司	-	-	-	-	注1	-
澳洲维珍航空	-	-	2,240,143,334.54	2,240,143,334.54	注1	破产清算
北京汇冠新技术股份有限公司	-	-	76,800,901.82	76,800,901.82	注1	处置
天珑科技集团股份有限公司	-	-	192,857,139.00	-	注1	-
国开厚德（北京）投资基金有限公司	8,695,652.17	-	-	-	注1	-
恒丰银行股份有限公司	-	-	-	-	注1	-
龙口柳海矿业有限公司	-	-	-	-	注1	-
龙口南润磐石投资合伙企业（有限合伙）	660.00	-	-	-	注1	-
龙口南山茂行投资合伙企业（有限合伙）	-	-	-	-	注1	-
龙口南山泰盛投资合伙企业（有	-	-	-	-	注1	-

项目名称	确认的股利收入	累计利得	累计损失	其他综合收益转入留存收益的金额	指定为以公允价值计量且其变动计入其他综合收益的原因	其他综合收益转入留存收益的原因
限合伙）						
龙口南山新裕投资合伙企业(有限合伙）	8.14	-	-	-	注 1	-
龙口南山中油天然气有限公司	-	-	-	-	注 1	-
龙口新成并购投资合伙企业(有限合伙）	58,380.00	358,380.00	-	-358,380.00	注 1	投资项目结束
龙口中银富登南山村镇银行股份有限公司	-	-	-	-	注 1	-
明诚致慧（杭州）股权投资有限公司	-	-	-	-	注 1	-
平潭万成股权投资中心(有限合伙）	-	-	-	-	注 1	-
青岛海阁置业有限公司	-	-	-	-	注 1	-
青岛海嘉置业有限公司	-	-	-	-	注 1	-
青岛海坤置业有限公司	-	-	-	-	注 1	-
青岛海澜置业有限公司	-	-	-	-	注 1	-
青岛海泉置业有限公司	-	-	-	-	注 1	-
青岛海上置业有限公司	-	-	-	-	注 1	-
青岛海轩置业有限公司	-	-	-	-	注 1	-

项目名称	确认的股利收入	累计利得	累计损失	其他综合收益转入留存收益的金额	指定为以公允价值计量且其变动计入其他综合收益的原因	其他综合收益转入留存收益的原因
上海新文化传媒集团股份有限公司	-	-	-	-	注1	-
深圳博厚悠远投资合伙企业(有限合伙)	-	-	-	-	注1	-
深圳大成价值投资合伙企业(有限合伙)	-	-	-	-	注1	-
深圳南山新成股权投资合伙企业（有限合伙）	-	-	-	-	注1	-
深圳南山中航无人系统股权投资基金合伙企业（有限合伙）	-	-	-	-	注1	-
深圳磐石千和新材料及高端装备投资合伙企业（有限合伙）	-	-	-	-	注1	-
深圳市融泰中和一号股权投资合伙企业（有限合伙）	-	-	-	-	注1	-
天津亚亨投资管理合伙企业(有限合伙)	-	15,374.60	36,771,865.60	36,756,491.00	注1	处置
新余南山长腾投资合伙企业(有限合伙)	-	-	-	-	注1	-
烟台南晟投资合伙企业	-	-	-	-	注1	-
烟台盛坤投资合伙企业	-	-	-	-	注1	-
中关村科技租赁有限公司	3,745,000.00	-	-	-	注1	-
中泰证券股份有限公司	-	-	-	-	注1	-

项目名称	确认的股利收入	累计利得	累计损失	其他综合收益转入留存收益的金额	指定为以公允价值计量且其变动计入其他综合收益的原因	其他综合收益转入留存收益的原因
深圳南山大成新材料投资合伙企业（有限合伙）	-	-	-	-	注 1	-
GO PEOPLE PTY LTD	-	-	-	-	注 1	-
AC Bridge International Group PTY LTD	-	-	-	-	注 1	-
青岛南信远海置业有限公司	-	-	-	-	注 1	
合 计	12,499,700.31	373,754.60	2,546,573,240.96	2,353,342,347.36		

[注 1] 企业在初始确认时，将非交易性权益工具投资指定为以公允价值计量且其变动计入其他综合收益的金融资产，列报为其他权益工具投资。

（十九）其他非流动金融资产

项　目	期末数	期初数
山东科融天使创业投资合伙企业(有限合伙)	10,000,000.00	10,000,000.00
信托产品	233,710,000.00	327,230,000.00
深圳南山大成新材料投资合伙企业(有限合伙)	21,000,000.00	43,000,000.00
合　计	264,710,000.00	380,230,000.00

说明：依据新金融工具准则，公司对期初数进行调整，详见“附注三(四十二)”。

（二十）投资性房地产

1．明细情况

项　目	期初数	本期增加				本期减少		期末数
		外购	存货/固定资产/在建工程转入	企业合并增加	其他	处置	其他转出	
(1)账面原值								
房屋及建筑物	1,515,006,175.48	347,663.70	-	10,435,338.58	-	-	70,950,319.64	1,454,838,858.12
土地使用权	171,617,019.55	-	-	20,891,588.74	-	-	7,556,299.08	184,952,309.21
合　计	1,686,623,195.03	347,663.70	-	31,326,927.32	-	-	78,506,618.72	1,639,791,167.33
(2)累计折旧/摊销		计提/摊销						
房屋及建筑物	50,064,611.70	13,065,630.38	-	1,226,787.25	-	-	2,337,509.42	62,019,519.91
土地使用权	16,548,564.89	1,904,991.10	-	1,125,472.64	-	-	728,080.95	18,850,947.68
合　计	66,613,176.59	14,970,621.48	-	2,352,259.89	-	-	3,065,590.37	80,870,467.59
(3)减值准备		计提						
房屋及建筑物	-	-	-	126,645.05	-	-	-	126,645.05
土地使用权	-	-	-	-	-	-	-	-
合　计	-	-	-	126,645.05	-	-	-	126,645.05
(4)账面价值	-	-	-	-	-	-	-	-

项　目	期初数	本期增加				本期减少		期末数
		外购	存货/固定资产/在建工程转入	企业合并增加	其他	处置	其他转出	
房屋及建筑物	1,464,941,563.78	-	-	-	-	-	-	1,392,692,693.16
土地使用权	155,068,454.66	-	-	-	-	-	-	166,101,361.53
合　计	1,620,010,018.44	-	-	-	-	-	-	1,558,794,054.69

2. 截止 2020 年 12 月 31 日无用于担保的投资性房地产。

3. 本期投资性房地产原值及累计摊销中减少额的其他包括因汇率变动影响的金额。

(二十一) 固定资产

1. 明细情况

项　目	期末数	期初数
固定资产	36,231,549,295.92	36,875,029,812.45
固定资产清理	-	-
合　计	36,231,549,295.92	36,875,029,812.45

2. 固定资产

(1) 明细情况

项　目	期初数	本期增加	本期减少	期末数

		购置	在建工程转入	企业合并增加	其他	处置或报废	其他	
(1)账面原值								
房屋及建筑物	22,315,928,305.96	231,799,092.78	577,353,460.30	308,056,980.56	24,926,487.95	63,811,261.23	128,282,100.94	23,265,970,965.38
机器设备	34,080,993,832.93	152,823,178.26	331,731,530.37	176,805,582.37	1,371,398.12	178,270,898.58	73,294,209.49	34,492,160,413.98
运输工具	1,075,715,838.98	63,977,141.42	725,663.72	533,740,399.84	11,695,606.41	81,216,748.01	1,972,929.67	1,602,664,972.69
电子及其他设备	1,857,853,959.28	64,225,900.97	1,017,412.00	40,921,274.63	265,873.62	19,550,681.40	3,166,200.59	1,941,567,538.51
小　计	59,330,491,937.15	512,825,313.43	910,828,066.39	1,059,524,237.40	38,259,366.10	342,849,589.22	206,715,440.69	61,302,363,890.56
(2)累计折旧		计提						
房屋及建筑物	5,274,241,508.94	595,230,381.25	-	64,009,443.26	876,937.27	28,385,674.17	21,313,544.01	5,884,659,052.54
机器设备	15,843,412,985.05	1,716,195,675.85	-	71,453,593.66	2,869,036.98	165,208,384.69	31,668,860.49	17,437,054,046.36
运输工具	475,822,508.50	63,295,091.52	-	289,959,965.87	12,108,460.29	26,885,650.30	375,280.68	813,925,095.20
电子及其他设备	861,472,122.21	63,086,710.20	-	32,956,589.78	323,871.97	18,565,663.32	4,610,230.30	934,663,400.54
小　计	22,454,949,124.70	2,437,807,858.82	-	458,379,592.57	16,178,306.51	239,045,372.48	57,967,915.48	25,070,301,594.64
(3)减值准备		计提						
房屋及建筑物	-	-	-	-	-	-	-	-
机器设备	-	-	-	-	-	-	-	-
运输工具	-	-	-	-	-	-	-	-

项　目	期初数	本期增加				本期减少		期末数
		购置	在建工程转入	企业合并增加	其他	处置或报废	其他	
电子及其他设备	513,000.00	-	-	-	-	-	-	513,000.00
小　计	513,000.00	-	-	-	-	-	-	513,000.00
(4)账面价值								
房屋及建筑物	17,041,686,797.02	-	-	-	-	-	-	17,381,311,912.84
机器设备	18,237,580,847.88	-	-	-	-	-	-	17,055,106,367.62
运输工具	599,893,330.48	-	-	-	-	-	-	788,739,877.49
电子及其他设备	995,868,837.07	-	-	-	-	-	-	1,006,391,137.97
小　计	36,875,029,812.45	-	-	-	-	-	-	36,231,549,295.92

[注]本期折旧额 2,437,807,858.82 元。本期增加中由在建工程中转入的固定资产原值 910,828,066.39 元。期末已提足折旧仍继续使用的固定资产原值 1,570,147,681.55 元。

(2)本报告期公司无暂时闲置的固定资产。

(3)期末无经营租赁租出的固定资产。

(4)未办妥产权证书的固定资产情况说明

项　目	账面价值	未办妥产权证书原因
工业材挤压车间	127,659,313.53	正在办理
工业材氮化车间	15,357,899.51	正在办理
三连轧成品库	43,047,827.09	正在办理
工业材深加工车间	9,551,127.29	正在办理
工业材仓库	9,864,509.64	正在办理
铝材氧化车间	44,241,738.11	正在办理
铝材成品库	21,253,239.46	正在办理
铝材挤压车间	34,090,908.44	正在办理
铝材喷涂车间	13,410,720.29	正在办理
110KV 变电站厂房	7,931,942.75	正在办理
熔铸厂房	24,728,369.12	正在办理
钢结构厂房	83,304,246.12	正在办理
圆锭熔铸厂房	84,870,036.06	正在办理
220KV 变电站厂房	20,047,697.92	正在办理
150MN 挤压车间	149,336,379.80	正在办理
东海圆锭车间	15,866,302.04	正在办理
锻造-办公楼	4,039,140.82	正在办理
锻造厂房	357,658,018.35	正在办理
4 万吨铝箔厂房	70,034,311.49	正在办理
4 万吨铝箔综合仓库	21,017,972.78	正在办理
一期脱硫工艺楼	5,418,406.31	正在办理
力学性能试验厂房	8,029,290.20	正在办理
锻造变电站	16,468,855.28	正在办理
中试车间实验中心厂房	18,649,554.54	正在办理

项　目	账面价值	未办妥产权证书原因
锻造表面处理车间	13,422,550.96	正在办理
中厚板 110kV 变电站	8,621,120.31	正在办理
中厚板废料打包间	6,559,601.44	正在办理
中厚板备品备件库	6,155,229.15	正在办理
动力机修间厂房	5,262,608.68	正在办理
南山铝业展馆	16,506,570.41	正在办理
铝材立体仓库及附属	35,031,501.59	正在办理
铝材挤压、喷涂车间	120,611,493.48	正在办理
海水淡化车间	24,378,480.30	正在办理
中厚板成品库	12,401,731.93	正在办理
精纺污水处理厂	3,829,545.00	正在办理
合　计	1,458,658,240.19	-

(5)期末用于借款抵押的固定资产详见本附注五(七十一)所有权或使用权受到限制的资产。

(二十二) 在建工程

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
在建工程	18,347,132,041.22	-	18,347,132,041.22	18,329,339,658.35	-	18,329,339,658.35
工程物资	5,685,123.74	-	5,685,123.74	3,708,220.87	-	3,708,220.87
合　计	18,352,817,164.96	-	18,352,817,164.96	18,333,047,879.22	-	18,333,047,879.22

2．在建工程

(1)明细情况

工程名称	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
东海开发	10,533,293,961.05	-	10,533,293,961.05	13,811,480,602.62	-	13,811,480,602.62
铝热工程	6,041,463,483.29	-	6,041,463,483.29	3,563,768,894.99	-	3,563,768,894.99

工程名称	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
其他	1,772,374,596.88	-	1,772,374,596.88	954,090,160.74	-	954,090,160.74
小　计	18,347,132,041.22	-	18,347,132,041.22	18,329,339,658.35	-	18,329,339,658.35

(2)重大在建工程增减变动情况

工程名称	预算数(万元)	期初余额	本期增加	本期转入固定资产	本期其他减少	期末余额
东海开发	2,000,000.00	13,811,480,602.62	664,315,484.49	369,990,152.13	3,572,511,973.93	10,533,293,961.05
印尼宾坦南山工业园 100 万吨氧化铝	568,539.30	1,250,161,294.70	2,380,091,307.94	5,254,276.84	-	3,624,998,325.80
年产 1.4 万吨大型精密模锻件	150,950.00	85,342,132.74	207,467.59	85,549,600.33	-	-
航空航天用高强高韧高端铝合金生产线技术改造	104,262.00	988,147,317.09	217,041,525.17	91,596,164.56	-	1,113,592,677.70
零星工程	-	344,431,454.57	33,325,215.16	254,947,525.49	1,566,037.62	121,243,106.62
汽车轻量化铝板生产线	156,444.00	866,621,160.03	129,142,062.63	27,410,352.30	-	968,352,870.36
高性能高端铝箔生产线	45,309.00	25,095,605.44	105,472,050.60	-	-	130,567,656.04
印尼宾坦南山工业园氧化铝项目二期	306,849.47	-	74,959,289.47	-	-	74,959,289.47
小　计	3,332,353.77	17,371,279,567.19	3,604,554,403.05	834,748,071.65	3,574,078,011.55	16,567,007,887.04

续上表：

工程名称	工程投入占预算比例(%)	工程进度(%)	利息资本化累计金额	其中：本期利息资本化金额	本期利息资本化率(%)	资金来源
东海开发	72.00	-	3,691,811,684.80	524,274,544.42	-	自有资金
印尼宾坦南山工业园 100 万吨氧化铝	64.00	90.00	-	-	-	募集资金/自有资金
年产 1.4 万吨大型精密模锻件	-	-	48,332,544.91	-	-	自有资金
航空航天用高强高韧高端铝合金生产线技术改造	107.00	97.00	-	-	-	自有资金

工程名称	工程投入占预算比例(%)	工程进度(%)	利息资本化累计金额	其中：本期利息资本化金额	本期利息资本化率(%)	资金来源
零星工程	-	-	-	-	-	自有资金
汽车轻量化铝板生产线	62.00	80.00	-	-	-	自有资金
高性能高端铝箔生产线	29.00	50.00	-	-	-	自有资金
印尼宾坦南山工业园氧化铝项目二期	3.00	7.00	-	-	-	自有资金
小　计	-	-	3,740,144,229.71	524,274,544.42	-	-

(3)本期末未发现在建工程存在明显减值迹象，故未计提减值准备。

(4)截止 2020 年 12 月 31 日无用于借款抵押的在建工程。

3．工程物资

(1)明细情况

项　目	期末数	期初数
专用材料	5,685,123.74	3,708,220.87

(2)期末未发现工程物资存在明显减值迹象，故未计提减值准备。

（二十三）无形资产

1．明细情况

项　目	期初数	本期增加				本期减少		期末数
		购置	内部研发	企业合并增加	其他	处置	其他转出	
(1)账面原值								
土地使用权	7,569,880,380.24	85,580,390.46	-	183,299,372.72	540,838.59	29,528,234.19	108,154,877.74	7,701,617,870.08
软件	23,162,021.30	5,069,059.06	-	32,041,047.02	137,748.00	583,772.13	53,508.49	59,772,594.76
商标权	180,700.00	-	-	-	-	-	-	180,700.00
其他	40,993,428.47	125,333,123.45	-	-	1,566,303.92	-	377,382.90	167,515,472.94
海域使用权	-	1,610,213,862.00	-	-	-	-	-	1,610,213,862.00
采矿权	-	270,745,950.80	-	3,000,000.00	-	-	3,000,000.00	270,745,950.80
合　计	7,634,216,530.01	2,096,942,385.77	-	218,340,419.74	2,244,890.51	30,112,006.32	111,585,769.13	9,810,046,450.58
(2)累计摊销		计提	其他			处置	其他	
土地使用权	1,455,979,554.77	131,221,633.45	-	20,372,979.48	540,838.59	6,025,605.44	5,051,569.18	1,597,037,831.67
软件	18,016,395.14	5,116,574.85	-	17,381,530.08	137,748.00	583,772.13	45,300.62	40,023,175.32
商标权	103,902.27	18,069.96	-	-	-	-	-	121,972.23

项　目	期初数	本期增加				本期减少		期末数
		购置	内部研发	企业合并增加	其他	处置	其他转出	
其他	18,739,946.54	5,319,328.86	-	-	266.30	-	179,440.69	23,880,101.01
海域使用权	-	8,052,679.53	-	-	-	-	-	8,052,679.53
采矿权	-	-	-	-	-	-	-	-
合　计	1,492,839,798.72	149,728,286.65	-	37,754,509.56	678,852.89	6,609,377.57	5,276,310.49	1,669,115,759.76
(3)减值准备		计提	其他			处置	其他	
土地使用权	-	-	-	-	-	-	-	-
软件	-	-	-	-	-	-	-	-
商标权	-	-	-	-	-	-	-	-
其他	-	-	-	-	-	-	-	-
海域使用权	-	-	-	-	-	-	-	-
采矿权	-	-	-	-	-	-	-	-
合　计	-	-	-	-	-	-	-	-
(4)账面价值								
土地使用权	6,113,900,825.47	-	-	-	-	-	-	6,104,580,038.41

项　目	期初数	本期增加				本期减少		期末数
		购置	内部研发	企业合并增加	其他	处置	其他转出	
软件	5,145,626.16	-	-	-	-	-	-	19,749,419.44
商标权	76,797.73	-	-	-	-	-	-	58,727.77
其他	22,253,481.93	-	-	-	-	-	-	143,635,371.93
海域使用权	-	-	-	-	-	-	-	1,602,161,182.47
采矿权	-	-	-	-	-	-	-	270,745,950.80
合　计	6,141,376,731.29	-	-	-	-	-	-	8,140,930,690.82

[注]本期摊销额 149,728,286.65 元，公司无通过内部研发形成的无形资产。

2．期末未发现无形资产存在明显减值迹象，故未计提减值准备。

3．期末用于抵押或担保的无形资产详见本附注五(七十一)“所有权或使用权受到限制的资产”。

4．本期无形资产原值和累计摊销增加额和减少额中的其他包括因汇率变动影响的金额。

（二十四）商誉

1. 商誉账面原值

被投资单位名称或形成商誉的事项	期初余额	本期增加		本期减少		期末余额
		企业合并形成	其他	处置	其他	
恒通物流股份有限公司	-	812,431,088.46	-	-	-	812,431,088.46

2. 本期形成的商誉详见本财务报表附注六(一)“非同一控制下企业合并”中相关说明。

（二十五）长期待摊费用

项　目	期初数	本期增加	本期摊销	其他减少	期末数
大修费、启动费	58,578,009.68	216,844,245.99	73,526,498.80	-	201,895,756.87
其他	43,131,466.00	20,867,586.68	4,738,107.84	-	59,260,944.84
合　计	101,709,475.68	237,711,832.67	78,264,606.64	-	261,156,701.71

[注]其他为土地补偿摊销、设备设施维护摊销等。

（二十六）递延所得税资产/递延所得税负债

1. 未经抵销的递延所得税资产

项　目	期末数		期初数	
	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异	递延所得税资产
未到期责任准备	3,815,183.67	953,795.92	4,958,068.60	1,239,517.15
担保赔偿准备	58,308,311.50	14,577,077.88	58,320,908.36	14,580,227.09
坏账准备	318,536,593.34	63,090,747.78	185,602,197.77	30,427,512.98
合同资产减值准备	-	-	-	-
存货跌价准备或合同履约成本减值准备	101,754,143.94	16,853,370.01	68,985,404.79	12,043,957.24
长期股权投资减值准备	-	-	-	-
固定资产折旧计提	-	-	-	-
固定资产减值准备	513,000.00	76,950.00	513,000.00	76,950.00
待弥补亏损	185,247,697.12	36,063,350.92	717,770,638.37	152,273,263.67
递延收益	39,710,785.47	5,994,117.85	41,930,803.59	6,333,370.57
公允价值变动损益	29,505,048.24	7,376,262.12	1,531,753.68	382,938.42
无形资产摊销	-	-	-	-

项　目	期末数		期初数	
	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异	递延所得税资产
贷款损失准备	24,562,884.52	6,140,721.13	61,305,442.16	15,326,360.54
其他综合收益	1,572,900.00	235,935.00	4,248,002.34	644,758.99
资产计税价值的差异	14,659,374.74	3,664,843.68	14,986,257.92	3,746,564.48
未实现内部利润	298,644,580.99	61,523,139.12	330,881,158.86	71,541,376.84
合　计	1,076,830,503.53	216,550,311.41	1,491,033,636.44	308,616,797.97

2．未经抵销的递延所得税负债

项　目	期末数		期初数	
	应纳税暂时性差异	递延所得税负债	应纳税暂时性差异	递延所得税负债
公允价值变动损益	114,028,232.40	28,507,058.10	8,733,198.90	1,309,979.84
其他综合收益	1,841,425.00	276,213.75	3,623,881.46	711,797.87
其他	8,400,904.96	2,100,226.24	33,186,354.52	8,296,588.63
合　计	124,270,562.36	30,883,498.09	45,543,434.88	10,318,366.34

3.未确认递延所得税资产明细

项　目	期末数	期初数
可抵扣暂时性差异	17,233,799.93	58,355,561.20
可抵扣亏损	2,034,697,327.95	1,166,248,852.97
小　计	2,051,931,127.88	1,224,604,414.17

（二十七）其他非流动资产

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
股权分置流通权	307,370,229.05	-	307,370,229.05	307,370,229.05	-	307,370,229.05
预付长期资产购建款项	633,125,875.82	-	633,125,875.82	703,242,796.33	-	703,242,796.33
其他	1,828,033,483.68	-	1,828,033,483.68	33,249,959.00	-	33,249,959.00
合　计	2,768,529,588.55	-	2,768,529,588.55	1,043,862,984.38	-	1,043,862,984.38

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．预付长期资产购建款项期末余额主要明细如下

单位名称	与本公司关系	期末余额	预付款时间	未结算原因
第一名	非关联方	41,744,033.28	2020 年	合同预付款
第二名	非关联方	41,526,208.76	2020 年	合同预付款
第三名	非关联方	34,834,400.00	2020 年	合同预付款
第四名	非关联方	21,118,682.91	2020 年	合同预付款
第五名	非关联方	18,541,767.48	2020 年	合同预付款
合　计		157,765,092.43		

（二十八）短期借款

1．明细情况

借款类别	期末数	期初数
保证借款	6,015,094,633.68	4,926,277,526.14
保理借款	20,894,794.15	150,000,000.00
质押借款	1,084,000,000.00	340,000,000.00
信用借款	6,596,638,251.04	3,839,000,000.00
保证借款+抵押借款	750,065,940.00	-
保证借款+质押借款	500,000,000.00	-
票据贴现融资	2,181,960,000.00	1,983,950,000.00
未到期应付利息	3,327,454.77	-
合　计	17,151,981,073.64	11,239,227,526.14

2．本公司报告期末不存在逾期未偿还的短期借款。

3．外币借款情况详见附注五(七十二)“外币货币性项目”之说明。

（二十九）向中央银行借款

项　目	期末数	期初数
票据再贴现	552,499,494.21	403,323,237.50

（三十）衍生金融负债

1．明细情况

项　目	期末数	期初数
套期工具	1,619,856.51	4,248,002.34

2．报告期末公司的衍生金融负债为持有的有效套期的铝期货合约浮动亏损。

（三十一）应付票据

票据种类	期末数	期初数
银行承兑汇票	6,882,445,404.61	4,640,728,657.12
商业承兑汇票	685,791,190.48	428,576,467.06
合　计	7,568,236,595.09	5,069,305,124.18

[注]本期末无已到期未支付的应付票据。

（三十二）应付账款

1．明细情况

账　龄	期末数	期初数
1年以内	2,800,886,783.85	3,445,365,195.55
1年至2年	513,439,463.34	658,910,589.08
2年至3年	441,438,933.40	559,007,182.50
3年以上	665,340,023.64	929,692,180.56
合　计	4,421,105,204.23	5,592,975,147.69

2．本公司报告期末一年以上的应付账款主要为尚未支付的工程款。

3．外币应付账款情况详见附注五(七十二)“外币货币性项目”之说明。

（三十三）预收款项

1．明细情况

账　龄	期末数	期初数
1年以内	4,096,991.15	-

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．期末预收款项为收到未签订合同的土地转让款及预收设备租赁款。

3．报告期公司预收款项中无账龄超过1年的大额预收款项。

（三十四）合同负债

项　目	期末数	期初数
预收款	3,017,158,683.71	2,939,755,495.45

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

（三十五）卖出回购金融资产

项　目	期末数	期初数
银行同业及其他金融机构-债券	604,500,000.00	862,100,000.00
未到期应付利息	24,842.47	55,579.26
合　计	604,524,842.47	862,155,579.26

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

[注]卖出回购金融资产为公司控股子公司南山集团财务有限公司办理的回购业务。

（三十六）吸收存款及同业存放

项　目	期末数	期初数
吸收成员单位活期存款	1,255,362,580.28	65,946,569.03
未到期应付利息	4,553,928.37	4,979,067.29
合　计	1,259,916,508.65	70,925,636.32

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

[注]为公司控股子公司南山集团财务有限公司吸收成员单位存款。

（三十七）应付职工薪酬

1．明细情况

项　目	期初数	本期增加	本期减少	期末数
(1)短期薪酬	858,546,606.37	3,116,465,433.99	2,984,484,607.56	990,527,432.80
(2)离职后福利—设定提存计划	1,695,618.85	112,879,781.85	114,355,297.72	220,102.98
(3)辞退福利	-	-	-	-
(4)其他一年内到期的其他福利	-	-	-	-
合　计	860,242,225.22	3,229,345,215.84	3,098,839,905.28	990,747,535.78

2．短期薪酬

项　目	期初数	本期增加	本期减少	期末数
(1)工资、奖金、津贴和补贴	467,210,427.31	2,914,038,674.29	2,845,172,609.67	536,076,491.93
(2)职工福利费	2,497,118.42	31,933,066.58	31,558,720.43	2,871,464.57
(3)社会保险费	559,081.76	66,641,772.42	67,047,141.95	153,712.23
其中：医疗保险费	425,264.54	59,649,887.89	59,923,423.74	151,728.69
工伤保险费	77,102.35	6,172,135.12	6,247,253.93	1,983.54
生育保险费	56,714.87	260,646.85	317,361.72	-
其他	-	559,102.56	559,102.56	-
(4)住房公积金	1,725,766.01	28,706,196.44	29,053,282.80	1,378,679.65
(5)工会经费和职工教育经费	386,465,203.39	72,708,529.68	9,274,165.18	449,899,567.89
(6)其他短期薪酬	89,009.48	2,437,194.58	2,378,687.53	147,516.53
(7)短期利润分享计划	-	-	-	-
小　计	858,546,606.37	3,116,465,433.99	2,984,484,607.56	990,527,432.80

3．设定提存计划

项　目	期初数	本期增加	本期减少	期末数
(1)基本养老保险	1,329,165.64	108,526,039.41	109,636,529.88	218,675.17
(2)失业保险费	366,453.21	4,353,742.44	4,718,767.84	1,427.81
(3)企业年金缴费	-	-	-	-
小　计	1,695,618.85	112,879,781.85	114,355,297.72	220,102.98

（三十八）应交税费

项　目	期末数	期初数
增值税	271,547,438.05	215,974,870.95
消费税	507,062.66	11,822,016.26
城市维护建设税	51,230,990.60	10,877,157.03
企业所得税	1,149,061,385.38	890,347,110.80
房产税	25,306,335.37	25,607,613.14
土地增值税	27,121,181.29	41,418,896.21
土地使用税	13,012,861.86	13,896,404.09

项　目	期末数	期初数
教育费附加	9,530,032.83	4,712,478.10
地方教育附加	4,849,948.89	3,441,487.58
水利建设专项资金	3,278,516.10	2,305,290.84
代扣代缴个人所得税	1,673,366.91	2,094,417.87
其他	12,193,112.82	12,537,619.92
合　计	1,569,312,232.76	1,235,035,362.79

（三十九）其他应付款

1．明细情况

项　目	期末数	期初数
应付利息	384,626,961.08	666,184,535.44
应付股利	6,107,297.49	6,107,297.49
其他应付款	4,631,161,374.11	4,545,232,234.29
合　计	5,021,895,632.68	5,217,524,067.22

说明：依据新金融工具准则，对期初数进行调整，详见“附注三(四十二)”。

2．应付利息

(1)明细情况

项　目	期末数	期初数
企业借款利息	49,859,453.96	44,577,412.90
企业债券利息	334,767,507.12	621,607,122.54
小　计	384,626,961.08	666,184,535.44

(2)本公司报告期末不存在逾期未偿还的应付利息。

3．应付股利

项　目	期末数	期初数
普通股股利	6,107,297.49	6,107,297.49

4．其他应付款

(1)明细情况

项　目	期末数	期初数
单位往来款项	3,119,428,988.71	3,333,849,668.57

项　目	期末数	期初数
个人往来款项	258,459,639.27	333,078,342.99
保证金、押金	241,353,280.13	246,175,813.85
股东出资	175,940,450.54	368,990,841.67
其他	835,979,015.46	263,137,567.21
小　计	4,631,161,374.11	4,545,232,234.29

[注] 截止 2020 年 12 月 31 日其他应付款中股东出资为本公司之子公司南山铝业之控股子公司的少数股东实际投资额超过其认缴注册资本的部分，金额为 175,940,450.54 元，因未完成法定变更程序，暂记入其他应付款。

(2)外币其他应付款情况详见附注五(七十二)“外币货币性项目”之说明。

(四十) 一年内到期的非流动负债

1．明细情况

项　目	期末数	期初数
一年内到期的长期借款	1,665,105,679.77	2,636,892,038.08
一年内到期的应付债券	5,694,490,080.70	3,212,798,578.19
一年内到期的长期应付款	735,988,022.95	250,899,590.39
合　计	8,095,583,783.42	6,100,590,206.66

2．一年内到期的长期借款

(1)明细情况

借款类别	期末数	期初数
质押借款	66,666,666.64	66,666,666.64
保证借款+抵押借款	1,207,495,722.37	1,142,024,171.44
保证借款	150,943,290.76	350,201,200.00
信用借款	140,000,000.00	578,000,000.00
抵押借款	100,000,000.00	-
保证借款+质押借款	-	500,000,000.00
小　计	1,665,105,679.77	2,636,892,038.08

[注]一年内到期的长期借款中无逾期借款。

(2)金额前 5 名的一年内到期的长期借款

贷款单位	借款起始日	借款到期日	币种	年利率(%)	期末数	
					原币金额	人民币金额
Maybank	2016/6/27	2021/12/31	新加坡币	1.2% + SIBOR	105,419,789.70	519,867,150.93
中国工商银行股份有限公司	2016/8/29	2021/2/25	人民币	4.90	33,333,333.62	33,333,333.62
	2016/8/29	2021/8/25	人民币	4.90	33,333,333.62	33,333,333.62
	2019/4/2	2021/1/3	人民币	5.80	140,000,000.00	140,000,000.00
	2019/4/4	2021/4/20	人民币	4.51	50,000,000.00	50,000,000.00
	2019/4/4	2021/10/20	人民币	4.51	50,000,000.00	50,000,000.00
	2015/12/22	2021/3/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/6/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/9/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/12/15	人民币	4.90	22,857,142.86	22,857,142.86
国开山东分行	2012/6/28	2021/5/20	人民币	4.90	187,350,000.00	187,350,000.00
	2012/6/28	2021/11/20	人民币	4.90	187,350,000.00	187,350,000.00
中国农业银行股份有限公司	2012/6/28	2021/5/20	人民币	4.90	75,000,000.00	75,000,000.00
	2012/6/28	2021/11/20	人民币	4.90	75,000,000.00	75,000,000.00
恒丰银行股份有限公司	2019/12/26	2021/6/26	人民币	5.70	34,000,000.00	34,000,000.00
	2019/12/26	2021/12/26	人民币	5.70	34,000,000.00	34,000,000.00
	2019/12/27	2021/6/27	人民币	5.70	16,000,000.00	16,000,000.00
	2019/12/27	2021/12/27	人民币	5.70	16,000,000.00	16,000,000.00
	2019/12/30	2021/6/30	人民币	5.70	15,000,000.00	15,000,000.00
	2019/12/30	2021/12/30	人民币	5.70	15,000,000.00	15,000,000.00
小　计					-	1,572,662,389.61

续上表：

贷款单位	借款起始日	借款到期日	币种	年利率(%)	期初数	
					原币金额	人民币金额
Maybank	2016/6/27	2021/12/31	新加坡币	1.2% + SIBOR	-	-
中国工商银行股份有限公司	2016/8/29	2021/2/25	人民币	4.90	33,333,333.62	33,333,333.62
	2016/8/29	2021/8/25	人民币	4.90	33,333,333.62	33,333,333.62
	2019/4/2	2021/1/3	人民币	5.80	140,000,000.00	140,000,000.00
	2019/4/4	2021/4/20	人民币	4.51	50,000,000.00	50,000,000.00

贷款单位	借款起始日	借款到期日	币种	年利率(%)	期初数	
					原币金额	人民币金额
	2019/4/4	2021/10/20	人民币	4.51	50,000,000.00	50,000,000.00
	2015/12/22	2021/3/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/6/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/9/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2021/12/15	人民币	4.90	22,857,142.86	22,857,142.86
国开山东分行	2012/6/28	2021/5/20	人民币	4.90	187,350,000.00	187,350,000.00
	2012/6/28	2021/11/20	人民币	4.90	187,350,000.00	187,350,000.00
中国农业银行股份有限公司	2012/6/28	2021/5/20	人民币	4.90	70,000,000.00	70,000,000.00
	2012/6/28	2021/11/20	人民币	4.90	75,000,000.00	75,000,000.00
恒丰银行股份有限公司	2019/12/26	2021/6/26	人民币	5.70	34,000,000.00	34,000,000.00
	2019/12/26	2021/12/26	人民币	5.70	34,000,000.00	34,000,000.00
	2019/12/27	2021/6/27	人民币	5.70	16,000,000.00	16,000,000.00
	2019/12/27	2021/12/27	人民币	5.70	16,000,000.00	16,000,000.00
	2019/12/30	2021/6/30	人民币	5.70	15,000,000.00	15,000,000.00
	2019/12/30	2021/12/30	人民币	5.70	15,000,000.00	15,000,000.00
小　计					-	1,047,795,238.68

3．一年内到期的应付债券

债券名称	面值	发行日期	期限（年）	发行金额	期初应付利息
15南铝01	500,000,000.00	2015/9/25	5	500,000,000.00	6,672,054.79
15南铝02	1,000,000,000.00	2015/9/25	5	1,000,000,000.00	4,368,061.37
17南山集MTN001	1,000,000,000.00	2017/8/22	3	1,000,000,000.00	21,760,555.54
17南山集MTN002	1,000,000,000.00	2017/10/23	3	1,000,000,000.00	10,829,166.67
15南山02	1,000,000,000.00	2015/12/25	5	1,000,000,000.00	370,954.28
18南山集MTN002	500,000,000.00	2018/10/22	3	500,000,000.00	6,025,138.88
18南山集MTN001	1,000,000,000.00	2018/4/12	3	1,000,000,000.00	42,006,944.46
16南山01	2,500,000,000.00	2016/3/14	5	2,500,000,000.00	82,109,822.49
16南山03	2,400,000,000.00	2016/5/26	5	2,400,000,000.00	2,196,132.00
16南山04	900,000,000.00	2016/8/29	5	900,000,000.00	4,099,440.00

债券名称	面值	发行日期	期限（年）	发行金额	期初应付利息
16 南山 06	700,000,000.00	2016/11/16	5	700,000,000.00	1,011,750.00
16 南山 07	800,000,000.00	2016/11/16	5	800,000,000.00	4,200,000.00
16 南山 05	700,000,000.00	2016/8/29	5	700,000,000.00	13,825,000.00
18 南山 03	1,100,000,000.00	2018/8/17	3	1,100,000,000.00	34,558,333.34
18 南山 01	1,300,000,000.00	2018/4/19	3	1,300,000,000.00	48,995,555.59
小　计	16,400,000,000.00			16,400,000,000.00	283,028,909.41

续上表：

债券名称	本期应计利息	本期已付利息	期末应付利息	期末余额
15 南铝 01	-	6,672,054.79	-	-
15 南铝 02	-	4,368,061.37	-	-
17 南山集 MTN001	59,800,000.00	81,560,555.54	-	-
17 南山集 MTN002	56,500,000.00	67,329,166.67	-	-
15 南山 02	22,354,865.68	22,725,819.96	-	-
18 南山集 MTN002	30,465,138.86	30,550,000.00	5,940,277.74	500,000,000.00
18 南山集 MTN001	60,375,000.00	57,500,000.00	44,881,944.46	1,000,000,000.00
16 南山 01	134,614,370.76	119,663,665.00	97,060,528.25	2,175,265,725.90
16 南山 03	3,610,080.00	3,610,080.00	2,196,132.00	74,096,021.77
16 南山 04	11,901,600.00	11,901,600.00	4,099,440.00	208,038,780.48
16 南山 06	7,824,200.00	8,094,000.00	741,950.00	141,192,707.40
16 南山 07	32,480,000.00	33,600,000.00	3,080,000.00	799,075,880.50
16 南山 05	31,237,500.00	31,500,000.00	13,562,500.00	699,409,648.56
18 南山 03	39,697,799.67	63,800,000.00	10,456,133.01	1,000.00
18 南山 01	23,673,333.31	68,900,000.00	3,768,888.90	97,410,316.09
小　计	514,533,888.28	611,775,003.33	185,787,794.36	5,694,490,080.70

4．一年内到期的长期应付款

应付单位名称	付款期限	初始金额	利率(%)	应计利息	期末数	借款条件
郑州恒博环境科技股份有限公司	10 年	34,141,235.23	4.90	9,858,764.77	3,061,577.44	10 年总处理水量 1000 万吨，二者后到
浦银金融租赁股份有限公司	每年四期	450,000,000.00	4.75	8,613,260.85	192,873,539.55	融资租赁

应付单位名称	付款期限	初始金额	利率(%)	应计利息	期末数	借款条件
南山融资租赁（天津）有限公司	每年二/四期	1,159,498,948.00	6.75-12.55	78,622,909.91	413,605,982.86	融资租赁
友联国际融资租赁（深圳）有限公司	每年四期	228,000,000.00	3.38-11.30	9,316,195.52	86,446,923.10	融资租赁
龙口市自然资源和规划局	每年一期	45,880,000.00	4.90	5,880,000.00	40,000,000.00	采矿权
小　计	-	1,917,520,183.23		112,291,131.05	735,988,022.95	

5．一年内到期的外币非流动负债情况详见附注五(七十二)“外币货币性项目”之说明。

(四十一) 其他流动负债

1．明细情况

项目及内容	期末数	期初数
短期应付债券	2,800,000,000.00	5,500,000,000.00
未终止确认的应收票据还原	799,220,746.43	-
待转销项税额	205,898,505.34	187,960,837.19
其他	79,687,929.10	82,540,717.10
合　计	3,884,807,180.87	5,770,501,554.29

2．短期应付债券的增减变动

债券名称	面值	发行日期	兑付日期	债券期限	发行金额
19 南山集 SCP 002	1,000,000,000.00	2019/4/22	2020/1/17	8 个月	1,000,000,000.00
19 南山集 SCP 003	1,000,000,000.00	2019/5/13	2020/2/7	8 个月	1,000,000,000.00
19 南山集 SCP 004	500,000,000.00	2019/6/24	2020/3/20	8 个月	500,000,000.00
19 南山集 SCP 005	1,000,000,000.00	2019/8/16	2020/5/12	8 个月	1,000,000,000.00
19 南山集 SCP 006	500,000,000.00	2019/9/3	2020/5/30	8 个月	500,000,000.00
19 南山集 CP001	1,000,000,000.00	2019/5/28	2020/5/28	12 个月	1,000,000,000.00
19 南山集 CP002	500,000,000.00	2019/10/25	2020/10/25	12 个月	500,000,000.00
20 南山集 SCP001	500,000,000.00	2020/03/27	2020/12/22	9 个月	500,000,000.00
20 鲁南山集团 ZR001	252,000,000.00	2020/3/11	2021/3/11	12 个月	252,000,000.00
20 鲁南山集团 ZR002	400,000,000.00	2020/5/26	2021/5/26	12 个月	400,000,000.00
20 鲁南山集团 ZR003	378,000,000.00	2020/5/26	2021/4/26	12 个月	378,000,000.00

债券名称	面值	发行日期	兑付日期	债券期限	发行金额
20 鲁南山集团 ZR004	500,000,000.00	2020/6/24	2021/6/24	12 个月	500,000,000.00
20 鲁南山集团 ZR005	500,000,000.00	2020/7/30	2021/7/30	12 个月	500,000,000.00
20 鲁南山集团 ZR006	170,000,000.00	2020/8/13	2021/8/13	12 个月	170,000,000.00
20 鲁南山集团 ZR007	400,000,000.00	2020/9/14	2021/9/14	12 个月	400,000,000.00
20 鲁南山集团 ZR008	200,000,000.00	2020/9/16	2021/9/16	12 个月	200,000,000.00
小　计	8,800,000,000.00	-	-	-	8,800,000,000.00

续上表：

债券名称	期初余额	本期发行	按面值计提利息	本期偿还	期末余额
19 南山集 SCP 002	1,000,000,000.00	-	-	1,000,000,000.00	-
19 南山集 SCP 003	1,000,000,000.00	-	-	1,000,000,000.00	-
19 南山集 SCP 004	500,000,000.00	-	-	500,000,000.00	-
19 南山集 SCP 005	1,000,000,000.00	-	-	1,000,000,000.00	-
19 南山集 SCP 006	500,000,000.00	-	-	500,000,000.00	-
19 南山集 CP001	1,000,000,000.00	-	-	1,000,000,000.00	-
19 南山集 CP002	500,000,000.00	-	-	500,000,000.00	-
20 南山集 SCP001	-	500,000,000.00	-	500,000,000.00	-
20 鲁南山集团 ZR001	-	252,000,000.00	-	-	252,000,000.00
20 鲁南山集团 ZR002	-	400,000,000.00	-	-	400,000,000.00
20 鲁南山集团 ZR003	-	378,000,000.00	-	-	378,000,000.00
20 鲁南山集团 ZR004	-	500,000,000.00	-	-	500,000,000.00
20 鲁南山集团 ZR005	-	500,000,000.00	-	-	500,000,000.00
20 鲁南山集团 ZR006	-	170,000,000.00	-	-	170,000,000.00
20 鲁南山集团 ZR007	-	400,000,000.00	-	-	400,000,000.00
20 鲁南山集团 ZR008	-	200,000,000.00	-	-	200,000,000.00
小　计	5,500,000,000.00	3,300,000,000.00	-	6,000,000,000.00	2,800,000,000.00

（四十二）长期借款

1．明细情况

借款类别	期末数	期初数
担保借款	3,428,255,790.83	3,308,325,329.33
质押借款	66,666,666.80	133,333,333.44
保证借款+抵押借款	640,957,142.96	1,881,778,014.29
信用借款	807,368,000.00	420,000,000.00
抵押借款	250,000,000.00	450,000,000.00
未到期应付利息	1,445,618.61	-
合　计	5,194,693,219.20	6,193,436,677.06

2．本公司报告期末不存在逾期未偿还的长期借款。

3．外币长期借款情况详见附注五(七十二)“外币货币性项目”之说明。

（四十三）应付债券

1．明细情况

项　目	期末数	期初数
债券面值	4,625,639,000.00	15,751,713,000.00
利息调整	-7,654,007.56	-44,292,069.22
合　计	4,617,984,992.44	15,707,420,930.78

2．应付债券的增减变动(不包括划分为金融负债的优先股、永续债等其他金融工具)

债券名称	面值	发行日期	债券期限(年)	发行金额	期初余额
18 南山集 MTN002	500,000,000.00	2018/10/22	3.00	500,000,000.00	500,000,000.00
18 南山集 MTN001	1,000,000,000.00	2018/4/12	3.00	1,000,000,000.00	1,000,000,000.00
19 南山集 MTN001	500,000,000.00	2019/4/12	3.00	500,000,000.00	500,000,000.00
19 南山集 MTN002	500,000,000.00	2019/5/31	3.00	500,000,000.00	500,000,000.00
16 南山 01	2,500,000,000.00	2016/3/14	5.00	2,500,000,000.00	2,171,700,007.00
16 南山 03	2,400,000,000.00	2016/5/26	5.00	2,400,000,000.00	70,646,138.78
16 南山 04	900,000,000.00	2016/8/29	5.00	900,000,000.00	206,785,935.14

债券名称	面值	发行日期	债券期限(年)	发行金额	期初余额
16南山06（3+2）	700,000,000.00	2016/11/16	5.00	700,000,000.00	140,227,881.82
16南山07	800,000,000.00	2016/11/16	5.00	800,000,000.00	797,962,952.50
16南山05	700,000,000.00	2016/8/29	5.00	700,000,000.00	698,421,402.97
17南山01	500,000,000.00	2017/7/25	5.00	500,000,000.00	498,262,474.30
17南山02	500,000,000.00	2017/8/14	5.00	500,000,000.00	498,226,500.74
18南山02	700,000,000.00	2018/4/19	5.00	700,000,000.00	696,879,941.96
18南山03	1,100,000,000.00	2018/8/17	3.00	1,100,000,000.00	1,095,552,858.21
18南山05	500,000,000.00	2018/12/25	3.00	500,000,000.00	49,463,181.28
18南山01	1,300,000,000.00	2018/4/19	3.00	1,300,000,000.00	1,295,388,600.28
19南山01	1,000,000,000.00	2019/1/21	3.00	1,000,000,000.00	998,583,223.36
19南山03	1,000,000,000.00	2019/6/18	3.00	1,000,000,000.00	996,116,710.84
19南山04	1,000,000,000.00	2019/8/7	3.00	1,000,000,000.00	998,778,837.78
19南山05	500,000,000.00	2019/10/22	3.00	500,000,000.00	499,237,939.23
17南铝债	1,500,000,000.00	2017/8/28	5.00	1,500,000,000.00	1,495,186,344.59
小　计	20,100,000,000.00	-	-	20,100,000,000.00	15,707,420,930.78

续上表：

债券名称	本期发行	利息调整	本期偿还	转至一年内到期的非流动负债	期末余额
18南山集MTN 002	-	-	-	500,000,000.00	-
18南山集MTN 001	-	-	-	1,000,000,000.00	-
19南山集MTN 001	-	-	-	-	500,000,000.00
19南山集MTN 002	-	-	-	-	500,000,000.00
16南山01	-	3,565,718.90	-	2,175,265,725.90	-
16南山03	-	3,449,882.99	-	74,096,021.77	-
16南山04	-	1,252,845.34	-	208,038,780.48	-
16南山06（3+2）	-	964,825.58	-	141,192,707.40	-
16南山07	-	1,112,928.00	-	799,075,880.50	-
16南山05	-	988,245.59	-	699,409,648.56	-
17南山01	-	683,576.92	483,380,000.00	-	15,566,051.22
17南山02	-	681,425.66	499,535,000.00	-	-627,073.60

债券名称	本期发行	利息调整	本期偿还	转至一年内到期的非流动负债	期末余额
18 南山 02	-	686,098.02	-	-	697,566,039.98
18 南山 03	-	4,447,141.79	1,099,999,000.00	1,000.00	-
18 南山 05	-	536,818.72	50,000,000.00	-	-
18 南山 01	-	2,021,715.81	1,200,000,000.00	97,410,316.09	-
19 南山 01	-	695,185.06	-	-	999,278,408.42
19 南山 03	-	1,560,103.13	-	-	997,676,813.97
19 南山 04	-	463,485.68	666,446,000.00	-	332,796,323.46
19 南山 05	-	265,464.72	-	-	499,503,403.95
17 南铝债	-	2,670,056.76	1,421,631,376.31	-	76,225,025.04
小　计	-	26,045,518.67	5,420,991,376.31	5,694,490,080.70	4,617,984,992.44

3. 本公司 2020 年度无新发行企业债券。

（四十四）长期应付款

1. 明细情况

项　目	期末数	期初数
长期应付款	1,011,808,908.38	620,832,551.64

2. 长期应付款

项　目	期末数	期初数
融资租赁	771,478,661.96	561,952,551.64
融资租赁保证金	49,680,000.00	58,880,000.00
BOT 污水处理项目	30,431,060.82	-
采矿权	160,000,000.00	-
海域使用金	219,185.60	-
小　计	1,011,808,908.38	620,832,551.64

（四十五）递延收益

1．明细情况

项　目	期初数	本期增加	本期减少	其他变动	期末数	形成原因
政府补助	767,759,605.68	443,125,340.00	39,201,485.75	13,196,882.47	1,184,880,342.40	收到财政拨款
其他	4,914,858.44	871,453.76	764,959.25	-	5,021,352.95	-
合　计	772,674,464.12	443,996,793.76	39,966,445.00	13,196,882.47	1,189,901,695.35	-

2．涉及政府补助的项目：

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
购买国产设备增值税退税	17,891,274.41	-	其他收益	2,886,131.16	-	15,005,143.25	与资产相关	与采购设备相关
购买国产设备增值税退税	9,502,131.88	-	其他收益	1,909,752.72	-	7,592,379.16	与资产相关	与采购设备相关
购买国产设备增值税退税	8,267,026.23	-	其他收益	1,215,837.00	-	7,051,189.23	与资产相关	工程建设相关
铝液短流程合金化及塑性成型加工关键技术课题经费	2,236,666.61	-	其他收益	368,000.00	-	1,868,666.61	与资产相关	工程建设相关
铝冶炼及铝加工公共服务平台建设经费资金	399,999.81	-	其他收益	66,666.74	-	333,333.07	与资产相关	与采购设备相关
年产 22 万吨轨道交通新型合金材料生产线项目预算资金	7,417,941.87	-	其他收益	706,470.74	-	6,711,471.13	与资产相关	工程建设相关
高性能铝合金中厚板开发资金	12,750,000.00	-	其他收益	1,000,000.00	-	11,750,000.00	与资产相关	与采购设备相关
高性能铝合金板带材工程研究中心资金	320,000.02	-	其他收益	26,666.64	-	293,333.38	与资产相关	工程建设相关
高性能特种铝合金材料生产线项目	755,555.55	-	其他收益	66,666.66	-	688,888.89	与资产相关	工程建设相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
节能重点工程循环经济和资源节约重大示范项目及重点工业污染工程国家补助	7,888,888.88	-	其他收益	666,666.66	-	7,222,222.22	与资产相关	工程建设相关
铝合金熔铸生产线系统优化项目	453,333.33	-	其他收益	40,000.00	-	413,333.33	与资产相关	与采购设备相关
赤泥压滤废水再利用项目	1,700,000.48	-	其他收益	199,999.92	-	1,500,000.56	与资产相关	工程建设相关
新型阴极结构铝电解槽技术创新及产业化示范工程资金(2012 年第二批中央预算内投资计划)	8,819,444.11	-	其他收益	833,333.40	-	7,986,110.71	与资产相关	工程建设相关
新型阴极结构铝电解槽技术创新及产业化示范工程资金(2011 年第二批中央预算内投资计划)	2,800,925.75	-	其他收益	277,777.80	-	2,523,147.95	与资产相关	工程建设相关
汽车热交换器用复合钎焊铝合金箔研究及产业化示范资金	437,500.28	-	其他收益	62,499.96	-	375,000.32	与资产相关	工程建设相关
技术中心创新能力建设项目资金	3,611,111.00	-	其他收益	277,777.80	-	3,333,333.20	与资产相关	工程建设相关
铝合金板带材生产项目资金	626,666.47	-	其他收益	80,000.04	-	546,666.43	与资产相关	与采购设备相关
年产 10 万吨轨道交通用高性能金属材料生产线政府补助	5,000,000.00	-	其他收益	1,000,000.00	-	4,000,000.00	与资产相关	与采购设备相关
大型精密模具生产线技术改造项目	1,400,000.00	-	其他收益	200,000.00	-	1,200,000.00	与资产相关	与采购设备相关
轨道交通车辆轻量化高性能铝合金板带材生产项目资金	16,000,000.00	-	其他收益	2,000,000.00	-	14,000,000.00	与资产相关	与采购设备相关
150MN 工程技术改造项目补助资金	699,999.97	-	其他收益	66,666.68	-	633,333.29	与资产相关	工程建设相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
150MN 交通运输用新型大规格高强高韧铝合金材料生产线技术改造资金	26,298,999.97	-	其他收益	2,504,666.68	-	23,794,333.29	与资产相关	与采购设备相关
150MN 大规格超高强高韧耐腐蚀铝合金航空材料的开发及产业化	2,200,000.00	-	其他收益	200,000.00	-	2,000,000.00	与资产相关	工程建设相关
热电机组脱销改造项目资金	1,287,037.05	-	其他收益	111,111.12	-	1,175,925.93	与资产相关	与采购设备相关
东海热电低氮燃烧改造项目资金	1,076,571.41	-	其他收益	311,819.56	-	764,751.85	与资产相关	与采购设备相关
热电机组脱硝及脱硫、除尘提效改造项目	2,548,888.66	-	其他收益	246,666.68	-	2,302,221.98	与资产相关	与采购设备相关
热电一期脱硫除尘改造项目	3,200,000.08	-	其他收益	266,666.64	-	2,933,333.44	与资产相关	与采购设备相关
国家铝合金压力加工工程技术研究中心	6,399,999.94	-	其他收益	533,333.40	-	5,866,666.54	与资产相关	工程建设相关
税款增值计划资金	1,049,918.10	-	其他收益	1,034,895.00	-11,760.65	3,262.45	与资产相关	其他
年产1.4万吨大型模锻件项目	913,888.89	-	其他收益	66,666.66	-	847,222.23	与资产相关	与采购设备相关
航空航天用合金材料生产线技术改造项目	1,827,777.78	-	其他收益	133,333.34	-	1,694,444.44	与资产相关	与采购设备相关
航空航天用新材料生产线后处理工艺技术改造项目	1,827,777.78	-	其他收益	133,333.34	-	1,694,444.44	与资产相关	与采购设备相关
省级机器换人技术改造项目资金	1,827,777.78	-	其他收益	133,333.34	-	1,694,444.44	与资产相关	其他
2015 年度中央外经贸发展专项资金	23,333,333.33		其他收益	2,000,000.00	-	21,333,333.33	与资产相关	其他
年产2万吨宽幅汽车铝板生产线技术改造项目资金	34,219,111.10	-	其他收益	2,933,066.66	-	31,286,044.44	与资产相关	与采购设备相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
脱硫除尘项目	1,500,000.02	-	其他收益	133,333.32	-	1,366,666.70	与资产相关	与采购设备相关
电解铝及配套碳素生产线烟气脱硫高效除尘治理项目	15,596,000.00	-	其他收益	1,114,000.00	-	14,482,000.00	与资产相关	与采购设备相关
2016 年度中央外经贸发展专项资金	20,816,560.15	-	其他收益	1,734,713.28	-	19,081,846.87	与资产相关	其他
2016 年度中央外经贸发展专项资金	27,416,666.67	-	其他收益	2,000,000.00	-	25,416,666.67	与资产相关	其他
高性能船舶用中强可焊耐腐蚀铝合金板材研发项目	772,222.21	-	其他收益	66,666.66	-	705,555.55	与资产相关	其他
航空航天用高强高韧高端铝合金生产线技术改造项目	200,000,000.00	-	-	-	-	200,000,000.00	与资产相关	与采购设备相关
高速列车 7050 铝合金轴箱体锻造技术研发	1,988,888.89	-	其他收益	133,333.33	-	1,855,555.56	与资产相关	与采购设备相关
2016 年市级工业转型升级专项资金	3,999,999.94	-	其他收益	333,333.36	-	3,666,666.58	与资产相关	与采购设备相关
2017 年度中央外经贸发展专项资金	1,266,499.95	-	其他收益	99,333.36	-	1,167,166.59	与资产相关	其他
2017 年度中央外经贸发展专项资金	9,275,972.22	-	其他收益	676,666.67	-	8,599,305.55	与资产相关	与采购设备相关
扩大先进技术和设备进口贴息补助资金	7,149,894.70	-	其他收益	521,572.96	-	6,628,321.74	与资产相关	其他
高速动车组车体用大断面铝合金型材生产线建设项目	27,112,333.33	-	其他收益	1,996,000.00	-	25,116,333.33	与资产相关	与采购设备相关
汽车轻量化铝镁合金材料生产线产品优化技术改造	5,248,915.52	-	其他收益	384,406.68	-	4,864,508.84	与资产相关	与采购设备相关
国家新材料生产应用示范平台建设项目	13,074,729.34	-	其他收益	956,687.52	-	12,118,041.82	与资产相关	与采购设备相关
交通运输用高性能铝合金材料生产线技术改造项目	3,413,944.46	-	其他收益	251,333.32	-	3,162,611.14	与资产相关	与采购设备相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
交通运输用新型大规格高强高韧轻合金材料生产线技术改造资金	3,812,293.32	-	其他收益	272,306.68	-	3,539,986.64	与资产相关	与采购设备相关
航空航天机翼长衍用高性能铝合金型材实施方案	25,000,000.00	-	-	-	-	25,000,000.00	与资产相关	与采购设备相关
海水淡化项目补助	10,000,000.00	-	其他收益	666,666.60	-	9,333,333.40	与资产相关	其他
2018 年度中央外经贸发展专项资金	514,636.36	-	其他收益	40,363.64	-	474,272.72	与资产相关	其他
省级商贸发展和市场开拓资金(扩大先进设备技术出口)	60,517.24	-	其他收益	4,482.76	-	56,034.48	与资产相关	其他
2018 年度中央外经贸发展专项资金	1,009,000.00	-	-	-	-	1,009,000.00	与资产相关	其他
省级商贸发展和市场开拓资金(扩大先进设备技术出口)	116,666.72	-	其他收益	8,333.28	-	108,333.44	与资产相关	其他
2018 年度中央外经贸发展专项资金	1,433,550.03	-	其他收益	100,599.96	-	1,332,950.07	与资产相关	其他
环保设备改造	9,146,672.00	-	其他收益	653,328.00	-	8,493,344.00	与资产相关	与采购设备相关
电解铝及配套碳素生产线脱硫高效除尘项目	15,172,222.22	-	其他收益	1,073,333.33	-	14,098,888.89	与资产相关	与采购设备相关
防波提	118,720,000.00	-	-	-	-	118,720,000.00	与资产相关	工程建设相关
BIF-业务改善基金	64,221.91	-	其他收益	31,358.41	-2,257.55	30,605.95	与资产相关	其他
工业发展专项资金	321,933.29	-	-	-	-29,266.68	292,666.61	与资产相关	其他
经贸发展专项资金	335,716.67	-	-	-	-29,400.00	306,316.67	与资产相关	其他
污水治理项目	26,430,000.00	-	-	-		26,430,000.00	与资产相关	其他

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
广西先进铝加工创新中心专项资金	-	5,000,000.00	-	-	-	5,000,000.00	与资产相关	与采购设备相关
2019 年省级新旧动能转换-航空发动机难变形合金盘件锻造工艺研究	-	3,200,000.00	其他收益	142,222.22	-	3,057,777.78	与资产相关	与采购设备相关
2019 年制造强市-航空航天机翼长衍用高性能铝合金型材生产线技术改造项目	-	10,000,000.00	-	-	-	10,000,000.00	与资产相关	与采购设备相关
2019 年度中央外经贸发展专项资金	-	815,100.00	其他收益	34,120.44	-	780,979.56	与资产相关	其他
省级外贸转型升级试点县扶持资金	-	1,000,000.00	-	-	-	1,000,000.00	与资产相关	其他
卸、储煤场封闭改造资金	-	14,650,000.00	-	-	-	14,650,000.00	与资产相关	工程建设相关
2019 年中央服务业发展资金	-	1,486,661.00	其他收益	80,360.04	-	1,406,300.96	与资产相关	其他
2018 年省级工业提升增效-航空航天用高端铝合金生产线工艺人优化技术改造项目	-	7,459,200.00	其他收益	372,960.00	-	7,086,240.00	与资产相关	其他
2020 年制造业高质量发展资金（海洋用新型耐蚀铝合金材料及大部件）	-	7,000,000.00	其他收益	466,666.66	-	6,533,333.34	与资产相关	其他
2020 年中央外经贸发展专项资金	-	13,571,579.00	-	-	-	13,571,579.00	与资产相关	其他
储煤场封闭改造工程	-	8,000,000.00	-	-	-	8,000,000.00	与资产相关	工程建设相关
扩大先进设备技术进口资金	-	75,000.00	其他收益	4,657.51	-	70,342.49	与资产相关	与采购设备相关
制造业强市战略奖补资金	-	805,300.00	其他收益	4,653.18	-	800,646.82	与资产相关	其他

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关	说　明
			转入项目	金额				
临港信息化仓储物流项目资金	-	-	其他收益	58,141.66	2,579,834.16	2,521,692.50	与资产相关	其他
LNG运输车油改气项目资金	-	-	其他收益	55,609.72	111,219.57	55,609.85	与资产相关	其他
上市扶持资金（土地出让金返还）	-	-	其他收益	16,541.81	8,485,949.57	8,469,407.76	与资产相关	其他
天然气车辆在道路运输中的应用项目资金	-	-	其他收益	35,434.72	779,564.00	744,129.28	与资产相关	其他
LNG车在道路货运的应用项目资金	-	-	其他收益	5,650.00	135,600.00	129,950.00	与资产相关	其他
物流信息化系统应用项目资金	-	-	其他收益	57,908.33	694,900.05	636,991.72	与资产相关	其他
客货车训练场地建设项目资金	-	-	其他收益	2,500.00	482,500.00	480,000.00	与资产相关	其他
水库管理员经费	-	62,500.00	其他收益	52,100.00	-	10,400.00	与收益相关	其他
裕龙岛炼化一体化项目	-	370,000,000.00	-	-	-	370,000,000.00	与资产相关	工程建设相关
合　计	767,759,605.68	443,125,340.00	-	39,201,485.75	13,196,882.47	1,184,880,342.40	-	

注：其他变动金额为非同一控制下企业合并恒通股份增加，合并日为2020年11月30日，具体明细如下：

(1)本公司控股子公司-恒通股份2012年收到龙口市财政局拨付的临港信息化仓储物流项目专项资金1000.00万元。公司按政府补助项目进行摊销，补助房屋建筑物部分20年摊销，机器设备的部分按10年进行摊销，分期计入当期损益，本期摊销58,141.66元。

(2)本公司控股子公司-恒通股份2015年收到龙口市财政局拨付的补助资金400.39万元，专项用于LNG运输车油改气项目补助。公司按照LNG车辆的折旧年限6年进行摊销，本期摊销55,609.72元。

(3)本公司控股子公司-恒通股份2015年收到龙口市财政局拨付的国有土地出让金返还资金949.50万元。公司按照受益期进行摊销，本期摊销16,541.81元。

(4)本公司控股子公司-恒通股份2016年收到烟台市交通运输局和财政局拨付的补助资金255.13万元，用于公司天然气车辆在道路运输中的应用项目，公司按照LNG车辆的折旧年限6年进行摊销，本期摊销35,434.72元。

(5)本公司控股子公司-恒通股份2016年收到烟台市交通运输局和财政局拨付的补助资金592.52万元，其中LNG在道路货物的应用补助40.68万元，公司按照LNG车辆的折旧年限6年进行摊销，本期摊销5,650.00元；物流信息化系统应用项目347.45万元，公司按照服务设备的摊销年限5年进行摊销，本期摊销57,908.33元。

(6)本公司控股子公司-恒通股份2016年收到龙口市财政局拨付的补助资金60.00万元，该资金专项用于龙口市恒通驾驶员培训有限公司客货车训练场地建设项目，公司按照训练场折旧年限20年进行摊销，本期摊销2,500.00元。

3.其他说明

本期新增与工程建设相关政府补助392,650,000.00元；本期新增与采购设备相关政府补助18,275,000.00元；本期新增与其他相关政府补助32,200,340.00元。

根据各资产使用年限，本期分摊与工程建设相关政府补助5,501,696.66元；本期分摊与采购设备相关政府补助24,014,823.28元；本期分摊与其他相关政府补助9,684,965.81元。

(四十六)其他非流动负债

项　目	期末数	期初数
高校发展基金	58,046,753.24	59,984,378.68

（四十七）实收资本

投资人	期初数	期初出资比例(%)	本期增加	本期减少	期末数	期末出资比例(%)
南山村村民委员会	510,000,000.00	51.00	-	-	510,000,000.00	51.00
宋作文	490,000,000.00	49.00	-	-	490,000,000.00	49.00
合　计	1,000,000,000.00	100.00	-	-	1,000,000,000.00	100.00

（四十八）资本公积

项　目	期初数	本期增加	本期减少	期末数
资本溢价	451,808,621.02	-	-	451,808,621.02
其他资本公积	666,039,017.02	529,015,213.05	-	1,195,054,230.07
合　计	1,117,847,638.04	529,015,213.05	-	1,646,862,851.09

（四十九）其他综合收益

1．明细情况

项　目	期初数	本期变动额						期末数
		本期所得税前发生额	减：前期计入其他综合收益当期转入损益	减：前期计入其他综合收益当期转入留存收益	减：所得税费用	税后归属于母公司	税后归属于少数股东	
(1)不能重分类进损益的其他综合收益	-1,150,007,929.14	-1,043,873,371.07	-	-2,019,843,019.21	-	975,969,648.14	-	-174,038,281.00
1)重新计量设定受益计划变动额	-	-	-	-	-	-	-	-
2)权益法下不能转损益的其他综合收益	-496,487.43	-2,464,932.45	-	-	-	-2,464,932.45	-	-2,961,419.88
3)其他权益工具投资公允价值变动	-1,149,511,441.71	-1,041,408,438.62	-	-2,019,843,019.21	-	978,434,580.59	-	-171,076,861.12
4)企业自身信用风险公允价值变动	-	-	-	-	-	-	-	-
(2)将重分类进损益的其他综合收益	286,440,955.70	-630,636,412.90	-1,103,776.32	-	-6,972,009.95	-514,379,530.49	-108,181,096.14	-227,938,574.79
1)权益法下可转损益的其他综合收益	-19,374,702.33	-21,809,967.55	-	-	-	-21,809,967.55	-	-41,184,669.88
2)应收款项融资公允价值变动	-	-	-	-	-	-	-	-
3)其他债权投资公允价值变动	-1,148,815.14	-27,977,804.16	-	-	-6,993,323.70	-16,981,960.90	-4,002,519.56	-18,130,776.04
4)金融资产重分类计入其他综合收益的金额	-	-	-	-	-	-	-	-
5)应收款项融资信用减值准备	-	-	-	-	-	-	-	-

项　目	期初数	本期变动额						期末数
		本期所得税前发生额	减：前期计入其他综合收益当期转入损益	减：前期计入其他综合收益当期转入留存收益	减：所得税费用	税后归属于母公司	税后归属于少数股东	
6)其他债权投资信用减值准备	-	-	-	-	-	-	-	-
7)现金流量套期储备	-521,565.45	-210,373.07	-1,103,776.32	-	21,313.75	421,968.35	450,121.15	-99,597.10
8)外币财务报表折算差额	307,486,038.62	-580,638,268.12	-	-	-	-476,009,570.39	-104,628,697.73	-168,523,531.77
合　计	-863,566,973.44	-1,674,509,783.97	-1,103,776.32	-2,019,843,019.21	-6,972,009.95	461,590,117.65	-108,181,096.14	-401,976,855.79

（五十）专项储备

1. 明细情况

项　目	期初数	本期增加	本期减少	期末数
安全生产费	-	-127,169.34	-56,605.22	-70,564.12

2. 公司本期发生的专项储备是子公司恒通股份按财企〔2012〕16 号财政部、国家安全生产监督管理总局关于印发《企业安全生产费用提取和使用管理办法》的通知，以上期实际营业收入为依据，普通货物运输收入按 1%计提安全费，危险品运输收入按 1.5%计提安全费，加气站收入按超额累退方式按照标准计提。

（五十一）盈余公积

1. 明细情况

项　目	期初数	本期增加	本期减少	期末数
法定盈余公积	500,000,000.00	-	-	500,000,000.00
任意盈余公积	4,063,025,276.78	226,498,755.50	-	4,289,524,032.28
合　计	4,563,025,276.78	226,498,755.50	-	4,789,524,032.28

2. 公司本期盈余公积增加原因为根据当期实现净利润提取的任意盈余公积 193,873,556.21 元以及所有者权益内部结转其他综合收益至留存收益金额 32,625,199.29 元。

（五十二）未分配利润

项　目	本期数	期初数
上年年末余额	37,852,842,970.93	35,608,934,364.60
加：年初未分配利润调整	-102,849,681.28	-
调整后本年年初余额	37,749,993,289.65	35,608,934,364.60
加：本期归属于母公司所有者的净利润	2,842,353,538.90	2,445,045,557.32
设定受益计划变动额结转留存收益	-	-
其他转入	-2,052,468,218.50	11,359,777.73
减：提取法定盈余公积	-	-
提取任意盈余公积	193,873,556.21	212,496,728.72
应付普通股股利	-	-

项　目	本期数	期初数
转作股本的普通股利润	-	-
期末未分配利润	38,346,005,053.84	37,852,842,970.93

（五十三）营业收入/营业成本

1．明细情况

项　目	本期数		上年数	
	收　入	成　本	收　入	成　本
主营业务	48,026,636,875.49	38,461,438,365.56	42,194,849,636.69	34,972,322,421.42
其他业务	851,915,456.02	516,599,758.69	1,266,517,440.06	819,731,787.01
合　计	48,878,552,331.51	38,978,038,124.25	43,461,367,076.75	35,792,054,208.43

2．主营业务收入/主营业务成本情况(按行业分类)

行业名称	本期数		上年数	
	收　入	成　本	收　入	成　本
工业	23,019,141,091.93	17,515,533,444.50	22,708,009,075.13	17,785,460,127.93
建筑、房地产	1,590,813,661.20	1,059,198,850.46	2,538,429,563.77	1,885,527,749.91
服务	17,411,189,392.49	16,164,186,897.04	14,372,451,570.15	13,560,541,910.42
其他	6,005,492,729.87	3,722,519,173.56	2,575,959,427.64	1,740,792,633.16
小　计	48,026,636,875.49	38,461,438,365.56	42,194,849,636.69	34,972,322,421.42

3．主营业务收入/主营业务成本情况(按地区分类)

地区名称	本期数		上年数	
	收　入	成　本	收　入	成　本
境内	34,742,042,677.03	27,469,511,932.72	32,287,503,696.82	27,344,920,246.57
境外	13,284,594,198.46	10,991,926,432.84	9,907,345,939.87	7,627,402,174.85
小　计	48,026,636,875.49	38,461,438,365.56	42,194,849,636.69	34,972,322,421.42

4．公司前五名客户的营业收入情况

客户名称	营业收入	占公司全部营业收入的比例(%)
第一名	4,644,900,000.00	9.50
第二名	3,314,806,288.17	6.78
第三名	2,833,645,560.40	5.80

客户名称	营业收入	占公司全部营业收入的比例(%)
第四名	2,721,007,782.99	5.57
第五名	1,226,871,946.15	2.51
小　计	14,741,231,577.71	30.16

（五十四）税金及附加

项　目	本期数	上年数
城市维护建设税	84,897,066.30	64,470,798.68
教育税附加	36,428,143.26	27,815,105.78
地方教育税附加	24,285,972.22	18,539,102.03
水利建设基金	6,278,134.86	4,506,775.51
房产税	88,440,633.04	101,257,689.14
土地使用税	56,504,769.01	54,233,871.35
印花税	20,368,000.22	18,204,968.66
车船使用税	362,713.49	342,005.59
土地增值税	157,663,911.61	4,927,764.48
环境保护税	26,889,491.61	-
水资源税	4,896,111.21	-
其他	4,374,183.99	41,996,995.18
合　计	511,389,130.82	336,295,076.40

[注]计缴标准详见本附注四“税项”之说明。

（五十五）销售费用

项　目	本期数	上年数
运输费	65,679,472.00	807,869,880.18
市场推广费	335,646,027.97	501,005,807.05
职工薪酬	219,091,115.15	256,680,078.51
摊销及租赁费	109,220,388.14	156,618,382.73
招待费	30,535,376.54	31,390,479.56
差旅费	19,356,333.18	36,144,078.01

项　目	本期数	上年数
保险费	20,502,942.67	-
服务费	25,034,783.62	-
其他	59,711,578.00	39,325,435.73
合　计	884,778,017.27	1,829,034,141.77

（五十六）管理费用

项　目	本期数	上年数
职工薪酬	649,620,228.53	750,152,061.77
公司经费	472,404,724.17	581,335,042.76
招待费	57,938,923.98	53,353,561.17
摊销及租赁费	400,745,800.43	397,595,028.35
差旅费	14,849,720.96	29,292,819.64
其他	119,083,386.55	59,020,757.33
合　计	1,714,642,784.62	1,870,749,271.02

（五十七）研发费用

项　目	本期数	上年数
职工薪酬	184,581,207.69	58,083,694.89
直接材料	1,164,324,811.82	781,396,786.66
折旧与摊销	108,441,793.71	16,594,079.75
其他	63,829,093.66	41,433,832.84
合　计	1,521,176,906.88	897,508,394.14

（五十八）财务费用

项　目	本期数	上年数
利息费用	2,410,073,736.77	2,676,587,217.25
减：利息资本化	524,274,544.42	511,826,853.65
减：利息收入	398,470,874.57	281,981,363.84
汇兑损失	57,734,269.76	-582,974.17

项　目	本期数	上年数
减：汇兑收益	-154,478,740.65	110,789,276.78
其他	88,698,150.94	89,676,830.73
合　计	1,788,239,479.13	1,861,083,579.54

（五十九）其他收益

1. 明细项目

项　目	本期数	上年数
政府补助-收益性补助	987,350,432.29	447,130,061.83
政府补助-资产性补助	39,149,385.75	34,967,651.92
合 计	1,026,499,818.04	482,097,713.75

2. 政府补助明细

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
专利资助资金	-	146,000.00	与收益相关
军民融合产业发展资金	-	400,000.00	与收益相关
人才建设资金（泰山产业领军人才工程专项经费）	-	2,100,000.00	与收益相关
标准化资助项目资金	-	566,800.00	与收益相关
高性能铝合金大规格板带材制造与应用技术	-	1,280,000.00	与收益相关
“双百计划”创新人才奖	-	3,150,000.00	与收益相关
基于工业大数据的铝/铜板带材智能化工艺控制技术	-	1,071,000.00	与收益相关
博士后科研工作站博士进站补助	-	1,050,000.00	与收益相关
稳岗补贴	3,982,234.39	2,358,270.31	与收益相关
国家级应对贸易摩擦资金	-	41,000.00	与收益相关
省级商贸发展和市场开拓资金	-	860,400.00	与收益相关
高性能超薄铝合金电池箔技术开发及应用	-	1,000,000.00	与收益相关
山东省直接债务融资引导奖励资金	-	300,000.00	与收益相关
中央外经贸发展专项资金	3,062,400.00	2,800,000.00	与收益相关
省级国际市场开拓资金	-	300,000.00	与收益相关
人才奖补贴	50,000.00	100,000.00	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
高强高韧耐蚀Al-Zn-Mg合金大型复杂构件成型技术	-	2,100,000.00	与收益相关
时速600公里高速磁悬浮列车车体用铝型材研发	-	2,000,000.00	与收益相关
高强高韧损伤容限7XXX系铝合金预控神厚板的研究专用	-	200,000.00	与收益相关
乘用车覆盖件用新型快速时效响应铝合金薄板工业化制造技术	-	140,000.00	与收益相关
有色金属节能绿色标准修订补助	-	80,000.00	与收益相关
机翼长桁用高性能7150铝合金材料及挤压技术开发	-	400,000.00	与收益相关
基于工业大数据的航空铝板生产智能协同控制及优化	-	800,000.00	与收益相关
资本市场开放创新发展引导资金	50,000.00	-	与收益相关
新材料产业集群发展	778,000.00	-	与收益相关
省级外贸转型升级试点县扶持资金	1,000,000.00	-	与收益相关
上海铝展补助资金	84,035.25	-	与收益相关
企业研究开发财政补助资金	2,090,100.00	-	与收益相关
个税退手续费补贴	284,966.88	-	与收益相关
2020年省级国际市场开拓资金	150,000.00	-	与收益相关
2020年度市级商贸发展专项资金和2019年省级商贸发展和市场开拓资金	1,265,900.00	-	与收益相关
2019年中央外经贸发展资金及省级商贸发展和市场开拓资金	3,871,418.00	-	与收益相关
2019年市级商贸发展专项资金	369,000.00	-	与收益相关
安全责任保险补贴	13,970.01	-	与收益相关
烟台市工业和信息化局2018-2019科技研发计划	200,000.00	-	与收益相关
山东省市场监督管理局“泰山产业”项目	200,000.00	-	与收益相关
人力资源和社会保障局“双百计划”项目	1,140,000.00	-	与收益相关
龙口市市场监督管理局知识产权专项资助	420,400.00	-	与收益相关
龙口市科技局2019年山东省重点研发计划	5,443,000.00	-	与收益相关
龙口市科技局2019年创新基地建设	1,500,000.00	-	与收益相关
龙口市科技局2018-2019科技研发计划资金	350,000.00	-	与收益相关
龙口市财政局“蓝色人才”项目	7,000,000.00	-	与收益相关
龙口市“聚才兴龙”项目人力资源补助	900,000.00	-	与收益相关
基于工业大数据的铝/铜板带材智能化工艺控制技术项目	134,000.00	-	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
烟台市创新驱动发展专项资金	-	100,000.00	与收益相关
高速列车7050铝合金轴箱体锻造技术研发资金	133,333.33	11,111.11	与资产相关
2018年度中央外经贸发展专项资金	140,963.60	115,813.60	与资产相关
省级商贸发展和市场开拓资金（扩大先进设备技术出口）	12,816.04	12,816.04	与资产相关
交通运输用新型大规格高强高韧轻合金材料生产线技术改造资金	272,306.68	272,306.68	与资产相关
电解铝及配套碳素生产线烟气脱硫高效除尘治理项目	1,114,000.00	1,114,000.00	与资产相关
国家新材料生产应用示范平台建设项目	956,687.52	752,765.96	与资产相关
交通运输用高性能铝合金材料生产线技术改造项目	251,333.32	251,333.32	与资产相关
高速动车组车体用大断面铝合金型材生产线建设项目	1,996,000.00	1,996,000.00	与资产相关
汽车轻量化铝镁合金材料生产线产品优化技术改造项目资金	384,406.68	384,406.68	与资产相关
铝液短流程合金化及塑性成型加工关键技术课题经费	368,000.00	368,000.04	与资产相关
铝冶炼及铝加工公共服务平台建设经费资金	66,666.74	66,666.73	与资产相关
新型阴极结构铝电解槽技术创新及产业化示范工程(2011-2012年第二批中央预	1,111,111.20	1,111,111.20	与资产相关
政府退还进口设备增值税	6,011,720.88	6,011,720.88	与资产相关
汽车热交换器用复合钎焊铝合金箔研究及产业化示范资金	62,499.96	62,499.96	与资产相关
技术中心创新能力建设项目资金	277,777.80	277,777.80	与资产相关
2016年度中央外经贸发展专项资金	3,734,713.28	2,818,046.61	与资产相关
年产4万吨高精度多用途铝箔生产线技术改造	333,333.36	333,333.36	与资产相关
2017年度中央外经贸发展专项资金	776,000.03	465,861.14	与资产相关
铝合金板带材生产项目资金	80,000.04	80,000.04	与资产相关
赤泥压滤废水再利用项目资金	199,999.92	199,999.92	与资产相关
年产10万吨轨道交通用高性能金属材料生产线政府补助	1,000,000.00	1,000,000.00	与资产相关
大型精密模具生产线技术改造项目	200,000.00	200,000.00	与资产相关
轨道交通车辆轻量化高性能铝合金板带材生产项目资金	2,000,000.00	2,000,000.00	与资产相关
2*200MW热电机组脱销改造项目资金	111,111.12	111,111.12	与资产相关
东海热电低氮燃烧改造项目资金	311,819.56	311,819.56	与资产相关
热电机组脱硝及脱硫、除尘提效改造项目资金	246,666.68	246,666.68	与资产相关
热电一期脱硫除尘改造项目资金	266,666.64	266,666.64	与资产相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
150MN 工程技术改造项目补助资金	66,666.68	66,666.68	与资产相关
150MN 交通运输用新型大规格高强高韧铝合金材料生产线技术改造资金	2,504,666.68	2,504,666.68	与资产相关
150MN 大规格超高强高韧耐腐蚀铝合金航空材料的开发及产业化项目资金	200,000.00	200,000.00	与资产相关
税款增值计划资金	1,034,895.00	1,033,620.00	与资产相关
年产 22 万吨轨道交通新型合金材料生产线项目预算资金	706,470.74	706,470.72	与资产相关
脱硫除尘项目	133,333.32	133,333.32	与资产相关
高性能特种铝合金材料生产线项目资金	66,666.66	66,666.67	与资产相关
节能重点工程循环经济和资源节约重大示范项目及重点工业污染工程国家补助	666,666.66	666,666.67	与资产相关
铝合金熔铸生产线系统优化项目资金	40,000.00	40,000.00	与资产相关
2015 年度中央外经贸发展专项资金	2,000,000.00	2,000,000.00	与资产相关
年产 2 万吨宽幅汽车铝板生产线技改造项目资金	2,933,066.66	2,933,066.67	与资产相关
高性能船舶用中强可焊耐腐蚀铝合金板的研发	66,666.66	66,666.67	与资产相关
年产 14000 吨大型模锻件项目	66,666.66	36,111.11	与资产相关
航空航天用合金材料生产线技术改造项目	133,333.34	72,222.22	与资产相关
航空航天用新材料生产线后处理工艺技术改造项目	133,333.34	72,222.22	与资产相关
省级机器换人技术改造项目资金	133,333.34	72,222.22	与资产相关
扩大先进技术和设备进口贴息补助资金	521,572.96	282,518.65	与资产相关
高性能铝合金中厚板开发资金	1,000,000.00	1,000,000.00	与资产相关
国家铝合金压力加工工程技术研究中心	533,333.40	533,333.40	与资产相关
高性能铝合金板带材补助资金	26,666.64	26,666.64	与资产相关
海水淡化项目补助	666,666.60	-	与资产相关
2018 年省级工业提升增效-航空航天用高端铝合金生产线工艺人优化技术改造	372,960.00	-	与资产相关
2019 年省级新旧动能转换-航空发动机难变形合金盘件锻造工艺研究	142,222.22	-	与资产相关
2019 年度中央外经贸发展专项资金	34,120.44	-	与资产相关
2019 年中央服务业发展资金	80,360.04	-	与资产相关
2020 年制造业高质量发展资金（海洋用新型耐蚀铝合金材料及大部件）	466,666.66	-	与资产相关
个人所得税手续费返还	44,236.82	-	与收益相关
中央外经贸发展专项资金	7,400.00	14,800.00	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
专利奖励资金	8,000.00	2,000.00	与收益相关
稳定岗位补助资金	1,146,639.64	603,590.45	与收益相关
商贸发展专项资金	146,600.00	234,000.00	与收益相关
境内上市辅导备案补助资金	1,820,000.00	-	与收益相关
企业改革资金	2,000,000.00	-	与收益相关
外经贸和商贸流通专项资金	101,067.00	-	与收益相关
商务发展政策资金	207,300.00	-	与收益相关
出口补助资金	47,826.00	-	与收益相关
以工代训职业培训补贴	10,000.00	-	与收益相关
自主就业退役士兵和重点群体创业就业抵扣税费补助	168,150.00	-	与收益相关
职工劳模创新工作室补助资金	50,000.00	-	与收益相关
“市长杯”工业设计大赛银奖	100,000.00	-	与收益相关
扩大先进设备技术进口资金	4,657.51	-	与资产相关
制造业强市战略奖补资金	4,653.18	-	与资产相关
工业提质增效升级资金	-	2,000,000.00	与收益相关
标准化资助	-	216,000.00	与收益相关
商贸发展和市场开拓资金	-	50,200.00	与收益相关
增值税代收代缴手续费返还	-	9,373.90	与收益相关
技术研发补助资金	-	200,000.00	与收益相关
企业研究开发财政补助	-	21,600.00	与收益相关
上市企业分环节奖励之改制奖励资金	-	1,000,000.00	与收益相关
企事业单位引才奖励资金	-	50,000.00	与收益相关
国际市场开拓资金	-	203,000.00	与收益相关
Fuel schemes 税收抵扣政府抵减	-	91,277.13	与收益相关
Government grant - Jobkeeper（岗位津贴）	4,945,349.70	-	与收益相关
Jobs Support Scheme	3,435,954.44	-	与收益相关
建设专项资金补贴	2,350,000.00	-	与收益相关
贸促会补贴	462,000.00	-	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
上海清算中心补助款	7,000.00	-	与收益相关
镇级扶持资金	650,000.00	-	与收益相关
稳岗补提	765.00	-	与收益相关
人才培养经费补助	1,000,000.00	-	与收益相关
配套费专户退税	140,700.00	-	与收益相关
水库管理员经费	52,100.00	-	与收益相关
税盘技术维护费减免	280.00	-	与收益相关
土地增值税税费返还	10,807,800.00	-	与收益相关
稳岗补贴	765,741.49	-	与收益相关
香港政府保就业津贴	38,138.92	-	与收益相关
以工代训补贴款	93,000.00	-	与收益相关
增值税即征即退款	1,770.59	-	与收益相关
中央外经贸发展专项资金及省级商贸发展和市场开拓资金	8,590,000.00	-	与收益相关
见习补贴	466,733.54	-	与收益相关
就业补助	164,903.46	-	与收益相关
资助经费	80,000.00	-	与收益相关
小规模纳税人增值税减免	141,046.34	-	与收益相关
“互联网+”运输企业补助	1,282,641.71	-	与收益相关
带薪育儿假	12,979.90	-	与收益相关
陪产假补贴	25,263.25	-	与收益相关
产假补贴	29,385.00	-	与收益相关
Wage Credit Scheme	115,226.85	-	与收益相关
Special Employment Credit	9,256.45	-	与收益相关
MOM WPD LEVY	117,474.11	-	与收益相关
Provision for Job Support Scheme	1,119,332.92	-	与收益相关
外籍工人征税退税	360,001.31	-	与收益相关
薪水补助	90,014.93	-	与收益相关
残疾人就业补助	4,042,115.00	3,389,566.00	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
采购创新设备补贴	-	305,403.00	与收益相关
龙口市财政局拨付与收益相关扶持资金	899,380,000.00	352,834,018.56	与收益相关
浦东新区经济发展财政扶持资金	-	89,000.00	与收益相关
人才稳岗补贴	32,759.46	10,631.83	与收益相关
三代手续费返还	145,197.20	595,039.18	与收益相关
山东省金融创新发展引导资金	-	14,180,500.00	与收益相关
上海市浦东新区世博地区开发管理委员会开发扶持资金	236,000.00	952,000.00	与收益相关
省级饭店业扶持奖励	-	2,000,000.00	与收益相关
市场化会展项目补助	-	1,380,000.00	与收益相关
税收减免	5,962,856.73	5,005,160.04	与收益相关
乡村振兴扶持资金	-	38,210,000.00	与收益相关
政府稳岗文件	-	107,458.50	与收益相关
三代手续费返还	-	31,972.93	与收益相关
LNG 运输车油改气项目资金	55,609.72	-	与资产相关
客货车训练场地建设项目资金	2,500.00	-	与资产相关
临港信息化仓储物流项目资金	58,141.66	-	与资产相关
上市扶持专项资金（土地出让金返还）	16,541.81	-	与资产相关
天然气车辆在道路货运中的应用项目资金	35,434.72	-	与资产相关
建设绿色循环低碳交通运输项目	63,558.33	-	与资产相关
环保设备改造	653,328.00	653,328.00	与资产相关
电解铝及配套碳素生产线脱硫高效除尘项目	1,073,333.33	927,777.78	与资产相关
BIF-业务改善基金	31,358.41	31,590.53	与资产相关
合计	1,026,499,818.04	482,097,713.75	-

3.与收益相关的大额政府补助形成情况

本期收到与收益相关的政府补助主要是(1)补助资金 4,042,115.00 元；(2)发展专项资金、市场开拓资金 20,171,085.00 元；(3）政府扶持资金 901,266,000.00 元；(4）企业改革资金 2,000,000.00 元；(5)人才培养经费补助 1,000,000.00 元；(6)三代手续费返还 190,387.14 元；(7)税收优惠 16,910,749.95 元；(8）稳岗补贴 15,792,303.94 元；(9)项

目专项补助 22,906,002.96 元；（10）其他 3,071,788.30 元。

（六十）投资收益

1．明细情况

项　目	本期数	上年数
权益法核算的长期股权投资收益	331,263,191.18	138,575,960.09
处置长期股权投资产生的投资收益	-112,569.50	2,451,188,031.64
丧失控制权后，剩余股权按公允价值重新计量产生的利得	-	-
交易性金融资产持有期间取得的投资收益	46,047,340.28	-
其他权益工具投资在持有期间取得的股利收入	12,561,497.09	22,186,899.42
债权投资在持有期间取得的利息收入	463,233.97	-
其他债权投资在持有期间取得的利息收入	32,810,392.52	53,009,128.82
处置交易性金融资产产生的投资收益	60,364,393.42	144,374,186.42
处置其他债权投资产生的投资收益	-	-
以摊余成本计量的金融资产终止确认收益	-	-
其他投资收益	4,537,936.96	-14,976,402.07
合　计	487,935,415.92	2,794,357,804.32

2．按权益法核算的长期股权投资收益重要项目

被投资单位名称	本期数	上年数	本期比上年增减变动的原因
烟台银行股份有限公司	75,301,130.08	71,804,651.53	被投资单位净利润增加
青岛新恒力投资发展有限公司	113,601,182.41	6,792,908.50	被投资单位净利润增加
海南万宁弘基置业有限公司	5,000.00	200,680.67	被投资单位净利润增加
LN Development (Stirling) Pte Ltd	147,413,908.75	62,895,383.63	被投资单位净利润增加
珠海横琴南山开源资产管理有限公司	-	-173,259.61	本期减少投资单位
南山飞卓宇航工业有限公司	-834,459.19	-189,312.34	被投资单位净利润减少
龙口海通房地产开发有限公司	-364,183.41	-3,203,368.37	被投资单位净利润减少
长春富晟南山汽车铝业有限公司	-473,033.76	-	本期新增投资单位
W Capital Markets Pte.Ltd	-2,284,979.42	890,344.06	被投资单位净利润减少
北京融创南山房地产有限公司	-232.87	-285,638.82	被投资单位净利润减少

被投资单位名称	本期数	上年数	本期比上年增减变动的原因
国家管网集团南山（山东）天然气有限公司	-1,165,928.70	-156,429.16	被投资单位净利润减少
山东裕龙石化产业园发展有限公司	-6,357,069.98	-	本期新增投资单位
龙口市顺和建材有限公司	4,199,581.85	-	本期新增投资单位
北海新奥华恒物流有限公司	915,497.50	-	本期新增投资单位
渤海恒通轮渡有限公司	-119,636.06	-	本期新增投资单位
重庆祥泰燃气有限公司	1,426,413.98	-	本期新增投资单位
小　计	331,263,191.18	138,575,960.09	-

3．本公司不存在投资收益汇回的重大限制。

（六十一）公允价值变动收益

项　目	本期数	上年数
以公允价值计量且其变动计入当期损益的金融资产	-14,595,140.46	2,813,559.24
以公允价值计量且其变动计入当期损益的金融负债	-	-776,925.00
合　计	-14,595,140.46	2,036,634.24

（六十二）信用减值损失

项　目	本期数	上年数
应收账款坏账损失	-35,471,261.63	8,326,386.88
其他应收款坏账损失	-25,150,184.43	-13,814,267.09
应收票据坏账损失	9,417,966.36	-426,414.71
长期应收款坏账损失	117,373.55	-
发放贷款及垫款	52,399,206.13	-
合　计	1,313,099.98	-5,914,294.92

（六十三）资产减值损失

项　目	本期数	上年数
存货跌价损失及合同履约成本减值损失	-73,653,147.21	-45,953,050.37
坏账损失	-	-67,701,449.05
固定资产减值损失	-	2,337,330.51

项　目	本期数	上年数
其他	-126,645.05	-108,330.27
合　计	-73,779,792.26	-111,425,499.18

（六十四）资产处置收益

项　目	本期数	上年数
处置划分为持有待售的非流动资产(金融工具、长期股权投资和投资性房地产除外)或处置组(子公司和业务除外)时确认的收益	-	-
处置未划分为持有待售的非流动资产时确认的收益	125,170,238.63	-83,856,386.77
其中：固定资产	106,863,513.25	-83,856,386.77
在建工程	18,306,725.38	-
非货币性资产交换中换出非流动资产产生的收益	-	-
合　计	125,170,238.63	-83,856,386.77

（六十五）营业外收入

1．明细情况

项　目	本期数	上年数
接受捐赠	65,165.80	128,104.88
政府补助	17,660,836.99	20,558,698.68
各种奖励款	-	1,389,636.54
罚没及违约金收入	85,447,183.44	76,267,228.80
无法支付的应付款	69,831,144.60	57,730,377.39
非流动资产毁损报废利得	767,279.30	1,987,108.81
其他	22,200,691.79	35,891,346.91
合　计	195,972,301.92	193,952,502.01

2．计入当期营业外收入的政府补助情况

补助项目	本期数	上年数	与资产相关/与收益相关
Government Subsidy—Cash Boost	99,006.00	-	与收益相关
就业支援计划	989,576.66	-	与收益相关

补助项目	本期数	上年数	与资产相关/与收益相关
LOA/SHN	14,147.42	-	与收益相关
Levy rebate and waiver	22,736.93	-	与收益相关
cash grant and rental waiver	1,447,415.82	-	与收益相关
免租退租	2,064,175.93	-	与收益相关
就业援助计划	8,965,139.21	-	与收益相关
非住宅物业退税	774,066.03	-	与收益相关
SEC 特殊就业支付	50,607.34	-	与收益相关
WCS（提高企业产能后的工资补贴）	511,527.10	-	与收益相关
Jobs Support Scheme	1,984,266.25	-	与收益相关
wage credit scheme	11,472.55	-	与收益相关
房产税退税	533,549.78	-	与收益相关
就业补贴	24,000.00	-	与收益相关
城乡检测项目检测费	700.00	-	与收益相关
长者食堂信息系统补助款	91,000.00	-	与收益相关
疫情防控补助	1,000.00	-	与收益相关
艾霉乙经费补助款	2,002.25	-	与收益相关
儿童龋齿防治经费	47,520.00	-	与收益相关
免疫规划疫苗接种补助	675.00	-	与收益相关
人才补贴	2,000.00	-	与收益相关
航空发展专项资金	-	240,000.00	与收益相关
新增纳统服务业企业奖励	-	100,000.00	与收益相关
贸促会补贴	-	1,090,000.00	与收益相关
2018 年度中央外经贸发展专项资金	-	2,200,000.00	与收益相关
2018 年度省级商贸发展和市场开拓资金	-	2,931,000.00	与收益相关
稳岗补贴	-	214,874.18	与收益相关
龙口市公共就业人才服务中心见习补贴	-	174,765.00	与收益相关
新跨越民营企业奖励	-	5,000,000.00	与收益相关

补助项目	本期数	上年数	与资产相关/与收益相关
海堤建设(南山)工程专项资金	-	7,370,000.00	与资产相关
2018年度烟台市创新驱动发展专项资金	-	1,000,000.00	与资产相关
工资信贷计划(WCS)	24,252.72	238,059.50	与收益相关
合　计	17,660,836.99	20,558,698.68	-

3．政府补助形成情况：

本期收到的政府补助均为与收益相关，其中(1)工资信贷计划2,531,518.62元；(2)就业支援计划10,005,323.21元；(3)免租退租3,511,591.75元；(4)疫情防控补助1,675.00元；(5)其他 1,610,728.41元。

(六十六) 营业外支出

项　目	本期数	上年数
对外捐赠	20,108,844.55	38,637,663.28
资产报废、毁损损失	45,561,936.93	66,247,752.12
罚款支出	3,667,420.84	39,355,811.87
赔偿金、违约金	27,800,481.89	11,312,885.28
税收滞纳金	11,530,704.88	48,054.47
其他	11,778,300.27	13,241,798.47
合　计	120,447,689.36	168,843,965.49

(六十七) 所得税费用

项　目	本期数	上年数
本期所得税费用	780,274,674.80	563,451,767.48
递延所得税费用	109,239,166.44	-41,782,342.99
合　计	889,513,841.24	521,669,424.49

(六十八) 其他综合收益

其他综合收益情况详见本附注五(四十九)“其他综合收益”。

（六十九）合并现金流量表主要项目注释

1．收到的其他与经营活动有关的现金

项　目	本期数	上年数
利息收入	398,470,874.57	281,981,363.84
政府补贴	1,044,160,655.03	502,656,412.43
罚没收入	34,765,118.41	76,267,228.80
定期存款	747,690,000.00	-
其他	107,713,041.02	37,409,088.33
合　计	2,332,799,689.03	898,314,093.40

2．支付的其他与经营活动有关的现金

项　目	本期数	上年数
销售费用中现金支出	556,466,513.98	1,415,735,680.53
管理费用、研发费用中现金支出	1,892,430,661.14	1,545,832,800.40
财务费用中现金支出	88,698,150.95	89,676,830.73
对外捐赠	20,108,844.55	38,637,663.28
其他	55,342,475.38	63,958,550.10
合　计	2,613,046,646.00	3,153,841,525.04

3．收到的其他与投资活动有关的现金

项　目	本期数	上年数
前期购买理财产品转回	200,000,000.00	4,531,560,000.00
购买理财产品的投资收益	58,827,523.87	128,315,201.43
收回委托贷款	783,000,000.00	676,880,000.00
长期应收减少	250,047,662.84	393,272,757.69
往来款	3,813,818,190.07	-
合　计	5,105,693,376.78	5,730,027,959.12

4．支付的其他与投资活动有关的现金

项　目	本期数	上年数
购买的理财产品	-	2,435,000,000.00
支付委托贷款	1,386,850,000.00	178,350,000.00
往来款项	-	727,390,356.84

项　目	本期数	上年数
合　计	1,386,850,000.00	3,340,740,356.84

5．收到的其他与筹资活动有关的现金

项　目	本期数	上年数
保函保证金	-	412,510,609.00
票据贴现保证金	1,134,000,000.00	-
长期应付款增加	685,414,542.88	450,900,893.11
往来款	612,348,186.73	771,716,742.64
合　计	2,431,762,729.61	1,635,128,244.75

6．支付的其他与筹资活动有关的现金

项　目	本期数	上年数
支付的发行费用	4,157,000.00	-
票据贴现保证金	850,000,000.00	1,134,000,000.00
合　计	854,157,000.00	1,134,000,000.00

（七十）现金流量表补充资料

1．现金流量表补充资料

项　目	本期数	上年数
(1)将净利润调节为经营活动现金流量：	-	-
净利润	4,218,842,299.71	3,455,377,488.92
加：资产减值准备	73,779,792.26	111,425,499.18
信用减值损失	-1,313,099.98	5,914,294.92
固定资产折旧、油气资产折耗、生产性生物资产折旧	2,437,807,858.82	2,716,533,222.58
无形资产摊销	149,728,286.65	135,223,009.12
长期待摊费用摊销	78,264,606.64	283,541,508.98
处置固定资产、无形资产和其他长期资产的损失(收益以“－”号填列)	-125,170,238.63	83,856,386.77
固定资产报废损失(收益以“－”号填列)	44,794,657.63	66,247,752.12
公允价值变动损失(收益以“－”号填列)	14,595,140.46	-2,036,634.24
财务费用(收益以“－”号填列)	1,885,799,192.35	2,164,760,363.60

项　目	本期数	上年数
投资损失(收益以“－”号填列)	-487,935,415.92	-2,794,357,804.32
递延所得税资产减少(增加以“－”号填列)	92,066,486.56	-41,164,505.70
递延所得税负债增加(减少以“－”号填列)	20,565,131.75	10,287,766.34
存货的减少(增加以“－”号填列)	573,617,598.58	1,015,919,471.92
经营性应收项目的减少(增加以“－”号填列)	5,124,710,030.88	2,367,049,825.14
经营性应付项目的增加(减少以“－”号填列)	-4,954,575,993.09	-2,365,956,284.43
处置划分为持有待售的非流动资产(金融工具、长期股权投资和投资性房地产除外)或处置组(子公司和业务除外)时确认的损失(收益以“－”号填列)	-	-
其他	747,690,000.00	-
经营活动产生的现金流量净额	9,893,266,334.67	7,212,621,360.91
(2)不涉及现金收支的重大投资和筹资活动：		-
债务转为资本	-	-
一年内到期的可转换公司债券	-	-
融资租入固定资产	-	-
(3)现金及现金等价物净变动情况：	-	-
现金的期末余额	15,329,389,708.52	8,823,489,162.01
减：现金的期初余额	8,823,489,162.01	7,914,965,515.49
加：现金等价物的期末余额	-	-
减：现金等价物的期初余额	-	-
现金及现金等价物净增加额	6,505,900,546.51	908,523,646.52

2．现金和现金等价物

项　目	期末数	期初数
(1)现金	15,329,389,708.52	8,823,489,162.01
其中：库存现金	10,106,547.97	9,572,827.24
可随时用于支付的银行存款	15,319,283,160.55	8,813,916,334.77
可随时用于支付的其他货币资金	-	-
(2)现金等价物	-	-
其中：三个月内到期的债券投资	-	-
(3)期末现金及现金等价物余额	15,329,389,708.52	8,823,489,162.01

项　目	期末数	期初数
其中：母公司或集团内子公司使用受限制的现金和现金等价物	-	-

[注]现金流量表补充资料的说明：

2020 年度现金流量表中现金期末数为 15,329,389,708.52 元，2020 年 12 月 31 日资产负债表中货币资金期末数为 19,670,407,688.08 元，差额 4,341,017,979.56 元，系现金流量表现金期末数扣除了不符合现金及现金等价物标准的银行承兑汇票保证金、借款保证金、信用证保证金、保函保证金、期货保证金以及未到期应收利息。

（七十一）所有权或使用权受到限制的资产

项　目	期末账面价值	受限原因
货币资金	4,332,559,712.56	承兑汇票保证金、借款保证金、信用证保证金、保函保证金、期货保证金
应收票据	774,232,859.19	已背书未到期
应收账款	20,894,794.15	保理有追索权
长期股权投资	2,682,644,950.73	股票质押、借款质押
固定资产	2,189,644,128.57	借款抵押
无形资产	1,211,284,790.12	土地抵押、海域使用权抵押
合　计	11,211,261,235.32	

（七十二）外币货币性项目

项　目	期末外币余额	折算汇率	期末折算人民币余额
货币资金			
其中：澳元	22,984,765.53	5.0163	115,298,479.35
港币	16,532.00	0.8416	13,913.33
韩币	42,800.00	0.0060	256.80
美元	239,962,404.85	6.5249	1,565,730,695.41
欧元	8,802,226.87	8.0250	70,637,870.64
日元	1,000,000.00	0.0632	63,200.00
台币	510.00	0.2326	118.63
新加坡币	230,707,909.42	4.9314	1,137,712,984.54

项　目	期末外币余额	折算汇率	期末折算人民币余额
新西兰币	2,865.00	4.8309	13,840.53
印尼盾	2,276,539,355,629.11	0.0004626	1,053,226,873.89
英镑	1,224,208.05	8.8903	10,883,576.83
应收账款			
其中：澳元	50,126.53	5.0163	251,449.71
美元	141,949,121.75	6.5249	926,203,824.51
欧元	13,177,669.26	8.0250	105,750,795.82
新加坡币	89,982,287.08	4.9314	443,738,650.51
英镑	104,786.61	8.8903	931,584.40
其他应收款			
其中：澳元	288,655,066.73	5.0163	1,447,980,411.24
美元	124,722,574.31	6.5249	813,802,325.12
欧元	16,824.38	8.0250	135,015.65
新加坡币	530,294,410.38	4.9314	2,615,093,855.35
印尼盾	579,740,500.00	0.0004626	268,213.36
短期借款			
其中：美元	93,888,841.42	6.5249	612,615,301.38
新加坡币	152,100,000.00	4.9314	750,065,940.00
应付账款			
其中：澳元	844,318.52	5.0163	4,235,354.99
美元	94,979,063.06	6.5249	619,728,888.57
欧元	5,047,976.27	8.0250	40,510,009.56
新加坡币	9,807,851.72	4.9314	48,366,439.97
印尼盾	14,384,863,981.04	0.0004626	6,655,068.48
其他应付款			
其中：澳元	486,097,273.69	5.0163	2,438,409,754.01
美元	28,539,928.67	6.5249	186,220,180.58
欧元	59,965.96	8.0250	481,226.83

项　目	期末外币余额	折算汇率	期末折算人民币余额
新加坡币	864,765,905.40	4.9314	4,264,506,585.89
印尼盾	2,408,460,172.79	0.0004626	1,115,117.06
一年内到期的非流动负债			
其中：新加坡币	105,419,789.70	4.9314	519,867,150.93
长期借款			
其中：澳元	50,400,000.00	5.0163	252,821,520.00
美元	80,000,000.00	6.5249	521,992,000.00

（七十三）政府补助

1．明细情况

补助项目	本期增加金额	列报项目	计入当期损益	
			损益项目	金　额
资产性补助	369,937,500.00	递延收益	其他收益	39,149,385.75
收益性补助	62,500.00	递延收益	其他收益	52,100.00
收益性补助	987,298,332.29	其他收益	其他收益	987,298,332.29
收益性补助	17,660,836.99	营业外收入	营业外收入	17,660,836.99
合　计	1,374,959,169.28			1,044,160,655.03

2．本期收到的政府补助详见本附注五(四十五)“递延收益”、附注五(五十九)“其他收益”、附注五(六十五)“营业外收入”。

六、合并范围的变更

本节所列数据除非特别注明，金额单位为人民币元。

（一）非同一控制下企业合并

1．本期发生的非同一控制下企业合并

被购买方名称	股权取得时点	股权取得成本	股权取得比例(%)	股权取得方式
恒通物流股份有限公司	2020-11-18	1,071,254,347.88	20.30	二级市场购买

续上表：

被购买方名称	购买日	购买日的确定依据	购买日至期末被购买方的收入	购买日至期末被购买方的净利润

被购买方名称	购买日	购买日的确定依据	购买日至期末被购买方的收入	购买日至期末被购买方的净利润
恒通物流股份有限公司	2020-11-30	[注]	585,662,969.18	39,590,534.72

[注] 根据本公司股东会决议，本公司2020年3月3日与刘振东、于江水、李健、刘国阳、王广臣、解苓玲、于时伟、李嘉国签订股权转让合同，本公司以16,500.00万元受让持有的恒通股份7.30%股权；本公司2020年10月19日与刘振东签订股权转让合同，本公司以28,500.00万元受让持有的恒通股份5.79%股权；本公司2020年10月22日与宋建波签订股权转让合同，本公司以8,184.96万元受让持有的恒通股份2.00%股权；本公司2020年10月22日与龙口南山投资有限公司签订股权转让合同，本公司以21,315.28万元受让持有的恒通股份5.2084%股权。本公司在2020年11月18日已拥有该公司的实质控制权。将2020年11月30日确定为购买日，自2020年12月1日起将其纳入合并财务报表范围。

2．合并成本及商誉

合并成本	恒通物流股份有限公司
--现金	745,002,355.00
--购买日之前持有的股权于购买日的公允价值	326,251,992.88
合并成本合计	1,071,254,347.88
减：取得的可辨认净资产公允价值份额	258,823,259.42
商誉/合并成本小于取得的可辨认净资产公允价值份额的金额	812,431,088.46

3．被购买方于购买日可辨认资产、负债

项　目	恒通物流股份有公司	
	购买日公允价值	购买日账面价值
货币资金	293,652,472.07	293,652,472.07
应收票据	85,771,982.64	85,771,982.64
应收账款	244,630,547.66	244,630,547.66
预付款项	78,792,414.71	78,792,414.71
其他应收款	17,707,151.21	17,707,151.21
存货	8,358,756.16	8,358,756.16
其他流动资产	26,820,036.92	26,820,036.92
长期股权投资	166,888,725.33	166,888,725.33
投资性房地产	29,053,307.97	29,053,307.97

项　目	恒通物流股份有公司	
	购买日公允价值	购买日账面价值
固定资产	653,837,596.09	598,581,748.91
在建工程	4,709,514.26	4,709,514.26
无形资产	211,057,402.36	161,085,017.14
长期待摊费用	11,282,430.39	11,282,430.39
递延所得税资产	14,725,753.75	14,725,753.75
其他非流动资产	4,293,075.00	4,293,075.00
减：借款	271,960,000.00	271,960,000.00
应付票据	20,000,000.00	20,000,000.00
应付款项	137,314,668.66	137,314,668.66
预收款项	60,922,589.35	60,922,589.35
应付职工薪酬	20,208,983.20	20,208,983.20
应交税费	17,664,052.21	17,664,052.21
其他应付款	8,942,821.95	8,942,821.95
递延收益	13,269,567.35	13,269,567.35
递延所得税负债	26,307,058.10	-
净资产	1,274,991,425.70	1,196,070,251.40
减：少数股东权益	71,108,788.90	71,108,788.90
取得的净资产	1,203,882,636.80	1,124,961,462.50

(1)可辨认资产、负债公允价值的确定方法

收购标的恒通股份可辨认净资产中土地使用权及房屋建筑物，已经烟台泽信资产评估事务所有限责任公司进行评估，评估基准日为 2020 年 12 月 31 日。根据该评估报告考虑递延所得税的影响及本次增资的影响，所收购恒通股份股权的可辨认净资产的公允价值为人民币 1,274,991,425.70 元。

（二）其他原因引起的合并范围的变动

1.以直接设立或投资等方式增加的重要子公司(指通过新设、派生分立等非合并收购方式增加的子公司)

2020 年 3 月，本公司出资设立青岛隆裕能源有限公司。该公司于 2020 年 3 月 27 日

完成工商设立登记，注册资本为人民币 100,000 万元，本公司认缴出资人民币 100,000 万元，占其注册资本的 100%，拥有对其实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

2020 年 6 月，本公司出资设立龙口市路鑫贸易有限公司。该公司于 2020 年 6 月 4 日完成工商设立登记，注册资本为人民币 10,000 万元，本公司认缴出资人民币 10,000 万元，占其注册资本的 100%，拥有对其实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

2020 年 11 月，本公司出资设立山东裕龙热力有限公司。该公司于 2020 年 11 月 24 日完成工商设立登记，注册资本为人民币 150,000 万元，本公司认缴出资人民币 150,000 万元，占其注册资本的 100%，拥有对其实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

2020 年 4 月，本公司出资设立山东裕龙港务有限公司。该公司于 2020 年 4 月 3 日完成工商设立登记，注册资本为人民币 10,000 万元，本公司认缴出资人民币 10,000 万元，占其注册资本的 100%，拥有对其实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

2.因其他原因减少重要子公司的情况(指因破产、歇业、到期解散等原因而注销减少的子公司)

龙口市北海热电有限公司已于 2020 年 5 月 14 日办妥注销手续。故自该公司注销时起，不再将其纳入合并财务报表范围。

七、在其他主体中的权益

本节所列数据除非特别注明，金额单位为人民币万元。

(一) 在子公司中的权益

1. 企业集团重要子公司构成

子公司名称	级次	主要经营地	注册地	业务性质	持股比例(%)		取得方式
					直接	间接	
山东南山铝业股份有限公司	一级	山东省龙口市	山东省龙口市	制造业	23.72	23.53	投资
山东南山智尚科技股份有限公司	一级	山东省龙口市	山东省龙口市	制造业	67.50	-	投资
山东南山暖通新材料有限公司	一级	山东省龙口市	山东省龙口市	制造业	100.00	-	投资
山东怡力电业有限公司	一级	山东省龙口市	山东省龙口市	制造业	100.00	-	投资

子公司名称	级次	主要经营地	注册地	业务性质	持股比例(%)		取得方式
					直接	间接	
烟台南山庄园葡萄酒有限公司	一级	山东省龙口市	山东省龙口市	制造业	100.00	-	投资
南山集团资本投资有限公司	一级	北京市	北京市	其他	100.00	-	投资
上海鲁润资产管理有限公司	一级	上海市	上海市	其他	100.00	-	投资
山东南山科技产业园管理有限公司	一级	山东省龙口市	山东省龙口市	其他	100.00	-	投资
上海胶润国际贸易有限公司	一级	山东省龙口市	山东省龙口市	贸易	100.00	-	投资
NAN SHAN GROUP SINGAPORE CO.PTE.LTD	一级	新加坡	新加坡	综合	100.00	-	合并
南山旅游集团有限公司	一级	山东省龙口市	山东省龙口市	旅游业	100.00	-	投资
龙口市南山小额贷款股份有限公司	一级	山东省龙口市	山东省龙口市	金融业	45.00	25.00	投资
南山集团财务有限公司	一级	山东省龙口市	山东省龙口市	金融业	63.00	37.00	投资
龙口市南山融资担保有限公司	一级	山东省龙口市	山东省龙口市	金融业	100.00	-	投资
龙口市南山西海岸人工岛建设发展有限公司	一级	山东省龙口市	山东省龙口市	建筑业	100.00	-	投资
龙口市南山建筑安装有限公司	一级	山东省龙口市	山东省龙口市	建筑业	100.00	-	投资
龙口南山屺母岛港发展有限公司	一级	山东省龙口市	山东省龙口市	服务业	100.00	-	投资
龙口港屺母岛发展有限公司	一级	山东省龙口市	山东省龙口市	服务业	100.00	-	投资
龙口祥瑞达投资有限公司	一级	山东省龙口市	山东省龙口市	其他	100.00	-	投资
山东南山建设发展股份有限公司	一级	山东省龙口市	山东省龙口市	房地产业	100.00	-	投资
龙口市隆裕国际贸易有限公司	一级	山东省龙口市	山东省龙口市	贸易	100.00	-	投资
烟台裕龙精化股权投资基金管理有限公司	一级	山东省龙口市	山东省龙口市	金融业	51.00	-	投资
山东裕龙石化有限公司	一级	山东省龙口市	山东省龙口市	制造业	71.00	-	投资
青岛隆裕能源有限公司	一级	山东省青岛市	山东省青岛市	批发业	100.00	-	投资
龙口市路鑫贸易有限公司	一级	山东省龙口市	山东省龙口市	批发业	100.00	-	投资
山东裕龙热力有限公司	一级	山东省龙口市	山东省龙口市	电力、热力生产和供应业	100.00	-	投资
山东裕龙港务有限公司	一级	山东省龙口市	山东省龙口市	水上运输业	100.00	-	投资
恒通物流股份有限公司	一级	山东省龙口市	山东省龙口市	道路运输业、燃气	20.30	-	购买

子公司名称	级次	主要经营地	注册地	业务性质	持股比例(%)		取得方式
					直接	间接	
				生产和供应业			

[注 1]本公司直接持有南山铝业 23.72%、通过山东怡力电业有限公司间接持有 23.53%的股权，为该公司的第一大股东，并在董事会中占有多数，对其具有实质控制权，故将其纳入合并财务报表范围。

[注 2]本公司直接持有恒通股份 20.30%的股权，已拥有该公司的实质控制权，故将其纳入合并财务报表范围。

2．重要的非全资子公司

子公司名称	少数股东的持股比例(%)	本期归属于少数股东的损益	本期向少数股东支付的股利	期末少数股东权益余额
山东南山铝业股份有限公司	52.75	263,741,673.76	-315,177,093.25	3,901,803,000.07
山东南山智尚科技股份有限公司	32.50	-1,280,235.84	-	5,917,102.56
恒通物流股份有限公司	79.70	11,536,475.93	-	82,645,264.83

[注]此处金额单位为元。

3．重要非全资子公司的主要财务信息

子公司名称	期末数					
	流动资产	非流动资产	资产合计	流动负债	非流动负债	负债合计
山东南山铝业股份有限公司	2,312,467.13	3,288,719.30	5,601,186.43	1,066,838.69	105,654.62	1,172,493.31
山东南山智尚科技股份有限公司	183,441.55	59,552.39	242,993.94	83,802.19	5,633.11	89,435.30
恒通物流股份有限公司	86,670.33	90,379.96	177,050.29	52,215.20	1,303.78	53,518.98

续上表：

子公司名称	期初数					
	流动资产	非流动资产	资产合计	流动负债	非流动负债	负债合计
山东南山铝业股份有限公司	2,272,360.07	3,203,575.01	5,475,935.08	1,094,099.13	226,969.18	1,321,068.31
山东南山智尚科技股份有限公司	142,192.74	60,797.83	202,990.57	97,648.35	-	97,648.35
恒通物流股份有限公司	75,573.34	99,061.96	174,635.30	53,701.31	1,326.96	55,028.27

续上表：

子公司名称	本期数

	营业收入	净利润	综合收益总额	经营活动现金流量
山东南山铝业股份有限公司	2,229,899.26	222,109.87	193,728.40	588,341.08
山东南山智尚科技股份有限公司	135,778.75	8,622.78	8,308.76	36,991.45
恒通物流股份有限公司	58,566.30	3,959.05	3,959.05	15,221.09

续上表：

子公司名称	上年数			
	营业收入	净利润	综合收益总额	经营活动现金流量
山东南山铝业股份有限公司	2,150,900.91	173,628.09	180,118.45	379,204.24
山东南山智尚科技股份有限公司	177,083.06	12,103.52	12,090.05	38,175.83
恒通物流股份有限公司	-	-	-	-

（二）在合营安排或联营企业中的权益

1．重要的合营企业或联营企业

合营企业或联营企业名称	主要经营地	注册地	业务性质	持股比例(%)		对合营企业或联营企业投资的会计处理方法
				直接	间接	
南山(海南万宁)置业有限公司	海南	海南	房地产开发	50.00	-	权益法
海南万宁弘基置业有限公司	海南	海南	房地产开发	50.00	-	权益法
烟台银行股份有限公司	烟台	烟台	银行业	34.83	-	权益法
青岛新恒力投资发展有限公司	青岛	青岛	房地产开发	39.00	-	权益法
青岛南信投资有限公司	青岛	青岛	房地产开发	49.00	-	权益法
烟台南山融创置业有限公司	烟台	烟台	房地产开发	50.00	-	权益法
龙口海通房地产开发有限公司	烟台	烟台	房地产开发	40.00	-	权益法
国家管网集团南山（山东）天然气有限公司	烟台	烟台	燃气生产和供应业	40.00	-	权益法
南山飞卓宇航工业有限公司	烟台	烟台	汽车制造业	50.00	-	权益法
LN Development (Stirling) Pte Ltd	新加坡	新加坡	房地产开发	-	49.00	权益法
山东裕龙石化产业园发展有限公司	烟台	烟台	房地产开发	30.00	-	权益法

2．合营企业或联营企业发生的超额亏损

合营企业或联营企业名称	前期累计未确认的损失	本期未确认的损失(或本期分享的净利润)	本期末累积未确认的损失

合营企业或联营企业名称	前期累计未确认的损失	本期未确认的损失(或本期分享的净利润)	本期末累积未确认的损失
南山(海南万宁)置业有限公司	-62,434,626.89	-50,256,781.00	-112,691,407.89

[注]此处金额单位为元。

八、关联方关系及其交易

本节所列数据除非特别说明，金额单位为人民币元。

(一) 关联方关系

1．本公司的母公司情况

母公司/实际控制人	业务性质	注册地	注册资本(万元)	母公司对本企业的持股比例(%)	母公司对本企业的表决权比例(%)
南山村村民委员会	非营利组织	龙口市	无	51.00	51.00

本公司最终控制方为南山村村民委员会。

2．本公司的子公司情况

本公司的子公司情况详见本附注七(一)“在子公司中的权益”。

3．本公司的合营和联营企业情况

本公司重要的合营和联营企业详见本附注七(二)“在合营安排或联营企业中的权益”。

4．本公司的其他关联方情况

其他关联方名称	与本公司的关系
青岛金恒力置业有限公司	联营公司青岛新恒力投资发展有限公司之子公司
万宁南山融创实业有限公司	合营公司南山(海南万宁)置业有限公司之子公司
烟台市顺成南山融创置业有限公司	合营公司烟台南山融创置业有限公司之子公司
青岛海琴置业有限公司	联营公司龙口海通房地产开发有限公司之子公司
LN Development	联营公司
刘振东	对本公司控股子公司施加重大影响的投资方
格润富德农牧科技股份有限公司	对本公司控股子公司施加重大影响的投资方控制的公司
烟台顺进南山融创置业有限公司	合营公司烟台南山融创置业有限公司之子公司
龙口南信远恒置业有限公司	联营公司青岛南信投资有限公司之子公司

（二）关联交易情况

1. 购销商品、接受和提供劳务情况

关联方名称	关联交易内容	定价政策	本期数	上年数
国家管网集团南山(山东)天然气有限公司	销售开发产品	市场价	380,180.74	10,553.97
南山飞卓宇航工业有限公司	销售开发产品	市场价	-	294,955.72
海南万宁弘基置业有限公司	销售开发产品	市场价	2,654.87	-
山东裕龙石化产业园发展有限公司	销售开发产品	市场价	2,000.74	-
龙口市顺和建材有限公司	提供劳务	市场价	879,507.53	-
格润富德农牧科技股份有限公司	牛肉、牛奶等	市场价	6,458,034.68	-
格润富德农牧科技股份有限公司	车辆租赁费	市场价	13,007.07	-
格润富德农牧科技股份有限公司	LPG	市场价	1,571.10	-
格润富德农牧科技股份有限公司	运费	市场价	1,865,220.16	-
格润富德农牧科技股份有限公司	装卸费	市场价	1,299,324.06	-
格润富德农牧科技股份有限公司	农机作业费	市场价	173,520.00	-
合　计	-	-	11,075,020.95	305,509.69

2. 利息收入与利息支出情况

关联方名称	关联交易内容	本期数	上年数
烟台市顺成南山融创置业有限公司	利息收入	-	49,008,729.82
海南万宁弘基置业有限公司	利息收入	32,951,339.69	39,866,876.32
龙口南信远恒置业有限公司	利息收入	873,211.48	308,360.45
烟台银行股份有限公司	利息收入	14,261,855.99	483,595.45

3. 吸收关联方存款

关联方名称	期末数	期初数
海南万宁弘基置业有限公司	27,446.17	10,240,015.75
烟台南山融创置业有限公司	3,316.68	1,851.74
南山(海南万宁)置业有限公司	11,896.28	1,475,484.30
青岛金恒力置业有限公司	16,731.00	19,124.18
青岛南信投资有限公司	609.86	607.70
山东裕龙石化产业园发展有限公司	1,237,446,073.20	-

关联方名称	期末数	期初数
万宁南山融创实业有限公司	20,157.73	20,086.16
青岛新恒力投资发展有限公司	45.48	42,660.40
南山飞卓宇航工业有限公司	39,138,034.17	40,828,563.76

[注]为本公司之子公司南山集团财务有限公司吸收成员单位存款。

4．发放贷款

关联方名称	本期数	上年数
海南万宁弘基置业有限公司	-	521,000,000.00

[注]为本公司之子公司南山集团财务有限公司发放的贷款。

5．委托贷款

关联方名称	本期数	上年数
海南万宁弘基置业有限公司	1,213,960,000.00	610,110,000.00

（三）关联方应收应付款项

1． 应收关联方款项

项目名称	关联方名称	期末数	期初数
应收账款	青岛南信投资有限公司	251,109,000.00	251,109,000.00
	烟台市顺成南山融创置业有限公司	2,562,216.48	922,480.00
	国家管网集团南山(山东)天然气有限公司	1,390,971.26	5,233,181.25
	青岛金恒力置业有限公司	28,424.78	594,175.41
	烟台顺进南山融创置业有限公司	2,662,602.00	3,503,291.00
	格润富德农牧科技股份有限公司	4,474,243.56	-
其他应收款	青岛南信投资有限公司	10,000,000.00	10,000,000.00
	青岛海琴置业有限公司	362,809,390.15	364,009,390.15
	龙口海通房地产开发有限公司	46,686,097.48	46,686,097.48
	海南万宁弘基置业有限公司	9,898,586.32	2,817,271.12
	烟台市顺成南山融创置业有限公司	121.90	-
	南山(海南万宁)置业有限公司	31,000,000.00	31,000,000.00
	龙口南信远恒置业有限公司	34,024,016.58	34,024,016.58

项目名称	关联方名称	期末数	期初数
	国家管网集团南山(山东)天然气有限公司		3,368,800.00
	刘振东	350,000,000.00	-
预付账款	烟台银行股份有限公司	32,819,551.80	114,639,551.80
其他非流动资产	青岛南信投资有限公司	99,519,000.00	109,319,000.00
	烟台市顺成南山融创置业有限公司	731,966,000.00	661,966,000.00
	LN Development	950,623,121.68	997,369,706.23
债权投资/一年内到期的非流动资产	海南万宁弘基置业有限公司	1,213,960,000.00	610,110,000.00

2. 应付关联方款项

项目名称	关联方名称	期末数	期初数
应付款项	万宁南山融创实业有限公司	400,000,000.00	400,000,000.00
应付款项	青岛金恒力置业有限公司	312,000,000.00	441,340,000.00
应付款项	海南万宁弘基置业有限公司	79,819,936.81	149,908,270.56
应付款项	烟台南山融创置业有限公司	620,000.00	620,000.00
应付款项	烟台市顺成南山融创置业有限公司	2,857,852.00	6,218,597.21
应付款项	青岛南信投资有限公司	1,000,000.00	-
应付款项	南山(海南万宁)置业有限公司	178,934,403.94	176,454,403.94
应付款项	格润富德农牧科技股份有限公司	559,270.00	-
应付款项	烟台顺进南山融创置业有限公司	122,535,114.00	51,680,000.00

九、承诺及或有事项

本节所列数据除非特别注明，金额单位为人民币元。

(一)重要承诺事项

合并范围内各公司为自身对外借款进行的财产抵押担保情况(单位：万元)

担保单位	抵押权人	抵押标的物	担保借款余额	借款到期日
南山集团有限公司	民生银行烟台分行	铝业股票	30,000.00	2021/10/14
南山集团有限公司	工行龙口支行	土地使用权	35,000.00	2024/1/19
山东怡力电业有限公司	民生银行烟台分行	铝业股票	50,000.00	2021/9/21

担保单位	抵押权人	抵押标的物	担保借款余额	借款到期日
烟台南山酒店管理有限公司	中国银行龙口支行	房屋所有权、土地使用权	26,500.00	2024/5/22
龙口南山屹坶岛港发展有限公司	工行龙口支行	海域使用权	1,500.00	2023/11/25
龙口市南山西海岸人工岛建设发展有限公司	中银富登村镇银行、国开行山东省分行、农银龙口支行	土地使用权	78,930.00	2022/6/27
PARK REGIS INVESTMENTS PTE. LTD.	星展银行(DBS)	房屋所有权、土地使用权	410.00（新加坡币）	无期限
NS PROPERTY DEVELOPMENT PTE LTD	UOB Bank Ltd	房屋所有权、土地使用权	14,800.00（新加坡币）	无期限
MIDDLE INVESTMENT PTE LTD	Maybank	房屋所有权、土地使用权	10,541.98（新加坡币）	2021/12/31

(二)或有事项

截至 2020 年 12 月 31 日，本公司之子公司南山铝业出具的保函金额为 10,439.84 万元，出具的信用证金额 48,327.82 万元；本公司之子公司恒通股份出具的履约保函余额为 20,079.52 万元。本公司已背书或者贴现且在资产负债表日尚未到期的应收票据终止确认金额为 45,997.13 万元，本公司已背书或者贴现且在资产负债表日尚未到期的应收款项融资终止确认金额为 745,210.76 万元。

除上述事项外本公司无需要披露的或有事项。

十、资产负债表日后非调整事项

截至财务报告批准报出日，本公司无应披露的重大资产负债表日后非调整事项。

十一、其他重要事项

本节所列数据除非特别说明，金额单位为人民币元。

(一) 前期差错更正说明

追溯重述法

会计差错更正的内容	批准处理情况	受影响的报表项目	影响金额
本年度发现2019年度投资收	本项差错更正经	资本公积	102,849,681.28

会计差错更正的内容	批准处理情况	受影响的报表项目	影响金额
益发生差错，在编制本财务报表时，已采用追溯重述法对该项差错进行了更正。	公司 2020 年临时董事会审议通过	投资收益	-102,849,681.28
		未分配利润	-102,849,681.28

本年度发现 2019 年度处置青岛航空股份有限公司时投资收益计算错误，在编制 2020 年度比较财务报表时，已采用追溯重述法对该项差错进行了更正。更正后，调增 2019 年末资本公积 102,849,681.28 元，调减 2019 年投资收益 102,849,681.28 元，调减 2019 年末未分配利润 102,849,681.28 元。

（二）债务重组

本期公司无重要债务重组事项。

（三）资产置换

本期公司无重要资产置换事项。

（四）年金计划

本期公司无重要年金计划事项。

（五）终止经营

本期公司无重要终止经营事项。

（六）分部信息

本期公司无重要分部信息。

十二、母公司财务报表重要项目注释

期初系指 2020 年 1 月 1 日，期末系指 2020 年 12 月 31 日；本期系指 2020 年度，上年系指 2019 年度。金额单位为人民币元。

（一）应收账款

1．按账龄披露

账　龄	期末数
1 年以内	69,659,985.84

账　龄	期末数
1-2 年	-
2-3 年	288,967,518.00
3 年以上	-
账面余额小计	358,627,503.84
减：坏账准备	1,482,469.33
账面价值合计	357,145,034.51

2．按坏账计提方法分类披露

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：					
按组合计提坏账准备	358,627,503.84	100.00	1,482,469.33	0.41	357,145,034.51
其中：					
低信用风险组合	62,133,637.04	17.33	-	-	62,133,637.04
其他组合	296,493,866.80	82.67	1,482,469.33	0.50	295,011,397.47
合　计	358,627,503.84	100.00	1,482,469.33	-	357,145,034.51

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%))	
按单项计提坏账准备	-	-	-	-	-
其中：	-	-	-	-	-
按组合计提坏账准备	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77
其中：					
低信用风险组合	-	-	-	-	-
其他组合	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77
合　计	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77

3．本期计提、收回或转回的坏账准备情况

本期计提坏账准备金额-2,165,690.70 元；本报告期公司无以前年度已全额或较大比例计提坏账准备，本期又全额或部分收回的应收账款。

4．本期无通过债务重组等其他方式收回的应收账款。

5．本期无实际核销的应收账款。

6．本期无因金融资产转移而终止确认的应收账款。

7．本期无转移应收账款且继续涉入形成的资产、负债。

（二）其他应收款

1．明细情况

项　目	期末数		
	账面余额	坏账准备	账面价值
应收利息	18,123,245.44	-	18,123,245.44
应收股利	16,000,000.00	-	16,000,000.00
其他应收款	52,262,250,780.93	9,332,392.26	52,252,918,388.67
合　计	52,296,374,026.37	9,332,392.26	52,287,041,634.11

续上表：

项　目	期初数		
	账面余额	坏账准备	账面价值
应收利息	22,282,400.53	-	22,282,400.53
应收股利	-	-	-
其他应收款	47,596,813,208.31	19,936,477.03	47,576,876,731.28
合　计	47,619,095,608.84	19,936,477.03	47,599,159,131.81

2．应收利息

(1)明细情况

项　目	期末数	期初数
借款利息	18,123,245.44	22,282,400.53

(2)本期无重要逾期利息。

3．应收股利

项　目	期末数	期初数

项　目	期末数	期初数
账面余额小计	16,000,000.00	-
减：坏账准备	-	-
账面价值小计	16,000,000.00	-

4．其他应收款

(1)按账龄披露

账　龄	期末数
1年以内	21,667,406,217.25
1-2年	18,720,613,211.00
2-3年	11,004,916,957.19
3年以上	869,314,395.49
账面余额小计	52,262,250,780.93
减：坏账准备	9,332,392.26
账面价值小计	52,252,918,388.67

(2)按性质分类情况

款项性质	期末数	期初数
单位往来款项	52,242,413,627.24	8,166,045,930.51
个人往来款项	2,150,000.00	71,307,153.06
保证金、押金	14,890,222.98	193,829,070.10
其他	2,796,930.71	11,293,017.97
小　计	52,262,250,780.93	8,442,475,171.64

(3)坏账准备计提情况

期末按组合计提坏账准备的其他应收款

1)低信用风险组合

账　龄	账面余额	坏账准备	计提比例(%)
关联方组合	50,395,772,328.69	-	-

2)其他组合

组　合	账面余额	坏账准备	计提比例(%)
1年以内	463,761,584.32	2,318,807.92	0.50
1-2年	164,549,514.81	822,747.57	0.50

组　合	账面余额	坏账准备	计提比例(%)
2-3 年	417,852,957.62	2,089,264.79	0.50
3 年以上	820,314,395.49	4,101,571.98	0.50
小　计	1,866,478,452.24	9,332,392.26	0.50

(4)本期计提、收回或转回的坏账准备情况

本期计提坏账准备金额-10,604,084.77 元；本期公司无以前年度已全额或较大比例计提坏账准备，本期又全额或部分收回的其他应收款。

(5)本期无通过债务重组等其他方式收回的其他应收款。

(6)本期无实际核销的其他应收款。

(7)报告期内无因金融资产转移而终止确认的其他应收款。

(8)报告期内无转移其他应收款且继续涉入形成的资产、负债金额。

(三) 长期股权投资

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
对子公司投资	18,662,685,383.01	-	18,662,685,383.01	15,847,148,535.13	-	15,847,148,535.13
对联营、合营企业投资	4,383,759,652.61	-	4,383,759,652.61	3,079,371,041.48	-	3,079,371,041.48
合　计	23,046,445,035.62	-	23,046,445,035.62	18,926,519,576.61	-	18,926,519,576.61

2．子公司情况

被投资单位名称	期初余额	本期增加	本期减少	期末余额
山东南山铝业股份有限公司	5,823,481,128.19	-	-	5,823,481,128.19
龙口市南山西海岸人工岛建设发展有限公司	2,555,000,000.00	-	-	2,555,000,000.00
NAN SHAN GROUP SINGAPORE CO.PTE.LTD	2,332,847,538.22	213,500,000.00	-	2,546,347,538.22
南山集团资本投资有限公司	1,000,000,000.00	-	-	1,000,000,000.00
龙口港屺母岛发展有限公司	571,386,500.00	-	-	571,386,500.00
南山集团财务有限公司	440,000,000.00	165,872,500.00	-	605,872,500.00
南山旅游集团有限公司	360,000,000.00	-	-	360,000,000.00

被投资单位名称	期初余额	本期增加	本期减少	期末余额
山东南山建设发展有限公司	340,000,000.00	-	-	340,000,000.00
上海鲁润资产管理有限公司	301,000,000.00	-	-	301,000,000.00
山东裕龙石化有限公司	41,000,000.00	1,420,000,000.00	41,000,000.00	1,420,000,000.00
山东南山智尚科技股份有限公司	282,211,833.37	-	-	282,211,833.37
龙口市南山融资担保有限公司	200,000,000.00	-	-	200,000,000.00
山东南山暖通新材料有限公司	188,000,000.00	-	-	188,000,000.00
山东怡力电业有限公司	150,000,000.00	-	-	150,000,000.00
山东南山科技产业园管理有限公司	100,000,000.00	-	-	100,000,000.00
烟台南山庄园葡萄酒有限公司	73,040,000.00	-	-	73,040,000.00
龙口市南山小额贷款股份有限公司	60,000,000.00	-	15,000,000.00	45,000,000.00
龙口南山屹坶岛港发展有限公司	50,000,000.00	-	-	50,000,000.00
恒通物流股份有限公司	-	1,071,254,347.88	-	1,071,254,347.88
其他	979,181,535.35	396,887,218.27	395,977,218.27	980,091,535.35
小　计	15,847,148,535.13	3,267,514,066.15	451,977,218.27	18,662,685,383.01

3．对联营、合营企业投资

被投资单位名称	初始投资成本	期初数	本期变动			
			追加投资	减少投资	权益法下确认的投资损益	其他综合收益变动
(1)合营企业						
烟台南山融创置业有限公司	10,000,000.00	25,000,000.00	-	-	-	-
(2)联营企业						
烟台银行股份有限公司	1,808,300,000.00	2,251,588,726.55	-	-	75,301,130.08	-24,274,900.00
青岛新恒力投资发展有限公司	312,000,000.00	546,968,185.09	-	-	113,601,182.41	-
青岛南信投资有限公司	245,000,000.00	245,000,000.00	-	-	-	-
北京融创南山房地产有限公司	1,020,000.00	970,559.00	-	-	-232.87	-
国家管网集团南山（山东）天然气有限公司	10,000,000.00	9,843,570.84	-	-	-1,165,928.70	-

被投资单位名称	初始投资成本	期初数	本期变动			
			追加投资	减少投资	权益法下确认的投资损益	其他综合收益变动
山东裕龙石化产业园发展有限公司	900,000,000.00	-	900,000,000.00	-	-6,357,069.98	-
小　计	3,286,320,000.00	3,079,371,041.48	900,000,000.00	-	181,379,080.94	-24,274,900.00

续上表：

被投资单位名称	本期变动				期末数	减值准备期末余额
	其他权益变动	宣告发放现金股利或者利润	计提减值准备	其他		
(1)合营企业						
烟台南山融创置业有限公司	-	-	-	-	25,000,000.00	-
(2)联营企业						
烟台银行股份有限公司	522,452,830.19	-	-	-	2,825,067,786.82	-
青岛新恒力投资发展有限公司	-	275,168,400.00	-	-	385,400,967.50	-
青岛南信投资有限公司	-	-	-	-	245,000,000.00	-
北京融创南山房地产有限公司	-	-	-	-	970,326.13	-
国家管网集团南山（山东）天然气有限公司	-	-	-	-	8,677,642.14	-
山东裕龙石化产业园发展有限公司	-	-	-	-	893,642,930.02	-
小　计	522,452,830.19	275,168,400.00	-	-	4,383,759,652.61	-

（四）营业收入/营业成本

1．明细情况

项　目	本期数		上年数	
	收　入	成　本	收　入	成　本
主营业务	5,059,416,981.19	4,757,340,804.22	3,692,091,502.05	3,325,659,496.07
其他业务	1,584,029.30	190,546.11	45,169,207.48	183,182.14
合　计	5,061,001,010.49	4,757,531,350.33	3,737,260,709.53	3,325,842,678.21

2．主营业务收入/主营业务成本(按行业分类)

行业名称	本期数		上年数	
	收　入	成　本	收　入	成　本
服务	4,556,865,782.94	4,577,784,729.26	3,535,712,606.90	3,297,866,472.43

行业名称	本期数		上年数	
	收　入	成　本	收　入	成　本
其他	502,551,198.25	179,556,074.96	156,378,895.15	27,793,023.64
小　计	5,059,416,981.19	4,757,340,804.22	3,692,091,502.05	3,325,659,496.07

（五）投资收益

项　目	本期数	上年数
成本法核算的长期股权投资收益	737,327,794.65	158,235,814.39
权益法核算的长期股权投资收益	181,379,080.94	78,155,492.05
处置长期股权投资产生的投资收益	-6,716,602.38	1,210,080,245.58
丧失控制权后，剩余股权按公允价值重新计量产生的利得	-	-
交易性金融资产持有期间取得的投资收益	-	-
其他权益工具投资在持有期间取得的股利收入	61,824.41	-
债权投资在持有期间取得的利息收入	-	-
其他债权投资在持有期间取得的利息收入	-	-
处置交易性金融资产产生的投资收益	41,644,600.62	8,238,727.23
处置其他债权投资产生的投资收益	-	-
以摊余成本计量的金融资产终止确认收益	-	-
其他投资收益	-	-
合　计	953,696,698.24	1,454,710,279.25

十三、　财务报表之批准

2020 年度财务报表已经公司董事会于 2021 年 4 月 27 日批准报出。

南山集团有限公司

2021 年 4 月 27 日


THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
中国注册会计师协会
姓名 Full name 刘元锁
性别 Sex 男
出生日期 Date of birth 1972-04-28
工作单位 Working unit 山东和信会计师事务所（特殊普通合伙）
身份证号码 Identity card No. 370137204283927
年度检验登记
Annual Renewal Registration
本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.
年检合格专用章
370100010021
证书编号：
No. of Certificate
山东省注册会计师协会
批准注册协会：
Authorized Institute of CPAs
发证日期：
Date of Issuance
1999 年 06 月 22 日
y m d
2013年
注册会计师
年检合格专用章

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

山东省注册会计师协会 2019年 注册会计师 年检合格专用章

2016年03月09日

年 月 日
/y /m /d

6

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

山东省注册会计师协会 2017年 注册会计师 年检合格专用章

2017年03月01日

年 月 日
/y /m /d

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from 山东和信会计师事务所

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2018年3月26日
/y /m /d

同意调入
Agree the holder to be transferred to 中汇会计师事务所有限公司

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2018年3月26日
/y /m /d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

年 月 日
/y /m /d

同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

年 月 日
/y /m /d

11



姓名 吴岳

Full name

性别 男

Sex

出生日期 1969-01-08

Date of birth

工作单位 山东和信会计师事务所（特殊普通合伙）

Working unit

身份证号码 372833690108107

Identity card No.





年度检验登记

Annual Renewal Registration

2019年 注册会计师 年检合格专用章

2020年 注册会计师 年检合格专用章

本证书经检验合格，继续有效一年。

This certificate is valid for another year after this renewal.

2015年 注册会计师 年检合格专用章

2015年 03 月 09 日

年 月 日

Y M D

110001670091

证书编号：

No. of Certificate

山东省注册会计师协会

批准注册协会：

Authorized Institute of CPAs

2003 10 20

发证日期：

Date of Issuance

年 月 日

Y M D

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

山东省注册会计师协会 2016年 注册会计师 年检合格专用章

2016年03月09日

年 月 日
/y /m /d

6

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

山东省注册会计师协会 2017年 注册会计师 年检合格专用章

2017年03月09日

年 月 日
/y /m /d

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from 峰和信

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2018年3月26日
/y /m /d

同意调入
Agree the holder to be transferred to 中证洲际

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

2018年3月26日
/y /m /d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

年 月 日
/y /m /d

同意调入
Agree the holder to be transferred to

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs

年 月 日
/y /m /d

11

统一社会信用代码

91330000087374063A (1/1)

营业执照

(副 本)

扫描二维码登录"国家企业信用信息公示系统"了解更多登记、备案、许可、监管信息。

名　　称　中汇会计师事务所（特殊普通合伙）

类　　型　特殊普通合伙企业

执行事务合伙人　余强

经营范围　审查企业会计报表、出具会计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度决算审计、代理记账；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。（依法须经批准的项目，经相关部门批准后方可开展经营活动）

仅供中汇会审[2021]3496号报告使用

成立日期　2013 年 12 月 19 日

合伙期限　2013 年 12 月 19 日 至 长期

主要经营场所　浙江省杭州市江干区新业路 8 号华联时代大厦 A 幢 601 室

登记机关

2021 年 01 月 9 日

国家企业信用信息公示系统网址：http://www.gsxt.gov.cn

市场主体应当于每年 1 月 1 日至 6 月 30 日通过国家信用公示系统报送公示年度报告。

国家市场监督管理总局监制



会计师事务所
执业证书

名　　称：中汇会计师事务所（特殊普通合伙）

首席合伙人：余强

主任会计师：

经 营 场 所：杭州市江干区新业路8号华联时代大厦A幢601室

组 织 形 式：特殊普通合伙

执业证书编号：33000014

批准执业文号：浙财会〔2013〕54 号

批准执业日期：2013 年 12 月 4 日

仅供中汇会审[2021]3496号报告使用

证书序号：0001679

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：

2013 年 5 月 日

中华人民共和国财政部制

证书序号：000381

会计师事务所

证券、期货相关业务许可证

经财政部、证券监督管理委员会审查，批准

中汇会计师事务所（特殊普通合伙）

执行证券、期货相关业务。

首席合伙人：余强

证书号：45　　发证时间：二〇一一年十一月六日

证书有效期至：二〇二一年十一月六日

仅供中汇会审[2021]3496号报告使用

中匯會計師事務所（特殊普通合夥）
Zhonghui Certified Public Accountants LLP

Address: 6/F, Block A, UDC Times Tower, No. 8 Xinye Road, Qianjiang New Town, Hangzhou, China
Postcode: 310016
Tel: 0571-88879999
Fax: 0571-88879000
www.zhcpa.cn

Nanshan Group Co., Ltd.
Audit Report 2019

Anti-counterfeiting page for Report from Shandong Province CPA Sector

Report Title:	Nanshan Group Co., Ltd.
Report No.:	Zhong Hui Kuai Sheng No. [2020]1857
Client:	Nanshan Group Co., Ltd.
Report Date:	2020-04-21
Signatory:	Liu Yuansuo (CPA: 370100010021）
	Wu Yue (CPA: 110001670091）



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Report No.: Zhong Hui Kuai Sheng No. [2020]1857

Accounting Firm:	ZHONGHUI Certified Public Accountants LLP (Special General Partnership)
Tel:	0531-81666257
Fax:	0531-81666259
Correspondence Address:	5-8, 12/F, Block A, UDC Times Tower, No. 8 Xinye Road, Qianjiang New Town, Jianggan, Hangzhou, China
Email:	zhjn@zhcpa.cn

Validation URL:http://sdcpacpvfw.cn (Under Anti-counterfeiting Filing)

中匯會計師事務所（特殊普通合夥）
Zhonghui Certified Public Accountants LLP

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Contents

	Page
I. Auditor's Report	1-3
II. Financial statement	4-15
(1) Consolidated Balance Sheet	4-5
(2) Consolidated Income Statement	6
(3) Consolidated Cash Flow Statement	7
(4) Consolidated Statement of Changes in Owners' Equity	8—9
(5) Company Balance Sheet	10-11
(6) Company Income Statement	12
(7) Company Cash Flow Statement	13
(8) Company Statement of Changes in Shareholder's Equity	14-15
III. Notes to Financial Statements	16-179

中匯會計師事務所（特殊普通合夥）
Zhonghui Certified Public Accountants LLP

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www.zhcpa.cn

Auditor's Report

Zhong Hui Kuai Sheng No. [2020]1857

To all the shareholders of Nanshan Group Co., Ltd.:

I. Auditor's Opinion

We have audited the accompanying financial statements of Nanshan Group Co., Ltd. (the "Nanshan Group"), which comprise the Company's and consolidated balance sheets as at 31 December 2019, and the Company's and consolidated income statements, the Company's and consolidated cash flow statements, and the Company's and consolidated statements of changes in shareholders' equity for 2019, and the notes to these financial statements.

In our opinion, the accompanying financial statements of Nanshan Group present fairly, in all material respects, the Company's and consolidated financial position as of 31 December 2019, and the Company's and consolidated results of operations and cash flows for 2019 in accordance with Accounting Standards for Business Enterprises.

II. Basis for the Auditor's Opinion

We conducted our audit in accordance with the Auditing Standards for PRC Certified Public Accountants. Our responsibilities under those standards are further described in the "Certified Public Accountants' Responsibilities for the Audit of the Financial Statements" section of the audit report. We are independent of Nanshan Group in accordance with the Ethical Codes of Chinese Certified Public Accountants, and we have fulfilled our other responsibilities under the Ethical Codes. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

III. Other Information

The management of the Nanshan Group (the "Management") is responsible for other information. Other information includes information covered in the Nanshan Group's 2019 Annual Report but excludes the financial statements and our auditor's report.

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

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

Based on the work so performed, we shall report any material misstatement as contained in the other information that we ascertain. There were none that require our reporting in such aspect.

IV. Responsibilities of The Management and Those Charged with Governance for the Financial Statements

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing Nanshan Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and use the going concern basis of accounting unless the Management either intend to liquidate Nanshan Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance ("Governance Level") at Nanshan Group are responsible for overseeing the Company’s financial reporting process.

V. The Responsibilities of the 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 auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the CAS will always detect a material misstatement when it exists. Misstatements can arise from 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 CSAs, we exercise professional judgment and maintain professional scepticism throughout the audit. In addition, we performed the following tasks:

(1) to 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 audit opinion. As fraud could involve collusion, forgery, intentional omission, false statements or overriding internal controls, thus risks of inability to discover major misrepresentation are more severe than risks of inability to spot misrepresentation due to mistake.

(2) to understand and design relative internal control, to design appropriate auditing procedures, but not for the purpose of expressing an opinion on the effectiveness of internal control.

(3) to evaluate appropriateness of the Management choosing Accounting Policies, and their accounting estimates and relative disclosures.

(4) to 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 Nanshan Group's ability 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 audit evidence obtained up to the date of our auditor's report. Our conclusions are based on the information obtained up to the date of audit report. However, future events or conditions may cause Nanshan Group to cease to continue as a going concern.

(5) to evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(6) to obtain sufficient and appropriate audit evidences regarding the financial information of the entities or business activities within Nanshan Group to express an audit opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsibility for our audit opinion.

We communicate with the Governance panel regarding the planned scope, timing of the audit and significant audit findings, including deficiencies worth of attention in internal control that we identify during our audit.

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)	PRC certified public accountant:	[Stamp: Liu Yuansuo, PRC Certified Public Accountant]
Hangzhou, China	PRC certified public accountant:	[Stamp: Wu Yue, PRC Certified Public Accountant]
[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]	Report Date: 21 April, 2020	

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Balance Sheet

31 December, 2019

Table Kuai He 01

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2019	1 January, 2019
Current assets:				
Cash and Cash Equivalents	V(1)	1	13,707,244,342.51	9,828,116,566.56
Clearing settlement funds		2		
Placements with banks and other financial institutions		3		
Financial assets held for trading	V(2)	4	2,443,733,198.90	4,531,560,000.00
Financial assets measured at fair value through changes in profit or loss.	V(3)	5	114,376,163.42	51,740,313.81
Derivative financial assets	V(4)	6	3,623,881.46	204,000.00
Notes Receivable	V(5)		1,308,565,843.23	1,850,466,547.85
Accounts receivable	V(6)	8	4,933,765,739.07	5,591,825,270.12
Account Receivables Financing	V(7)	9	1,104,674,932.14	1,578,484,203.44
Prepayments	V(8)	10	2,181,863,610.11	1,768,168,514.16
Premium Receivables		11		
Receivable from reinsurers		12	-	-
Reinsurance contract reserves receivable		13	-	-
Other receivables	V(9)	14	8,406,051,675.63	7,022,376,542.27
Where: Interest receivable		15	50,215,247.65	47,275,638.86
Dividend receivable		16	-	-
Financial assets purchased under agreements to resell		17	-	-
Inventories	V(10)	18	17,068,983,252.90	18,084,902,724.82
Assets held for sales	V(11)	19	28,628,012.89	57,377,563.96
Non-current assets due within one year		20	-	-
Other current assets	V(12)	21	3,169,196,368.47	3,274,513,113.48
Total current assets		22	54,470,707,020.73	53,639,735,360.47
Non-current assets:				
Loans and advances to customers	V(13)	23	2,576,667,284.47	671,027,730.99
Available-for-sale financial assets	V(14)	24	10,001,869,154.69	7,779,563,603.67
Held-to-maturity investments	V(15)	25	-	30,000,000.00
Long-term receivables	V(16)	26	578,591,895.57	971,864,653.26
Long-term equity investments	V(17)	27	3,200,883,395.56	3,061,425,951.16
Other equity instrument investments	V(18)	28	40,090,000.00	40,090,000.00
Other non-current financial assets	V(19)	29	31,000,000.00	31,000,000.00
Investment Properties	V(20)	30	1,620,010,018.44	1,572,174,889.13
Fixed assets	V(21)	31	36,875,029,812.45	40,424,615,927.68
Construction in progress	V(22)	32	18,333,047,879.22	16,603,101,222.99
Productive biological assets		33	-	-
Oil and gas assets		34	-	-
Intangible assets	V(23)	35	6,141,376,731.29	6,142,047,842.37
Development expenses		36	-	-
Goodwill		37	-	-
Long-term deferred expenses	V(24)	38	101,709,475.68	851,645,417.69
Deferred tax assets	V(25)	39	308,616,797.97	267,452,292.27
Other non-current assets	V(26)	40	1,394,152,984.38	844,095,916.97
Total non-current assets		41	81,203,045,429.72	79,290,105,448.18
Total assets		42	135,673,752,450.45	132,929,840,808.65

Legal Representative: 宋波建印 Chief Financial Officer: 宋波建印 Chief Financial Officer: 梁坤

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Consolidated Balance Sheet (Continu

31 December, 2019

Table Kuai He 01

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2019	1 January, 2019
Current liabilities:				
Short-term borrowings	V(27)	43	11,239,227,526.14	8,215,261,123.55
Borrowings from Central Bank	V(28)	44	403,323,237.50	428,220,937.50
Customer bank deposits and due to banks and other financial institutions	V(29)	45	65,946,569.03	94,971,896.99
Placements from banks and other financial institutions		46	-	-
Held-for-trading financial liabilities	V(30)	47	-	9,000.00
Financial liabilities measured at fair value through changes in profit or loss		48	-	-
Derivative financial liabilities	V(31)	49	4,248,002.34	10,408,160.14
Notes payable	V(32)	50	5,069,305,124.18	3,332,092,039.38
Accounts Payable	V(33)	51	5,592,975,147.69	5,207,162,291.70
Advance receipts	V(34)	52	3,127,716,332.64	2,454,766,353.09
Assets sold under agreements to repurchase	V(35)	53	862,100,000.00	722,000,000.00
Handling charges and commission payable		54	-	-
Staff remuneration payables	V(36)	55	860,242,225.22	772,112,027.45
Taxes payable	V(37)	56	1,235,035,362.79	1,417,588,968.60
Other payables	V(38)	57	5,222,558,713.77	4,535,854,142.36
Where: Interest payable		58	671,219,181.99	686,839,312.89
Dividend payable		59	6,107,297.49	6,107,297.49
Due to reinsurers		60	-	-
Funds from securities trading agency		61	-	-
Funds from underwriting securities agency		62	-	-
Liabilities held for sales		63	-	-
Non-current liabilities due within one year	V(39)	64	6,100,590,206.66	7,405,142,412.15
Other current liabilities	V(40)	65	5,582,540,717.10	6,669,588,895.53
Total current liabilities		66	45,365,809,165.06	41,265,178,248.44
Non-current liabilities:				
Insurance contract reserves		67		
Long-term borrowings	V(41)	68	6,193,436,677.06	7,167,233,268.40
Bonds payable	V(42)	69	15,707,420,930.78	18,654,042,819.07
Where: Preference shares		70	-	-
Perpetual Bonds		71	-	-
Long-term payables	V(43)	72	620,832,551.64	1,262,345,347.96
Long-term staff remuneration payables		73	-	-
Estimated liabilities		74	-	-
Deferred revenue	V(44)	75	772,674,464.12	672,116,235.73
Deferred tax liabilities	V(25)	76	10,318,366.34	30,600.00
Other non-current liabilities	V(45)	77	59,984,378.68	29,282,355.71
Total non-current liabilities		78	23,364,667,368.62	27,785,050,626.87
Total liabilities		79	68,730,476,533.68	69,050,228,875.31
Owners' Equity:				
Paid-in capital	V(46)	80	1,000,000,000.00	1,000,000,000.00
Other equity instruments		81	-	-
Including: Preference shares		82	_	-
Perpetual Bonds		83	-	-
Capital reserves	V(47)	84	1,014,997,956.76	1,005,129,960.19
Less: Treasury shares		85	-	-
Other comprehensive income	V(48)	86	-863,566,973.44	-756,598,339.65
Special Reserves		87	-	-
Surplus reserves	V(49)	88	4,563,025,276.78	4,350,528,548.06
General reserve		89	-	-
Retained profits	V(50)	90	37,852,842,970.93	35,608,934,364.60
Total equity attributable to owners of Company		91	43,567,299,231.03	41,207,994,533.20
Minority Stockholder's Interest		92	23,375,976,685.74	22,671,617,400.14
Total Owners' Equity		93	66,943,275,916.77	63,879,611,933.34
Total liabilities and owner's equity		94	135,673,752,450.45	132,929,840,808.65

Legal Representative: Chief Financial Officer: Chief Financial Officer:

Consolidated Income Statement

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 02

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	Year 2019	Year 2018
I. Operating Income	V(51)	1	43,461,367,076.75	43,172,374,415.42
Where: Operating Income	V(51)	2	43,326,503,377.90	43,023,112,845.39
Interest income	V(51)	3	124,933,228.56	141,313,509.23
Earned premium	V(51)	4	1,107,900.96	1,151,960.26
Handling charges and commission income	V(51)	5	8,822,569.33	6,796,100.54
II. Total operating costs		6	42,586,724,671.30	41,148,353,253.37
Where: Operating Costs	V(51)	7	35,761,325,905.36	34,752,031,777.54
Interest expense	V(51)	8	30,069,110.20	26,469,325.45
Handling charges and commission expenses	V(51)	9	659,192.87	663,468.95
Surrenders		10	-	-
Net claims paid		11	-	-
Change in insurance contract reserves, net		12	-	-
Policyholder dividend expense		13	-	-
Expenses for reinsurance accepted		14	-	-
Tax and Surcharges	V(52)	15	336,295,076.40	1,117,370,522.34
Selling expenses	V(53)	16	1,829,034,141.77	1,433,009,868.46
Administrative expenses	V(54)	17	1,870,749,271.02	1,923,970,170.81
R&D expenses	V(55)	18	897,508,394.14	207,575,231.24
Financial expenses	V(56)	19	1,861,083,579.54	1,687,262,888.59
Where: Interest expenses		20	2,164,760,363.60	2,177,831,371.58
Interest income		21	281,981,363.84	297,316,102.32
Plus: Other gains	V(57)	22	482,097,713.75	117,497,770.12
Gains from investments (loss denoted by "-")	V(58)	23	2,794,357,804.32	573,318,038.78
Where: Share of profits in associates and joint ventures		24	126,405,356.14	324,404,935.23
Exchange gains (loss denoted by "—")		25	-	-
Gain on changes in fair value (loss is denoted by a "-")	V(59)	26	2,036,634.24	-9,964,732.95
Loss on Credit Impairment (loss is denoted as a "-")	V(60)	27	-5,914,294.92	-
Loss on Asset Impairment (loss is denoted by a "-")	V(61)	28	-111,425,499.18	27,642,857.89
Gain on disposal of assets (loss denoted by a "-")	V(62)	29	-83,856,386.77	-99,585,605.79
III. Operating Profit (loss denoted by a "-")		30	3,951,938,376.89	2,632,929,490.10
Plus: Non-operating income	V(63)	31	193,952,502.01	1,323,921,432.62
Less: Non-operating expenses	V(64)	32	168,843,965.49	147,629,536.26
IV. Total profit (total losses denoted by a "-")		33	3,977,046,913.41	3,809,221,386.46
Less: Income tax expenses	V(65)	34	521,669,424.49	850,404,656.93
V. Net profit (net loss denoted by a "-")		35	3,455,377,488.92	2,958,816,729.54
(1) By continuity of operations				
1. Net profit from continuing operations (net loss denoted by a "-")		36	3,455,377,488.92	2,958,816,729.54
2. Net profit from discontinued operations (net loss denoted by a "-")		37	-	-
(2) By Ownership			-	-
(1) Net profit attributable to the owners of the Nanshan Group		38	2,445,045,557.32	2,087,681,366.15
2. Minority interests		39	1,010,331,931.60	871,135,363.38
VI. Other comprehensive income, net of tax	V(66)	40	-68,054,963.19	-947,268,114.64
Other comprehensive income attributable to the owners of Company, net of tax		41	-106,968,633.79	-987,227,713.27
(1) Other comprehensive income that will not be reclassified to profit or loss		42	506,450.45	-1,663,238.69
1. Remeasurement of changes in defined benefit plans		43	-	-
2. Other comprehensive income that will not be reclassified to profit or loss under the equity method		44	506,450.45	-1,663,238.69
(2) Other comprehensive income that will be reclassified to profit or loss		45	-107,475,084.24	-985,564,474.58
1. Other comprehensive income that may be reclassified to profit or loss under the equity method		46	-9,088,208.05	20,308,576.05
2. Gains or losses from changes in fair value of available-forsale financial assets		47	-296,862,984.82	-1,028,362,957.09
3. Gains or losses from reclassifying held-to maturity investments to available-for-sale financial assets		48	-	-
4. Effective portion of cash flow adjusted for hedging gains or losses		49	2,356,520.06	-2,878,085.51
5. Exchange differences from retranslation of financial statements		50	196,119,588.57	25,367,991.97
6. Other		51	-	-
Other comprehensive income attributable to minority shareholders, net of tax		52	38,913,670.60	39,959,598.63
VII. Total comprehensive income (total comprehensive loss denoted by a "-")		53	3,387,322,525.73	2,011,548,614.90
Total comprehensive income attributable to owners of Company		54	2,338,076,923.54	1,100,453,652.88
Total comprehensive income attributable to minority shareholders		55	1,049,245,602.20	911,094,962.01

Legal Representative: 宋波建印 Chief Financial Officer: 宋波建印 Chief Financial Officer: 梁坤

Consolidated Cash Flow Statemen

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Year 2019

Table Kuai He 03

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	Year 2019	Year 2018
I. Cash flows from operating activities:				
Cash generated from sale of goods and rendering of services		1	39,128,193,478.46	36,604,291,138.00
Net increase in customer bank deposits and due to banks and other financial institutions		2	-29,025,327.96	30,270,181.65
Net increase in borrowings from central bank		3	-24,897,700.00	129,145,937.50
Net decrease in deposits with central bank and other financial institutions		4	-53,881,750.31	247,840,086.02
Premiums received from original insurance contracts		5	-	-
Net cash received from reinsurance business		6	-	-
Net increase in deposits from policyholders		7	-	-
Net Increase in Disposal of Financial Assets at Fair Value Through Profit or Loss		8	-	-
Cash received on interest, handling fee and commission		9	142,797,202.09	165,928,953.18
Net increase in placements from banks and other financial institutions		10	-	-
Net increase in repurchase business capital		11	140,100,000.00	155,400,000.00
Tax rebates received		12	1,109,367,007.03	772,279,499.10
Other cash received relating to operating activities	V(67)	13	898,314,093.40	1,408,452,810.75
Sub-total of cash inflows from operating activities		14	41,310,967,002.71	39,513,608,606.21
Cash paid for goods and services		15	23,488,211,931.10	27,864,920,248.75
Net increase in loans and advances to customers		16	1,905,639,553.48	64,600,269.45
Net increase in deposits with central bank and other financial institutions		17	-	-
Original insurance contract claims paid		18	-	-
Cash paid for interest, handling fees and commissions		19	29,216,120.44	26,830,776.21
Policyholder Dividend Paid		20	-	-
Cash paid to and for employees		21	3,065,965,628.87	3,109,897,721.77
Cash paid for taxes and surcharges		22	2,455,470,882.87	2,747,961,561.59
Other cash payments relating to operating activities	V(67)	23	3,153,841,525.04	1,806,442,853.57
Sub-total of cash outflows from operating activities		24	34,098,345,641.80	35,620,653,431.34
Net cash flows from operating activities		25	7,212,621,360.91	3,892,955,174.86
II. Cash flow from investing activities:				
Cash received from disposal of investments		26	3,419,638,040.04	1,817,624,465.56
Cash received from returns on investments		27	155,794,827.72	114,957,779.31
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		28	16,889,604.08	747,827,598.70
Net cash received from disposal of subsidiaries and other operating entities		29	1,592,418,674.54	-
Other cash received concerning investing activities	V(67)	30	5,730,027,959.12	828,262,498.25
Sub-total of cash inflows from investing activities		31	10,914,769,105.50	3,508,672,341.82
Cash paid to acquire fixed assets, intangible assets and other long-term assets		32	3,270,394,480.21	3,232,821,739.50
Cash paid to acquire investments		33	6,051,609,942.19	2,227,510,406.78
Net increase in pledge loans		34	-	-
Net cash paid to acquire subsidiaries and other operating entities		35	-	-
Cash paid relating to other investing activities	V(67)	36	3,340,740,356.84	5,721,684,655.20
Sub-total of cash outflows from investing activities		37	12,662,744,779.25	11,182,016,801.48
Net cash flows from investing activities		38	-1,747,975,673.75	-7,673,344,459.66
III. Cash flows from financing activities:				
Cash received from capital contributions		39	232,155,801.24	2,344,716,378.78
Where: Cash received by subsidiaries from minority shareholders' investments		40	-	-
Cash received from borrowings		41	29,969,372,700.00	30,952,281,958.89
Cash received from other financing activities	V(67)	42	1,635,128,244.75	962,179,572.94
Sub-total of cash inflow from financing activities		43	31,836,656,745.99	34,259,177,910.61
Cash repayments of amounts borrowed		44	32,716,099,133.54	28,544,950,201.36
Cash paid for dividends, profit and interest		45	2,637,873,084.07	2,860,496,613.99
Where: Dividends and profits paid by subsidiaries to minority shareholders		46	315,177,093.25	302,438,189.60
Cash paid for other financing activities	V(67)	47	1,134,000,000.00	167,079,017.86
Sub-total of cash outflow from financing activities		48	36,487,972,217.61	31,572,525,833.22
Net cash flows from financing activities		49	-4,651,315,471.62	2,686,652,077.39
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		50	95,193,430.98	158,995,020.34
V. Net increase in cash and cash equivalents		51	908,523,646.52	-934,742,187.07
Plus: Cash and cash equivalents at beginning of period		52	7,914,965,515.49	8,849,707,702.56
VI. Closing balance of cash and cash equivalents		53	8,823,489,162.01	7,914,965,515.49

Legal Representative: 宋建波印

Chief Financial Officer: 宋建波印

Chief Financial Officer: 梁坤

Consolidated Statement of Changes in Owners' Equity

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 04 -1

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Line No.	Year 2019									
		Owners' Equity attributable to owners of Company								Minority interests	Total Owners' Equity
		Paid-in capital	Capital reserves	Less: Treasury shares	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits		
I. Closing Balance of Prior Period	1	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65		4,350,528,548.06		35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
Plus: Change in Accounting Policies	2			-					-	_	-
Correction of Errors in the Previous Period	3	-	-	-	-		-		-		-
Consolidation under common control	4	-	-	-	-		-		-	-	-
Others	5	-	-	-	-		-		-	-	-
II. Opening balance Of current period	6	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65		4,350,528,548.06		35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
III. Movements during the period (decrease denoted by a "-")	7	-	9,867,996.57	-	-106,968,633.79		212,496,728.72		2,243,908,606.33	704,359,285.60	3,063,663,983.43
(1) Total comprehensive income	8	-	-	-	-106,968,633.79		-	-	2,445,045,557.32	1,049,245,602.20	3,387,322,525.73
(2) Owners' contribution and withdrawal of capital	9	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-29,709,223.35	-8,481,449.05
1. Common stock contributed by shareholders	10					-		-	-	87,419,291.43	87,419,291.43
2. Proceeds from other equity instruments holders	11	-	-	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	12	-	-	-	-	-	-	-	-	-	-
4. Others	13	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-117,128,514.78	-95,900,740.48
(3) Profit Sharing	14	-	-	-	-		212,496,728.72	-	-212,496,728.72	-315,177,093.25	-315,177,093.25
1. Appropriation to surplus reserves	15	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-	-
2. Appropriation to general reserves	16	-	-	-	-	-	-	-	-	-	-
3. Distribution to owners	17	-	-	-	-	-	-	-	-	-315,177,093.25	-315,177,093.25
4. Others	18	-	-	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	19	-	-	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	20	-	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	21	-	-	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	22	-	-	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	23	-	-	-	-	-	-	-	-	-	-
5. Other	24	-	-	-	-	-	-	-	-	-	-
(5) Special Reserves	25	-	-	-	-	-	-	-	-	-	-
1. Appropriation during the period	26	-	-	-	-	-	-	-	-	-	-
2. Utilization during the period	27	-	-	-	-	-	-	-	-	-	-
(6) Other	28	-	-	-	-	-	-	-	-	-	-
IV. Closing Balance of the period:	29	1,000,000,000.00	1,014,997,956.76	-	-863,566,973.44		4,563,025,276.78		37,852,842,970.93	23,375,976,685.74	66,943,275,916.77

Legal Representative: 宋波建印

Chief Financial Officer: 宋波建印

Chief Financial Officer: 梁坤

Consolidated Statement of Changes in Owners' Equity (Continued

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 04 -2

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Line No.	Year 2018								
		Owners' Equity attributable to owners of Company							Minority interests	Total Owners' Equity
		Paid-in capital	Capital reserves	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits		
I. Closing Balance of Prior Period	1	1,000,000,000.00	950,376,446.94	230,629,373.62		4,171,657,683.48		33,700,123,863.03	19,685,383,087.50	59,738,170,454.57
Plus: Change in Accounting Policies	2	-	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period	3	-	-	-	-	-	-	-	-	-
Consolidation under common control	4	-	-	-	-	-	-	-	-	-
Others	5	-	-	-	-	-	-	-	-	-
II. Opening balance Of current period	6	1,000,000,000.00	950,376,446.94	230,629,373.62	-	4,171,657,683.48	-	33,700,123,863.03	19,685,383,087.50	59,738,170,454.57
III. Movements during the period (decrease denoted by a "-")	7	-	54,753,513.25	-987,227,713.27	-	178,870,864.58	-	1,908,810,501.57	2,986,234,312.64	4,141,441,478.77
(1) Total comprehensive income	8	-	-	-987,227,713.27	-	-		2,087,681,366.15	911,094,962.01	2,011,548,614.89
(2) Owners' contribution and withdrawal of capital	9	-	54,753,513.25	-	-	-		-	2,377,577,540.23	2,432,331,053.48
1. Common stock contributed by shareholders	10	-		-	-	-		-	2,381,726,361.46	2,381,726,361.46
2. Proceeds from other equity instruments holders	11	-	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	12	-	-	-	-		-	_	-	-
4. Others	13	-	-	54,753,513.251	-	-	-	_	-4,148,821.23	50,604,692.02
(3) Profit Sharing	14	-	-	-		178,870,864.58		-178,870,864.58	-302,438,189.60	-302,438,189.60
1. Appropriation to surplus reserves	15	-	-	-	-	178,870,864.58	-	-178,870,864.58	-	-
2. Appropriation to general reserves	16	-	-	-	-	-	-	-	-	-
3. Distribution to owners	17	-	-	-		-	-	-	-302,438,189.60	-302,438,189.60
4. Others	18	-	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	19	-	-	-	-	-	-	-	_	-
1. Transfer of capital reserve to share capital	20	-	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	21	-	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	22	-	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	23	-	-	-	-	-	-	_	-	-
5. Other	24	-	-	-	-	-	-	-	-	-
(5) Special Reserves	25	-	-	-	-	-	-	-	-	-
1. Appropriation during the period	26	-	-	-	-	-	-	-	-	-
2. Utilization during the period	27	-	-		-		_	-	-	-
(A) Others	28	-	-	-	-	-	-		-	-
IV. Closing Balance of the period	29	1,000,000,000.00	1,005,129,960.19	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34

Legal Representative: 宋建波印

Chief Financial Officer: 宋建波印

Chief Financial Officer: 梁坤

Company Balance Sheet

31 December, 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 01

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2019	1 January, 2019
Current assets:				
Monetary Funds		1	6,181,185,707.02	2,817,245,481.76
Clearing settlement funds		2	-	-
Placements with banks and other financial institutions		3	-	-
Financial assets measured at fair value through changes in profit or loss.		4	-	-
Derivative financial assets		5	-	-
Notes Receivable	XII(1)	6	853,250,000.00	175,691,000.00
Accounts receivable	XII(2)	7	725,983,846.77	1,069,469,161.11
Prepayments		8	118,716,286.30	415,812,995.14
Premium Receivables		9	-	-
Receivable from reinsurers		10	-	-
Reinsurance contract reserves receivable		11	-	-
Other receivables	XII(3)	12	47,599,159,131.81	58,271,292,306.72
Where: Interest receivable		13	22,282,400.53	24,549,863.97
Dividend receivable		14	-	-
Financial assets purchased under agreements to resell		15	-	
Inventories		16	3,649,564,778.99	3,627,751,435.27
Assets held for sales		17	14,000,000.00	36,000,000.00
Non-current assets due within one year		18	-	-
Other current assets		19	259,820,000.00	133,760,000.00
Total current assets		20	59,401,679,750.89	66,547,022,380.00
Non-current assets:			-	-
Loans and advances to customers		21	-	-
Available-for-sale financial assets		22	5,368,439,351.00	796,392,600.00
Held-to-maturity investments		23	-	-
Long-term receivables		24	-	-
Long-term equity investments	XII(4)	25	18,926,519,576.61	19,235,645,842.16
Investment Properties		26		-
Fixed assets		27	2,844,448,116.22	2,902,551,473.11
Construction in progress		28	419,404,319.64	410,252,565.11
Productive biological assets		29	-	-
Oil and gas assets		30	-	-
Intangible assets		31	945,432,656.39	982,602,029.59
Development expenses		32	-	-
Goodwill		33	-	-
Long-term deferred expenses		34	-	-
Deferred tax assets		35	5,896,159.27	4,605,661.56
Other non-current assets		36	657,660,229.05	654,890,229.05
Total non-current assets		37	29,167,800,408.18	24,986,940,400.58
Total assets		38	88,569,480,159.07	91,533,962,780.58

Legal Representative: 

Chief Financial Officer: 

Chief Financial Officer: 

Company Balance Sheet (Continued

31 December, 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 01

Prepared by: Nanshan Group Co., Ltd. In: RMB Yuan

Item	Note No.	Line No.	31 December, 2019	1 January, 2019
Current liabilities:				
Short-term borrowings		39	6,344,000,000.00	2,202,000,000.00
Borrowings from Central Bank		40	-	-
Customer bank deposits and due to banks and other financial institutions		41	-	-
Placements from banks and other financial institutions		42	-	-
Financial liabilities measured at fair value through changes in profit or loss		43	-	-
Derivative financial liabilities		44	-	-
Notes payable		45	3,827,144,915.34	1,357,596,971.95
Accounts Payable		46	35,549,929.24	52,842,624.24
Advance receipts		47	227,376,228.47	199,276,842.18
Assets sold under agreements to repurchase		48	-	-
Handling charges and commission payable		49	-	-
Staff remuneration payables		50	8,086,704.39	9,266,355.24
Taxes payable		51	337,956,408.31	297,616,945.16
Other payables		52	9,513,506,048.58	17,188,022,344.60
Where: Interest payable		53	588,920,161.59	619,597,269.96
Dividend payable		54	-	-
Due to reinsurers		55	-	-
Insurance contract reserves		56	-	-
Funds from securities trading agency		57	-	-
Liabilities from agency underwriting		58	-	-
Liabilities held for sales		59	-	-
Non-current liabilities due within one year		60	3,159,522,610.72	5,554,098,539.69
Other current liabilities		61	5,500,000,000.00	6,500,000,000.00
Total current liabilities		62	28,953,142,845.05	33,360,720,623.06
Non-current liabilities:				
Long-term borrowings		63	3,740,000,000.00	2,186,360,000.00
Bonds payable		64	14,212,234,586.19	16,439,106,292.64
Where: Preference shares		65	-	-
Perpetual Bonds		66	-	-
Long-term payables		67	-	-
Long-term staff remuneration payables		68	-	-
Estimated liabilities		69	-	-
Deferred revenue		70	27,087,649.96	27,146,316.64
Deferred tax liabilities		71	-	-
Other non-current liabilities		72	-	-
Total non-current liabilities		73	17,979,322,236.15	18,652,612,609.28
Total liabilities		74	46,932,465,081.20	52,013,333,232.34
Owners' Equity:				
Paid-in capital		75	1,000,000,000.00	1,000,000,000.00
Other equity instruments		76	-	-
Including: Preference shares		77	-	-
Perpetual Bonds		78	-	-
Capital reserves		79	371,397,945.57	371,397,945.57
Less: Treasury shares		80	-	-
Other comprehensive income		81	-23,410,816.57	-14,829,058.97
Special Reserves		82	-	-
Surplus reserves		83	4,563,025,276.78	4,350,528,548.06
General reserve		84	-	-
Retained profits		85	35,726,002,672.09	33,813,532,113.58
Total Owners' Equity		86	41,637,015,077.87	39,520,629,548.24
Total liabilities and owner's equity		87	88,569,480,159.07	91,533,962,780.58

Legal Representative: 宋建波印

Chief Financial Officer: 宋建波印

Chief Financial Officer: 梁坤

Company Income Statement

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 02

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Note No.	Line No.	Year 2019	Year 2018
I. Operating Income	XII(5)	1	3,737,260,709.53	2,306,757,889.50
Where: Operating Income	XII(5)	2	3,737,260,709.53	2,306,757,889.50
Interest income		3	-	-
Earned premium		4	-	-
Handling charges and commission income		5	-	-
II. Total operating costs		6	3,551,194,174.96	2,259,304,749.24
Where: Operating Costs	XII(5)	7	3,325,842,678.21	658,381,499.42
Interest expense		8	-	-
Handling charges and commission expenses		9	-	-
Surrenders		10	-	-
Net claims paid		11	-	-
Net change in insurance contract reserves		12	-	-
Policyholder dividend expense		13	-	-
Expenses for reinsurance accepted		14	-	-
Tax and Surcharges		15	18,497,728.38	70,342,077.74
Selling expenses		16	3,397,841.92	4,171,137.51
Administrative expenses		17	206,589,031.50	294,830,954.07
R&D expenses		18	-	-
Financial expenses		19	-3,133,105.05	1,231,579,080.50
Where: Interest expenses		20	80,888,862.08	1,849,603,196.46
Interest income		21	160,034,786.39	639,993,887.35
Plus: Other gains		22	409,541,180.52	1,855,283.67
Gains from investments (loss denoted by "-")	XII(6)	23	1,454,710,279.25	791,845,813.49
Where: Share of profits in associates and joint ventures		24	78,155,492.05	348,495,093.91
Exchange gains (loss denoted by "—")		25	-	-
Gain on changes in fair value (loss is denoted by a "-")		26	-	-
Loss on Asset Impairment (loss is denoted by a "-")		27	-5,161,990.81	-7,575,913.57
Gain on disposal of assets (loss denoted by a "-")		28	2,012,452.65	2,972,739.45
II. Operating profit (loss denoted by a "-")		29	2,047,168,456.18	836,551,063.30
Plus: Non-operating income		30	108,952,025.65	1,236,915,175.24
Less: Non-operating expenses		31	16,470,132.50	12,124,039.56
III. Total profit (total losses denoted by a "-")		32	2,139,650,349.33	2,061,342,198.98
Less: Income tax expenses		33	14,683,062.10	272,633,553.19
IV. Net profit (net loss denoted by a "-")		34	2,124,967,287.23	1,788,708,645.79
(1) Net profit from continuing operations (net loss denoted by a "-")		35	2,124,967,287.23	1,788,708,645.79
(2) Net profit from discontinued operations (net loss denoted by "-")		36	-	-
V. Other comprehensive income, net of tax		37	-8,581,757.60	18,645,337.36
(1) Other comprehensive income that will not be reclassified to profit or loss		38	506,450.45	-1,663,238.69
1. Remeasurement of changes in defined benefit plans		39	-	-
2. Other comprehensive income that will not be reclassified to profit or loss under the equity method		40	506,450.45	-1,663,238.69
(2) Other comprehensive income that will be reclassified to profit or loss		41	-9,088,208.05	20,308,576.05
1. Other comprehensive income that may be reclassified to profit or loss under the equity method		42	-9,088,208.05	20,308,576.05
2. Gains or losses from changes in fair value of available-forsale financial assets		43	-	-
3. Gains or losses from reclassifying held-to maturity investments to available-for-sale financial assets		44	-	-
4. Effective portion of cash flow adjusted for hedging gains or losses		45	-	-
5. Exchange differences from retranslation of financial statements		46	-	-
6. Others		47	-	-
VI. Total comprehensive income (total comprehensive loss denoted by a "-")		48	2,116,385,529.63	1,807,353,983.15

Legal Representative: 宋波印建

Chief Financial Officer: 宋波印建

Chief Financial Officer: 梁坤

Company Cash Flow Statement

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 03

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Note No.	Line No.	Year 2019	Year 2018
I. Cash flows from operating activities:				
Cash generated from sale of goods and rendering of services		1	3,978,093,383.74	1,109,682,448.06
Net increase in customer bank deposits and due to banks and other financial institutions		2	-	-
Net increase in borrowings from central bank		3	-	-
Net increase in placements from other financial institutions		4	-	-
Premiums received from original insurance contracts		5	-	-
Net cash received from reinsurance business		6	-	-
Net increase in deposits from policyholders		7	-	-
Net Increase in Disposal of Financial Assets at Fair Value Through Profit or Loss		8	-	-
Cash received on interest, handling fee and commission		9	-	-
Net increase in placements from banks and other financial institutions		10	-	-
Net increase in repurchase business capital		11	-	-
Tax rebates received		12	-	-
Other cash received relating to operating activities		13	844,765,452.70	1,603,787,167.35
Sub-total of cash inflows from operating activities		14	4,822,858,836.44	2,713,469,615.41
Cash paid for goods and services		15	3,319,169,621.62	60,451,259.09
Net increase in loans and advances to customers		16	-	-
Net increase in deposits with central bank and other financial institutions		17	-	-
Original insurance contract claims paid		18	-	-
Cash paid for interest, handling fees and commissions		19	-	-
Policyholder Dividend Paid		20	-	-
Cash paid to and for employees		21	16,965,280.71	44,380,416.80
Cash paid for taxes and surcharges		22	20,249,247.55	402,273,929.54
Other cash payments relating to operating activities		23	164,294,410.77	510,366,498.51
Sub-total of cash outflows from investing activities		24	3,520,678,560.65	1,017,472,103.94
Net cash flows from operating activities		25	1,302,180,275.79	1,695,997,511.47
II. Cash flow from investing activities:				
Cash received from disposal of investments		26	2,816,010,969.58	365,537,303.50
Cash received from returns on investments		27	149,981,480.48	217,779,577.73
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		28	1,638,858.97	3,455,188.56
Net cash received from disposal of subsidiaries and other operating entities		29	-	-
Other cash received concerning investing activities		30	2,622,498,308.32	-
Sub-total of cash inflows from investing activities		31	5,590,129,617.35	586,772,069.79
Cash paid to acquire fixed assets, intangible assets and other long-term assets		32	22,018,822.97	29,493,602.91
Cash paid to acquire investments		33	3,399,060,000.00	1,664,396,075.86
Net increase in pledge loans		34	-	-
Net cash paid to acquire subsidiaries and other operating entities		35	-	-
Cash paid relating to other investing activities		36	178,350,000.00	-
Sub-total of cash outflows from investing activities		37	3,599,428,822.97	1,693,889,678.77
Net cash flows from investing activities		38	1,990,700,794.38	-1,107,117,608.98
III. Cash flows from financing activities:			-	-
Cash received from capital contributions		39	-	-
Cash received from borrowings		40	27,868,297,800.00	23,182,571,500.00
Cash received from other financing activities		41	-	-
Sub-total of cash inflow from financing activities		42	27,868,297,800.00	23,182,571,500.00
Cash repayments of amounts borrowed		43	27,925,528,000.00	19,964,222,000.00
Cash paid for dividends, profit and interest		44	1,347,486,714.07	1,848,448,633.96
Cash paid for other financing activities		45	-	604,140,216.35
Sub-total of cash outflow from financing activities		46	29,273,014,714.07	22,416,810,850.31
Net cash flows from financing activities		47	-1,404,716,914.07	765,760,649.69
IV. Effect of changes in foreign exchange rate on cash and cash equivalents		48	-	-
V. Net increase in cash and cash equivalents		49	1,888,164,156.10	1,354,640,552.18
Plus: Cash and cash equivalents at beginning of period		50	2,448,271,966.26	1,093,631,414.08
VI. Closing balance of cash and cash equivalents		51	4,336,436,122.36	2,448,271,966.26

Legal Representative: 宋波建印

Chief Financial Officer: 宋波建印

Chief Financial Officer: 梁坤

Company Statement of Changes in Shareholder's Equity

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 04 -1

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Line No.	Year 2019							
		Paid-in capital	Capital reserves	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits	Total Owners' Equity
I. Closing Balance of Prior Period	1	1,000,000,000.00	371,397,945.57	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
Plus: Change in Accounting Policies	2	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period		-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-
II. Opening balance Of current period	5	1,000,000,000.00	371,397,945.57	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
III. Movements during the period (decrease denoted by a "-")	6	-	-	-8,581,757.60	-	212,496,728.72	-	1,912,470,558.51	2,116,385,529.63
(1) Total comprehensive income	7	-	-	-8,581,757.60	-	-	-	2,124,967,287.23	2,116,385,529.63
(2) Owners' contribution and withdrawal of capital	8	-	-	-	-	-	-	-	-
1. Common stock contributed by shareholders	9	-	-	-	-	-	-	-	-
2. Proceeds from other equity instruments holders	10	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	11	-	-	-	-	-	-	-	-
4. Others	12	-	-	-	-	-	-	-	-
(3) Profit Sharing	13	-	-	-	-	-	-212,496,728.72	-212,496,728.72	-
1. Appropriation to surplus reserves	14	-	-	-	-	-	-212,496,728.72	-212,496,728.72	-
2. Appropriation to general reserves	15	-	-	-	-	-	-	-	-
3. Distribution to owners	16	-	-	-	-	-	-	-	-
4. Others	17	-	-	-	-	-	-	-	-
(4) Transfer of owners' equity	18	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	19	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	20	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	21	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	22	-	-	-	-	-	-	-	-
5. Others	23	-	-	-	-	-	-	-	-
(5) Special Reserves	24	-	-	-	-	-	-	-	-
(i) Appropriation during the period	25	-	-	-	-	-	-	-	-
(ii) Utilization during the period	26	-	-	-	-	-	-	-	-
(6) Other	27	-	-	-	-	-	-	-	-
IV. Closing Balance of the period	28	1,000,000,000.00	371,397,945.57	-23,410,816.57	4,563,025,276.78	-	-	35,726,002,672.09	41,637,015,077.87

Legal Representative: 宋波 印建

Chief Financial Officer: 宋波 印建

Chief Financial Officer: 梁坤

Company's Statement of Changes in Shareholder's Equity (Continued)

Year 2019

ZHONGHUI Certified Public Accountants LLP (Special General Partnership)

Table Kuai He 04 -2

Prepared by: Nanshan Group Co., Ltd.

In: RMB Yuan

Item	Line No.	Year 2018							
		Paid-in capital	Capital reserves	Other comprehensive income	Special Reserves	Surplus reserves	General reserve	Retained profits	Total Owners' Equity
I. Closing Balance of Prior Period	1	1,000,000,000.00	343,669,536.13	-33,474,396.33	-	-	4,171,657,683.48	32,203,694,332.37	37,685,547,155.65
Plus: Change in Accounting Policies	2	-	-	-	-	-	-	-	-
Correction of Errors in the Previous Period	3	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-
I. Opening balance Of current period	5	1,000,000,000.00	343,669,536.13	-33,474,396.33	-	-	4,171,657,683.48	32,203,694,332.37	37,685,547,155.65
III. Movements during the period (decrease denoted by "-")	6	-	27,728,409.44	18,645,337.36	-	-	178,870,864.58	1,609,837,781.21	1,835,082,392.59
(1) Total comprehensive income	7	-	-	18,645,337.36	-	-	-	1,788,708,645.79	1,807,353,983.15
(2) Owners' contribution and withdrawal of capital	8	-	27,728,409.44	-	-	-	-	-	27,728,409.44
1. Common stock contributed by shareholders	9	-	-	-	-	-	-	-	-
2. Proceeds from other equity instruments holders	10	-	-	-	-	-	-	-	-
3. Share-based payment recorded in owner's equity	11	-	-	-	-	-	-	-	-
4. Others	12	-	27,728,409.44	-	-	-	-	-	27,728,409.44
(3) Profit Sharing	13	-	-	-	-	-	178,870,864.581	-178,870,864.58	-
1. Appropriation to surplus reserves	14	-	-	-	-	-	178,870,864.581	-178,870,864.58	-
2. Appropriation to general reserves	15	-	-	-	-	-	-	-	-
3. Distribution to owners	16	-	-	-	-	-	-	-	-
4. Others	17	-	-	-	-	-	-	-	
(4) Transfer of owners' equity	18	-	-	-	-	-	-	-	-
1. Transfer of capital reserve to share capital	19	-	-	-	-	-	-	-	-
2. Transfer of surplus reserves to share capital	20	-	-	-	-	-	-	-	-
3. Surplus reserves making up of losses	21	-	-	-	-	-	-	-	-
4. Transfer of changes in defined benefit plans to retained earnings	22	-	-	-	-	-	-	-	-
5. Others	23	-	-	-	-	-	-	-	-
(5) Special Reserves	24	-	-	-	-	-	-	-	-
(i) Appropriation during the period	25	-	-	-	-	-	-	-	-
(ii) Utilization during the period	26	-	-	-	-	-	-	-	-
(6) Other	27	-	-	-	-	-	-	-	-
IV. Closing Balance of the period	28	1,000,000,000.00	371,397,945.57	-14,829,058.97	-	-	4,350,528,548.06	33,813,532,113.58	39,520,629,548.24

Legal Representative: 宋建波印

Chief Financial Officer: 宋建波印

Chief Financial Officer: 梁坤

Nanshan Group Co., Ltd.

Notes to Financial Statements

Year 2019

I. Basic information about the company

(1) Company Profile

Nanshan Group Co., Ltd. ("the Company" or "Nanshan Group") is a company jointly invested and established by its shareholders, Nanshan Village Committee and Song Zuowen, and registered with the Administration for Industry and Commerce on 16 July 1992. The Company's Uniform Social Credit Code: 913706811694419XU. Registered address: Nanshan Industrial Park, Longkou City, Shandong Province. Legal Representative: Song Jianbo. The Company has a registered capital of RMB 1 billion, of which: RMB 510 million from the Nanshan Village Committee as capital contribution, representing 51% of the registered capital; RMB 490 million from Song Zuowen as capital contribution, representing 49% of the registered capital.

The Company operates in a broad range of industries. Scope of Business: Sale of aluminium ingots, aluminium extrusions, woollen textiles, garments, planks, furniture, knitted goods, gold products; import and export of goods (except those restricted or prohibited by the State); processing and sale of raw and auxiliary materials, machinery and equipment, instruments and spare parts required for the production and R&D of businesses and rendering of related technical services; real estate development and operation; construction work; warehousing services (not for dangerous chemicals); aquaculture and sale of seafood; lease of housing, land, machinery and equipment; accommodation and catering services; indoor entertainment services; themed amusement park services; leisure and fitness activities; horticultural and artistic exchange activities and exhibition; organization and planning of cultural and artistic exchange activities; power generation, electricity sales and heat supply services. (The items that requires approval by law can only be dealt in after being approved by the relevant departments).

The ultimate beneficial owner of the Company is the Nanshan Village Committee.

(2) Scope of Consolidation

For details of the subsidiaries included in the consolidation scope of the company in 2019, please refer to Note VII "Equity in Other Entities". Compared with the previous year, the Company has three new subsidiaries in the scope of consolidation this year. For details, see Note VI(2) "Changes in the scope of consolidation due to other reasons". The Company has transferred out three subsidiaries, for details please see Note VI(1) "Disposal of Subsidiaries".

II. Basis of Preparation of Financial Statements

(1) Basis of Preparation

The Company (except Shandong Nanshan Aluminum Industry Co., Ltd., "Nanshan Aluminium" and Shandong Zhishang Technology Company Co., Ltd., "Zhishang Technology") prepares its financial statements on a going concern basis with in accordance with actual transactions and events measured and recognised according to the Basic Accounting Standards for Business Enterprises and other specific accounting standards.

Nanshan Aluminium and Zhishang Technology prepares its financial statements on a going concern basis, based on actual transactions and events, in accordance with the Basic Accounting Standards for Business Enterprises and various specific accounting standards, the Guidelines for the Application of Accounting Standards for Business Enterprises, Explanation of Accounting Standards for Business Enterprises and other relevant regulations issued by the Ministry of Finance (hereinafter collectively referred to as the "Accounting Standards for Business Enterprises"), and the disclosure requirements of Preparation Convention of Information Disclosure by Companies Offering Securities to the Public No.15 – General Provisions on Financial Reporting (amended in 2014) issued by the China Securities Regulatory Commission (CSRC) (as amended in 2014).

(2) Assessment of the ability to continue as a going concern

There are no matters or circumstances relating to the Company that may cause any material doubts on its going concern assumptions for the 12 months from the end of the reporting period.

III. Significant accounting policies and estimates

(1) Statement of compliance with corporate accounting standards

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises and reflect truthfully and completely the Company's financial position, operating results and cash flows, and other relevant information.

(2) Accounting Period

The accounting year begins on January 1 and ends on December 31.

(3) Operating Cycle

A normal operating cycle starts from purchasing assets used to produce, and ends when cash or equivalent is realised. The operating cycle of the Company lasts for 12 months, and acts as an indicator for classification of liquidity of assets and liabilities.

(4) Reporting Currency

The Company and its domestic subsidiaries choose RMB as their functional currency. The foreign subsidiaries of the Company determine their functional currency based on the currency of the main economic environment in which they operate, and translate it into RMB when preparing financial statements.

The currency adopted by the Company in preparing financial statements is Renminbi.

(5) Accounting treatments of business combination under and not under common control

Business combination refers to a transaction or event bringing together two or more separate enterprises into one reporting entity. Business combinations are classified into business combinations under common control and not under common control.

1. Accounting treatments of business combination under common control

Business combinations under common control refers to combinations where the combined entities are ultimately controlled by the same party or parties before and after the combination and that control is not transitory.

The assets and liabilities that are obtained in the business combination shall be measured at their original carrying amounts at the combination date as recorded by the party being combined, except for the adjustments due to different accounting policies. The difference between the carrying amount of owners' equity attributable to the combined party as recorded in the consolidated financial statements of the ultimate controlling party and the carrying amount of the consideration paid for the combination or the aggregate nominal values of the shares issued is adjusted against the capital reserve of the Company; or against the retained earnings of the Company in case of insufficient capital reserve.

For business combinations under common control that are achieved in steps through multiple transactions, the difference between the sum of the carrying amount of investments held prior to the combination and the carrying amount of new consideration paid on the date of combination, and the carrying amount of net assets obtained through the combination is adjusted against the capital reserve (equity premium) of the Company or against the retained earnings of the Company in case of insufficient capital reserve. The long-term investment held by the combining party prior to the acquistion of the control over the combined party, and the recognized profit or loss other comprehensive income and other change in owners' equity on the later date of the acquisition date when the original equity interests are acquired and the combination date when the combining party and the combined party are under the ultimate control of the same party shall separately offset the opening balance of retained earnings and the profit or loss of the current period during the period of comparative statements. However, the other comprehensive income due to the remeasurement of changes in net liability or net asset of defined benefit scheme by the acquiree is not included.

2. Accounting treatments of business combination not under common control

Business combinations not under common control refers to combinations where the combining entities are not ultimately controlled by the same party or parties before and after the combination.

Where the cost of the combination exceeds the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised as goodwill; Where the cost of combination is less than the acquirer's interest in the fair value of the acquiree's identifiable net assets, the difference is recognised in profit or loss for the current period if the cost of combination is verified less than the fair value of the identifiable net assets acquired from the acquiree during the combination after reviewing the fair value of various identifiable assets, liabilities and contigent liabilities acquired from the acquiree and the measurement of combination costs.

If, at the date of combination or at the end of the period that the combination belongs to, the fair value of the assets paid for at the consideration of the combination cannot be reasonably determined, or the fair value of the acquiree's identifiable assets or liabilities cannot be determined due to various reasons, the Company accounts for business combinations on the basis of the provisionally determined values at the end of the period of the combination. If further information available within 12 months from the date of acquistion indicates that an adjustment to the original provisionally determined value is necessary, the adjustment is deemed to have occurred on the date of acquisition and is made retrospectively, and the relevant adjustment is made to the comparative statement information provided on the basis of the provisional value; Adjustments to the cost of business combination or to the value of identifiable assets and liabilities acquired in business combination after 12 months from the date of acquisition are processed in accordance with the principles of "Business Accounting Standards No. 28 - Accounting Policies, Changes in Accounting Estimates and Corrections of Accounting Errors".

The Company does not recognize deductible temporary differences of the acquiree acquired in business combination that do not meet the conditions for recognition of deferred tax assets at the date of acquisition. Deferred tax assets are recognized when new or additional information becomes available within 12 months of the acquisition date that indicates that the relevant circumstances existed at the acquisition date, so the economic benefits arising from the temporary deductible differences of the acquiree at the acquisition date are expected to be realized, and goodwill is reduced; in case of insufficient goodwill, the difference is recognized in profit or loss for the period; Except as described above, deferred tax assets relating to business combinations are recognised in profit or loss for the period.

For a business combination not under common control that is achieved in steps through multiple transactions, the Company determines whether these multiple transactions are a "package deal" according to Accounting Standards for Business Enterprises. If the terms, conditions and economic effects of transactions fall in one or more of the following situations, the multiple transactions shall be regarded as a package deal for accounting treatment: (1) These transactions were entered into at the same time or after considering the effects on each other; (2) These transactions constituted a complete commercial result as a whole; (3) The occurrence of one transaction depends on the occurrence of at least one other transaction; (4) one transaction was not economical on its own but was economical when considering together with other transactions.

If it constitutes a "Package Deal", the Company accounts for all transactions as if they are a transaction that obtained control. If these transactions are not a "Package Deal", the equity interests in the acquiree held prior to the acquisition date is remeasured at the fair value of such interests at the acquistion date with the difference between its fair value and its carrying value recognised in profit or loss for the preriod in the consolidated financial statements; Equity interests in the acquiree already held prior to the acquisition date, if involving other comprehensive income and other changes in owners' equity, are recognised as income for the period on the acquisition date. However, the other comprehensive income due to the remeasurement of changes in net liability or net asset of defined benefit scheme by the acquiree is not included.

3. Accounting treatment of transaction costs in business combinations

Intermediate fees such as audit, legal service, assessment and consultation and other relevant administrative expenses incurred for business combination are credited to profit or loss for the current period upon occurrence. Transaction costs of equity or debt securities issued as the considerations of business combination are included in their initial recognised amounts.

(6) Preparation of Consolidated Financial Statements

1. Scope of Consolidation

The scope of consolidated financial statements is determined on the basis of control. Control is the power the Company has over the acquiree(s) and is entitled to variable returns from its involvement in the operating activities of the acquiree and able to affect the amount of the returns by leveraging such power. The scope of the consolidation includes the Company and all of its subsidiaries. A subsidiary is the entity controlled by the Group (including the Company, severable part of investees, and structured bodies).

2. Preparation Method of Consolidated Financial Statements

The consolidated financial statements shall be prepared by the Company based on the financial statements of the Company and its subsidiaries and other relevant information. The consolidated financial statements prepared by the Company reflect the financial position, operating results and cash flows of the Company as a whole, in accordance with uniform accounting policies, by treating the entire enterprise group as a single accounting entity and in accordance with the recognition, measurement and presentation requirements of relevant corporate accounting standards.

The consolidated financial statements are presented to offset the effects of internal transactions between the Company and its subsidiaries and between its subsidiaries on the consolidated balance sheet, consolidated income statement, consolidated statement of cash flows and consolidated statement of changes in equity.

A subsidiary acquired through a business combination involving entities under common control in the reporting period shall be included in the scope of the consolidation from the beginning of the combination date, the subsidiary's income, expenses and profits are included in the consolidated statement of operations, and cash flows are included in the consolidated statement of cash flow from the acquisition date. During the reporting period, the opening balances of the consolidated balance sheet were adjusted, and the related items in the comparative statements were adjusted as if the consolidated entities had existed since the ultimate controlling party began to control it.

During the period, if a subsidiary is added as a result of the combination of companies not under common control, the opening balances of the consolidated balance sheet are not adjusted; their financial statements are adjusted based on the fair value of identifiable net assets as at the acquisition date. The revenues, expenses, and profits of the subsidiary from the acquisition date to the end of the reporting period are included in the consolidated income statement; The cash flows of the subsidiary from the acquisition date to the end of the period are included in the Consolidated Statements of Cash Flows.

Equity, profit or loss and comprehensive income for the period attributable to the minority shareholders of the subsidiary are stated separately under owners' equity in the consolidated balance sheet, net profit in the consolidated income statement and total comprehensive income respectively. Losses for the period assumed by the minority shareholders of the subsidiary in excess of the owners' equity attributable to the minority shareholders of the subsidiary in that subsidiary at the beginning of the period is offset against minority interests.

3. Acquisition of Minority Interests and Partial Disposal of Equity in a Subsidiary without Loss of Control

The difference between the cost of the newly acquired long-term equity investment as a result of the acquisition of a minority interest by the Company and its entitlement to the subsidairy's share of net assets, which is calculated on an ongoing basis from the acquisition date or the combination date, in accordance with the new additional percentage of ownership, and the difference between the disposal price received from the partial disposal of an equity investment in a subsidiary without loss of control and the disposal of the long-term equity investment relative to the subsidiary's share of the net assets, which is computed on an ongoing basis from the acquisition date or the combination date is adjusted for the equity premium in capital surplus in the consolidated balance sheet, and retained earnings is adjusted if the equity premium in capital surplus is insufficient.

4. Disposal of Equity in Subsidiaries Leading to Loss of Control

For the reporting period, the Company disposed of a subsidiary, and the revenues, expenses, and profits of that subsidiary from the beginning of the period to the date of disposal are included in the Consolidated Statements of Income; the cash flows of the subsidiary from the beginning of the period to the date of disposal are included in the Consolidated Statements of Cash Flows. Where control of a subsidiary is lost due to partial disposal of the equity investment held in a subsidiary, or any other reasons, the remaining equity investment is remeasured to fair value at the date in 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 acquisition date and goodwill is included in investment gains of the period during which the control is lost. Other comprehensive income related to the equity investment in the former subsidiary is accounted for on the same basis as if the assets and liabilities had been disposed of directly by the aquiror upon loss of control (i.e., except for changes in net liabilities or net assets aside from the remeasurement of the former subsidiary's defined benefit plan, the remainder is added to investment income of the period). The remaining interests shall be subsequently measured in accordance with relevant accounting standards such as "Accounting Standards for Business Enterprises No. 2 – Long-term Equity Investments" or "Accounting Standards for Business Enterprises No. 22 – Financial Instruments Recognition and Measurement", which are detailed in Note III (15) "Long-term equity investments" or Note III (10) "Financial instruments".

5. Disposal of Equity Investment in a Subsidiary in Stages Until Loss of Control

Where the Company disposes of the equity investment in the subsidiary through several transactions until the Company loses control, it shall be determined whether such transactions are a package deal.

When the transactions are regarded for as a package deal, the transactions shall be accounted for as a single disposal transaction with loss of control; however, the difference between the consideration received from disposal and the share of net assets disposed of in each individual transaction before loss of control shall be recognised as other comprehensive income in the consolidated financial statements, and be all reclassified as profit or loss arising from the loss of control for the period when control is lost.

When the transactions are not regarded as a package deal, the individual transactions shall be accounted as "disposal of a portion of an interest in a subsidiary which does not lead to loss of control" and "disposal of a portion of an interest in a subsidiary which lead to loss of control" (detailed in previous paragraph). In other words, the difference between the disposal price and the corresponding share of the subsidiary's carrying value of the net assets, which is calculated on an ongoing basis from the acquisition date before the loss of control is accounted for as an equity transaction in capital surplus (equity premium). When control is lost, it cannot be transferred to profit or loss for the period in which the control is lost.

(7) Classification of joint arrangements and accounting treatment for joint operations

The joint venture arrangement refers to the arrangement jointly controlled by two or more parties. The Company classifies such arrangement as joint-operation and joint venture according to the rights and obligations set out in the arrangement.

Joint venture refers to the arrangement that the Company shares only the net asset of the invested entity. Equity method is adopted to account for investment in the joint ventures by the Company in accordance with the accounting policy as set out in Note III (15) 3 (2) "Long term equity investments accounted for under the equity method".

Joint operation refers to an arrangement that the Company shares the assets as well as the liabilities of the invested entity. The Company recognises the following items in relation to its share of benefits in joint operation and accounts for them according to relevant Accounting Standards for Business Enterprises:

1. assets the Company solely assumes and its share of jointly-assumed assets on a pro-rata basis;

2. liabilities the Company solely assumes and its share of jointly-assumed liabilities on a pro-rata basis;

3. recognises the income generated from the sale of the outputs of the joint operation attributable to the Company;

4. recognises the income generated by the joint operation from the sale of outputs on a pro-rata basis;

5. expenses incurred solely by the Company and those incurred by the joint operation on a pro-rata basis.

When the Company, as a party to the joint operation, transfers or sells assets (which don't consistute a business, same below) to, or purchases assets from the joint operation, only the profit or loss arising from such transaction attributable to other participating parties in the joint operation will be recognised by the Company before such asset is sold to a third party. If any loss occurs due to such transaction and meets the criteria of "Accounting Standard for Business Enterprise No.8 – Impairment of assets", the Company will recognise its loss in full amount if the Company transfers or sells assets to the joint operation, and will recognise its prorata loss if the Company purchases the assets from joint operation.

(8) Recognition Criteria for cash and cash equivalents

When preparing the statement of cash flows, the Company’s cash on hand and deposits that can be used readily for payments are recognised as cash. Cash equivalents represent short-term (generally three months or less from the acquisition date) highly liquid investments that are readily convertible to known amounts of cash, and subject to an insignificant risk of changes in value.

(9) Foreign currency transactions and translation of foreign currency statements

1. Business in Foreign currency

Foreign currency transactions are recorded in the reporting currency using the prevailing exchange rate at the date of the transaction (usually referred to as the midpoint of the foreign exchange rate on the day of the transaction as announced by the People's Bank of China, the same below). However, foreign currency translation transactions or transactions involving foreign currency conversion shall be translated into the reporting currency at the exchange rate actually used.

2. Translation Method of Monetary and Non-Monetary Items in Foreign Currencies

At the balance sheet date, monetary items in foreign currency are translated using the spot exchange rate at the balance sheet date, all resulting exchange differences are recognised in profit or loss for the current period, except the following are recognised in other comprehensive income: (1) those relating to foreign currency borrowings specifically for acquisition and construction of qualifying assets, which are capitalised in accordance with the principle of capitalisation of borrowing costs; (2) those on hedging instruments used to effectively hedge a net investment in a foreign operation (such difference is recognised in other comprehensive income until the net investment is disposed of, at which time it is recognised in profit or loss); and (3) those arising from movements in the carrying amount of monetary items in foreign currency available for sale other than amortised cost.

Non-monetary items in foreign currency measured at historical cost shall continue to be translated to the amount in the reporting currency at the spot exchange rate on the date of transaction. Non-monetary items in foreign currency at fair value are translated at spot rate on the date of recognition , where the difference between the translated and original amounts in the reporting currency is recognised in profit or loss.

3. Translation of foreign currency statements

Assets and liabilities in the balance sheet shall be translated using the spot exchange rates at the balance sheet date; other items of owners' equity items , except for "undistributed profits" items, shall be translated using the spot exchange rates at the time of occurrence; Income and expense items in the income statement shall be translated using the average exchange rate for the period; The retained profits at the beginning of the year is the retained at the end of the year after the translation of the previous year; The retained profit at the end of the year is calculated and presented on the basis of translated profit distribution items; Exchange fluctuations arising from the translation mentioned above are recognized as other comprehensive income, and are presented separately in the shareholders’ equity in the balance sheet. On disposal of a foreign operation and loss of its control, the foreign currency translation differences relating to this foreign operation shown in the balance sheet under shareholders' equity is transferred to profit or loss for the period of disposal, either in full or in a proportion corresponding to the percentage disposed of the foreign operation. When the proportion of interest held in a foreign operation is reduced without loss of control due to a portion of the equity investment in the foreign operation disposed or other reasons, the foreign currency translation differences relating to that portion of the foreign operation is included in Minority Stockholder's Interest and not transferred to profit or loss for the period.

The cash flow statement is translated using the average exchange rate of the cash flows for the period. The effect of exchange rate fluctuation on cash is presented as a reconciling item in the statement of cash flows under a separate line item entitled “foreign exchange rate fluctuation consequences on cash and cash equivalents".

(10) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments include financial assets, financial liabilities and equity instruments. Financial assets and financial liabilities are measured at fair value on initial recognition. For the financial assets and liabilities measured at fair value through profit or loss (FVTPL), relevant transaction expenses are directly charged to the profit or loss, and for other financial assets and liabilities, relevant transaction expenses are included in the initial recognised amount.

1. Financial Instruments - the Company (except Nanshan Aluminium and Zhishang Technology)

(1) Classification, recognition and measurement of financial assets

Financial assets bought and sold in regular way are recognised and derecognised on their transaction dates. On initial recognition, the Group’s financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss, held-to-maturity investments, loan and receivables, and available-for-sale financial assets.

1) Financial assets measured at fair value through changes in profit or loss.

It includes held for trading financial assets and financial assets designated as at fair value through profit or loss.

An held for trading financial asset is a financial asset that meets one of the following conditions: ① it has been acquired principally for the purpose of selling in the near future; ② on initial recognition, it is a part of an identified portfolio of financial instruments that the the Company manages together and has a recent actual pattern of short-term profit-taking; or ③ Being a derivative instrument, excluding those designated as effective hedging instruments, under financial guarantee contracts, and derivative instruments connected with the equity instrument investments with no quoted price in the active market, whose fair value cannot be reliably measured, and which shall be settled by delivering the said equity instruments.

A financial asset that meets one of the following conditions may be designated on initial recognition as a financial asset at fair value through profit or loss: ① The designation eliminates or obviously reduces the discrepancies in the recognition or measurement of relevant gains or losses arising from the different measurement basis of financial instruments; ② The formal written documents for risk management or investment strategies at the Company provide that such portfolio of financial instruments or financial assets and financial liabilities to which the financial assets belong is managed, assessed and reported to key managers on a fair value basis.

For financial assets or financial liabilities at fair value through profit or loss for the period, it shall be initially recognized at their fair values on acquisition (after deducting the cash dividend declared yet undistributed or bonds interest due yet unclaimed) with the relevant trading expenses recognised in profit or loss for the period. The financial assets are subsequently measured at fair value, and all gains and losses, arising from changes in fair value and dividend and interest in relation to the financial assets are recognised in profit or loss for the current period.

2) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturity and fixed or determinable payments that management has the positive intention and ability to hold to maturity.

For the held-to-maturity investment, the sum of the fair value on acquisition (deducting the debt interests due but not yet claimed) and relevant trading expenses are the initial recognition amount. Receivables are subsequently measured at amortised cost using the effective interest method; gains and losses arising from derecognition, impairment or amortisation is recognised in profit or loss for the current period.

Effective interest method is a method of calculating the amortised cost, periodic interest income or payment of financial assets or financial liabilities (including a portfolio of financial assets or financial liabilities) at their effective interest rates. Effective interest rate is a rate used for discounting the estimated future cash flows of a financial asset or financial liability to its current carrying amount through the expected life of the financial asset or financial liability or, where appropriate, a shorter period. When calculating an effective interest rate, the Company will estimate the future cash flows (without considering future credit losses) of financial assets and liabilities based on all terms and conditions of the underlying contracts, at the same time considering the charges, transaction costs, discounts or premiums among others paid or received by the parties involved in the financial assets or financial liabilities.

3) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Financial assets classified by the Company as loans and receivables include bills receivable, accounts receivable, interest receivable, divided receivable and other receivables. The amounts initially recognised are based on the contractual or agreed price receivable from the purchaser; For those with a financing nature, they are initially recognised at their present value. Loans and receivables are subsequently measured at amortised cost using the effective interest method; gains and losses arising from derecognition, impairment or amortisation is recognised in profit or loss for the period.

4) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated as this category or not classified as financial assets at fair value through profit or loss, loans and receivables and held-to-maturity investments at initial recognition.

The closing cost of available-for-sale debt instruments are determined based on amortised cost method, which means the amount of initial recognition less the amount of principle already repaid, add or less the accumulated amortised amount arising from the difference between the amount due on maturity and the amount initially recognized using effective interest method, and less the amount of impairment losses recognized. The closing cost of available-for-sale equity instruments is equal to its initial acquisition cost.

Available-for-sale financial assets are initially measured at fair value when obtained (excluding cash dividends declared but not distributed or interests on bonds due but not claimed) plus relevant transaction costs. Interests or cash dividends acquired during the holding period are recognized as investment income. Available for sale financial assets are subsequently measured at fair value, and the discount or premium are amortised using the effective interest method and recognised as interest income. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income at the end of the period except for impairment losses and exchange differences of monetary financial assets in foreign currency and amortised cost, which are recognised in profit or loss; However, the equity investment that is not quoted in an active market and the fair value cannot be measured reliably and the derivative financial instruments that are linked with and settled by such equity instruments shall be measured at cost. When disposed of, the difference between the consideration obtained and the carrying amount of the financial assets shall be recorded into investment income; meanwhile, the corresponding portion of accumulated change in fair value previously recorded into other comprehensive income shall be transferred to profit or loss.

(2) Recognition and measurement of transfer of financial assets

A transfer of financial assets is the transfer or delivery of a financial asset to a party other than the issuer of the financial asset. Transfer of the Company's financial assets is classified into entire transfer and partial transfer of financial assets.

A financial asset is derecognised when one of the following conditions is met: 1) the contractual right to receive cash flows from the financial asset is terminated; 2) 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; and 3) The financial asset is transferred: the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but ceases the control over the financial asset.

If the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the control over the financial asset is not ceased, the financial asset and the related financial liabilities should be recognised based on the degree of continuing involvement. The degree of continuing involvement means the level of risks born by the business resulting from the change in value of the financial asset.

A substance over form basis is adopted when determining whether the above derecognition conditions for the transfer of financial asset have been met. Financial assets will still be recognised if they fail to satisfy the conditions for derecognition, with the consideration received recognised as a financial liability. Where a transfer of a financial asset in its entirely meets the criteria of the derecognition, the difference between the two amounts below is recognised in profit or loss: 1) The sum of the consideration received from the transfer and the accumulated amounts due to changes in fair value originally credited directly into owners' equity; 2) The book value of the financial assets transferred. When the partial transfer of a financial asset satisfies the derecognition conditions, the overall book value of the financial asset transferred is allocated between the derecognized portion and not derecognized portion by their respective fair values, and the difference between the two amounts below is recognised in profit or loss for the period: ① the sum of the consideration received for the derecognized portion and the amount corresponding to the derecognized portion of the cumulative change in fair value originally credited directly in owners' equity; and ② the carrying value of the derecognized portion.

(3) Classification, recognition and measurement of financial liabilities

On initial recognition, financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities.

1) Financial liabilities measured at fair value through changes in profit or loss

Financial liabilities at fair value through profit or loss, including held for trade financial liabilities and financial liabilities designated at fair value through profit or loss on initial recognition, are classified under the same conditions as those previously described for financial assets designated at fair value through profit or loss on initial recognition. For such financial liabilities, they are subsequently measured at fair value, with the gains or losses resulting from changes in fair value and the dividends and interest expense associated with such financial liabilities being recognised in profit or loss.

2) Other financial liabilities

Derivative financial liabilities linked to equity instruments that are not quoted in an active market and whose fair value cannot be reliably measured, and that are required to be settled through delivery of such equity instruments, are subsequently measured at cost. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with any gain or loss arising from derecognition or amortisation being recognised in profit or loss.

3) Financial guarantee contracts

Financial guarantee contracts that are not financial liabilities designated as at fair value through profit or loss are initially recognised at fair value and subsequently measured at the higher of the amount determined in accordance with Accounting Standards for Business Enterprises No. 13 - Contingencies after initial recognition and the balance of the initial recognition amount less accumulated amortisation determined in accordance with the principles of Accounting Standards for Business Enterprises No. 14 - Revenue.

(4) Derecognition of financial liabilities

Derecognition of a financial liability, or part thereof, occurs when the current obligation of the financial liability has been discharged in whole or in part. An agreement is entered between the Company (debtor) and a creditor to replace the original financial liabilities with new financial liabilities with substantially different terms, derecognise the original financial liabilities as well as recognise the new financial liabilities. When material amendments are made to all or a portion of the contractual conditions of an existing financial liability, the existing financial liability or its portion shall be derecognized and the financial liability with amended conditions shall be recognised as a new financial liability.

When a financial liability is derecognized in full or by part, the difference between the book value of the financial liability derecognized and the consideration paid (including the non-cash assets transferred out or newly assumed financial liability) shall be recognised in profit or loss for the period. Where the Company reacquired a portion of a financial liability, the carrying value of the financial liability as a whole is allocated on the reacquisition date based on the relative fair values of the continuing portion and the derecognized portion of the financial liability. The difference between the book value allocated to the derecognized portion and the consideration paid (including the non-cash assets transferred out or newly assumed financial liability) shall be recognised in profit or loss of the current period.

(5) Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued (including refinancing), repurchased, sold or cancelled by the Company are treated as changes in equity. The Company does not recognise changes in the fair value of equity instruments. Transaction costs associated with equity-settled transactions are deducted from equity.

Various distributions by the Company to holders of equity instruments, excluding stock dividends, reduce shareholders' equity. The Company does not recognise changes in the fair value of equity instruments.

Distinction between financial liabilities and equity instruments:

A financial liability is a liability that meets one of the following conditions:

1) Contractual obligations to deliver cash or other financial assets to other parties.

2) Contractual obligations to exchange financial assets or financial liabilities with other parties under potentially adverse conditions.

3) Non-derivative contracts that in the future require or may be settled using the entity's own equity instruments, and under which the entity will deliver a variable amount of its own equity instruments.

4) Derivative contracts that will require or may be settled in the future using the entity's own equity instruments, except for derivative contracts where a fixed amount of the entity's own equity instruments are exchanged for a fixed amount of cash or other financial assets.

A contractual obligation meets the definition of a financial liability if the Company cannot unconditionally avoid satisfying the obligation by delivering cash or other financial assets. If a financial instrument is required to be settled with or can be settled using the Company's own equity instrument, consideration needs to be given as to whether the Company's own equity instrument used to settle the instrument is intended to be a substitute for cash or other financial assets or is intended to entitle the holder of the instrument to a residual interest in the issuer's assets after deducting all liabilities. In the former case, the instrument is a financial liability of the Company; in the latter case, the instrument is an equity instrument of the Company.

(6) Derivatives and embedded derivatives

Derivatives are initially measured at fair value on the date of its underlying contract and subsequently measured at fair value. Derivative financial instruments with a positive fair value are recognised as an asset and those with a negative fair value are recognised as a liability. Changes in the fair value of the derivatives are recognised in profit or loss for the period, except for those derivatives designated as hedging instruments with highly effective hedges, for which gains or losses resulting from changes in fair value are determined in accordance with hedge accounting requirements based on the nature of the hedging relationship.

For hybrid instruments containing an embedded derivative that are not designated as a financial asset or financial liability at fair value through profit or loss, the embedded derivative is not closely related to that host contract in terms of economic characteristics and risks, and is subject to the same conditions as the embedded derivative, where the separately existing instrument meets the definition of a derivative, the embedded derivative is separated from the hybrid instrument and treated as a separate derivative financial instrument. If it is not possible to measure the embedded derivatives individually at acquisition or on subsequent balance sheet dates, the hybrid instrument is designated as a financial asset or financial liability at fair value through profit or loss in its entirety.

(7) Determination of fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as described in Note III(11).

(8) Provision for impairment on financial assets

With the exception of financial assets at fair value through profit or loss, the Company examines the carrying value of other financial assets on each balance sheet date and sets aside provisions for impairment if there is objective evidence that a financial asset is impaired.

Objective evidence of impairment is defined as events that have occurred after the initial recognition of a financial asset and that have an impact on the estimated future cash flows from that financial asset, and for which the Company is able to reliably measure the impact. Objective evidence that a financial asset is impaired includes the following observable circumstances: 1) Debtor(s) in serious financial situation; 2) breach of contract terms, such as default or delinquency in interest and principal payments made by the debtor; 3) the Company makes concessions to the debtor in financial difficulty due to economic or legal considerations; 4) debtors may go into liquidation or conduct other financial reorganization; 5) the disappearance of an active market for that financial asset because of significant financial difficulties of the issuer; 6) It is not possible to identify whether the cash flows from an asset in a group of financial assets have been reduced, but an overall assessment of them based on publicly available information indicates that the expected future cash flows from the group of financial assets since initial recognition have indeed been reduced and measurable, including a gradual deterioration in the payment capacity of the debtor of the group of financial assets, or an economic situation in the debtor's country or region that may cause the group of financial assets to fail to pay; 7) Significant adverse changes in the technological, market, economic or legal environment in which the debtor operates, indicating that the cost of the investment in the equity instrument may not be recovered by the investor; 8) a significant or prolonged decline in the fair value of the investment in equity instrument; 9) other objective evidence showing signs of impairment on financial assets.

1) Impairment testing of held-to-maturity investments, loans and receivables

Financial assets that are individually significant are segregated and tested for impairment separately; financial assets that are not individually significant may be tested for impairment separately or included in a portfolio of financial assets with similar credit risk characteristics; Financial assets that are not individually tested and not impaired (both individually significant and immaterial) include a further test for impairment in a portfolio of financial assets with similar credit risk characteristics. If test results show that they are impaired, financial assets carried at cost or amortised cost are written down to the present value of estimated future cash flows and the amount of the write-down is recognised as an impairment loss in profit or loss for the period; The expected future cash flows of short-term receivables are so insignificant in relation to their present value that they are not discounted in determining the related impairment loss. After the impairment loss is recognized, if there is objective evidence that the value of the financial asset has been restored, and the objective evidence is related to an event that occurs after the impairment loss is recognized, the original impairment loss is reversed and the carrying amount of the financial asset after the reversal of the impairment loss does not exceed what the amortised cost of the financial asset would have been at the date of the reversal assuming no provision for impairment had been made.

2) Impairment on available-for-sale financial assets

The Company examines each investment in available-for-sale equity instrument separately on the balance sheet date. For investments in equity instruments measured at fair value, an impairment of an available-for-sale equity instrument occurs when the Company determines, based on a combination of relevant factors, that a decline in the fair value of the investment in the available-for-sale equity instrument is either significant or other than temporary. For investments in equity instruments measured at cost, the Company considers whether there has been a significant adverse change in the technological, market, economic or legal environment in which the investee operates, and determines whether the equity instrument is impaired.

When an available-for-sale financial asset at fair value becomes impaired, the cumulative loss resulting from the decline in fair value that was previously recognized directly in other comprehensive income is transferred to and recognised under impairment loss. For investments in available-for-sale debt instruments for which an impairment loss has been recognised, the original impairment loss is reversed and credited to profit or loss if there is a rise in fair value and the rise is objectively related to an event occurring after the impairment was recognised. For investments in available-for-sale equity instruments for which an impairment loss has been recognised, any subsequent recovery in fair value is recognised directly in other comprehensive income.

If an available-for-sale equity instrument measured at cost is impaired, an impairment loss is recognized at the excess of the carrying amount of such instruments investment over the present value of future cash flows discounted at the prevailing market yield for similar financial assets, and included in profit or loss for the current period; the recognized impairment loss shall not be reversed.

(9) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are presented in the balance sheet after offsetting when the Company has a legal right to offset the recognised financial assets and financial liabilities and such legal right is currently enforceable, and meanwhile the Company intends to settle them on a net basis or realise the financial assets for cash and settle the financial liabilities. Otherwise, the financial assets and financial liabilities are presented separately in the balance sheet without offsetting each other.

2. Financial Instruments - Nanshan Aluminium and Zhishang Technology

A financial asset or financial liability shall be recognised when Nanshan Aluminium or Zhishang Technology becomes a party to a contract in respect of the financial instrument.

(1) Classification, recognition and measurement of financial assets

On the basis of the business model for managing financial assets and their contractual cash flow characteristics, Nanshan Aluminium and Zhishang Technology classify their financial assets into: Financial assets measured at amortised cost; Financial assets at fair value through other comprehensive income; Financial assets measured at fair value through changes in profit or loss.

Financial assets are measured at fair value on initial recognition. For financial assets measured at fair value and whose changes are included in profit and loss of the current period, the related trading expenses are recognised directly in profit and loss for the period; for other categories of financial assets, the trading expenses are recognised in the initial recognition amount. Receivables or notes receivable arising from the sale of products or provision of services that do not contain or take into account significant financing components are initially recognised by Nanshan Aluminium and Zhishang Technology, subsidiaries of the Company, at the amount of the consideration to which they expect to receive.

1) Debt Instruments:

① Financial assets measured at amortised cost;

In the business model for managing such financial assets, Nanshan Aluminium and Zhishang Technology intend to receive contractual cash flows, of which the characteristics is consistent with underlying borrowing arrangements, i.e. cash flows generated at a particular date are only payments of principal and interest based on the outstanding principal amount. Nanshan Aluminium and Zhishang Technology recognise interest income for such financial assets using the effective interest method, and conduct subsequent measurement based on amortised cost. The gains or losses arising from amortisation or impairment are recognised in profit or loss for the period. Such financial assets of Nanshan Aluminium and Zhishang Technology mainly include monetary capital, notes receivable, accounts receivable, other receivables, debt investments and long-term receivables among others. Nanshan Aluminium and Zhishang Technology have classified the debt investments and long-term receivables mature within one year (inclusive) from the balance sheet date as non-current assets due within one year; Debt investments mature within one year at the time of acquisition are presented as other current assets.

② Financial assets at fair value through other comprehensive income;

In the business model for managing such financial assets, Nanshan Aluminium and Zhishang Technology target to both receive contractual cash flows, of which the characteristics is consistent with underlying borrowing arrangements, and sell the financial assets. This category of financial assets is measured at fair value through other comprehensive income, except for impairment losses or gains, exchange gains or losses and interest income calculated using the effective interest method, which are recognised in profit or loss for the period. This category of financial assets mainly includes receivables financing and other debt investments among others. Nanshan Aluminium and Zhishang Technology classify other debt investments maturing within one year from the balance sheet date (inclusive) as non-current assets due within one year; Other debt investments mature within one year at the time of acquisition are presented as other current assets.

③ Financial assets at fair value through profit or loss

Nanshan Aluminium and Zhishang Technology classified the above financial assets, other than those measured at amortised cost and those measured at fair value through other comprehensive income, as financial assets at fair value through profit or loss and presented as financial assets held for trading. In addition, upon initial recognition, Nanshan Aluminium and Zhishang Technology, in order to eliminate or significantly reduce accounting mismatches, designate some financial assets as financial assets at fair value through profit or loss. For subsequent measurement, Nanshan Aluminium and Zhishang Technology classify such financial assets as financial assets at fair value through profit or loss. Those due more than one year from the balance sheet date and expected to be held for more than one year are presented as other non-current financial assets.

2) Equity Instruments:

Nanshan Aluminium classifies equity instruments that it has no control, joint control or significant influence over as financial assets measured at fair value through changes in profit or loss, and presented as financial assets held for trading; Those expected to be held for more than one year from the balance sheet date are presented as other non-current financial assets.

In addition, Nanshan Aluminium and Zhishang Technology classify certain equity instrument investments not for trading as financial assets at fair value through other comprehensive income, which are presented as investments in other equity instruments, and such classification cannot be revoked once made. Nanshan Aluminium and Zhishang Technology include the dividend income relating to such financial assets in profit or loss for the period and the change in fair value in other comprehensive income. When the financial asset is derecognised, the cumulative gain or loss previously included in other comprehensive income is transferred from other comprehensive income to retained earnings and is not recognised in profit or loss for the period.

(2) Classification, recognition and measurement of financial liabilities

1) Classification, recognition and measurement of financial liabilities at Nanshan Aluminium and Zhishang Technology

Financial instruments issued by Nanshan Aluminium and Zhishang Technology are classified into financial liabilities or equity instruments on the basis of the substance of the contractual arrangements and the economic nature not only its legal form, together with the definition of financial liability and equity instruments.

On initial recognition, financial liabilities are classified into financial liabilities measured at fair value and whose changes are recognised in profit or loss for the period and other financial liabilities. For the financial liabilities measured at fair value through profit or loss (FVTPL), relevant transaction expenses are directly charged to the profit or loss, and for other financial liabilities, relevant transaction expenses are included in the initial recognised amount.

The financial liabilities of Nanshan Aluminium and Zhishang Technology are mainly financial liabilities measured at amortised cost, including notes payable and accounts payable, other payables, loans and bonds payable. Such financial liabilities are initially measured at their fair value net of transaction costs and subsequently measured using the effective interest method. those with a maturity of less than one year (inclusive) are presented as current liabilities;

those with a maturity of more than one year but due within one year from the balance sheet date are presented as non-current liabilities due within one year; The remaining are presented as non-current liabilities.

When the current obligations of a financial liability have been discharged in whole or in part, Nanshan Aluminium and Zhishang Technology shall terminate the recognition of the discharged part of the financial liability or obligation. The difference between the carrying value of the derecognised part and the consideration paid shall be recognised in profit or loss for the period.

(3) Recognition and measurement of transfer of financial assets

Nanshan Aluminium and Zhishang Technology derecognise a financial asset when one of the following criteria is met: ① the contractual right to receive cash flows from the financial asset is terminated; ② 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; and ③ The financial asset is transferred: the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, but ceases the control over the financial asset. If Nanshan Aluminium and Zhishang Technology neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, and the control over the financial asset is not ceased, the financial asset and the related financial liabilities should be recognised based on the degree of continuing involvement. The degree of continuing involvement means the level of risks born by the business resulting from the change in value of the financial asset.

When other equity instrument investments are derecognised, Nanshan Aluminium and Zhishang Technology will include as retained earnings the difference between the carrying value and consideration received and the sum of the cumulative amount of changes in fair value originally directly included in other comprehensive income; When the remaining part of the equity instrument investments are derecognised, the difference between the carrying value and consideration received and the sum of the cumulative amount of changes in fair value originally directly included in other comprehensive income is recognised in profit or loss for the period;

Where Nanshan Aluminium and Zhishang Technology transfer by endorsement the financial assets sold with the right of recourse or the financial assets held, it shall be determined that whether almost all the risks and rewards of ownership of the financial assets have been transferred. If substantially all the risks and rewards of ownership of the financial asset have been transferred to the transferee, the financial asset is derecognised; if substantially all the risks and rewards of ownership of the financial asset have been retained, the financial asset is not derecognised; if all the risks and rewards of ownership of the financial asset haven't been substantially transferred or retained, the Company continues to determine whether it retains control over the asset and accounts for it in accordance with the principles set out in the preceding paragraphs.

(4) Derecognition of financial liabilities

If the current obligation of the financial liability has been discharged in whole or in part, Nanshan Aluminium and Zhishang Technology shall derecognise the financial liability (or its corresponding part). An agreement is entered between Nanshan Aluminium and Zhishang Technology (debtor) and a creditor to replace the original financial liabilities with new financial liabilities with substantially different terms, derecognise the original financial liabilities as well as recognise the new financial liabilities. When material amendments are made by Nanshan Aluminium and Zhishang Technology to all or a portion of the contractual conditions of an original financial liability (or a part of it), the original financial liability shall be derecognised and the financial liability with amended conditions shall be recognised as a new financial liability.

When a financial liability is derecognised in full or in part, the difference between its carrying amount and the consideration paid (including transferred non-cash assets or liability) is recognised in profit or loss for the current period.

(5) Offsetting of financial assets and financial liabilities

The net amount of financial assets and liabilities are presented in the balance sheet after offsetting when Nanshan Aluminium and Zhishang Technology have a legal right to offset the recognised amount of financial assets and financial liabilities and such legal right is currently enforceable, and meanwhile the Company intends to settle them on a net basis or realise the financial assets for cash and settle the financial liabilities. Otherwise, the financial assets and financial liabilities of Nanshan Aluminium and Zhishang Technology are presented separately in the balance sheet without offsetting each other.

(6) Recognition Criteria for Fair Value of Financial Assets and Financial Liabilities

Fair value is the price that will be received when selling an asset or the price to be paid to transfer a liability in an orderly transaction between market participants on the date of measurement. Where there is an active market for a financial instrument, Nanshan Aluminium and Zhishang Technology use quoted prices in active markets to determine its fair value. Quotations in an active market are prices that are readily and regularly available from exchanges, brokers, industry associations, pricing services agency, etc. and are representative of the prices at which market transactions actually take place in an arm's length transaction. Where there is no active market for a financial instrument, Nanshan Aluminium and Zhishang Technology use valuation techniques to determine its fair value. Valuation techniques include reference to prices used in recent market transactions by knowledgeable and willing parties, reference to the current fair value of other financial instruments that are substantially the same, discounted cash flow techniques and option pricing models. In the valuation, Nanshan Aluminium and Zhishang Technology adopted applicable valuation techniques with adequate available data and other information support in the circumstances, and selected inputs that have consistent characteristics with assets and liabilities in the transactions which are also considered by other market participants, and give priority to the use of relevant observable inputs. When related observable inputs can’t be acquired or are not feasible to be acquired, use unobservable inputs.

(7) Impairment of financial assets

Nanshan Aluminium and Zhishang Technology recognise their provisions for losses based on expected credit losses for financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets, lease receivables, loan commitments and financial guarantee contracts.

1) Measurement of expected credit losses

Nanshan Aluminium and Zhishang Technology recognise expected credit losses by calculating the probability weighted amount of the present value of the difference between the cash flows receivable under the contracts and the cash flows expected to be received, taking into account reasonable and substantiated information about past events, current conditions and forecasts of future economic conditions, and using the risk of default as the weighting factor.

At each balance sheet date, Nanshan Aluminium and Zhishang Technology measure expected credit losses for financial instruments at different stages separately. If the credit risk of a financial instrument has not increased significantly since its initial recognition, it is in Stage 1, and Nanshan Aluminium and Zhishang Technology shall measure the loss provision based on the expected credit losses in the next 12 months; If the credit risk of a financial instrument has increased significantly since initial recognition but no credit impairment has occurred, it is in Stage 2, and Nanshan Aluminium and Zhishang Technology measure provision for losses based on the expected credit loss over the entire duration of the instrument; If a credit impairment has occurred since the initial recognition of the financial instrument, it is in Stage 3, and Nanshan Aluminium and Zhishang Technology measure provision for losses based on the expected credit loss over the entire life of the instrument.

For financial instruments with related low credit risk at balance sheet date, Nanshan Aluminium and Zhishang Technology assume the credit risk has not increased significantly since initial recognition, and measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Nanshan Aluminium and Zhishang Technology calculate interest income on financial instruments at Stage 1 and Stage 2, as well as those with low credit risk, based on their carrying balances before provision for impairment and using effective interest rates. For financial instruments in stage 3, interest income is calculated on the basis of their carrying amount less any provision for impairment at amortised cost and using effective interest rate.

① Trade Receivables:

A. For bills receivable, accounts receivable and receivables financing during daily operating activities such as the sale of goods and provision of labour services, Nanshan Aluminium measures provision for losses based on the expected credit loss for the entire duration, regardless of whether there is a significant financing component.

Separate impairment tests are performed on notes and accounts receivable, other receivables, receivables financing and long-term receivables for which there is objective evidence of impairment and for which other individual assessments are applicable, to recognise expected credit losses and to provide for individual impairment. For bills receivable, trade receivables, other receivables and receivables financing for which there is no objective evidence of impairment or when information on expected credit losses cannot be assessed at a reasonable cost for a single financial asset, Nanshan Aluminium classifies bills receivable, trade receivables, other receivables, receivables financing and long-term receivables into certain groups based on credit risk characteristics and calculates expected credit losses on a group basis to determine. The basis for determining groups is as follows:

a. The group of notes receivable is determined based on the following:

Item	Type
Notes receivable group 1 - banker's acceptance bill	Banks with low credit risk
Notes receivable group 2 - trade acceptance bill	Companies with low credit risk
Notes receivable group 3 - trade acceptance bill	Companies with high credit risk

For the notes receivable classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and the expected credit loss rate throughout the lifetime.

b. Basis for determining the group of accounts receivable:

Item	Type
Accounts receivable group 1	Amount due from external distributors
Accounts receivable group 2	Transactions between companies within the scope of the consolidated financial statements for the year

For the trade receivable classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the days overdue and expected credit loss through full life time in reference.

c. The basis for determining group of other receivables is as follows:

Item	Type
Other receivables group 1	Dividend receivable
Other receivables group 2	Interest receivable
Other receivables group 3	Transactions between companies within the scope of the consolidated financial statements for the year
Other receivables group 4	Credit risk group

For the other receivables classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and expected credit loss rates over the next 12 months or throughout the lifetime.

d. The basis for determining group of receivables financing is as follows:

Item	Type
Receivables financing group 1 - banker's acceptance bill	Banks with low credit risk
Receivables financing group 2 - trade acceptance bill	Companies with high credit risk
Receivables financing group 3 - account receivables	Amount due from general distributors

Nanshan Aluminium classifies notes receivable and accounts receivable (which are presented in the statements as financing receivables) as financial assets at fair value through other comprehensive income when both of the following conditions are met, and the related specific accounting treatment is described in Financial Instruments: contractual cash flows are payments on principal and interest based on outstanding principal amounts; In the business model for managing notes receivable and accounts receivable, Nanshan Aluminium intend to both collect contractual cash flows and sell these receivables.

For the accounts receivable financing classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and the expected credit loss rate throughout the lifetime.

For long-term receivables from daily operating activities such as sales of goods and provision of labour services, including receivables from PPP projects, payments for BT projects, payments for primary development of land and payments for other infrastructure projects, etc., Nanshan Aluminium calculated the expected credit losses according to the default risk exposure and the expected credit loss rate over the entire duration by making reference to the historical credit loss experience, and combining the current situation and the forecast of future economic conditions. For the other long term receivables classified as a group, Nanshan Aluminium refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and credit loss rates over the next 12 months or throughout the lifetime.

B. For bills receivable, accounts receivable and receivables financing during daily operating activities such as the sale of goods and provision of labour services, Zhishang Technology measures provision for losses based on the expected credit loss for the entire duration, regardless of whether there is a significant financing component.

a. Notes Receivable

Zhishang Technology measures the provision for losses for notes receivable at an amount equal to the expected credit loss over the entire life of the note. For the notes receivable classified as a group, Zhishang Technology refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the default risk exposure and the expected credit loss rate throughout the lifetime. In addition to notes receivable that are assessed individually for credit risk, notes receivable are classified into different groups based on their credit risk characteristics:

Item	Type
Notes receivable group 1	Banker's acceptance bill
Notes receivable group 2	Trade acceptance bill

b. Accounts receivable

For account receivables, whether or not there is a significant financing component, Zhishang Technology assesses the expected credit losses on the above accounts receivable, either individually or in group, taking into account all reasonable and substantiated information, including forward-looking information and using a simplified model of expected credit losses and always measures provision for losses based on the expected credit losses over the entire lifetime. The provision method is as follows: At the end of the period, receivables for which there is objective evidence of impairment are individually tested for impairment and an impairment loss is recognised based on the difference between the present value of the estimated future cash flows and their carrying amount, and a bad debt provision is made; When expected credit losses cannot be assessed at a reasonable cost for a single financial asset, Zhishang Technology takes into account the credit risk characteristics of different customers and assesses expected credit losses on accounts receivable in an ageing group.

For the trade receivable classified as a group, Zhishang Technology refers to the historical credit loss experience, combined with the forecast of the current and the future economic condition to calculate the expected credit loss according to the account age and expected credit loss through full life time in reference. The expected credit loss rates are as follows:

Account age	Expected credit loss ratio (%)
Within one year (inclusive)	5.00
One to two years (inclusive)	10.00
Two to three years (inclusive)	20.00
Three to five years (inclusive)	50.00
More than five years	100.00

c. Other receivables

Item	Type
Other receivables group 1	Export tax refund receivables
Other receivables group 2	Balance due and others
Other receivables group 3	Staff petty cash receivable
Other receivables group 4	Guarantee and deposit receivables

For the other receivables classified as a group, Zhishang Technology calculates the expected credit loss according to the default risk exposure and expected credit loss rates over the next 12 months or throughout the lifetime.

Provision for losses made or reversed by Zhishang Technology is recognised in profit or loss for the period.

② Debt investments and other debt investments

For debt investments and other debt investments, Nanshan Aluminium and Zhishang Technology calculate expected credit losses according to default risk exposures and expected credit loss rates over the next 12 months or throughout the lifetime, depending on the nature of the investment and the type of counterparties and exposures.

a. Low credit risk

A financial instrument is considered to have low credit risk if the risk of default is low, the borrower's ability to meet its contractual cash flow obligations in the short term is strong and, even if there are adverse changes in economic conditions and operating environment in the longer term, this may not necessarily reduce the borrower's ability to meet its contractual cash flow obligations.

b. Financial Assets Whose Credit Risk Has Increased Significantly

Nanshan Aluminium and Zhishang Technology assess whether the credit risk of a financial instrument has increased significantly since initial recognition by comparing the probability of default over the expected life of the financial instrument as determined at the balance sheet date with the probability of default over the expected life of the financial instrument as determined at initial recognition to determine the relative change in the probability of default over the expected life of the financial instrument.

In determining whether there has been a significant increase in credit risk since initial recognition, Nanshan Aluminium and Zhishang Technology consider reasonable and substantiated information, including forward-looking information, that is available without undue additional cost or effort. The information considered by Nanshan Aluminium and Zhishang Technology includes: whether there has been a significant change of internal price indicators as a result of changes in credit risk; adverse changes in business, financial or economic conditions that are expected to result in a significant change in the debtor's ability to meet its debt service obligations; whether there has been a significant change in the debtor's results of operations, actual or expected; whether there has been a significant adverse change in the regulatory, economic or technological environment in which the debtor is operating; Whether there has been a significant change in the value of collateral pledged as security for the debt or in the quality of guarantees or credit enhancements provided by third parties. These changes are expected to reduce the debtor's economic incentive to meet contractual repayment terms or affect the probability of default; whether there has been a significant change in the economic incentive that is expected to reduce the debtor's ability to make contractual payments; anticipated changes to the borrowing contract, including whether the anticipated breach may result in a waiver or amendment of contractual obligations, the granting of an interest-free period, a jump in interest rates, a requirement for additional collateral or security or other changes to the contractual framework of the financial instrument; whether there has been a significant change in the expected performance and repayment behaviour of the debtor; and whether a contract payment is more than 30 days (inclusive) overdue.

Depending on the nature of the financial instruments, Nanshan Aluminium and Zhishang Technology assess whether there is a significant increase in credit risk on the basis of individual financial instruments or a group of financial instruments. When assessing on the basis of a group of financial instruments, Nanshan Aluminium and Zhishang Technology may classify financial instruments based on common credit risk characteristics, such as delinquency data and credit risk ratings.

Normally, if overdue for more than 30 days, Nanshan Aluminium and Zhishang Technology determine that the credit risk of the financial instruments has increased significantly, unless Nanshan Aluminium and Zhishang Technology can obtain reasonable and substantiated information without undue cost or effort that the credit risk has not increased significantly since the initial recognition despite exceeding the contractual payment term by 30 days.

2) Financial assets that have suffered credit impairment

Nanshan Aluminium and Zhishang Technology assess at the balance sheet date whether financial assets measured at amortised cost and debt investments measured at fair value through other comprehensive income had suffered credit impairment. A financial asset becomes credit impaired when one or more events occur that have an adverse effect on the expected future cash flows of the financial asset. Evidence that a financial asset has suffered a credit impairment includes the following observable input: Significant financial difficulty of the issuer or debtor; A breach of contract by the debtor, such as a default or delinquency in interest or principal payments; a concession by the creditor, arising from economic or contractual considerations relating to the debtor's financial difficulties, which the debtor would not otherwise have made; bankruptcy or other financial reorganization that the debtor may go into; the disappearance of an active market for the financial asset as a result of the financial difficulties of the issuer or debtor; A financial asset purchased or originated at a substantial discount that reflects the fact that a credit loss has occurred.

3) Presentation of provision for expected credit losses

To reflect changes in the credit risk of a financial instrument since initial recognition, Nanshan Aluminium and Zhishang Technology remeasure the expected credit losses at each balance sheet date, and the resulting increase or reversal in the provision for losses is deemed to be an impairment loss or gain in profit or loss for the period. For financial assets measured at amortised cost, provision for losses is set off against the carrying amount of the financial asset as shown in the balance sheet; For debt investments measured at fair value with changes in fair value included in other comprehensive income, Nanshan Aluminium and Zhishang Technology recognise provision for losses in other comprehensive income without offsetting the carrying amount of the financial asset.

4) Write-offs

If Nanshan Aluminium and Zhishang Technology no longer have a reasonable expectation that the contractual cash flows from a financial asset will be fully or partially recovered, the carrying amount of the financial asset is written down directly and such write-down constitutes derecognition of the related financial asset. This typically occurs when Nanshan Aluminium and Zhishang Technology determine that the debtor does not have the assets or revenue streams to generate sufficient cash flow to repay the amount to be written down. If a financial asset that has been written down is subsequently recovered, a reversal of the impairment loss is credited to profit or loss in the period in which it is recovered.

(11) Fair value

Fair value is the price that will be received when selling an asset or the price to be paid to transfer a liability in an orderly transaction between market participants on the date of measurement. The Company measures the underlying asset or liability at fair value, assuming that an orderly transaction to sell an asset or transfer a liability occurs in the primary market for the underlying asset or liability; where no primary market exists, the Company assumes that the transaction occurs in the most advantageous market for the underlying asset or liability. The primary market (or most advantageous market) is the market in which the Company has access to the transaction at the measurement date.

Using valuation techniques that are appropriate in the circumstances and are supported by sufficient available data and other information, the Company considers the ability of a market participant to put the asset to its best use to generate economic benefits, or to sell the asset to another market participant that can put it to its best use to generate economic benefits, giving preference to the use of the relevant observable inputs, and using unobservable inputs only when observable inputs are unavailable or impractical to obtain.

Assets and liabilities that are measured or disclosed at fair value in the financial statements are identified at their respective fair value hierarchy based on the lowest level of input that is significant to the fair value measurement as a whole: Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access on the measurement date; Level 2 inputs are inputs other than those included within Level 1 that are observable for the assets or liabilities, either directly or indirectly [Including: Quoted prices for similar assets or liabilities in active markets; Quoted prices for identical or similar assets or liabilities in inactive markets; observable input values other than quoted prices, such as interest and yield curves that are observable during normal quotation intervals]; Level 3 inputs are the non-observable inputs of relevant assets or liabilities [including interest rates that are not directly observable or cannot be verified by observable market data, stock volatility, future cash flows from obligations disposed of assumed in business combinations, financial projections using own data, etc.]. At each balance sheet date, the Company reassesses the assets and liabilities recognised in the financial statements that are measured at fair value on an ongoing basis to determine whether there has been a transition between the fair value measurement levels.

(12) Receivables

1. Receivables with individually significant amounts and subject to individual bad debt provision

Judgemental basis or monetary criteria for individually significant amounts	Accounts receivable - amounts of RMB 50 million or more (inclusive) and representing more than 10% of the accounts receivable in terms of book balance; Other receivables - amounts of RMB 60 million or more (inclusive) and representing more than 10% of other receivables in terms of book balance.
Provision method(s) for receivables with individually significant amounts and separately provided for bad debts	Where there is objective evidence of impairment as a result of a separate impairment test, a bad debt provision is made for the difference between the present value of future cash flows and their carrying amount; Where no impairment has occurred as a result of a separate impairment test, it is classified as a bad debt provision in certain groups with similar credit risk characteristics.

2. Receivables subject to provision in group

(1) Receivables subject to provision in group - the Company (excluding Nanshan Aluminium and Zhishang Technology)

Group Name	Basis for determining a group	Method of provision for bad debts
Other group	Receivables other than those under the above two items	Percentage of balance method
Low credit risk group	Amounts due from subsidiaries in the scope of consolidation	Provision for bad debts is made based on the difference between the present value of its future cash flows and its carrying value.

Notes: Provision for bad debts is made using the percentage of balance method at 0.5% of the closing balance of receivables (including trade and other receivables)

(2) Details of the method of how Nanshan Aluminium and Zhishang Technology determine expected credit losses and their accounting treatment for receivables are set out in Note III(10) Financial instruments.

Receivables with individually insignificant amount but subject to separate provision

Reasons for separate/individual provision	There is conclusive evidence that recoverability varies significantly.
Method of provision for bad debts	Provision for bad debts is made based on the difference between the present value of its future cash flows and its carrying value.

4. When there is objective evidence that the value of the receivable has been restored and the objective evidence relates to an event occurring after the loss was recognised, the previously recognised impairment loss is reversed and credited to profit or loss. However, the book value upon the reversal will not exceed the amortised cost of the receivables on the reversal date as if no impairment loss provision had been made.

(13) Inventories

1. Inventories include finished products or commodities held for sale in the ordinary course of activities, products in the course of production, materials and supplies consumed in the course of production or in the course of rendering services, materials in transit and materials for consigned processing.

2. Inventories acquired by the Company are measured at actual cost. The cost of purchased inventory [raw materials/inventory goods] is the purchase cost of the inventory, and the cost of inventory [Work in progress, semi-finished products, finished products, materials consigned for processing] obtained through further processing consists of the purchase cost and processing cost. The carrying value of inventory acquired by a debtor for debt restructuring is determined on the basis of the fair value of the forfeited titles and the related taxes and fees directly attributable to the inventory incurred in bringing the inventory to its current status and condition. To the extent that a nonmonetary asset exchange has commercial substance and the fair value of the inbound or outbound assets can be measured reliably, the inbound inventory exchanged for nonmonetary assets is generally recorded at the fair value of the outbound asset exchanged unless there is conclusive evidence that the fair value of the inbound asset is more reliable; for nonmonetary asset exchanges that do not satisfy the foregoing prerequisites, the cost of the inbound inventory exchanged is determined at the sum of the carrying value of the outbound asset exchanged and the related tax expense payable. The carrying value of inventories acquired by way of absorption and combination under common control is recognised at the carrying value of the combined party; the carrying value of inventories acquired by way of absorption and combination not under common control is recognised at fair value.

3. The cost of inventory shipped by the Company is measured using the weighted average method at the end of each month.

4. Amortization of low value consumables and packaging materials

For low value consumables, one-off amortisation method shall apply.

For packaging materials, one-off amortisation method shall apply.

5. On balance sheet dates, inventories are measured at the lower of cost and net realizable value. Net realisable value of inventories is the estimated selling price of the goods less the estimated costs to be incurred on completion, estimated selling expenses and relevant taxes. In determining the net realisable value of inventories, it is based on firm evidence obtained, taking into account the purpose for which the inventories are held and the impact of subsequent events on the balance sheet date. Unless there is clear evidence of an abnormal market price on the balance sheet date, the net realisable value of inventory for the period is based on the market price on the balance sheet date, where:

(1) For inventories of finished goods, merchandise, materials for sale and others that can be directly sold, their net realisable value is determined in the ordinary course of business by taking the estimated selling price of such inventories and deducting estimated selling expenses and related taxes and fees;

(2) For inventories of materials to be processed, their net realizable value is determined in the normal course of production and operations by deducting the estimated costs to be incurred upon completion, estimated selling expenses and relevant taxes and fees from the estimated selling price of finished goods produced; On the balance sheet date, in the same inventory, for parts with contractual prices and other without contractual prices, their net realisable values are determined separately and compared with their corresponding costs to determine the amount of provision or reversal of provision for inventory write-down respectively.

At the end of the period, the provision for impairment is made for each individual item of inventory; however, the provision for impairment is made for inventories high in volume but low in unit prices according to the type of inventory; the provision for impairment is made consolidatedly for inventories related to product lines produced and sold in the same region, with the same or similar end use or purpose, and for which it is difficult to measure some separately from the others.

After making the provision for inventory write-down, in case the factors causing inventory write-down no longer exists, and the net realisable value of the inventory is higher than its book-value, the original provision for inventory write-down shall be reversed and incorporated into the profit or loss for the period.

6. The Company adopts a perpetual inventory system.

(14) Non-current assets held for sale or disposal group

1. Criteria for classification as held for sale

A non-current asset or disposal group for which the company recovers its carrying value primarily through sale (including a non-monetary asset exchange with a commercial substance, as described below) and not through the ongoing use of the asset or disposal group is classified as held for sale when the following conditions are met:

(1) Under the customary practice of selling such assets or disposal groups in similar transactions, a sale may be made immediately in the present condition;

(2) Sale is highly likely. That is to say, the Company has resolved on a plan to sell and has received a firm purchase commitment, and the sale is expected to be completed within one year. If the regulations require the approval of the relevant authority or supervisory authority before the sale can take place, the Company has obtained such approval. A firm purchase commitment refers to a legally binding purchase agreement signed by the Company and another party, which contains important terms such as the transaction price, time and sufficient severe penalties for breach of contract to make it highly unlikely that the agreement will be materially adjusted or cancelled.

If the Company loses control over its subsidiaries due to the sale of its investments in them, when the investment in the subsidiary to be sold meets the criteria for classification as held for sale, the investment in the subsidiary as a whole is classified as held for sale in the Company’s own financial statements, and all assets and liabilities of the subsidiary are classified as held for sale in the consolidated financial statements, if the investment in the subsidiary meets the criteria for classification as held for sale.

If the non-current assets held for sale or the disposal group no longer meet the criteria for classification as held for sale, the Company stops classifying them as held for sale. If part of the assets or liabilities are removed from be treated as held for sale and the newly formed disposal group of the remaining assets or liabilities in the disposal group still satisfies the criteria for classification as held for sale, the Company classifies the newly formed disposal group into the held for sale category; otherwise, the non-current assets that satisfy the criteria for classification as held for sale are separately classified as held for sale.

For non-current assets or disposal groups that meet the criteria for classification as held for sale for the first time in the current period, the balance sheet of the comparable accounting period is not adjusted.

2. Initial and subsequent measurement of non-current assets held for sale and disposal groups

For non-current assets or disposal groups classified as held for sale on the acquisition date, the Company initially measures them at the lower of the initial measurement amount that would have been determined had they not been classified as held for sale or the net of fair value less costs to sell. Except for non-current assets or disposal groups acquired in the business combination, the difference arising from the net amount after fair value less selling costs of the non-current assets or disposal groups as the initial measurement amount is recorded in profit or loss for the current period.

Before the Company first classifies its non-current assets or disposal group as held for sale, the Company measures the carrying value of each asset and liability in the non-current assets or disposal group in accordance with relevant accounting standards. If the book value of a non-current asset held for sale or disposal group is greater than the net value of its fair value less costs to sell as measured at its initial measurement or as remeasured on the balance sheet date, the book value is written down to the net value of fair value less costs to sell, and the amount of the write-down is recognised in profit or loss for the period as asset impairment loss, and an impairment charge on the asset held for sale is recorded. Non-current assets held for sale or non-current assets in the disposal group are not depreciated or amortised, and interest and other charges on liabilities in the disposal group held for sale continue to be recognised.

When recognizing the amount of an impairment loss on an asset held for sale in a disposal group, the Company offset it against the carrying value of the goodwill in the disposal group and then against the carrying value of the disposal group on a pro rata basis based on the proportion of the carrying value of each non-current asset in the disposal group that is subject to the measurement requirements of Accounting Standards for Business Enterprises No. 42 - Non-Current Assets Held for Sale, Disposal Groups and Discontinued Operations (hereinafter referred to as Standard No. 42). When remeasuring the disposal group held for sale on the balance sheet date, the Company first measures the carrying value of the assets and liabilities in the disposal group that are not subject to the measurement requirements of Standard No. 42 in accordance with the relevant accounting standards, and then accounts for them in accordance with the relevant provisions described above.

If the net value of the fair value of non-current assets held for sale less costs to sell on the subsequent balance sheet date increases, the amount previously written down shall be restored and reversed within the amount of the impairment loss on the asset recognised after classification as held for sale and the reversal shall be credited to profit or loss; impairment losses on assets recognised before classification as held for sale shall not be reversed.

If the net value of the fair value of the disposal group held for sale less costs to sell on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of the impairment loss on the asset recognised as a non-current asset for which Standard 42 measurement requirements apply after classification as held for sale, and the amount reversed shall be increased proportionately to the carrying amount of each non-current asset in the disposal group, other than goodwill, for which Standard 42 measurement requirements apply, and the amount reversed shall be included in profit or loss for the current period. The carrying amount of goodwill that has been written off and the impairment loss on the asset recognised before classification as held for sale are not reversed.

3. Derecognition and measurement of assets classified as held for sale

When a non-current asset or disposal group no longer satisfies the criteria for classification as held for sale and is no longer classified as held for sale or a non-current asset is removed from the disposal group held for sale, it is measured at the lower of: (1) the carrying amount before classification as held for sale, adjusted for depreciation, amortisation or impairment that would have been recognised had it not been classified as held for sale and (2) the recoverable amount.

When the Company derecognizes a non-current asset held for sale or a disposal group, the unrecognized gain or loss is included in profit or loss.

(15) Long-term equity investments

Long-term equity investments referred to in this section are long-term equity investments in which the Company has control, joint control or significant influence over the investee, including equity investments in subsidiaries, joint ventures and associates. Long-term equity investments in which the Company does not have control, joint control or significant influence over the investee are accounted for as available-for-sale financial assets or financial assets at fair value through profit or loss, the accounting policies of which are described in Note 3(10) "Financial Instruments" herein.

1. Criteria for Joint Control and Significant Influence

Joint control is control that is shared over an arrangement in accordance with the relevant agreement and the activities related to the arrangement can only be decided upon with the unanimous consent of the participants sharing control. An investee is a joint venture of the Company if the Company, together with other joint venturers, exercises joint control over the investee and resultingly has rights over the net assets of the investee. Protective rights are not considered in determining the existence of joint control.

Significant influence is the right to participate in the financial and operating decisions of an entity, but not to control, or have joint control with other parties over, the formulation of those policies. Where the Company is able to exert significant influence over an investee, the investee is an affiliate of the Company. In determining whether significant influence can be exercised over an investee, consideration is given to the impact of the voting shares of the investee held directly or indirectly by the investor, as well as the impact of current potentially enforceable voting rights held by the investor and other parties, including current convertible warrants, stock options and convertible corporate bonds issued by the investee, upon their assumed conversion into equity interests in the investee’s entity.

2. Determination of investment cost of long-term equity investments

(1) The initial investment cost of a long-term equity investment obtained through a business combination under common control is the carrying amount of owners’ equity attributable to the combined party in the consolidated financial statements of the ultimate controlling party at the date of combination, if the consideration from the combining party is settled in cash, by way of transfer of non-cash assets, assumption of liabilities or issuance of equity securities. The difference between the initial investment cost of a long-term equity investment and the total amount of cash paid, non-cash assets transferred, the carrying value of assumed debt, or the par value of shares issued is adjusted for capital surplus; if capital surplus is insufficient to offset the difference, retained earnings is adjusted. If the Company acquires the equity interests of the combined party under common control in stages through multiple transactions, resulting in a business combination under common control, the Company should determine whether these transactions should be treated as a "package deal": If it constitutes a "Package Deal", the Company accounts for all transactions as if they are a transaction that obtained control. For transactions that do not qualify as a "package deal," the initial investment cost of the long-term equity investment is determined according to the book value of the combined party's shareholders’ interest in the consolidated financial statements of the ultimate controller at the date of combination. The difference between the initial cost of the long-term investment and the sum of the book value of the long-term investment before the combination and the book value of the new consideration paid for the shares acquired on the combination date is adjusted against capital surplus; and if capital surplus is insufficient, adjusted against retained earnings. Equity investment acquired before the date of combination are not accounted for the period as they were accounted with the equity method or as other comprehensive income due to available-for-sale financial assets.

(2) for business combination not under common control, the Company accounts for the initial investment cost of long-term equity investments based on the cost of the combination determined on the date of acquisition. The combination cost is the fair value of assets paid, liabilities incurred or assumed, and equity securities issued by the acquirer to obtain control of the acquiree on the date of acquisition. For the acquiree, any audit, legal service, assessment and consultation and other administrative expenses occurred during combination shall be recognised in profit or loss for the period; Transaction costs of equity or debt securities issued by the acquirer as the considerations for business combination are included in their initial recognised amounts. The Company includes the contingent consideration agreed to in the combination agreement as part of the corporate combination and transfer consideration in the cost of the business combination based on its fair value at the date of acquisition. For a business combination not under common control that is achieved in steps through multiple transactions, the Company determines whether these multiple transactions are a "package deal" according to Accounting Standards for Business Enterprises. If it constitutes a "Package Deal", the Company accounts for all transactions as if they are a transaction that obtained control. For transactions that do not qualify as "package deals", the initial investment cost of a long-term equity investment accounted for under the cost method is the sum of the book value of the equity investment originally held in the acquiree and the cost of the new investment; If the equity method is used to account for the equity interests originally held, the related other comprehensive income is not currently accounted for. The difference between the fair value and the book value of an equity investment previously held as an available-for-sale financial asset, and the cumulative fair value change originally included in other comprehensive income, is transferred to profit or loss.

(3) Equity investments other than long-term equity investments resulting from business combinations are initially measured at cost: The initial cost of the investment acquired by paying cash is based on the actual purchase price paid; The initial investment cost of those acquired by the issuance of equity securities are measured based on the fair value of the equity securities issued, and the costs directly related to the issuance of equity securities are determined in accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 37 - Presentation of Financial Instruments; To the extent that a non-monetary asset exchange has commercial substance and the fair value of the inbound or outbound asset can be measured reliably, the initial investment cost of inbound longterm equity investment exchanged is determined based on the fair value of the outbaound asset exchanged and the related tax payable in a a non-monetary asset exchange, unless there is conclusive evidence that the fair value of the inbound asset exchanged is more reliable; Non-monetary asset exchange that does not satisfy the above conditions use the carrying value of the outbound asset exchanged and the related tax payable as the initial investment cost of the inbound long term equity investment exchanged. The initial investment cost of a long-term equity investment acquired through a debt restructuring is determined based on the fair value of the forfeited titles. Fees, taxes and other necessary expenses directly related to the acquisition of the long-term equity investments are also included in the cost of investment.

For investments in which the additional investment enables the Company to exert significant influence over the investee or exercise joint control but not control, the cost of the long-term equity investment is the sum of the fair value of the originally held equity investment plus the cost of the additional investment, determined in accordance with Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, as the initial investment cost under the equity method. For the original portion of equity investment classified as available for sale, the difference between the fair value and carrying amount and cumulative changes in fair value recognised as other comprehensive income shall be recognised as current profit of loss under equity method.

3. Subsequent measurement of long-term equity investments and recognition of profit or loss

(1) Long-term equity investments accounted for under the cost method

Long-term equity investments in subsidiaries are accounted for using the cost method. Except for the price actually paid for obtaining the investment or the cash dividends or profits declared but not yet distributed which is included in the consideration, the Company recognizes cash dividends or profits declared by the investee as current investment gains.

(2) Long-term equity investments accounted for under the equity method

Long-term equity investments in associates and joint ventures are accounted for using the equity method.

If the initial investment cost of a long-term equity investment accounted for under the equity method is greater than the share of the fair value of the investee's identifiable net assets, which is attributable to the Company, at the time of investment, no adjustment is made to the initial investment cost of the long-term equity investment; if the initial investment cost of the long-term equity investment is less than the share of the fair value of the investee's identifiable net assets, which is attributable to the Company, at the time of investment, the difference shall be included in profit or loss, and the cost of the long-term equity investment is adjusted at the same time. After the acquisition of the long-term equity investment, if the accounting policies and accounting periods adopted by the investee are different from those of the Company, the financial statements of the investee shall be adjusted in accordance with the accounting policies and accounting periods of the Company, and the profit or loss and other comprehensive income of the investee shall be recognized accordingly. The Company recognises its share of the net profits or losses and other comprehensive income made by the investee as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly; The Company shall, based on the fair value of identifiable net assets of the investee at the time of acquisition, recognise its attributable share of the net profit or loss of the investee after the net profit of the investee is adjusted. The investor’s share of profits distribution or cash dividends declared by the investee is deducted from the book value of the long term equity investment; other changes in ownerss’ equity of the investee other than those arising from its net profit or loss, other comprehensive income, and profit distribution, is recorded in the owners' equity with the book value of long-term equity investment adjusted. Unrealized gains and losses from internal transactions between the Company and its associates and joint ventures are offset by the proportionate share of gains and losses attributable to the Company, and investment income is recognized on this basis. Losses from unrealized internal transactions with investees are recognized in full if they constitute impairment losses.

When the Company recognizes its share of losses incurred by an investee, they are treated in the following order: First, the carrying value of long-term equity investments is written down. Secondly, if the carrying value of the long-term equity investment is not sufficient, the carrying value of the other long-term equity interests, which in substance constitute a net investment in the investee, is used to further recognize the investment loss and to write down the carrying value of long-term receivables. If, after the above treatment, the company still has outstanding obligations under the investment contract or agreement, and recognizes an estimated liability based on the obligations expected to be incurred, and includes it in the investment loss for the current period. Where net profits are subsequently made by the investee, the Company resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognised.

During the period of holding investments, when preparing consolidated financial statements by the investee, the accounting shall be based on the amounts attributable to the investee in the net profit, other comprehensive income and other changes of the owner’ equity in the consolidated financial statements.

Where the assets invested by the Company in joint ventures and associates constitute a business, and the investor thus acquires a long-term equity investment but control, the fair value of the invested business is used as the initial investment cost of the new long-term equity investment, and the difference between the initial investment cost and the carrying value of the invested business is fully credited to current profit or loss. Where the assets sold by the Company to a joint venture or an associate constitute a business, the difference between the consideration received and the carrying value of the business is fully credited to current profit or loss. Where assets acquired from associates and joint ventures constitute a business, the Company applies the accounting treatment in accordance with "Accounting Standards for Business Enterprises No. 20 - Business Combinations" and recognizes the full amount of the gain or loss associated with the transaction.

4. Disposal of long-term equity investments

For long-term equity investment, the balance between its book value and actual payment will be recognised in profit or loss for the period.

(1) Disposal of long-term equity investments under the equity method

For the long-term equity investment under the equity method, if the residual equity after disposal is still accounted for using the equity method, when disposing of such investment, part of amounts that shall be originally included in other comprehensive income shall be accounted for in proportion by using the same basis as the investee used for direct disposal of relevant assets or liabilities. Changes in equity recognized as a result of changes in ownership interests other than net income or loss, other comprehensive income and profit distribution by the investee are carried forward into profit or loss on a pro rata basis.

When the controls or material influences over the investee become lost due to partial disposal of equity investment and other reasons, the remaining equities shall be accounted for in accordance with the standards on recognition and measurement of financial instruments, and the difference between the fair value and the carrying value at the date of losing control or material influence shall be included in the profit or loss. The other comprehensive income of the previous equity investment recognized under the equity method is treated according to the accounting treatment same to the basis adopted by the investee to directly dispose the relative assets or liabilities when terminating the adoption of equity method. All owner’s equities which are recognized due to other changes of owner’s equity except for net profits and losses, other comprehensive income and profit distributions shall be transferred into the current profit or loss when ceasing to use the equity method.

(2) Disposal of long-term equity investments under the cost method

For long-term equity investments accounted for by the cost method, if the residual equity is still accounted for by the cost method after disposal, other comprehensive income recognized as a result of the use of equity method or accounted for using financial instruments recognition and measurement standards before the acquisition of control over the investee is treated on the same basis as if the relevant assets or liabilities had been disposed of directly by the investee, and is carried forward in the current period on a pro rata basis as follows; Changes in ownership interests in the net assets of the investee recognized under the equity method, other than net income or loss, other comprehensive income and net profit distribution, are carried forward to profit or loss on a pro rata basis in the current period.

If the Company's equity interest in an investee decreases as a result of a capital increase by another investor, and in turn the Company loses control but is able to exercise joint control or significant influence over the investee, the difference between the Company's share of the increase in the net assets of the investee resulting from the capital increase and expansion recognized in accordance with the new shareholding ratio and the original carrying value of the long-term equity investment corresponding to the degree of the decrease in the shareholding ratio is included in the current profit or loss; then the new equity interest ratio is deemed to have been adjusted under the equity method from the time the investment was acquired.

If the Company loses control over an existing subsidiary due to the disposal of a portion of its equity investment or for other reasons, and the remaining equity interest after disposal enbles the Company to exercise joint control or exert significant influence over the investee, the Company shall change to the equity method for accounting, and the remaining equity interest is deemed to be adjusted for the adoption of the equity method from the time the investment is acquired; Equity investment acquired before the date of combination are carried forward in relation to other comprehensive income and other owners’ equity on a prorata basis; if the residual equity after disposal cannot enable the company to exercise common control or exert significant influence over the investee, it is instead accounted for in accordance with the relevant provisions of Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments, and the difference between its fair value and carrying value on the date of loss of control is included in profit or loss, and other comprehensive income and other equity are fully carried forward into proft or loss.

The Company disposes of its equity investment in a subsidiary in stages through multiple transactions until it loses control, and if the above transactions are part of a package deal, each transaction is accounted for as a disposal of the equity investment in the subsidiary with loss of control, with the difference between the disposal price and the book value of the corresponding long-term equity investment disposed of prior to the loss of control being recognised first in other comprehensive income, and then altogether in profit or loss in the period in which control is lost.

(16) Investment Properties

1. Investment properties refers to real estate properties held for rental or capital appreciation or both. This includes leased land use rights, land use rights that are held with a view to transfer after theiralue inncrease, leased buildings (including buildings self constructed and developed for lease after completion and buildings in the process of construction or development that are to be used for lease).

2. Investment properties are measured initially at cost and subsequently measured using the cost model. Subsequent expenditures related to an investment property shall be included in cost of investment property only when the economic benefits associated with the asset will likely flow to the Company and its cost can be measured reliably. Other subsequent expenditure is charged to profit or loss in the period in which it is incurred.

3. Investment properties measured using the cost model are depreciated or amortised in the same way as fixed assets and intangible assets.

4. When the use of an investment property is changed to self-use, it is reclassified as fixed asset or intangible asset at the date of the change with the carrying amount of the investment property before change is used as the carrying amount of the property after change. If self use property or inventory is changed to earn rentals or capital appreciation, from the date of the change, it is reclassified from the fixed assets or intangible assets to investment properties, and if the property is measured using the cost model, the carrying value of the real estate is the carrying value before the change; if it changes to investment properties measured using the fair value model, the fair value at the date of change is the book value after the change.

5. When an investment property is disposed of, or permanently withdrawn from use and no economic benefits are expected from its disposal, the investment property is derecognized. Income from the sale, transfer, retirement or destruction of investment property is recognized in profit or loss, net of its carrying value and related taxes and fees.

(17) Fixed assets

1. Criteria for recognition of fixed assets

A fixed asset is a tangible asset that has the following characteristics at the same time: (1) held for the production of goods, provision of services, lease, or operation and management; (2) with a useful life exceeding one accounting year.

Fixed assets are recognized when the following conditions are also met: (1) it is likely that the economic benefits associated with the fixed asset will flow to the Company; (2) the cost of the fixed asset can be measured reliably. Subsequent expenditures relating to fixed assets are included in the cost of fixed assets if the above recognition criteria are met; if not, they are included in the profit or loss for the period in which they occur.

2. Initial measurement of fixed assets

Fixed assets are initially measured at cost. For fixed assets that are expected to incur greater costs upon disposal, the disposal costs are estimated and their present values are included in the cost of fixed assets.

3. Classification of Fixed Assets and Depreciation Methods

Depreciation of fixed assets begins when the assets are ready for their intended use and ceases when they are derecognized or classified as non-current assets held for sale. If the useful lives of the various components of fixed assets are different or provide economic benefits to the Company in different ways, different depreciation rates and depreciation methods are selected and executed separately. The depreciable lives and depreciation rates of various types of fixed assets are as follows:

Fixed Asset Categories	Depreciation method	Depreciable life (years)	Estimated Net Residual Value (%)	Annual depreciation rate (%)
Buildings and constructions	Straight-line	20-40	5.00	2.38-4.75
Machinery and equipment	Straight-line	10-20	5.00	4.75-9.50
Transportation vehicles	Straight-line	8-16	5.00	5.94-11.88
Other equipment	Straight-line	3-20	5.00	4.75-31.67

Description:

(1) fixed asset renovation costs qualifying for capitalisation are depreciated separately using the straight line method over the shorter of the interval between the two renovation and the remaining useful life of the fixed asset.

(2) For fixed assets for which an impairment charge has been made, the depreciation rate shall also be calculated after deducting the accumulated amount of the fixed asset impairment charge.

(3) The Company reviews the useful life, estimated net residual value and depreciation method of fixed assets at least annually, and any changes are treated as changes in accounting estimates.

4. Basis for Recognition and Pricing of Fixed Assets Through Finance Lease

A fixed asset leased by the Company is recognized as a finance lease when it meets one or more of the following criteria:

(1) At the end of the lease term, the ownership of the leased asset is transferred to the Company;

(2) The Company has an option to purchase the leased asset, for a purchase price that is expected to be substantially less than the fair value of the leased asset at the time the option is exercised, such that it is reasonably certain on the lease inception date that the Company will exercise such an option;

(3) the lease term accounts for a significant portion of the leased asset's useful life even though ownership of the asset is not transferred;

(4) The present value of the Company's minimum lease payments on the lease inception date is substantially equal to the fair value of the leased asset on the lease inception date; the present value of the lessor's minimum lease receipts on the lease inception date is substantially equal to the fair value of the leased asset on the lease inception date;

(5) Leased assets are unique in nature and can only be used by the Company if no major modifications are made.

Fixed assets leased under finance leases are recorded at the lower of the fair value of the leased asset on the lease inception date and the present value of the minimum lease payments. The minimum lease payment is recognized as long-term payable, and the difference between them is recognized as unrecognized finance charge. Initial direct costs, such as handling fees, legal fees, travel expenses and stamp duty, which are attributable to the lease and are incurred in the course of negotiating and signing the lease agreement, are included in the value of the leased asset. Unrecognised finance charges are apportioned between periods over the lease term using the effective interest method.

Fixed assets that are held under finance leases shall be depreciated by applying the same policy as that for the fixed assets owned by the Company. If it can be reasonably determined that the ownership of the leased assets can be obtained at the end of the lease period, the leased assets are depreciated over their useful lives; otherwise, the leased assets are depreciated over the shorter of the lease terms and the useful lives of the leased assets.

5. Other Description

(1) Fixed assets that have been out of use for 3 consecutive months due to lack of work and natural disasters among others are recognised as idle fixed assets (except for seasonal outages). Idle fixed assets are depreciated in the same manner as other fixed assets of the same category.

(2) A fixed asset is derecognised with no more depreciation and provision for impairment when it is in a state of disposal or when no economic benefits are expected to arise from its use or disposal.

(3) Income from the sale, transfer, retirement or destruction of fixed assets is recognised in profit or loss for the period, net of the its book value and related taxes and fees.

(4) Major repairs incurred by the Company for periodic inspection of fixed assets are included in the cost of fixed assets to the extent that there is substantiated evidence that the conditions for recognition of fixed assets are met, and those that do not are recognised in profit or loss for the period. Fixed assets are depreciated at regular intervals between major repairs.

(18) Construction in progress

1. Construction in progress is recognized when it is likely that an inflow of economic benefits will occur and the cost can be measured reliably. Construction in progress is measured at the actual cost incurred in constructing the asset before it reaches its intended use.

2. Construction in progress is reclassified as fixed assets at the actual cost of construction when it is ready for its intended use. When the construction in progress reaches its intended use but has not yet been settled, it is first reclassified as fixed assets at its estimated value and then adjusted to its original provisional value at its actual cost after the settlement of the final accounts for completion of construction, but no further adjustment is made to the depreciation already charged.

(19) Borrowing costs

Borrowing costs refer to interest on borrowings, amortisation of discounts or premiums, ancillary costs and exchange differences arising from foreign currency borrowings among others.

1. Criteria for recognition of capitalised borrowing costs

Borrowing costs incurred by the Company that are directly attributable to the purchase or production of assets qualified for capitalization are capitalized and included in the cost of the related assets; other borrowing costs are recognized as expenses when incurred and included in the profit or loss.

2. Period in which the borrowing costs are capitalized

(1) Capitalization begins when the following conditions are also met: 1) Capital expenditures are occurred; 2) Borrowing costs are incurred; 3) Acquisition, construction or production that are necessary to enable the asset reach its intended usable or saleable condition have commenced.

(2) Suspension of capitalization: The capitalisation of borrowing costs is suspended when an abnormal interruption occurs in the process of acquiring or producing an asset eligible for capitalisation and the interruption lasts for more than three consecutive months until the asset acquisition or production activity is resumed; Borrowing costs incurred during the period of interruption are recognised in expense for the period and continue to be capitalised until acquisition, construction or production of the asset recommences. Borrowing costs continue to be capitalized when assets qualified for capitalization are acquired or produced in a condition necessary for their intended use or marketability.

(3) Cessation of capitalization: Borrowing costs cease to be capitalized when the assets acquired or produced qualified for capitalization criteria are in a condition ready for use or sale. If parts of an asset being acquired, constructed or produced that qualifies for capitalization is completed separately and is ready for individual use, borrowing costs of the parts cease to be capitalized. The capitalization of borrowing costs ceases when the entire project is completed and the asset is ready for use or sale.

3. Calculation of the capitalization rate and the capitalization amount of borrowing costs

When a special loan is borrowed for the purpose of acquiring or producing assets qualified for capitalization, the amount of interest to be capitalized is determined based on the interest expense actually incurred for the special loan (including amortisation of discounts or premiums determined in accordance with the effective interest method), less the amount of interest income earned by depositing unused borrowed funds with a bank or investment income earned by making temporary investments. If the assets subject to the capitalization condition use general borrowings, the amount of interest to be capitalized on the general borrowings is determined by multiplying the weighted average of the accumulated asset expenses in excess of the special borrowings by the capitalization rate (weighted average interest rate). The amount of interest to be capitalized in each accounting period during the capitalization period does not exceed the amount of interest actually incurred on the related borrowings during the period. Exchange differences on foreign-currency special borrowings are capitalized during the capitalization period. Ancillary costs incurred on special loans are capitalized before the assets are ready for use or sale, and those incurred after the assets are ready for use or sale are included in profit or loss; and are recognised in profit or loss for the period when they occur after the intended use or saleable condition is reached. Ancillary costs incurred for general borrowings are charged to profit or loss when incurred. Where there is a discount or premium on borrowings, the amount of the discount or premium to be amortised is determined for each accounting period using the effective interest method, and the amount of interest is adjusted for each period.

(20) Biological assets

1. Recognition Criteria and Categories of biological assets

Biological assets refer to living animal and plants, including consumable biological assets, productive biological assets and public welfare biological assets. Biological assets are recognized when all the following conditions are met: (1) A business owns or controls the biological asset as a result of a past transaction or event; (2) it is likely that the economic benefits or service potential associated with this biological asset flow into a business; (3) The cost of this biological asset can be measured reliably.

2. Biological assets are measured at cost.

3. Productive biological assets are depreciated using the average method over their useful lives.

4. When harvesting or selling consumable biological assets, or harvesting agricultural products with productive biological assets, the weighted average method is used to carry forward costs.

5. Methods of impairment testing and provision for impairment of biological assets

For biological assets subsequently measured at cost at the balance sheet date, if there is conclusive evidence that the net realisable value of a consumable biological asset or the recoverable amount of a productive biological asset is less than its carrying amount due to natural disasters, disease and pests, animal diseases or changes in market demand, a provision for decline in value of consumable biological assets is made for the difference between the net realisable value and the carrying amount of the consumable biological asset; A provision for impairment of productive biological assets is made for the difference between the recoverable amount of the asset groups or groups of asset groups and their carrying amounts.

No provision for impairment is made for public welfare biological assets.

(21) Intangible assets

1. Initial measurement of intangible assets

Intangible assets are initially measured at cost. The cost of an acquired intangible asset includes the purchase price, related taxes and fees and other expenses that are directly attributable to bringing the asset to its intended use. If the payment for an intangible asset is delayed beyond the normal credit conditions and it is of financing nature in effect, the cost of the intangible assets shall be ascertained based on the present value of the purchase price. The carrying value of intangible assets acquired by debt restructuring that are used by the debtor to offset debt is determined based on the fair value of the forfeited titles and other costs, such as taxes, that are directly attributable to bringing the asset to its intended use. When a non-monetary asset exchange has commercial substance and the fair value of the inbound or outbound asset exchanged can be measured reliably, the cost of inbound intangible assets exchanged is measured at the fair value of the outbound asset exchanged and the related taxes payable, unless there is conclusive evidence that the fair value of the inbound asset exchanged is more reliable; for a non-monetary asset exchange that does not satisfy these conditions, the cost of the inbound intangible asset exchanged is measured at the carrying value of the outbound asset exchanged and the related taxes payable with no gain or loss recognized.

Expenditures related to an intangible asset shall be included in cost of intangible asset only when the economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. Other expenditures shall be charged to profit or loss when incurred.

Land use rights acquired are generally accounted for as intangible assets. Expenditure on land use rights and construction costs for self-developed buildings, such as factories, are accounted for as intangible assets and fixed assets, respectively. In the case of acquired houses and buildings, the cost is allocated between the land use right and the building. If it is difficult to allocate the land use right and the building, all of them are treated as fixed assets.

2. Useful life and amortisation of intangible assets

Intangible asset is an intangible asset with a finite useful life is treated as an intangible asset with a finite useful life if it can be reasonably determined that the intangible asset will bring economic benefits to the Company, based on a combination of factors such as contractual or other legal rights of the intangible asset, industry conditions, historical experience, and relevant expert evidence; and an intangible asset with an infinite useful life if it cannot be reasonably determined that the intangible asset will bring economic benefits to the Company.

For intangible assets with a finite useful life, the following factors are generally considered in estimating their useful lives: (1) The usual life cycle of the product produced using the asset, and information on the useful life of similar assets available; (2) The current status of technology and techniques and an estimate of future development trends; (3) The market demand for the products produced or labour provided from the asset (4) The actions expected to be taken by present or potential competitors; (5) The expected maintenance expenditure to maintain the ability of the asset to generate economic benefits and the company's projected ability to meet such expenditure; (6) The relevant legal requirements or similar restrictions on the duration of control over the asset, such as the duration of the licence and lease; (7) The relationship to the useful life of other assets held by the Company. To estimate the useful life of intangible assets with a finite useful life:

Item	Basis of expected useful life	Duration (years)
Software	Expected Useful Life	2-5
Trademark	Expected Useful Life	5-10
Land use rights	Registered Usefule Life on Land Use Certificate	50-70

For intangible assets with finite useful lives, its amortisation amount is amortised within its useful lives systematically and reasonably, if it is unable to determine the expected realization pattern reliably, intangible assets are amortised by the straight-line method with details as follows: Items Intangible assets with uncertain service life are not amortised, but the service life of the intangible asset is reviewed every year and an impairment test is performed.

At the end of each year, the Company reviews the useful life and amortisation method of intangible assets with finite useful lives and adjusts the existing estimate if it differs from the previous estimate and treats it as a change in accounting estimate; It is estimated that an intangible asset can no longer bring future economic benefits to the Company, the carrying amount of which should be credited into profit or loss for the current period.

Recognition and measurement of internal research and development projects

Expense on internal research and development projects is divided into expenditure on research stage and expenditure on development stage. The criteria for distinguishing between research and development stages are as follows: A stage of planned investigation for the acquisition of new techniques and knowledge, should be identified as a research stage, which has the characteristics of being planned and exploratory; the application of research results or other knowledge to a plan or design to produce new or substantially improved materials, devices and products before commercial production or use shall be recognized as the development stage, which is characterized by specificity and a greater possibility of producing results.

Expenses incurred during the research stage of an internal research and development project are charged to profit or loss as they are incurred. Expenses incurred during the development stage of an internal research and development project are recognized as an intangible asset when the following conditions are also met: (1) it is technically feasible to complete the intangible asset so that it can be used or sold; (2) There is intention to complete intangible assets for use or sale; (3) the intangible asset can produce economic benefits, including there is evidence that the products produced using the intangible asset has a market or the intangible asset itself has a market; if the intangible asset is for internal use, there is evidence that there is usage for the intangible asset; (4) There is sufficient technical, financial and other resource support to complete the development of the intangible asset and the ability to use or sell the intangible asset; (5) the expenditure attributable to the development phase of the intangible asset can be measured reliably. If the above conditions are not met, they are charged to profit or loss as incurred, and if it is not possible to distinguish between research stage expenditures and development stage expenditures, all research and development expenditures incurred are charged to profit or loss in the current period.

(22) Impairment of long term assets

For long-term assets such as long-term equity investments, investment properties and production biological assets measured using the cost model, fixed assets, construction in progress, oil and gas assets, intangible assets, and goodwill, they might be impaired if there are any of the following indications:

1. a significant decline in the market value of the asset during the current period, which is significantly greater than the decline that would be expected due to the passage of time or normal use;

2. the economic, technical or legal environment in which the Company operates and the market in which its assets are located have changed or will change significantly in the current period or in the near future, thereby adversely affecting the company;

3. market interest rates or other market rates of return on investments have increased during the period, which affects the company's discount rate for calculating the present value of expected future cash flows from the assets, resulting in a significant reduction in the recoverable amount of the assets;

4. there is evidence that the asset is obsolete or physically damaged;

5. the asset has been or will be idle, discontinued or scheduled for early disposal;

6. there is evidence reported internally by the company that the economic performance of the asset has been or will be less than expected. For example, net cash flows generated by the asset or operating profit (or loss) realized is significantly lower (or higher) than the forecast amount;

7. there are other indications that an asset may have been impaired.

Such long-term assets should be tested for impairment if there is an indication that they are impaired on the balance sheet date. If, as a result of an impairment test, the recoverable amount of an asset is less than its book value, an impairment charge is made for the difference and included in the impairment loss. The recoverable amount is the higher of the asset's net fair value less disposal expenses and the present value of the asset's estimated future cash flows. please refer to Note III(11) herein for the details of fair value determination; disposal expenses include legal fees, related taxes, moving expenses and direct costs incurred in bringing the asset to marketable condition; the present value of the asset's estimated future cash flows is determined by discounting the estimated future cash flows from the asset's ongoing use and final disposal, using an appropriate discount rate.

The asset impairment charge is calculated and recognised on an individual asset basis. Where it is difficult to estimate the recoverable amount of an individual asset, the recoverable amount of that asset group is determined by reference to the asset group to which that asset group belongs. An asset group is the smallest group of assets that can generate cash inflows independently.

Goodwill, which is presented separately in the financial statements, is tested for impairment by allocating the carrying value of the goodwill to the asset group or the group of asset groups that are expected to benefit from the synergies of the business combination. If the test results indicate that the recoverable amount of the asset group or the group of asset groups containing the allocated goodwill is less than its carrying amount, a corresponding impairment loss is recognised. The impairment loss is first deducted from the book value of goodwill that is allocated to the asset group or the group of asset groups, and then deducted from the book value of other assets within the asset groups or the group of asset groups in proportion to the book value of other assets.

Impairment test to goodwill and intangible assets with indefinite useful life shall be carried out at least at the end of each year.

An impairment loss once recognized shall not be reversed in a subsequent period.

(23) Long-term deferred expenses

Long-term deferred expenses are recorded as actual expenses and amortised equally over the benefit period or stipulated period. If the Long-term prepaid expenses are no longer beneficial to the subsequent accounting periods, the full unamortised balance is then transferred to profit or loss. Where:

Prepaid operating lease payments on leased fixed assets are amortised equally over the term of the lease agreements.

Expenditures paid for improvement of fixed assets under operating lease are amortised over the lease term or remaining service life of the asset, whichever is shorter.

Renovation expenses for fixed assets leased under finance leases that are qualified for capitalization are amortised over the shortest of the interval between two renovations, the remaining lease term and the remaining useful life of the fixed assets.

(24) Employee Benefits

Employee remuneration refers to the various forms of rewards or compensation given by the company in order to obtain the services provided by employees or to terminate the labor relationship. Employee remuneration includes short-term remuneration, post-employment benefits, resignation benefits and other long-term employee benefits. The benefits provided by the company to the spouse, children, dependents, survivors and other beneficiaries of the deceased employee are also considered as employee remuneration.

According to the liquidity, employee compensation is shown in the balance sheet under the items of “Employee benefits payable" and "other non-current liabilities" respectively.

1. Accounting treatment of short-term remuneration

In the accounting period in which employee provide services to the Company, the Company recognizes as a liability the actual employee wages, bonuses, social insurance premiums (such as medical insurance premiums, workers' compensation insurance premiums and maternity insurance premiums paid on behalf of employees on a prescribed basis and ratio) and housing provident funds, and includes them in the current profit or loss or the cost of the related assets. Employee benefit expenses are measured at fair value if they are non-monetary benefits and can be measured reliably. If it is expected that such liabilities cannot be fully paid within 12 months after the end of the annual report period for rendering relevant services by the employee, which has material financial effects, such liabilities will be measured at the amount discounted.

2. Accounting treatment for post-employment benefits

The post-employment benefits are categorized as defined contribution plans and defined benefit plans. A defined contribution plan is a post-employment benefit plan in which the company is no longer obligated to make further payments after making fixed contributions to a separate fund; A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

(1) Defined contribution plan

The Company pays basic pension insurance and unemployment insurance for its employees in accordance with current government regulations, and recognizes a liability based on the amount of contributions to be made during the accounting period in which the employees provide services to the Company by setting up a defined contribution plan, which is included in the current profit and loss or the cost of related assets.

3. Accounting treatment for termination benefits

The employee compensation liability arising from the termination benefits is recognized and included in profit and loss at the earlier of the date when the Company is unable to unilaterally revoke the termination benefits provided under the Labor Dissolution Plan or the proposed redundancy plan, or the date when the Company recognizes the costs or expenses of the reorganization leading to the payment of the termination benefits. However, if the termination benefits are not expected to be fully paid within 12 months from the reporting period, it shall be accounted for other long-term staff remuneration.

Internal retirement plans are treated on the same basis as the termination benefits described above. The Company recognizes the wages and social insurance premiums among others to be paid to employees under the Internal Retirement Plan from the date the employees cease service to the date of their normal retirement in profit and loss (lay-off benefits) when the conditions for recognition of the estimated liability are met. Financial compensation (e.g., normal pension) after the official retirement date is treated as post-employment benefits.

4. Accounting treatment for other long-term employee benefits

Other long-term employee benefits provided by the Company to its employees are accounted for according to the defined contribution plan if they meet the requirements of the defined contribution plan, otherwise they are accounted for according to the defined benefit plan. However, the portion of "changes in net liabilities or net assets resulting from the remeasurement of the defined benefit plan" in the employee compensation cost is included in the current profit or loss or the cost of related assets.

(25) Estimated liabilities

A contingent obligation is recognised as provisions when it relates to a contingent item and the following conditions are also met: 1. the obligation assumed is a present obligation; 2. it is likely that an outflow of economic benefits will be required to settle the obligation; and 3. the amount of the obligation can be measured reliably.

Provisions are initially measured at the best estimate of the expenditure required to settle the related present obligation, taking into account the risks, uncertainties and time value of money associated with the contingency. Where the effect of the time value of money is material, the best estimate is determined by discounting the related future cash outflows.

The best estimates are dealt with in the following circumstances: Where there is a continuous range (or consecutive interval) of required expenditures within which various outcomes are equally likely to occur, the best estimate is the mid-point of the range: This is determined by the average of the upper and lower limit amounts.

If there is no continuous range (or consecutive interval) of the required expenditures, or if there is a continuous range but the probabilities of various outcomes within the range are different, the best estimate is determined based on the most probable amount,; where the contingency is related to a number of items, the best estimate should be calculated and determined according to the possible results and the relevant possibilities.

Where all or part of the expenditure required to settle an estimated liabilities is expected to be reimbursed by a third party, the amount of reimbursement is recognised separately as an asset when it is virtually certain that it will be received, and the amount of reimbursement recognised does not exceed the book value of the estimated liabilities.

The carrying amount of a provision is reviewed on the 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 best estimate.

(26) Share-Based Payments

1. Types of Share-Based Payments

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 include the equity-settled share-based payments or the cash-settled share-based payments.

2. Determination of Fair Value of Equity Instruments

(1) Where an active market exists, it is determined using quoted prices in the active market; (2) Should there be no active market, it is determined using the valuation metods, including prices used in recent market transactions by knowledgeable and willing parties, reference to the current fair value of other financial instruments that are substantially the same, discounted cash flow techniques and option pricing models.

3. Basis for Recognizing the Best Estimate of Exercisable Equity Instruments

At each balance sheet date within the vesting period, the number of the equity instruments expected to be exercisable is revised based on the best estimate made according to subsequent information such as the latest changes known in the number of employees exercising options. The final estimated number of exercisable equity instruments at the exercise date should be the same as the actual number of exercisable options.

4. Accounting Treatment of Share-Based Payments

(1) Equity-Settled Share-Based Payments

Equity-settled share-based payments in exchange for employee services shall be exercisable immediately after the grant is completed, and the payments shall be recognised in profit or loss for the current period at the fair value of the equity instruments at the grant date, with capital surplus adjusted accordingly; Exercised options can only be made when the service within the vesting period is completed or the prescribed performance conditions are met. At every balance sheet date within the vesting period, based on the best estimation of the number of the exercisable equity instruments, and according to the fair value of equity instruments on the grant date, the services obtained in the current period are included in relevant costs or expenses, and the capital reserve is adjusted accordingly. No further adjustments are made to the relevant costs or expenses recognised and total owners' equity after the exercise date.

Equity-settled share-based payments in exchange for services from other parties are measured at the fair value of the other party's services at the date of acquisition if the fair value of the other party's services can be reliably measured; Where the fair value of the services of other parties cannot be reliably measured but the fair value of the equity instrument can be reliably measured, the equity instrument is measured at its fair value at the date of acquisition of the services and is included in the related cost or expense, with a corresponding increase in owners' equity.

(2) Cash-Settled Share-Based Payments

The cash-settled share-based payments in exchange for employee services are exercised immediately after the grant, and the fair value of the liability assumed by the Company is included in the relevant costs or expenses with accordingly increased liabilities; This cash-settled share-based payments in exchange for employee services can only be exercised after completing the service within the vesting period or meeting the prescribed performance conditions. On each balance sheet date of the vesting period, based on the best estimate of the condition of exercising options, and according to the fair value amounts of the company's liabilities, the services obtained in the current period are included in relevant costs or expenses as well as the liabilities accordingly. The fair value of the liabilities is remeasured at each balance sheet date and settlement date prior to the settlement of the relevant liabilities, with the change in fair value recognised in profit or loss for the period.

(3) Modification and Termination of Share-Based Payment Plans

If modification increases the fair value of equity instruments granted, an increase in the acquisition of services is recognised accordingly based on the increase in the fair value of equity instruments; If modification increases the number of equity instruments granted, the increased fair value of equity instruments should be recognised as an increase in the services acquired accordingly; If vesting conditions are modified in a manner favourable to employees, the Company takes the modified vesting conditions into account when dealing with the vesting conditions.

If modification reduces the fair value of the equity instrument granted, the Company continues to recognise the amount of services acquired based on the fair value of the equity instrument at the date of grant, irrespective of the reduction in the fair value of the equity instrument; if modification reduces the number of equity instruments granted, the company treats the reduction as a cancellation of the equity instruments granted; If vesting conditions are modified in a manner unfavourable to employees, the modified vesting conditions will not be taken into account when dealing with the vesting conditions.

If an equity-settled share-based payment is cancelled, it is treated as an accelerated exercise on the date of cancellation and the amount not yet recognised is recognised immediately (the amount to be recognised over the remaining vesting period is immediately recognised in profit or loss for the period and capital reserve is recognised at the same time). If employees or other parties can choose to fulfil the non-vesting conditions but have not fulfilled them during the pending period, then the equity-settled share-based payments are dealt with as cancelled. However, if a new equity instrument is granted and it is agreed at the date of grant, the equity instrument granted is used to replace the cancelled equity instrument, the replacement equity instrument granted is treated in the same manner as if the terms and conditions of the original equity instrument had been modified.

5. Accounting for share-based payment transactions involving the Company and its shareholder(s) or beneficial owner

Share-based payment transactions involving the Company and its shareholder(s) or beneficial owner, where one of the settlement entities and the service recipient are within the Company and the other are outside the Company, are accounted for in the Company's consolidated financial statements in accordance with the following requirements:

(1) if a settlement entity settles in its own equity instruments, the share-based payment transaction is treated as an equity-settled share-based payment; Otherwise, it is treated as a cash-settled share-based payment.

If the settlement entity is an investor in the service recipient, it is recognised as a long-term equity investment in the service recipient at the date of grant the fair value of the equity instrument or the fair value of the liability to be assumed, together with capital reserve (other capital reserve) or liabilities recognised at the same time.

(2) Where a service recipient has no settlement obligations or grants its own equity instruments to employees, such share-based payment transaction will be treated as equity-settled share-based payment; where a service recipient has settlement obligations and grants equity instruments (other than its own) to employees, such share-based payment transaction will be treated as cash-settled share-based payment. Where a share-based payment transaction occurs between entities within the Company and the recipient and the settlement entity are not the same entity, the recognition and measurement of the share-based payment transaction in the respective financial statements of the recipient and the settlement entity are treated in accordance with the above standards.

(27) Revenue

1. Principle of recognition of gross revenue

(1) Sale of goods

Revenue from the sale of goods is recognised when the following conditions are also met: 1) the company has transferred the principal risks and rewards of ownership of the merchandise to the acquirer; 2) the company neither retains continuing management rights associated with ownership nor exercises effective control over the merchandise sold; 3) the amount of revenue can be reliably measured; 4) it is probable that the related economic benefits will flow to the Company; and 5) the related costs incurred or to be incurred can be reliably measured.

(2) Provision of services

Where the outcome of the provision of labor transactions on the balance sheet date can be reliably estimated (and the amount of revenue to be satisfied can be measured reliably, it is likely that the related economic benefits will flow in, the progress to completion of the transaction can be determined reliably, and the costs incurred and to be incurred in the transaction can be measured reliably), the provision of labor revenue is recognized using the percentage of completion method and the progress to completion of the provision of labour transactions is determined based on the percentage of the cost incurred in the estimated total cost.

Where outcome of provision of services cannot be estimated reliably on the balance sheet date, the revenue is recognized as follows: The costs incurred are expected to be recoverable, income is recognised to the extent that the costs incurred that are expected to be recoverable, and an equivalent amount is charged to profit or loss as service cost; The costs incurred are not expected to be recoverable, the costs incurred are recognised in profit or loss for the period and no service revenue is recognised.

(3) Transfer of Right to Use an Asset

Revenue from transfer of right to use an asset is recognized when it is likely that relevant economic benefits will flow to the Company, and the amount of revenue can be measured reliably. The amount of interest income is determined on a time proportion basis and the effective interest rate at which the Company's monetary capital are used by others; The amount of royalty income is determined by the time and method of charge agreed upon in the relevant contract or agreement.

(4) Construction contracts

1) Where the outcome of a construction contract can be estimated reliably on the balance sheet date, contract revenue and contract costs are recognized using the percentage of completion method. If the outcome of the contract can’t be reliably estimated on the balance sheet date, revenue is recognised as the actual recoverable contract cost with the contract cost recognised as contract expense for the period in which it is incurred if such cost is recoverable, or not recognised with the contract cost directly recognised as contract expense if such cost is unrecoverable.

2) The outcome can be reliably estimated if the following conditions for a fixed-cost contract are all met at the same time: the total revenue of the contract can be reliably measured; the economic benefits associated with the contract will flow to the Company; the contract cost actually incurred can be distinguished and reliably measured, and the progress of completion of the contract and further costs required for completing the contract can be reliably measured. The outcome can be reliably estimated if the following conditions for a cost-plus contract are all met at the same time: It is likely that the economic benefits associated with the contracts will flow to the Company; the contract cost actually incurred could be distinguished and reliably measured;

3) The percentage of completion of a contract is determined by the proportion of actual contract costs in the total estimated contract costs.

4) For construction contracts not completed in the current period, contract revenue is recognized in the current period by multiplying the contract revenue by the progress to completion less accumulated recognized revenue from previous accounting periods; contract costs are recognized in the current period by multiplying the estimated total contract costs by the progress to completion less accumulated recognized costs from previous accounting periods. For construction contracts completed in the current period, contract revenue is recognized as current contract revenue based on the actual total contract revenue less cumulative recognized revenue from prior accounting periods; contract cost is recognized as current contract cost based on cumulative actual contract cost incurred less cumulative recognized cost from prior periods.

5) On the balance sheet date, if the estimated total contract costs exceed the total contract revenue, the estimated loss is recognized as current expense. For construction contracts under execution, a provision for inventory write-down is made for the difference; For contracts in loss pending execution, the expected liability is recognised for the difference between the contract and the expected liability.

(28) Government subsidies

1. Categories of government subsidies

Government grants are monetary or non-monetary assets that the Company receives from the government at no cost to the Company. There are two types of government subsidies: asset-related government subsidies and revenue-related government subsidies.

Asset-related government subsidies refer to government subsidies received by the Company for the purchase or other formation of long-term assets, including financial allocations for the purchase of fixed assets or intangible assets and financial discount of special loans for fixed assets. Government subsidies that include both asset-related and revenue-related components are accounted for separately; if it is difficult to distinguish between the two, they are classified as revenue-related government subsidies.

The specific criteria adopted by the Company for classifying government subsidies are as follows:

(1) Government subsidies are classified as asset-related government subsidies if the target of the subsidies is used for the purchase or other formation of long-term assets, or if the expenditures on the target of the subsidies are mainly used for the purchase or other formation of long-term assets.

(2) Government subsidies received under government subsidy documents that are wholly or mainly used to compensate for expenses or losses incurred or to be incurred in future periods are classified as revenue-related government subsidies.

(3) If the subject of the government subsidy is not explicitly specified in the government file, the government subsidy is classified as a revenue-related government subsidy or an asset-related government subsidy in the following manner: If the government file specifies the specific project for which the subsidy is intended, the amount of expenses that result in the formation of assets and the amount of expenses that are included in expenses will be divided according to the relative ratio set out in the budget of the specific project, which is reviewed on balance sheet dates and adjusted when necessary; If only general description is provided and no specific project is specified in the government file, it is treated as a revenue-related government subsidy.

2. Timing of recognition of government subsidies

Government subsidies are generally recognised and measured at the actual amount received when they are received. However, if there is concrete evidence that the Company expects to receive financial assistance as of the end of the period in which it meets the relevant conditions set forth in the financial aid policy, it is measured at the amount of financial assistance that should be received. Government subsidies measured at the amount receivable should also meet the following conditions:

(1) It is based on a fiscal support project and its fiscal fund administration measures that have been officially issued by the local fiscal department and voluntarily made public in accordance with the provisions of the Regulations on the Disclosure of Government Information, and such administration measures shall be universal (any qualified company may apply) rather than specifically targeted at a particular company;

(2) The amount of the subsidy receivable has been confirmed by a document issued by an authorized governmental authority or may be reasonably estimated by the authority itself in accordance with the relevant provisions of a duly published fiscal fund management practice, and there is no material uncertainty as to the estimated amount;

(3) a deadline of appropriation is expressly committed to in the relevant subsidy approval document, and the appropriation is secured through a corresponding fiscal budget so that there is reasonable assurance that it will be received within the prescribed period;

(4) Other relevant conditions, if any, that should be met based on the specific circumstances of the Company and the subsidy.

3. Accounting treatment of government subsidies

Government subsidies that are monetary assets are measured at the amount received or receivable; if they are non-monetary assets, they are measured at fair value; if the fair value of non-monetary assets cannot be reliably obtained, they are measured at nominal amounts. Government subsidies that are measured at nominal amounts are recorded directly in profit or loss for the period.

The Company uses the gross-up method for government subsidies, with specific accounting practices as described below:

Asset-related government subsidy is recognized as deferred income and is included in profit or loss over the useful lives of related assets in reasonable and systematic methods; Where the related assets are sold, transferred, decommissioned or damaged prior to the end of their useful lives, the unallocated balance of the relevant deferred income shall be treated as profit or loss on the asset disposal for the current period.

Government subsidies to compensate the Company for related costs or losses in future periods are recognized as deferred income and charged to profit or loss in the period in which they are recognized; government subsidies to compensate the Company for related costs or losses incurred by the Company are charged directly to profit or loss.

Policy-based subsidies on loan interest rates are accounted for separately under the following two scenarios:

(1) Where subsidy funds are paid to the loaning bank, the loaning bank provides the loan to the Company at a preferential policy rate, and the Company recognises the actual borrowing amount received as the borrowing amount, calculating the relevant borrowing costs based on the loan principal and the preferential policy rate.

(2) Where subsidy funds are paid directly to the Company, the Company will offset the corresponding borrowing costs by such interest subsidies.

Where government subsidies recognised are required to be returned, they are accounted for in the period in which they are required to be returned as follows:

(1) the carrying amount of the asset is adjusted if the corresponding carrying amount of the asset is reduced on initial recognition;

(2) Related deferred revenue balance is reduced by the book value of the deferred revenue, if any, and the excess is recognised in profit or loss for the period;

(3) In other cases, they are directly recognised in profit or loss for the period.

The principles for distinguishing government grants between profit or loss items are: Government subsidies related to the day-to-day activities of the Company are included in other income or offset against related costs and expenses, based on the nature of the economic activity; Government subsidies that are not related to the Company's day-to-day activities are recognised as in non-operating income and expenses.

(29) Deferred tax assets and deferred income tax liabilities

1. Recognition and measurement of deferred tax assets and deferred tax liabilities

Temporary differences arising from the difference between the carrying amount of an asset or liability and its tax base are recognised as deferred tax using the balance sheet liability method. The Company's current income taxes and deferred income taxes are included in profit or loss as income tax expense or gain, excluding those arising from the following: (1) business combinations; and (2) transactions or events that are recognized directly in owners' equity.

A deferred tax asset is recognised for deductible temporary differences, carry forward of unused deductible tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of deductible tax losses and tax credits can be utilised, except where the deferred tax asset arises from a transaction that:

(1) the transaction is not a business combination and the transaction does not affect either profit or taxable income at the time it occurs;

(2) in respect of the deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will be reversed in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised in the future.

All the taxable temporary differences are recognised as deferred tax liabilities except for those incurred in the following transactions:

(1) The initial recognition of goodwill, or the initial recognition of an asset or liability arising from a transaction that has the following characteristics: the transaction is not a business combination and the transaction does not affect either profit or taxable income at the time it occurs;

(2) The taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, and 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 reverse in the foreseeable future.

Deferred tax assets or deferred tax liabilities are recognised based on the difference between the carrying amounts of the assets or liabilities and their tax bases (or, for an item not recognised as assets or liabilities but whose tax base can be determined under tax laws, the difference between the tax base and the carrying amount), and are calculated at the tax rates expected to apply to the period in which the assets are recovered or the liabilities are settled.

Deferred tax assets are recognised to the extent that it is likely that future taxable income will be available to offset deductible temporary differences. On the balance sheet date, deferred tax assets unrecognised in prior periods are recognised to the extent that there is obvious evidence that it has become likely that sufficient taxable profit will be available in subsequent periods against which the deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed, and reduced if it is no longer probable that sufficient taxable profits will be available in the future to allow the benefit of deferred tax assets to be utilised. Such reduction in amount is reversed when it becomes probable that sufficient taxable profits will be available.

2. When the Company has a legal right to settle on a net basis and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously, current tax assets and current tax liabilities are offset and presented on a net basis.

When there is a legal right to net-settle current tax assets and current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxing authority on the same taxable entity or on different taxable entities, the Company's deferred tax assets and deferred tax liabilities are presented net of offsetting when, in each future period in which significant deferred tax assets and liabilities are reversed, the taxable entity involved intends to either settle current tax assets and liabilities on a net basis or acquire assets and settle liabilities simultaneously.

(30) Lease

1. Category of Leases

Leases are classified as finance leases or operating leases. A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset, and the ownership of the asset may or may not be transferred at the end of the lease. Leases other than finance leases are operating leases.

The criteria for recognition of finance leases are described in Note 3(17)4 "Basis of Recognition and Method of Calculation of Fixed Assets Leased under Finance Leases".

2. Accounting treatment of operating leases

(1) Lessor: The leasing fee received by the Company from leasing out assets shall be amortised using straight line method in the entire term of the lease excluding the rental free period and is recognised as the lease income. Initial direct costs paid by the Company in connection with the lease transaction are included in the expense for the current period or, in the case of large amounts, are capitalized and amortised over this lease period on the same basis as recognition of lease related revenue. When the Company incurs lease related costs that are attributable to the lessee, the Company deducts such costs from gross rental income and allocates the rental expense over the lease term based on the amount deducted. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

(2) Lessees: Leasing fees paid by the Company for leased assets are allocated to expense on a straight-line basis over the entire term of the lease without deduction of the rent-free period. The initial directs expenses related to lease transaction and which is paid by the Company is charged as the current expenses; When the lessor undertakes the expenses related to the lease which the Company shall bear, the Company shall deduct the part of the expenses from the total amount of the rental, and the rental expenses shall be apportioned during the lease term and included in the current expenses. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

3. Accounting Treatment of Finance Leases

Lessor: At the beginning of the lease term, the Company records the book value of finance lease receivables as the sum of the minimum lease payments and the initial direct charges, and records the unguaranteed residual values; The difference between the sum of minimum lease receipts, initial direct charges and unguaranteed residuals and their present value is recognised as an unrealised financing gain. Unrealized financing gains are recognized as proceeds from financing in the period in which they arise using the effective interest method. The balance of finance leasing receivables net of unrealized financing gains is presented as long-term debt and long-term debt due within one year, respectively. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

Lessees: At the beginning of the lease term, the Company records the lower of the fair value of the leased asset and the present value of the minimum lease payments as the recognized value of the leased asset, and the minimum lease payments as the recognized value of long-term payables, with the difference recognized as unrecognized financing charges. The initial direct charge is included in the value of the leased asset. Unrecognised financing charges are recognised in the period in which they fall due using the effective interest method over the lease term. The balance of the minimum lease payments after deducting the unrecognised finance charges is shown separately as long-term liabilities and long-term liabilities due within one year. Contingent rentals are recognised in profit or loss for the period when they are actually incurred.

(31) Discontinued Operations

1. Criiteria for Discontinuation

A discontinued operation is a component of the company that satisfies one of the following conditions and that can be separately distinguished and that has been disposed of or classified as held for sale:

(1) the component represents a separate principal business or a separate principal operating region;

(2) The component is part of an associated plan that is intended to be disposed of with respect to a separate principal business or a separate principal operating region;

(3) This component is a subsidiary acquired exclusively for resale.

2. Presentation of discontinued operations

If the disposal group intended to be discontinued partially meets the definitions of discontinued operations, it is presented as a discontinued operation from the date of discontinuation; if it loses control over a subsidiary due to the sale of its investment in the subsidiary and the subsidiary meets the definition of discontinued operations, the related gain or loss from discontinued operation is presented in the consolidated statement of income; the amount of adjustment to the gain or loss on discontinued opperation is presented as a gain or loss on disposal of the discontinued operation in the statement of income.

If the non-current assets or disposal group is no longer classified as held for sale or the non-current assets are removed from the disposal group held for sale, the Company reports the adjusted amount of the carrying value of the non-current assets or disposal group as a gain or loss from continuing operations in the current statement of income. If the Company's subsidiaries, joint operations, joint ventures, associates and certain investments in joint ventures or associates are no longer classified as held for sale or are removed from the disposal group held for sale, the Company adjusts the comparative information in the current financial statements for the comparable accounting periods following each classification as held for sale.

Impairment losses or reversals of non-current assets held for sale or disposal groups that do not meet the definition of discontinued operations and gains or losses on disposals are reported as income from continuing operations. Operating gains or losses such as impairment losses or reversals and gains or losses on disposals of discontinued operations are presented as profit or loss from discontinued operations.

For discontinued operations reported in the current period, the Company restates the information originally presented as profit or loss from continuing operations in the current financial statements as profit or loss from discontinued operations in comparable accounting periods. For discontinued operations that no longer meet the criteria for classification as held for sale, the Company restates the information originally reported as profit or loss from discontinued operations in the current financial statements as profit or loss from continuing operations in the comparable accounting period.

(32) Other significant accounting policies and estimates

1. Hedge Accounting

(1) Classification of hedges:

1) A fair value hedge is a hedge of the exposure to changes in the fair value of a recognised asset or liability for which a firm commitment (except foreign exchange risk) has not been recognised.

2) A cash flow hedge is a hedge of the risk of changes in cash flows arising from a particular type of risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign exchange risk arising from an unrecognised firm commitment.

3) A hedge of net investment in foreign operations is a hedge of the foreign exchange risk of net investment in foreign operations. Net investment in foreign operations represents the Company's equity share in the net assets of its foreign operations.

(2) Designation of hedging relationships and determination of hedging effectiveness:

At the inception of a hedge relationship, the Company has a formal designation of the hedge relationship and prepares formal written documentation regarding the hedge relationship, risk management objectives and hedging strategy. This document sets out hedging instrument, hedged item or transaction, nature of hedged risk and the Company's approach to evaluating the effectiveness of the hedging instrument.

Hedge effectiveness is the extent to which changes in the fair value or cash flows of a hedging instrument can offset changes in the fair value or cash flows of the hedged item arising from the hedged risk. The Company evaluates hedge effectiveness on an ongoing basis to determine whether the hedge is highly effective for the accounting period in which the hedge relationship is designated. The Company considers a hedge to be highly effective if it satisfies both of the following conditions:

1) There is an economic relationship between the hedged item and the hedging instrument. The economic relationship causes the value of the hedging instrument and the hedged item to change in opposite directions due to the same exposure to the hedged risk.

2) The effect of credit risk is not dominant in value changes arising from the economic relationship between the hedged item and the hedging instrument.

3) The hedge ratio of a hedging relationship should be equal to the ratio of the number of hedged items that the Company actually hedges to the actual number of hedging instruments that hedge them, but should not represent an imbalance in the relative weights of the hedged items and hedging instruments that would render the hedge ineffective and may produce accounting results that are inconsistent with the hedge accounting objective.

(3) Hedge accounting treatment.:

1) Fair value hedge

Changes in the fair value of hedging derivatives are recognised in profit or loss for the period. Changes in the fair value of the hedged item arising from the hedged risk are recognised in profit or loss for the period, together with an adjustment to the carrying amount of the hedged item.

For fair value hedges relating to financial instruments measured at amortised cost, adjustments to the carrying amount of the hedged item should be amortised at the effective interest rate, which is recalculated at the date when amortisation commences, and recognised in profit or loss for the period. Such amortisation may commence from the date of adjustment, but no later than the point at which the hedge gain and loss adjustment for the hedged item is discontinued.

Where the hedged item is a firm commitment that has not been recognised, the cumulative change in the fair value of the firm commitment arising from the hedged risk is recognised as an asset or liability and the related gain or loss is recognised in profit or loss for the period. When an asset is acquired or a liability is assumed in satisfaction of a firm commitment, the amount initially recognised for that asset or liability should be adjusted to include the cumulative change in the fair value of the hedged item that has been recognised.

2) Cash flow hedge

The portion of the gain or loss on a hedging instrument that is an effective hedge is included in other comprehensive income as a cash flow hedge reserve.

Where the hedged item is a forecast transaction and the forecast transaction leads the Company to subsequently recognise a non-financial asset or non-financial liability, or where the forecast transaction of a non-financial asset or non-financial liability creates a firm commitment to which fair value hedge accounting applies, the Company should transfer the amount of the cash flow hedge reserve originally recognised in other comprehensive income to the amount initially recognised for that asset or liability.

For cash flow hedges not covered above, the Company should transfer the amount of cash flow hedge reserve originally recognised in other comprehensive income to profit or loss in the same period in which the hedged expected cash flows affect profit or loss.

If the amount of the cash flow hedge reserve recognised in other comprehensive income is a loss that is not expected to be recovered, in whole or in part, in a future accounting period, the Company should, if it is not expected to be recovered, transfer the portion that is not expected to be recovered from other comprehensive income to profit or loss for the period.

3) Hedge of net investment in foreign operation

Hedge of net investment in foreign operation, including hedge of monetary item that are part of the net investment, are treated similarly to cash flow hedge. The portion of gain or loss on a hedging instrument that is determined to be an effective hedge is included in other comprehensive income and the ineffective portion is recognised in profit or loss for the period.

(33) Notes on changes in significant accounting policies and accounting estimates

1. Change in significant accounting policies

(1) Changes in accounting policies resulting from amendments to Accounting Standards for Business Enterprises and other laws and regulations

The Ministry of Finance promulgated Notice on Revising and Issuing Financial Statement Formats for General Enterprises of 2019 (Cai Kuai [2019] 6, hereinafter referred to as the New Revised Financial Statement Format) on April 30, 2019. In the financial statement format revised in 2019, “notes receivable and accounts receivable" are split into “notes receivable" and “accounts receivable"; "notes payable and accounts payable" are split into "notes payable" and "accounts payable"; The scope of “R&D expenses" is supplemented by clarifying that the “R&D expenses" also includes amortisation of self-developed intangible assets under administrative expenses; Gains and losses from debt restructuring are deleted from "non-business income" and "non-business expenditure".

The Ministry of Finance promulgated Notice on Revising and Issuing Consolidated Financial Statement Formats (2019) (Cai Kuai [2019] 16, hereinafter referred to as the New Revised Consolidated Financial Statement Format of 2019) on September 19, 2019. Other than the aforedsaid splitting of "notes receivable and accounts receivable" and "notes payable and accounts payable" in the newly revised consolidated financial statement format of 2019, the "cash received for debt issue", "net increase of financial assets held for trading" and other items in the original consolidated cash flow statement are also removed.

The Company adopted retrospective adjustment method for the above changes in accounting policies according to Accounting Standards for Business Enterprises No. 30: Listing of Financial Statements, the financial statements of the comparable periods have been restated. For those financial statement items that are simply consolidated or split in the above changes in statement format, the Company has made adjustments directly in the financial statements and no further reclassification adjustments are represented specifically.

(2) Nanshan Aluminium and Zhishang Technology have implemented the MOF revised Accounting Standards for Business Enterprises 22 - Recognition and Measurement of Financial Instruments, Accounting Standards for Business Enterprises 23 - Transfer of Financial Assets, Accounting Standards for Business Enterprises 24 - Hedging, and Accounting Standards for Business Enterprises 37 - Presentation of Financial Instruments (hereinafter referred to as the new financial instruments standards) with effect from 1 January 2019. In accordance with the relevant regulatory requirements on transition in the new Standard for financial instruments, the Company will not make retrospective adjustments to the comparative statements for the same period of the previous year and the change in accounting policy will not have any impact on the financial position and results of operations of the Company in previous years.

Impact on financial position and operating results for the comparable periods - Nanshan Aluminium and Zhishang Technology:

Item	31 December, 2018	1 January, 2019	Adjustments
Financial assets held for trading	-	4,531,560,000.00	4,531,560,000.00
Notes Receivable	2,698,430,628.79	1,119,946,425.35	-1,578,484,203.44
Accounts Receivable Financing	-	1,578,484,203.44	1,578,484,203.44
Other current assets	4,622,677,631.18	91,117,631.18	-4,531,560,000.00
Available-for-sale financial assets	71,090,000.00	-	-71,090,000.00
Other equity instrument investments	-	40,090,000.00	40,090,000.00
Other non-current financial assets		31,000,000.00	31,000,000.00

Financial liabilities measured at fair value through changes in profit or loss	9,000.00；	-	-9,000.00
Held-for-trading financial liabilities	-	9,000.00	9,000.00

Description of Adjustments by Accounting Items:

Ministry of Finance issued ASBE No. 22 - Recognition and Measurement of Financial Instruments (Caihui [2017] No. 7), ASBE No. 23 - Transfers of Financial Assets (Caihui [2017] No. 8), ASBE No. 24 - Hedge Accounting (Caihui [2017] No. 9) and ASBE No. 37 - Presentation of Financial Instruments (Caihui [2017] No. 14) (collectively the “New Standards for Financial Instruments”) and require domestic listed businesses to implement the New Financial Instrument Standards from 1 January 2019. In accordance with the requirements, Nanshan Aluminium and Zhishang Technology reclassified "available-for-sale financial assets" to "other non-current financial asset" and "other equity instrument investment" in their 2018 year-end statements "; “financial liabilities measured at fair value through changes in profit or loss” is reclassified into “financial liabilities held for trading”; “Wealth management products” in "Other current assets" was reclassified to "Financial assets held for trading". Notes to be endorsed or discounted in "Notes receivable” was reclassified to “Receivables Financing".

(3) The Company started to implement Accounting Standard for Business Enterprises No. 7 - Non-Monetary Asset Exchange, issued by the Ministry of Finance in May 2019, since 10 June 2019. This Standard requires the Company to adjust the non-monetary asset exchange occurring between January 1, 2019 and the implementation date in accordance with this standard, and not to retroactively adjust non-monetary asset exchange occurring prior to January 1, 2019.

(4) The Company started to implement Accounting Standard for Business Enterprises No. 12 - Debt Restructuring, issued by the Ministry of Finance in May 2019, since 17 June 2019. This Standard requires the Company to adjust debt restructuring occurring between January 1, 2019 and the implementation date in accordance with this standard, and not to retroactively adjust debt restructuring occurring prior to January 1, 2019.

Apart from the above change in accounting policy, there were no other changes in accounting policy during the reporting period.

2. Change in Accounting Estimates

There were no significant changes in the Company's accounting estimates during the reporting period.

IV. Taxation

(1) Major taxes and tax rates

Taxes	Tax basis	Tax rate
VAT	Value added in the process of selling goods or providing taxable services	Taxes are calculated and paid at 3%, 5%, 6%, 9%, 10%, 11%, 13%, 16% and 17%. For exported goods subject to the “Tax Exemption, Crediting and Refunding” Policy, the export rebate rates are 13, 15% or 16%.
Land value added tax	Value added on the transfer of rights to use state land and buildings and other attachments thereon for compensation; Prepayments for a pre-sale property are made according to the prepayment rates applicable at the location of the property.	the four-level progressive rate (30% - 60%); The prepayment rate is subject to the specific requirements of the location of the property.

Taxes	Tax basis	Tax rate
Property tax	1.2% of the residual amount equal to the original value of the property less 30% if taxed on the basis of the property price; 12% of the rental income if taxed on the basis of the rent.	1.2%、12%
Urban maintenance and construction tax	Turnover tax payable	7%, 5%, etc.
Education surcharge	Turnover tax payable	3%
Local education surcharge	Turnover tax payable	2%
Enterprise income tax	Income tax payable	30%、25%、21% 17%、15.825%、15%

(2) Tax concessions and approvals

1. VAT

For domestically sold products, sales tax is calculated at rates of 16% or 13% and paid after crediting input tax; For exported goods subject to the “Tax Exemption, Crediting and Refunding” Policy, the export rebate rates are 15% or 16%.

(1) According to Notice on Adjustment of Value-added Tax Rates (Cai Shui [2018] No. 32) issued by the Ministry of Finance and the State Taxation Administration, since 1 May, 2018, the tax rates are adjusted to 16% and 10% where the tax rates of 17% and 11% were applicable.

(2) According to Notice on Adjustment of Export Rebate Rate for Certain Products (Cai Shui [2018] No. 123) issued by the Ministry of Finance and the State Taxation Administration, since 1 November, 2018, the export rebate rate applicable to aluminium foil is adjusted to 15% from 16%.

(3) According to Announcement on Policies Concerning Further Reform of Value-Added Tax (Cai Shui Hai [2019] No. 39) issued by the Ministry of Finance and the State Taxation Administration, since 1 April 2019, the rebate rates are adjusted to 13% and 9% where the tax rates of 16% and 10% were applicable.

(4) According to Announcement on Policies Concerning Further Reform of Value-Added Tax (Cai Shui Hai [2019] No. 39) issued by the Ministry of Finance and the State Taxation Administration, since 1 April 2019, the export rebate rate applicable to aluminium foil is adjusted to 13% from 15%.

2. Enterprise income tax

(1) On 22 February 2019, Nanshan Aluminium, a subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201837000107) pursuant to the Notice on the Recognition of 505 Enterprises, including Maihe Robotics Automation Company Co., Ltd., as the First Batch of High and New Technology Enterprises in 2018, jointly issued by the Department of Science and Technology of Shandong Province, the Department of Finance of Shandong Province and the Shandong Provincial Tax Bureau. The qualification is valid for three years from 1 January 2018 to 31 December 2020 during which the Company is entitled to the preferential enterprise income tax rate of 15%.

(2) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a secondary subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201937002142). The qualification is valid for three years from 1 January 2019 to 31 December 2021 during which the Company is entitled to the preferential enterprise income tax rate of 15%.

(3) The tax rate is 30% for Nanshan Aluminium Australia Limited., a secondary subsidiary of the Company; The tax rate is 17% for Nanshan Aluminium Singapore Limited., a secondary subsidiary of the Company; The tax rate is 17% for GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD., a controlled subsidiary of Nanshan Aluminium Singapore Limited.; The tax rate is 25% for PT BINTAN ALUMINA INDONESIA, a controlled subsidiary of GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD.; The tax rate is 15.825% for Shandong Nanshan Aluminium Europa GmbH, a wholly-owned subsidiary of the Company and the federal income tax rate is 21% for Nanshan American Advanced Aluminium Technology Co., Ltd., a wholly-owned secondary subsidiary of the Company and Nanshan (USA) Co., Ltd., a wholly-owned secondary subsidiary of the Company.

(4) The profit tax rate is 16.5% for NANSHAN Capital Holdings Limited, a controlled secondary subsidiary of the Company.

(5) According to the Notice of the State Administration of Taxation on the Implementation of Preferential Income Tax Rate for High and New Technology Enterprises (Guo Shui Han [2009] No. 203), High and New Technology Enterprises are entitled to the preferential enterprise income tax rate of 15%. On 15 December, 2016，Zhishang Technology, a subsidiary of the Company, obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201637001039). The qualification is valid for three years from 1 January 2017 to 31 December 2019 during which the Company is entitled to the preferential enterprise income tax rate of 15%. Zhishang Technology, a subsidiary of the Company, has passed the High and New Technology Enterprise Qualification review and obtained the Certificate of High and New Technology Enterprise Qualification (Certificate No. GR201937002139). The qualification is valid for three years from 1 January 2019 to 31 December 2021 during which the Company is entitled to the preferential enterprise income tax rate of 15%.

(6) According to Notice on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises (Cai Shui (2019) No. 13), the portion of the annual taxable income of small and micro enterprises below RMB 1 million shall be reduced by 25% before being taxed at the enterprise income tax rate of 20%; The portion of annual taxable income more than RMB 1 million but less than RMB 3 million shall be reduced by 50% before being taxed at the enterprise income tax rate of 20%; In 2019, Shandong Betani Clothing Co., Ltd., Filat (Beijing) Trading Co., Ltd., Beijing Nanshan E-commerce Co., Ltd., and Nanshan Zizhongtang Protection Technology Co., Ltd., secondary subsidiaries of the Company, paid their enterprise income taxes as small and micro businesses.

V. Notes to items in the consolidated financial statements

Unless otherwise specified, ‘beginning of period’ refers to January 1, 2019; ‘end of period’ refers to December 31, 2019; ‘this year’ refers to Year 2019; ‘last year’ refers to Year 2018, in the following notes. The amount is in Renminbi Yuan (RMB).

(1) Cash at bank and on hand

1. Breakdown

Item	Closing balance	Opening balance
Cash on hand	9,572,827.24	16,126,204.26
Bank deposit	8,813,916,334.77	7,898,839,311.23
Other cash at bank and on hand	4,883,755,180.50	1,913,151,051.07
Total	13,707,244,342.51	9,828,116,566.56
Where: Total deposit outside Mainland China	1,752,606,251.76	2,571,089,024.92

2. Other monetary funds at the end of the period comprise Banker's Acceptance Draft Security Deposit, Loan Security Deposit, Letter of Credit Security Deposit, Guarantee Security Deposit, and Futures Security Deposit.

3. For details of the Company's amounts at the end of the period that are restricted in use due to mortgages or freezes, as well as those held offshore and whose repatriation is restricted, please refer to Note V(69) "Assets with restricted ownership rights or right to use".

4. For details of monetary funds in foreign currency, please refer to Note V(70) "Monetary Items in Foreign Currency".

(2) Financial assets held for trading

1. Breakdown

Category	Closing balance	Opening balance
Financial assets measured at fair value through changes in profit or loss.	2,443,733,198.90	4,531,560,000.00
Where: Structured Deposit	2,443,733,198.90	4,531,560,000.00
Ineffective hedging instrument	-	-
Financial assets designated as measured at fair value through changes in profit or loss.	-	-
Total	2,443,733,198.90	4,531,560,000.00

Description: In accordance with the New Standards for Financial Instruments, Nanshan Aluminium and Zhishang Technology have adjusted their opening amounts as described in detail in "Note III(33)".

2. At the end of the reporting period, the company's financial assets measured at fair value through changes in profit or loss are structured deposits held.

(3) Financial assets measured at fair value through changes in profit or loss

1. Breakdown

Item	Closing fair value	Opening fair value
Financial assets held for trading	114,376,163.42	51,729,685.59
Where: Investment in debt instruments	-	600,000.00
Equity instrument investments	60,674,904.32	51,129,685.59
Other	53,701,259.10	-
Financial assets designated as measured at fair value through changes in profit or loss.	-	10,628.22
Other	-	10,628.22
Total	114,376,163.42	51,740,313.81

2. There are no significant restrictions on the realisation of financial assets measured at fair value through changes in profit or loss at the end of the period.

(4) Derivative financial assets

1. Breakdown

Item	Closing balance	Opening balance
Hedging Instruments	3,623,881.46	204,000.00
Total	3,623,881.46	204,000.00

2. The Company's derivative financial assets at the end of the reporting period comprise: floating profit on aluminium futures contracts held as effective hedges RMB1,941,725.00; floating profit on RMB to foreign exchange option combos held as effective hedges RMB1,682,156.46.

(5) Notes Receivable

1. Breakdown

Category	Closing balance	Opening balance
Banker's acceptance bill	37,529,287.15	725,058,248.78
Trade acceptance bill	1,308,690,673.76	1,162,636,002.04
Subtotal	1,346,219,960.91	1,887,694,250.82
Less: Bad debt provision	37,654,117.68	37,227,702.97
Total	1,308,565,843.23	1,850,466,547.85

2. Disclosures by the method of provisions for bad debts

Categories	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision withdrawn in separate item	-	-	-	-	-
Where:	-	-	-	-	-
Bad debt provision on group basis	-	-	-	-	-
Where:	-	-	-	-	-
Companies with low credit risk	593,137,607.33	44.06	-	-	593,137,607.33
Companies with high credit risk	753,082,353.58	55.94	37,654,117.68	5.00	715,428,235.90
Total	1,346,219,960.91	100.00	37,654,117.68	2.80	1,308,565,843.23

Continued:

Categories	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Bad debt provision on individual basis	-	-	-	-	-
Where:	-	-	-	-	-
Bad debt provision on group basis	-	-	-	-	-
Where:	-	-	-	-	-
Companies with low credit risk	1,143,140,191.47	60.56	-	-	1,143,140,191.47
Companies with high credit risk	744,554,059.35	39.44	37,227,702.97	5.00	707,326,356.38
Total	1,887,694,250.82	100.00	37,227,702.97	1.97	1,850,466,547.85

3. Provisions made for bad debt

Notes receivable of provision for bad debt in combo at the end of year

Group	Book balance	Bad debt provision	Provision ratio (%)
Companies with high credit risk	753,082,353.58	37,654,117.68	5.00

4. There are no notes receivable pledged at the end of the period

5. Notes receivable endorsed or discounted at the end of the period and not yet due at the balance sheet date

Item	Amount derecognised at the end of the period	Amount not yet derecognised at the end of the period
Banker's acceptance bill	25,966,396.21	58,859,428.27
Trade acceptance bill	108,801,724.31	172,297,550.09
Subtotal	134,768,120.52	231,156,978.36

6. The Company had no notes receivable at the end of the reporting period where the notes were converted to accounts receivable due to the inability of the drawer to perform.

(6) Accounts receivable

1. Breakdown

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Bad debt provision on group basis	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07
Insignificant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Total	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Provision ratio (%)	
Significant single amounts for which bad debt provision is made.	-	-	-	-	-
Bad debt provision on group basis	5,737,116,593.82	100.00	145,291,323.70；	2.53	5,591,825,270.12
Insignificant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Total	5,737,116,593.82	100.00	145,291,323.70；	2.53	5,591,825,270.12

2. Provisions made for bad debt

(1) Accounts receivable for which bad debt provision is made by groups of credit risk at the end of the period

1) Withdrawal of bad debt provision - Nanshan Aluminium

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	1,929,839,406.14	96,491,970.33	5.00
1 to 2 years	124,249,842.46	12,424,984.25	10.00
2-3 years	1,099,555.27	219,911.05	20.00
More than 3 years	-	-	-
Subtotal	2,055,188,803.87	109,136,865.63	5.31

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	2,205,197,668.14	110,259,883.40	5.00
1 to 2 years	10,713,369.37	1,071,336.95	10.00
2-3 years	-	-	-
More than 3 years	-	-	-
Subtotal	2,215,911,037.51	111,331,220.35	5.02

2. Withdrawal of bad debt provision - Zhishang Technology

Account age		Closing balance	
	Book balance	Bad debt provision	Provision ratio (%)

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	219,579,874.86	10,978,993.75	5.00
1 to 2 years	20,970,043.44	2,094,800.43	10.00
2-3 years	3,282,184.79	656,436.96	20.00
3-5 years	163,196.75	81,598.37	50.00
More than 5 years	-	-	-
Subtotal	243,995,299.84	13,811,829.51	5.66

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	308,883,357.42	15,444,167.88	5.00
1 to 2 years	13,557,499.52	1,355,749.95	10.00
2-3 years	5,938,618.87	1,187,723.77	20.00
3-5 years	16,831.00	8,415.50	50.00
More than 5 years	-	-	-
Subtotal	328,396,306.81	17,996,057.10	5.48

(2) Other group

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	1,100,834,121.78	5,504,170.60	0.50
1 to 2 years	1,285,496,135.63	6,427,480.68	0.50
2-3 years	333,966,829.93	1,669,834.15	0.50
More than 3 years	51,090,179.49	255,450.90	0.50
Subtotal	2,771,387,266.83	13,856,936.33	0.50

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	2,712,079,621.95	13,560,398.12	0.50
1 to 2 years	358,876,112.44	1,794,380.56	0.50

Account age	Opening balance		
2-3 years	58,782,924.85	293,914.62	0.50
More than 3 years	63,070,590.26	315,352.95	0.50
Subtotal	3,192,809,249.50	15,964,046.25	0.50

3. Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision reversed during the period was RMB6,982,445.17; There were no accounts receivable for which the Company had made full or substantial provision for bad debts in prior years and which were fully or partially recovered in the current period.

4. There were no receivables recovered through other means such as debt restructuring during the period.

5. Actual write-off of accounts receivable during the period

Item	Write-offs
Actual write-off of accounts receivable	1,503,247.06

6. Accounts receivable derecognised due to transfer of financial assets

(1) Nanshan America Co., Ltd., a wholly-owned secondary subsidiary of the company, signed an accounts receivable factoring contract with BNP Paribas. According to the contract, BNP Paribas bought out the accounts receivable under the contract. On December 31, 2019, the company’s accounts receivable derecognised as a result was RMB1,188,463,173.17 (USD170,359,676.21)

(2) Nanshan Aluminium Europe Co., Ltd., a wholly-owned secondary subsidiary of the company, signed an accounts receivable factoring contract with BNP Paribas. According to the contract, BNP Paribas bought out the accounts receivable under the contract. On December 31, 2019, the company’s accounts receivable derecognised as a result amounted to RMB 56,254,794.08 (including USD 3,922,159.66 and EUR 3,681,906.37).

7. There are no assets or liabilities formed by its continuous involvement of transferring other receivables during the period.

8. For details of accounts receivable in foreign currencies at the end of the period, please refer to Note V(70) "Monetary items in foreign currencies".

9. Top 5 in accounts receivable at the end of the period

Entity name	Closing balance	Account age	Percentage to total closing balance of accounts receivable (%)	Closing balance of bad debt provision
1st	718,082,598.00	1 to 2 years	14.16	3,590,412.99
2nd	466,250,000.00	1 to 2 years	9.20	2,331,250.00
3rd	251,109,000.00	2-3 years	4.95	1,255,545.00
4th	153,563,555.85	Less than 1 year	3.03	7,678,177.79
5th	140,909,219.55	Within one year, 1 to 2 years	2.78	9,597,171.55
Subtotal	1,729,914,373.40	-	34.12	24,452,557.33

(7) Account Receivables Financing

1. Breakdown

Item	Closing balance	Opening balance
Notes receivable measured at fair value through other comprehensive income	1,104,674,932.14	1,578,484,203.44
Total	1,104,674,932.14	1,578,484,203.44

Description: In accordance with the New Standards for Financial Instruments, Nanshan Aluminium and Zhishang Technology have adjusted their opening amounts as described in detail in "Note III(33)".

2. Notes receivable endorsed or discounted at the end of the period and not yet due at the balance sheet date

Item	Amount derecognised at the end of the period	Amount not yet derecognised at the end of the period
Banker's acceptance bill	2,649,470,102.16	-
Total	2,649,470,102.16	-

(8) Advance receipts

1. Aging analysis

Account age	Closing value		Opening balance	
	Amount	Percentage (%)	Amount	Percentage (%)
Less than 1 year	1,581,188,687.32	72.47	1,231,300,075.62	69.64
1 to 2 years	102,236,593.12	4.69	19,853,513.20	1.12
2-3 years	12,462,193.14	0.57	44,880,800.64	2.54
More than 3 years	485,976,136.53	22.27	472,134,124.70	26.70
Total	2,181,863,610.11	100.00	1,768,168,514.16	100.00

2. Top 5 prepayments in terms of amount

Entity name	Closing balance	Account age	Percentage of the total closing balance of prepayments (%)	Reasons for non-settlement
1st	274,067,601.17	Less than 1 year	12.56	Settlement is not due
2nd	199,304,784.00	Less than 1 year	9.13	Settlement is not due
3rd	185,006,912.87	Less than 1 year	8.48	Settlement is not due
4th	174,850,819.64	Less than 1 year	8.01	Settlement is not due
5th	156,034,818.23	Less than 1 year	7.15	Settlement is not due

Entity name	Closing balance	Account age	Percentage of the total closing balance of prepayments (%)	Reasons for non-settlement
Subtotal	989,264,935.91	-	45.33	Settlement is not due

3. Prepayments aged over one year and of significant amounts were not settled in a timely manner because the agreement had not been completed.

4. At the end of the period, no obvious sign of impairment of prepayments were noted, so no provision for impairment was made.

(9) Other receivables

1. Breakdown

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Interest receivable	50,215,247.65	-	50,215,247.65
Dividend receivable	-	-	-
Other receivables	8,442,475,171.64	86,638,743.66	8,355,836,427.98
Total	8,492,690,419.29	86,638,743.66	8,406,051,675.63

Continued:

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Interest receivable	47,275,638.86	-	47,275,638.86
Dividend receivable	-	-	-
Other receivables	7,032,711,704.31	57,610,800.90	6,975,100,903.41
Total	7,079,987,343.17	57,610,800.90	7,022,376,542.27

2. Interest receivable

Item	Closing balance	Opening balance
Interest income on borrowing	25,286,610.93	22,830,693.89
Bond Investment	12,910,678.73	12,402,732.42
Interest income from deposits with central banks and counterparties	8,102,881.98	4,621,801.68
Interest income from financial Leasing	3,915,076.01	7,420,410.87
Subtotal	50,215,247.65	47,275,638.86
Less: Bad debt provision	-	-
Subtotal	50,215,247.65	47,275,638.86

3. Other receivables

(1) Breakdown

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	12,500,000.00	0.15	12,500,000.00	100.00	-
Bad debt provision on group basis	8,429,975,171.64	99.85	74,138,743.66	0.88	8,355,836,427.98
Insignificant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Subtotal	8,442,475,171.64	100.00	86,638,743.66	1.03	8,355,836,427.98

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Bad debt provision on group basis	7,029,851,704.31	99.96	54,750,800.90	0.78	6,975,100,903.41
Insignificant single amounts for which bad debt provision is withdrawn.	2,860,000.00	0.04	2,860,000.00	100.00	-
Subtotal	7,032,711,704.31	100.00	57,610,800.90	0.82	6,975,100,903.41

(2) Provisions made for bad debt

1) Other receivables with individually significant amounts and subject to separate provision at the end of the period

Entity name	Book balance	Bad debt provision	Provision ratio (%)	Reasons
Yunnan Hongxiang Yixintang Pharmaceutical (Group) Co. Ltd.	12,500,000.00	12,500,000.00	100.00	Not expected to be recovered
Subtotal	12,500,000.00	12,500,000.00	100.00	-

2) Other receivables for which bad debt provision is made in group at the end of the period

Other receivables for which bad debt provision is made in the group of credit risk at the end of the period

A. Provisions made for bad debt - Nanshan Aluminium

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	248,930,517.18	12,446,525.85	5.00
1 to 2 years	100,000.00	10,000.00	10.00
2-3 years	741,866.27	148,373.25	20.00

Account age	Closing balance		
More than 3 years	37,163,137.50	18,581,568.75	50.00
Subtotal	286,935,520.95	31,186,467.85	10.87

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	207,921,619.04	10,396,080.97	5.00
1 to 2 years	2,765,826.82	276,582.68	10.00
2-3 years	38,135,421.23	7,627,084.24	20.00
More than 3 years	54,500.00	27,250.00	50.00
Subtotal	248,877,367.09	18,326,997.89	7.36

B. Provisions made for bad debt - Zhishang Technology

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	25,210,807.02	1,260,540.36	5.00
1 to 2 years	4,877,701.49	487,770.15	10.00
2-3 years	2,837,282.56	567,456.51	20.00
3-5 years	87,978.16	43,989.09	50.00
More than 5 years	42,603.31	42,603.31	100.00
Subtotal	33,056,372.54	2,402,359.42	7.27

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	34,674,512.12	1,733,725.61	5.00
1 to 2 years	6,063,965.21	606,396.52	10.00
2-3 years	635,029.07	127,005.81	20.00
3-5 years	184,505.10	92,252.55	50.00
More than 5 years	168,181.80	168,181.80	100.00
Subtotal	41,726,193.30	2,727,562.29	6.53

② Other Group

Account age	Closing balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	2,815,133,885.59	14,075,669.43	0.50
1 to 2 years	2,287,628,041.14	11,438,140.20	0.50
2-3 years	1,318,610,672.38	6,593,053.36	0.50
More than 3 years	1,688,610,679.04	8,443,053.40	0.50
Subtotal	8,109,983,278.15	40,549,916.39	0.50

Continued:

Account age	Opening balance		
	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	2,755,503,025.46	13,777,515.13	0.50
1 to 2 years	2,154,116,749.47	10,770,583.75	0.50
2-3 years	1,650,022,096.19	8,250,110.48	0.50
More than 3 years	179,606,272.80	898,031.36	0.50
Subtotal	6,739,248,143.92	33,696,240.72	0.50

3) There's no single other receivables of large amounts with exclusive provision for bad debts at the end of the period.

(3) Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision made during the period was RMB33,167,942.76; The amount of other receivable for which the Company had made full or substantial provision for bad debts in prior years and that were recovered in the current period was RMB2,860,000.00.

(4) There were no other receivables recovered through other means such as debt restructuring during the period.

(5) Actual write-off of other receivables during the period

Item	Write-offs
② Other receivables actually written off	1,280,000.00

(6) Other receivables by nature

Nature of amount	Closing balance	Opening balance
Inter-group current accounts - entities	8,166,045,930.51	6,395,445,943.17
Inter-group current accounts - individuals	71,307,153.06	133,924,356.80
Security deposit and guarantee	193,829,070.10	495,573,480.68
Other	11,293,017.97	7,767,923.66
Subtotal	8,442,475,171.64	7,032,711,704.31

(7) There were no government grants receivable as at 31 December 2019.

(8) Top 5 other receivables in terms of amount at the end of the period

Entity name	Closing balance	Account age	Percentage of other receivables to total closing balance (%)	Closing balance of bad debt provision
1st	1,486,212,343.00	Less than 1 year	17.60	7,431,061.72
2nd	745,438,022.33	2-3 years	8.83	3,727,190.11
3rd	362,809,390.15	2-3 years	4.30	1,814,046.95
4th	304,973,825.40	Within one year, 1 to 2 years	3.61	1,524,869.13
5th	243,294,750.19	2-3 years	2.88	1,216,473.75
Subtotal	3,142,728,331.07	-	37.23	15,713,641.66

(9) There are no other receivables derecognised due to transfer of financial assets during the reporting period

(10) There are no amount of assets or liabilities developed as other receivables have been transferred but the involvement continues during the reporting period

(11) For details of other receivables in foreign currencies at the end of the period, please refer to Note V(70) "Monetary items in foreign currencies".

(10) Inventories

1. Breakdown

Item	Closing balance		
	Book balance	Provisions for write-down	Book value
Raw materials	2,576,766,157.49	19,218,572.95	2,557,547,584.54
Products in process	9,313,092,997.87	10,447,182.00	9,302,645,815.87
Products in stock	5,266,447,810.28	77,684,326.75	5,188,763,483.53
Materials consigned for processing	19,739,060.64	-	19,739,060.64
Low value consumables	287,308.32	-	287,308.32
Total	17,176,333,334.60	107,350,081.70	17,068,983,252.90

Continued:

Item	Opening balance		
	Book balance	Provisions for write-down	Book value
Raw materials	2,893,969,385.56	22,356,901.76	2,871,612,483.80
Products in process	9,298,634,519.64	10,261,101.17	9,288,373,418.47
Products in stock	5,720,000,824.80	97,846,807.38	5,622,154,017.42

Item	Opening balance		
	Book balance	Provisions for write-down	Book value
Materials consigned for processing	279,559,828.58	-	279,559,828.58
Low value consumables	23,202,976.55	-	23,202,976.55
Total	18,215,367,535.13	130,464,810.31	18,084,902,724.82

2. Changes in provision for decline in value of inventories

Categories	Opening balance	Increment this year		Decrement this year		Closing balance
		Provision	Other	Reversal or Write-back	Other	
Raw materials	22,356,901.76	4,382,198.13	-	7,520,526.94	-	19,218,572.95
Products in process	10,261,101.17	6,122,473.37	-	5,936,392.54	-	10,447,182.00
Products in stock	97,846,807.38	35,486,733.54	-	55,649,214.17	-	77,684,326.75
Subtotal	130,464,810.31	45,991,405.04	-	69,106,133.65	-	107,350,081.70

3. No interest was capitalised in the closing balance of inventories.

(11) Assets held for sales

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Subsidiaries ready for sale	28,628,012.89	-	28,628,012.89	57,377,563.96	-	57,377,563.96
Total	28,628,012.89	-	28,628,012.89	57,377,563.96	-	57,377,563.96

2. Other Description

In December 2018, the Board of Directors of the Company approved the proposed transfer of the equity interests in three companies, namely Longkou Weihua Property Company Limited, Qingdao Linghai Mingzhu Property Company Limited and Qingdao Kaitong Property Company Limited, to external parties and as at 31 December 2019, the transfer was in progress.

(12) Other current assets

1. Breakdown

Item	Closing balance	Opening balance
Input tax to be deducted	476,707,422.92	366,127,490.94
Prepaid tax	611,270,580.87	857,056,014.84

Item	Closing balance	Opening balance
Other	2,081,218,364.68	2,051,329,607.70
Total	3,169,196,368.47	3,274,513,113.48

2. At the end of the period, no obvious sign of impairment of other current assets was noted, so no provision for impairment was made.

(13) Loans and advances to customers

1. Breakdown

Item	Closing balance	Opening balance
Corporate Loans and Advances	2,666,443,467.74	696,553,558.97
Short-term loans	1,261,280,000.00	21,100,544.00
Bill Discounting	349,163,467.74	154,453,014.97
Medium to Long Term Loans	1,056,000,000.00	521,000,000.00
Less: General provision for loan losses	26,744,141.11	7,021,740.06
Less: Dedicated reserve for loan losses - special mention	-	-
Less: Dedicated reserve for loan losses - normal	63,032,042.16	18,504,087.92
Less: Special reserve for loan losses	-	-
Net loans and advances	2,576,667,284.47	671,027,730.99

2. The balance at the end of the period mainly represented loans granted by Nanshan Group Finance Company Limited, a controlled subsidiary of the Company, to the Company's investees.

(14) Available-for-sale financial assets

1. Breakdown

Item	Closing balance		
	Book balance	Provision for impairment	Book value
Available-for-sale debt instruments	1,017,860,258.08	-	1,017,860,258.08
Available-for-sale equity tools	7,316,240,243.16	-	7,316,240,243.16
Measured at fair value	1,236,857,110.52	-	1,236,857,110.52
Measured at cost	6,079,383,132.64	-	6,079,383,132.64
Other	1,667,768,653.45		1,667,768,653.45
Total	10,001,869,154.69	-	10,001,869,154.69

Continued:

Item	Opening balance		
	Book balance	Provision for impairment	Book value
Available-for-sale debt instruments	753,854,953.36	-	753,854,953.36
Available-for-sale equity tools	6,166,742,419.45	-	6,166,742,419.45
Measured at fair value	1,532,446,724.55	-	1,532,446,724.55
Measured at cost	4,634,295,694.90	-	4,634,295,694.90
Other	858,966,230.86	-	858,966,230.86
Total	7,779,563,603.67	-	7,779,563,603.67

2. There are no held-to-maturity investments reclassified and included in the balance of available-for-sale financial assets at the end of the period.

3. Available-for-sale financial assets measured at fair value at the end of the period

Item	Available-for-sale equity tools	Available-for-sale debt instruments	Other	Subtotal
Cost of equity instruments / amortised cost of debt instruments	2,267,388,659.87	1,010,176,933.57	113,900,000.00	3,391,465,593.44
Fair value	1,236,857,110.52	1,008,645,180.00	44,366,204.72	2,289,868,495.24
Amount of accumulated changes in fair value included in other comprehensive income	-1,030,531,549.35	-1,531,753.57	-69,533,795.28	-1,101,597,098.20
Amount of impairment accrued	-	-	-	-

4. Available-for-sale financial assets measured at cost at the end of the period

Investee	Book balance			
	Opening balance	Increment this year	Decrement this year	Closing balance
Hengfeng Bank Co., Ltd.	2,402,236,751.00	1,614,900,000.00	-	4,017,136,751.00
Aikang Aircraft Limited	398,470,000.00	-	-	398,470,000.00
Xinyu Nanshan Changteng Investment Partnership (Limited Partnership)	179,700,000.00	-	129,052,963.00	50,647,037.00
Shenzhen Panshi Qianhe New Materials and High-end Equipment Investment Partnership (Limited Partnership)	280,700,000.00	-	72,695,218.00	208,004,782.00
Zhongguancun Technology Leasing (Beijing) Co. Ltd.	99,900,000.00	-	-	99,900,000.00
Shenzhen Nanshan Xincheng Equity Investment Partnership (Limited Partnership)	270,000,000.00	-	120,441,070.00	149,558,930.00
Guokai Houde (Beijing) Investment Fund Co. Ltd.	50,000,000.00	-	-	50,000,000.00
Shenzhen Nanshan AVIC Unmanned Systems Equity Investment Fund Partnership (Limited Partnership)	90,000,000.00	-	6,060,606.06	83,939,393.94
PAAM Real Estate	335,523,612.01	-	279,236,673.20	56,286,938.81

Investee	Book balance			
	Opening balance	Increment this year	Decrement this year	Closing balance
Investment I P/L				
PAAM Real Estate Investment II P/L	-	353,377,370.00	1,766,886.85	351,610,483.15
Chuangzhi Technology Private Placement Project	299,999,994.00	-	-	299,999,994.00
Longkou Xincheng Merger & Acquisition Investment Partnership (Limited Partnership)	5,225,000.00	-	-	5,225,000.00
Other	222,540,337.89	111,246,818.00	25,183,333.15	308,603,822.74
Subtotal	4,634,295,694.90	2,079,524,188.00	634,436,750.26	6,079,383,132.64

Continued:

Investee	Provision for impairment				Ratio of ownership in or capital contribution to the investee (%)	Cash dividends this year
	Opening balance	Increment this year	Decrement this year	Closing balance		
Hengfeng Bank Co., Ltd.		-	-	-	2.35	-
Aikang Aircraft Limited	-	-	-	-	37.70	-
Xinyu Nanshan Changteng Investment Partnership (Limited Partnership)	-	-	-	-	95.05	-
Shenzhen Panshi Qianhe New Materials and High-end Equipment Investment Partnership (Limited Partnership)	-	-	-	-	96.56	-
Zhongguancun Technology Leasing (Beijing) Co. Ltd.	-	-	-	-	9.99	3,497,300.00
Shenzhen Nanshan Xincheng Equity Investment Partnership (Limited Partnership)		-			96.43	-
Guokai Houde (Beijing) Investment Fund Co. Ltd.	-	-	-	-	1.45	15,217,391.30
Shenzhen Nanshan AVIC Unmanned Systems Equity Investment Fund Partnership (Limited Partnership)	-	-	-	-	30.00	-
PAAM Real Estate Investment I P/L	-		-	-	24.95	-
PAAM Real Estate Investment II P/L		-			99.50	
Chuangzhi Technology Private Placement Project	-	-	-	-	1.89	-
Longkou Xincheng Merger & Acquisition Investment Partnership (Limited Partnership)		-	-		27.78	-
Others		-	-		-	2,317,500.00
Subtotal		-	-		-	21,032,191.30

(15) Held-to-maturity investments

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Wealth menagement products	-	-	-	30,000,000.00；	-	30,000,000.00

2. There was no reclassification of held-to-maturity investments as available-for-sale financial assets during the period.

(16) Long-term receivables

1. Breakdown

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Finance Lease	578,591,895.57	-	578,591,895.57
Where: Unrealized financing income	54,342,306.44	-	54,342,306.44
Total	578,591,895.57	-	578,591,895.57

Continued:

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Finance Lease	971,864,653.26	-	971,864,653.26
Where: Unrealized financing income	143,178,429.10	-	143,178,429.10
Total	971,864,653.26	-	971,864,653.26

2. At the end of the period, no obvious sign of impairment of long-term receivables was noted, so no provision for impairment was made.

3. For details of the long-term receivables in foreign currency at the end of the period, please refer to Note V(70) "Monetary items in foreign currencies".

(17) Long-term equity investments

1. Breakdown

Item	Closing balance		
	Book balance	Provision for impairment	Book value
Investments in joint ventures	29,864,376.83	-	29,864,376.83
Investments in affiliates	3,171,019,018.73	-	3,171,019,018.73
Total	3,200,883,395.56	-	3,200,883,395.56

Continued:

Item	Opening balance		
	Book balance	Provision for impairment	Book value
Investments in joint ventures	29,853,008.50	-	29,853,008.50
Investments in affiliates	3,031,572,942.66	-	3,031,572,942.66
Total	3,061,425,951.16	-	3,061,425,951.16

2. Investments in affiliates and joint ventures

Investee name	Initial investment cost	Opening balance	Changes of amount in the period	
			Additional investments	Investment reduction
(1) Joint Ventures				
Nanshan (Hainan Manning) Property Company Limited	200,000,000.00	-	-	-
Hainan Manning Hongji Property Company Limited	10,000,000.00	9,263,408.50	-	-
Yantai Nanshan Sunac Property Co., Ltd.	10,000,000.00	-	-	-
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	20,589,600.00	20,589,600.00	-	-
(2) Affiliates				
Yantai Bank Co., Ltd.	1,808,300,000.00	2,188,365,832.62	-	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	312,000,000.00	540,175,276.59	-	-
Longkou Haitong Real Estate Development Co., Ltd.	280,307,671.37	280,307,671.37	-	-
Qingdao Nanxin Investment Co., Ltd.	245,000,000.00	-	-	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	1,020,000.00	1,256,197.82	-	-
LN Development (Stirling) Pte. Ltd.	9,570,876.00	9,416,274.92	-	-
W Capital Markets Pte. Ltd	9,236,439.00	8,099,165.53	-	-
Shenzhen Yunpeng Nanshan Fund Management Co., Ltd.	1,995,000.00	853,588.73	-	1,995,000.00
AVIC Nanshan Equity Investment Fund Management (Shenzhen) Co., Ltd.	800,000.00	1,320,672.08	2,400,000.00	3,200,000.00
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	2,000,000.00	1,778,263.00	-	-
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	10,000,000.00	-	-	-
Total	2,920,819,586.37	3,061,425,951.16	2,400,000.00	5,195,000.00

Continued:

Investee name	Changes of amount in the period			
	Investment gains or losses recognised under the equity method	Change in other comprehensive income	Other changes in equity	Declaration of cash dividends or profits
(1) Joint Ventures				
Nanshan (Hainan Manning) Property Company Limited	-	-	-	-
Hainan Manning Hongji Property Company Limited	200,680.67	-	-	-
Yantai Nanshan Sunac Property Co., Ltd.	-	-	-	
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	-189,312.34	-	-	-
(2) Affiliates				
Yantai Bank Co., Ltd.	71,804,651.53	-8,581,757.60	-	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	6,792,908.50	-	-	-
Longkou Haitong Real Estate Development Co., Ltd.	-3,203,368.37	-	-	-
Qingdao Nanxin Investment Co., Ltd.				-
Beijing Sunac Nanshan Real Estate Co., Ltd.	-285,638.82	-	-	-
LN Development (Stirling) Pte Ltd	63,931,479.13	-	-	-
W Capital Markets Pte. Ltd	905,010.99	-	-	-
Shenzhen Yunpeng Nanshan Fund Management Co., Ltd.	1,141,411.27	-	-	-
AVIC Nanshan Equity Investment Fund Management (Shenzhen) Co., Ltd.	-520,672.08	-	-	-
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	-173,259.61	-	-	-
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	-156,429.16	-	-	-
Total	140,247,461.71	-8,581,757.60	-	-

Continued:

Investee name	Changes of amount in the period		Closing balance	Closing balance of provision for impairment
	Provision for impairment	Other		
(1) Joint Ventures				
Nanshan (Hainan Manning) Property Company Limited	-	-	-	-
Hainan Manning Hongji Property Company Limited	-	-	9,464,089.17	-
Yantai Nanshan Sunac Property Co., Ltd.	-	-	-	-
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	-	-	20,400,287.66	-

Investee name	Changes of amount in the period		Closing balance	Closing balance of provision for impairment
	Provision for impairment	Other		
(2) Affiliates	-	-	-	-
Yantai Bank Co., Ltd.	-	-	2,251,588,726.55	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	-	-	546,968,185.09	-
Longkou Haitong Real Estate Development Co., Ltd.	-	-	277,104,303.00	-
Qingdao Nanxin Investment Co., Ltd.	-	-	-	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	-	-	970,559.00	-
LN Development (Stirling) Pte Ltd	-	315,430.72	73,663,184.77	-
W Capital Markets Pte. Ltd	-	271,309.57	9,275,486.09	-
Shenzhen Yunpeng Nanshan Fund Management Co., Ltd.	-	-	-	-
AVIC Nanshan Equity Investment Fund Management (Shenzhen) Co., Ltd.	-	-	-	-
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	-	-	1,605,003.39	-
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	-	10,000,000.00	9,843,570.84	-
Total	-	10,586,740.29	3,200,883,395.56	-

3. At the end of the period, no obvious sign of impairment of long-term equity investment was noted, so no provision for impairment was made.

(18) Other equity instrument investments

1. Other equity instrument investments:

Item	Closing balance	Opening balance
Longkou Nanshan CNOOC Natural Gas Co., Ltd.	40,090,000.00	40,090,000.00
Total	40,090,000.00	40,090,000.00

Description: In accordance with the New Standards for Financial Instruments, Nanshan Aluminium have adjusted their opening amounts as described in detail in "Note III(33)".

2. Investments in non-trading equity instruments

Item	Dividend income recognised	Accumulated profits	Accumulated losses	Transfer from other comprehensive income to retained earnings	Reasons for designation as fair value through other comprehensive income	Reasons for transfer of other comprehensive income to retained earnings
Longkou Nanshan CNOOC Natural Gas Co., Ltd.	-	-	-	-	-	-

(19) Other non-current financial assets

Item	Closing balance	Opening balance
Shandong Kerong Angel Venture Capital Partnership (Limited Partnership)	10,000,000.00	10,000,000.00
Shenzhen Nanshan Dacheng New Materials Investment Partnership (Limited Partnership)	21,000,000.00	21,000,000.00
Total	31,000,000.00	31,000,000.00

Description: In accordance with the New Standards for Financial Instruments, Nanshan Aluminium and Zhishang Technology have adjusted their opening amounts as described in detail in "Note III(33)".

(20) Investment Properties

1. Breakdown

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Outsourcing	Transfer from inventories / fixed assets / construction in progress	Increment from business merger	Other	Disposal	Other outbound transfer	
(1) Original book value								
Buildings and constructions	1,464,707,176.05	-	-	-	50,298,999.43	-	-	1,515,006,175.48
Land use rights	155,993,172.98	-	-	-	15,623,846.57	-	-	171,617,019.55
Total	1,620,700,349.03	-	-	-	65,922,846.00	-	-	1,686,623,195.03
(2) Accumulated depreciation/amortisation		Provision/amortisation						
Buildings and constructions	35,119,795.56	13,635,286.21	-	-	1,309,529.93	-	-	50,064,611.70
Land use rights	13,405,664.34	1,983,702.57	-	-	1,159,197.98	-	-	16,548,564.89
Total	48,525,459.90	15,618,988.78	-	-	2,468,727.91	-	-	66,613,176.59
(3) Provision for impairment		Provision						
Buildings and constructions	-	-	-	-	-	-	-	-
Land use rights	-	-	-		-	-	-	-
Total								
(4) Book value	-	-	-	-	-	-	-	-
Buildings and constructions	1,429,587,380.49	-	-	-	-	-	-	1,464,941,563.78

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Outsourcing	Transfer from inventories / fixed assets / construction in progress	Increment from business merger	Other	Disposal	Other outbound transfer	
Land use rights	142,587,508.64	-	-	-	-	-	-	155,068,454.66
Total	1,572,174,889.13	-	-	-	-	-	-	1,620,010,018.44

2. As of 31 December 2019, no obvious sign of impairment of Investment properties was noted, so no provision for impairment was made.

3. There were no investment properties used as guarantees as at 31 December 2019.

4. Other in the increase in the original value and accumulated amortisation of investment properties for the period includes amounts due to the effect of changes in exchange rates.

(21) Fixed assets

1. Breakdown

Item	Closing balance	Opening balance
Fixed assets	36,875,029,812.45	40,424,615,927.68
Disposal of fixed assets	-	-
Total	36,875,029,812.45	40,424,615,927.68

2. Fixed assets

(1) Breakdown

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Transferred-in from construction in progress	Increment from business merger	Other	Disposal or retirement	Other	

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Transferred-in from construction in progress	Increase from business combinations	Other	Disposal or retirement	Other	
(1) Original book value								
Buildings and constructions	22,734,118,461.39	38,603,331.79	193,426,239.05	-	279,206,311.11	251,843,834.16	677,582,203.22	22,315,928,305.96
Machinery and equipment	32,998,548,406.71	180,859,417.56	1,347,914,479.07	-	5,761,431.68	240,844,868.34	211,245,033.75	34,080,993,832.93
Transportation vehicles	3,749,483,723.84	142,470,648.08	-	-	264,651.23	2,813,113,740.31	3,389,443.86	1,075,715,838.98
Electronic and other equipment	1,911,379,970.29	110,912,006.12	3,949,289.64	-	9,051,222.56	170,931,608.10	6,506,921.23	1,857,853,959.28
Subtotal	61,393,530,562.23	472,845,403.55	1,545,290,007.76	-	294,283,616.58	3,476,734,050.91	898,723,602.06	59,330,491,937.15
(2) Cumulative depreciation		Provision						
Buildings and constructions	5,200,194,268.98	620,360,935.24		-	163,128,143.09	59,662,351.51	649,779,486.86	5,274,241,508.94
Machinery and equipment	14,240,545,301.89	1,824,429,985.06		-	4,381,030.11	68,880,443.38	157,062,888.63	15,843,412,985.05
Transportation vehicles	716,491,043.38	177,106,818.19	-	-	72,383.02	415,829,214.48	2,018,521.61	475,822,508.50
Electronic and other equipment	808,833,689.79	94,635,484.09	-	-	11,978,180.33	49,308,258.99	4,666,973.01	861,472,122.21
Subtotal	20,966,064,304.04	2,716,533,222.58	-	-	179,559,736.55	593,680,268.36	813,527,870.11	22,454,949,124.70
(3) Provision for impairment		Provision						
Buildings and constructions	-	-	-	-		-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-
Transportation vehicles	2,337,330.51	-	-	-	-	2,337,330.51	-	-

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Transferred-in from construction in progress	Increment from business merger	Other	Disposal or retirement	Other	
Electronic and other equipment	513,000.00	-	-	-	-	-	-	513,000.00
Subtotal	2,850,330.51	-	-	-	-	2,337,330.51	-	513,000.00
(4) Book value								
Buildings and constructions	17,533,924,192.41	-	-	-	-	-	-	17,041,686,797.02
Machinery and equipment	18,758,003,104.82	-	-	-	-	-	-	18,237,580,847.88
Transportation vehicles	3,030,655,349.95	-	-	-	-	-	-	599,893,330.48
Electronic and other equipment	1,102,033,280.50	-	-	-	-	-	-	995,868,837.07
Subtotal	40,424,615,927.68	-	-	-	-	-	-	36,875,029,812.45

[Note] The amount of depreciation for the period is RMB 2,716,533,222.58. The original value of fixed assets of RMB1,545,290,007.76 was transferred from construction in progress as part of the increase during the period. The original value of fully depreciated fixed assets remaining in use at the end of the period was RMB2,238,838,538.54. Included in decrease during the period - disposal or retirement are the Company's subsidiaries disposed of during the period, i.e. Qingdao Airlines Co., Ltd, Nanshan Business Jet Co., Ltd. and Shandong Nanshan International Flight Co., Ltd., of which the original value is RMB3,048,460,750.94 in total with the accumulated depreciation of RMB388,889,055.81.

Other increases and decreases in fixed assets during the period include concurrent reductions in depreciation and original value of fixed assets due to asset valuation, foreign currency translation differences and adjustments between asset classes.

(2) At the end of the period, no obvious sign of impairment of fixed assets was noted, so no provision for impairment was made.

(3) There were no fixed assets temporarily idle during the reporting period.

(4) Fixed assets leased under financial leasing

Categories	Original book value	Cumulative depreciation	Provision for impairment	Book value

Categories	Original book value	Cumulative depreciation	Provision for impairment	Book value
Buildings and constructions	493,608,990.12	215,088,408.77	-	278,520,581.35
Machinery and equipment	482,974,404.93	225,949,156.54	-	257,025,248.39
Transport equipment	58,542,355.76	6,313,860.00	-	52,228,495.76
Electronic and other equipment	365,786,936.75	93,437,740.07	-	272,349,196.68
Subtotal	1,400,912,687.56	540,789,165.38	-	860,123,522.18

[Note] The Company leases buildings, machinery and equipment and medical equipment through finance lease in accordance with its production and operation needs.

(5) There were no fixed assets leased out under operating leases at the end of the period.

(6) Information on fixed assets without certificates of title

Item	Book value	Reasons for not getting the certificate of title
Industrial material extrusion workshop	127,616,137.40	In progress
Industrial material nitriding workshop	15,357,899.51	In progress
Industrial Materials Dormitory Building	18,271,051.42	In progress
Industrial Materials Restaurant	5,972,778.38	In progress
Industrial Materials Moulding Workshop	6,986,569.96	In progress
Sanlian Milk finished product warehouse	43,047,827.09	In progress
Industrial Materials processing workshop	9,551,127.29	In progress
Industrial Materials Warehouse	9,864,509.64	In progress
Aluminium oxidation workshop	44,241,738.11	In progress
Aluminium Finished Goods Warehouse	23,543,728.97	In progress
Aluminium extrusion workshop	34,090,908.44	In progress
Aluminium power distribution room	2,993,498.18	In progress
Aluminium wastewater treatment plant	3,319,880.61	In progress
Aluminium painting workshop	14,125,748.00	In progress
Aluminium processing workshop	3,244,538.21	In progress
110KV Substation Plant	7,931,942.75	In progress
Insulation Strip Plant	4,502,306.01	In progress
Semi-finished goods painting turnover warehouse	1,408,544.91	In progress
Melt and casting plants	24,728,369.12	In progress
Steel Structure Plant	83,304,246.12	In progress
Round ingot casting plant	84,870,036.06	In progress
220KV Substation Plant	20,047,697.92	In progress
Power pneumatic station plant	5,547,733.70	In progress
Power de-ionisation station plant	5,762,060.68	In progress
Production wastewater station plant	6,940,364.89	In progress
Power Zone A water mixing station plant	1,875,548.91	In progress
Power clean circulation pump station plant	7,550,495.25	In progress
Flat ingot muddy circulation plant	4,285,873.60	In progress

Item	Book value	Reasons for not getting the certificate of title
Round ingot muddy circulation plant	4,237,915.64	In progress
Medium thickness plate oil depot	1,094,638.65	In progress
Buildings for alumina warehouse	1,168,365.73	In progress
Alumina Office	1,940,039.53	In progress
Alumina Dormitory Building	5,785,527.42	In progress
Alumina restaurant	1,682,880.65	In progress
Alumina plant-wide pneumatic station	32,428,048.32	In progress
Natural Gas Office Building	1,359,961.27	In progress
150MN extrusion workshop	148,650,408.21	In progress
Donghai Round Ingot Workshop	15,866,302.04	In progress
Forging - Office Building	4,039,140.82	In progress
Forging Plant	357,666,137.24	In progress
40,000 tonne aluminium foil plant	70,017,221.39	In progress
40,000 tonne aluminium foil general purpose warehouse	21,017,972.78	In progress
40,000 tonne aluminium foil oil depot	973,104.19	In progress
40,000 tonne aluminium foil circulation pump station	4,578,842.44	In progress
40,000 tonne aluminium foil power pneumatic station	914,474.23	In progress
40,000 tonne aluminium foil emergency water tower	831,250.41	In progress
Phase I Desulphurisation Process Building	5,418,406.31	In progress
2# slurry circulation pump room	2,102,231.73	In progress
1# slurry circulation pump room	1,392,415.66	In progress
Mechanical Performance Test Plant	7,933,687.45	In progress
Forging substations	16,468,855.28	In progress
Semi-works experiment centre plant	18,649,554.54	In progress
Forging surface treatment workshop	13,422,550.96	In progress
Medium thickness plate 110kV substations	8,621,120.31	In progress
Medium thickness plate scrap packing workshop	6,559,601.44	In progress
Medium thickness plate spare parts warehouse	6,155,229.15	In progress
Power mechanical repair workshop	5,262,608.68	In progress

Item	Book value	Reasons for not getting the certificate of title
4# slurry circulation pump room	2,685,564.88	In progress
Forging water treatment station, heat exchange station	6,449,702.82	In progress
Campus bathroom	1,983,913.35	In progress
Medium thickness plate general purpose fleet	1,534,584.60	In progress
Forging pneumatic station	1,475,236.33	In progress
Medium thickness plate slag room	264,012.83	In progress
4# Unit power distribution room, small room	617,880.61	In progress
Nanshan Aluminium Exhibition Hall	15,790,974.08	In progress
Aluminium 3D Warehouse and Accessories	32,702,622.46	In progress
Aluminium extrusion and painting workshop	117,140,522.49	In progress
Aluminium Water Centre	3,529,062.64	In progress
Purification workshop power distribution room	494,922.20	In progress
Sewage treatment pump room	181,764.00	In progress
Desulphurisation process building	2,178,720.89	In progress
Desulphurisation plant	2,950,656.65	In progress
Seawater desalination workshop	24,378,480.30	In progress
Medium thickness plate finished product warehouse	12,089,335.95	In progress
Total	1,613,669,610.68	-

(7) For details of fixed assets used as collateral or security at the end of the period, please refer to Note V(69) "Assets with restricted ownership rights or right to use".

(22) Construction in progress

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	18,329,339,658.35	-	18,329,339,658.35	16,597,609,887.82	-	16,597,609,887.82
Project materials	3,708,220.87	-	3,708,220.87	5,491,335.17	-	5,491,335.17
Total	18,333,047,879.22	-	18,333,047,879.22	16,603,101,222.99	-	16,603,101,222.99

2. Construction in progress

(1) Breakdown

Project name	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Donghai Development	13,811,480,602.62	-	13,811,480,602.62	12,825,023,006.58	-	12,825,023,006.58
Aluminium Thermal Engineering	3,563,768,894.99	-	3,563,768,894.99	2,314,953,765.79	-	2,314,953,765.79
Other	954,090,160.74	-	954,090,160.74	1,457,633,115.45	-	1,457,633,115.45
Subtotal	18,329,339,658.35	-	18,329,339,658.35	16,597,609,887.82	-	16,597,609,887.82

(2) Changes in key construction in progress

Project name	Budget (RMB0,000)	Opening balance	Increment this year	Conversion to fixed assets this year	Other decrements this year	Closing balance
Donghai Development	2,000,000.00	12,825,023,006.58	986,592,154.41	-	134,558.37	13,811,480,602.62

Project name	Budget (RMB0,000)	Opening balance	Increment this year	Conversion to fixed assets this year	Other decrements this year	Closing balance
Qingdao Airlines' Procurement of Aircraft Engines	-	501,365,386.92	55,517,669.51	-	556,883,056.43	-
1-million tonne alumina project at Bintan Nanshan Industrial Park, Indonesia	568,539.30	383,069,206.29	867,092,088.41	-	-	1,250,161,294.70
Annual production capacity of 14,000 tonnes of large precision moulded forgings	150,950.00	932,427,694.42	59,898,877.25	902,915,869.02	4,068,569.91	85,342,132.74
High strength and high tenacity high-end aluminium alloy production line for aerospace	104,262.00	591,220,162.35	432,039,875.27	35,112,720.53	-	988,147,317.09
Zero star project	-	368,756,697.44	404,332,032.47	414,170,213.34	14,487,062.00	344,431,454.57
Automotive Lightweight Aluminium Sheet Production Line	156,444.00	-	866,621,160.03	-	-	866,621,160.03
High performance high-end aluminium foil production line	45,309.00	-	25,095,605.44	-	-	25,095,605.44
Subtotal	3,025,504.30	15,601,862,154.00	3,697,189,462.79	1,352,198,802.89	575,573,246.71	17,371,279,567.19

Continued:

Project name	Percentage of project input to budget (%)	Project progress (%)	Accumulated amount of interest capitalized	Where: Amount of interest capitalized for the period	Interest capitalization rate for the period (%)	Source of funds
Donghai Development	69.06	-	3,167,537,140.38	487,171,249.26	-	Self-funded
Qingdao Airlines' Procurement of Aircraft Engines	-	-	142,138,447.71	24,655,604.39	-	Self-financing
1-million tonne alumina project at Bintan Nanshan Industrial Park, Indonesia	11.00	16.00	-	-	-	Fundraising
Annual production capacity of 14,000 tonnes of large precision moulded forgings	133.00	99.00	48,332,544.91	-	-	Self-funded
High strength and high tenacity high-end aluminium alloy production line for aerospace	57.00	62.00	-	-	-	Self-funded
Zero star project	-	-	-	-	-	Self-funded
Automotive Lightweight Aluminium Sheet Production Line	45.00	57.00	-	-	-	Self-funded

Project name	Percentage of project input to budget (%)	Project progress (%)	Accumulated amount of interest capitalized	Where: Amount of interest capitalized for the period	Interest capitalization rate for the period (%)	Source of funds
High Performance High-end Foil Production Line	5.00	8.00	-	-	-	Self-funded
Subtotal	-	-	3,358,008,133.00	511,826,853.65	-	-

(3) At the end of the period, no obvious sign of impairment of construction in progress was noted, so no provision for impairment was made.

(4) There was no construction in progress as at 31 December 2019 that was used as security for borrowings.

3. Project materials

(1) Breakdown

Item	Closing balance	Opening balance
Specialized materials	3,708,220.87	5,491,335.17

(2) At the end of the period, no obvious sign of impairment of project materials was noted, so no provision for impairment was made.

(23) Intangible assets

1. Breakdown

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Internal research and development	Increment from business merger	Other	Disposal	Other outbound transfer	
(1) Original book value								
Land use rights	7,457,304,705.41	47,541,132.55	-	-	75,432,857.49	-	10,398,315.21	7,569,880,380.24
Software	21,233,207.66	5,672,858.96	-	-	1,302,201.68	4,669,687.00	376,560.00	23,162,021.30

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Internal research and development	Increment from business merger	Other	Disposal	Other outbound transfer	
Trademark rights	180,700.00	-	-	-	-	-	-	180,700.00
Other	19,600,719.82	2,633,046.03	-	-	18,858,603.25	98,940.63	-	40,993,428.47
Total	7,498,319,332.89	55,847,037.54	-	-	95,593,662.42	4,768,627.63	10,774,875.21	7,634,216,530.01
(2) Accumulated amortisation		Provision	Other			Disposal	Other	
Land use rights	1,326,717,178.21	126,711,187.53	-	-	3,261,317.87	-	710,128.84	1,455,979,554.77
Software	13,519,986.49	5,730,987.91	-	-	19,526.58	877,545.84	376,560.00	18,016,395.14
Trademark rights	85,832.31	18,069.96	-	-	-	-	-	103,902.27
Other	15,948,493.51	2,762,763.72	-	-	33,290.32	4,601.01	-	18,739,946.54
Total	1,356,271,490.52	135,223,009.12	-	-	3,314,134.77	882,146.85	1,086,688.84	1,492,839,798.72
(3) Provision for impairment		Provision	Other			Disposal	Other	
Land use rights	-	-	-	-	-	-	-	-
Software	-	-	-	-	-	-	-	-
Trademark rights	-	-		-	-	-	-	-
Others	-	-		-	-	-	-	-
Total	-	-	-	-	-	-	-	-
(4) Book value								

Item	Opening balance	Increment this year				Decrement this year		Closing balance
		Procurement	Internal research and development	Increment from business merger	Other	Disposal	Other outbound transfer	
Land use rights	6,130,587,527.20	-	-	-	-	-	-	6,113,900,825.47
Software	7,713,221.17	-	-	-	-	-	-	5,145,626.16
Trademark rights	94,867.69	-	-	-	-	-	-	76,797.73
Other	3,652,226.31	-	-	-	-	-	-	22,253,481.93
Total	6,142,047,842.37	-	-	-	-	-	-	6,141,376,731.29

[Note] Amortisation for the period amounted to RMB135,223,009.12. The Company has no intangible assets developed through internal research and development.

2. At the end of the period, no obvious sign of impairment of intangible assets was noted, so no provision for impairment was made.

3. For details of intangible assets used as collateral or security at the end of the period, please refer to Note V(69) "Assets with restricted ownership rights or right to use".

4. Other in the increase and decease in the original value and accumulated amortisation of intangible assets for the period includes amounts due to the effect of changes in exchange rates.

(24) Long-term deferred expenses

Item	Opening balance	Increase in the current period	Amortisation for the period	Other decreases	Closing value	Reasons for other decreases
Overhaul start-up costs	100,190,187.20	60,186,372.73	68,690,486.11	33,108,064.14	58,578,009.68	-
Pilot Introduction Fee	613,702,689.39	139,601,070.01	186,820,521.52	566,483,237.88	-	-
Other	137,752,541.10	86,638,443.52	28,030,501.35	153,229,017.27	43,131,466.00	-
Total	851,645,417.69	286,425,886.26	283,541,508.98	752,820,319.29	101,709,475.68	-

[Note]：Included in the decrease are the long-term deferred expense of the subsidiaries that the Company disposed of during the period, i.e. Qingdao Airlines Co., Ltd, Nanshan Business Jet Co., Ltd. and Shandong Nanshan International Flight Co., Ltd., which is RMB750,114,987.57.

(25) Deferred income tax assets / deferred income tax liabilities

1. Deferred income tax assets without offsetting

Item	Closing balance		Opening balance	
	Deductible temporary differences	Deferred tax assets	Deductible temporary differences	Deferred tax assets
Provision for outstanding liabilities	4,958,068.60	1,239,517.15	5,430,348.84	1,357,587.21
Provision for Guaranteed Indemnity	58,320,908.36	14,580,227.09	65,013,136.16	16,253,284.04
Bad debt provision	185,602,197.77	30,427,512.98	171,753,953.95	33,933,330.37
Provision for impairment of fixed assets	513,000.00	76,950.00	513,000.00	76,950.00
Losses to be covered	717,770,638.37	152,273,263.67	649,670,777.20	136,238,440.09
Deferred revenue	41,930,803.59	6,333,370.57	33,127,662.25	7,681,915.56
Unrealised internal profit	330,881,158.86	71,541,376.84	214,344,637.38	50,803,149.90
Loss/gain on changes in fair value	1,531,753.68	382,938.42	4,457,110.36	1,113,377.59
Provision for loan losses	61,305,442.16	15,326,360.54	16,733,516.04	4,183,379.01
Provision for decline in value of inventories	68,985,404.79	12,043,957.24	70,643,219.43	12,718,675.98
Other comprehensive income	4,248,002.34	644,758.99	10,408,160.14	2,525,292.23
Difference in taxable asset value	14,986,257.92	3,746,564.48	2,267,641.16	566,910.29
Total	1,491,033,636.44	308,616,797.97	1,244,363,162.91	267,452,292.27

2. Deferred income tax liabilities without offseting

Item	Closing balance	Opening balance

	Taxable temporary differences	Deferred tax liabilities	Taxable temporary differences	Deferred tax liabilities
Loss/gain on changes in fair value	8,733,198.90	1,309,979.84	-	-
Other comprehensive income	3,623,881.46	711,797.87	204,000.00	30,600.00
Other	33,186,354.52	8,296,588.63	-	-
Total	45,543,434.88	10,318,366.34	204,000.00	30,600.00

(26) Other non-current assets

1. Breakdown

Item	Closing balance	Opening balance
Circulation Right for Equity Separation	307,370,229.05	307,370,229.05
Prepayments for purchase and construction of long-term assets	703,242,796.33	189,205,687.92
Other	383,539,959.00	347,520,000.00
Total	1,394,152,984.38	844,095,916.97

2. The prepayments for purchase and construction of long-term assets were mainly broken down as follows.:

Entity name	Relations with the Company	Closing balance	Time of Prepayment	Reasons for non-settlement
1st	Unrelated parties	124,035,776.44	Year 2019	Contract Advance
2nd	Unrelated parties	95,334,768.48	Year 2019	Contract Advance
3rd	Unrelated parties	25,867,822.20	2018-2019	Contract Advance
4th	Unrelated parties	23,594,812.40	2018-2019	Contract Advance
5th	Unrelated parties	22,944,000.00	2015-2019	Contract Advance
Total	-	291,777,179.52	-	-

(27) Short-term borrowings

1. Breakdown

Type of borrowings	Closing balance	Opening balance
Guaranteed loan	4,926,277,526.14	6,255,313,254.34
Accounts receivable secured loan	150,000,000.00	70,004,640.00
Pledged loan	340,000,000.00	705,147,200.00
Credit loan	3,839,000,000.00	822,000,000.00
Bill Discounting Facility	1,983,950,000.00	320,000,000.00

Type of borrowings	Closing balance	Opening balance
Letter of credit discounting facility	-	42,796,029.21
Total	11,239,227,526.14	8,215,261,123.55

2. The Company had no overdue short-term borrowings at the end of the reporting period.

3. For details of borrowings in foreign currencies at the end of the period, please refer to “Monetary Items in Foreign Currencies” in this Note V (70).

(28) Borrowings from Central Bank

Item	Closing balance	Opening balance
Bill Rediscounting	403,323,237.50	428,220,937.50

(29) Customer bank deposits and due to banks and other financial institutions

Item	Closing balance	Opening balance
Demand deposit from member entities	65,946,569.03	94,971,896.99

[Note] it represents deposits taken from members by Nanshan Group Finance Company Limited, a controlled subsidiary of the Company.

(30) Held-for-trading financial liabilities

Item	Closing fair value	Opening fair value
Held-for-trading financial liabilities	-	9,000.00
Where: issued transaction bonds	-	-
Others	-	9,000.00
Financial liabilities designated as measured at fair value through changes in profit or loss	-	-
Total	-	9,000.00

(31) Derivative financial liabilities

1. Breakdown

Item	Closing balance	Opening balance
Hedging Instruments	4,248,002.34	10,408,160.14

2. Other Description

The Company's derivative financial liabilities at the end of the reporting period represent floating losses on aluminium futures contracts held as effective hedges.

3. For details of derivative financial liabilities in foreign currency, please refer to Note V(70) "Monetary items in foreign currencies".

(32) Notes payable

Type	Closing value	Opening balance
Banker's acceptance bill	4,640,728,657.12	2,528,064,104.27
Trade acceptance bill	428,576,467.06	804,027,935.11
Total	5,069,305,124.18	3,332,092,039.38

[Note] No notes payable were due and unpaid at the end of the period.

(33) Accounts Payable

1. Breakdown

Account age	Closing value	Opening value
Less than 1 year	3,445,365,195.55	2,752,226,299.19
1 to 2 years	658,910,589.08	1,196,604,636.56
2 to 3 years	559,007,182.50	499,460,093.21
More than 3 years	929,692,180.56	758,871,262.74
Total	5,592,975,147.69	5,207,162,291.70

2. The company's accounts payable of more than one year at the end of the reporting period are mainly unpaid payments for construction.

3. For details of accounts payable in foreign currencies at the end of the period, please refer to “Monetary Items in Foreign Currencies” in this Note V (70).

(34) Advance receipts

1. Breakdown

Account age	Closing value	Opening value
Less than 1 year	2,194,837,635.77	1,663,305,932.33
1 to 2 years	584,901,878.59	240,416,543.05
2 to 3 years	42,570,598.61	168,978,890.24
More than 3 years	305,406,219.67	382,064,987.47
Total	3,127,716,332.64	2,454,766,353.09

2. The company's advance receipts of more than one year at the end of the reporting period mainly consisted of advance receipts for real estate sales and natural gas specific supporting fees.

(35) Assets sold under agreements to repurchase

Item	Closing balance	Opening balance
Interbank and other financial institutions - Bonds	862,100,000.00	722,000,000.00

[Note] The sale and repurchase of financial assets was a repurchase operation conducted by Nanshan Group Finance Limited, a controlled subsidiary of the Company.

(36) Employee benefits payable

1. Breakdown

Item	Opening balance	Increment this year	Decrement this year	Closing balance
(1) Short-term renumeration	771,061,265.86	3,007,363,564.87	2,919,878,224.36	858,546,606.37
(2) Post-employment benefits - defined contribution plan	1,050,761.59	144,031,975.15	143,387,117.89	1,695,618.85
(3) Dismissal benefits	-	-	-	-
(4) Other benefits due within one year	-	-	-	-
Total	772,112,027.45	3,151,395,540.02	3,063,265,342.25	860,242,225.22

2. Short-term renumeration

Item	Opening balance	Increment this year	Decrement this year	Closing balance
(1) Wages, bonuses, allowances and subsidies	435,153,913.34	2,735,555,576.62	2,703,499,062.65	467,210,427.31
(2) Staff Welfare Payments	2,368,486.03	102,776,862.20	102,648,229.81	2,497,118.42
(3) Social insurance premiums	699,828.02	83,830,398.53	83,971,144.79	559,081.76
Where: Medical insurance premiums	564,938.88	67,428,538.79	67,568,213.13	425,264.54
Worker’s compensation insurance premiums	90,571.96	7,882,771.93	7,896,241.54	77,102.35
Maternity insurance premiums	44,317.18	6,356,190.56	6,343,792.87	56,714.87
Other	-	2,162,897.25	2,162,897.25	-
(4) Housing provident fund	891,309.41	16,509,571.78	15,675,115.18	1,725,766.01
(5) Funding for trade unions and vocational education	331,943,599.73	67,812,994.24	13,291,390.58	386,465,203.39
(6) Other short-term benefits	4,129.33	878,161.50	793,281.35	89,009.48
(7) Short-term profit sharing schemes	-	-	-	-
Subtotal	771,061,265.86	3,007,363,564.87	2,919,878,224.36	858,546,606.37

3. Defined contribution plan

Item	Closing balance	Increase during the period	Decrement this year	Closing balance
(1) Basic pension insurance	1,012,726.85	137,282,961.62；	136,966,522.83；	1,329,165.64

Item	Opening balance	Increment this year	Decrement this year	Closing balance
(2) Unemployment insurance premiums	38,034.74	6,749,013.53	6,420,595.06	366,453.21
(3) Corporate Pension Payment	-	-	-	-
Subtotal	1,050,761.59	144,031,975.15	143,387,117.89	1,695,618.85

(37) Taxes and rate payable

Item	Closing balance	Opening value
VAT	215,974,870.95	168,572,416.85
Consumption tax	11,822,016.26	9,428,773.35
Urban maintenance and construction tax	10,877,157.03	7,263,916.31
Enterprise income tax	890,347,110.80	1,059,113,108.75
Property tax	25,607,613.14	29,724,498.67
Land value added tax	41,418,896.21	99,508,053.42
Land use tax	13,896,404.09	20,027,608.17
Education surcharge	4,712,478.10	2,771,454.68
Local education surcharge	3,441,487.58	3,515,569.44
Special fund for water conservancy construction	2,305,290.84	3,004,404.14
Personal income tax withholding	2,094,417.87	4,794,704.49
Other	12,537,619.92	9,864,460.33
Total	1,235,035,362.79	1,417,588,968.60

(38) Other payables

1. Breakdown

Item	Closing balance	Opening value
Interest payable	671,219,181.99	686,839,312.89
Dividend payable	6,107,297.49	6,107,297.49
Other payables	4,545,232,234.29	3,842,907,531.98
Total	5,222,558,713.77	4,535,854,142.36

2. Interest payable

(1) Breakdown

Item	Closing balance	Opening balance
Interest on corporate borrowings	49,612,059.45	28,611,340.33
Corporate bond interest	621,607,122.54	658,227,972.56
Subtotal	671,219,181.99	686,839,312.89

(2) The Company had no overdue interest payable at the end of the reporting period.

3. Dividend payable

Item	Closing balance	Opening balance
Dividends on ordinary shares	6,107,297.49	6,107,297.49

4. Other payables

(1) Breakdown

Item	Closing balance	Opening balance
Inter-group current accounts - entities	3,333,849,668.57	3,184,412,202.87
Inter-group current accounts - individuals	333,078,342.99	228,459,265.67
Security deposit and guarantee	246,175,813.85	212,907,841.36
Shareholders' Contribution	368,990,841.67	185,062,529.71
Other	263,137,567.21	32,065,692.37
Subtotal	4,545,232,234.29	3,842,907,531.98

[Note] The portion of other payables as at 31 December 2019, in which the shareholders' capital contribution was the excess of the actual investment by the minority shareholders of a controlled subsidiary of Shandong Nanshan Aluminum Industry Co., Ltd. a subsidiary of the Company, over its subscribed registered capital amounted to RMB188,109,514.48; A portion of the amount of RMB180,881,327.19 was contributed by a minority shareholder of the controlled subsidiary and was temporarily recorded as other payables as the statutory change procedures had not been completed.

(2) For details of other payables in foreign currencies at the end of the period, please refer to “Monetary Items in Foreign Currencies” in this Note V (70).

(39) Non-current liabilities due within one year

1. Breakdown

Item	Closing balance	Opening balance
Long-term borrowings due within one year	2,636,892,038.08	3,105,632,838.08
Bonds payables due within one year	3,212,798,578.19	3,953,998,539.69
Long-term payables due within one year	250,899,590.39	345,511,034.38
Total	6,100,590,206.66	7,405,142,412.15

2. Long-term borrowings due within one year

(1) Breakdown

Type of borrowings	Closing balance	Opening balance
Pledged loan	66,666,666.64	66,666,666.64
Mortgage / guaranteed loan	1,142,024,171.44	725,048,571.44
Guaranteed loan	350,201,200.00	776,317,600.00
Credit loan	578,000,000.00	1,537,600,000.00
Pledge / Guarantee	500,000,000.00	-
Subtotal	2,636,892,038.08	3,105,632,838.08

[Note] There are no overdue loans under the long-term loans due within one year.

(2) Top 5 long-term loans due within one year in terms of amount

Loan provider	Start Date	Due Date	Currency	Annual interest rate (%)	Closing balance	
					Original Currency Amount	RMB Amount
Bohai Bank Yantai Sub-branch	2017/6/30	2020/6/30	RMB	5.23	74,000,000.00	74,000,000.00
	2018/12/5	2020/10/27	RMB	5.23	112,000,000.00	112,000,000.00
	2019/6/21	2020/10/27	RMB	5.23	252,000,000.00	252,000,000.00
National Development Bank	2005/10/13	2020/3/15	RMB	4.90	62,360,000.00	62,360,000.00
	2012/6/28	2020/5/20	RMB	4.655	174,860,000.00	174,860,000.00
	2012/6/28	2020/11/20	RMB	4.655	187,350,000.00	187,350,000.00
Industrial and Commercial Bank of China Limited	2015/12/22	2020/3/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/6/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/9/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/12/15	RMB	4.90	22,857,142.86	22,857,142.86
	2016/8/29	2020/2/25	RMB	4.90	33,333,333.32	33,333,333.32
	2016/8/29	2020/8/25	RMB	4.90	33,333,333.32	33,333,333.32
	2018/1/3	2020/1/2	RMB	5.80	140,000,000.00	140,000,000.00
CITIC Trust Co., Ltd.	2017/7/10	2020/1/9	RMB	6.70	10,000,000.00	10,000,000.00
	2017/7/10	2020/7/10	RMB	6.70	383,880,000.00	383,880,000.00
Jilin Province Trust Co., Ltd.	2018/10/23	2020/10/23	RMB	7.40	500,000,000.00	500,000,000.00
Subtotal	-	-		-	2,054,545,238.08	2,054,545,238.08

Continued:

Loan provider	Start Date	Due Date	Currency	Annual interest rate (%)	Opening balance	
					Original Currency Amount	RMB Amount
Bohai Bank Yantai Sub-branch	2017/6/30	2020/6/30	RMB	5.23	29,600,000.00	29,600,000.00
	2018/12/5	2020/10/27	RMB	5.23	28,000,000.00	28,000,000.00
	2019/6/21	2020/10/27	RMB	5.23	-	-
National Development Bank	2005/10/13	2020/10/12	RMB	4.90	62,500,000.00	62,500,000.00
	2012/6/28	2020/5/20	RMB	4.655	174,860,000.00	174,860,000.00
	2012/6/28	2020/11/20	RMB	4.655	174,860,000.00	174,860,000.00
Industrial and Commercial Bank of China Limited	2015/12/22	2020/3/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/6/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/9/15	RMB	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/12/15	RMB	4.90	22,857,142.86	22,857,142.86
	2016/8/29	2020/2/25	RMB	4.90	33,333,333.32	33,333,333.32
	2016/8/29	2020/8/25	RMB	4.90	33,333,333.32	33,333,333.32
	2018/1/3	2020/1/2	RMB	5.80	140,000,000.00	140,000,000.00
CITIC Trust Co., Ltd.	2017/7/10	2020/1/9	RMB	6.70	10,000,000.00	10,000,000.00
	2017/7/10	2020/7/10	RMB	6.70	10,000,000.00	10,000,000.00
Jilin Province Trust Co., Ltd.	2018/10/23	2020/10/23	RMB	7.40	-	-
Subtotal	-	-	-	-	787,915,238.08	787,915,238.08

3. Bonds payables due within one year

Name of bonds	Face value	Issue date	Duration (years)	Amount issued	Opening interest payable
15 Nanlv 01	500,000,000.00	2015/9/25	5	500,000,000.00	6,672,054.80
15 Nanlv 02	1,000,000,000.00	2015/9/25	5	1,000,000,000.00	4,368,061.37
09 Corporate Bonds	955,001,000.00	2009/10/20	10	955,001,000.00	14,325,015.00
14 Nanshan Group MTN001	1,000,000,000.00	2014/5/8	5	1,000,000,000.00	55,958,333.33
16 Nanshan Group MTN001	1,000,000,000.00	2016/6/24	3	1,000,000,000.00	23,327,777.78
16 Nanshan Group MTN002	1,000,000,000.00	2016/11/4	3	1,000,000,000.00	5,541,666.67
17 Nanshan Group MTN001	1,000,000,000.00	2017/8/22	3	1,000,000,000.00	21,760,555.54

Name of bonds	Face value	Issue date	Duration (years)	Amount issued	Opening interest payable
17 Nanshan Group MTN002	1,000,000,000.00	2017/10/23	3	1,000,000,000.00	10,829,166.67
15 Nanshan 02	1,000,000,000.00	2015/12/25	5	1,000,000,000.00	273,334.60
Subtotal	8,455,001,000.00	-	-	8,455,001,000.00	143,055,965.76

Continued:

Name of bonds	Interest payable for the period	Interest paid during the period	Closing interest payable	Closing amount
15 Nanlv 01	24,849,999.99	24,850,000.00	6,672,054.79	499,291,443.95
15 Nanlv 02	16,268,800.00	16,268,800.00	4,368,061.37	324,344,523.52
09 Corporate Bonds	57,301,059.99	71,626,074.99	-	-
14 Nanshan Group MTN001	27,861,111.22	83,819,444.55	-	-
16 Nanshan Group MTN001	20,872,222.22	44,200,000.00	-	-
16 Nanshan Group MTN002	29,555,555.57	35,097,222.24	-	-
17 Nanshan Group MTN001	59,800,000.00	59,800,000.00	21,760,555.54	1,000,000,000.00
17 Nanshan Group MTN002	56,500,000.00	56,500,000.00	10,829,166.67	1,000,000,000.00
15 Nanshan 02	22,354,865.68	22,257,246.00	370,954.28	389,162,610.72
Subtotal	315,363,614.67	414,418,787.78	44,000,792.65	3,212,798,578.19

4. Long-term payables due within one year

Name of Payee	Term of Payment	Principal	Interest (%)	Interest accrued	Closing balance	REMARKS
Nanshan Financial Leasing (Tianjin) Co., Ltd.	Twice a year	150,000,000.00	7.10	10,644,600.00	30,000,000.00	Finance Lease
Nanshan Financial Leasing (Tianjin) Co., Ltd.	Twice a year	100,000,000.00	7.10	7,096,400.00	20,000,000.00	Finance Lease
SPDB Financial Leasing Co., Ltd.	Four times a year	250,000,000.00	4.75	9,530,829.36	80,373,971.20	Finance Lease
Nanshan Financial Leasing (Tianjin) Co., Ltd.	Twice a year	58,000,000.00	12.55	7,006,425.27	8,960,240.73	Finance Lease
SPDB Financial Leasing Co., Ltd.	Four times a year	200,000,000.00	4.75	7,560,416.67	100,000,000.00	Finance Lease
Nanshan Financial Leasing (Tianjin) Co., Ltd.	Twice a year	24,500,000.00	11.68	953,703.33	8,166,666.67	Finance Lease
Nanshan Financial Leasing (Tianjin) Co., Ltd.	Twice a year	20,900,000.00	12.55	2,657,610.21	3,398,711.79	Finance Lease
Subtotal		803,400,000.00		45,449,984.84	250,899,590.39	

5. For details of non-current liabilities due within on year in foreign currencies at the end of the period, please refer to “Monetary Items in Foreign Currencies” in this Note V (70).

(40) Other current liabilities

1. Breakdown

Item and Content	Closing balance	Opening balance
Short-term Bonds payable	5,500,000,000.00	6,500,000,000.00
Other	82,540,717.10	169,588,895.53
Total	5,582,540,717.10	6,669,588,895.53

2. Increase/decrease in Short-term bonds payable:

Name of bonds	Face value	Issue date	Payment Date	Bond period	Amount issued
18 Nanshan Group CP001	1,000,000,000.00	2018/4/23	2019/4/23	12 months	1,000,000,000.00
18 Nanshan Group SCP004	1,000,000,000.00	2018/5/25	2019/2/19	9 months	1,000,000,000.00
18 Nanshan Group SCP005	500,000,000.00	2018/7/16	2019/4/12	9 months	500,000,000.00
18 Nanshan Group SCP006	1,000,000,000.00	2018/8/9	2019/5/6	9 months	1,000,000,000.00
18 Nanshan Group SCP007	1,000,000,000.00	2018/9/17	2019/6/14	9 months	1,000,000,000.00
18 Nanshan Group SCP008	1,000,000,000.00	2018/10/15	2019/7/12	9 months	1,000,000,000.00
18 Nanshan Group SCP009	1,000,000,000.00	2018/11/28	2019/8/25	9 months	1,000,000,000.00
19 Nanshan Group SCP002	1,000,000,000.00	2019/4/22	2020/1/17	8 months	1,000,000,000.00
19 Nanshan Group SCP003	1,000,000,000.00	2019/5/13	2020/2/7	8 months	1,000,000,000.00
19 Nanshan Group SCP004	500,000,000.00	2019/6/24	2020/3/20	8 months	500,000,000.00
19 Nanshan Group SCP005	1,000,000,000.00	2019/8/16	2020/5/12	8 months	1,000,000,000.00
19 Nanshan Group SCP006	500,000,000.00	2019/9/3	2020/5/30	8 months	500,000,000.00
19 Nanshan Group SCP001	1,000,000,000.00	2019/2/25	2019/11/22	8 months	1,000,000,000.00
19 Nanshan Group CP001	1,000,000,000.00	2019/5/28	2020/5/28	12 months	1,000,000,000.00
19 Nanshan Group CP002	500,000,000.00	2019/10/25	2020/10/25	12 months	500,000,000.00
Subtotal	13,000,000,000.00	-	-	-	13,000,000,000.00

Continued:

Name of bonds	Opening balance	Current issue	Interests provided in face value	Repayment this year	Closing balance
CP001	1,000,000,000.00	-	-	1,000,000,000.00	-
18 Nanshan Group SCP004	1,000,000,000.00	-	-	1,000,000,000.00	-
18 Nanshan Group SCP005	500,000,000.00	-	-	500,000,000.00	
18 Nanshan Group SCP006	1,000,000,000.00	-	-	1,000,000,000.00	
18 Nanshan Group SCP007	1,000,000,000.00	-	-	1,000,000,000.00	-

Name of bonds	Opening balance	Current issue	Interests provided in face value	Repayment this year	Closing balance
18 Nanshan Group SCP008	1,000,000,000.00	-	-	1,000,000,000.00	-
18 Nanshan Group SCP009	1,000,000,000.00	-	-	1,000,000,000.00	-
19 Nanshan Group SCP002	-	1,000,000,000.00	-	-	1,000,000,000.00
19 Nanshan Group SCP003	-	1,000,000,000.00	-	-	1,000,000,000.00
19 Nanshan Group SCP004	-	500,000,000.00	-	-	500,000,000.00
19 Nanshan Group SCP005	-	1,000,000,000.00		-	1,000,000,000.00
19 Nanshan Group SCP006	-	500,000,000.00	-	-	500,000,000.00
19 Nanshan Group SCP001	-	1,000,000,000.00	-	1,000,000,000.00	-
19 Nanshan Group CP001	-	1,000,000,000.00	-	-	1,000,000,000.00
19 Nanshan Group CP002	-	500,000,000.00	-	-	500,000,000.00
Subtotal	6,500,000,000.00	6,500,000,000.00		7,500,000,000.00	5,500,000,000.00

(41) Long-term borrowings

1. Breakdown

Type of borrowings	Closing balance	Opening balance
Guaranteed Borrowings	3,308,325,329.33	464,303,565.93
Pledged loan	133,333,333.44	1,478,000,000.08
Pledge/Guarantee	2,331,778,014.29	3,878,929,702.39
Credit loan	420,000,000.00	1,346,000,000.00
Total	6,193,436,677.06	7,167,233,268.40

2. The Company had no long term loans overdue at the end of the reporting period.

3. For details of long-term borrowings in foreign currencies at the end of the period, please refer to “Monetary Items in Foreign Currencies” in this Note V (70).

(42) Bonds payable

1. Breakdown

Item	Closing balance	Opening balance
Face value	15,751,713,000.00	18,715,854,000.00
Interest adjustment	-44,292,069.22	-61,811,180.93

Item	Closing balance	Opening balance
Total	15,707,420,930.78	18,654,042,819.07

2. Changes in bonds payables (excluding preferred stock, perpetual bonds and other financial instruments classified as financial liabilities)

Name of bonds	Face value	Issue date	Bond duration (years)	Amount issued	Opening balance
15 Nanlv 01	500,000,000.00	2015/9/25	5.00	500,000,000.00	498,710,794.14
15 Nanlv 02	1,000,000,000.00	2015/9/25	5.00	1,000,000,000.00	322,886,646.13
17 Nanlv Bond	1,500,000,000.00	2017/8/28	5.00	1,500,000,000.00	1,493,339,086.16
17 Nanshan Group MTN001	1,000,000,000.00	2017/8/22	3.00	1,000,000,000.00	1,000,000,000.00
17 Nanshan Group MTN002	1,000,000,000.00	2017/10/23	3.00	1,000,000,000.00	1,000,000,000.00
18 Nanshan Group MTN002	500,000,000.00	2018/10/22	3.00	500,000,000.00	500,000,000.00
18 Nanshan Group MTN001	1,000,000,000.00	2018/4/12	3.00	1,000,000,000.00	1,000,000,000.00
19 Nanshan Group MTN001	500,000,000.00	2019/4/12	3.00	500,000,000.00	-
19 Nanshan Group MTN002	500,000,000.00	2019/5/31	3.00	500,000,000.00	-
16 Nanshan 01	2,500,000,000.00	2016/3/14	5.00	2,500,000,000.00	2,492,575,534.06
15 Nanshan 02	1,000,000,000.00	2015/12/25	5.00	1,000,000,000.00	387,800,457.23
16 Nanshan 03	2,400,000,000.00	2016/5/26	5.00	2,400,000,000.00	2,392,152,530.62
16 Nanshan 04	900,000,000.00	2016/8/29	5.00	900,000,000.00	896,780,277.73
16 Nanshan 06	700,000,000.00	2016/11/16	5.00	700,000,000.00	697,298,466.19
16 Nanshan 07	800,000,000.00	2016/11/16	5.00	800,000,000.00	796,897,287.96
16 Nanshan 05	700,000,000.00	2016/8/29	5.00	700,000,000.00	697,477,961.57
17 Nanshan 01	500,000,000.00	2017/7/25	5.00	500,000,000.00	497,616,381.34
17 Nanshan 02	500,000,000.00	2017/8/14	5.00	500,000,000.00	497,582,376.71
18 Nanshan 02	700,000,000.00	2018/4/19	5.00	700,000,000.00	696,231,257.72
18 Nanshan 03	1,100,000,000.00	2018/8/17	3.00	1,100,000,000.00	1,093,966,743.91
18 Nanshan 05	500,000,000.00	2018/12/25	3.00	500,000,000.00	399,252,733.13
18 Nanshan 01	1,300,000,000.00	2018/4/19	3.00	1,300,000,000.00	1,293,474,284.47
19 Nanshan 01	1,000,000,000.00	2019/1/21	3.00	1,000,000,000.00	-
19 Nanshan 03	1,000,000,000.00	2019/6/18	3.00	1,000,000,000.00	-
19 Nanshan 04	1,000,000,000.00	2019/8/7	3.00	1,000,000,000.00	-

Name of bonds	Face value	Issue date	Bond duration (years)	Amount issued	Opening balance
19 Nanshan 05	500,000,000.00	2019/10/22	3.00	500,000,000.00	-
Subtotal	24,600,000,000.00		-	24,600,000,000.00	18,654,042,819.07

Continued:

Name of bonds	Current issue	Interest adjustment	Repayment this year	Transfer to non-current liabilities due within one year	Closing balance
15 Nanlv 01	-	580,649.81	-	499,291,443.95	-
15 Nanlv 02	-	1,457,877.39	-	324,344,523.52	-
17 Nanlv Bond	-	1,847,258.43	-	-	1,495,186,344.59
17 Nanshan Group MTN001			-	1,000,000,000.00	-
17 Nanshan Group MTN002		-	-	1,000,000,000.00	-
18 Nanshan Group MTN002	-	-	-	-	500,000,000.00
18 Nanshan Group MTN001			-	-	1,000,000,000.00
19 Nanshan Group MTN001	500,000,000.00	-	-	-	500,000,000.00
19 Nanshan Group MTN002	500,000,000.00		-	-	500,000,000.00
16 Nanshan 01	-	3,421,472.94	324,297,000.00	-	2,171,700,007.00
15 Nanshan 02		1,362,153.49	-	389,162,610.72	
16 Nanshan 03		3,283,608.16	2,324,790,000.00	-	70,646,138.78
16 Nanshan 04		1,205,657.41	691,200,000.00	-	206,785,935.14
16 Nanshan 06		929,415.63	558,000,000.00	-	140,227,881.82
16 Nanshan 07	-	1,065,664.54	-	-	797,962,952.50
16 Nanshan 05	-	943,441.40	-	-	698,421,402.97
17 Nanshan 01	-	646,092.96	-	-	498,262,474.30
17 Nanshan 02	-	644,124.03	-	-	498,226,500.74
18 Nanshan 02	-	648,684.24	-	-	696,879,941.96
18 Nanshan 03	-	1,586,114.30	-	-	1,095,552,858.21
18 Nanshan 05	-	210,448.15	350,000,000.00	-	49,463,181.28
18 Nanshan 01	-	1,914,315.81	-	-	1,295,388,600.28
19 Nanshan 01	1,000,000,000.00	-1,416,776.64	-	-	998,583,223.36
19 Nanshan 03	1,000,000,000.00	-3,883,289.16	-	-	996,116,710.84

Name of bonds	Current issue	Interest adjustment	Repayment this year	Transfer to non-current liabilities due within one year	Closing balance
19 Nanshan 04	1,000,000,000.00	-1,221,162.22	-	-	998,778,837.78
19 Nanshan 05	500,000,000.00	-762,060.77	-	-	499,237,939.23
Subtotal	4,500,000,000.00	14,463,689.90	4,248,287,000.00	3,212,798,578.19	15,707,420,930.78

3. Other Description

(1) On 25 September 2015, Nanshan Aluminium, a subsidiary of the Company, issued RMB1.5 billion corporate bonds at par, of which.: Tranche 1 15Nanlv 01 with an actual issue size of RMB500 million for a term of 5 years at a final coupon rate of 4.97%; Tranche 2 15Nanlv 02 with an actual issue size of RMB1 billion for a term of 10 years at a final coupon rate of 4.40%.

(2) On 28 August 2017, Nanshan Aluminium, a subsidiary of the Company, issued a corporate bond of RMB1.5 billion at par value, which was abbreviated as "17 Nanlv Bond", with an actual issue size of RMB1.5 billion for a term of 5 years at a final coupon rate of 5.37%.

(3) On 12 April 2019, the Company issued RMB500 million corporate bonds at par, which was abbreviated as "19 Nanshan Group MTN001", with an actual issue size of RMB500 million for at term 3 years at a final coupon rate of 5.70%.

(4) On 31 May 2019, the Company issued RMB500 million corporate bonds at par, which was abbreviated as "19 Nanshan Group MTN002", with an actual issue size of RMB500 million for at term 3 years at a final coupon rate of 5.39%.

(5) On 21 January 2019, the Company issued RMB1 billion corporate bonds at par, which was abbreviated as "19 Nanshan 01", with an actual issue size of RMB1 billion for at term 3 years at a final coupon rate of 5.30%.

(6) On 18 June 2019, the Company issued RMB1 billion corporate bonds at par, which was abbreviated as "19 Nanshan 03", with an actual issue size of RMB1 billion for at term 3 years at a final coupon rate of 5.50%.

(7) On 7 August 2019, the Company issued RMB1 billion corporate bonds at par, which was abbreviated as "19 Nanshan 04", with an actual issue size of RMB1 billion for at term 3 years at a final coupon rate of 5.10%.

(8) On 22 October 2019, the Company issued RMB500 million corporate bonds at par, which was abbreviated as "19 Nanshan 05", with an actual issue size of RMB500 million for at term 3 years at a final coupon rate of 5.40%.

(43) Long-term payables

1. Breakdown

Item	Closing balance	Opening balance
Long-term payables	620,832,551.64	1,262,345,347.96

2. Long-term payables

(1) Breakdown

Item	Closing balance	Opening balance

Item	Closing balance	Opening balance
Finance Lease	561,952,551.64	1,197,547,897.96
Security deposit for financial leasing	58,880,000.00	64,797,450.00
Subtotal	620,832,551.64	1,262,345,347.96

(2) For details of long-term payables in foreign currencies at the end of the period, please refer to “Monetary Items in Foreign Currencies” in this Note V (70).

(44) Deferred revenue

1. Breakdown

Item	Opening balance	Increment this year	Decrement this year	Closing balance	Reasons of formation
Government subsidies	662,281,465.34	154,820,032.84	49,341,892.50	767,759,605.68	Fiscal grant received
Other	9,834,770.39	1,343,773.71	6,263,685.66	4,914,858.44	-
Total	672,116,235.73	156,163,806.55	55,605,578.16	772,674,464.12	-

2. Items involving government grants:

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
VAT rebate on purchases of domestically produced equipment	20,777,405.57	-	Other gains	2,886,131.16	-	17,891,274.41	Assets-related
VAT rebate on purchases of domestically produced equipment	11,411,884.60	-	Other gains	1,909,752.72	-	9,502,131.88	Assets-related
VAT rebate on purchases of domestically produced equipment	9,482,863.23	-	Other gains	1,215,837.00	-	8,267,026.23	Assets-related
Funding for Key Technology Topics on Short Process Alloying and Plastic Forming of Aluminium Liquids	2,604,666.65	-	Other gains	368,000.04	-	2,236,666.61	Assets-related
Funding for the development of a public service platform for aluminium smelting and aluminium processing	466,666.53	-	Other gains	66,666.72	-	399,999.81	Assets-related
Budget for production line of 220,000 tonnes per annum of new alloy materials for rail transportation	8,124,412.59	-	Other gains	706,470.72	-	7,417,941.87	Assets-related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
Funding for the development of high performance aluminium alloy medium thickness plates	13,750,000.00	-	Other gains	1,000,000.00	-	12,750,000.00	Assets-related
Funds for High Performance Aluminium Alloy Sheet and Strip Engineering Research Centre	346,666.66	-	Other gains	26,666.64	-	320,000.02	Assets-related
High Performance Specialty Aluminium Alloy Materials Production Line Project	822,222.22	-	Other income	66,666.67	-	755,555.55	Assets-related
National subsidies for major demonstration projects on circular economy and resource conservation (key energy-saving projects) and major industrial pollution projects	8,555,555.55	-	Other income	666,666.67	-	7,888,888.88	Assets-related
Aluminium Alloy Melting and Casting Production Line System Optimisation Project	493,333.33	-	Other income	40,000.00	-	453,333.33	Assets-related
Red mud filtration waste water recycling project	1,900,000.40	-	Other income	199,999.92	-	1,700,000.48	Assets-related
Funds for Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization	9,652,777.51	-	Other income	833,333.40	-	8,819,444.11	Assets-related

(Second Batch of Investment Plans Within the Budget of the Central Government 2012)							
Funds for Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization (Second Batch of Investment Plans Within the Budget of the Central Government 2011)	3,078,703.55	-	Other income	277,777.80	-	2,800,925.75	Assets-related
Funds for research and industrialisation of aluminium alloy foils for heat exchangers in automobiles	500,000.24	-	Other income	62,499.96	-	437,500.28	Assets-related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
Funds for Excellence Centre Innovation Capacity Building Project	3,888,888.80	-	Other income	277,777.80	-	3,611,111.00	Assets-related
Funding for Aluminium Alloy Sheet and Strip Production Project	706,666.51	-	Other income	80,000.04	-	626,666.47	Assets-related
Government subsidy for 100,000 tonnes per annum high performance metal materials production line for rail transportation	6,000,000.00	-	Other income	1,000,000.00	-	5,000,000.00	Assets-related
Large-scale precision mould production line renovation project	1,600,000.00	-	Other income	200,000.00	-	1,400,000.00	Assets-related
Funding for lightweight high performance aluminium alloy sheet and strip for rail vehicles project	18,000,000.00	-	Other income	2,000,000.00	-	16,000,000.00	Assets-related
Grant for 150MN Engineering Technology Renovation Project	766,666.65	-	Other income	66,666.68	-	699,999.97	Assets-related
Funding for the technical renovation of new 150MN large high-strength and high-tensile aluminium alloy material production line for transportation	28,803,666.65	-	Other income	2,504,666.68	-	26,298,999.97	Assets-related
Development and industrialisation of 150MN large format ultra-high strength, high toughness and corrosion resistant aluminium alloy material for aerospace	2,400,000.00	-	Other income	200,000.00	-	2,200,000.00	Assets-related
Funding for	1,398,148.17	-	Other income	111,111.12	-	1,287,037.05	Assets-related

Cogeneration Unit Denitrification Renovation Project							
Funding for Donghai Thermal Power Low NOx Combustion Renovation Project	1,388,390.97	-	Other income	311,819.56	-	1,076,571.41	Assets-related
Denitrification, desulphurisation and de-dusting efficiency improvement project for cogeneration units	2,795,555.34	-	Other income	246,666.68	-	2,548,888.66	Assets-related
Heat and Power Phase I Desulphurisation and De-dusting Renovation Project	3,466,666.72	-	Other income	266,666.64	-	3,200,000.08	Assets-related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	6,933,333.34	-	Other income	533,333.40	-	6,399,999.94	Assets-related
Tax Value Enhancement Scheme Funding	2,062,391.60	-	Other income	1,033,620.00	-21,146.50	1,049,918.10	Assets-related
14,000 tonnes per annum large moulded forgings project	950,000.00	-	Other income	36,111.11	-	913,888.89	Assets-related
Aerospace Alloy Materials Production Line Technical Renovation Project	1,900,000.00	-	Other income	72,222.22		1,827,777.78	Assets-related
Aerospace New Materials Production Line Post-processing Technology Renovation Project	1,900,000.00	-	Other income	72,222.22		1,827,777.78	Assets-related
Provincial funding for machine for human technology transformation projects	1,900,000.00		Other income	72,222.22	-	1,827,777.78	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2015	25,333,333.33	-	Other income	2,000,000.00	-	23,333,333.33	Assets-related
Funding for 20,000 tonnes per annum wide width automotive aluminium sheet production line technical transformation project	37,152,177.77	-	Other income	2,933,066.67	-	34,219,111.10	Assets-related
Desulphurisation and de-dusting project	1,633,333.34	-	Other income	133,333.32	-	1,500,000.02	Assets-related

Electrolytic aluminium and supporting carbon production line flue gas desulphurisation and efficient de-dusting treatment project	16,710,000.00	-	Other income	1,114,000.00	-	15,596,000.00	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2016	22,551,273.43	-	Other income	1,734,713.28	-	20,816,560.15	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2016	28,500,000.00	-	Other income	1,083,333.33	-	27,416,666.67	Assets-related
Marine High Performance, Medium Strength, Weldable and Corrosion Resistant Aluminium Alloy Sheets R&D Project	838,888.88	-	Other income	66,666.67	-	772,222.21	Assets-related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
Aerospace high strength and high tenacity high-end aluminium alloy production line project	100,000,000.00	100,000,000.00	Other income	-	-	200,000,000.00	Assets-related
High Speed Train 7050 aluminium alloy axle-box forging technology research and development	2,000,000.00	-	Other income	11,111.11	-	1,988,888.89	Assets-related
Municipal Special Funds for Industrial Transformation and Upgrading 2016	4,333,333.30	-	Other income	333,333.36	-	3,999,999.94	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2017	1,365,833.31	-	Other income	99,333.36	-	1,266,499.95	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2017	9,642,500.00	-	Other income	366,527.78	-	9,275,972.22	Assets-related
Subsidised funding for expanded import of advanced technology and equipment	7,432,413.35	-	Other income	282,518.65	-	7,149,894.70	Assets-related
High-speed train compartment large section aluminium alloy profile production line construction project	29,108,333.33	-	Other income	1,996,000.00		27,112,333.33	Assets-related
Yantai Innovation-driven Development Special Fund	100,000.00	-	Other income	100,000.00		-	Revenue-related
Automotive lightweight aluminium and magnesium alloy materials production	2,257,222.20	3,376,100.00	Other income	384,406.68	-	5,248,915.52	Assets-related

line product optimization technology renovation							
National New Materials Production and Application Demonstration Platform Development Project	9,827,495.30	4,000,000.00	Other income	752,765.96		13,074,729.34	Assets-related
Transportation High Performance Aluminium Alloy Materials Production Line Technical Renovation Project	3,665,277.78	-	Other income	251,333.32	-	3,413,944.46	Assets-related
First batch insurance premium subsidies for new materials	10,676,200.00	-	Other income	-	10,676,200.00	-	Revenue-related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
Funding for the technical renovation of new large high-strength and high-tensile aluminium alloy material production line for transportation	-	4,084,600.00	Other income	272,306.68	-	3,812,293.32	Assets-related
Aerospace wing beam high performance aluminium alloy profile program	-	25,000,000.00	Other income	-	-	25,000,000.00	Assets-related
Grants for Desalination Project	-	10,000,000.00	Other income	-	-	10,000,000.00	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	-	555,000.00	Other income	40,363.64	-	514,636.36	Assets-related
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	-	65,000.00	Other income	4,482.76	-	60,517.24	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	-	1,009,000.00	Other income	-	-	1,009,000.00	Assets-related
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	-	125,000.00	Other income	8,333.28	-	116,666.72	Assets-related
Central Government's Special Fund for	-	1,509,000.00	Other income	75,449.97	-	1,433,550.03	Assets-related

Foreign Economic and Trade Development 2018							
Environmentally friendly equipment renovation	9,800,000.00	-	Other income	653,328.00	-	9,146,672.00	Assets-related
Electrolytic aluminium and ancillary carbon production line desulphurisation and high efficiency de-dusting project	11,100,000.00	5,000,000.00	Other income	927,777.78	-	15,172,222.22	Assets-related
Breakwater	118,720,000.00	-	-	-	-	118,720,000.00	Assets-related
BIF - Business Improvement Fund	-	96,332.84	Other income	31,590.53	520.40	64,221.91	Assets-related

Item	Opening balance	Amount of new grants for the period	Apportionment to this period		Other changes	Closing balance	Assets-related/Revenue-related
			Incoming items	Amount			
Civil Aviation Development Fund for HUD On-Board Equipment Retrofitting Project	3,560,000.00	-	Operating Income	890,000.00	2,670,000.00	-	Assets-related
Industrial Development Special Fund	351,199.97	-	Operating Income	29,266.68	-	321,933.29	Assets-related
Economic and Trade Development Special Fund	365,116.67	-	Operating Income	29,400.00	-	335,716.67	Assets-related
Sewerage treatment projects	26,430,000.00	-	-		-	26,430,000.00	Assets-related
Total	662,281,465.34	154,820,032.84	-	36,016,318.60	13,325,573.90	767,759,605.68	-

Notes: (1) Other changes amounted to RMB10,676,200.00 received from the Ministry of Finance and the Ministry of Industry and Information Technology for the first batch of insurance premium subsidy fund for new materials in 2018 by Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company. The insurance expenses occurred in the current period, and the deferred income was offset against the administrative expenses and the effect of changes in the exchange rate of the United States dollar. (2) Other changes in the Civil Aviation Development Fund for HUD On-Board Equipment Retrofitting Project were due to the disposal of Qingdao Airlines Co., Ltd.

3. Other Description

(1) Longkou Donghai Alumina Co., Ltd., a secondary subsidiary of the Company, received a refund of VAT of RMB43,433,918.87 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2007. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (18 years) and was amortised by RMB2,412, 995.48 for the period; and received a refund of VAT of RMB8,516,441.73 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2009. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (18 years) and was amortised by RMB473,135.68 for the period;

(2) Yantai Nanshan Aluminum New Material Co., Ltd., a secondary subsidiary of the Company, received a refund of VAT of RMB28,302,221.68 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2008. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (16 years) and was amortised by RMB1,768,888.80 for the period; and received a refund of VAT of RMB1,017,094.05 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2009. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (16 years) and was amortised by RMB63,568.32 for the period; and received a refund of VAT of RMB1,236,730.55 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2010. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (16 years) and was amortised by RMB77,295.60 for the period;

(3) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a secondary subsidiary of the Company, received a refund of VAT of RMB9,982,024.55 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2008. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (18 years) and was amortised by RMB554,556.96 for the period; and received a refund of VAT of RMB11,903,040.47 from the State Tax Bureau of Longkou City for the purchase of domestic equipment by foreign-invested enterprises in 2009. As the government grant was related to the acquisition of assets, it was recognised as an asset-related government grant and was amortised equally over the useful life of the assets (18 years) and was amortised by RMB661,280.04 for the period;

(4) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB5,130,000.00 in 2011, RMB350,000.00 in 2012 and RMB40,000.00 in 2013 from the Ministry of Science and Technology of the People's Republic of China as part of the 2011 National Science and Technology Support Program, totaling RMB5,520,000.00, which was amortised equally over the useful life of the assets (15 years) and was amortised by RMB368,000.04 for the period;

(5) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received a budget of RMB1,000,000.00 in 2011 from the Ministry of Science and Technology of the People's Republic of China for a special project under the policy-led category program 2011, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB 66,666.72 for the period;

(6) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received a budget of RMB10,597,060.00 from the Finance Bureau of Longkou City in 2014 for the 220,000 ton per annum rail transportation new alloy material production line project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB 706,470.72 for the period;

(7) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB13,500,000.00 from the Finance Bureau of Longkou City in 2012 for the development of high performance aluminium alloy medium thickness plate and RMB1,500,000.00 from the Finance Bureau of Longkou City in 2017 in accordance with the Notice on the Allocation of Special Fund Grants, which were amortised equally over the useful life of the asset (15 years) and amortised by RMB1,000,000.00 for the period;

(8) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB400,000.00 from the Development and Reform Commission of Yantai City for the High Performance Aluminium Alloy Plate and Strip Engineering Research Centre in 2012, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB26,666.64 for the period;

(9) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB700,000.00 from the Development and Reform Bureau of Longkou City in 2013 and RMB300,000.00 in 2015, totalling RMB1,000,000.00 as a pilot fund for the production line of high performance special aluminium alloy materials, which were amortised equally over the useful life of the asset (15 years) and amortised by RMB66,666.67 for the period;

(10) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received an estimated fund of RMB10,000,000.00 from the Finance Bureau of Longkou City in 2014 as National subsidies for major demonstration projects on circular economy and resource conservation (key energy-saving projects) and major industrial pollution projects, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB666,666.67 for the period;

(11) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB420,000.00 from the Development and Reform Bureau of Longkou City in 2013 and RMB180,000.00 in 2015 for the aluminium alloy melting and casting production line system optimization project, totalling RMB600,000.00, which were amortised equally over the useful life of the assets (15 years) and amortised by RMB40,000.00 for the period;

(12) Longkou Donghai Alumina Co., Ltd., a controlled secondary subsidiary of the Company, received a grant of RMB3,000,000.00 from Longkou Environmental Protection Bureau in 2013 for the red mud filtration waste water recycling project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB199,999.92 for the period;

(13) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB15,000,000.00 from the National Development and Reform Commission in 2012 for Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization, which was amortised equally over the useful life of the assets (18 years) and amortised by RMB833,333.40 for the period;

(14) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB5,000,000.00 from the National Development and Reform Commission in 2012 for Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization, which was amortised equally over the useful life of the assets (18 years) and amortised by RMB277,777.80 for the period;

(15) Yantai Nanshan Aluminium New Materials Co., Ltd, a controlled secondary subsidiary of the Company, received RMB 1,000,000.00 from the Finance Bureau of Yantai City and the Science and Technology Bureau of Yantai City in 2011 for research and industrialisation of aluminium alloy foils for heat exchangers in automobiles, which was amortised equally over the useful life of the assets (16 years) and amortised by RMB 62,499.96 in the current period;

(16) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled secondary subsidiary of the Company, received RMB5,000,000.00 from the Finance Bureau of Longkou City in 2012 for the Excellence Centre Innovation Capacity Building Project , which were amortised equally over the useful life of the assets (18 years) and amortised by RMB277,777.80 for the period;

(17) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB840,000.00 in 2012 and RMB360,000.00 in 2013 from the Development and Reform Bureau of Longkou City for the aluminium alloy plate and strip production project, totaling RMB1,200,000.00, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB80,000.04 for the period;

(18) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB15,000,000.00 from the Finance Bureau of Longkou City in 2009 for rail transit high-performance metal material project, which were amortised equally over the useful life of the assets (15 years) and amortised by RMB1,000,000.00 for the period;

(19) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB3,000,000.00 from the Finance Bureau of Longkou City in 2011 for large precision mould production line technical renovation project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB200,000.00 for the period;

(20) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB30,000,000.00 from the Finance Bureau of Longkou City in 2012 for rail transit vehicles lightweight and high-performance aluminum alloy plate and strip production project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB2,000,000.00 for the period;

(21) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB1,000,000.00 from the Finance Bureau of Longkou City in 2013 for 150MN engineering technology renovation project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB66,666.68 for the period;

(22) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB37,570,000.00 from the Finance Bureau of Longkou City in 2014 for the technical renovation of new 150MN large high-strength and high-tensile aluminium alloy material production line for transportation, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB2,504,666.68 for the period;

(23) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB3,000,000.00 from the Longkou Science and Technology Bureau in 2015 for development and industrialisation of 150MN large format ultra-high strength, high toughness and corrosion resistant aluminium alloy material for aerospace, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB200,000.00 for the period;

(24) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB2,000,000.00 from the Finance Bureau of Longkou City in 2013 for cogeneration unit denitrification project, which were amortised equally over the useful life of the assets (18 years) and amortised by RMB111,111.12 for the period;

(25) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB3,000,000.00 from the Environmental Protection Bureau of Longkou City in 2013 for Donghai Thermal Power Low NOx Combustion Renovation Project, of which, the grant involving Boiler Unit No. 1 amounted to RMB840,000.00, which was amortised equally over the life of the asset (95 months) and was amortised by RMB106,105.26 for the period, and the grant involving Boiler Unit No. 3 amounted to RMB2,160,000.00, which was amortised equally over the life of the asset (126 months) and amortised by RMB205,714.30 for the period.n)

(26) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB3,700,000.00 from the Finance Bureau of Longkou City in 2015 for cogeneration unit denitration, desulfurization, de-dusting efficiency improvement project as part of national subsidy and provincial supporting air pollution prevention and control special fund, which were amortised equally over the useful life of the assets (15 years) and amortised by RMB246,666.68 for the period;

(27) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB4,000,000.00 from the Environmental Protection Bureau of Longkou City in 2015 for the desulphurization and de-dusting renovation project of Nanshan and Donghai Cogeneration Phase I, which were amortised equally over the useful life of the assets (15 years) and amortised by RMB266,666.64 for the period;

(28) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB3,000,000.00 from the Ministry of Science and Technology in 2013 for National Aluminium Alloy Pressure Machining Engineering Technology Research Centre, which were amortised equally over the useful life of the assets (15 years) and amortised by RMB200,000.00 for the period; RMB2,000,000.00 from the Finance Bureau of Longkou City in 2014 for Local Support for the National Aluminium Alloy Pressure Machining Engineering Technology Research Centre, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB133,333.40 for the period; RMB1,500,000.00 from the Department of Resources Allocation and Management of the Ministry of Science and Technology in 2015 as center subsidy for National Aluminium Alloy Pressure Machining Engineering Technology Research Centre, which was amortised equally over the life of the asset (15 years) and amortised by RMB100,000.00 for the period; RMB1,500,000.00 from the Department of Resources Allocation and Management of the Ministry of Science and Technology in 2016 as center subsidy for National Aluminium Alloy Pressure Machining Engineering Technology Research Centre, which was amortised equally over the life of the asset (15 years) and amortised by RMB100,000.00 for the period;

(29) Nanshan American Advanced Aluminium Technology Co., Ltd., a controlled subsidiary of Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB7,561,080.00 (USRMB1.2 million) from the Tax Increment Program of the City of Lafayette, Indiana, USA in 2011, which was amortised by RMB1,033,620.00 for the period;

(30) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB700,000.00 from the Development and Reform Bureau of Longkou City in 2014 for the "14,000 tons per annum large-scale moulded and forged parts project" and RMB300,000.00 from the Development and Reform Bureau of Longkou City in 2016 as Strategic Emerging Industry Guidance Fund for the "14,000 tons per annum large-scale precision moulded and forged parts project" ，totalling RMB1,000,000.00, of which RMB500,000.00 was related to subsidies for capitalised equipment, which was amortised equally over the life of the assets (15 years) and amortised by RMB36,111.11 for the period;

(31) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB2,000,000.00 in 2016 from the Finance Bureau of Longkou City as a special industry transformation and upgrading fund for technical renovation project of aerospace alloy material production line, of which the subsidy involving the capitalised equipment was RMB1,000,000.00, which was amortised equally over the life of the asset (15 years) and amortised by RMB72,222.22 for the period;

(32) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB2,000,000.00 from the Finance Bureau of Longkou City in 2016 for post-process techincal renovation project for aerospace alloy material production line, of which the subsidy involving the capitalised equipment was RMB2,000,000.00, which was amortised equally over the useful life of the assets (15 years), and was amortised by RMB72,222.22 for the period;

(33) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB2,000,000.00 from the Finance Bureau of Longkou City in 2016 as a bonus for Provincial Machine for Human Technical Renovation Project, of which the subsidy involving the capitalised equipment was RMB2,000,000.00, which was amortised equally over the useful life of the assets (15 years), and was amortised by RMB72,222.22 for the period;

(34) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB30,000,000.00 from the Finance Bureau of Longkou City in 2015 as a special fund for foreign trade and economic development, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB 2,000,000.00 for the period;

(35) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB43,996,000.00 from the Finance Bureau of Longkou City in 2015 for 20,000 tonnes per annum wide width automotive aluminium sheet production line technical transformation project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB2,933,066.67 for the period.

(36) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB2,000,000.00 from the Environmental Protection Bureau of Longkou City in 2016 as a special fund for desulphurisation and dedusting, which was amortised over the life of the asset (15 years) and amortised by RMB133,333.32 for the period;

(37) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB16,710,000.00 from the Finance Bureau of Longkou City in 2016 for the "Flue Gas Desulphurization and Efficient Dust Removal Treatment Project for Electrolytic Aluminium and Supporting Carbon Production Line". The government grant is asset-related government grant, amortised equally over the life of the asset (15 years) and was amortised by RMB1,114,000.00 in the current period;

(38) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB30,000,000.00 from the Finance Bureau of Longkou City as a special fund for foreign trade and economic development in 2016, (which was amortised equally over the useful life of the assets (15 years)), of which the subsidy involving the capitalised equipment was RMB30,000,000.00, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB1,083,333.33 for the period; Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled subsidiary of the Company, received RMB26,020,700.00 from the Finance Bureau of Longkou City as a special fund of the Central Government for foreign trade and economic development in 2016, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB1,734,713.28 for the period;

(39) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB1,000,000.00 from the Longkou Science and Technology Bureau in 2016 for research and development of high performance marine medium-strength, weldable and corrosion-resistant aluminium alloy sheets, which was amortised equally over the useful life of the assets (15 years) and the amount amortised by RMB66,666.67 for the period;

(40) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB100,000,000.00 from the Finance Bureau of Longkou City in 2017 as a budgeted fund for the technical renovation project of aerospace high strength and high tenacity high-end aluminium alloy production line, in relation to the notice on the issuance of the 2017 central government infrastructure investment budget quotat (the technical renovation project of aerospace high strength and high tenacity high-end aluminium alloy production line), and received RMB100,000,000.00 from the Finance Bureau of Longkou City in 2019 for the technical renovation project of aerospace high strength and high tenacity high-end aluminium alloy production line, totalling RMB200,000,000.00, which is under construction and has not been amortised for the period;

(41) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB2,000,000.00 from the Finance Bureau of Longkou City in 2017 for High Speed Train 7050 aluminium alloy axle-box forging technology research and development, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB11,111.11 for the period;

(42) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled secondary subsidiary of the Company, received RMB5,000,000.00 from the Finance Bureau of Longkou City in 2016 as a special fund for industry transformation and upgrading at municipal level, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB333,333.36 for the period;

(43) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled subsidiary of the Company, received RMB1,490,000.00 from the Finance Bureau of Longkou City as a special fund of the Central Government for foreign trade and economic development in 2017, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB99,333.36 for the period;

(44) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB10,150,000.00 from the Finance Bureau of Longkou City as a special fund for foreign trade and economic development in 2017, of which the subsidy involving the capitalised equipment was RMB5,075,000.00, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB366,527.78 for the period;

(45) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB7,823,593.00 from the Finance Bureau in 2017 as subsidy for expanding import of advanced technology and equipment, of which the subsidy involving the capitalised equipment was RMB7,823,593.00, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB282,518.65 for the period;

(46) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB29,940,000.00 from the Finance Bureau of Longkou City in 2017 for high-speed train compartment large section aluminium alloy profile production line construction project, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB1,996,000.00 for the period;

(47) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled secondary subsidiary of the Company, received RMB100,000.00 from the Longkou City Science and Technology Bureau in 2018 as a special subsidy fund, which was amortised in one go for the period;

(48) Longkou Nanshan Aluminium Calendering New Materials Co., Ltd., a controlled secondary subsidiary of the Company, received RMB2,390,000.00 from the Finance Bureau of Longkou City in 2018 as a special fund for automotive lightweight aluminium and magnesium alloy materials production line product optimization technology renovation, which was amortised equally over the useful life of the asset (15 years) and amortised by RMB159,333.36 for the period; The Company received RMB3,376,100.00 from the Finance Bureau of Longkou City in 2019 as a special fund within the budgeted quota, which is amortised equally over the life of the asset (15 years) and amortised by RMB225,073.32 for the period;

(49) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB7,000,000.00 from the Shanghai Aircraft Design and Research Institute of Commercial Aircraft Corporation of China Limited in September 2018 for National New Materials Production and Application Demonstration Platform Development Project, which are amortised equally over the life of the assets (180 months); received RMB3,000,000.00 from the Shanghai Aircraft Design and Research Institute of Commercial Aircraft Corporation of China Limited in December 2018 for National New Materials Production and Application Demonstration Platform Development Project, which are amortised equally over the remaining life of the assets (177 months); received RMB2,000,000.00 from the Shanghai Aircraft Design and Research Institute of Commercial Aircraft Corporation of China Limited in July 2019 for National New Materials Production and Application Demonstration Platform Development Project, which are amortised equally over the remaining life of the assets (170 months); received RMB2,000,000.00 from the Shanghai Aircraft Design and Research Institute of Commercial Aircraft Corporation of China Limited in December 2019 for National New Materials Production and Application Demonstration Platform Development Project, which are amortised equally over the remaining life of the assets (165 months) and amortised by RMB752,765.96 for the period;

(50) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB3,770,000.00 from the Finance Bureau of Longkou City in 2018 for Transportation High Performance Aluminium Alloy Materials Production Line Technical Renovation Project, which were amortised equally over the useful life of the assets (15 years) and amortised by RMB251,333.32 for the period;

(51) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB10,676,200.00 from the Ministry of Finance and the Ministry of Industry and Information Technology in 2018 as the first batch of insurance premium subsidy funds for new materials, which was amortised in a lump sum when the premiums were paid and amortised by RMB10,676,200.00 for the period;

(52) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB4,084,600.00 from the Finance Bureau of Longkou City in 2019 for the project of "A City with Strong Manufacturing Capacity – Automotive High-performance Multi-purpose Aluminum Profile Production Line Technology" pursuant to the document coded Long Cai Ji [2019] No. 5, which was amortised equally over the remaining useful life of the asset (15 years) and amortised by RMB272,306.68 for the period;

(53) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB 25 million from Finance Bureau of Longkou City on 10 January 2019 as Central Government Industrial Transformation and Upgrading Funds (for aerospace wing beam high performance aluminium alloy profile program) in accordance with the document coded Long Cai Ji [2019] No. 4, which has not yet commenced and the deferred gain has not yet been amortised.

(54) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB10 million from the Finance Bureau of Longkou City on 15 January 2019 as a budgeted fund pursuant to the document coded Long Cai Jian [2019] No. 12, which has not been amortised for the period as the relevant assets have not yet been capitalised;

(55) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB555,000.00 from the Finance Bureau of Longkou City in 2019 as a special fund for foreign trade and economic development, which was amortised equally over the useful life of the assets (13.75 years) and amortised by RMB40,363.64 for the period;

(56) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB65,000.00 from the Finance Bureau of Longkou City in 2019 as provincial trade and business development and marketing fund, which was amortised equally over the useful life of the assets (14.5 years) and amortised by RMB4,482.76 for the period;

(57) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received controlled subsidiariesRMB1,009,000.00 from the Finance Bureau of Longkou City in 2019 as provincial trade and business development and marketing fund, which was not amortised for the period as the relevant assets had not yet been capitalised;

(58) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB125,000.00 from the Finance Bureau of Longkou City in 2019 as provincial trade and business development and marketing fund, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB8,333.28 for the period;

(59) Shandong Nanshan Aluminum Industry Co., Ltd., a controlled subsidiary of the Company, received RMB1,509,000.00 from the Finance Bureau of Longkou City in 2019 as a special fund for foreign trade and economic development, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB75,449.97 for the period;

(60) Longkou Nanshan Qishudao Port Development Co., Ltd., a controlled subsidiary of the Company, received a total of RMB118,720,000.00 from the Finance Bureau of Longkou City in 2017 and 2018 as special funds for investment in the breakwater project in Longkou port area, which has not been amortised for the period as the project hasn’t been completed yet;

(61) Nanshan Power Plant, Shandong Yili Power , a controlled subsidiary of the Company, received RMB9,800,000.00 from the Environmental Protection Bureau of Longkou City in 2018 as a subsidy for the treatment of atmospheric pollution, which was amortised evenly over the remaining useful life of the asset (15 years) and amortised by RMB653,328.00 for the period;

(62) Sansi Electrolysis, Shandong Yili Power , a controlled subsidiary of the Company, received RMB11,100,000.00 and and RMB5,000,000.00 from the Finance Bureau respectively in 2017 and 2019 as subsidies for electrolytic aluminium and supporting carbon production line flue gas desulphurisation and efficient de-dusting treatment project, which are amortised equally over the remaining useful life of the assets (15 years) and amortised by RMB927,777.78 for the period;

(63) The Company received RMB441,000.00 from the government in 2017 as a central government special fund for foreign trade and economic development, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB29,266.68 for the period;

(64) The Company received RMB439,000.0 from the government in 2017 as a special fund for industry development, which was amortised equally over the useful life of the assets (15 years) and amortised by RMB29,400.00 for the period;

(65) The Company received RMB26,430,000.00 from the Environmental Protection Bureau of Longkou City in 2018 as a special fund for sewage treatment, which has not been amortised for the period as the project has not yet been actually expended;

(66) Qingdao Airlines Co., Ltd., a controlled subsidiary of the Company (as at 31 December 2019) received RMB4,450,000.00 in 2018 from the Civil Aviation Development Fund of Civil Aviation Administration of China for flat-screen display (HUD) on-board equipment retrofitting project, which was amortised equally over the useful life of the asset (5 years) and amortised by RMB890,000.00 for the period;

(67) PARK REGIS INVESTMENTS PTE LTD, a controlled subsidiary of the Company, received a assets related subsidy of RMB96,332.84 from the Singapore Tourism Board in 2019 for duty management system (SGD 6,206.33), which was amortised equally over the remaining useful life of the assets (3 years) and amortised by RMB31,590.53 for the period.

(45) Other non-current liabilities

Item	Closing balance	Opening balance
Higher Education Development Fund	59,984,378.68	29,282,355.71

(46) Paid-in capital

Investor	Opening balance	Percentage of capital contribution at the beginning of the period (%)	Increase during the period	Decrement this year	Closing balance	Percentage of capital contribution at the end of the period (%)
Nanshan Village Committee	510,000,000.00	51.00	-	-	510,000,000.00	51.00
Song Zuowen	490,000,000.00	49.00	-	-	490,000,000.00	49.00
Total	1,000,000,000.00	100.00	-	-	1,000,000,000.00	100.00

(47) Capital reserves

Item	Opening balance	Increment this year	Decrement this year	Closing balance
Capital premium	451,808,621.02	-	-	451,808,621.02
Other capital reserve	553,321,339.17	9,867,996.57	-	563,189,335.74
Total	1,005,129,960.19	9,867,996.57	-	1,014,997,956.76

(48) Other comprehensive income

Item	Opening balance	Change for the period (+,-)					Closing balance
		Amount incurred before income tax during the period	Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority shareholders after tax	
(1) Other comprehensive income that will not be reclassified to profit or loss	-1,002,937.88	506,450.45	-	-	506,450.45	-	-496,487.43
1. Remeasurement of changes in defined benefit plans	-	-	-	-	-	-	-
2) Other comprehensive income that will not be reclassified to profit or loss under the equity method	-1,002,937.88	506,450.45	-	-	506,450.45	-	-496,487.43
(2) Other comprehensive income that will be reclassified to profit or loss	-755,595,401.77	-75,474,753.51	-6,090,822.60	-822,517.27	-107,475,084.24	38,913,670.60	-863,070,486.01
1) Other comprehensive income that may be reclassified to profit or loss under the equity method	-10,286,494.28	-8,628,881.88	-	-	-8,628,881.88	-	-18,915,376.16
2) Gains or losses from changes in fair value of available-forsale financial assets	-853,797,272.03	-295,716,632.66	-	729,089.17	-296,445,721.83	-	-1,150,242,993.86
3) GAINS OR LOSSES FROM RECLASSIFYING HELD-TO MATURITY INVESTMENTS TO AVAILABLE-FOR-SALE FINANCIAL ASSETS	-	-	-	-	-	-	-
4) Effective portion of cash flow adjusted for hedging gains or losses	-2,878,085.51	-624,120.88	-6,090,822.60	-1,551,606.44	4,987,046.28	2,031,261.88	2,108,960.77
5) Exchange differences from retranslation of financial statements	111,366,450.05	229,494,881.91	-	-	192,612,473.19	36,882,408.72	303,978,923.24
Total	-756,598,339.65	-74,968,303.06	-6,090,822.60	-822,517.27	-106,968,633.79	38,913,670.60	-863,566,973.44

(49) Surplus reserves

1. Breakdown

Item	Opening balance	Increment this year	Decrement this year	Closing balance
Statutory surplus reserve	500,000,000.00	-	-	500,000,000.00
Any surplus reserves	3,850,528,548.06	212,496,728.72	-	4,063,025,276.78
Total	4,350,528,548.06	212,496,728.72	-	4,563,025,276.78

2. The increase in the surplus reserve appropriated for the period was due to the arbitrary surplus reserve based on the net profit achieved for the period.

(50) Retained profits

Item	This Period	Previous year
Closing balance previous year	35,608,934,364.60	33,700,123,863.03
Plus: Adjustment of retained earnings at the beginning of this year	-	-
Adjusted opening balance at the beginning of this year	35,608,934,364.60	33,700,123,863.03
Plus: Owners' net profit attributable to parent for the period	2,445,045,557.32	2,087,681,366.15
Transfer of changes in defined benefit plans to retained earnings	-	-
Other inbound transfer	11,359,777.73	-
Less: Withdrawal of Statutory surplus reserve	-	-
Arbitrary surplus reserve appropriated	212,496,728.72	178,870,864.58
Common stock dividends payable	-	-
Dividends on ordinary shares transferred to share capital	-	-
Retained earnings at the end of the year	37,852,842,970.93	35,608,934,364.60

[Note]： Other transfers are due to the disposal of subsidiaries.

(51) Operating income/operating cost

1. Breakdown

Item	This Period		Previous year	
	Income	Cost	Income	Cost
Main businesses	42,194,849,636.69	34,972,322,421.42	41,787,016,320.85	33,721,812,260.14
Other businesses	1,266,517,440.06	819,731,787.01	1,385,358,094.57	1,057,352,311.81

Item	This Period		Previous year	
	Income	Cost	Income	Cost
Total	43,461,367,076.75	35,792,054,208.43	43,172,374,415.42	34,779,164,571.94

2. Operating revenue/operating cost (by sector)

Sector	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Industry	22,708,009,075.13	17,785,460,127.93	21,680,970,124.33	17,661,613,413.64
Construction, Real Estate	2,538,429,563.77	1,885,527,749.91	1,159,602,583.31	825,950,136.92
Services	14,372,451,570.15	13,560,541,910.42	14,758,253,970.51	13,919,676,583.82
Other	2,575,959,427.64	1,740,792,633.16	4,188,189,642.70	1,314,572,125.76
Subtotal	42,194,849,636.69	34,972,322,421.42	41,787,016,320.85	33,721,812,260.14

3. Operating revenue/operating cost (by region)

Region	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
In China	32,287,503,696.82	27,344,920,246.57	26,963,196,138.98	21,520,618,840.89
Overseas	9,907,345,939.87	7,627,402,174.85	14,823,820,181.87	12,201,193,419.25
Subtotal	42,194,849,636.69	34,972,322,421.42	41,787,016,320.85	33,721,812,260.14

4. Top five customers in terms of operating revenue

Client Name	Operating Income	As a percentage of total operating revenue (%)
1st	1,530,264,798.05	3.52
2nd	1,086,090,112.74	2.50
3rd	1,037,151,373.66	2.39
4th	936,690,473.75	2.16
5th	796,512,621.59	1.83
Subtotal	5,386,709,379.79	12.40

(52) Tax and Surcharges

Item	This Period	Previous year
Urban maintenance and construction tax	64,470,798.68	78,742,352.78
Education surcharge	27,815,105.78	34,133,286.32

Item	This Period	Previous year
Local education surcharge	18,539,102.03	22,640,425.10
Water conservancy construction fund	4,506,775.51	5,987,836.16
Property tax	101,257,689.14	102,855,075.91
Land use tax	54,233,871.35	209,413,572.60
Stamp duty	18,204,968.66	39,583,220.51
Vehicle and vessel use tax	342,005.59	671,143.27
Land value added tax	4,927,764.48	570,702,984.37
Other	41,996,995.18	52,640,625.32
Total	336,295,076.40	1,117,370,522.34

Notes: For details of the payment criteria, please refer to Note IV Taxes.

(53) Selling expenses

Item	This Period	Previous year
Transportation costs	807,869,880.18	386,961,526.53
Marketing Expenses	501,005,807.05	365,144,645.73
Employee Benefits	256,680,078.51	308,526,160.63
Amortisation and leasing fees	156,618,382.73	230,160,143.33
Entertainment expenses	31,390,479.56	28,014,372.36
Travel expenses	36,144,078.01	30,636,406.63
Other	39,325,435.73	83,566,613.25
Total	1,829,034,141.77	1,433,009,868.46

(54) Administrative expenses

Item	This Period	Previous year
Employee Benefits	750,152,061.77	789,424,015.21
Company expenses	581,335,042.76	453,129,177.60
Entertainment expenses	53,353,561.17	50,143,981.31
Amortisation and leasing fees	397,595,028.35	509,390,946.68
Travel expenses	29,292,819.64	30,036,618.46

Item	This Period	Previous year
Other	59,020,757.33	91,845,431.55
Total	1,870,749,271.02	1,923,970,170.81

(55) R&D expenses

Item	This Period	Previous year
Employee Benefits	58,083,694.89	76,153,567.74
Direct materials	781,396,786.66	67,742,538.52
Depreciation and amortisation	16,594,079.75	34,530,564.50
Other	41,433,832.84	29,148,560.48
Total	897,508,394.14	207,575,231.24

(56) Finance Costs

Item	This Period	Previous year
Interest expenses	2,676,587,217.25	2,661,755,176.60
Less: Interest capitalisation	511,826,853.65	483,923,805.02
Less: Interest income	281,981,363.84	297,316,102.32
Exchange losses	-582,974.17	-2,809,296.96
Less: Exchange gains	110,789,276.78	250,594,808.06
Other	89,676,830.73	60,151,724.35
Total	1,861,083,579.54	1,687,262,888.59

(57) Other gains

1. Breakdown

Item	This Period	Previous year
Government Grants - Revenue-related	447,130,061.83	88,004,406.02
Government Grants - Asset-related	34,967,651.92	29,493,364.10
Total	482,097,713.75	117,497,770.12

2. Government grant breakdown

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Research and Development Grant for High Performance Aluminium Alloy Products for High-end Manufacturing	-	300,000.00	Revenue-related
Patent Support Fund	146,000.00	10,000.00	Revenue-related
Civil-Military Integration Industry Development Fund	400,000.00	750,000.00	Revenue-related
Talent Cultivation Funds (Taishan Industry Leading Talents Project Special Fund)	2,100,000.00	1,100,000.00	Revenue-related
Funds for Standardisation Funding Projects	566,800.00	1,010,000.00	Revenue-related
Technician Workstation Development Grant	-	100,000.00	Revenue-related
Manufacturing and application technologies for high performance aluminium alloy large format sheet and strip	1,280,000.00	1,410,000.00	Revenue-related
"Double Hundred Program" Innovation Talent Award	3,150,000.00	1,000,000.00	Revenue-related
Industrial big data-based intelligent process control technology for aluminium/copper strip	725,000.00	1,410,000.00	Revenue-related
Industrial big data-based intelligent process control technology for aluminium/copper strip	190,000.00	380,000.00	Revenue-related
Industrial big data-based intelligent process control technology for aluminium/copper strip	156,000.00	300,000.00	Revenue-related
Postdoctoral Research Station Doctor Onboarding Grant	1,050,000.00	50,000.00	Revenue-related
Yantai Key R&D Programme Fund		100,000.00	Revenue-related
Provincial Special Fund for Tertiary Industry Development (Foreign Trade, Commerce and Circulation)		522,100.00	Revenue-related
Personal Income Tax and VAT Handling Fee	-	9,712.09	Revenue-related
Research Project on High Strength and High Toughness 7050 Aluminium Alloy Material Preparation and Large Complex Forgings Forming and Manufacturing Technology		3,000,000.00	Revenue-related
Key Special Fund for Upgrading and Industrialisation of Key Basic Materials		2,390,000.00	Revenue-related
Employment Support Scheme	2,358,270.31	588,620.87	Revenue-related
National Fund for Responding to Trade Friction	41,000.00		Revenue-related
Provincial Business Development and Market Development Fund	860,400.00	-	Revenue-related
Development and application of high performance ultra-thin aluminium alloy battery foil technology	1,000,000.00	-	Revenue-related
Shandong Province Direct Debt Financing Incentive Fund	300,000.00	-	Revenue-related
Central Government Foreign Trade Development Fund	2,800,000.00	-	Revenue-related
Provincial fund for international market development	300,000.00	-	Revenue-related
Talent Award Grant	100,000.00		Revenue-related
High strength, high toughness and corrosion resistant Al-Zn-Mg alloy forming technology for large and complex components	2,100,000.00	-	Revenue-related
Development of aluminium profiles for 600km/h high-speed magnetic levitation train bodies	2,000,000.00		Revenue-related
Special fund For research on 7XXX series aluminium alloys pre-controlled medium thickness plate with high strength, high toughness damage tolerance	200,000.00		Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
New fast response aluminium alloy sheet for passenger car coverings industrialisation and manufacturing technology	140,000.00	-	Revenue-related
Non-ferrous Metals Energy Saving Green Standard Revision Grant	80,000.00		Revenue-related
Development of high performance 7150 aluminium alloy material and extrusion technology for wing beams	400,000.00	-	Revenue-related
Industrial Big Data-based intelligent collaborative control and optimization of aerospace aluminium sheet production	800,000.00	-	Revenue-related
Research and development fund for 7050 aluminium alloy axle housing forging technology for high-speed trains	11,111.11		Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	40,363.64		Assets-related
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	4,482.76	-	Assets-related
Yantai Innovation-driven Development Special Fund	100,000.00	-	Revenue-related
Provincial Trade Development and Market Expansion Fund (Expanded Advanced Equipment and Technology Exports)	8,333.28	-	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	75,449.97	-	Assets-related
Funds for technological renovation of production line of new large-size, high-strength and super-tin and light alloy materials for transportation	272,306.68	-	Assets-related
Electrolytic aluminium and supporting carbon production line flue gas desulphurisation and efficient de-dusting treatment project	1,114,000.00	-	Assets-related
National New Materials Production and Application Demonstration Platform Development Project	752,765.96	172,504.70	Assets-related
Transportation High Performance Aluminium Alloy Materials Production Line Technical Renovation Project	251,333.32	104,722.22	Assets-related
High-speed train compartment large section aluminium alloy profile production line construction project	1,996,000.00	831,666.67	Assets-related
Funds for the production line product optimisation technological renovation project for automotive lightweight aluminium and magnesium alloy materials	384,406.68	132,777.80	Assets-related
Funding for Key Technology Topics on Short Process Alloying and Plastic Forming of Aluminium Liquids	368,000.04	368,000.04	Assets-related
Funding for the development of a public service platform for aluminium smelting and aluminium processing	66,666.72	66,666.72	Assets-related
Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization (Second Batch of Investment Plans Within the Budget of the Central Government 2012)	833,333.40	833,333.40	Assets-related
Demonstration Project of New Cathodic Structure Aluminium Electrolyzer Technology Innovation and Industrialization (Second Batch of Investment Plans Within the Budget of the Central Government 2011)	277,777.80	277,777.80	Assets-related
VAT rebate on purchases of domestically produced equipment	1,909,752.72	1,909,752.72	Assets-related
Funds for research and industrialisation of aluminium alloy foils for heat exchangers in automobiles	62,499.96	62,499.96	Assets-related
VAT rebate on purchases of domestically produced equipment	1,215,837.00	1,215,837.00	Assets-related
Funds for Excellence Centre Innovation Capacity Building Project	277,777.80	277,777.80	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2016	1,734,713.28	1,734,713.28	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2016	1,083,333.33	1,000,000.00	Assets-related
Municipal Special Funds for Industrial Transformation and Upgrading 2016	333,333.36	333,333.36	Assets-related
Central Government's Special Funds for Foreign Economic and	99,333.36	99,333.36	Assets-related

Trade Development (Subsidy for Import) - 2017			

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Central Government's Special Fund for Foreign Economic and Trade Development 2017	366,527.78	338,333.33	Assets-related
Funding for Aluminium Alloy Sheet and Strip Production Project	80,000.04	80,000.00	Assets-related
VAT rebate on purchases of domestically produced equipment	2,886,131.16	2,886,131.16	Assets-related
Funds for red mud filtration waste water recycling project	199,999.92	199,999.92	Assets-related
Government subsidy for 100,000 tonnes per annum high performance metal materials production line for rail transportation	1,000,000.00	1,000,000.00	Assets-related
Large-scale precision mould production line renovation project	200,000.00	200,000.00	Assets-related
Funding for lightweight high performance aluminium alloy sheet and strip for rail vehicles project	2,000,000.00	2,000,000.00	Assets-related
Funding for 2*200MW Cogeneration Unit Denitrification Renovation Project	111,111.12	111,111.11	Assets-related
Funding for Donghai Thermal Power Low NOx Combustion Renovation Project	311,819.56	311,819.55	Assets-related
Funding for denitrification, desulphurisation and de-dusting efficiency improvement project for cogeneration units	246,666.68	246,666.72	Assets-related
Funding for Heat and Power Phase I Desulphurisation and De-dusting Renovation Project	266,666.64	266,666.64	Assets-related
Grant for 150MN Engineering Technology Renovation Project	66,666.68	66,666.67	Assets-related
Funding for the technical renovation of new 150MN large high-strength and high-tensile aluminium alloy material production line for transportation	2,504,666.68	2,504,666.67	Assets-related
FUNDING FOR DEVELOPMENT AND INDUSTRIALISATION OF 150MN LARGE FORMAT ULTRA-HIGH STRENGTH, HIGH TOUGHNESS AND CORROSION RESISTANT ALUMINIUM ALLOY MATERIAL FOR AEROSPACE	200,000.00	200,000.00	Assets-related
Tax Value Enhancement Scheme Funding	1,033,620.00	993,615.00	Assets-related
Budget for production line of 220,000 tonnes per annum of new alloy materials for rail transportation	706,470.72	706,470.72	Assets-related
Desulphurisation and de-dusting project	133,333.32	133,333.33	Assets-related
Funding for High Performance Specialty Aluminium Alloy Materials Production Line Project	66,666.67	66,666.67	Assets-related
Funding (national subsidies) for major demonstration projects on circular economy and resource conservation (key energy-saving projects) and major industrial pollution projects	666,666.67	666,666.67	Assets-related
Funding for Aluminium Alloy Melting and Casting Production Line System Optimisation Project	40,000.00	40,000.00	Assets-related
Central Government's Special Fund for Foreign Economic and Trade Development 2015	2,000,000.00	2,000,000.00	Assets-related
Funding for 20,000 tonnes per annum wide width automotive aluminium sheet production line technical transformation project	2,933,066.67	2,933,066.67	Assets-related
Marine High Performance, Medium Strength, Weldable and Corrosion Resistant Aluminium Alloy Sheets R&D Project	66,666.67	66,666.67	Assets-related
14,000 tonnes per annum large moulded forgings project	36,111.11	33,333.33	Assets-related
Aerospace Alloy Materials Production Line Technical Renovation Project	72,222.22	66,666.67	Assets-related
Aerospace New Materials Production Line Post-processing Technology Renovation Project	72,222.22	66,666.67	Assets-related
Provincial funding for machine for human technology transformation projects	72,222.22	66,666.67	Assets-related
Subsidised funding for expanded import of advanced technology and equipment	282,518.65	260,786.43	Assets-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Funding for the development of high performance aluminium alloy medium thickness plates	1,000,000.00	1,000,000.00	Assets-related
National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	200,000.00	200,000.00	Assets-related
National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	133,333.40	133,333.33	Assets-related
Local Support for National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	100,000.00	100,000.00	Assets-related
National Aluminium Alloy Pressure Machining Engineering Technology Research Centre	100,000.00	100,000.00	Assets-related
High Performance Aluminium Alloy Sheets and Strips	26,666.64	26,666.67	Assets-related
Environmentally friendly equipment renovation	653,328.00	-	Assets-related
Electrolytic aluminium and ancillary carbon production line desulphurisation and high efficiency de-dusting project	927,777.78	-	Assets-related
BIF - Business Improvement Fund	31,590.53	-	Assets-related
Industrial Quality and Efficiency Improvement Fund	2,000,000.00	-	Revenue-related
Standardisation Specific Grant	216,000.00	-	Revenue-related
Business Development and Market Development Funds	50,200.00	-	Revenue-related
Intelligent Manufacturing Pilot Demonstration Project Incentive Grants	-	1,000,000.00	Revenue-related
Funding for Quality Benchmarking Enterprise Award	-	3,000,000.00	Revenue-related
Green Development Project Incentive Fund	-	1,000,000.00	Revenue-related
Yantai Key R&D Programme Grant	-	100,000.00	Revenue-related
VAT Withholding Handling Fee Refund	9,373.90	7,567.43	Revenue-related
Provincial Tertiary Industry Development Grants	-	28,700.00	Revenue-related
Personal Income Tax Handling Fee Refund	-	-	Revenue-related
Central Government Foreign Trade Development Fund	14,800.00	-	Revenue-related
Scientific and Technical Cooperation Award Fund	-	-	Revenue-related
Patent Award Fund	2,000.00	-	Revenue-related
Employment Support Grants	603,590.45	-	Revenue-related
Technology R&D Grant Fund	200,000.00	-	Revenue-related
Fiscal Aid for Research and Development	21,600.00	-	Revenue-related
Restructuring Incentive Fund - Award for Listed Companies by Theme	1,000,000.00	-	Revenue-related
Talent Attraction Award Fund for Enterprises and Institutions	50,000.00	-	Revenue-related
Economic and Trade Development Special Fund	234,000.00	-	Revenue-related

Item	Amount incurred during the period	Amount incurred in the previous period	Assets-related/Revenue-related
Funding for international market development	203,000.00	-	Revenue-related
Fuel schemes tax credit /government credit	91,277.13	-	Revenue-related
Disability Employment Support	3,389,566.00	-	Revenue-related
Grant for purchase of innovative equipment	305,403.00	-	Revenue-related
Longkou City Finance Bureau allocates revenue-related support funds	352,834,018.56	-	Revenue-related
Pudong New District Economic Development Fiscal Support Fund	89,000.00	-	Revenue-related
Talent Employment Support Allowance	10,631.83	-	Revenue-related
Tax Collection handling fee refunds	595,039.18	-	Revenue-related
Shandong Province Financial Innovation and Development Fund	14,180,500.00	-	Revenue-related
Shanghai Pudong New District Expo Area Development Management Committee Development Support Fund	952,000.00	3,976,000.00	Revenue-related
Provincial Hospitality Industry Support Grant	2,000,000.00	-	Revenue-related
Aviation Development Special Fund Grant	-	1,200,000.00	Revenue-related
Employment Support Scheme	-	70,671.62	Revenue-related
Scenic Spot Toilet Renovation	-	149,865.00	Revenue-related
Provincial Hospitality Industry Support Grant	-	6,000,000.00	Revenue-related
Tax Collection handling fee refunds	-	748,325.76	Revenue-related
Aviation Support Fund	-	9,000,000.00	Revenue-related
Aviation Support Fund	-	32,900,000.00	Revenue-related
Aviation Support Fund	-	12,190,000.00	Revenue-related
Tax rebate	-	298,810.24	Revenue-related
Employment Support Scheme	-	48,749.34	Revenue-related
Tax Collection handling fee refunds	-	1,855,283.67	Revenue-related
Grants for market-based convention and exhibition projects	1,380,000.00	-	Revenue-related
Tax relief	5,005,160.04	-	Revenue-related
Rural Revitalisation Support Fund	38,210,000.00	-	Revenue-related
Government Employment Support Document	107,458.50	-	Revenue-related
Tax Collection handling fee refunds	31,972.93	-	Revenue-related
Total	482,097,713.75	117,497,770.12	-

3. How do revenue related large government subsidies come to form

(1) In 2019, the Finance Bureau of Longkou City allocated RMB41,000.00 to Yantai Jintai International Trade Co., Ltd. as a response to trade friction in accordance with the Notice on Issuance of Budgetary Indicators (Long Cai Qi [2019] No. 7);

(2) In 2019, the Finance Bureau of Longkou City allocated RMB488,400.00 and RMB372,000.00 to Yantai Jintai International Trade Co., Ltd. as the provincial-level trade and commerce development and market development funds - export credit insurance special fund respecitvely in accordance with the Notice on Issuance of Budgetary Indicators (Long Cai Qi [2019] No. 6) and the Notice on Issuance of Budgetary Indicators (Long Cai Qi [2019] No. 126);

(3) In 2019, the Bureau of Science and Technology of Yantai City and the Finance Bureau of Yantai City RMB 1,000,000.00 to Yantai Donghai Aluminium Foil Co., Ltd. as a special grant for development and application of high performance ultra-thin aluminium alloy battery foil technology in accordance with Notice on Issuing the Key R&D programs of Yantai City in 2019;

(4) In 2019, the Finance Bureau of Longkou City allocated RMB300,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as debt financing issuance incentives in accordance with Notice on Issuing the “Shandong Province Direct Debt Financing Guidance and Incentive Measures” (Ji Yin Fa [2018] No. 171) from Jinan Branch of the People's Bank of China, Shandong Provincial Department of Finance, Shandong Provincial Development and Reform Commission, Shandong Provincial Finance Office, and Shandong Securities Regulatory Bureau;

(5) In 2019, the Finance Bureau of Longkou City allocated RMB2,800,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the Central Government’s Special Fund for Foreign Economic and Trade Development for year 2018 in accordance with Notice on the Issuance of Budgetary Indicators (Long Cai Qi Zhi [2019] No. 2);

(6) In 2019, the Public Employment (HR) Service Center of Longkou City allocated RMB718,161.16 to Shandong Nanshan Aluminum Industry Co., Ltd. as employment support grant in accordance with Notice on the Implementation of Lu Ren She Fa Document [2015] No. 23 to Effectively Help Businesses Support Employment with Unemployment Insurance in Our City (Yan Ren She Fa [2015] No. 27), Notice on Implementation of Lu Ren She Fa Document [2015] No. 55 to Further Help Businesses Support Employment with Unemployment Insurance (Yan Ren She Fa [2015] No. 43), and Notice on the Implementation of the “Convoy Operation” - Help Businesses Support Employment with Unemployment Insurance Assistance (Lu Ren She Fa Document [2018] No. 9);

(7) In 2019, the Public Employment (HR) Service Center of Longkou City allocated RMB1,463,669.10 to Shandong Nanshan Aluminum Industry Co., Ltd. as employment support grant in accordance with Notice on the Implementation of Lu Ren She Fa Document [2019] No. 85 to Further Help Businesses Support Employment with Unemployment Insurance in Our City and Lu Ren She Fa Document [2019] No. 85 to Further Help Businesses Support Employment with Unemployment Insurance (Yan Ren She Fa [2019] No. 52), and Notice on the Implementation of the “Convoy Operation” - Help Businesses Support Employment with Unemployment Insurance Assistance (Lu Ren She Fa Document [2018] No. 9);

(8) In 2019, Shandong Provincial Department of Commerce allocated RMB300,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as provincial-level international market development fund for 2019;

(9) In 2019, the Public Employment (HR) Service Center of Yantai City allocated RMB100,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as Talent Attraction Award in accordance with the Notice on the Application for the 2019 Annual Talent Attracting Grants and Bó Lè Awards for Enterprises and Institutions (Yan Ren Shi [2019] No. 142);

(10) In 2019, the Science and Technology Bureau of the Longkou City allocated RMB2,100,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the fund for the 2018 Key Research and Development Programme (Medical and Food Special Programme and Major Science and Technology Innovation Project) in accordance with Notice on the Allocation of Special Subsidy Funds (Long Cai Jiao Zi [2019] No. 9);

(11) In 2019, the Science and Technology Bureau of the Longkou City allocated RMB2,000,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the 2018 Innovation-driven Development Special Fund (Key Research and Development Program) in accordance with Document Long Cai Jiao Zhi [2019] No. 10;

(12) In 2019, Longkou Accounting and Audit Centre allocated RMB1,300,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the fund for Double Hundred Foreign Expert Programme in accordance with Documents Lu Ren She Han No. 44, Lu Ren She Zi [2017] No. 41 and Lu Zhen Ban Zi [2017] No. 144;

(13) In 2019, the Finance Bureau of Longkou City allocated RMB200,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the funding for research and application project of high-strength, high-toughness, damage tolerance 7XXX series aluminum alloy pre-controlled sheet in accordance with Notice on Issuing Longkou City's 2017 Science and Technology Research and Development Plan and Subsidy Funds (Long Ke Zi [2019] No 5);

(14) In 2019, the Municipal Market Supervision Administration of Longkou City allocated RMB232,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as 2017 standardization grant in accordance with the Announcement of the 2017 Longkou City Standardization Funding Project List (Yan Shi Jian Bian Zi [2019] No. 1);

(15) In 2019, the Municipal Market Supervision Administration of Yantai City allocated RMB150,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as 2017 standardization grant in accordance with the Announcement of the 2017 Yantai City Standardization Funding Project List (Yan Shi Jian Bian Zi [2019] No. 1 and Yan Zhe Jian Han [2018] No. 157);

(16) In 2019, Grimat Engineering Institute Co., Ltd. allocated RMB 1,000,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as a grant for the project "Manufacturing and Application Technology of High Performance Aluminium Alloy Large-format Plate and Strip Materials";

(17) In 2019, the High Technology Research and Development Center of the Ministry of Science and Technology allocated RMB 725,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the sub-topic research grant fund for the project "Industrial big data-based intelligent chemical process control of aluminium/copper sheet and strip" in according to the notice of the National Key R&D Program Key Basic Materials Technology Upgrading and Industrialization Key Project for 2017 (Guo Ke Gao Fa Zi [2017] No. 35);

(18) In 2019, the Finance Bureau of Longkou City allocated RMB2,000,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the key research and development project funds (Strategic Emerging Industry Innovation Category of Taishan Industry Leading Talents Program) in accordance with Notice on Allocation of Special Fund Subsidy (Long Cai Jiao Zhi [2019] No. 84);

(19) In 2019, FAW Group Co., Ltd. allocated RMB280,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the research grant for the project "Manufacturing and application technology of high performance aluminium alloy large format sheet and strip";

(20) In 2019, the Intellectual Property Bureau of Shandong Province allocated RMB26,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as patent subsidy in accordance with Notice on Good Implementation of Shandong Patent Funding Related Work in 2018 (Lu Cai Jiao [2017] No. 29);

(21) In 2019, Northeast China University allocated RMB 190,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the sub-topic research grant of the project "Industrial big data-based intelligent chemical process control of aluminium/copper sheet and strip";

(22) In 2019, Yanshan University allocated RMB156,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the sub-topic research grant for the project "Industrial big data-based intelligent chemical process control of aluminium/copper sheet and strip";

(23) In 2019, Shandong Provincial Intellectual Property Bureau allocated RMB50,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as patent subsidy fund in accordance with the Shandong Provincial Intellectual Property (Patent) Fund Management Regulations;

(24) In 2019, the Science and Technology Bureau of Longkou City allocated RMB 400,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the military-civilian integration industry development fund in accordance with Notice on the Allocation of Special Fund Grants (Long Cai Jiao Zhi [2019] No. 152);

(25) In 2019, the Science and Technology Bureau of Longkou City allocated RMB 100,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as provincial-level talent development funds in accordance with Notice on the Allocation of Special Fund Grants (Long Cai Jiao [2019] No. 156);

(26) In 2019, FAW Group Co., Ltd. allocated RMB140,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as the research grant for the project "Manufacturing technology of passenger car coverings";

(27) In 2019, the Municipal Market Supervision Administration of Longkou City allocated RMB 70,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as patent incentive in accordance with Documents Yan Zheng Fa [2018] No. 16 and Yan Zheng Zi [2019] No. 19;

(28) In 2019, China Nonferrous Metals Techno-Economic Research Institute allocated RMB50,000.00 to Shandong Nanshan Aluminium Co., Ltd. as first tranche of topic research on energy conservation and green standards in the non-ferrous metal industry for project "Water use quota Part 12: Alumina production" in accordance with Notice on the Allocation of the First Tranche of Funds for the Energy Conservation and Green Standard Research Projects in the Non-ferrous Metal Industry in 2019 (You Se Ji Jin Zi [2019] No. 53);

(29) In 2019, China Nonferrous Metals Techno-Economic Research Institute allocated RMB16,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as subsidy for non-ferrous metal industry standard formulation and revision projects in 2019 in accordance with Notice on the Allocation of Subsidies for the Formulation and Revision of the Non-ferrous Metal industry Standards in 2019 (You Se Biao Wei [2019] No. 89);

(30) In 2019, China Nonferrous Metals Techno-Economic Research Institute allocated RMB14,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as subsidy for non-ferrous metal industry standard formulation and revision projects in 2019 in accordance with Notice on the Allocation of Subsidies for the Formulation and Revision of the Non-ferrous Metal industry Standards in 2019 (You Se Biao Wei [2019] No. 88);

(31) In 2019, Shandong Provincial Department of Science and Technology allocated RMB1,850,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as a project-based subsidy in accordance with Notice of Shandong Provincial Department of Science and Technology on the Allotment of Funds for Nationally Approved Foreign Expert Projects and the "Double Hundred Foreign Experts Program" (Lu Ke Zi [2019] No.141);

(32) In 2019, the Municipal Market Supervision Administration of Longkou City allocated RMB30,800.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as standardization subsidy in accordance with Document Long Zheng Ban Fa [2019] No. 57;

(33) In 2019, the Municipal Market Supervision Administration of Yantai City allocated RMB154,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as standardization grant in accordance with the 2018 Longkou City Standardization Funding Project List (Long Shi Jian [2019] No. 70);

(34) In 2019, Longkou Human Resources allocated RMB 1,050,000.00 to Shandong Nanshan Aluminum Industry Co., Ltd. as post-doctoral station grant fund in accordance with Documents Lu Ren She Zi [2018] No. 171 and Long Fa [2016] No. 14;

(35) In 2019, the Public Employment (HR) Service Center of Longkou City allocated RMB 176,440.05 as employment support subsidy in accordance with the "Notice on the Implementation of Lu Ren She Fa Document [2019] No. 85 to Effectively Help Businesses Support Employment with Unemployment Insurance in Our City (Yan Ren She Zi [2019] No. 52);

(36) In 2019, the Science and Technology Bureau of the Longkou City allocated RMB400,000.00 to Longkou Nanshan Aluminium Calendering New Materials Co., Ltd. as development subsidy fund for project “Development of high performance 7150 aluminium alloy material and extrusion technology for wing beams” in accordance with Notice on the Carryover Part of Yantai Key R&D Program (Key Industry Technology, School-Institute-City Industry Integration) in 2018 (Yan Ke [2018] No. 24);

(37) In 2019, the Finance Bureau of Longkou City allocated RMB800,000.00 to Nanshan Aluminium Calendering New Materials Co., Ltd. as the research grant for Project “Industrial big data-based intelligent synergistic control and optimisation of aerospace aluminium sheet production" in accordance with Notice on the Allocation of Special Fund Grants (Long Cai Jiao Zhi [2019] No. 9);

(38) In 2019, the Finance Bureau of Longkou City allocated RMB352,834,018.56 as revenue-related support funds.

(39) In 2019, Longkou City Disabled Persons' Federation allocated RMB3,389,566.00 to Longkou Xin Nanshan Investment and Development Co., Ltd. as a subsidy fund for the project "Employment Support for the Disabled" in accordance with Notice on Printing and Distributing the ”Longkou City Measures for Proportionate Employment of Disabled Persons” (Long Zheng Fa [2001] No. 73);

(40) In 2019, the Finance Bureau of Longkou City allocated RMB14,180,500.00 to Nanshan Group Co., Ltd. as a subsidy for the project "Shandong Province Financial Innovation and Development Guidance Fund" in accordance with the Notice of Shandong Province Direct Debt Financing Incentive Measures (Ji Yin Fa [2018] No. 171);

(41) In 2019, the Finance Bureau of Longkou City allocated RMB38,210,000.00 to Nanshan Group Co., Ltd. as revenue-related village revitalisation support funds.

(42) In 2019, Municipal Taxation Bureau of Longkou City reduced and exempted the value-added tax of Nanshan Group Co., Ltd. and its subsidiaries by RMB5,005,160.04 in accordance with Notice on the Announcement of Policies Concerning Deepening the Reform of Value-Added Tax ([2019] No. 30) jointly issued by Ministry of Finance, State Administration of Taxation and General Administration of Customs.

(43) In 2019, the Finance Bureau of Laishan District of Yantai City allocated RMB2,000,000.00 to Yantai Nanshan Hotel Management Co., Ltd. as a subsidy for the project "Provincial-level Hotel Industry Support Incentive" in accordance with the Notice of Annual Special Fund Budget Indicators (Yan Cai Han Zhi [2017] No. 46).

(44) In 2019, the Finance Bureau of Qingdao City allocated RMB1,380,000.00 to Qingdao Xin Nan International Expo Centre Co., Ltd. as a subsidy for the project "Market-oriented Exhibition" in accordance with the notice (Qing Zheng Ban Fa [2018] No. 22).

(45) In 2019, the Shanghai Pudong New Area Expo Area Development Management Committee allocated RMB952,000.00 to Fureida International Finance Leasing Co., Ltd. as development support funds in accordance with the Notice on the "Implementation Rules for Financial Support Measures to Promote the Development of Financial Industry in Pudong New Area".

(46) In June 2019, the Finance Bureau of Longkou City allocated RMB2,000,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as a fund for industry quality and efficiency improvement in 2018 in accordance with Notice on Issuance of Budgetary Indicators (Long Cai Qi [2019] No. 86).

(47) In March 2019, the Yantai Municipal Administration of Market Supervision allocated RMB150,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as a standardization subsidy in accordance with Notice on the Announcement of the List of Standardization Subsidy Projects in Yantai in 2017 (Yan Zhi Jian Han [2018] No. 157); In March 2019, the Longkou Municipal Administration of Market Supervision allocated RMB30,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as a standardization subsidy in accordance with Notice on the Announcement of the List of Standardization Subsidy Projects in Yantai in 2017 (Yan Zhi Jian Han [2018] No. 157); In December 2019, the Yantai Municipal Administration of Market Supervision allocated RMB30,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as a standardization subsidy in accordance with Notice on the Announcement of the List of Standardization Subsidy Projects in Yantai in 2018; In December 2019, the Longkou Municipal Administration of Market Supervision allocated RMB6,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as a standardization subsidy in accordance with Notice on the Announcement of the List of Standardization Subsidy Projects in Longkou in 2018 (Long Shi Jian [2019] No. 70).

(48) In January 2019, the Finance Bureau of Longkou City allocated RMB50,200.00 to Longkou Huibo International Business Services Co., Ltd. as a fund for the development of commerce and trade and market development in 2019 in accordance with Notice on Issuing Budgetary Indicators [Long Cai Qi Zhi [2019] No. 6].

(49) In March 2019, the State Tax Bureau of Longkou City refunded RMB3,002.62 to Shandong Nanshan Zhishang Technology Co., Ltd., RMB590.15 to Shandong Zhanerma Clothing Co., Ltd. and RMB5,781.13 to Longkou Huibo International Business Service Co., Ltd. as handling fees for value-added tax collection and withholding;

(50) In January 2019, the Finance Bureau of Longkou City allocated RMB14,800.00 to SShandong Nanshan Zhishang Technology Co., Ltd. as central government’s special fund for foreign trade and economic development in accordance with the Notice on Issuing Budgetary Indicators (Long Cai Qi Zhi [2019] No. 7);

(51) In December 2019, the Shandong Intellectual Property Development Centre allocated RMB2,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as patent award funds in accordance with "Notes on the Application for the First Batch of 2019 Provincial Patent Subsidy”;

(52) In December 2019, the Public Employment (HR) Service Center of Longkou City allocated RMB302,530.32 to Shandong Zhanerma Clothing Co., Ltd. as a subsidy fund for employment support in accordance with the Notice on Further Help Business Support Employment with Unemployment Insurance (Lu Ren She Zi [2019] No. 85); In August 2019, the Public Employment (HR) Service Center of Longkou City allocated RMB301,060.13 to Shandong Nanshan Zhishang Technology Co., Ltd. as a subsidy fund for employment support in accordance with the Notice on Further Help Business Support Employment with Unemployment Insurance (Lu Ren She Zi [2019] No. 85);

(53) In March 2019, the Science and Technology Bureau of Longkou City allocated RMB200,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as technical research and development subsidy funds in accordance with the project contract of Longkou City Science and Technology Research and Development Program (Program No. 2017GG014); In March 2017, the Science and Technology Bureau of Longkou City allocated RMB100,000.00 to Shandong Nanshan Textile Garment Co., Ltd. as technical research and development subsidy funds in accordance with the project contract of Longkou City Science and Technology Research and Development Program (Program No. 2016GG17).

(54) In December 2019, the Shandong Provincial Department of Science and Technology allocated RMB21,600.00 to Shandong Nanshan Zhishang Technology Co., Ltd.

(55) In December 2019, the Finance Bureau of Longkou City allocated RMB1,000,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as Restructuring Incentive Fund - Award for Listed Companies by Theme in accordance with Implementation Measures on Further Promoting the Development of the Financial Industry (Long Jin Rong [2019] No. 18).

(56) In December 2019, the Human Resources and Social Security Bureau of Yantai City allocated RMB50,000.00 to Shandong Zhanerma Clothing Co., Ltd. as incentive fund for attracting talents in accordance with the Notice on the Announcement of the List of 2019 Yantai City Enterprises and Institutions Talents Attraction Award and Bo Le Award (Yan Ren She Zi [2019] No. 167).

(57) In December 2019, the Finance Bureau of Longkou City allocated RMB234,000.00 to Longkou Huibo International Business Service Co., Ltd. as a special fund for the development of commerce and trade in accordance with Notice on the Issuance of Budget Indicators (Long Cai Gong Zhi [2019] No. 126).

(58) In December 2019, the Shandong Provincial Department of Commerce allocated RMB179,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as funds for international market development in accordance with the Notice on the Organization of the Application for the 2019 Provincial-level International Market Development Funds (Lu Shang Ban Zi [2019] No. 38); In December 2019, the Shandong Provincial Department of Commerce allocated RMB24,000.00 to Shandong Nanshan Zhishang Technology Co., Ltd. as funds for international market development in accordance with the Notice on the Organization of the Application for the 2018 Provincial-level International Market Development Funds (Lu Shang Ban Zi [2018] No. 166).

(58) Investment income

1. Breakdown

Item	This Period	Previous year
Income from long-term equity investment accounted for under the equity method	138,575,960.09	324,404,935.23
Investment income arising from disposal of long-term equity investment	2,451,188,031.64	-8.33
Investment income from financial assets at fair value through profit or loss during the holding period	1,154,708.12	330,694.34
Investment income from held-to-maturity investments during the holding period	-	94,027.40
Investment income from available-for-sale financial asset during the holding period	74,045,800.97	249,483,195.98
Investment income on disposal of financial assets at fair value through profit or loss	136,135,459.19	6,448,441.93
Investment income arising from disposal of Held-to-maturity investments	-	-
Investment income from disposal of available-for-sale financial assets	8,238,727.23	12,151,016.80
Other investment income	-14,980,882.92	-19,594,264.57
Total	2,794,357,804.32	573,318,038.78

2. Key items under investment income from long-term equity investment accounted for using the equity method

Investee name	This Period	Previous year	Reason for change in the period from the previous year
Yantai Bank Co., Ltd.	71,804,651.53	71,384,340.27	Increase in net profit of investee
Qingdao Xin Heng Li Investment Development Co., Ltd.	6,792,908.50	276,874,555.82	Increase in net profit of investee

Investee name	This Period	Previous year	Reason for change in the period from the previous year
Nanshan (Hainan Manning) Property Company Limited	-	-21,761,184.27	Excess losses
Hainan Manning Hongji Property Company Limited	200,680.67	-	Increase in net profit of investee
LN Development (Stirling) Pte Ltd	62,895,383.63	-363,207.24	Increase in net profit of investee
Shenzhen Yunpeng Nanshan Fund Management Co., Ltd.	-	-1,141,411.27	Cancellation and liquidation of investee
AVIC Nanshan Equity Investment Fund Management (Shenzhen) Co., Ltd.	-	520,672.08	Transfer of equity interest in investee
Zhuhai Hengqin Nanshan Kaiyuan Asset Management Co., Ltd.	-173,259.61	-221,737.00	Decrease in net profit of investee
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	-189,312.34	-	Decrease in net profit of investee
Longkou Haitong Real Estate Development Co., Ltd.	-3,203,368.37	-	Decrease in net profit of investee
W Capital Markets Pte. Ltd	890,344.06	-1,123,290.98	Increase in net profit of investee
Beijing Sunac Nanshan Real Estate Co., Ltd.	-285,638.82	236,197.82	Decrease in net profit of investee
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	-156,429.16	-	Decrease in net profit of investee
Subtotal	138,575,960.09	324,404,935.23	-

3. The Company has no significant restrictions on repatriation of investment income.

(59) Gains on changes in fair value

Item	This Period	Previous year
Financial assets measured at fair value through changes in profit or loss.	2,813,559.24	-9,955,732.95
Financial liabilities measured at fair value through changes in profit or loss	-776,925.00	-9,000.00
Total	2,036,634.24	-9,964,732.95

(60) Credit impairment losses

Item	This Period	Previous year
Bad debt losses on receivables	8,326,386.88	-
Bad debt losses on other receivables	-13,814,267.09	-
Bad debt losses on notes receivable	-426,414.71	-
Total	-5,914,294.92	-

(61) Asset impairment losses

Item	This Period	Previous year

Item	This Period	Previous year
Bad debt losses	-67,701,449.05	100,233,164.06
Loss on inventory write-down	-45,953,050.37	-70,857,013.74
Fixed assets impairment losses	2,337,330.51	-2,337,330.51
Other	-108,330.27	604,038.08
Total	-111,425,499.18	27,642,857.89

(62) Gains on Disposal of Assets

Item	This Period	Previous year
Gains recognised when the disposal is classified into non-current assets held for sale (except financial instruments, long-term equity investments and investment properties) or disposal groups (except subsidiaries and operations)	-	-
Gain recognised on disposal of non-current assets not classified as held for sale	-83,856,386.77	-99,585,605.79
Where: Fixed assets	-83,856,386.77	-99,585,605.79
Construction in progress	-	
Gain arising on disposal of non-current assets in debt restructuring	-	
Total	-83,856,386.77	-99,585,605.79

(63) Non-operating income

1. Breakdown

Item	This Period	Previous year
Donation accepted	128,104.88	800,075.00
Government subsidies	20,558,698.68	1,200,567,049.07
Various Incentive Payments	1,389,636.54	554,595.31
Forfeiture and liquidated damage income	76,267,228.80	60,141,671.30
Unpayable Payables	57,730,377.39	33,506,269.35
Gain on decommissioning and retirement of non-current assets	1,987,108.81	1,660,418.70
Other	35,891,346.91	26,691,353.89
Total	193,952,502.01	1,323,921,432.62

2. Government grants included in non-operating income for the period

Item	This Period	Previous year	Assets-related/Revenue-related

Item	This Period	Previous year	Assets-related/Revenue-related
Longkou City Finance Bureau Support Fund	-	955,833,280.00	Revenue-related
Aviation Development Special Fund	240,000.00		Revenue-related
New Energy Project Grants	-	-	Revenue-related
Grants for construction of waste transfer station	-	-	Revenue-related
Incentives for newly included tertiary businesses	100,000.00	-	Revenue-related
CCPIT Subsidies	1,090,000.00	7,960,000.00	Revenue-related
Central Government's Special Fund for Foreign Economic and Trade Development 2018	2,200,000.00	-	Revenue-related
Provincial Business Development and Market Development Fund 2018	2,931,000.00	-	Revenue-related
Employment Support Scheme	214,874.18	-	Revenue-related
Longkou Public Employment Service Centre Trainee Allowance	174,765.00	-	Revenue-related
New Leap Forward Private Enterprise Award	5,000,000.00	-	Revenue-related
Seawall Construction (Nanshan) Project Special Fund	7,370,000.00	-	Assets-related
Yantai Innovation-driven Development Special Fund 2018	1,000,000.00	-	Assets-related
Fiscal Subsidies for Shi Huang Road and Huang Shui Road	-	229,246,304.43	Revenue-related
Subsidy for overseas investment loans from the provincial special fund for tertiary industry development	-	2,130,000.00	Revenue-related
Health and wellness township grant		2,000,000.00	Revenue-related
Technology Centre Innovation Grant		1,500,000.00	Revenue-related
American Advanced Aluminium Technology Co., Ltd.	-	1,334,870.28	Revenue-related
Innovative Activity Chain Tax Credit		207,771.77	Revenue-related
Wage Credit Scheme (WCS)	238,059.50	138,177.36	Revenue-related
Private Economy Development Grant		100,000.00	Revenue-related
Wage Credit Scheme (WCS)		62,245.23	Revenue-related
Tax rebate		35,000.00	Revenue-related
Yantai Maritime Bureau Search and Rescue Award		10,000.00	Revenue-related
Shanghai Pudong New District Expo Area Development Management Committee Special Funds		7,000.00	Revenue-related
Safety Production Supervision Authority Rescue Award	-	2,400.00	Revenue-related
Total	20,558,698.68	1,200,567,049.07	-

3. Information on the formation of government grants:

(1) The Civil Aviation Administration of China allocated RMB240,000.00 to Shandong Nanshan International Flight Co., Ltd. as a special fund for general aviation development in 2019 in accordance with "Notice on Issuing Special Funds for General Aviation Development in 2019" (Ju Fa Ming Ding [2019] No. 1030), which was revenue related and included in non-operating income .

(2) In accordance with the Documents Qing Fa (2017) No. 14 and Qing Gong Shang Qi Fa (2018) No. 27, Qingdao Xin Nan International Expo Centre Ltd. applied for RMB100,000.00 as the 2017 Incentive for New Tertiary Industry Enterprises and the application was approved.

(3) In accordance with the Document Ji Mo Mao Cu Hui Zi [2017] No. 3, Qingdao Xin Nan International Expo Centre Ltd. applied for RMB1,090,000.00 as CCPIT Subsidies and the application was approved.

(4) The Finance Bureau of Longkou City allocated RMB2,200,000.00 to the Company as a Central Government special fund for foreign trade and economic development in 2018 in accordance with Notice on Issuing Budgetary Indicators (Long Cai Qi [2019] No. 7), which was revenue-related and included in non-operating income.

(5) The Finance Bureau of Longkou City allocated RMB2,931,000.00 to the Company as provincial-level funds for trade and commerce development and market development in 2018 in accordance with the Notice on Issuing Budgetary Indicators (Long Cai Qi [2019] No. 6), which was revenue-related and included in non-operating income.

(6) The Public Employment (HR) Service Center of Longkou City allocated RMB157,669.81 to Longkou Nanshan Construction and Installation Co., Ltd. and RMB57,204.37 to Shandong Nanshan Construction Development Co., Ltd., totalling RMB214,874.18, as Employment Support Subsidy in accordance with Notice on the Implementation of Lu Ren She Fa Document [2019] No. 85 to Effectively Help Businesses Support Employment with Unemployment Insurance in Our City (Yan Ren She Zi [2019] No. 52), which was revenue-related and included in non-operating income.

(7) The Public Employment (HR) Service Center of Longkou City allocated RMB174,765.00 to the Company as an internship subsidy in accordance with the "Opinions on Further Improving the Job Training Work for Graduates of Universities", which was revenue-related and included in non-operating income.

(8) The Finance Bureau of Longkou City allocated RMB5,000,000.00 to the Company as industrial quality and efficiency improvement fund (Xin Kua Yue Private Enterprise Incentive) in accordance with Notice on Issuing Budgetary Indicators (Long Cai Qi [2019] No. 3), which was revenue-related and included in non-operating income.

(9) The Finance Bureau of Longkou City allocated RMB7,370,000.00 to the Company as a special fund for the Seawall Construction (Nanshan) Project in accordance with Notice on Issuing the 2018 Provincial Water Conservancy Development Fiscal Fund Budgetary Indicators (Long Cai Nong [2019] No. 5), which was revenue-related and included in non-operating income.

(10) The Finance Bureau of Longkou City allocated RMB1,000,000.00 to the Company as a special fund for innovation-driven development in Yantai City in 2018 in accordance with Notice on the Allocation of Special Fund Grants (Long Cai Jiao Zhi [2019] No. 10), which was revenue-related and included in non-operating income.

(11) In accordance with IRAS's assessment on and instructions for the payment of the Innovation Activity Chain Tax Credit, and the notice of MINISTRY OF MANPOWER and IRAS WCS OffICE on the payment of WCS, a total of RMB 238,059.50 will be paid to NANSHAN GROUP SINGAPORECO. PTE. LTD, which was revenue-related and included in non-operating income.

(64) Non-operating expenses

Item	This Period	Previous year
Outbound donations	38,637,663.28	36,052,010.06
Losses on retirement and damage of assets	66,247,752.12	33,696,090.74
Fine expenses	39,355,811.87	11,177,027.72
Compensation and default payment	11,312,885.28	7,838,663.64
Late payment of taxes	48,054.47	37,623,676.64
Other	13,241,798.47	21,242,067.46
Total	168,843,965.49	147,629,536.26

(65) Income tax expenses

Item	This Period	Previous year
Current income tax expense	563,451,767.49	889,531,377.77
Deferred income tax expenses	-41,782,342.99	-39,126,720.84
Total	521,669,424.49	850,404,656.93

(66) Other comprehensive income

Item	This Period			
	Amount before tax	Income tax	Attributable to the parent company after tax	Attributable to minority shareholders after tax
(1) Other comprehensive income that will not be reclassified to profit or loss	506,450.45	-	506,450.45	-
1) Recalculation of changes in net liabilities or net assets of defined benefit plans	-	-	-	-
2) Share of other comprehensive income under the equity method that the investee cannot reclassify to profit or loss	506,450.45	-	506,450.45	-
(2) Other comprehensive income that will be reclassified to profit or loss	-75,474,753.51	-822,517.27	-107,475,084.24	38,913,670.60
1) Share of other comprehensive income under the equity method that the investee can reclassify to profit or loss in the future	-8,628,881.88	-	-8,628,881.88	-
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Subtotal	-8,628,881.88	-	-8,628,881.88	-

Item	This Period			
	Amount before tax	Income tax	Attributable to the parent company after tax	Attributable to minority shareholders after tax
2) Gains or losses from changes in fair value of available-for-sale financial assets	-295,716,632.66	729,089.17	-296,445,721.83	-
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Subtotal	-295,716,632.66	729,089.17	-296,445,721.83	
3) Effective portion of cash flow adjusted for hedging gains or losses	-6,714,943.48	-1,551,606.44	-1,103,776.32	2,031,261.88
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-6,090,822.60	-	-6,090,822.60	-
Adjustment to initial recognition amount of hedged item	-	-	-	-
Subtotal	-624,120.88	-1,551,606.44	4,987,046.28	2,031,261.88
4) Exchange differences from retranslation of financial statements	229,494,881.91	-	192,612,473.19	36,882,408.72
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Subtotal	229,494,881.91	-	192,612,473.19	36,882,408.72
Total	-74,968,303.06	-822,517.27	-106,968,633.79	38,913,670.60

Continued:

Item	Previous Period			
	Amount before tax	Income tax	Attributable to the parent company after tax	Attributable to minority shareholders after tax
1) Other comprehensive income that will not be reclassified to profit or loss	-1,663,238.69	-	-1,663,238.69	-
1) Recalculation of changes in net liabilities or net assets of defined benefit plans	-	-	-	-
2) Share of other comprehensive income under the equity method that the investee cannot reclassify to profit or loss	-1,663,238.69	-	-1,663,238.69	-
(2) Other comprehensive income that will be reclassified to profit or loss	-979,099,760.41	-33,494,884.46	-985,564,474.58	39,959,598.63
1) Share of other comprehensive income under the equity method that the investee can reclassify to profit or loss in the future	20,308,576.05	-	20,308,576.05	-
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Subtotal	20,308,576.05	-	20,308,576.05	-
2) Gains or losses from changes in fair value of available-forsale financial assets	-1,060,752,531.98	-31,000,192.23	-1,028,362,957.09	-1,389,382.66

Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Subtotal	-1,060,752,531.98	-31,000,192.23	-1,028,362,957.09	-1,389,382.66
3) Effective portion of cash flow adjusted for hedging gains or losses	-10,204,160.14	-2,494,692.23	-2,878,085.51	-4,831,382.40

Item	Previous Period			
	Amount before tax	Income tax	Attributable to the parent company after tax	Attributable to minority shareholders after tax
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Adjustment to initial recognition amount of hedged item	-	-	-	-
Subtotal	-10,204,160.14	-2,494,692.23	-2,878,085.51	-4,831,382.40
4) Exchange differences from retranslation of financial statements	71,548,355.66	-	25,367,991.97	46,180,363.69
Less: Amount transferred to profit or loss for the period but previously included in other comprehensive income	-	-	-	-
Subtotal	71,548,355.66	-	25,367,991.97	46,180,363.69
Total	-980,762,999.10	-33,494,884.46	-987,227,713.27	39,959,598.63

(67) Notes to the key items in the consolidated cash flow statement

1. Other cash received in connection with operating activities

Item	This Period	Previous year
Interest income	281,981,363.84	297,316,102.32
Government subsidies	502,656,412.43	1,047,135,430.66
Revenue forfeited	76,267,228.80	60,141,671.30
Other	37,409,088.33	3,859,606.47
Total	898,314,093.40	1,408,452,810.75

2. Other cash paid in connection with operating activities

Item	This Period	Previous year
Cash expenses in marketing expenses	1,415,735,680.53	894,323,564.49
Cash expenses in administrative expenses	1,545,832,800.40	703,201,095.99
Cash expenses in financial expenses	89,676,830.73	60,151,724.35
Outbound donations	38,637,663.28	36,052,010.06
Other	63,958,550.10	112,714,458.68
Total	3,153,841,525.04	1,806,442,853.57

3. Other cash received in connection with investing activities

Item	This Period	Previous year
Reversal of previously purchased wealth management products	4,531,560,000.00	525,280,000.00

Item	This Period	Previous year
Investment income from wealth management products purchased	128,315,201.43	24,059,779.84
Entrusted loans taken back	676,880,000.00	-
Decrease in long term receivables	393,272,757.69	278,922,718.41
Total	5,730,027,959.12	828,262,498.25

4. Cash paid relating to other investing activities

Item	This Period	Previous year
Wealth Management Products Purchased	2,435,000,000.00	4,593,260,000.00
Entrusted loans paid	178,350,000.00	-
Current accounts	727,390,356.84	1,128,424,655.20
Total	3,340,740,356.84	5,721,684,655.20

5. Other cash received in connection with fundraising activities

Item	This Period	Previous year
Letter of Guarantee Security Deposit	412,510,609.00	-
Increase in long-term payables	450,900,893.11	-
Current accounts	771,716,742.64	962,179,572.94
Total	1,635,128,244.75	962,179,572.94

6. Other cash paid in connection with fundraising activities

Item	This Period	Previous year
Cost of issue paid	-	5,644,937.86
Pledged Security Deposit	-	161,434,080.00
Bill Discounting Security Deposit	1,134,000,000.00	-
Total	1,134,000,000.00	167,079,017.86

(68) Supplementary information to the cash flow statement

1. Supplementary information to the cash flow statement

Item	This Period	Previous year
(1) Adjustment of net profit to cash flows from operating activities:	-	-
Net profit	3,455,377,488.92	2,958,816,729.54
Plus: Provision for asset impairment	111,425,499.18	-27,642,857.89

Item	This Period	Previous year
Credit impairment losses	5,914,294.92	
Fixed asset depreciation, depreciation of oil and gas assets and productive biological asset depreciation	2,716,533,222.58	2,764,950,973.74
Intangible asset amortisation	135,223,009.12	80,799,681.21
Amortization of long-term deferred expenses	283,541,508.98	172,080,947.20
Loss on disposal of fixed assets, intangible assets and other long-term assets (with gains denoted by "-")	83,856,386.77	99,585,605.79
Loss on retirement of fixed assets (with gains denoted by "-")	66,247,752.12	32,035,672.04
Loss on changes in fair value (with gains denoted by "-")	-2,036,634.24	9,964,732.95
Financial costs (with gains denoted by "-")	2,164,760,363.60	2,177,831,371.58
Investment losses (with gains denoted by a "-")	-2,794,357,804.32	-573,318,038.78
Decrease in deferred income tax assets (with increase denoted by "-")	-41,164,505.70	-1,490,813.84
Increase in deferred income tax liabilities (with decrease denoted by "-")	10,287,766.34	-37,635,907.00
Decrease in inventories (with increase denoted by "-")	1,015,919,471.92	-971,512,766.17
Decrease in operating receivables (with increase denoted by "-")	2,367,049,825.14	-4,731,685,119.01
Increase in operating payables (with decrease denoted by "-")	-2,365,956,284.43	1,940,174,963.50
Losses recognised when the disposal is classified into non-current assets held for sale (except financial instruments, long-term equity investments and investment properties) or disposal groups (except subsidiaries and operations) (with gain denoted by "-")	-	-
Others	-	
Net cash flows from operating activities	7,212,621,360.91	3,892,955,174.86
(2) Significant investment and fundraising activities that do not involve cash flow	-	-
Conversion of debt into capital	-	-
Convertible corporate bonds due within one year	-	-
Fixed assets leased-in under Finance Lease	-	-
(3) Net changes in cash and cash equivalents:	-	-
Closing cash balance	8,823,489,162.01	7,914,965,515.49
Less: Opening cash balance	7,914,965,515.49	8,849,707,702.56
Plus: Closing balance of cash equivalents	-	-
Less: Opening balance of cash equivalents	-	-
Net increase in cash and cash equivalents	908,523,646.52	-934,742,187.07

2. Cash and cash equivalents

Item	Closing balance	Opening balance
(1) Cash	8,823,489,162.01	7,914,965,515.49
Where: Cash on hand	9,572,827.24	16,126,204.26
Bank deposits readily available for payment	8,813,916,334.77	7,898,839,311.23
Other monetary funds readily available for payment	-	-
(2) Cash equivalents	13,707,244,342.51	9,828,116,566.56
Where: Debt investments due within three months		-
(3) Closing balance of cash and cash equivalents	8,823,489,162.01	7,914,965,515.49
Where: Cash and cash equivalents used restrictly by the parent or intra-group subsidiary	-	-

[Note] Notes on supplementary information of cash flow statement:

In 2019, the closing amount of cash was RMB 8,823,489,162.01 in the cash flow statement. The closing value of monetary funds was RMB 13,707,244,342.51 in the balance sheet as of 31 December 2019, and the difference of RMB 4,883,755,180.50 arose from the deduction of Banker's Acceptance Draft Security Deposit, Loan Security Deposit, Letter of Credit Security Deposit, Guarantee Security Deposit, and Futures Security Depositthat don't meet the criteria of cash and cash equivalents.

In 2018, the closing amount of cash was RMB 7,914,965,515.49 in the cash flow statement. The closing value of monetary funds was RMB 9,828,116,566.56 in the balance sheet as of 31 December 2018, and the difference of RMB 1,913,151,051.07 arose from the deduction of Banker's Acceptance Draft Security Deposit and Letter of Credit Security Deposit that don't meet the criteria of cash and cash equivalents.

(69) Assets with restricted ownership or right to use

Item	Closing book value	Reasons for restrictions
Monetary Funds	4,883,755,180.50	Banker's Acceptance Draft Security Deposit, Letter of Credit Security Deposit, Bond Security Deposit, and Borrowings Security Deposit
Fixed assets	1,092,093,307.79	Borrowing Security Deposit
Long-term equity investments	2,607,551,893.66	Pledge of shares
Intangible assets	1,146,661,120.84	Land mortgage
Total	9,730,061,502.79	-

(70) Monetary Items in Foreign Currency

Item	Balance in foreign currency at end of period	Exchange rate	Converted Balance in RMB at the end of the period
Monetary Funds			

Item	Balance in foreign currency at end of period	Exchange rate	Converted Balance in RMB at the end of the period
Where: AUD	27,920,865.32	4.8843	136,373,882.48
HKD	16,532.00	0.8958	14,809.03
KRW	42,800.00	0.0060	258.16
USD	252,633,284.22	6.9762	1,762,420,317.37
EUR	13,754,536.82	7.8155	107,498,582.52
JPY	1,740,020.00	0.0641	111,510.92
TWD	510.00	0.2328	118.72
SGD	188,778,478.80	5.1739	976,720,971.46
NZD	2,865.00	4.6973	13,457.76
IDR	126,275,862,122.56	0.0005	63,428,365.54
GBP	615,114.04	9.1501	5,628,354.98
Accounts receivable			
Where: AUD	386,257.92	4.8843	1,886,599.56
USD	125,881,046.22	6.9762	878,171,354.65
EUR	3,545,568.35	7.8155	27,710,389.44
SGD	15,838,669.96	5.1739	81,947,694.51
GBP	114,044.03	9.1501	1,043,514.28
Other receivables			
Where: AUD	53,533,432.55	4.8843	261,473,344.60
USD	124,919,981.97	6.9762	871,466,778.22
EUR	41,181.45	7.8155	321,853.62
SGD	505,257,439.61	5.1739	2,614,151,466.80
IDR	195,819,850.00	0.0005	98,360.31
Short-term borrowings			
Where: USD	85,202,854.87	6.9762	594,392,156.14
SGD	112,300,000.00	5.1739	581,028,970.00
Derivative financial liabilities			
Where: USD	18,058.16	6.9762	125,977.34

Item	Balance in foreign currency at end of period	Exchange rate	Converted Balance in RMB at the end of the period
Accounts Payable			
Where: AUD	871,291.76	4.8843	4,255,650.34
USD	218,049,331.65	6.9762	1,521,155,747.46
EUR	5,521,706.65	7.8155	43,154,898.32
SGD	1,870,265.68	5.1739	9,676,567.60
IDR	56,737,325,161.45	0.0005	28,499,158.43
Other payables			
Where: AUD	248,833,442.92	4.8843	1,215,377,185.25
USD	27,284,589.33	6.9762	190,342,752.08
EUR	227,889.41	7.8155	1,781,069.68
SGD	789,683,635.26	5.1739	4,085,744,160.47
IDR	361,143,139,358.95	0.0005	181,402,198.90
Non-current liabilities due within one year			
Where: SGD	4,000,000.00	5.1739	20,695,600.00
Long-term borrowings			
Where: AUD	50,400,000.00	4.8843	246,168,720.00
SGD	106,919,789.70	5.1739	553,192,299.93
Long-term payables			
Where: USD	376,648,516.42	6.9762	2,627,575,380.25

(71) Government subsidies

1. Breakdown

Item	Amount initially recognised or increase for the period	Listed items	recognised in profit or loss for the period	
			Profit and loss items	Amount
Asset Related Subsidy	154,820,032.84	Deferred revenue	Other income	34,967,651.92
		Deferred revenue	Operating Income	948,666.68
Income related grant	-	Deferred revenue	Other income	100,000.00
Income related grant	447,130,061.83	Other income	Other income	447,130,061.83

Item	Amount initially recognised or increase for the period	Listed items	recognised in profit or loss for the period	
			Profit and loss items	Amount
Income related grant	20,558,698.68	Non-operating income	Non-operating income	20,558,698.68
Total	622,508,793.35	-	-	503,705,079.11

2. For details of government grants received during the period, please refer to Notes V(44) "Deferred income", Note V(57) "Other gains" and Note V(63) "Non-operating income".

VI. Changes to the scope of consolidation

The figures set out in this section are denominated in RMB10,000 unless otherwise stated.

(1) Disposal of subsidiaries

1. Loss of control upon a single disposal of an investment in a subsidiary

Subsidiary Name	Disposal Price	Disposal ratio (%)	Means of Equity Disposal	Point of loss of control	Basis for determining the point at which control is lost
Qingdao Airlines Co., Ltd.	3,127,211,343.00	100.00	Sale	2019-12-31	[Note 1]
Nanshan Business Jet Co., Ltd.	1,000.00	100.00	Sale	2019-12-31	[Note 1]
Shandong Nanshan International Flight Co., Ltd.	29,000,000.00	100.00	Sale	2019-12-31	[Note 1]
Total	3,156,212,343.00	-		-	-

Continued:

Subsidiary Name	The difference between the disposal price and the share of the net assets of the subsidiary at the consolidated financial statement level corresponding to the disposal of the investment	Percentage of remaining shareholding at the date of loss of control (%)	Share of net assets of the subsidiary at the consolidated financial statement level corresponding to the remaining shareholding at the date of loss of control	Fair value of remaining equity interests at the date of loss of control
Qingdao Airlines Co., Ltd.	[Note 2]	-	-	-
Nanshan Business Jet Co., Ltd.	[Note 2]	-	-	-
Shandong Nanshan International Flight Co., Ltd.	[Note 2]	-	-	-
Total	-	-	-	-

Continued:

Subsidiary Name	Gain or loss arising on remeasurement of remaining shareholdings to fair value	Methodology and key assumptions for determining the fair value of the remaining equity interest at the date of loss of control	Transfer from other comprehensive income to investment profit or loss relating to equity investments in atomic companies
Qingdao Airlines Co., Ltd.	-	-	-
Nanshan Business Jet Co., Ltd.	-	-	-
Shandong Nanshan International Flight Co., Ltd.	-	-	-

Subsidiary Name	Gain or loss arising on remeasurement of remaining shareholdings to fair value	Methodology and key assumptions for determining the fair value of the remaining equity interest at the date of loss of control	Transfer from other comprehensive income to investment profit or loss relating to equity investments in atomic companies
Total	-	-	-

(1) Description of reduction in subsidiaries on disposal of shareholdings

[Note 1]: Pursuant to the approval of the Company's general meeting held on 31 December 2019, it was agreed that the Company sets its 100% equity interest in Qingdao Airlines Co., Ltd. at a price of RMB3,127,211,343.00; and its 100% equity interest in Nanshan Business Jet Co., Ltd. at a price of RMB1,000.00; and its 100% equity interest in Shandong Nanshan International Flight Co., Ltd. at a price of RMB29,000,000.00, and transfer them to Qingdao Urban Construction Company and Qingdao Urban Construction Investment (Group) Company Limited ("Qingdao Urban Construction"). The Company entered into the Equity Transfer Agreement with Qingdao Urban Construction on 31 December 2019, with the reference date of equity transfer being 31 December 2019. These Companies are no longer included in the consolidated financial statements beginning December 31, 2019.

As as at 31 December 2019, Qingdao Airlines Company Limited, Nanshan Business Jet Co., Ltd. and Shandong Nanshan International Flight Co., Ltd. had not yet completed their business change registration.

[Note 2] Information on profit and loss recognition methods

Pursuant to the Equity Transfer Agreement entered into between the Company and Qingdao Urban Construction Company on 31 December 2019, the difference of RMB2,317,878,172.81 between the Company's 100% equity interest in Qingdao Airlines Company Limited at a price of RMB3,127,211,343.00 and its entitlement to the investment cost of the original subsidiary calculated on an ongoing basis from the date of disposal in proportion to the equity interest disposed of was included in investment income; put its 100% equity interest in Nanshan Business Jet Co., Ltd. at a price of RMB1,000.00; the difference of RMB126,674,941.39 between the Company's 100% equity interest in Shandong Nanshan International Flight Co., Ltd. at a price of RMB29,000,000.00 and its entitlement to the investment cost of the original subsidiary calculated on an ongoing basis from the date of disposal in proportion to the equity interest disposed of was included in investment income

(2) Changes in the scope of consolidation arising from other causes

1. Increase in subsidiaries by means of direct creation or investment. (it means increase in subsidiaries by means of creation or spin-off rather than merger and acquisition)

(1) On 22 October 2019, Nanshan Group Co., Ltd. invested in the establishment of Longkou Longyu International Trading Co., Ltd. It completed its business registration on 22 October 2019 with a registered capital of RMB200 million and Nanshan Group Co., Ltd. subscribed RMB205 million, representing 100% of its registered capital and has substantive control over it, and therefore it has been included in the consolidated financial statements from the date of its establishment.

(2) On 22 August 2019, Nanshan Group Co., Ltd. and Yantai Caijin Investment Holding Company Limited invested in the establishment of Yantai Yulong Jinghua Equity Investment Fund Management Co., Ltd. It completed its business registration on 22 August 2019 with a registered capital of RMB10 million, Yantai Caijin Investment Holding Company Limited subscribed RMB4.9 million, representing 49% of its registered capital, and Nanshan Group Co., Ltd. subscribed RMB5.1 million, representing 51% of its registered capital, and has substantive control over it, and therefore was included in the consolidated financial statements from the date of its establishment.

(3) On 28 June 2019, Nanshan Group Co., Ltd., Wanhua Industrial Group Limited and Shandong Development Investment Holding Group Limited invested in the establishment of Shandong Yulong Petrochemical Company Limited. It completed its business registration on 28 June 2019 with a registered capital of RMB1.2 billion, of which Nanshan Group Co., Ltd. subscribed RMB852,000.00 million, representing 71.00% of its registered capital, Wanhua Industrial Group Company Limited subscribed RMB240,000.00 million, representing 20.00% of its registered capital, and Shandong Ltd. contributed RMB108,000.00 million, representing 9.00% of its registered capital. Nanshan Group Co., Ltd. has substantive control over it and therefore it has been included in the consolidated financial statements from the date of its establishment.

VII. Interests in other entities

The figures set out in this section are denominated in RMB10,000 unless otherwise stated.

(1) Interests in subsidiaries

1. Composition of the Group

Subsidiary Name	Level	Main place of operation	Registration place	Nature of business	Shareholding (%)		Means of acquisition
					Direct	Indirect	
Shandong Nanshan Aluminum Industry Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	23.72	23.53	Investment
Shandong Nanshan Zhishang Technology Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	90.00		Investment
Shandong Nanshan Nuan Tong New Materials Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	100.00	-	Investment
Shandong Yili Power Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	100.00	-	Investment
Yantai Nanshan Zhuangyuan Wine Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	100.00		Investment
Nanshan Group Capital Investment Limited	Level 1	Beijing	Beijing	Other	100.00		Investment
Shanghai Lurun Asset Management Co., Ltd.	Level 1	Shanghai	Shanghai	Other	100.00		Investment
Shandong Nanshan Science and Technology Industrial Park Management Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Other	100.00		Investment
Longkou Nanshan Waterworks Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Other	100.00		Investment
Shanghai Jiaorun International Trade Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Trade	100.00		Investment
NAN SHAN GROUP SINGAPORE CO. PTE. LTD	Level 1	Singapore	Singapore	General	100.00	-	Consolidated
Nanshang Tourism Group Company Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tourism	100.00	-	Investment

Subsidiary Name	Level	Main place of operation	Registration place	Nature of business	Shareholding (%)		Means of acquisition
					Direct	Indirect	
Longkou Nanshan Microfinance Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	45.00	25.00	Investment
Nanshan Group Finance Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	55.00	37.00	Investment
Longkou Nanshan Finance Guarantee Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	100.00	-	Investment
Longkou City Nanshan West Coast Artificial Island Construction and Development Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Construction	100.00	-	Investment
Longkou Nanshan Construction & Installation Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Construction	100.00	-	Investment
Longkou Nanshan Qimu Island Port Development Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tertiary Industry	100.00		Investment
Longkou Nanshan Oil Products Operation Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tertiary Industry	100.00	-	Investment
Longkou Port Qiamu Island Development Limited	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Tertiary Industry	100.00	-	Investment
Longkou Xiangrui Investment Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Other	100.00	-	Investment
Shandong Nanshan Construction Development Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Real estate	100.00	-	Investment
Longkou Longyu International Trading Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Trade	100.00	-	Investment
Yantai Yulong Jinghua Equity Investment Fund Management Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Financial Services	51.00	-	Investment
Shandong Yulong Petrochemical Co., Ltd.	Level 1	Longkou City, Shandong Province	Longkou City, Shandong Province	Manufacture	71.00	-	Investment

[Note] The Company directly holds 23.72% of Shandong Nanshan Aluminum Industry Co., Ltd. and indirectly holds 23.53% through Shandong Yili Power Co., Ltd. and is its largest shareholder and has substantive control over it with a majority on the board of directors, therefore it is included in the consolidated financial statements.

2. Significant non-wholly owned subsidiaries

Subsidiary Name	Minority shareholding (%)	Profit or loss for the period attributable to minority shareholders	Dividends paid to minority shareholders during the period	Closing balance of minority stockholder's interest
Shandong Nanshan Aluminum Industry Co., Ltd.	52.75	122,299,328.20	315,177,093.25	2,239,557,248.57

Shandong Nanshan Zhishang Technology Co., Ltd.	10.00	-745,517.64	-	7,197,338.40
Nanshan Group Finance Co., Ltd.	8.00	18,453,019.59	-	140,228,746.14

Notes: The amount here is in RMB.

3. Key financial information on significant non-wholly owned subsidiaries

Subsidiary Name	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,272,360.07	3,203,575.01	5,475,935.07	1,094,099.13	226,969.18	1,321,068.31

Subsidiary Name	Closing balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shandong Nanshan Zhishang Technology Co., Ltd.	142,192.74	60,797.83	202,990.57	97,648.35	-	97,648.35
Nanshan Group Finance Co., Ltd.	1,285,718.97	104,671.55	1,390,390.52	1,215,104.59	-	1,215,104.59

Continued:

Subsidiary Name	Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,175,931.16	3,054,002.23	5,229,933.39	913,001.06	291,149.04	1,204,150.10
Shandong Nanshan Zhishang Technology Co., Ltd.	162,137.93	65,317.31	227,455.25	134,095.01	-	134,095.01
Nanshan Group Finance Co., Ltd.	843,744.32	107,758.74	951,503.05	799,502.12	-	799,502.12

Continued:

Subsidiary Name	This Period			
	Operating Income	Net profit	Total comprehensive income	Cash inflows from operating activities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,150,900.91	173,628.09	180,118.45	379,204.24
Shandong Nanshan Zhishang Technology Co., Ltd.	177,083.06	12,103.52	12,090.05	38,175.83
Nanshan Group Finance Co., Ltd.	42,185.68	23,066.27	23,285.00	175,721.41

Continued:

Subsidiary Name	Previous year			
	Operating Income	Net profit	Total comprehensive income	Cash inflows from operating activities
Shandong Nanshan Aluminum Industry Co., Ltd.	2,022,236.20	152,251.52	158,629.36	218,356.14
Shandong Nanshan Zhishang Technology Co., Ltd.	199,290.68	11,961.08	11,910.91	19,211.81
Nanshan Group Finance Co., Ltd.	31,297.52	20,827.13	23,462.92	26,894.23

(2) Interest in joint venture arrangements or associates

1. Significant joint ventures or associates

Name of joint ventures or associates	Main place of operation	Registration place	Nature of business	Shareholding (%)		Accounting for investments in joint ventures or associates
				Direct	Indirect	
Nanshan (Hainan Manning) Property Company Limited	Hainan	Hainan	Property development	50.00	-	Equity method
Hainan Manning Hongji Property Company Limited	Hainan	Hainan	Property development	50.00	-	Equity method
Yantai Bank Co., Ltd.	Yantai	Yantai	Banking	34.83	-	Equity method
Qingdao Xin Heng Li Investment Development Co., Ltd.	Qingdao	Qingdao	Property development	39.00	-	Equity method
Qingdao Nanxin Investment Co., Ltd.	Qingdao	Qingdao	Property development	49.00	-	Equity method
Yantai Nanshan Sunac Property Co., Ltd.	Yantai	Yantai	Property development	50.00	-	Equity method
Longkou Haitong Real Estate Development Co., Ltd.	Yantai	Yantai	Property development	40.00	-	Equity method
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	Yantai	Yantai	Gas production and supply industry	40.00	-	Equity method
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	Yantai	Yantai	Automotive manufacturing	50.00	-	Equity method
LN Development (Stirling) Pte Ltd	Singapore	Singapore	Property development	-	49.00	Equity method

2. Excess losses incurred in joint ventures or associates

Name of joint ventures or associates	Accumulated unrecognised losses from prior periods	Unrecognised loss for the period (or net profit shared for the period)	Accumulated unrecognised losses at the end of the period
Nanshan (Hainan Manning) Property Company Limited	-2,983.87	-16,500,437.62；	-16,503,421.49

Notes: The amount here is in RMB.

VIII. Related-party relations and transactions

The data in this section is denominated in Renminbi Yuan (RMB) unless otherwise stated.

(1) Related-party relations

1. Parent company of the Company

Parent company/beneficial owner	Nature of business	Registration place	Registered capital (RMB 10,000)	Parent company's ratio of shares in the business (%)	Parent company's ratio of voting in the business (%)
Nanshan Village Committee	Non-profit organisations	Longkou	None	51.00	51.00

The ultimate beneficiary of the Company is Nanshan Village Committee.

2. Subsidiaries of the Company

For details of the Company's subsidiaries, please refer to Note VII(1) "Interests in Subsidiaries".

3. Information about joint ventures and associates of the Company

For details of the Company's significant joint ventures and associates, please refer to Note VII(2) "Interests in joint venture arrangements or associates".

4. Other connected parties of the Company

Name of other connected parties	Relations with the Company
Qingdao Jin Heng Li Property Co., Ltd.	A subsidiary of Qingdao Xin Heng Li Investment Development Co., Ltd., an associate of the Company
Wanning Nanshan Rongchuang Industrial Co., Ltd.	A subsidiary of Nanshan (Hainan Manning) Property Co., Ltd., a joint venture of the Company
Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	A subsidiary of Yantai Nanshan Rongchuang Property Co., Ltd., an associate of the Company
Qingdao Haiqin Property Co., Ltd.	A subsidiary of Longkou Haitong Real Estate Development Co., Ltd., an associate of the company
Amt Due by LN Development	A subsidiary of LN Development (Stirling) Pte Ltd, an associate of the company

(2) Connected Party Transactions

1. Purchase and sale of goods, acceptance and provision of services

Name of connected party	Content of related party transaction	Pricing Policy	This Period	Previous year
Yantai Nanshan Sunac Property Co., Ltd.	Sales and development of products	Market Price	-	211,103,366.71
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	Sales and development of products	Market Price	10,553.97	1,784.75
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	Sales and development of products	Market Price	294,955.72	-
Total	-		305,509.69	211,105,151.46

2. Interest income and interest expense

Name of connected party	Content of related party transaction	This Period	Previous year
Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	Interest income	-	25,333,379.81
Hainan Manning Hongji Property Company Limited	Interest income	39,866,876.32	25,657,717.01
Yantai Bank Co., Ltd.	Interest income	483,595.45	1,446,111.63

3. Attracting deposits from connected parties

Name of connected party	Closing balance	Opening balance
Hainan Manning Hongji Property Company Limited	10,240,015.75	48,148,789.46
Yantai Nanshan Sunac Property Co., Ltd.	1,851.74	7,490,973.39
Nanshan (Hainan Manning) Property Company Limited	1,475,484.30	11,472,199.84
Qingdao Jin Heng Li Property Co., Ltd.	19,124.18	18,399,961.10
Qingdao Nanxin Investment Co., Ltd.	607.70	917,068.95
Wanning Nanshan Rongchuang Industrial Co., Ltd.	20,086.16	20,015.05
Qingdao Xin Heng Li Investment Development Co., Ltd.	42,660.40	40,259.10
Nanshan Fei Zhuo Yuhang Industrial Co., Ltd.	40,828,563.76	-

[Note] it represents deposits attracted from members by Nanshan Group Finance Co., Ltd., a subsidiary of the Company.

4. Origination of Loans

Name of connected party	This Period	Previous year
Hainan Manning Hongji Property Company Limited	521,000,000.00	521,000,000.00

[Note] it represents loans originated by Nanshan Group Finance Co., Ltd., a subsidiary of the Company.

(3) Payables and receivables with connected parties

1. Amounts due from connected parties

Item	Name of connected party	Closing balance	Opening balance
Receivables	Qingdao Nanxin Investment Co., Ltd.	392,912,016.58	408,007,000.00
Receivables	Qingdao Haiqin Property Co., Ltd.	364,009,390.15	362,809,390.15
Receivables	Longkou Haitong Real Estate Development Co., Ltd.	46,686,096.48	46,682,938.48
Receivables	Hainan Manning Hongji Property Company Limited	463,019,000.56	481,280,000.00
Receivables	Yantai Shuncheng Nanshan Rongchuang Property Co., Ltd.	656,669,882.79	731,966,000.00
Receivables	CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	8,601,981.25	-
Receivables	Amt Due by LN Development	997,369,706.23	965,042,274.36

2. Amounts due to connected parties

Item	Name of connected party	Closing balance	Opening balance
Accounts payable	Wanning Nanshan Rongchuang Industrial Co., Ltd.	400,000,000.00	400,000,000.00
Accounts payable	Qingdao Jinheng Property Co., Ltd.	440,745,824.59	409,500,000.00
Accounts payable	Nanshan (Hainan Manning) Property Company Limited	145,454,403.94	149,000,000.00

IX. Commitments and Contingencies

(1) Significant Commitments

The pledge of property by each company in the scope of consolidation to secure its own external borrowings (in: RMB 10,000)

Guarantor	Mortgagee	Subject matter under mortgage	Guaranteed Borrowing Balance	Due Date
Nanshan Group Co., Ltd.	China Development Bank Shandong Branch	Land use rights	6,236.00	2020/10/12
Nanshan Group Co., Ltd.	ICBC Longkou Sub-branch	Land use rights	45,000.00	2024/1/19
Longkou City Nanshan West Coast Artificial Island Construction and Development Co., Ltd.	BOC Fudeng Village Bank, China Development Bank Shandong Branch, Agricultural Bank Longkou Sub-branch	Land use rights	129,796.00	2022/6/27

Guarantor	Mortgagee	Subject matter under mortgage	Guaranteed Borrowing Balance	Due Date
Longkou Nanshan Qimu Island Port Development Limited	ICBC Longkou Sub-branch	Right to use of sea zone	1,500.00	2023/12/21
Yantai Nanshan Hotel Management Co., Ltd.	Bank of China Longkou Sub-branch	House ownership and land use rights	33,000.00	2024/5/22
122 MIDDLE INVESTMENT PTE LTD	Maybank	House ownership and land use rights	10,691.98 (Singapore Dollars)	2021/6/27
NS PROPERTY（HARPER）PTELTD	UOB Bank Ltd	House ownership and land use rights	400.00 (Singapore Dollars)	Earlier of 42 Months or 6 months after TOP
NS Property Development Pte Ltd	United overseas Bank Ltd	House ownership and land use rights	10,930.00 (Singapore Dollars)	Indefinite
PARK REGIS INVESTMENTS PTE. LTD	DBS Bank (DBS)	House ownership and land use rights	300.00 (Singapore Dollars)	Indefinite

(2) Contingencies

As of December 31, 2019, Nanshan Aluminium Co., Ltd., a subsidairy of the Company, issued letters of guarantee amounting to RMB111,619,200 and letters of credit amounting to RMB544,985,300.

Save for the above, there are no contingencies that need to be disclosed by the Company.

X. Non-adjusting events after the balance sheet date

The outbreak of the COVID-19 Pandemic in early 2020 has had an impact on business and economic activity as prevention and control efforts continue worldwide. As the uncertainty in the market regarding the impact of the pandemic has further increased, the Company will closely monitor the development of the pandemic and assess its impact on the Company's future financial position and operating results. As at the date of approval of this report, no material adverse impact of the Covid-19 pandemic on the Company's financial statements for 2019 has been identified.

As at the date of publication of these financial statements, apart from the above, there are no other material subsequent events that need to be disclosed by the Company.

XI. Other significant matters

The data in this section is denominated in Renminbi Yuan (RMB) unless otherwise stated.

(1) Information on correction of Errors in the Previous Period

The Company had no material prior period corrections during the period.

(2) Debt restructuring

The Company had no significant debt restructuring during the period.

(3) Asset Replacement

There were no significant asset replacements during the period.

(4) Annuity Plan

There were no significant annuity program events for the period.

(5) Discontinued Operations

As mentioned in VI(1), the Company put its 100% equity interest in Qingdao Airlines Co., Ltd. at RMB3,127,211,343.00; and put its 100% equity interest in Nanshan Business Jet Co., Ltd. at RMB1,000.00; and its 100% equity interest in Shandong Nanshan International Flight Co., Ltd. at a price of RMB29,000,000.00, and transfer them to Qingdao Urban Construction Company and Qingdao Urban Construction Investment (Group) Company Limited ("Qingdao Urban Construction"). The Company entered into the Equity Transfer Agreement with Qingdao Urban Construction on 31 December 2019, with the reference date of equity transfer being 31 December 2019. These Companies are no longer included in the consolidated financial statements beginning December 31, 2019. The Company has ceased to carry on its business.

(6) Segment Information

The Company has no information on significant segments for the period.

XII. Notes to key items in the company financial statements

Unless otherwise specified, ‘beginning of period’ refers to January 1, 2019; ‘end of period’ refers to December 31, 2019; ‘this year’ refers to Year 2019; ‘last year’ refers to Year 2018, in the following notes. The amount is in Renminbi Yuan (RMB).

(1) Notes Receivable

1. Breakdown

Category	Closing balance	Opening balance
Banker's acceptance bill	403,250,000.00	175,691,000.00
Trade acceptance bill	450,000,000.00	
Subtotal	853,250,000.00	175,691,000.00

Category	Closing balance	Opening balance
Less: Bad debt provision	-	-
Total	853,250,000.00	175,691,000.00

2. There are no notes receivable pledged at the end of the period

3. Notes receivable endorsed or discounted at the end of the period and not yet due at the balance sheet date

Item	Amount derecognised at the end of the period	Amount not yet derecognised at the end of the period
Trade acceptance bill	-	119,800,000.00
Subtotal		119,800,000.00

4. There was no notes transferred to accounts receivable at the end of the period due to non-performance by the drawers.

(2) Accounts receivable

1. Breakdown

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Bad debt provision on group basis	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77
Insignificant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Total	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Bad debt provision on group basis	1,074,843,378.00	100.00	5,374,216.89	0.50	1,069,469,161.11
Insignificant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Total	1,074,843,378.00	100.00	5,374,216.89	0.50	1,069,469,161.11

2. Provisions made for bad debt

Other accounts receivable for which bad debt provision is made in group at the end of the period

Group	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	11,664,488.80	58,322.44	0.50
1 to 2 years	717,967,518.00	3,589,837.59	0.50
Subtotal	729,632,006.80	3,648,160.03	0.50

3. Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision made during the period - RMB1,726,056.86; There were no accounts receivable for which the Company had made full or substantial provision for bad debts in prior years and which were fully or partially recovered in the current period.

4. There were no receivables recovered through other means such as debt restructuring during the period.

5. There were no actual write-off of accounts receivable during the period.

6. There were no amounts due from connected parties during the period.

7. There were no accounts receivable derecognised due to transfer of financial assets.

8. There were no assets or liabilities formed by its continuous involvement of transferring other receivables during the period.

(3) Other receivables

1. Breakdown

Item	Closing balance		
	Book balance	Bad debt provision	Book value
Interest receivable	22,282,400.53	-	22,282,400.53
Dividend receivable	-	-	-
Other receivables	47,596,813,208.31	19,936,477.03	47,576,876,731.28
Total	47,619,095,608.84	19,936,477.03	47,599,159,131.81

Continued:

Item	Opening balance		
	Book balance	Bad debt provision	Book value
Interest receivable	24,549,863.97	-	24,549,863.97
Dividend receivable	-	-	-
Other receivables	58,259,790,872.11	13,048,429.36	58,246,742,442.75
Total	58,284,340,736.08	13,048,429.36	58,271,292,306.72

2. Interest receivable

(1) Breakdown

Item	Closing balance	Opening balance
Interest on borrowings	22,282,400.53	24,549,863.97

(2) There was no significant overdue interest in the period.

3. Other receivables

(1) Breakdown

Category	Closing balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Withdrawal rate (%)	
Significant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Bad debt provision on group basis	47,596,813,208.31	100.00	19,936,477.03	0.04	47,576,876,731.28
Insignificant single amounts for which bad debt provision is withdrawn.			-	-	
Subtotal	47,596,813,208.31	100.00	19,936,477.03	0.04	47,576,876,731.28

Continued:

Type	Opening balance				
	Book balance		Bad debt provision		Book value
	Amount	Percentage (%)	Amount	Provision ratio (%)	
Provision made for bad debts	-	-	-	-	-
Bad debt provision on group basis	58,259,790,872.11	100.00	13,048,429.36	0.02	58,246,742,442.75
Insignificant single amounts for which bad debt provision is withdrawn.	-	-	-	-	-
Subtotal	58,259,790,872.11	100.00	13,048,429.36	0.02	58,246,742,442.75

(2) Provisions made for bad debt

Other receivables for which bad debt provision is made in group at the end of the period

1) Low credit risk group

Account age	Book balance	Bad debt provision	Provision ratio (%)
Connected Party Group	43,609,517,801.80	-	-
Subtotal	43,609,517,801.80	-	-

2) Other group

Group	Book balance	Bad debt provision	Total proportion (%)
Less than 1 year	1,633,048,708.75	8,165,243.54	0.50

Group	Book balance	Bad debt provision	Provision ratio (%)
1 to 2 years	1,330,663,625.51	6,653,318.13	0.50
2-3 years	209,718,676.76	1,048,593.38	0.50
More than 3 years	813,864,395.49	4,069,321.98	0.50
Subtotal	3,987,295,406.51	19,936,477.03	0.50

(3) Provisions for bad debts that are made, recovered or reversed for the period

The amount of bad debt provision made during the period - RMB6,888,047.67; There were no other accounts receivable for which the Company had made full or substantial provision for bad debts in prior years and which were fully or partially recovered in the current period.

(4) There were no other receivables recovered through other means such as debt restructuring during the period.

(5) There were actually no other receivables written off during the period.

(6) Other receivables by nature

Nature of amount	Closing balance	Opening balance
Inter-group current accounts - entities	3,970,124,839.13	2,607,032,471.51
Inter-group current accounts - individuals	2,120,000.00	682,986.22
Security deposit and guarantee	15,015,722.98	1,970,416.00
Other	34,844.40	-
Balance between companies within the scope of consolidation	43,609,517,801.80	55,650,104,998.38
Subtotal	47,596,813,208.31	58,259,790,872.11

(4) Long-term equity investments

1. Breakdown

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investments in subsidiaries	15,847,148,535.13	-	15,847,148,535.13	16,235,848,535.13	-	16,235,848,535.13
Investments in affiliates and joint ventures	3,079,371,041.48	-	3,079,371,041.48	2,999,797,307.03	-	2,999,797,307.03
Total	18,926,519,576.61	-	18,926,519,576.61	19,235,645,842.16	-	19,235,645,842.16

2. Information on Subsidiaries

Investee name	Opening balance	Increase during the period	Decrease during the period	Closing balance

Investee name	Opening balance	Increase during the period	Decrease during the period	Closing balance
Shandong Nanshan Aluminum Industry Co., Ltd.	5,823,481,128.19	-	-	5,823,481,128.19
Longkou City Nanshan West Coast Artificial Island Construction and Development Co., Ltd.	2,555,000,000.00	-	-	2,555,000,000.00
NAN SHAN GROUP SINGAPORE CO. PTE. LTD	2,332,847,538.22	-	-	2,332,847,538.22
Nanshan Group Capital Investment Limited	1,000,000,000.00	-	-	1,000,000,000.00
Longkou Port Qiamu Island Development Limited	571,386,500.00	-	-	571,386,500.00
Nanshan Group Finance Co., Ltd.	440,000,000.00	-	-	440,000,000.00
Nanshang Tourism Group Company Limited	360,000,000.00	-	-	360,000,000.00
Shandong Nanshan Construction and Development Co., Ltd.	340,000,000.00	-	-	340,000,000.00
Qingdao Airlines Co., Ltd.	481,000,000.00	800,000,000.00	1,281,000,000.00	-
Shanghai Lurun Asset Management Co., Ltd.	301,000,000.00	-	-	301,000,000.00
Shandong Yulong Petrochemical Co., Ltd.		41,000,000.00	-	41,000,000.00
Shandong Nanshan Zhishang Technology Co., Ltd.	282,211,833.37	-	-	282,211,833.37
Longkou Nanshan Finance Guarantee Co., Ltd.	200,000,000.00	-	-	200,000,000.00
Shandong Nanshan Nuan Tong New Materials Co., Ltd.	188,000,000.00	-	-	188,000,000.00
Shandong Yili Power Co., Ltd.	150,000,000.00	-	-	150,000,000.00
Shandong Nanshan Science and Technology Industrial Park Management Co., Ltd.	100,000,000.00	-	-	100,000,000.00
Yantai Nanshan Zhuangyuan Wine Co., Ltd.	73,040,000.00	-	-	73,040,000.00
Longkou Nanshan Microfinance Co., Ltd.	60,000,000.00	-	-	60,000,000.00
Longkou Nanshan Qishudao Port Development Co., Ltd.	50,000,000.00	-	-	50,000,000.00
Other	927,881,535.35	72,500,000.00	21,200,000.00	979,181,535.35
Subtotal	16,235,848,535.13	913,500,000.00	1,302,200,000.00	15,847,148,535.13

3. Investments in affiliates and joint ventures

Investee name	Initial investment cost	Opening balance	Changes of amount in the period			
			Additional investments	Investment reduction	Investment gains or losses recognised under the equity method	Change in other comprehensive income
(1) Joint Ventures						
Yantai Nanshan Sunac Property Co., Ltd.	10,000,000.00	25,000,000.00	-	-	-	-

Investee name	Initial investment cost	Opening balance	Changes of amount in the period			
			Additional investments	Investment reduction	Investment gains or losses recognised under the equity method	Change in other comprehensive income
(2) Affiliates						
Yantai Bank Co., Ltd.	1,808,300,000.00	2,188,365,832.62	-	-	71,804,651.53	-8,581,757.60
Qingdao Xin Heng Li Investment Development Co., Ltd.	312,000,000.00	540,175,276.59	-	-	6,792,908.50	
Qingdao Nanxin Investment Co., Ltd.	245,000,000.00	245,000,000.00	-	-	. -	
Beijing Sunac Nanshan Real Estate Co., Ltd.	1,020,000.00	1,256,197.82	-	-	-285,638.82	-
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	-	-	10,000,000.00	-	-156,429.16	-
Subtotal	2,376,320,000.00	2,999,797,307.03	10,000,000.00	-	78,155,492.05	-8,581,757.60

Continued:

Investee name	Changes of amount in the period				Closing balance	Closing balance of provision for impairment
	Other changes in equity	Declaration of cash dividend or profit distribution	Provision for impairment	Other		
(1) Joint Ventures						
Yantai Nanshan Sunac Property Co., Ltd.	-	-	-	-	25,000,000.00	-
(2) Affiliates						
Yantai Bank Co., Ltd.			-	-	2,251,588,726.55	-
Qingdao Xin Heng Li Investment Development Co., Ltd.	-	-	-	-	546,968,185.09	-
Qingdao Nanxin Investment Co., Ltd.	-	-	-	-	245,000,000.00	-
Beijing Sunac Nanshan Real Estate Co., Ltd.	-	-	-	-	970,559.00	-
CNOOC Nanshan (Shandong) Natural Gas Co., Ltd.	-		-	-	9,843,570.84	-
Subtotal	-	-	-	-	3,079,371,041.48	~

(5) Operating income/operating cost

1. Breakdown

Item	This Period	Previous year

	Revenue	Cost	Revenue	Cost
Main businesses	3,692,091,502.05	3,325,659,496.07	2,302,794,938.77	658,141,260.23
Other businesses	45,169,207.48	183,182.14	3,962,950.73	240,239.19
Total	3,737,260,709.53	3,325,842,678.21	2,306,757,889.50	658,381,499.42

2. Operating revenue/operating cost (by sector)

Sector	This Period		Previous year	
	Revenue	Cost	Revenue	Cost
Services	3,535,712,606.90	3,297,866,472.43		-
Other	156,378,895.15	27,793,023.64	2,302,794,938.77	658,141,260.23
Subtotal	3,692,091,502.05	3,325,659,496.07	2,302,794,938.77	658,141,260.23

(6) Investment income

Item	This Period	Previous year
Income on Long-term equity investments accounted for under the cost method	158,235,814.39	407,415,079.52
Income from long-term equity investment accounted for under the equity method	78,155,492.05	348,495,093.91
Investment income arising from disposal of long-term equity investment	1,210,080,245.58	7,889,623.26
Investment income from available-for-sale financial asset during the holding period		15,895,000.00
Investment income from disposal of available-for-sale financial assets	8,238,727.23	12,151,016.80
Total	1,454,710,279.25	791,845,813.49

XIII. Approval of financial statements

The 2019 annual financial statements were approved for reporting by the Boad of Directors of the Company on April 21, 2020.

Nanshan Group Co., Ltd.

21 April, 2020

[Stamp: Nanshan Group Co., Ltd.]

Uniform Social Credit Code

91330000087374063A （1/1）

Business Licence

(Carbon copy)

Scan the QR code to log on the "National Enterprise Credit Information Publicity System" to learn more about registration, filing, licensing and regulatory information.

Name	ZHONGHUI Certified Public Accountants LLP (Special General Partnership) [Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]	Date of Incorporation	19 December 2013
Type	Special general partnership	Duration of Partnership	Permanent since 19 November 2013
Executive partner	Yu Qiang	Principal place of business	Room 601, Building A, Hualian Times Plaza, No. 8 Xinye Road, Jianggan District, Hangzhou
Scope of Business	Review of corporate accounting statements and issuance of audit reports; verification of corporate capital and issuance of capital verification reports; handling of audits of corporate merger, division and liquidation matters and issuance of relevant reports; audit of annual financial statements for infrastructure projects; bookkeeping; accounting consultancy, tax consultancy, management consultancy, accounting training; and other businesses as required by laws and regulations. (The items that requires approval by law can only be dealt in after being approved by the relevant departments)	Only for the purpose of Zhong Hui Kuai Report No. [2020] 1857	

Registrar [Stamp: Zhejiang Provincial Market Supervision Administration]

20 January 2020

The website of the National Enterprise Credit Information Publicity System is http://www.gsxt.gov.cn

Market entities shall submit their annual reports through the National Enterprise Credit Information Publicity System from 1 January to 30 June each year.

Produced by the State Administration for Market Supervision

Certificate number: 0001679

Accounting Firm Practising Certificate

Name:	ZHONGHUI Certified Public Accountants LLP (Special General Partnership) [Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]
Lead partner:	Yu Qiang
Chief accountant:	
Place of business:	Room 601, Building A, Hualian Times Plaza, No. 8 Xinye Road, Jianggan District, Hangzhou
Type of organisation:	Special general partnership
Practising certificate number:	33000014
Pracising approval document number:	Zhe Cai Kuai [2013] No. 54
Date approved for practice:	4 December 2013

Description

1. The Accounting Firm Practising Certificate is a proof that the holder has been approved by the financial authority in accordance with the law to practise the statutory business as a public certified accountant.
2. If any matter recorded in the Accounting Firm Practising Certificate changes, an application for renewal should be filed with the financial authority.
3. The Accounting Firm Practising Certificate may not be forged, altered, rented, lent or transferred.
4. If an accounting firm terminates or cancels its licence to practise, it shall surrender its Accounting Firm Practising Certificate to the financial authority.

Only for the purpose of Zhong Hui Kuai Report No. [2020] 1857

Issuing authority: Zhejiang Provincial Department of Finance

2 May, 2018

Prepared by the Ministry of Finance of the People's Republic of China

Certificate number: 000381

Accounting Firm

Securities and Futures Related Business License

After examination by the Ministry of Finance and the China Securities Regulatory Commission, ZHONGHUI CERTIFIED PUBLIC ACCOUNTANTS LLP (Special General Partnership) is approved to carry out securities and futures related business.

[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]

[Stamp: Ministry of Finance of the People's Republic of China]

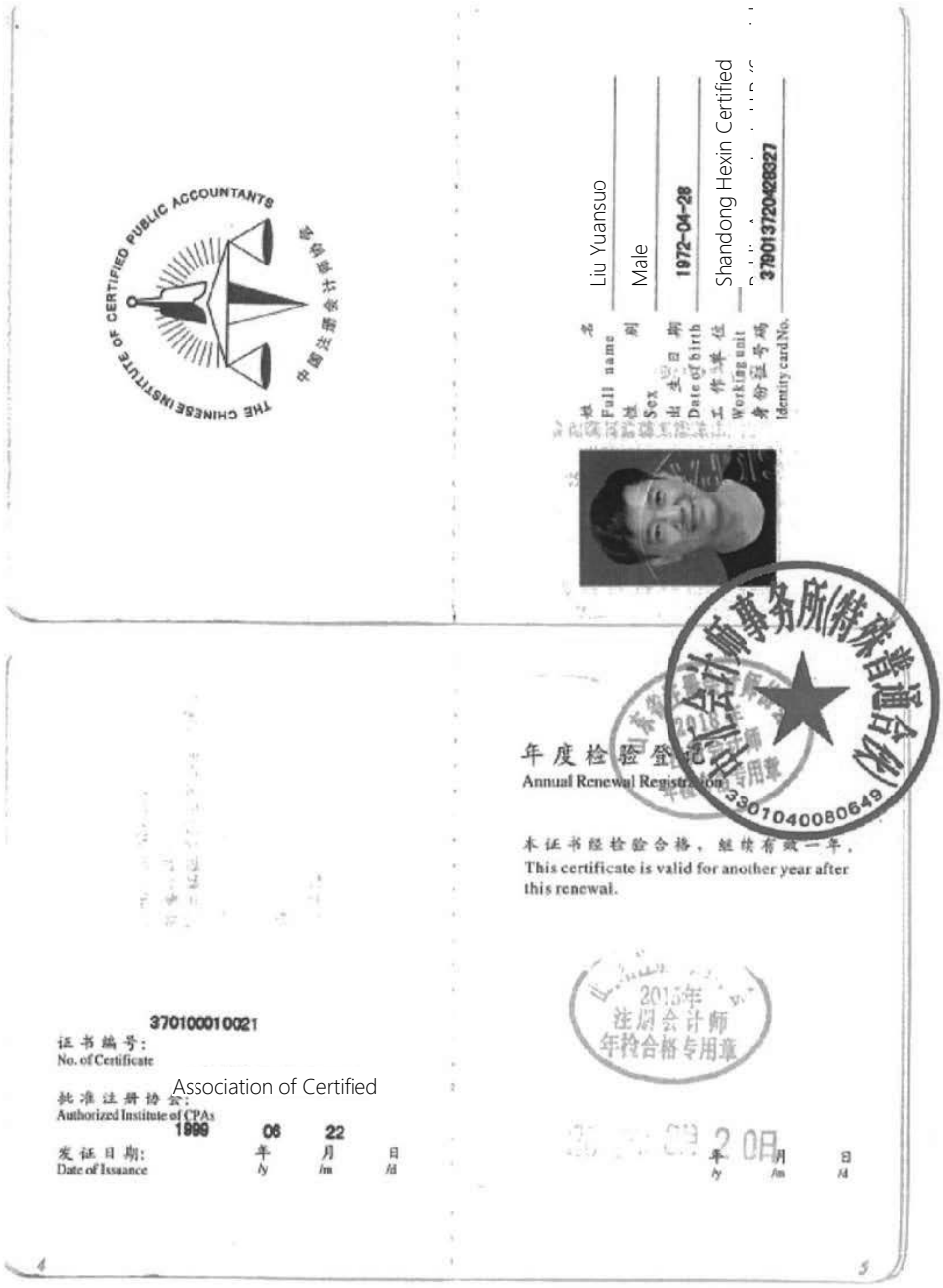
[Stamp: China Securities Regulatory Commission]

Lead partner: Yu Qiang

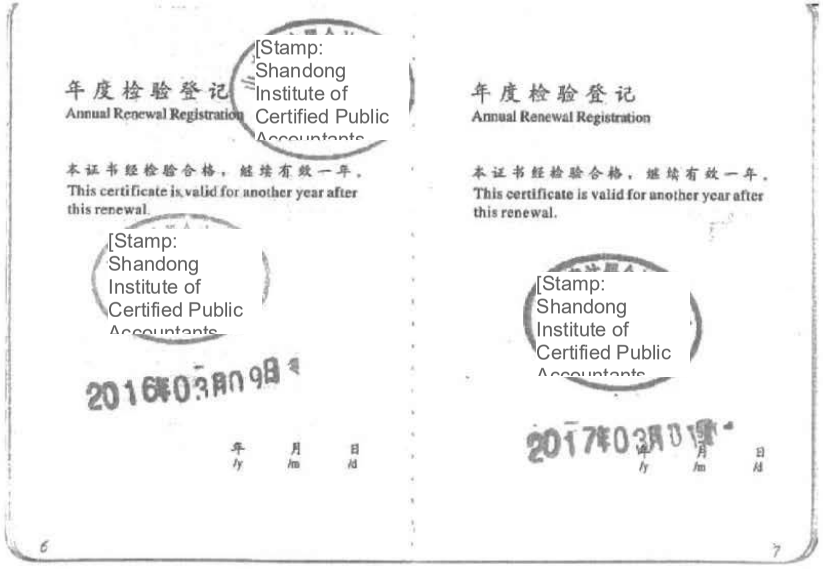
Certificate No.: 45

Issue Date: 6 November, 2019

Certificate valid until: 6 November, 2021



[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

[Stamp: Shandong Institute of Certified Public Accountants]

2016年03月09日

年 月 日
/y /m /d

6

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

[Stamp: Shandong Institute of Certified Public Accountants]

2017年03月

年 月 日
/y /m /d

7



注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

Shandong Hexin

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

年 月 日
/y /m /d

同意调入
Agree the holder to be transferred to

ZHONGHUI Certified

事务所
CPAs

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2018年 3月 26日
/y /m /d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

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年 月 日
/y /m /d

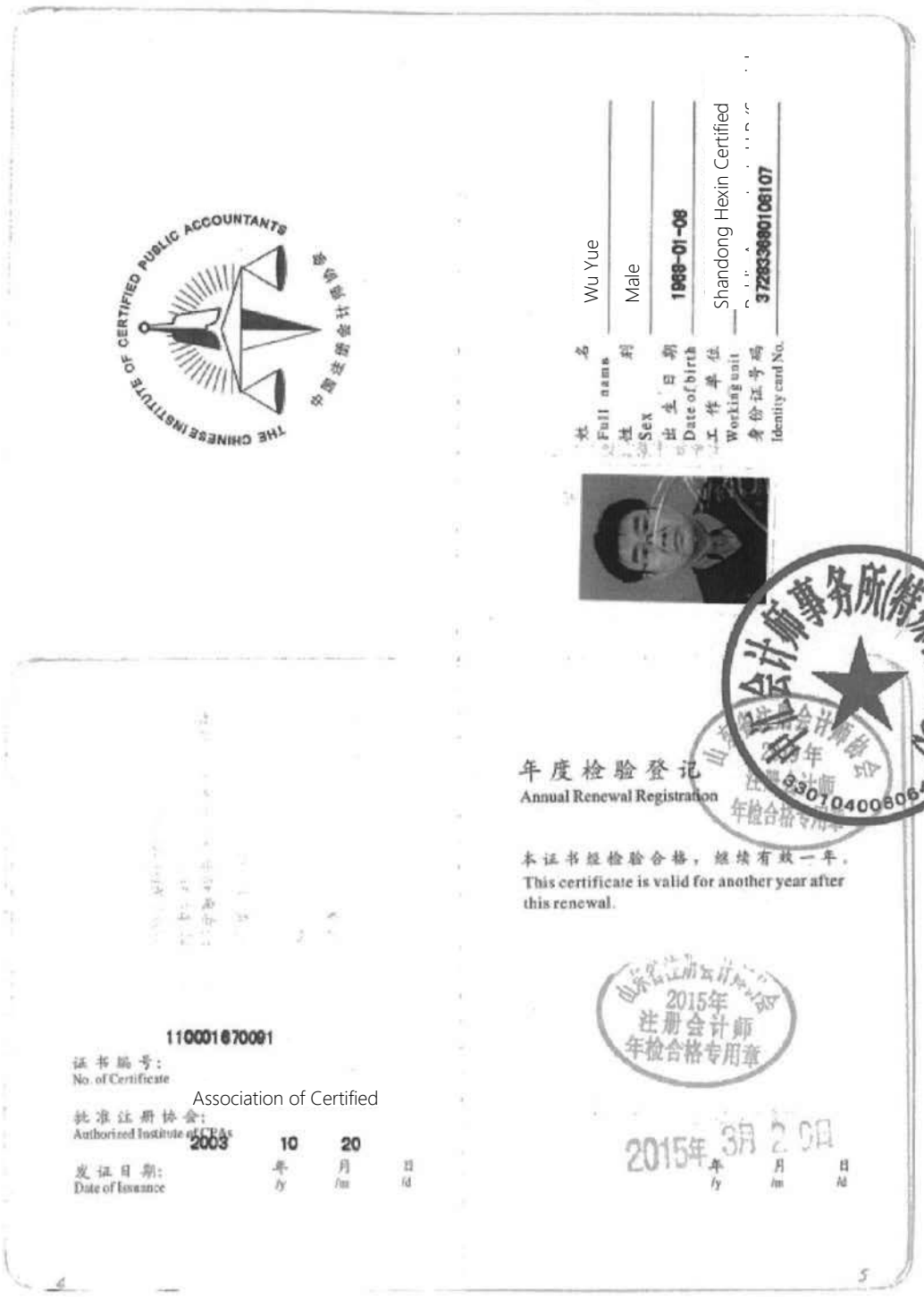
同意调入
Agree the holder to be transferred to

事务所
CPAs

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Stamp of the transfer-in Institute of CPAs

年 月 日
/y /m /d

11



[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]



[Stamp: ZHONGHUI Certified Public Accountants LLP (Special General Partnership)]

中汇会计师事务所（特殊普通合伙）
Zhonghui Certified Public Accountants LLP

地址（Add）：中国杭州市钱江新城新业路8号UDC时代大厦A座6层
邮编（P.C）：310016
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传真（Fax）：0571-88879000
www.zhcpa.cn

南山集团有限公司
2019 年度审计报告

山东省注册会计师行业报告防伪页

报告标题：	南山集团有限公司
报告文号：	中汇会审[2020]1857号
客户名称：	南山集团有限公司
报告时间：	2020-04-21
签字注册会计师：	刘元锁 （CPA：370100010021）
	吴岳 （CPA：110001670091）



91037[2020042101300]26
报告文号：中汇会审[2020]1857号

事务所名称：	中汇会计师事务所(特殊普通合伙)
事务所电话：	0531-81666257
传真：	0531-81666259
通讯地址：	杭州市江干区钱江新城新业路8号UDC时代大厦A座5-8、12层
电子邮件：	zhjn@zhcpa.cn

防伪查询网址：http://sdepacpv[illegible].cn(防伪报备栏目)查询

中汇会计师事务所（特殊普通合伙）
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目　录

	页次
一、审计报告	1-3
二、财务报表	4-15
（一）合并资产负债表	4-5
（二）合并利润表	6
（三）合并现金流量表	7
（四）合并所有者权益变动表	8-9
（五）母公司资产负债表	10-11
（六）母公司利润表	12
（七）母公司现金流量表	13
（八）母公司所有者权益变动表	14-15
三、财务报表附注	16-179

中汇会计师事务所（特殊普通合伙）
Zhonghui Certified Public Accountants LLP

地址（Add）：中国杭州市钱江新城新业路9号CBD时代大厦A幢6层
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电话（Tel）：0571-88879999
传真（Fax）：0571-88879000
www.zhcpa.cn

审 计 报 告

中汇会审[2020]1857号

南山集团有限公司全体股东：

一、审计意见

我们审计了南山集团有限公司（以下简称南山集团）财务报表，包括2019年12月31日的合并及母公司资产负债表，2019年度的合并及母公司利润表、合并及母公司现金流量表、合并及母公司所有者权益变动表以及财务报表附注。

我们认为，后附的财务报表在所有重大方面按照企业会计准则的规定编制，公允反映了南山集团2019年12月31日的合并及母公司财务状况以及2019年度的合并及母公司经营成果和现金流量。

二、形成审计意见的基础

我们按照中国注册会计师审计准则的规定执行了审计工作。审计报告的“注册会计师对财务报表审计的责任”部分进一步阐述了我们在这些准则下的责任。按照中国注册会计师职业道德守则，我们独立于南山集团，并履行了职业道德方面的其他责任。我们相信，我们获取的审计证据是充分、适当的，为发表审计意见提供了基础。

三、其他信息

南山集团管理层（以下简称管理层）对其他信息负责。其他信息包括南山集团2019年度报告中涵盖的信息，但不包括财务报表和我们的审计报告。

我们对财务报表发表的审计意见不涵盖其他信息，我们也不对其他信息发表任何形式的鉴证结论。

结合我们对财务报表的审计，我们的责任是阅读其他信息，在此过程中，考虑其他信息是否与财务报表或我们在审计过程中了解到的情况存在重大不一致或者似乎存在重大错报。

基于我们已执行的工作，如果我们确定其他信息存在重大错报，我们应当报告该事实。在这方面，我们无任何事项需要报告。

四、管理层和治理层对财务报表的责任

管理层负责按照企业会计准则的规定编制财务报表，使其实现公允反映，并设计、执行和维护必要的内部控制，以使财务报表不存在由于舞弊或错误导致的重大错报。

在编制财务报表时，管理层负责评估南山集团的持续经营能力，披露与持续经营相关的事项(如适用)，并运用持续经营假设，除非管理层计划清算南山集团、终止运营或别无其他现实的选择。

南山集团治理层(以下简称治理层)负责监督南山集团的财务报告过程。

五、注册会计师对财务报表审计的责任

我们的目标是对财务报表整体是否不存在由于舞弊或错误导致的重大错报获取合理保证，并出具包含审计意见的审计报告。合理保证是高水平的保证，但并不能保证按照审计准则执行的审计在某一重大错报存在时总能发现。错报可能由于舞弊或错误导致，如果合理预期错报单独或汇总起来可能影响财务报表使用者依据财务报表作出的经济决策，则通常认为错报是重大的。

在按照审计准则执行审计工作的过程中，我们运用职业判断，并保持职业怀疑。同时，我们也执行以下工作：

(一) 识别和评估由于舞弊或错误导致的财务报表重大错报风险，设计和实施审计程序以应对这些风险，并获取充分、适当的审计证据，作为发表审计意见的

基础。由于舞弊可能涉及串通、伪造、故意遗漏、虚假陈述或凌驾于内部控制之上，未能发现由于舞弊导致的重大错报的风险高于未能发现由于错误导致的重大错报的风险。

（二）了解与审计相关的内部控制，以设计恰当的审计程序，但目的并非对内部控制的有效性发表意见。

（三）评价管理层选用会计政策的恰当性和作出会计估计及相关披露的合理性。

（四）对管理层使用持续经营假设的恰当性得出结论。同时，根据获取的审计证据，就可能导致对南山集团持续经营能力产生重大疑虑的事项或情况是否存在重大不确定性得出结论。如果我们得出结论认为存在重大不确定性，审计准则要求我们在审计报告中提请报表使用者注意财务报表中的相关披露；如果披露不充分，我们应当发表非无保留意见。我们的结论基于截至审计报告日可获得的信息。然而，未来的事项或情况可能导致南山集团不能持续经营。

（五）评价财务报表的总体列报、结构和内容，并评价财务报表是否公允反映相关交易和事项。

（六）就南山集团中实体或业务活动的财务信息获取充分、适当的审计证据，以对财务报表发表审计意见。我们负责指导、监督和执行集团审计，并对审计意见承担全部责任。

我们与治理层就计划的审计范围、时间安排和重大审计发现等事项进行沟通，包括沟通我们在审计中识别出的值得关注的内部控制缺陷。

中汇会计师事务所（特殊普通合伙）　　中国注册会计师：

中国·杭州　　中国注册会计师：

报告日期：2020 年 4 月 21 日

合并资产负债表

2019年12月31日

会合01表

编制单位：南山集团有限公司　　金额单位：人民币元

项　目	注释号	行次	2019年12月31日	2019年1月1日
流动资产：				
货币资金	五(一)	1	13,707,244,342.51	9,828,116,566.56
结算备付金		2	-	-
拆出资金		3	-	-
交易性金融资产	五(二)	4	2,443,733,198.90	4,531,860,000.00
以公允价值计量且其变动计入当期损益的金融资产	五(三)	5	114,376,163.42	51,740,313.81
衍生金融资产	五(四)	6	3,623,881.46	204,000.00
应收票据	五(五)	7	1,308,585,843.23	1,850,466,547.85
应收账款	五(六)	8	4,933,765,739.07	5,591,825,270.12
应收款项融资	五(七)	9	1,104,674,932.14	1,578,484,203.44
预付款项	五(八)	10	2,181,863,610.11	1,768,168,514.16
应收保费		11	-	-
应收分保账款		12	-	-
应收分保合同准备金		13	-	-
其他应收款	五（九）	14	8,406,951,675.63	7,022,376,542.27
其中：应收利息		15	50,215,247.65	47,275,638.86
应收股利		16	-	-
买入返售金融资产		17	-	-
存货	五（十）	18	17,068,983,252.90	18,084,902,724.82
持有待售资产	五（十一）	19	28,628,012.89	57,377,563.96
一年内到期的非流动资产		20	-	-
其他流动资产	五（十二）	21	3,169,196,368.47	3,274,513,113.48
流动资产合计		22	54,470,707,020.73	53,639,735,380.47
非流动资产：				
发放贷款及垫款	五（十三）	23	2,576,667,284.47	671,027,730.99
可供出售金融资产	五（十四）	24	10,001,869,154.69	7,779,563,603.67
持有至到期投资	五（十五）	25	-	30,000,000.00
长期应收款	五（十六）	26	578,591,895.57	971,864,653.26
长期股权投资	五（十七）	27	3,200,883,395.56	3,061,425,951.16
其他权益工具投资	五（十八）	28	40,090,000.00	40,090,000.00
其他非流动金融资产	五（十九）	29	31,000,000.00	31,000,000.00
投资性房地产	五（二十）	30	1,620,010,018.44	1,572,174,889.13
固定资产	五（二十一）	31	36,875,029,812.45	40,424,615,927.68
在建工程	五（二十二）	32	18,333,047,879.22	16,603,101,222.99
生产性生物资产		33	-	-
油气资产		34	-	-
无形资产	五（二十三）	35	6,141,376,731.29	6,142,047,842.37
开发支出		36	-	-
商誉		37	-	-
长期待摊费用	五（二十四）	38	101,709,475.68	851,645,417.69
递延所得税资产	五（二十五）	39	308,616,797.97	267,452,292.27
其他非流动资产	五（二十六）	40	1,394,152,984.38	844,095,916.97
非流动资产合计		41	81,203,045,429.72	79,290,105,448.18
资产总计		42	135,673,752,450.45	132,929,840,808.65

法定代表人：　　主管会计工作负责人：　　会计机构负责人：

合并资产负债表(续)

2019年12月31日

编制单位：南山集团有限公司　　会合01表　　金额单位：人民币元

项　目	注释号	行次	2019年12月31日	2019年1月1日
流动负债：				
短期借款	五（二十七）	43	11,239,227,526.14	8,215,261,123.55
向中央银行借款	五（二十八）	44	403,323,237.50	428,220,937.50
吸收存款及同业存放	五（二十九）	45	65,946,569.03	94,971,896.99
拆入资金		46	-	-
交易性金融负债	五（三十）	47	-	9,000.00
以公允价值计量且其变动计入当期损益的金融负债		48	-	-
衍生金融负债	五（三十一）	49	4,248,002.34	10,408,160.14
应付票据	五（三十二）	50	5,069,905,124.18	3,332,092,039.38
应付账款	五（三十三）	51	5,392,973,147.69	5,207,162,291.70
预收款项	五（三十四）	52	3,127,716,332.64	2,454,766,353.09
卖出回购金融资产款	五（三十五）	53	862,100,000.00	722,000,000.00
应付手续费及佣金		54	-	-
应付职工薪酬	五（三十六）	55	860,242,225.22	772,112,027.45
应交税费	五（三十七）	56	1,235,035,362.79	1,417,588,968.60
其他应付款	五（三十八）	57	5,222,558,713.77	4,535,854,142.36
其中：应付利息		58	671,219,181.99	686,839,312.89
应付股利		59	6,107,297.49	6,107,297.49
应付分保账款		60	-	-
代理买卖证券款		61	-	-
代理承销证券款		62	-	-
持有待售负债		63	-	-
一年内到期的非流动负债	五（三十九）	64	6,100,590,206.66	7,405,142,412.15
其他流动负债	五（四十）	65	5,582,540,717.10	6,669,588,895.53
流动负债合计		66	45,365,809,165.06	41,265,178,248.44
非流动负债：				
保险合同准备金		67		
长期借款	五（四十一）	68	6,193,436,677.06	7,167,233,268.40
应付债券	五（四十二）	69	15,707,420,930.78	18,654,042,819.07
其中：优先股		70	-	-
永续债		71	-	-
长期应付款	五（四十三）	72	620,832,551.64	1,262,345,347.96
长期应付职工薪酬		73	-	-
预计负债		74	-	-
递延收益	五（四十四）	75	772,674,464.12	672,116,235.73
递延所得税负债	五（二十五）	76	10,318,366.34	30,600.00
其他非流动负债	五（四十五）	77	59,984,378.68	29,282,355.71
非流动负债合计		78	23,364,667,368.62	27,785,050,626.87
负债合计		79	68,730,476,533.68	69,050,228,875.31
所有者权益：				
实收资本	五（四十六）	80	1,000,000,000.00	1,000,000,000.00
其他权益工具		81	-	-
其中：优先股		82	-	-
永续债		83	-	-
资本公积	五（四十七）	84	1,014,997,955.76	1,005,129,960.19
减：库存股		85	-	-
其他综合收益	五（四十八）	86	-863,566,973.44	-756,598,339.65
专项储备		87	-	-
盈余公积	五（四十九）	88	4,563,025,276.78	4,350,528,548.06
一般风险准备		89	-	-
未分配利润	五（五十）	90	37,852,842,970.93	35,608,934,364.60
归属于母公司所有者权益合计		91	43,567,299,231.03	41,207,994,533.20
少数股东权益		92	23,375,976,685.74	22,671,617,400.14
所有者权益合计		93	66,943,275,916.77	63,879,611,933.34
负债和所有者权益总计		94	135,673,752,450.45	132,929,840,808.65

法定代表人：　　主管会计工作负责人：　　会计机构负责人：

合并利润表

2019年度

编制单位：南山集团有限公司　　会合02表　　金额单位：人民币元

项　目	注释号	行次	2019年度	2018年度
一、营业收入	五（五十一）	1	43,461,367,076.75	43,172,374,415.42
其中：营业收入	五（五十一）	2	42,326,503,377.90	43,023,112,845.39
利息收入	五（五十一）	3	124,933,228.56	141,313,509.23
已赚保费	五（五十一）	4	1,107,900.96	1,151,960.26
手续费及佣金收入	五（五十一）	5	8,822,569.33	6,796,100.54
二、营业总成本		6	42,586,724,671.30	41,148,353,253.37
其中：营业成本	五（五十一）	7	35,761,325,905.36	34,752,031,777.54
利息支出	五（五十一）	8	30,069,110.20	26,469,325.45
手续费及佣金支出	五（五十一）	9	659,192.87	663,468.95
退保金		10	-	-
赔付支出净额		11	-	-
提取保险责任准备金净额		12	-	-
保单红利支出		13	-	-
分保费用		14	-	-
税金及附加	五（五十二）	15	336,295,076.40	1,117,370,522.34
销售费用	五（五十三）	16	1,829,034,141.77	1,433,009,868.46
管理费用	五（五十四）	17	1,870,749,271.02	1,923,970,170.81
研发费用	五（五十五）	18	897,508,394.14	207,575,231.24
财务费用	五（五十六）	19	1,861,083,579.54	1,687,262,888.59
其中：利息费用		20	2,164,760,363.60	2,177,831,371.58
利息收入		21	281,981,363.84	297,316,102.32
加：其他收益	五（五十七）	22	482,097,713.75	117,497,770.12
投资收益（损失以“-”号填列）	五（五十八）	23	2,794,357,804.32	573,318,038.78
其中：对联营企业和合营企业的投资收益		24	126,405,356.14	324,404,935.23
汇兑收益（损失以“-”号填列）		25	-	-
公允价值变动收益（损失以“-”号填列）	五（五十九）	26	2,036,834.24	-9,964,732.95
信用减值损失（损失以“-”号填列）	五（六十）	27	-5,914,294.92	-
资产减值损失（损失以“-”号填列）	五（六十一）	28	-111,425,499.18	27,943,857.89
资产处置收益（损失以“-”号填列）	五（六十二）	29	-83,856,386.77	-99,585,605.79
三、营业利润（亏损以“-”号填列）		30	3,951,938,376.89	2,632,929,490.10
加：营业外收入	五（六十三）	31	193,952,502.01	1,323,921,432.62
减：营业外支出	五（六十四）	32	168,843,965.49	147,629,536.26
四、利润总额（亏损总额以“-”号填列）		33	3,977,046,913.41	3,809,221,386.46
减：所得税费用	五（六十五）	34	521,669,424.49	850,404,656.93
五、净利润（净亏损以“-”号填列）		35	3,455,377,488.92	2,958,816,729.54
（一）按经营持续性分类				
1、持续经营净利润（净亏损以“-”号填列）		36	3,455,377,488.92	2,958,816,729.54
2、终止经营净利润（净亏损以“-”号填列）		37	-	-
（二）按所有权归属分类				
1、归属于母公司所有者的净利润		38	2,445,045,557.32	2,087,681,366.15
2、少数股东损益		39	1,010,331,931.60	871,135,363.38
六、其他综合收益的税后净额	五（六十六）	40	-68,054,963.19	-947,268,114.64
归属母公司所有者的其他综合收益的税后净额		41	-106,968,633.79	-987,227,713.27
（一）不能重分类进损益的其他综合收益		42	506,450.45	-1,663,238.69
1、重新计量设定受益计划变动额		43	-	-
2、权益法下不能转损益的其他综合收益		44	506,450.45	-1,663,238.69
（二）将重分类进损益的其他综合收益		45	-107,475,084.24	-985,564,474.58
1、权益法下可转损益的其他综合收益		46	-9,088,208.05	20,308,570.05
2、可供出售金融资产公允价值变动损益		47	-296,862,984.82	-1,028,362,957.09
3、持有至到期投资重分类为可供出售金融资产损益		48	-	-
4、现金流量套期损益的有效部分		49	2,356,520.06	-2,878,055.51
5、外币财务报表折算差额		50	196,119,588.57	25,367,991.97
6、其他		51	-	-
归属于少数股东的其他综合收益的税后净额		52	38,913,670.60	39,959,598.63
七、综合收益总额（综合亏损总额以“-”号填列）		53	3,387,322,525.73	2,011,548,614.90
归属于母公司所有者的综合收益总额		54	2,338,076,923.54	1,100,453,652.88
归属于少数股东的综合收益总额		55	1,049,245,602.20	911,094,962.01

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

合并现金流量表

2019年度

编制单位：南山集团有限公司　　会合03表

金额单位：人民币元

项目	注释号	行次	2019年度	2018年度
一、经营活动产生的现金流量：				
销售商品、提供劳务收到的现金		1	39,128,193,478.46	36,604,291,138.00
客户存款和同业存放款项净增加额		2	-29,025,327.96	30,270,181.65
向中央银行借款净增加额		3	-24,897,700.00	129,145,937.50
存放中央银行和同业款项净减少额		4	-53,881,750.31	247,840,086.02
收到原保险合同保费取得的现金		5	-	-
收到再保险业务现金净额		6	-	-
保户储金及投资款净增加额		7	-	-
处置以公允价值且其变动计入当期损益的金融资产净增加额		8	-	-
收取利息、手续费及佣金的现金		9	142,797,202.09	165,928,953.18
拆入资金净增加额		10	-	-
回购业务资金净增加额		11	140,100,000.00	155,400,000.00
收到的税费返还		12	1,109,367,007.03	772,279,499.10
收到其他与经营活动有关的现金	五（六十七）	13	898,314,093.40	1,408,452,810.75
经营活动现金流入小计		14	41,310,967,002.71	39,513,608,606.21
购买商品、接受劳务支付的现金		15	23,488,211,931.10	27,864,920,248.75
客户贷款及垫款净增加额		16	1,905,639,553.48	64,600,269.45
存放中央银行和同业款项净增加额		17	-	-
支付原保险合同赔付款项的现金		18	-	-
支付利息、手续费及佣金的现金		19	29,216,120.44	26,830,778.21
支付保单红利的现金		20	-	-
支付给职工以及为职工支付的现金		21	3,065,965,628.67	3,109,897,721.77
支付的各项税费		22	2,455,470,882.87	2,747,961,561.59
支付其他与经营活动有关的现金	五（六十七）	23	3,153,841,525.04	1,805,442,853.57
经营活动现金流出小计		24	34,098,345,641.80	35,620,653,431.34
经营活动产生的现金流量净额		25	7,212,621,360.91	3,892,955,174.86
二、投资活动产生的现金流量：				
收回投资收到的现金		26	3,419,638,040.04	1,817,624,465.56
取得投资收益收到的现金		27	155,794,827.72	114,957,779.31
处置固定资产、无形资产和其他长期资产收回的现金净额		28	16,889,604.08	747,827,598.70
处置子公司及其他营业单位收到的现金净额		29	1,592,418,674.54	-
收到其他与投资活动有关的现金	五（六十七）	30	5,730,027,959.12	828,262,498.25
投资活动现金流入小计		31	10,914,769,105.50	3,508,672,341.82
购建固定资产、无形资产和其他长期资产支付的现金		32	3,270,394,480.21	3,232,821,739.50
投资支付的现金		33	8,051,609,942.19	2,227,510,406.78
质押贷款净增加额		34	-	-
取得子公司及其他营业单位支付的现金净额		35	-	-
支付其他与投资活动有关的现金	五（六十七）	36	3,340,740,356.84	5,721,684,655.20
投资活动现金流出小计		37	12,662,744,779.25	11,182,016,801.48
投资活动产生的现金流量净额		38	-1,747,975,673.75	-7,673,344,459.66
三、筹资活动产生的现金流量：				
吸收投资收到的现金		39	232,155,801.34	2,344,716,378.78
其中：子公司吸收少数股东投资收到的现金		40	-	-
取得借款收到的现金		41	29,969,372,700.00	30,952,281,958.89
收到其他与筹资活动有关的现金	五（六十七）	42	1,635,128,244.75	962,179,572.94
筹资活动现金流入小计		43	31,836,656,745.99	34,259,177,910.61
偿还债务支付的现金		44	32,716,099,133.54	28,544,950,201.36
分配股利、利润或偿付利息支付的现金		45	2,637,873,084.07	2,860,496,613.99
其中：子公司支付给少数股东的股利、利润		46	315,177,093.25	302,438,189.60
支付其他与筹资活动有关的现金	五（六十七）	47	1,134,000,000.00	167,079,017.86
筹资活动现金流出小计		48	36,487,972,217.61	31,572,525,833.22
筹资活动产生的现金流量净额		49	-4,651,315,471.62	2,686,652,077.39
四、汇率变动对现金及现金等价物的影响		50	95,193,430.98	158,995,020.34
五、现金及现金等价物净增加额		51	908,523,646.52	-934,742,187.07
加：期初现金及现金等价物余额		52	7,914,965,515.49	8,849,707,702.56
六、期末现金及现金等价物余额		53	8,823,489,162.01	7,914,965,515.49

法定代表人：宋波印　　主管会计工作负责人：宋波印　　会计机构负责人：梁坤

合并所有者权益变动表

2019年度

会合04表-1

编制单位：南山集团有限公司　　金额单位：人民币元

项目	行次	2019年度									
		归属于母公司所有者权益								少数股东权益	所有者权益合计
		实收资本	资本公积	减：库存股	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润		
一、上期期末余额	1	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
加：会计政策变更	2	-	-	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-	-	-
同一控制下企业合并	4	-	-	-	-	-	-	-	-	-	-
其他	5	-	-	-	-	-	-	-	-	-	-
二、本期期初余额	6	1,000,000,000.00	1,005,129,960.19	-	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34
三、本期增减变动金额（减少以“-”号填列）	7	-	9,867,996.57	-	-106,968,633.79	-	212,496,728.72	-	2,243,908,606.33	704,359,285.60	3,063,663,983.43
（一）综合收益总额	8	-	-	-	-106,968,633.79	-	-	-	2,445,045,557.32	1,049,245,602.20	3,387,322,525.73
（二）所有者投入和减少资本	9	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-29,709,223.35	-8,481,449.05
1. 股东投入的普通股	10	-	-	-	-	-	-	-	-	87,419,291.43	87,419,291.43
2. 其他权益工具持有者投入资本	11	-	-	-	-	-	-	-	-	-	-
3. 股份支付计入所有者权益的金额	12	-	-	-	-	-	-	-	-	-	-
4. 其他	13	-	9,867,996.57	-	-	-	-	-	11,359,777.73	-117,128,514.78	-95,900,740.48
（三）利润分配	14	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-315,177,093.25	-315,177,093.25
1. 提取盈余公积	15	-	-	-	-	-	212,496,728.72	-	-212,496,728.72	-	-
2. 提取一般风险准备	16	-	-	-	-	-	-	-	-	-	-
3. 对所有者的分配	17	-	-	-	-	-	-	-	-	-315,177,093.25	-315,177,093.25
4. 其他	18	-	-	-	-	-	-	-	-	-	-
（四）所有者权益内部结转	19	-	-	-	-	-	-	-	-	-	-
1. 资本公积转增资本	20	-	-	-	-	-	-	-	-	-	-
2. 盈余公积转增资本	21	-	-	-	-	-	-	-	-	-	-
3. 盈余公积弥补亏损	22	-	-	-	-	-	-	-	-	-	-
4. 设定受益计划变动额结转留存收益	23	-	-	-	-	-	-	-	-	-	-
5. 其他	24	-	-	-	-	-	-	-	-	-	-
（五）专项储备	25	-	-	-	-	-	-	-	-	-	-
1. 本期提取	26	-	-	-	-	-	-	-	-	-	-
2. 本期使用	27	-	-	-	-	-	-	-	-	-	-
（六）其他	28	-	-	-	-	-	-	-	-	-	-
四、本期期末余额	29	1,000,000,000.00	1,014,997,956.76	-	-863,566,973.44	-	4,563,025,276.78	-	37,852,842,970.93	23,375,976,685.74	66,943,275,916.77

法定代表人：宋建印　　主管会计工作负责人：宋建印　　会计机构负责人：梁坤

合并所有者权益变动表(续)

2019年度

会合04表-2

编制单位：唐山钢铁集团有限公司　　金额单位：人民币元

项目	行次	2018年度								
		归属于母公司所有者权益							少数股东权益	所有者权益合计
		实收资本	资本公积	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润		
一、上期期末余额	1	1,000,000,000.00	950,376,446.94	230,629,373.62	-	4,171,657,683.48	-	33,700,123,863.03	19,685,383,087.50	59,738,170,454.57
加：会计政策变更	2	-	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-	-
同一控制下企业合并	4	-	-	-	-	-	-	-	-	-
其他	5	-	-	-	-	-	-	-	-	-
二、本期期初余额	6	1,000,000,000.00	950,376,446.94	230,629,373.62	-	4,171,657,683.48	-	33,700,123,863.03	19,685,383,087.50	59,738,170,454.57
三、本期增减变动金额(减少以“-”号填列)	7	-	54,753,513.25	-987,227,713.27	-	178,870,864.58	-	1,908,810,501.57	2,986,234,312.64	4,141,441,478.77
(一) 综合收益总额	8	-	-	-987,227,713.27	-	-	-	2,087,681,366.15	911,094,962.01	2,011,548,614.89
(二) 所有者投入和减少资本	9	-	54,753,513.25	-	-	-	-	-	2,377,577,540.23	2,432,331,053.48
1. 股东投入的普通股	10	-	-	-	-	-	-	-	2,381,726,361.46	2,381,726,361.46
2. 其他权益工具持有者投入资本	11	-	-	-	-	-	-	-	-	-
3. 股份支付计入所有者权益的金额	12	-	-	-	-	-	-	-	-	-
4. 其他	13	-	54,753,513.25	-	-	-	-	-	-4,148,821.23	50,604,692.02
(三) 利润分配	14	-	-	-	-	178,870,864.58	-	-178,870,864.58	-302,438,189.60	-302,438,189.60
1. 提取盈余公积	15	-	-	-	-	178,870,864.58	-	-178,870,864.58	-	-
2. 提取一般风险准备	16	-	-	-	-	-	-	-	-	-
3. 对所有者的分配	17	-	-	-	-	-	-	-	-302,438,189.60	-302,438,189.60
4. 其他	18	-	-	-	-	-	-	-	-	-
(四) 所有者权益内部结转	19	-	-	-	-	-	-	-	-	-
1. 资本公积转增资本	20	-	-	-	-	-	-	-	-	-
2. 盈余公积转增资本	21	-	-	-	-	-	-	-	-	-
3. 盈余公积弥补亏损	22	-	-	-	-	-	-	-	-	-
4. 设定受益计划变动额结转留存收益	23	-	-	-	-	-	-	-	-	-
5. 其他	24	-	-	-	-	-	-	-	-	-
(五) 专项储备	25	-	-	-	-	-	-	-	-	-
1. 本期提取	26	-	-	-	-	-	-	-	-	-
2. 本期使用	27	-	-	-	-	-	-	-	-	-
(六) 其他	28	-	-	-	-	-	-	-	-	-
四、本期期末金额	29	1,000,000,000.00	1,005,129,960.19	-756,598,339.65	-	4,350,528,548.06	-	35,608,934,364.60	22,671,617,400.14	63,879,611,933.34

法定代表人：　　主管会计工作负责人：　　会计机构负责人：

母公司资产负债表

2019年12月31日

编制单位：南山集团有限公司　　会企01表　　金额单位：人民币元

项　目	注释号	行次	2019年12月31日	2019年1月1日
流动资产：				
货币资金		1	6,181,185,707.02	2,817,245,481.76
结算备付金		2	-	-
拆出资金		3	-	-
以公允价值计量且其变动计入当期损益的金融资产		4	-	-
衍生金融资产		5	-	-
应收票据	十二（一）	6	853,250,000.00	175,691,000.00
应收账款	十二（二）	7	725,983,846.77	1,069,469,161.11
预付款项		8	118,716,286.30	415,812,995.14
应收保费		9	-	-
应收分保账款		10	-	-
应收分保合同准备金		11	-	-
其他应收款	十二（三）	12	47,599,159,131.81	58,271,292,306.72
其中：应收利息		13	22,282,400.53	24,549,863.97
应收股利		14	-	-
买入返售金融资产		15	-	-
存货		16	3,649,564,778.99	3,627,751,435.27
持有待售资产		17	14,000,000.00	36,000,000.00
一年内到期的非流动资产		18	-	-
其他流动资产		19	259,820,000.00	133,760,000.00
流动资产合计		20	59,401,679,750.89	66,547,022,380.00
非流动资产：				
发放贷款及垫款		21	-	-
可供出售金融资产		22	5,368,439,351.00	796,392,600.00
持有至到期投资		23	-	-
长期应收款		24	-	-
长期股权投资	十二（四）	25	18,926,519,576.61	19,235,645,842.16
投资性房地产		26	-	-
固定资产		27	2,844,448,116.22	2,902,551,473.11
在建工程		28	419,404,319.64	410,252,565.11
生产性生物资产		29	-	-
油气资产		30	-	-
无形资产		31	945,432,656.39	982,602,029.59
开发支出		32	-	-
商誉		33	-	-
长期待摊费用		34	-	-
递延所得税资产		35	5,896,159.27	4,605,661.56
其他非流动资产		36	657,660,229.05	654,890,229.05
非流动资产合计		37	29,167,800,408.18	24,986,940,400.58
资产总计		38	88,569,480,159.07	91,533,962,780.58

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

母公司资产负债表(续)

2019年12月31日

编制单位：唐山集团有限公司　　会企01表　　金额单位：人民币元

项　目	注释号	行次	2019年12月31日	2019年1月1日
流动负债：				
短期借款		39	6,344,000,000.00	2,202,000,000.00
向中央银行借款		40	-	-
吸收存款及同业存放		41	-	-
拆入资金		42	-	-
以公允价值计量且其变动计入当期损益的金融负债		43	-	-
衍生金融负债		44	-	-
应付票据		45	9,827,144,915.34	1,357,596,971.95
应付账款		46	35,549,929.24	52,842,624.24
预收款项		47	227,376,228.47	199,276,842.18
卖出回购金融资产款		48	-	-
应付手续费及佣金		49	-	-
应付职工薪酬		50	8,086,704.39	9,286,335.24
应交税费		51	337,936,408.31	297,616,943.16
其他应付款		52	9,513,506,048.58	17,188,022,344.60
其中：应付利息		53	588,920,161.59	619,597,269.96
应付股利		54	-	-
应付分保账款		55	-	-
保险合同准备金		56	-	-
代理买卖证券款		57	-	-
代理承销的负债		58	-	-
持有待售负债		59	-	-
一年内到期的非流动负债		60	3,159,522,610.72	5,554,098,539.69
其他流动负债		61	5,500,000,000.00	6,500,000,000.00
流动负债合计		62	28,953,142,845.05	33,360,720,623.06
非流动负债：				
长期借款		63	3,740,000,000.00	2,186,360,000.00
应付债券		64	14,212,234,586.19	16,439,106,292.64
其中：优先股		65	-	-
永续债		66	-	-
长期应付款		67	-	-
长期应付职工薪酬		68	-	-
预计负债		69	-	-
递延收益		70	27,087,649.96	27,146,316.64
递延所得税负债		71	-	-
其他非流动负债		72	-	-
非流动负债合计		73	17,979,322,236.15	18,652,612,609.28
负债合计		74	46,932,465,081.20	52,013,333,232.34
所有者权益：				
实收资本		75	1,000,000,000.00	1,000,000,000.00
其他权益工具		76	-	-
其中：优先股		77	-	-
永续债		78	-	-
资本公积		79	371,397,945.57	371,397,945.57
减：库存股		80	-	-
其他综合收益		81	-23,410,816.57	-14,829,058.97
专项储备		82	-	-
盈余公积		83	4,563,025,276.78	4,350,528,548.06
一般风险准备		84	-	-
未分配利润		85	35,726,002,672.09	33,813,532,113.58
所有者权益合计		86	41,637,015,077.87	39,520,629,548.24
负债和所有者权益总计		87	88,569,480,159.07	91,533,962,780.68

法定代表人：　　主管会计工作负责人：　　会计机构负责人：

母公司利润表

2019年度

编制单位：南山集团有限公司　　会企02表　　金额单位：人民币元

项目	注释号	行次	2019年度	2018年度
一、营业收入	十二（五）	1	3,737,260,709.53	2,306,757,889.50
其中：营业收入	十二（五）	2	3,737,260,709.53	2,306,757,889.50
利息收入		3	-	-
已赚保费		4	-	-
手续费及佣金收入		5	-	-
二、营业总成本		6	3,551,194,174.96	2,259,304,749.24
其中：营业成本	十二（五）	7	3,325,842,678.21	658,381,499.42
利息支出		8	-	-
手续费及佣金支出		9	-	-
退保金		10	-	-
赔付支出净额		11	-	-
提取保险合同准备金净额		12	-	-
保单红利支出		13	-	-
分保费用		14	-	-
税金及附加		15	18,497,728.38	70,342,077.74
销售费用		16	3,397,841.92	4,171,137.51
管理费用		17	206,589,031.50	394,830,954.07
研发费用		18	-	-
财务费用		19	-3,133,105.05	1,231,579,080.50
其中：利息费用		20	80,888,862.08	1,849,603,196.46
利息收入		21	160,034,786.39	639,993,887.35
加：其他收益		22	409,541,180.52	1,855,283.67
投资收益（损失以“-”号填列）	十二（六）	23	1,454,710,279.25	791,845,813.49
其中：对联营企业和合营企业的投资收益		24	78,155,492.05	348,495,093.91
汇兑收益（损失以“-”号填列）		25	-	-
公允价值变动收益（损失以“-”号填列）		26	-	-
资产减值损失（损失以“-”号填列）		27	-5,161,990.81	-7,575,913.57
资产处置收益（损失以“-”号填列）		28	2,012,452.65	2,972,739.45
二、营业利润（亏损以“-”号填列）		29	2,047,168,456.18	836,551,063.30
加：营业外收入		30	108,952,025.65	1,236,915,175.24
减：营业外支出		31	16,470,132.50	12,124,039.56
三、利润总额（亏损总额以“-”号填列）		32	2,139,650,349.33	2,061,342,198.98
减：所得税费用		33	14,683,062.10	272,633,553.19
四、净利润（净亏损以“-”号填列）		34	2,124,967,287.23	1,788,708,645.79
（一）持续经营净利润（净亏损以“-”号填列）		35	2,124,967,287.23	1,788,708,645.79
（二）终止经营净利润（净亏损以“-”号填列）		36	-	-
五、其他综合收益的税后净额		37	-8,581,757.60	18,645,337.36
（一）不能重分类进损益的其他综合收益		38	506,450.45	-1,663,238.69
1、重新计量设定受益计划变动额		39	-	-
2、权益法下不能转损益的其他综合收益		40	506,450.45	-1,663,238.69
（二）将重分类进损益的其他综合收益		41	-9,088,208.05	20,308,576.05
1、权益法下可转损益的其他综合收益		42	-9,088,208.05	20,308,576.05
2、可供出售金融资产公允价值变动损益		43	-	-
3、持有至到期投资重分类为可供出售金融资产损益		44	-	-
4、现金流量套期损益的有效部分		45	-	-
5、外币财务报表折算差额		46	-	-
6、其他		47	-	-
六、综合收益总额（综合亏损总额以“-”号填列）		48	2,116,385,529.63	1,807,353,983.15

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

母公司现金流量表

2019年度

编制单位：南山集团有限公司　　会企03表　　金额单位：人民币元

项　目	注释号	行次	2019年度	2018年度
一、经营活动产生的现金流量：				
销售商品、提供劳务收到的现金		1	3,978,093,383.74	1,109,682,448.06
客户存款和同业存放款项净增加额		2	-	-
向中央银行借款净增加额		3	-	-
向其他金融机构拆入资金净增加额		4	-	-
收到原保险合同保费取得的现金		5	-	-
收到再保险业务现金净额		6	-	-
保户储金及投资款净增加额		7	-	-
处置以公允价值且其变动计入当期损益的金融资产净增加额		8	-	-
收取利息、手续费及佣金的现金		9	-	-
拆入资金净增加额		10	-	-
回购业务资金净增加额		11	-	-
收到的税费返还		12	-	-
收到其他与经营活动有关的现金		13	844,765,452.70	1,603,787,167.35
经营活动现金流入小计		14	4,822,858,836.44	2,713,469,615.41
购买商品、接受劳务支付的现金		15	3,319,169,621.62	60,451,259.09
客户贷款及垫款净增加额		16	-	-
存放中央银行和同业款项净增加额		17	-	-
支付原保险合同赔付款项的现金		18	-	-
支付利息、手续费及佣金的现金		19	-	-
支付保单红利的现金		20	-	-
支付给职工以及为职工支付的现金		21	16,965,280.71	44,380,416.80
支付的各项税费		22	20,249,247.55	402,273,929.54
支付其他与经营活动有关的现金		23	164,294,410.77	510,366,496.51
经营活动现金流出小计		24	3,520,678,560.65	1,017,472,103.94
经营活动产生的现金流量净额		25	1,302,180,275.79	1,695,997,511.47
二、投资活动产生的现金流量：				
收回投资收到的现金		26	2,816,010,969.58	365,537,303.50
取得投资收益收到的现金		27	149,981,480.48	217,779,577.73
处置固定资产、无形资产和其他长期资产收回的现金净额		28	1,638,858.97	3,455,185.56
处置子公司及其他营业单位收到的现金净额		29	-	-
收到其他与投资活动有关的现金		30	2,622,498,308.32	-
投资活动现金流入小计		31	5,590,129,617.35	586,772,069.79
购建固定资产、无形资产和其他长期资产支付的现金		32	22,018,822.97	29,493,602.91
投资支付的现金		33	3,399,060,000.00	1,664,396,075.86
质押贷款净增加额		34	-	-
取得子公司及其他营业单位支付的现金净额		35	-	-
支付其他与投资活动有关的现金		36	178,350,000.00	-
投资活动现金流出小计		37	3,599,428,822.97	1,693,889,678.77
投资活动产生的现金流量净额		38	1,990,700,794.38	-1,107,117,608.98
三、筹资活动产生的现金流量：				
吸收投资收到的现金		39	-	-
取得借款收到的现金		40	27,868,297,800.00	23,182,571,500.00
收到其他与筹资活动有关的现金		41	-	-
筹资活动现金流入小计		42	27,868,297,800.00	23,182,571,500.00
偿还债务支付的现金		43	27,925,528,000.00	19,964,222,000.00
分配股利、利润或偿付利息支付的现金		44	1,347,486,714.07	1,848,448,633.96
支付其他与筹资活动有关的现金		45	-	604,140,216.35
筹资活动现金流出小计		46	29,273,014,714.07	22,416,810,850.31
筹资活动产生的现金流量净额		47	-1,404,716,914.07	765,760,649.69
四、汇率变动对现金及现金等价物的影响		48	-	-
五、现金及现金等价物净增加额		49	1,888,164,156.10	1,354,640,552.18
加：期初现金及现金等价物余额		50	2,448,271,966.26	1,093,631,414.08
六、期末现金及现金等价物余额		51	4,336,436,122.36	2,448,271,966.26

法定代表人：宋波印建　　主管会计工作负责人：宋波印建　　会计机构负责人：梁坤

母公司所有者权益变动表

2019年度

会企04表-1

编制单位：南山集团有限公司　　金额单位：人民币元

项目	行次	2019年度							
		实收资本	资本公积	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润	所有者权益合计
一、上期期末余额	1	1,000,000,000.00	371,397,945.57	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
加：会计政策变更	2	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-
其他	4	-	-	-	-	-	-	-	-
二、本期期初余额	5	1,000,000,000.00	371,397,945.57	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24
三、本期增减变动金额（减少以“-”号填列）	6	-	-	-8,581,757.60	-	212,496,728.72	-	1,912,470,558.51	2,116,385,529.63
（一）综合收益总额	7	-	-	-8,581,757.60	-	-	-	2,124,967,287.23	2,116,385,529.63
（二）所有者投入和减少资本	8	-	-	-	-	-	-	-	-
1、股东投入的普通股	9	-	-	-	-	-	-	-	-
2、其他权益工具持有者投入资本	10	-	-	-	-	-	-	-	-
3、股份支付计入所有者权益的金额	11	-	-	-	-	-	-	-	-
4、其他	12	-	-	-	-	-	-	-	-
（三）利润分配	13	-	-	-	-	212,496,728.72	-	-212,496,728.72	-
1、提取盈余公积	14	-	-	-	-	212,496,728.72	-	-212,496,728.72	-
2、提取一般风险准备	15	-	-	-	-	-	-	-	-
3、对所有者的分配	16	-	-	-	-	-	-	-	-
4、其他	17	-	-	-	-	-	-	-	-
（四）所有者权益内部结转	18	-	-	-	-	-	-	-	-
1、资本公积转增资本	19	-	-	-	-	-	-	-	-
2、盈余公积转增资本	20	-	-	-	-	-	-	-	-
3、盈余公积弥补亏损	21	-	-	-	-	-	-	-	-
4、设定受益计划变动额结转留存收益	22	-	-	-	-	-	-	-	-
5、其他	23	-	-	-	-	-	-	-	-
（五）专项储备	24	-	-	-	-	-	-	-	-
1、本期提取	25	-	-	-	-	-	-	-	-
2、本期使用	26	-	-	-	-	-	-	-	-
（六）其他	27	-	-	-	-	-	-	-	-
四、本期期末余额	28	1,000,000,000.00	371,397,945.57	-23,410,816.57	-	4,563,025,276.78	-	35,726,002,672.09	41,637,015,077.87

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

母公司所有者权益变动表(续)

2019年度

会企04表-2

编制单位：[illegible]集团有限公司　　金额单位：人民币元

项目	行次	2018年度							
		实收资本	资本公积	其他综合收益	专项储备	盈余公积	一般风险准备	未分配利润	所有者权益合计
一、上期期末余额	1	1,000,000,000.00	343,669,536.13	-33,474,396.33	-	4,171,657,683.48	-	32,203,694,332.37	37,685,547,155.65
加：会计政策变更	2	-	-	-	-	-	-	-	-
前期差错更正	3	-	-	-	-	-	-	-	-
其他	4	-	-	-	-	-	-	-	-
二、本期期初余额	5	1,000,000,000.00	343,669,536.13	-33,474,396.33	-	4,171,657,683.48	-	32,203,694,332.37	37,685,547,155.65
三、本期增减变动金额(减少以“-”号填列)	6	-	27,728,409.44	18,645,337.36	-	178,870,864.58	-	1,609,837,781.21	1,835,082,392.59
(一) 综合收益总额	7	-	-	18,645,337.36	-	-	-	1,788,708,645.79	1,807,353,983.15
(二) 所有者投入和减少资本	8	-	27,728,409.44	-	-	-	-	-	27,728,409.44
1. 股东投入的普通股	9	-	-	-	-	-	-	-	-
2. 其他权益工具持有者投入资本	10	-	-	-	-	-	-	-	-
3. 股份支付计入所有者权益的金额	11	-	-	-	-	-	-	-	-
4. 其他	12	-	27,728,409.44	-	-	-	-	-	27,728,409.44
(三) 利润分配	13	-	-	-	-	178,870,864.58	-	-178,870,864.58	-
1. 提取盈余公积	14	-	-	-	-	178,870,864.58	-	-178,870,864.58	-
2. 提取一般风险准备	15	-	-	-	-	-	-	-	-
3. 对所有者的分配	16	-	-	-	-	-	-	-	-
4. 其他	17	-	-	-	-	-	-	-	-
(四) 所有者权益内部结转	18	-	-	-	-	-	-	-	-
1. 资本公积转增资本	19	-	-	-	-	-	-	-	-
2. 盈余公积转增资本	20	-	-	-	-	-	-	-	-
3. 盈余公积弥补亏损	21	-	-	-	-	-	-	-	-
4. 设定受益计划变动额结转留存收益	22	-	-	-	-	-	-	-	-
5. 其他	23	-	-	-	-	-	-	-	-
(五) 专项储备	24	-	-	-	-	-	-	-	-
1. 本期提取	25	-	-	-	-	-	-	-	-
2. 本期使用	26	-	-	-	-	-	-	-	-
(六) 其他	27	-	-	-	-	-	-	-	-
四、本期期末余额	28	1,000,000,000.00	371,397,945.57	-14,829,058.97	-	4,350,528,548.06	-	33,813,532,113.58	39,520,629,548.24

法定代表人：宋建波　　主管会计工作负责人：宋建波　　会计机构负责人：梁坤

南山集团有限公司

财务报表附注

2019 年度

一、公司基本情况

(一) 公司概况

南山集团有限公司（以下简称“公司”或“南山集团”）系由股东南山村村民委员会和宋作文共同投资组建的公司，于 1992 年 7 月 16 日工商行政管理局登记注册，公司统一社会信用代码为 91370681169441 9XU。公司注册地：山东省龙口市南山工业园。法定代表人：宋建波。公司注册资本 100,000 万元，其中：南山村村民委员会出资 51,000 万元，占注册资本的 51%；宋作文出资 49,000 万元，占注册资本的 49%。

本公司属综合行业。经营范围为：铝锭、铝型材、毛纺织品、服装、板材，家具、针织品、黄金制品的销售，货物进出口业务（国家限定或禁止的除外），企业生产科研所需的原辅材料、机械设备、仪器仪表及零配件的加工、销售及技术服务，房地产开发经营，建筑工程施工，仓储服务（不含危险化学品），海产品养殖、销售，房屋、土地、机械设备的租赁，住宿、餐饮服务，室内娱乐服务，主题游乐园服务，休闲健身活动服务，园艺博览，组织、策划文化艺术交流活动，发电、售电、热力供应服务。（依法须经批准的项目，经相关部门批准后方可开展经营活动）。

本公司最终实际控制人为南山村村民委员会。

(二) 合并范围

本公司 2019 年度纳入合并范围的子公司情况详见附注七“在其他主体中的权益”，与上年度相比，本公司本年度合并范围子公司增加三家，详见本附注六（二）“其他原因引起的合并范围的变动”，转让三家，详见本附注六（一）“处置子公司”。

二、财务报表的编制基础

(一) 编制基础

本公司（除山东南山铝业股份有限公司以下简称“南山铝业”及山东智尚科技股份有限公司以下简称“智尚科技”）以持续经营为基础，根据实际发生的交易和事项，按照《企业会计准则—基本准则》和其他各项具体会计准则的规定进行确认和计量，在此基础上编制财务报表。

南山铝业及智尚科技以持续经营为基础，根据实际发生的交易和事项，按照财政部颁布的《企业会计准则——基本准则》和各项具体会计准则、企业会计准则应用指南、企业会计准则解释及其他相关规定(以下合称“企业会计准则”)，以及中国证券监督管理委员会《公开发行证券的公司信息披露编报规则第 15 号——财务报告的一般规定》(2014 年修订)的披露规定编制财务报表。

(二) 持续经营能力评价

本公司不存在导致对报告期末起 12 个月内的持续经营假设产生重大疑虑的事项或情况。

三、主要会计政策和会计估计

(一) 遵循企业会计准则的声明

本公司编制的财务报表符合企业会计准则的要求，真实、完整地反映了公司的财务状况、经营成果和现金流量等有关信息。

(二) 会计期间

会计年度自公历 1 月 1 日起至 12 月 31 日止。

(三) 营业周期

正常营业周期是指本公司从购买用于加工的资产起至实现现金或现金等价物的期间。本公司以 12 个月作为一个营业周期，并以其作为资产和负债的流动性划分标准。

(四) 记账本位币

本公司及境内子公司采用人民币为记账本位币。本公司境外子公司根据其经营所处的主要经济环境中的货币确定其记账本位币，编制财务报表时折算为人民币。

本公司编制本财务报表时所采用的货币为人民币。

(五) 同一控制下和非同一控制下企业合并的会计处理

企业合并，是指将两个或两个以上单独的企业合并形成一个报告主体的交易或事项。企业合并分为同一控制下企业合并和非同一控制下企业合并。

1. 同一控制下企业合并的会计处理

参与合并的企业在合并前后均受同一方或相同的多方最终控制，且该控制并非暂时性的，为同一控制下的企业合并。

公司在企业合并中取得的被合并方的资产、负债，除因会计政策不同而进行的调整以外，按照合并日被合并方在最终控制方合并财务报表中的账面价值计量。公司取得的被合并方所有者权益在最终控制方合并财务报表中的账面价值的份额与支付的合并对价账面价值(或发行股份面值总额)的差额，调整资本公积；资本公积不足冲减的，调整留存收益。

通过多次交易分步实现同一控制下的企业合并，合并前持有投资的账面价值加上合并日新支付对价的账面价值之和，与合并中取得的净资产账面价值的差额，调整资本公积(股本溢价)，资本公积不足冲减的，调整留存收益。合并方在取得被合并方控制权之前持有的长期股权投资，在取得原股权之日与合并方与被合并方同处于同一方最终控制之日孰晚日起至合并日之间已确认有关损益、其他综合收益和其他所有者权益变动，应分别冲减比较报表期间的期初留存收益或当期损益，由于被投资方重新计量设定受益计划净负债或净资产变动而产生的其他综合收益除外。

2．非同一控制下企业合并的会计处理

参与合并的企业在合并前后不受同一方或相同的多方最终控制的，为非同一控制下的企业合并。

公司在购买日对合并成本大于合并中取得的被购买方可辨认净资产公允价值份额的差额，确认为商誉；对于合并成本小于合并中取得的被购买方可辨认净资产公允价值份额，首先对取得的被购买方各项可辨认资产、负债及或有负债的公允价值以及合并成本的计量进行复核，经复核后合并成本仍小于合并中取得的被购买方可辨认净资产公允价值份额的，其差额计入当期损益。

如果在购买日或合并当期期末，因各种因素影响无法合理确定作为合并对价付出的各项资产的公允价值，或合并中取得被购买方各项可辨认资产、负债的公允价值，合并当期期末，公司以暂时确定的价值为基础对企业合并进行核算。自购买日算起 12 个月内取得进一步的信息表明需对原暂时确定的价值进行调整的，则视同在购买日发生，进行追溯调整，同时对以暂时性价值为基础提供的比较报表信息进行相关的调整；自购买日算起 12 个月以后对企业合并成本或合并中取得的可辨认资产、负债价值的调整，按照《企业会计准则第 28 号——会计政策、会计估计变更和会计差错更正》的原则进行处理。

公司在企业合并中取得的被购买方的可抵扣暂时性差异，在购买日不符合递延所得税资产确认条件的，不予以确认。购买日后 12 个月内，如取得新的或进一步的信息表明购买日的相关

情况已经存在，预期被购买方在购买日可抵扣暂时性差异带来的经济利益能够实现的，确认相关的递延所得税资产，同时减少商誉，商誉不足冲减的，差额部分确认为当期损益；除上述情况以外，确认与企业合并相关的递延所得税资产，计入当期损益。

通过多次交易分步实现的非同一控制下企业合并，根据企业会计准则判断该多次交易是否属于“一揽子交易”。多次交易的条款、条件以及经济影响符合以下一种或多种情况，通常表明应将多次交易事项作为一揽子交易进行会计处理：(1)这些交易是同时或者在考虑了彼此影响的情况下订立的；(2)这些交易整体才能达成一项完整的商业结果；(3)一项交易的发生取决于其他至少一项交易的发生；(4)一项交易单独看是不经济的，但是和其他交易一并考虑时是经济的。

属于“一揽子交易”的，将各项交易作为一项取得控制权的交易进行会计处理。不属于“一揽子交易”的，在合并财务报表中，对于购买日之前持有的被购买方的股权，按照该股权在购买日的公允价值进行重新计量，公允价值与其账面价值的差额计入当期投资收益；购买日之前已经持有的被购买方的股权涉及其他综合收益、其他所有者权益变动转为购买日当期收益，由于被投资方重新计量设定受益计划净负债或净资产变动而产生的其他综合收益除外。

3．企业合并中有关交易费用的处理

为进行企业合并发生的审计、法律服务、评估咨询等中介费用以及其他相关管理费用，于发生时计入当期损益。作为合并对价发行的权益性证券或债务性证券的交易费用，计入权益性证券或债务性证券的初始确认金额。

(六) 合并财务报表的编制方法

1．合并范围

合并财务报表的合并范围以控制为基础确定。控制是指本公司拥有对被投资方的权力，通过参与被投资方的相关活动而享有可变回报，并且有能力运用对被投资方的权力影响该回报金额。合并范围包括本公司及全部子公司。子公司，是指被本公司控制的主体(含企业、被投资单位中可分割的部分、结构化主体等)。

2．合并报表的编制方法

本公司以自身和各子公司的财务报表为基础，根据其他有关资料，编制合并报表。本公司编制合并财务报表，将整个企业集团视为一个会计主体，依据相关企业会计准则的确定、计量和列报要求，按照统一的会计政策，反映本公司整体财务状况、经营成果和现金流量。

合并财务报表时抵销本公司与各子公司、各子公司相互之间发生的内部交易和往来对合并资产负债表、合并利润表、合并现金流量表、合并所有者权益变动表的影响。

在报告期内因同一控制下企业合并增加的子公司以及业务，视同该子公司以及业务自同受最终控制方控制之日起纳入本公司的合并范围，将其自同受最终控制方控制之日起的经营成果、现金流量分别纳入合并利润表、合并现金流量表中。在报告期内，同时调整合并资产负债表的期初数，同时对比较报表的相关项目进行调整，视同合并后的报表主体自最终控制方开始控制时点起一直存在。

本期若因非同一控制下企业合并增加子公司的，则不调整合并资产负债表期初数；以购买日可辨认净资产公允价值为基础对其财务报表进行调整。将子公司自购买日至期末的收入、费用、利润纳入合并利润表；该子公司自购买日至期末的现金流量纳入合并现金流量表。

子公司少数股东应占的权益、损益和当期综合收益中分别在合并资产负债表中所有者权益项目下、合并利润表中净利润项目和综合收益总额项下单独列示。子公司少数股东分担的当期亏损超过了少数股东在该子公司期初所有者权益中所享有份额而形成的余额，冲减少数股东权益。

3。购买少数股东股权及不丧失控制权的部分处置子公司股权

本公司因购买少数股权新取得的长期股权投资成本与按照新增持股比例计算应享有子公司自购买日或合并日开始持续计算的净资产份额之间的差额，以及在不丧失控制权的情况下因部分处置对子公司的股权投资而取得的处置价款与处置长期股权投资相对应享有子公司自购买日或合并日开始持续计算的净资产份额之间的差额，均调整合并资产负债表中的资本公积中的股本溢价，资本公积中的股本溢价不足冲减的，调整留存收益。

4。丧失控制权的处置子公司股权

本期本公司处置子公司，则该子公司期初至处置日的收入、费用、利润纳入合并利润表；该子公司期初至处置日的现金流量纳入合并现金流量表。因处置部分股权投资或其他原因丧失了对原有子公司控制权时，对于处置后的剩余股权投资，本公司按照其在丧失控制权日的公允价值进行重新计量。处置股权取得的对价与剩余股权公允价值之和，减去按原持股比例计算应享有原有子公司自购买日开始持续计算的净资产的份额与商誉之和，形成的差额计入丧失控制权当期的投资收益。与原有子公司股权投资相关的其他综合收益，在丧失控制权时采用被购买方直接处置相关资产和负债相同的基础进行会计处理(即除了在该原有子公司重新计量设定受益计划外净负债或者净资产导致的变动以外，其余一并转入当期投资收益)。其后，对该部分剩余股权按照《企业会计准则第 2 号——长期股权投资》或《企业会计准则第 22 号——金融工具确认和计量》等相关规定进行后续计量，详见本附注三(十五)“长期股权投资”或本附注三(十)“金融工具”。

5．分步处置对子公司股权投资至丧失控制权的处理

本公司通过多次交易分步处置对子公司股权投资直至丧失控制权的，需区分处置对子公司股权投资直至丧失控制权的各项交易是否属于一揽子交易。

处置对子公司股权投资直至丧失控制权的各项交易属于一揽子交易的，将各项交易作为一项处置子公司并丧失控制权的交易进行会计处理；但是，在丧失控制权之前每一次处置价款与处置投资对应的享有该子公司净资产份额的差额，在合并财务报表中确认为其他综合收益，在丧失控制权时一并转入丧失控制权当期的损益。

不属于一揽子交易的，对其中的每一项交易视情况分别按照“不丧失控制权的情况下部分处置对子公司的长期股权投资”和“因处置部分股权投资或其他原因丧失了对原有子公司的控制权”（详见前段）适用的原则进行会计处理。即在丧失控制权之前每一次处置价款与处置投资对应的享有该子公司自购买日开始持续计算的净资产账面价值份额之间的差额，作为权益性交易计入资本公积（股本溢价）。在丧失控制权时不得转入丧失控制权当期的损益。

（七）合营安排分类及共同经营会计处理方法

合营安排，是指一项由两个或两个以上的参与方共同控制的安排。本公司根据在合营安排中享有的权利和承担的义务，将合营安排分为共同经营和合营企业。

合营企业，是指本公司仅对该安排的净资产享有权利的合营安排。本公司对合营企业的投资采用权益法核算，按照本附注三（十五）3（2）“权益法核算的长期股权投资”中所述的会计政策处理。

共同经营，是指本公司享有该安排相关资产且承担该安排相关负债的合营安排。本公司确认与共同经营中利益份额相关的下列项目，并按照相关企业会计准则的规定进行会计处理：

1．确认本公司单独所持有的资产，以及按本公司份额确认共同持有的资产；

2．确认本公司单独所承担的负债，以及按本公司份额确认共同承担的负债；

3．确认出售本公司享有的共同经营产出份额所产生的收入；

4．按本公司份额确认共同经营因出售产出所产生的收入；

5．确认单独所发生的费用，以及按本公司份额确认共同经营发生的费用。

当本公司作为合营方向共同经营投出或出售资产（该资产不构成业务，下同）或者自共同经营购买资产时，在该等资产出售给第三方之前，本公司仅确认因该项交易产生的损益中属于共同经营其他参与方的部分。该等资产发生符合《企业会计准则第 8 号——资产减值》等规定的资产减值损失的，对于由本公司向共同经营投出或者出售资产的情况，本公司全额确认损失；

对于本公司自共同经营购买资产的情况，本公司按承担的份额确认该损失。

（八）现金及现金等价物的确定标准

在编制现金流量表时，将本公司库存现金及可以随时用于支付的存款确认为现金。现金等价物是指企业持有的期限短(一般是指从购买日起 3 个月内到期)、流动性强、易于转换为已知金额现金、价值变动风险很小的投资。

（九）外币业务折算和外币报表的折算

1．外币交易业务

对发生的外币业务，采用交易发生日的即期汇率(通常指中国人民银行公布的当日外汇牌价的中间价，下同)折合记账本位币记账。但公司发生的外币兑换业务或涉及外币兑换的交易事项，按照实际采用的汇率折算为记账本位币金额。

2．外币货币性项目和非货币性项目的折算方法

资产负债表日，对于外币货币性项目采用资产负债表日即期汇率折算，由此产生的汇兑差额，除：(1)属于与购建符合资本化条件的资产相关的外币专门借款产生的汇兑差额按照借款费用资本化的原则处理；(2)用于境外经营净投资有效套期的套期工具的汇兑差额(该差额计入其他综合收益，直至净投资被处置才被确认为当期损益)；(3)可供出售的外币货币性项目除摊余成本之外的其他账面余额变动产生的汇兑差额计入其他综合收益之外，均计入当期损益。

以历史成本计量的外币非货币性项目，仍采用交易发生日的即期汇率折算的记账本位币金额计量。以公允价值计量的外币非货币性项目，采用公允价值确定日的即期汇率折算，折算后的记账本位币金额与原记账本位币金额的差额，计入当期损益。

3．外币报表折算

资产负债表中的资产和负债项目，采用资产负债表日的即期汇率折算；所有者权益项目除“未分配利润”项目外，其他项目采用发生时的即期汇率折算；利润表中的收入和费用项目，采用当期平均汇率折算；年初未分配利润为上一年折算后的年末未分配利润；年末未分配利润按折算后的利润分配各项目计算列示；按照上述折算产生的外币财务报表折算差额，在资产负债表股东权益项目下的“其他综合收益”项目反映。处置境外经营并丧失控制权时，将资产负债表中股东权益项目下列示的、与该境外经营相关的外币报表折算差额，全部或按处置该境外经营的比例转入处置当期损益。在处置部分股权投资或其他原因导致持有境外经营权益比例降低但不丧失对境外经营控制权时，与该境外经营处置部分相关的外币报表折算差额将归属于少

数股东权益，不转入当期损益。

现金流量表采用现金流量当期平均汇率折算。汇率变动对现金的影响额作为调节项目，在现金流量表中单独列示“汇率变动对现金及现金等价物的影响”项目反映。

（十）金融工具

金融工具是指形成一个企业的金融资产，并形成其他单位的金融负债或者权益工具的合同。金融工具包括金融资产、金融负债和权益工具。金融资产和金融负债在初始确认时以公允价值计量。对于以公允价值计量且其变动计入当期损益的金融资产和金融负债，相关的交易费用直接计入损益，对于其他类别的金融资产和金融负债，相关交易费用计入初始确认金额。

1．本公司（除南山铝业及智尚科技）金融工具。

(1)金融资产的分类、确认和计量

以常规方式买卖金融资产，按交易日进行会计确认和终止确认。金融资产在初始确认时划分为以公允价值计量且其变动计入当期损益的金融资产、持有至到期投资、贷款和应收款项以及可供出售金融资产。

1)以公允价值计量且其变动计入当期损益的金融资产

包括交易性金融资产和指定为以公允价值计量且其变动计入当期损益的金融资产。

交易性金融资产是指满足下列条件之一的金融资产：①取得该金融资产的目的，主要是为了近期内出售；②属于进行集中管理的可辨认金融工具组合的一部分，且有客观证据表明本公司近期采用短期获利方式对该组合进行管理；③属于衍生工具，但是，被指定且为有效套期工具的衍生工具、属于财务担保合同的衍生工具、与在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资挂钩并须通过交付该权益工具结算的衍生工具除外。

符合下述条件之一的金融资产，在初始确认时可指定为以公允价值计量且其变动计入当期损益的金融资产：①该指定可以消除或明显减少由于该金融资产的计量基础不同所导致的相关利得或损失在确认或计量方面不一致的情况；②本公司风险管理或投资策略的正式书面文件已载明，对该金融资产所在的金融资产组合或金融资产和金融负债组合以公允价值为基础进行管理、评价并向关键管理人员报告。

以公允价值计量且其变动计入当期损益的金融资产取得时以公允价值(扣除已宣告但尚未发放的现金股利或已付息期但尚未领取的债券利息)作为初始确认金额，相关的交易费用计入当期损益。采用公允价值进行后续计量，公允价值变动形成的利得或损失以及与该等金融资产相关的股利和利息收入计入当期损益。

2)持有至到期投资

持有至到期投资是指到期日固定、回收金额固定或可确定，且本公司有明确意图和能力持有至到期的非衍生金融资产。

持有至到期投资取得时按公允价值(扣除已到付息期但尚未领取的债券利息)和相关交易费用之和作为初始确认金额。采用实际利率法，按摊余成本进行后续计量，在终止确认、发生减值或摊销时产生的利得或损失，计入当期损益。

实际利率法是指按照金融资产或金融负债(含一组金融资产或金融负债)的实际利率计算其摊余成本及各期利息收入或支出的方法。实际利率是指将金融资产或金融负债在预期存续期间或适用的更短期间内的未来现金流量，折现为该金融资产或金融负债当前账面价值所使用的利率。在计算实际利率时，本公司将在考虑金融资产或金融负债所有合同条款的基础上预计未来现金流量(不考虑未来的信用损失)，同时还将考虑金融资产或金融负债合同各方之间支付或收取的、属于实际利率组成部分的各项收费、交易费用及折价或溢价等。

3)贷款和应收款项

贷款和应收款项是指在活跃市场中没有报价、回收金额固定或可确定的非衍生金融资产。本公司划分为贷款和应收款的金融资产包括应收票据、应收账款、应收利息、应收股利及其他应收款等。以向购货方应收的合同或协议价款作为初始确认金额；具有融资性质的，按其现值进行初始确认。贷款和应收款项采用实际利率法，按摊余成本进行后续计量，在终止确认、发生减值或摊销时产生的利得或损失，计入当期损益。

4)可供出售金融资产

可供出售金融资产包括初始确认时即被指定为可供出售的非衍生金融资产，以及除了以公允价值计量且其变动计入当期损益的金融资产、贷款和应收款项、持有至到期投资以外的金融资产。

可供出售债务工具投资的期末成本按照摊余成本法确定，即初始确认金额扣除已偿还的本金，加上或减去采用实际利率法将该初始确认金额与到期日金额之间的差额进行摊销形成的累计摊销额，并扣除已发生的减值损失后的金额。可供出售权益工具投资的期末成本为其初始取得成本。

取得时按照公允价值(扣除已宣告但尚未发放的现金股利或已到付息期但尚未领取的债券利息)和相关费用之和作为初始确认金额。持有期间将取得的利息或现金股利确认为投资收益。可供出售金融资产采用公允价值进行后续计量，其折溢价采用实际利率法摊销并确认为利息收入。期末除减值损失和外币货币性金融资产与摊余成本相关的汇兑差额确认为当期损益外，可

供出售金融资产的公允价值变动确认为其他综合收益；但是，对于在活跃市场中没有报价且其公允价值不能可靠计量的权益工具投资，以及与该权益工具挂钩并须通过交付该权益工具结算的衍生金融资产，按成本计量。处置时，将取得的价款与该项金融资产账面价值之间的差额，计入投资损益；同时，将原直接计入其他综合收益的公允价值变动累计额对应处置部分的金额转出，计入当期损益。

(2)金融资产转移的确认依据和计量方法

金融资产转移，是指将金融资产让与或交付该金融资产发行方以外的另一方。公司将金融资产转移区分为金融资产整体转移和部分转移。

满足下列条件之一的金融资产，予以终止确认：1)收取该金融资产现金流量的合同权利终止；2)该金融资产已转移，且将金融资产所有权上几乎所有的风险和报酬转移给转入方；3)该金融资产已转移，虽然企业既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，但是放弃了对该金融资产的控制。

若企业既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，且未放弃对该金融资产的控制的，则按照继续涉入所转移金融资产的程度确认有关金融资产，并相应确认有关负债。继续涉入所转移金融资产的程度，是指该金融资产价值变动使企业面临的风险水平。

在判断金融资产转移是否满足上述金融资产终止确认条件时，采用实质重于形式的原则。金融资产转移不满足终止确认条件的，继续确认该项金融资产，所收到的对价确认为一项金融负债。金融资产整体转移满足终止确认条件的，将下列两项金额的差额计入当期损益：1)因转移而收到的对价，与原直接计入所有者权益的公允价值变动累计额之和；2)所转移金融资产的账面价值。金融资产部分转移满足终止确认条件的，将所转移金融资产整体的账面价值，在终止确认部分和未终止确认部分之间，按照各自的相对公允价值进行分摊，并将下列两项金额的差额计入当期损益：①终止确认部分收到的对价，与原直接计入所有者权益的公允价值变动累计额中对应终止确认部分的金额之和；②终止确认部分的账面价值。

(3)金融负债的分类、确认和计量

金融负债在初始确认时划分为以公允价值计量且其变动计入当期损益的金融负债和其他金融负债。

1)以公允价值计量且其变动计入当期损益的金融负债

以公允价值计量且其变动计入当期损益的金融负债，包括交易性金融负债和初始确认时指定为以公允价值计量且其变动计入当期损益的金融负债，其分类与前述在初始确认时指定为以公允价值计量且其变动计入当期损益的金融资产的条件一致。对于此类金融负债，按照公允价

值进行后续计量，公允价值变动形成的利得或损失以及与该等金融负债相关的股利和利息支出计入当期损益。

2)其他金融负债

与在活跃市场中没有报价、公允价值不能可靠计量的权益工具挂钩并须通过交付该权益工具结算的衍生金融负债，按照成本进行后续计量。其他金融负债采用实际利率法，按摊余成本进行后续计量，终止确认或摊销产生的利得或损失计入当期损益。

3)财务担保合同

不属于指定为以公允价值计量且其变动计入当期损益的金融负债的财务担保合同，以公允价值进行初始确认，在初始确认后按照《企业会计准则第13号——或有事项》确定的金额和初始确认金额扣除按照《企业会计准则第14号——收入》的原则确定的累计摊销额后的余额之中的较高者进行后续计量。

(4)金融负债的终止确认

金融负债的现时义务全部或部分已经解除的，才能终止确认该金融负债或其一部分。本公司(债务人)与债权人之间签订协议，以承担新金融负债方式替换现存金融负债，且新金融负债与现存金融负债的合同条款实质上不同的，终止确认现存金融负债，并同时确认新金融负债。对现存金融负债全部或者部分合同条款作出实质性修改的，则终止确认现存金融负债或其一部分，同时将修改条款后的金融负债确认为一项新金融负债。

金融负债全部或者部分终止确认时，终止确认的金融负债账面价值与支付对价(包括转出的非现金资产或承担的新金融负债)之间的差额，计入当期损益。本公司若回购部分金融负债的，在回购日按照继续确认部分与终止确认部分的相对公允价值，将该金融负债整体的账面价值进行分配。分配给终止确认部分的账面价值与支付的对价(包括转出的非现金资产或者承担的新金融负债)之间的差额，计入当期损益。

(5)权益工具

权益工具是指能证明拥有本公司在扣除所有负债后的资产中的剩余权益的合同。本公司发行(含再融资)、回购、出售或注销权益工具作为权益的变动处理。本公司不确认权益工具的公允价值变动。与权益性交易相关的交易费用从权益中扣减。

本公司对权益工具持有方的各种分配(不包括股票股利)，减少股东权益。本公司不确认权益工具的公允价值变动额。

金融负债与权益工具的区分：

金融负债，是指符合下列条件之一的负债：

1)向其他方交付现金或其他金融资产的合同义务。

2)在潜在不利条件下，与其他方交换金融资产或金融负债的合同义务。

3)将来须用或可用企业自身权益工具进行结算的非衍生工具合同，且企业根据该合同将交付可变数量的自身权益工具。

4)将来须用或可用企业自身权益工具进行结算的衍生工具合同，但以固定数量的自身权益工具交换固定金额的现金或其他金融资产的衍生工具合同除外。

如果本公司不能无条件地避免以交付现金或其他金融资产来履行一项合同义务，则该合同义务符合金融负债的定义。如果一项金融工具须用或可用本公司自身权益工具进行结算，需要考虑用于结算该工具的本公司自身权益工具，是作为现金或其他金融资产的替代品，还是为了使该工具持有方享有在发行方扣除所有负债后的资产中的剩余权益。如果是前者，该工具是本公司的金融负债；如果是后者，该工具是本公司的权益工具。

(6)衍生工具及嵌入衍生工具

衍生工具于相关合同签署日以公允价值进行初始计量，并以公允价值进行后续计量。公允价值为正数的衍生金融工具确认为一项资产，公允价值为负数的确认为一项负债。除指定为套期工具且套期高度有效的衍生工具，其公允价值变动形成的利得或损失将根据套期关系的性质按照套期会计的要求确定计入损益的期间外，其余衍生工具的公允价值变动计入当期损益。

对包含嵌入衍生工具的混合工具，如未指定为以公允价值计量且其变动计入当期损益的金融资产或金融负债，嵌入衍生工具与该主合同在经济特征及风险方面不存在紧密关系，且与嵌入衍生工具条件相同，单独存在的工具符合衍生工具定义的，嵌入衍生工具从混合工具中分拆，作为单独的衍生金融工具处理。如果无法在取得时或后续的资产负债表日对嵌入衍生工具进行单独计量，则将混合工具整体指定为以公允价值计量且其变动计入当期损益的金融资产或金融负债。

(7)金融工具公允价值的确定

金融资产和金融负债的公允价值确定方法见本附注三(十一)。

(8)金融资产的减值准备

除了以公允价值计量且其变动计入当期损益的金融资产外，公司在每个资产负债表日对其他金融资产的账面价值进行检查，有客观证据表明金融资产发生减值的，计提减值准备。

表明金融资产发生减值的客观证据，是指金融资产初始确认后实际发生的、对该金融资产的预计未来现金流量有影响，且企业能够对该影响进行可靠计量的事项。金融资产发生减值的客观证据，包括下列可观察到的情形：1)发行方或债务人发生严重财务困难；2)债务人违反了

合同条款，如偿付利息或本金发生违约或逾期等；3)本公司出于经济或法律等方面因素的考虑，对发生财务困难的债务人作出让步；4)债务人很可能倒闭或者进行其他财务重组；5)因发行方发生重大财务困难，导致金融资产无法在活跃市场继续交易；6)无法辨认一组金融资产中的某项资产的现金流量是否已经减少，但根据公开的数据对其进行总体评价后发现，该组金融资产自初始确认以来的预计未来现金流量确已减少且可计量，包括该组金融资产的债务人支付能力逐步恶化，或者债务人所在国家或地区经济出现了可能导致该组金融资产无法支付的状况；7)债务人经营所处的技术、市场、经济或法律环境等发生重大不利变化，使权益工具投资人可能无法收回投资成本；8)权益工具投资的公允价值发生严重或非暂时性下跌；9)其他表明金融资产发生减值的客观证据。

1)持有至到期投资、贷款和应收账款减值测试

先将单项金额重大的金融资产区分开来，单独进行减值测试；对单项金额不重大的金融资产，可以单独进行减值测试，或包括在具有类似信用风险特征的金融资产组合中进行减值测试；单独测试未发生减值的金融资产(包括单项金额重大和不重大的金融资产)，包括在具有类似信用风险特征的金融资产组合中再进行减值测试。测试结果表明其发生了减值的，以成本或摊余成本计量的金融资产将其账面价值减记至预计未来现金流量现值，减记金额确认为减值损失，计入当期损益；短期应收款项的预计未来现金流量与其现值相差很小的，在确定相关减值损失时，不对其预计未来现金流量进行折现。在确认减值损失后，如有客观证据表明该金融资产价值已恢复，且客观上与确认该损失后发生的事项有关，原确认的减值损失予以转回，转回减值损失后的账面价值不超过假定不计提减值准备情况下该金融资产在转回日的摊余成本。

2)可供出售金融资产减值

本公司于资产负债表日对各项可供出售权益工具投资单独进行检查。对于以公允价值计量的权益工具投资，当综合相关因素判断可供出售权益工具投资公允价值下跌是严重或非暂时性下跌时，表明该可供出售权益工具投资发生减值。对于以成本计量的权益工具投资，公司综合考虑被投资单位经营所处的技术、市场、经济或法律环境等是否发生重大不利变化，判断该权益工具是否发生减值。

以公允价值计量的可供出售金融资产发生减值时，原直接计入其他综合收益的因公允价值下降形成的累计损失予以转出并计入减值损失。对已确认减值损失的可供出售债务工具投资，在期后公允价值回升且客观上与确认原减值损失后发生的事项有关的，原确认的减值损失予以转回并计入当期损益。对已确认减值损失的可供出售权益工具投资，期后公允价值回升直接计入其他综合收益。

以成本计量的可供出售权益工具发生减值时，将该权益工具投资的账面价值，与按照类似金融资产当时市场收益率对未来现金流量折现确定的现值之间的差额，确认为减值损失，计入当期损益，发生的减值损失一经确认，不予转回。

(9)金融资产和金融负债的抵销

当本公司具有抵销已确认金融资产和金融负债的法定权利，且目前可执行该种法定权利，同时本公司计划以净额结算或同时变现该金融资产和清偿该金融负债时，金融资产和金融负债以相互抵销后的金额在资产负债表内列示。除此以外，金融资产和金融负债在资产负债表内分别列示，不予相互抵销。

2．南山铝业及智尚科技金融工具

南山铝业及智尚科技成为金融工具合同的一方时确认一项金融资产或金融负债。

(1)金融资产的分类、确认和计量

南山铝业及智尚科技根据管理金融资产的业务模式和金融资产的合同现金流量特征，将金融资产划分为：以摊余成本计量的金融资产；以公允价值计量且其变动计入其他综合收益的金融资产；以公允价值计量且其变动计入当期损益的金融资产。

金融资产在初始确认时以公允价值计量。对于以公允价值计量且其变动计入当期损益的金融资产，相关交易费用直接计入当期损益；对于其他类别的金融资产，相关交易费用计入初始确认金额。因销售产品或提供劳务而产生的、未包含或不考虑重大融资成分的应收账款或应收票据等，本公司之子公司南山铝业及智尚科技按照预期有权收取的对价金额作为初始确认金额。

1)债务工具：

①以摊余成本计量的金融资产

南山铝业及智尚科技管理此类金融资产的业务模式为以收取合同现金流量为目标，且此类金融资产的合同现金流量特征与基本借贷安排相一致，即在特定日期产生的现金流量，仅为对本金和以未偿付本金金额为基础的利息的支付。南山铝业及智尚科技对于此类金融资产按照实际利率法确认利息收入，按照摊余成本进行后续计量，其摊销或减值产生的利得或损失，计入当期损益。南山铝业及智尚科技的此类金融资产主要包括货币资金、应收票据、应收账款、其他应收款、债权投资和长期应收款等，南山铝业及智尚科技将自资产负债表日起一年内(含一年)到期的债权投资和长期应收款，列示为一年内到期的非流动资产；取得时期限在一年内(含一年)的债权投资列示为其他流动资产。

②以公允价值计量且其变动计入其他综合收益的金融资产

南山铝业及智尚科技管理此类金融资产的业务模式为既以收取合同现金流量为目标又以出售为目标，且此类金融资产的合同现金流量特征与基本借贷安排相一致。此类金融资产按照公允价值计量且其变动计入其他综合收益，但减值损失或利得、汇兑损益和按照实际利率法计算的利息收入计入当期损益。此类金融资产主要包括应收款项融资、其他债权投资等，南山铝业及智尚科技将自资产负债表日起一年内(含一年)到期的其他债权投资，列示为一年内到期的非流动资产；取得时期限在一年内(含一年)的其他债权投资列示为其他流动资产。

③以公允价值计量且其变动计入当期损益的金融资产

南山铝业及智尚科技将上述以摊余成本计量的金融资产和以公允价值计量且其变动计入其他综合收益的金融资产之外的金融资产，分类为以公允价值计量且其变动计入当期损益的金融资产，列示为交易性金融资产。此外，在初始确认时，南山铝业及智尚科技为了消除或显著减少会计错配，将部分金融资产指定为以公允价值计量且其变动计入当期损益的金融资产。对于此类金融资产，南山铝业及智尚科技采用公允价值进行后续计量，公允价值变动计入当期损益。自资产负债表日起超过一年到期且预期持有超过一年的，列示为其他非流动金融资产。

2)权益工具：

南山铝业将对其没有控制、共同控制和重大影响的权益工具分类为以公允价值计量且其变动计入当期损益的金融资产，列示为交易性金融资产；自资产负债表日起预期持有超过一年的，列示为其他非流动金融资产。

此外，南山铝业及智尚科技将部分非交易性权益工具投资指定为以公允价值计量且其变动计入其他综合收益的金融资产，列示为其他权益工具投资，且该指定一经作出不得撤销。南山铝业及智尚科技将该类金融资产的相关股利收入计入当期损益，公允价值变动计入其他综合收益。当该金融资产终止确认时，之前计入其他综合收益的累计利得或损失将从其他综合收益转入留存收益，不计入当期损益。

(2)金融负债的分类、确认和计量

1)南山铝业、智尚科技金融负债的分类、确认和计量

南山铝业及智尚科技根据所发行金融工具的合同条款及其所反映的经济实质而非仅以法律形式，结合金融负债和权益工具的定义，在初始确认时将该金融工具或其组成部分分类为金融负债或权益工具。

金融负债于初始确认时分类为以公允价值计量且其变动计入当期损益的金融负债和其他金融负债。对于以公允价值计量且其变动计入当期损益的金融负债，相关交易费用直接计入当期损益，其他金融负债的相关交易费用计入其初始确认金额。

南山铝业及智尚科技的金融负债主要为以摊余成本计量的金融负债，包括应付票据及应付账款、其他应付款、借款及应付债券等。该类金融负债按其公允价值扣除交易费用后的金额进行初始计量，并采用实际利率法进行后续计量。期限在一年以下(含一年)的，列示为流动负债；期限在一年以上但自资产负债表日起一年内(含一年)到期的，列示为一年内到期的非流动负债；其余列示为非流动负债。

当金融负债的现时义务全部或部分已经解除时，南山铝业及智尚科技终止确认该金融负债或义务已解除的部分。终止确认部分的账面价值与支付的对价之间的差额，计入当期损益。

(3)金融资产转移的确认依据和计量方法

南山铝业及智尚科技将满足下列条件之一的金融资产，予以终止确认：①收取该金融资产现金流量的合同权利终止；②该金融资产已转移，且将金融资产所有权上几乎所有的风险和报酬转移给转入方；③该金融资产已转移，虽然本公司既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，但是放弃了对该金融资产的控制。若南山铝业及智尚科技既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬，且未放弃对该金融资产的控制的，按照继续涉入所转移金融资产的程度确认有关金融资产，并相应确认有关负债。继续涉入所转移金融资产的程度，是指该金融资产价值变动使企业面临的风险水平。

其他权益工具投资终止确认时，南山铝业及智尚科技将其账面价值与收到的对价以及原直接计入其他综合收益的公允价值变动累计额之和的差额，计入留存收益；其余金融资产终止确认时，其账面价值与收到的对价以及原直接计入其他综合收益的公允价值变动累计额之和的差额，计入当期损益。

南山铝业及智尚科技对采用附追索权方式出售的金融资产，或将持有的金融资产背书转让，需确定该金融资产所有权上几乎所有的风险和报酬是否已经转移。已将该金融资产所有权上几乎所有的风险和报酬转移给转入方的，终止确认该金融资产；保留了金融资产所有权上几乎所有的风险和报酬的，不终止确认该金融资产；既没有转移也没有保留金融资产所有权上几乎所有的风险和报酬的，则继续判断企业是否对该资产保留了控制，并根据前面各段所述的原则进行会计处理。

(4)金融负债终止确认

金融负债（或其一部分）的现时义务已经解除的，南山铝业及智尚科技终止确认该金融负债（或该部分金融负债）。南山铝业及智尚科技（借入方）与借出方签订协议，以承担新金融负债的方式替换原金融负债，且新金融负债与原金融负债的合同条款实质上不同的，终止确认原

金融负债，同时确认一项新金融负债。南山铝业及智尚科技对原金融负债（或其一部分）的合同条款作出实质性修改的，终止确认原金融负债，同时按照修改后的条款确认一项新金融负债。

金融负债（或其一部分）终止确认的，本公司将其账面价值与支付的对价（包括转出的非现金资产或承担的负债）之间的差额，计入当期损益。

(5)金融资产和金融负债的抵销

当南山铝业及智尚科技具有抵销已确认金额的金融资产和金融负债的法定权利，且该种法定权利是当前可执行的，同时本公司计划以净额结算或同时变现该金融资产和清偿该金融负债时，金融资产和金融负债以相互抵销后的净额在资产负债表内列示。除此以外，南山铝业及智尚科技的金融资产和金融负债在资产负债表内分别列示，不予相互抵销。

(6)金融资产和金融负债的公允价值的确定方法

公允价值，是指市场参与者在计量日发生的有序交易中，出售一项资产所能收到或者转移一项负债所需支付的价格。金融工具存在活跃市场的，南山铝业及智尚科技采用活跃市场中的报价确定其公允价值。活跃市场中的报价是指易于定期从交易所、经纪商、行业协会、定价服务机构等获得的价格，且代表了在公平交易中实际发生的市场交易的价格。金融工具不存在活跃市场的，南山铝业及智尚科技采用估值技术确定其公允价值。估值技术包括参考熟悉情况并自愿交易的各方最近进行的市场交易中使用的价格、参照实质上相同的其他金融工具当前的公允价值、现金流量折现法和期权定价模型等。在估值时，南山铝业及智尚科技采用在当前情况下适用并且有足够可利用数据和其他信息支持的估值技术，选择与市场参与者在相关资产或负债的交易中所考虑的资产或负债特征相一致的输入值，并尽可能优先使用相关可观察输入值。在相关可观察输入值无法取得或取得不切实可行的情况下，使用不可输入值。

(7)金融资产减值

南山铝业及智尚科技对于以摊余成本计量的金融资产、以公允价值计量且其变动计入其他综合收益的债权投资、合同资产、租赁应收款、贷款承诺及财务担保合同等，以预期信用损失为基础确认损失准备。

1)预期信用损失的计量

南山铝业及智尚科技考虑有关过去事项、当前状况以及对未来经济状况的预测等合理且有依据的信息，以发生违约的风险为权重，计算合同应收的现金流量与预期能收到的现金流量之间差额的现值的概率加权金额，确认预期信用损失。

在每个资产负债表日，南山铝业及智尚科技对于处于不同阶段的金融工具的预期信用损失分别进行计量。金融工具自初始确认后信用风险未显著增加的，处于第一阶段，南山铝业及智

尚科技按照未来12个月内的预期信用损失计量损失准备；金融工具自初始确认后信用风险已显著增加但尚未发生信用减值的，处于第二阶段，南山铝业及智尚科技按照该工具整个存续期的预期信用损失计量损失准备；金融工具自初始确认后已经发生信用减值的，处于第三阶段，南山铝业及智尚科技按照该工具整个存续期的预期信用损失计量损失准备。

对于在资产负债表日具有较低信用风险的金融工具，南山铝业及智尚科技假设其信用风险自初始确认后并未显著增加，按照未来12个月内的预期信用损失计量损失准备。

南山铝业及智尚科技对于处于第一阶段和第二阶段、以及较低信用风险的金融工具，按照其未扣除减值准备的账面余额和实际利率计算利息收入。对于处于第三阶段的金融工具，按照其账面余额减已计提减值准备后的摊余成本和实际利率计算利息收入。

①应收款项：

A.南山铝业对于因销售商品、提供劳务等日常经营活动形成的应收票据、应收账款、应收款项融资，无论是否存在重大融资成分，均按照整个存续期的预期信用损失计量损失准备。

对于存在客观证据表明存在减值，以及其他适用于单项评估的应收票据、应收账款，其他应收款、应收款项融资及长期应收款等单独进行减值测试，确认预期信用损失，计提单项减值准备。对于不存在减值客观证据的应收票据、应收账款、其他应收款及应收款项融资或当单项金融资产无法以合理成本评估预期信用损失的信息时，南山铝业依据信用风险特征将应收票据、应收账款、其他应收款、应收款项融资及长期应收款等划分为若干组合，在组合基础上计算预期信用损失，确定组合的依据如下：

a.应收票据确定组合的依据如下：

项　目	类　型
应收票据组合1—银行承兑汇票	信用风险较低的银行
应收票据组合2—商业承兑汇票	信用风险较低的企业
应收票据组合3—商业承兑汇票	信用风险较高的企业

对于划分为组合的应收票据，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和整个存续期预期信用损失率，计算预期信用损失。

b.应收账款确定组合的依据如下：

项　目	类　型
应收账款组合1	应收外部经销商
应收账款组合2	合并财务报表范围内公司间往来

对于划分为组合的应收账款，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，编制应收账款逾期天数与整个存续期预期信用损失率对照表，计算预期信用损失。

c.其他应收款确定组合的依据如下：

项　目	类　型
其他应收款组合 1	应收股利
其他应收款组合 2	应收利息
其他应收款组合 3	合并财务报表范围内公司间往来
其他应收款组合 4	信用风险组合

对于划分为组合的其他应收款，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和未来12个月内或整个存续期预期信用损失率，计算预期信用损失。

d.应收款项融资确定组合的依据如下：

项　目	类　型
应收款项融资组合 1—银行承兑汇票	信用风险较低的银行
应收款项融资组合 2—商业承兑汇票	信用风险较高的企业
应收款项融资组合 3—应收账款	应收一般经销商

当应收票据和应收账款同时满足以下条件时，南山铝业将其划分为以公允价值计量且其变动计入其他综合收益的金融资产，相关具体会计处理方式见金融工具，在报表中列示为应收款项融资：合同现金流量为对本金和以未偿付本金金额为基础的利息的支付；南山铝业管理应收票据和应收账款的业务模式既以收取合同现金流量为目标又以出售为目标。

对于划分为组合的应收款项融资，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和整个存续期预期信用损失率，计算预期信用损失。

对于因销售商品、提供劳务等日常经营活动形成的长期应收款中的PPP项目应收款、BT项目款、土地一级开发款以及其他基建项目款等，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和整个存续期预期信用损失率，计算预期信用损失。对于其他长期应收款，南山铝业参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和未来12个月内或整个存续期信用损失率，计算预期信用损失。

B.智尚科技对于因销售商品、提供劳务等日常经营活动形成的应收票据、应收账款、应收款项融资，无论是否存在重大融资成分，均按照整个存续期的预期信用损失计量损失准备。

a.应收票据

智尚科技对于应收票据按照相当于整个存续期内的预期信用损失金额计量损失准备。对于划分为组合的应收票据，智尚科技参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，通过违约风险敞口和整个存续期预期信用损失率，计算预期信用损失。除了单项评估信用风险的应收票据外，基于应收票据的信用风险特征，将其划分为不同组合：

项　目	类　型
应收票据组合 1	银行承兑汇票
应收票据组合 2	商业承兑汇票

b. 应收账款

对于应收账款，无论是否存在重大融资成分，智尚科技考虑所有合理且有依据的信息，包括前瞻性信息，以单项或组合的方式对上述应收款项预期信用损失进行估计，并采用预期信用损失的简化模型，始终按照整个存续期的预期信用损失计量损失准备。计提方法如下：期末对有客观证据表明其已发生减值的应收款项单独进行减值测试，根据其预计未来现金流量现值低于其账面价值的差额，确认减值损失，计提坏账准备；当单项金融资产无法以合理成本评估预期信用损失的信息时，智尚科技考虑了不同客户的信用风险特征，以账龄组合为基础评估应收款项的预期信用损失。

对于划分为组合的应收账款，智尚科技参考历史信用损失经验，结合当前状况以及对未来经济状况的预测，编制应收账款账龄与整个存续期预期信用损失率对照表，计算预期信用损失。预期信用损失率如下：

账　龄	预期信用损失率（%）
一年以内（含一年）	5.00
一年至二年（含二年）	10.00
二年至三年（含三年）	20.00
三年至五年（含五年）	50.00
五年以上	100.00

c. 其他应收款

项　目	类　型
其他应收款组合 1	应收出口退税
其他应收款组合 2	应收往来款项及其他
其他应收款组合 3	应收职工备用金
其他应收款组合 4	应收保证金及押金

对划分为组合的其他应收款，智尚科技通过违约风险敞口和未来12个月内或整个存续期预期信用损失率，计算预期信用损失。

智尚科技将计提或转回的损失准备计入当期损益。

②债权投资、其他债权投资

对于债权投资和其他债权投资，南山铝业及智尚科技按照投资的性质，根据交易对手和风险敞口的各种类型，通过违约风险敞口和未来 12 个月内或整个存续期预期信用损失率，计算预期信用损失。

a.具有较低的信用风险

如果金融工具的违约风险较低，借款人在短期内履行其合同现金流量义务的能力很强，并且即便较长时期内经济形势和经营环境存在不利变化但未必一定降低借款人履行其合同现金流量义务的能力，该金融工具被视为具有较低的信用风险。

b.信用风险显著增加

南山铝业及智尚科技通过比较金融工具在资产负债表日所确定的预计存续期内的违约概率与在初始确认时所确定的预计存续期内的违约概率，以确定金融工具预计存续期内发生违约概率的相对变化，以评估金融工具的信用风险自初始确认后是否已显著增加。

在确定信用风险自初始确认后是否显著增加时，南山铝业及智尚科技考虑无须付出不必要的额外成本或努力即可获得的合理且有依据的信息，包括前瞻性信息。南山铝业及智尚科技考虑的信息包括：信用风险变化所导致的内部价格指标是否发生显著变化；预期将导致债务人履行其偿债义务的能力是否发生显著变化的业务、财务或经济状况的不利变化；债务人经营成果实际或预期是否发生显著变化；债务人所处的监管、经济或技术环境是否发生显著不利变化；作为债务抵押的担保物价值或第三方提供的担保或信用增级质量是否发生显著变化。这些变化预期将降低债务人按合同规定期限还款的经济动机或者影响违约概率；预期将降低债务人按合同约定期限还款的经济动机是否发生显著变化；借款合同的预期变更，包括预计违反合同的行为是否可能导致的合同义务的免除或修订。给予免息期、利率跳升、要求追加抵押品或担保或者对金融工具的合同框架做出其他变更；债务人预期表现和还款行为是否发生显著变化；合同付款是否发生逾期超过（含）30 日。

根据金融工具的性质，南山铝业及智尚科技以单项金融工具或金融工具组合为基础评估信用风险是否显著增加。以金融工具组合为基础进行评估时，南山铝业及智尚科技可基于共同信用风险特征对金融工具进行分类，例如逾期信息和信用风险评级。

通常情况下，如果逾期超过 30 日，南山铝业及智尚科技确定金融工具的信用风险已经显著增加。除非南山铝业及智尚科技无需付出过多成本或努力即可获得合理且有依据的信息，证明虽然超过合同约定的付款期限 30 天，但信用风险自初始确认以来并未显著增加。

2）已发生信用减值的金融资产

南山铝业及智尚科技在资产负债表日评估以摊余成本计量的金融资产和以公允价值计量且其变动计入其他综合收益的债权投资是否已发生信用减值。当对金融资产预期未来现金流量具有不利影响的一项或多项事件发生时，该金融资产成为已发生信用减值的金融资产。金融资产已发生信用减值的证据包括下列可观察信息：发行方或债务人发生重大财务困难；债务人违反合同，如偿付利息或本金违约或逾期等；债权人出于与债务人财务困难有关的经济或合同考虑，给予债务人在任何其他情况下都不会做出的让步；债务人很可能破产或进行其他财务重组；发行方或债务人财务困难导致该金融资产的活跃市场消失；以大幅折扣购买或源生一项金融资产，该折扣反映了发生信用损失的事实。

3）预期信用损失准备的列报

为反映金融工具的信用风险自初始确认后的变化，南山铝业及智尚科技在每个资产负债表日重新计量预期信用损失，由此形成的损失准备的增加或转回金额，应当作为减值损失或利得计入当期损益。对于以摊余成本计量的金融资产，损失准备抵减该金融资产在资产负债表中列示的账面价值；对于以公允价值计量且其变动计入其他综合收益的债权投资，南山铝业及智尚科技在其他综合收益中确认其损失准备，不抵减该金融资产的账面价值。

4）核销

如果南山铝业及智尚科技不再合理预期金融资产合同现金流量能够全部或部分收回，则直接减记该金融资产的账面余额，这种减记构成相关金融资产的终止确认。这种情况通常发生在南山铝业及智尚科技确定债务人没有资产或收入来源可产生足够的现金流量以偿还将被减记的金额。已减记的金融资产以后又收回的，作为减值损失的转回计入收回当期的损益。

（十一）公允价值

公允价值是指市场参与者在计量日发生的有序交易中，出售一项资产所能收到或者转移一项负债所需支付的价格。本公司以公允价值计量相关资产或负债，假定出售资产或者转移负债的有序交易在相关资产或负债的主要市场进行；不存在主要市场的，本公司假定该交易在相关资产或负债的最有利市场进行。主要市场（或最有利市场）是本公司在计量日能够进入的交易市场。

本公司采用在当前情况下适用并且有足够可利用数据和其他信息支持的估值技术，考虑市场参与者将该资产用于最佳用途产生经济利益的能力，或者将该资产出售给能够用于最佳用途的其他市场参与者产生经济利益的能力，优先使用相关可观察输入值，只有在可观察输入值无法取得或取得不切实可行的情况下，才使用不可观察输入值。

在财务报表中以公允价值计量或披露的资产和负债，根据对公允价值计量整体而言具有重要意义的最低层次输入值，确定所属的公允价值层次：第一层次输入值，是在计量日能够取得的相同资产或负债在活跃市场上未经调整的报价；第二层次输入值，是除第一层次输入值外相关资产或负债直接或间接可观察的输入值[包括：活跃市场中有类似资产或负债的报价；非活跃市场中相同或类似资产或负债的报价；除报价以外的其他可观察输入值，如在正常报价间隔期间可观察的利益和收益率曲线等]；第三层次输入值，是相关资产或负债的不可观察输入值[包括不能直接观察或无法由可观察市场数据验证的利率、股票波动率、企业合并中承担的弃置义务的未来现金流量、使用自身数据做出的财务预测等]。每个资产负债表日，本公司对在财务报表中确认的持续以公允价值计量的资产和负债进行重新评估，以确定是否在公允价值计量层次之间发生转换。

(十二) 应收款项

1. 单项金额重大并单项计提坏账准备的应收款项

单项金额重大的判断依据或金额标准	应收账款——金额 5,000 万元以上(含)且占应收账款账面余额 10%以上的款项；其他应收款——金额 6,000 万元以上(含)且占其他应收款账面余额 10%以上的款项。
单项金额重大并单项计提坏账准备的计提方法	经单独进行减值测试有客观证据表明发生减值的，根据其未来现金流量现值低于其账面价值的差额计提坏账准备；经单独进行减值测试未发生减值的，将其划入具有类似信用风险特征的若干组合计提坏账准备。

2. 按组合计提坏账准备的应收款项

(1) 本公司除南山铝业及智尚科技外按组合计提坏账准备的应收款项

组合名称	确定组合的依据	坏账准备的计提方法
其他组合	除上述两项款项之外的应收款项	余额百分比法
低信用风险组合	应收本公司合并范围内子公司款项	根据其未来现金流量现值低于其账面价值的差额计提坏账准备

注：采用余额百分比法计提坏账准备，按应收款项（包括应收账款和其他应收款）期末余额的 0.5%计提坏账准备

(2) 南山铝业及智尚科技应收款项的预期信用损失的确定方法及会计处理方法详见三、(十) 金融工具。

3．单项金额虽不重大但单项计提坏账准备的应收款项

单项计提坏账准备的理由	有确凿证据表明可收回性存在明显差异
坏账准备的计提方法	根据其未来现金流量现值低于其账面价值的差额计提坏账准备

4．如有客观证据表明该应收款项价值已恢复，且客观上与确认该损失后发生的事项有关，原确认的减值损失予以转回，计入当期损益。但是，该转回后的账面价值不超过假定不计提减值准备情况下该应收款项在转回日的摊余成本。

（十三）存货

1．存货包括在日常活动中持有以备出售的产成品或商品、处在生产过程中的在产品、在生产过程或提供劳务过程中耗用的材料和物料、在途物资和委托加工物资等。

2．企业取得存货按实际成本计量。(1)外购存货[原材料/库存商品]的成本即为该存货的采购成本，通过进一步加工取得的存货[在产品、半成品、产成品、委托加工物资]成本由采购成本和加工成本构成。(2)债务重组取得债务人用以抵债的存货，以放弃债权的公允价值和使该存货达到当前位置和状态所发生的可直接归属于该存货的相关税费为基础确定其入账价值。(3)在非货币性资产交换具备商业实质和换入资产或换出资产的公允价值能够可靠计量的前提下，非货币性资产交换换入的存货通常以换出资产的公允价值为基础确定其入账价值，除非有确凿证据表明换入资产公允价值更加可靠；不满足上述前提的非货币性资产交换，以换出资产的账面价值和应支付的相关税费作为换入存货的成本。(4)以同一控制下的企业吸收合并方式取得的存货按被合并方的账面价值确定其入账价值；以非同一控制下的企业吸收合并方式取得的存货按公允价值确定其入账价值。

3．企业发出存货的成本计量采用月末一次加权平均法。

4．低值易耗品和包装物的摊销方法

低值易耗品按照一次转销法进行摊销。

包装物按照一次转销法进行摊销。

5．资产负债表日，存货采用成本与可变现净值孰低计量。存货可变现净值是按存货的估计售价减去至完工时估计将要发生的成本、估计的销售费用以及相关税费后的金额。在确定存货的可变现净值时，以取得的确凿证据为基础，同时考虑持有存货的目的以及资产负债表日后事项的影响，除有明确证据表明资产负债表日市场价格异常外，本期期末存货项目的可变现净值以资产负债表日市场价格为基础确定，其中：

(1)产成品、商品和用于出售的材料等直接用于出售的商品存货，在正常生产经营过程中以

该存货的估计售价减去估计的销售费用和相关税费后的金额确定其可变现净值；

(2)需要经过加工的材料存货，在正常生产经营过程中以所生产的产成品的估计售价减去至完工时估计将要发生的成本、估计的销售费用和相关税费后的金额确定其可变现净值；资产负债表日，同一项存货中一部分有合同价格约定、其他部分不存在合同价格的，分别确定其可变现净值，并与其对应的成本进行比较，分别确定存货跌价准备的计提或转回的金额。

期末按照单个存货项目计提存货跌价准备；但对于数量繁多、单价较低的存货，按照存货类别计提存货跌价准备；与在同一地区生产和销售的产品系列相关、具有相同或者类似最终用途或目的，且难以与其他项目分开计量的存货，则合并计提存货跌价准备。

计提存货跌价准备后，如果以前减记存货价值的影响因素已经消失，导致存货的可变现净值高于其账面价值的，在原已计提的存货跌价准备金额内予以转回，转回的金额计入当期损益。

6．存货的盘存制度为永续盘存制。

(十四) 持有待售的非流动资产或处置组

1．划分为持有待售类别的条件

公司主要通过出售(包括具有商业实质的非货币性资产交换，下同)而非持续使用一项非流动资产或处置组收回其账面价值的，在满足下列条件时，将其划分为持有待售类别：

(1)根据类似交易中出售此类资产或处置组的惯例，在当前状况下即可立即出售；

(2)出售极可能发生，即公司已经就一项出售计划作出决议且获得确定的购买承诺，预计出售将在一年内完成。有关规定要求相关权力机构或者监督部门批准后方可出售的，公司已经获得批准。确定的购买承诺，是指公司与其他方签订的具有法律约束力的购买协议，该协议包含交易价格、时间和足够严厉的违约惩罚等重要条款，使协议出现重大调整或者撤销的可能性极小。

公司因出售对子公司的投资等原因导致其丧失对子公司控制权的，当拟出售的子公司投资满足持有待售类别划分条件时，在母公司个别财务报表中将对子公司投资整体划分为持有待售类别，在合并报表中将子公司所有资产和负债划分为持有待售类别。

持有待售的非流动资产或处置组不再满足持有待售类别划分条件的，公司停止将其划分为持有待售类别。部分资产或负债从持有待售的处置组中移除的，处置组中剩余资产或负债新组成的处置组仍满足持有待售划分条件的，公司将新组成的处置组划分为持有待售类别，否则将满足持有待售类别划分条件的非流动资产单独划分为持有待售类别。

对于当期首次满足持有待售类别划分条件的非流动资产或处置组，不调整可比会计期间的

资产负债表。

2．持有待售类的非流动资产或处置组的初始计量及后续计量

对于取得日划分为持有待售类别的非流动资产或处置组，公司在初始计量时比较假定其不划分为持有待售类别情况下的初始计量金额和公允价值减去出售费用后的净额，以两者孰低计量。除公司合并中取得的非流动资产或处置组外，由非流动资产或处置组以公允价值减去出售费用后的净额作为初始计量金额而产生的差额，计入当期损益。

公司将非流动资产或处置组首次划分为持有待售类别前，按照相关会计准则规定计量非流动资产或处置组中各项资产和负债的账面价值。在初始计量或资产负债表日重新计量持有待售的非流动资产或处置组时，其账面价值高于公允价值减去出售费用后的净额的，将账面价值减记至公允价值减去出售费用后的净额，减记的金额确认为资产减值损失，计入当期损益，同时计提持有待售资产减值准备。持有待售的非流动资产或处置组中的非流动资产不计提折旧或摊销，持有待售的处置组中的负债的利息和其他费用应继续予以确认。

公司对持有待售的处置组确认资产减值损失金额时，先抵减处置组商誉的账面价值，再根据处置组中适用《企业会计准则第 42 号——持有待售的非流动资产、处置组和终止经营》（以下简称第 42 号准则）计量规定的各项非流动资产账面价值所占比重，按比例抵减其账面价值。公司在资产负债表日重新计量持有待售的处置组时，首先按照相关会计准则规定计量处置组中不适用第 42 号准则计量规定的资产和负债的账面价值，再按照上述相关规定进行会计处理。

后续资产负债表日持有待售的非流动资产公允价值减去出售费用后的净额增加的，以前减记的金额应当予以恢复，并在划分为持有待售类别后确认的资产减值损失金额内转回，转回金额计入当期损益；划分为持有待售类别前确认的资产减值损失不得转回。

后续资产负债表日持有待售的处置组公允价值减去出售费用后的净额增加的，以前减记的金额应当予以恢复，并在划分为持有待售类别后适用第 42 号准则计量规定的非流动资产确认的资产减值损失金额内转回，转回金额依据处置组中除商誉外的适用第 42 号准则计量规定的各项非流动资产账面价值所占比重，按比例增加其账面价值，同时将转回金额计入当期损益。已抵减的商誉账面价值以及划分为持有待售类别前确认的资产减值损失不得转回。

3．划分为持有待售类别的终止确认和计量

非流动资产或处置组不再满足持有待售类别的划分条件而不再继续划分为持有待售类别或非流动资产从持有待售的处置组中移除时，按照以下两者孰低计量：(1)划分为持有待售类别前的账面价值，按照假定不划分为持有待售类别情况下本应确认的折旧、摊销或减值等进行调整后的金额；(2)可收回金额。

公司终止确认持有待售的非流动资产或处置组时，将尚未确认的利得或损失计入当期损益。

（十五）长期股权投资

本部分所指的长期股权投资是指本公司对被投资单位具有控制、共同控制或重大影响的长期股权投资，包括对子公司、合营企业和联营企业的权益性投资。本公司对被投资单位不具有控制、共同控制或重大影响的长期股权投资，作为可供出售金融资产或以公允价值计量且其变动计入当期损益的金融资产核算，其会计政策详见本附注三（十）“金融工具”。

1．共同控制和重大影响的判断标准

共同控制，是指按照相关约定对某项安排所共有的控制，并且该安排的相关活动必须经过分享控制权的参与方一致同意后才能决策。本公司与其他合营方一同对被投资单位实施共同控制且对被投资单位实施共同控制且对被投资单位净资产享有权利的，被投资单位为本公司的合营企业。判断是否存在共同控制时，不考虑享有的保护性权利。

重大影响，是指对一个企业的财务和经营决策有参与决策的权力，但并不能够控制或者与其他方一起共同控制这些政策的制定。本公司能够对被投资单位施加重大影响的，被投资单位为本公司联营企业。在确定能否对被投资单位施加重大影响时，考虑投资方直接或间接持有被投资单位的表决权股份以及投资方及其他方持有的当期可执行潜在表决权在假定转换为对被投资方单位的股权后产生的影响，包括被投资单位发行的当期可转换的认股权证、股份期权及可转换公司债券等的影响。

2．长期股权投资的投资成本的确定

（1）同一控制下的合并形成的，合并方以支付现金、转让非现金资产、承担债务或发行权益性证券作为合并对价的，在合并日按取得被合并方所有者权益在最终控制方合并财务报表中的账面价值的份额作为其初始投资成本。长期股权投资初始投资成本与支付的现金、转让的非现金资产、所承担债务账面价值或发行股份的面值总额之间的差额调整资本公积；资本公积不足冲减的，调整留存收益。通过多次交易分步取得同一控制下被合并方的股权，最终形成同一控制下企业合并的，应分别是否属于“一揽子交易”进行处理：属于“一揽子交易”的，将各项交易作为一项取得控制权的交易进行会计处理。不属于“一揽子交易”的，在合并日按照应享有被合并方股东权益在最终控制方合并财务报表中的账面价值的份额作为长期股权投资的初始投资成本，长期股权投资初始投资成本与达到合并前的长期股权投资账面价值加上合并日进一步取得股份新支付对价的账面价值之和的差额，调整资本公积；资本公积不足冲减的，调整留存收益。合并日之前持有的股权投资因采用权益法核算或为可供出售金融资产而确认的其他综

合收益，暂不进行会计处理。

(2)非同一控制下的企业合并形成的，公司按照购买日确定的合并成本作为长期股权投资的初始投资成本。合并成本为购买日购买方为取得对被购买方的控制权而付出的资产、发生或承担的负债以及发行的权益性证券的公允价值。购买方为企业合并而发生的审计、法律服务、评估咨询等中介费用以及其他相关管理费用于发生时计入当期损益；购买方作为合并对价发行的权益性证券或债务性证券的交易费用，计入权益性证券或债务性证券的初始确认金额。本公司将合并协议约定的或有对价作为企业合并转移对价的一部分，按照其在购买日的公允价值计入企业合并成本。通过多次交易分步实现的非同一控制下企业合并，根据企业会计准则判断该多次交易是否属于“一揽子交易”。属于“一揽子交易”的，将各项交易作为一项取得控制权的交易进行会计处理。不属于“一揽子交易”的，按照原持有被购买方的股权投资账面价值加上新增投资成本之和，作为改按成本法核算的长期股权投资的初始投资成本；原持有的股权采用权益法核算的，相关其他综合收益暂不进行会计处理；原持有股权投资为可供出售金融资产的，其公允价值与账面价值之间的差额，以及原计入其他综合收益的累计公允价值变动转入当期损益。

(3)除企业合并形成的长期股权投资外的其他股权投资，按成本进行初始计量：以支付现金取得的，按照实际支付的购买价款作为其初始投资成本；以发行权益性证券取得的，按照发行权益性证券的公允价值作为其初始投资成本，与发行权益性证券直接相关的费用，按照《企业会计准则第 37 号——金融工具列报》的有关规定确定；在非货币性资产交换具有商业实质和换入资产或换出资产的公允价值能够可靠计量的前提下，非货币性资产交换换入的长期股权投资以换出资产的公允价值和应支付的相关税费确定其初始投资成本，除非有确凿证据表明换入资产的公允价值更加可靠；不满足上述前提的非货币性资产交换，以换出资产的账面价值和应支付的相关税费作为换入长期股权投资的初始投资成本。通过债务重组取得的长期股权投资，其初始投资成本以放弃债权的公允价值为基础确定。与取得长期股权投资直接相关的费用、税金及其他必要支出也计入投资成本。

对于因追加投资能够对被投资单位实施重大影响或实施共同控制但不构成控制的，长期股权投资成本为按照《企业会计准则第 22 号——金融工具确认和计量》确定的原持有股权投资的公允价值加上新增投资成本之和，作为改按权益法核算的初始投资成本。原持有的股权投资分类为可供出售金融资产的，其公允价值与账面价值之间的差额，以及原计入其他综合收益的累计公允价值变动应当转入改按权益法核算的当期损益。

3．长期股权投资的后续计量及损益确认方法

(1)成本法核算的长期股权投资

公司对子公司的长期股权投资，采用成本法核算。除取得投资时实际支付的价款或对价中包含的已宣告但尚未发放的现金股利或利润外，公司按照享有被投资单位宣告发放的现金股利或利润确认当期投资收益。

(2)权益法核算的长期股权投资

对联营企业和合营企业的长期股权投资，采用权益法核算。

采用权益法核算的长期股权投资的初始投资成本大于投资时应享有被投资单位可辨认净资产公允价值份额的，不调整长期股权投资的初始投资成本；长期股权投资的初始投资成本小于投资时应享有被投资单位可辨认净资产公允价值份额的，其差额应当计入当期损益，同时调整长期股权投资的成本。取得长期股权投资后，被投资单位采用的会计政策及会计期间与公司不一致的，按照公司的会计政策及会计期间对被投资单位的财务报表进行调整，并据以确认投资损益和其他综合收益等。按照应享有或应分担的被投资单位实现的净损益和其他综合收益的份额，分别确认投资收益和其他综合收益，同时调整长期股权投资的账面价值；在确认应享有被投资单位净损益的份额时，以取得投资时被投资单位各项可辨认资产等的公允价值为基础，对被投资单位的净利润进行调整后确认。按照被投资单位宣告分派的利润或现金股利计算应享有的部分，相应减少长期股权投资的账面价值；对于被投资单位除净损益、其他综合收益和利润分配以外所有者权益的其他变动，调整长期股权投资的账面价值并计入所有者权益。公司与联营企业、合营企业之间发生的未实现内部交易损益按照享有的比例计算归属于公司的部分，予以抵销，在此基础上确认投资收益。与被投资单位发生的未实现内部交易损失，属于资产减值损失的，全额确认。

在公司确认应分担被投资单位发生亏损时，按照以下顺序进行处理：首先，冲减长期股权投资的账面价值。其次，长期股权投资的账面价值不足以冲减的，以其他实质上构成对被投资单位净投资的长期权益账面价值为限继续确认投资损失、冲减长期应收项目的账面价值。经过上述处理，按照投资合同或协议约定企业仍承担额外义务的，按预计承担的义务确认预计负债，计入当期投资损失。被投资单位以后期间实现净利润的，本公司在收益弥补未确认的亏损分担额后，恢复确认收益分享额。

在持有投资期间，被投资单位编制合并财务报表的，以合并财务报表中的净利润、其他综合收益和其他所有者权益变动中归属于被投资单位的金额为基础进行核算。

对于本公司向合营企业与联营企业投出的资产构成业务的，投资方因此取得长期股权投资但未取得控制权的，以投出业务的公允价值作为新增长期股权投资的初始投资成本，初始投资

成本与投出业务的账面价值之差，全额计入当期损益。本公司向合营企业或者联营企业出售的资产构成业务的，取得的对价与业务的账面价值之差，全额计入当期损益。本公司自联营及合营企业购入的资产构成业务的，按《企业会计准则第 20 号——企业合并》的规定进行会计处理，全额确认与交易相关的利得或损失。

4. 长期股权投资的处置

处置长期股权投资，其账面价值与实际取得价款的差额，计入当期损益。

(1)权益法核算下的长期股权投资的处置

采用权益法核算的长期股权投资，处置后的剩余股权仍采用权益法核算的，在处置该项投资时，采用与被投资单位直接处置相关资产或者负债相同的基础，按相应比例对原计入其他综合收益的部分进行会计处理。因被投资单位除净损益、其他综合收益和利润分配以外的其他所有者权益变动而确认的所有者权益，按比例结转入当期损益。

因处置部分股权投资等原因丧失了对投资单位的共同控制或者重大影响的，处置后的剩余股权改按金融工具确认和计量准则核算，其在丧失共同控制或重大影响之日的公允价值与账面价值之间的差额计入当期损益。原股权投资因采用权益法核算而确认的其他综合收益，在终止确认权益法核算时采用与被投资单位直接处置相关资产或负债相同的基础进行会计处理。因被投资方除净损益、其他综合收益和利润分配以外的其他所有者权益变动而确认的所有者权益，在终止采用权益法核算时全部转入当期损益。

(2)成本法核算下的长期股权投资的处置

采用成本法核算的长期股权投资，处置后剩余股权仍采用成本法核算的，其在取得对被投资单位的控制之前因采用权益法核算或者金融工具确认和计量准则核算而确认的其他综合收益，采用与被投资单位直接处置相关资产或者负债相同的基础进行处理，并按比例结转当期损益；因采用权益法核算而确认的被投资单位净资产中除净损益、其他综合收益和净利润分配以外的其他所有者权益变动按比例结转当期损益。

因其他投资方增资而导致本公司持股比例下降，从而丧失控制权但能对被投资单位实施共同控制或施加重大影响的，按照新的持股比例确认本公司应享有的被投资单位因增资扩股而增加净资产的份额，与应结转持股比例下降部分所对应的长期股权投资原账面价值之间的差额计入当期损益；然后，按照新的持股比例视同自取得投资时即采用权益法核算进行调整。

公司因处置部分股权投资或其他原因丧失了对原有子公司控制权的，处置后的剩余股权能够对被投资单位实施共同控制或施加重大影响的，改按权益法核算，并对该剩余股权视同自取得时即采用权益法核算进行调整，购买日之前持有的股权投资因采用权益法核算而确认的其他

综合收益和其他所有者权益按比例结转；处置后的剩余股权不能对被投资单位实施共同控制或施加重大影响的，改按《企业会计准则第 22 号——金融工具确认和计量》的有关规定进行会计处理，其在丧失控制之日的公允价值与账面价值间的差额计入当期损益，其他综合收益和其他所有者权益全部结转为当期损益。

本公司通过多次交易分步处置对子公司股权投资直至丧失控制权，如果上述交易属于一揽子交易的，将各项交易作为一项处置子公司股权投资并丧失控制权的交易进行会计处理，在丧失控制权之前每一次处置价款与所处置的股权对应的长期股权投资账面价值之间的差额，先确认为其他综合收益，到丧失控制权时再一并转入丧失控制权的当期损益。

（十六）投资性房地产

1．投资性房地产是指为赚取租金或资本增值、或者两者兼有而持有的房地产。包括已出租的土地使用权、持有并准备增值后转让的土地使用权、已出租的建筑物(含自行建造或开发活动完成后用于出租的建筑物以及正在建造或开发过程中将来用于出租的建筑物)。

2．投资性房地产按照成本进行初始计量，采用成本模式进行后续计量。如与投资性房地产有关的后续支出，如果与该资产有关的经济利益很可能流入且其成本能可靠地计量，则计入投资性房地产成本。其他后续支出，在发生时计入当期损益。

3．对成本模式计量的投资性房地产，采用与固定资产和无形资产相同的方法计提折旧或进行摊销。

4．投资性房地产的用途改变为自用时，自改变之日起，将该投资性房地产转换为固定资产或无形资产，按转换前的账面价值作为转换后的入账价值。自用房地产的用途或者存货改变为赚取租金或资本增值时，自改变之日起，将固定资产或无形资产转换为投资性房地产，转换为采用成本模式计量的投资性房地产的，以转换前的账面价值作为转换后的入账价值；转换为以公允价值模式计量的投资性房地产的，以转换日的公允价值作为转换后的入账价值。

5．当投资性房地产被处置、或者永久退出使用且预计不能从其处置中取得经济利益时，终止确认该项投资性房地产。投资性房地产出售、转让、报废或毁损的处置收入扣除其账面价值和相关税费后计入当期损益。

（十七）固定资产

1．固定资产确认条件

固定资产是指同时具有下列特征的有形资产：(1)为生产商品、提供劳务、出租或经营管理

持有的；(2)使用寿命超过一个会计年度。

固定资产同时满足下列条件的予以确认：(1)与该固定资产有关的经济利益很可能流入企业；(2)该固定资产的成本能够可靠地计量。与固定资产有关的后续支出，符合上述确认条件的，计入固定资产成本；不符合上述确认条件的，发生时计入当期损益。

2. 固定资产的初始计量

固定资产按照成本进行初始计量。对弃置时预计将产生较大费用的固定资产，预计弃置费用，并将其现值计入固定资产成本。

3. 固定资产分类及折旧计提方法

固定资产自达到预定可使用状态时开始计提折旧，终止确认时或划分为持有待售非流动资产时停止计提折旧。如固定资产各组成部分的使用寿命不同或者以不同的方式为企业提供经济利益，则选择不同折旧率和折旧方法，分别计提折旧。各类固定资产折旧年限和折旧率如下：

固定资产类别	折旧方法	折旧年限(年)	预计净残值率(%)	年折旧率(%)
房屋及建筑物	年限平均法	20-40	5.00	2.38-4.75
机器设备	年限平均法	10-20	5.00	4.75-9.50
运输工具	年限平均法	8-16	5.00	5.94-11.88
其他设备	年限平均法	3-20	5.00	4.75-31.67

说明：

(1)符合资本化条件的固定资产装修费用，在两次装修期间与固定资产尚可使用年限两者中较短的期间内，采用年限平均法单独计提折旧。

(2)已计提减值准备的固定资产，还应扣除已计提的固定资产减值准备累计金额计算折旧率。

(3)公司至少年度终了对固定资产的使用寿命、预计净残值和折旧方法进行复核，如发生改变则作为会计估计变更处理。

4. 融资租入固定资产的认定依据和计价方法

当本公司租入的固定资产符合下列一项或数项标准时，确认为融资租入固定资产：

(1)在租赁期届满时，租赁资产的所有权转移给本公司；

(2)本公司有购买租赁资产的选择权，所订立的购买价款预计将远低于行使选择权时租赁资产的公允价值，因而在租赁开始日就可以合理确定本公司将会行使这种选择权；

(3)即使资产的所有权不转移，但租赁期占租赁资产使用寿命的大部分；

(4)本公司在租赁开始日的最低租赁付款额现值，几乎相当于租赁开始日租赁资产公允价值；出租人在租赁开始日的最低租赁收款额现值，几乎相当于租赁开始日租赁资产公允价值；

(5)租赁资产性质特殊，如果不作较大改造，只有本公司才能使用。

融资租赁租入的固定资产，按租赁开始日租赁资产公允价值与最低租赁付款额的现值两者中较低者，作为入账价值。最低租赁付款额作为长期应付款的入账价值，其差额作为未确认融资费用。在租赁谈判和签订租赁合同过程中发生的，可归属于租赁项目的手续费、律师费、差旅费、印花税等初始直接费用，计入租入资产价值。未确认融资费用在租赁期内各个期间采用实际利率法进行分摊。

融资租入的固定资产采用与自有固定资产一致的政策计提租赁资产折旧。能够合理确定租赁期届满时将会取得租赁资产所有权的，在租赁资产尚可使用年限内计提折旧；无法合理确定租赁期届满时能够取得租赁资产所有权的，在租赁期与租赁资产尚可使用年限两者中较短的期间内计提折旧。

5．其他说明

(1)因开工不足、自然灾害等导致连续 3 个月停用的固定资产确认为闲置固定资产(季节性停用除外)。闲置固定资产采用和其他同类别固定资产一致的折旧方法。

(2)若固定资产处于处置状态，或者预期通过使用或处置不能产生经济利益，则终止确认，并停止折旧和计提减值。

(3)固定资产出售、转让、报废或者毁损的处置收入扣除其账面价值和相关税费后的差额计入当期损益。

(4)本公司对固定资产进行定期检查发生的大修理费用，有确凿证据表明符合固定资产确认条件的部分，计入固定资产成本，不符合固定资产确认条件的计入当期损益。固定资产在定期大修理间隔期间，照提折旧。

(十八) 在建工程

1．在建工程同时满足经济利益很可能流入、成本能够可靠地计量则予以确认。在建工程按按建造该项资产达到预定可使用状态前所发生的实际成本计量。

2．在建工程达到预定可使用状态时，按工程实际成本转入固定资产。已达到预定可使用状态但尚未办理竣工结算的，先按估计价值转入固定资产，待办理竣工决算后再按实际成本调整原暂估价值，但不再调整原已计提的折旧。

(十九) 借款费用

借款费用，包括借款利息、折价或者溢价的摊销、辅助费用以及因外币借款而发生的汇兑

差额等。

1. 借款费用资本化的确认原则

公司发生的借款费用，可直接归属于符合资本化条件的资产的购建或者生产的，予以资本化，计入相关资产成本；其他借款费用，在发生时根据其发生额确认为费用，计入当期损益。

2. 借款费用资本化期间

(1)当同时满足下列条件时，开始资本化：1)资产支出已经发生；2)借款费用已经发生；3)为使资产达到预定可使用或可销售状态所必要的购建或者生产活动已经开始。

(2)暂停资本化：若符合资本化条件的资产在购建或者生产过程中发生非正常中断，并且中断时间连续超过 3 个月，暂停借款费用的资本化；中断期间发生的借款费用确认为当期费用，直至资产的购建或者生产活动重新开始。该项中断如是所购建或生产的符合资本化条件的资产达到预定可使用状态或者可销售状态必要的程序，则借款费用继续资本化。

(3)停止资本化：当所购建或者生产符合资本化条件的资产达到预定可使用或者可销售状态时，借款费用停止资本化。当购建或者生产符合资本化的资产中部分项目分别完工且可单独使用时，该部分资产借款费用停止资本化。购建或者生产的资产的各部分分别完工，但必须等到整体完工后才可使用或者对外销售的，在该资产整体完工时停止借款费用资本化。

3. 借款费用资本化率及资本化金额的计算方法

为购建或者生产符合资本化条件的资产而借入专门借款的，以专门借款当期实际发生的利息费用(包括按照实际利率法确定的折价或溢价的摊销)，减去将尚未动用的借款资金存入银行取得的利息收入或进行暂时性投资取得的投资收益后的金额，确定应予资本化的利息金额；为购建或者生产符合资本化条件的资产占用了一般借款的，根据累计资产支出超过专门借款的资产支出加权平均数乘以占用一般借款的资本化率(加权平均利率)，计算确定一般借款应予资本化的利息金额。在资本化期间内，每一会计期间的利息资本化金额不超过当期相关借款实际发生的利息金额。外币专门借款本金及利息的汇兑差额，在资本化期间内予以资本化。专门借款发生的辅助费用，在所购建或生产的符合资本化条件的资产达到预定可使用或者可销售状态之前发生的，予以资本化；在达到预定可使用或者可销售状态之后发生的，计入当期损益。一般借款发生的辅助费用，在发生时计入当期损益。借款存在折价或者溢价的，按照实际利率法确定每一会计期间应摊销的折价或者溢价金额，调整每期利息金额。

(二十) 生物资产

1. 生物资产的确认标准及分类

生物资产是指有生命的动物和植物，包括消耗性生物资产、生产性生物资产和公益性生物资产。生物资产同时满足下列条件的，才能予以确认：(1)企业因过去的交易或者事项而拥有或者控制该生物资产；(2)与该生物资产有关的经济利益或服务潜能很可能流入企业；(3)该生物资产的成本能够可靠地计量。

2．生物资产按照成本计量。

3．生产性生物资产折旧采用年限平均法。

4.收获或出售消耗性生物资产，或生产性生物资产收获农产品时，采用加权平均法结转成本。

5．生物资产减值测试及减值准备计提方法

资产负债表日，以成本模式进行后续计量的生物资产，当有确凿证据表明由于遭受自然灾害、病虫害、动物疫病侵袭或市场需求变化等原因，使消耗性生物资产的可变现净值或生产性生物资产的可收回金额低于其账面价值的，按照消耗性生物资产类别的可变现净值低于账面价值的差额，计提消耗性生物资产跌价准备；按照资产组或资产组组合的可收回金额低于其账面价值的差额，计提生产性生物资产减值准备。

公益性生物资产不计提减值准备。

(二十一) 无形资产

1．无形资产的初始计量

无形资产按成本进行初始计量。外购无形资产的成本，包括购买价、相关税费以及直接归属于该项资产达到预定用途所发生的其他支出。购买无形资产的价款超过正常信用条件延期支付，实质上具有融资性质的，无形资产的成本以购买价款的现值为基础确定。债务重组取得债务人用以抵债的无形资产，以放弃债权的公允价值和可直接归属于使该资产达到预定用途所发生的税金等其他成本为基础确定其入账价值。在非货币性资产交换具备商业实质且换入或换出资产的公允价值能够可靠计量的前提下，非货币性资产交换换入的无形资产以换出资产的公允价值和应支付的相关税费作为换入无形资产的成本，除非有确凿证据表明换入资产的公允价值更可靠；不满足上述前提的非货币性资产交换，以换出资产的账面价值和应支付的相关税费作为换入无形资产的成本，不确认损益。

与无形资产有关的支出，如果相关的经济利益很可能流入本公司且成本能可靠地计量，则计入无形资产成本。除此之外的其他项目的支出，在发生时计入当期损益。

取得的土地使用权通常作为无形资产核算。自行开发构建厂房等建筑物，相关的土地使用

权支出和建筑物建造成本分别作为无形资产和固定资产核算。如为外购的房屋及建筑物，则将有关价款在土地使用权和建筑物之间分配，难以合理分配的，全部作为固定资产处理。

2．无形资产使用寿命及摊销

根据无形资产的合同性权利或其他法定权利、同行业情况、历史经验、相关专家论证等综合因素判断，能合理确定无形资产为公司带来经济利益期限的，作为使用寿命有限的无形资产；无法合理确定无形资产为公司带来经济利益期限的，视为使用寿命不确定的无形资产。

对使用寿命有限的无形资产，估计其使用寿命时通常考虑以下因素：(1)运用该资产生产的产品通常的寿命周期，可获得的类似资产使用寿命的信息；(2)技术、工艺等方面的现阶段情况及对未来发展趋势的估计；(3)以该资产生产的产品或提供劳务的市场需求情况；(4)现在或潜在的竞争者预期采取的行动；(5)为维持该资产带来经济利益能力的预期维护支出，以及公司预计支付有关支出的能力；(6)对该资产控制期限的相关法律规定或类似限制，如特许使用期、租赁期等；(7)与公司持有其他资产使用寿命的关联性等。使用寿命有限的无形资产的使用寿命估计情况：

项目	预计使用寿命依据	期限(年)
软件	预计受益期限	2-5
商标	预计受益期限	5-10
土地使用权	土地使用权证登记使用年限	50-70

使用寿命有限的无形资产，在使用寿命内按照与该项无形资产有关的经济利益的预期实现方式系统合理地摊销，无法可靠确定预期实现方式的，采用直线法摊销。使用寿命不确定的无形资产不予摊销，但每年均对该无形资产的使用寿命进行复核，并进行减值测试。

本公司于每年年度终了，对使用寿命有限的无形资产的使用寿命及摊销方法进行复核，与以前估计不同的，调整原先估计数，并按会计估计变更处理；预计某项无形资产已经不能给企业带来未来经济利益的，将该项无形资产的账面价值全部转入当期损益。

3．内部研究开发项目支出的确认和计量

内部研究开发项目的支出，区分为研究阶段支出和开发阶段支出。划分研究阶段和开发阶段的标准：为获取新的技术和知识等进行的有计划的调查阶段，应确定为研究阶段，该阶段具有计划性和探索性等特点；在进行商业性生产或使用前，将研究成果或其他知识应用于某项计划或设计，以生产出新的或具有实质性改进的材料、装置、产品等阶段，应确定为开发阶段，该阶段具有针对性和形成成果的可能性较大等特点。

内部研究开发项目研究阶段的支出，于发生时计入当期损益。内部研究开发项目开发阶段

的支出，同时满足下列条件的，确认为无形资产：(1)完成该无形资产以使其能够使用或出售在技术上具有可行性；(2)具有完成该无形资产并使用或出售的意图；(3)无形资产产生经济利益的方式，包括能够证明运用该无形资产生产的产品存在市场或无形资产自身存在市场，无形资产将在内部使用的，可证明其有用性；(4)有足够的技术、财务资源和其他资源支持，以完成该无形资产的开发，并有能力使用或出售该无形资产；(5)归属于该无形资产开发阶段的支出能够可靠地计量。如不满足上述条件的，于发生时计入当期损益；无法区分研究阶段支出和开发阶段支出的，将发生的研发支出全部计入当期损益。

(二十二) 长期资产减值

长期股权投资、采用成本模式计量的投资性房地产和生产性生物资产、固定资产、在建工程、油气资产、无形资产、商誉等长期资产，存在下列迹象的，表明资产可能发生了减值：

1．资产的市价当期大幅度下跌，其跌幅明显高于因时间的推移或者正常使用而预计的下跌；

2．企业经营所处的经济、技术或者法律等环境以及资产所处的市场在当期或者将在近期发生重大变化，从而对企业产生不利影响；

3．市场利率或者其他市场投资报酬率在当期已经提高，从而影响企业计算资产预计未来现金流量现值的折现率，导致资产可收回金额大幅度降低；

4．有证据表明资产已经陈旧过时或者其实体已经损坏；

5．资产已经或者将被闲置、终止使用或者计划提前处置；

6．企业内部报告的证据表明资产的经济绩效已经低于或者将低于预期，如资产所创造的净现金流量或者实现的营业利润(或者亏损)远远低于(或者高于)预计金额等；

7．其他表明资产可能已经发生减值的迹象。

上述长期资产于资产负债日存在减值迹象的，应当进行减值测试。减值测试结果表明资产的可收回金额低于其账面价值的，按其差额计提减值准备并计入减值损失。可收回金额为资产的公允价值减去处置费用后的净额与资产预计未来现金流量的现值两者之间的较高者。公允价值的确定方法详见本附注三(十一)；处置费用包括与资产处置有关的法律费用、相关税费、搬运费以及为使资产达到可销售状态所发生的直接费用；资产预计未来现金流量的现值，按照资产在持续使用过程中和最终处置时所产生的预计未来现金流量，选择恰当的折现率对其进行折现后的金额加以确定。

资产减值准备按单项资产为基础计算并确认，如果难以对单项资产的可收回金额进行估计的，以资产组所属的资产组确定资产组的可收回金额。资产组是能够独立产生现金流入的最小

资产组合。

在财务报表中单独列示的商誉，在进行减值测试时，将商誉的账面价值分摊至预期从企业合并的协同效应收益中收益的资产组或资产组组合。测试结果表明包含分摊的商誉的资产组或者资产组组合的可收回金额低于其账面价值的，确认相应的减值损失。减值损失金额先抵减分摊至该资产组或者资产组组合的商誉的账面价值，再根据资产组或者资产组组合中除商誉以外的其他各项资产的账面价值所占比重，按比例抵减其他各项资产的账面价值。

商誉和使用寿命不确定的无形资产至少在每年年终终了进行减值测试。

上述资产减值损失一经确认，在以后期间不予转回。

（二十三）长期待摊费用

长期待摊费用按实际支出入账，在受益期或规定的期限内平均摊销。如果长期待摊的费用项目不能使以后会计期间受益，则将尚未摊销的该项目的摊余价值全部转入当期损益。其中：

预付经营租入固定资产的租金，按租赁合同规定的期限平均摊销。

经营租赁方式租入的固定资产改良支出，按剩余租赁期与租赁资产尚可使用年限两者中较短的期限平均摊销。

融资租赁方式租入的固定资产符合资本化条件的装修费用，按两次装修间隔期间、剩余租赁期与固定资产尚可使用年限三者中较短的期限平均摊销。

（二十四）职工薪酬

职工薪酬，是指企业为获得职工提供的服务或解除劳动关系而给予的各种形式的报酬或补偿。职工薪酬包括短期薪酬、离职后福利、辞退福利和其他长期职工福利。企业提供给职工配偶、子女、受赡养人、已故员工遗属及其他受益人等的福利，也属于职工薪酬。

根据流动性，职工薪酬分别列示于资产负债表的“应付职工薪酬”项目和“其他非流动负债”项目。

1．短期薪酬的会计处理方法

本公司在职工提供服务的会计期间，将实际发生的职工工资、奖金、按规定的基准和比例为职工缴纳的医疗保险费、工伤保险费和生育保险费等社会保险费和住房公积金，确认为负债，并计入当期损益或相关资产成本。职工福利费为非货币性福利的，如能够可靠计量的，按照公允价值计量。如果该负债预期在职工提供相关服务的年度报告期结束后十二个月内不能完全支付，且财务影响重大的，则该负债将以折现后的金额计量。

2．离职后福利的会计处理方法

离职后福利计划包括设定提存计划和设定受益计划。其中，设定提存计划，是指向独立的基金缴存固定费用后，企业不再承担进一步支付义务的离职后福利计划；设定受益计划，是指除设定提存计划以外的离职后福利计划。

(1)设定提存计划

本公司按当期政府的相关规定为职工缴纳基本养老保险和失业保险，在职工为本公司提供服务的会计期间，根据设定提存计划计算的应缴存金额确认为负债，并计入当期损益或相关资产成本。

3．辞退福利的会计处理方法

在本公司不能单方面撤回因解除劳动关系计划或者裁减建议所提供的辞退福利时，和本公司确认与涉及支付辞退福利的重组相关的成本或费用时两者孰早日，确认辞退福利产生的职工薪酬负债，并计入当期损益。但辞退福利预期在年度报告期结束后十二个月不能完全支付的，按照其他长期职工薪酬处理。

职工内部退休计划采用与上述辞退福利相同的原则处理。本公司将自职工停止提供服务日至正常退休日的期间拟支付的内退人员工资和缴纳的社会保险费等，在符合预计负债确认条件时，计入当期损益(辞退福利)。正式退休日期之后的经济补偿(如正常养老退休金)，按照离职后福利处理。

4．其他长期职工福利的会计处理方法

本公司向职工提供的其他长期职工福利，符合设定提存计划的，按照设定提存计划进行会计处理，除此之外按照设定受益计划进行会计处理。但相关职工薪酬成本中“重新计量设定受益计划净负债或净资产所产生的变动”部分计入当期损益或相关资产成本。

(二十五) 预计负债

当与或有事项相关的义务同时符合以下条件，将其确认为预计负债：1．该义务是承担的现时义务；2．该义务的履行很可能导致经济利益流出；3．该义务的金额能够可靠地计量。

预计负债按照履行相关现时义务所需支出的最佳估计数进行初始计量，并综合考虑与或有事项有关的风险、不确定性和货币时间价值等因素。货币时间价值影响重大的，通过对相关未来现金流出进行折现后确定最佳估计数。

最佳估计数分别分以下情况处理：所需支出存在一个连续范围(或区间)，且该范围内各种结果发生的可能性相同的，则最佳估计数按照该范围的中间值：即上下限金额的平均数确定。

所需支出不存在一个连续范围(或区间)，或虽然存在一个连续范围但该范围内各种结果发生的可能性不相同的，如或有事项涉及单个项目的，则最佳估计数按照最可能发生金额确定；如或有事项涉及多个项目的，则最佳估计数按各种可能结果及相关概率计算确定。

本公司清偿预计负债所需支出全部或部分预期由第三方补偿的，补偿金额在基本确定能够收到时，作为资产单独确认，且确认的补偿金额不超过预计负债的账面价值。

每个资产负债表日对预计负债的账面价值进行复核。有确凿证据表明该账面价值不能反映当前最佳估计数的，按照当前最佳估计数对该账面价值进行调整。

(二十六) 股份支付

1．股份支付的种类

本公司的股份支付是为了获取职工(或其他方)提供服务而授予权益工具或者承担以权益工具为基础确定的负债的交易。包括以权益结算的股份支付和以现金结算的股份支付。

2．权益工具公允价值的确定方法

(1)存在活跃市场的，按照活跃市场中的报价确定；(2)不存在活跃市场的，采用估值技术确定，包括参考熟悉情况并自愿交易的各方最近进行的市场交易中使用的价格、参照实质上相同的其他金融工具的当前公允价值、现金流量折现法和期权定价模型等。

3．确认可行权权益工具最佳估计的依据

等待期内每个资产负债表日，本公司根据最新取得的可行权职工人数变动等后续信息做出最佳估计，修正预计可行权的权益工具数量。在可行权日，最终预计可行权权益工具的数量应当与实际可行权数量一致。

4．股份支付的会计处理

(1)以权益结算的股份支付

以权益结算的股份支付换取职工提供服务的，授予后立即可行权的，在授予日按照权益工具的公允价值计入相关成本或费用，相应调整资本公积；完成等待期内的服务或达到规定业绩条件才可行权的，在等待期内的每个资产负债表日，以对可行权权益工具数量的最佳估计为基础，按权益工具授予日的公允价值，将当期取得的服务计入相关成本或费用，相应调整资本公积，在可行权日之后不再对已确认的相关成本或费用和所有者权益总额进行调整。

以权益结算的股份支付换取其他方服务的，若其他方服务的公允价值能够可靠计量的，按照其他方服务在取得日的公允价值计量；其他方服务的公允价值不能可靠计量但权益工具公允价值能够可靠计量的，按照权益工具在服务取得日的公允价值计量，计入相关成本或费用，相

应增加所有者权益。

(2)以现金结算的股份支付

以现金结算的股份支付换取职工服务的，授予后立即可行权的，在授予日按公司承担负债的公允价值计入相关成本或费用，相应增加负债；完成等待期内的服务或达到规定业绩条件才可行权的换取职工服务的以现金结算的股份支付，在等待期内的每个资产负债表日，以对可行权情况的最佳估计为基础，按公司承担负债的公允价值，将当期取得的服务计入相关成本或费用和相应的负债。在相关负债结算前的每个资产负债表日以及结算日，对负债的公允价值重新计量，其变动计入当期损益。

(3)修改、终止股份支付计划

如果修改增加了所授予的权益工具的公允价值，公司按照权益工具公允价值的增加相应地确认取得服务的增加；如果修改增加了所授予的权益工具的数量，公司将增加的权益工具的公允价值相应地确认为取得服务的增加；如果公司按照有利于职工的方式修改可行权条件，公司在处理可行权条件时，考虑修改后的可行权条件。

如果修改减少了授予的权益工具的公允价值，公司继续以权益工具在授予日的公允价值为基础，确认取得服务的金额，而不考虑权益工具公允价值的减少；如果修改减少了授予的权益工具的数量，公司将减少部分作为已授予的权益工具的取消来进行处理；如果以不利于职工的方式修改了可行权条件，在处理可行权条件时，不考虑修改后的可行权条件。

如果取消了以权益结算的股份支付，则于取消日作为加速行权处理，立即确认尚未确认的金额(将剩余等待期内应确认的金额立即计入当期损益，同时确认资本公积)。职工或者其他方能够选择满足非可行权条件但在等待期内未满足的，作为取消以权益结算的股份支付处理。但是，如果授予新的权益工具，并在新权益工具授予日认定所授予权益工具用于替代被取消的权益工具的，则以与处理原权益工具条款和条件修改相同的方式，对被授予的替代权益工具进行处理。

5. 涉及本公司与本公司股东或实际控制人的股份支付交易的会计处理

涉及本公司与本公司股东或实际控制人的股份支付交易，结算企业与接受服务企业中其一在本公司内，另一在本公司外的，在本公司合并财务报表中按照以下规定进行会计处理：

(1)结算企业以其本身权益工具结算的，将该股份支付交易作为权益结算的股份支付处理；除此之外，作为现金结算的股份支付处理。

结算企业是接受服务企业的投资者的，按照授予日权益工具的公允价值或应承担负债的公允价值确认为对接受服务企业的长期股权投资，同时确认资本公积(其他资本公积)或负债。

(2)接受服务企业没有结算义务或授予本企业职工的是其本身权益工具的，将该股份支付交易作为权益结算的股份支付处理；接受服务企业具有结算义务且授予本企业职工的并非其本身权益工具的，将该股份支付交易作为现金结算的股份支付处理。本公司内各企业之间发生的股份支付交易，接受服务企业和结算企业不是同一企业的，在接受服务企业和结算企业各自的个别财务报表中对该股份支付交易的确认和计量，比照上述原则处理。

(二十七) 收入

1．收入的总确认原则

(1)销售商品

商品销售收入同时满足下列条件时予以确认：1)公司已将商品所有权上的主要风险和报酬转移给购买方；2)公司既没有保留与所有权相联系的继续管理权，也没有对已售出的商品实施有效控制；3)收入的金额能够可靠地计量；4)相关的经济利益很可能流入企业；5)相关的已发生或将发生的成本能够可靠地计量时。

(2)提供劳务

在资产负债表日提供劳务交易的结果能够可靠估计的(同时满足收入的金额能够可靠地计量、相关经济利益很可能流入、交易的完工进度能够可靠地确定、交易中已发生和将发生的成本能够可靠地计量)，采用完工百分比法确认提供劳务收入，并按已经发生的成本占估计总成本的比例确定提供劳务交易的完工进度。

在资产负债表日提供劳务交易结果不能够可靠估计的，分别下列情况处理：若已经发生的劳务成本预计能够得到补偿的，按照已经发生的劳务成本金额确认提供劳务收入，并按相同金额结转劳务成本；若已经发生的劳务成本预计不能够得到补偿的，将已经发生的劳务成本计入当期损益，不确认提供劳务收入。

(3)让渡资产使用权

让渡资产使用权在同时满足相关的经济利益很可能流入、收入的金额能够可靠地计量时，确认让渡资产使用权的收入。利息收入金额，按照他人使用本企业货币资金的时间和实际利率计算确定；使用费收入金额，按照有关合同或协议约定的收费时间和方法计算确定。

(4)建造合同

1)建造合同的结果在资产负债表日能够可靠估计的，根据完工百分比法确认合同收入和合同费用。建造合同的结果在资产负债表日不能够可靠估计的，若合同成本能够收回的，合同收入根据能够收回的实际合同成本予以确认，合同成本在其发生的当期确认为合同费用；若合同

成本不可能收回的，在发生时立即确认为合同费用，不确认合同收入。

2)固定造价合同同时满足下列条件表明其结果能够可靠估计：合同总收入能够可靠计量、与合同相关的经济利益很可能流入、实际发生的合同成本能够清楚地区分和可靠地计量、合同完工进度和为完成合同尚需发生的成本能够可靠地计量。成本加成合同同时满足下列条件表明其结果能够可靠估计：与合同相关的经济利益很可能流入；实际发生的合同成本能够清楚地区分和可靠地计量。

3)确定合同完工进度的方法为累计实际发生的合同成本占合同预计总成本的比例。

4)当期未完成的建造合同，按照合同收入乘以完工进度扣除以前会计期间累计已确认收入，确认当期合同收入；按照合同预计总成本乘以完工进度扣除以前会计期间累计已确认的费用，确认当期合同费用。当期完成的建造合同，按照实际合同总收入扣除以前会计期间累计已确认收入，确认为当期合同收入；按照累计实际发生的合同成本扣除以前期间累计已确认费用，确认当期合同费用。

5)资产负债表日，合同预计总成本超过合同总收入的，将预计损失确认为当期费用。执行中的建造合同，按其差额计提存货跌价准备；待执行的亏损合同，按其差额确认预计负债。

(二十八)政府补助

1．政府补助的分类

政府补助，是指本公司从政府无偿取得货币性资产或非货币性资产。分为与资产相关的政府补助和与收益相关的政府补助。

与资产相关的政府补助，是指本公司取得的、用于购建或以其他方式形成长期资产的政府补助，包括购买固定资产或无形资产的财政拨款、固定资产专门借款的财政贴息等；与收益相关的政府补助，是指除与资产相关的政府补助之外的政府补助。对于同时包含与资产相关部分和与收益相关部分的政府补助，区分不同部分分别进行会计处理；难以区分的，整体归类为与收益相关的政府补助。

本公司在进行政府补助分类时采取的具体标准为：

(1)政府补助文件规定的补助对象用于购建或以其他方式形成长期资产，或者补助对象的支出主要用于购建或以其他方式形成长期资产的，划分为与资产相关的政府补助。

(2)根据政府补助文件获得的政府补助全部或者主要用于补偿以后期间或已发生的费用或损失的政府补助，划分为与收益相关的政府补助。

(3)若政府文件未明确规定补助对象，则采用以下方式将该政府补助款划分为与资产相关的

政府补助或与收益相关的政府补助：1)政府文件明确了补助所针对的特定项目的，根据该特定项目的预算中将形成资产的支出金额和计入费用的支出金额的相对比例进行划分，对该划分比例需在每个资产负债表日进行复核，必要时进行变更；2)政府文件中对用途仅作一般性表述，没有指明特定项目的，作为与收益相关的政府补助。

2．政府补助的确认时点

本公司对于政府补助通常在实际收到时，按照实收金额予以确认和计量。但对于期末有确凿证据表明能够符合财政扶持政策规定的相关条件预计能够收到财政扶持资金，按照应收的金额计量。按照应收金额计量的政府补助应同时符合以下条件：

(1)所依据的是当地财政部门正式发布并按照《政府信息公开条例》的规定予以主动公开的财政扶持项目及其财政资金管理办法，且该管理办法应当是普惠性的(任何符合规定条件的企业均可申请)，而不是专门针对特定企业制定的；

(2)应收补助款的金额已经过有权政府部门发文确认，或者可根据正式发布的财政资金管理办法的有关规定自行合理测算，且预计其金额不存在重大不确定性；

(3)相关的补助款批文中已明确承诺了拨付期限，且该款项的拨付是有相应财政预算作为保障的，因而可以合理保证其可在规定期限内收到；

(4)根据本公司和该补助事项的具体情况，应满足的其他相关条件(如有)。

3．政府补助的会计处理

政府补助为货币性资产的，按收到或应收的金额计量；为非货币性资产的，按公允价值计量；非货币性资产公允价值不能可靠取得的，按名义金额计量。按照名义金额计量的政府补助，直接计入当期损益。

本公司对政府补助采用的是总额法，具体会计处理如下：

与资产相关的政府补助确认为递延收益，在相关资产使用寿命内按照合理、系统的方法分期计入当期损益；相关资产在使用寿命结束前被出售、转让、报废或发生毁损的，将相关递延收益余额转入资产处置当期的损益。

与收益相关的政府补助，用于补偿本公司以后期间的相关成本费用或损失的，确认为递延收益，并在确认相关成本费用或损失的期间，计入当期损益；用于补偿企业已发生的相关成本费用或损失的，直接计入当期损益。

本公司取得的政策性优惠贷款贴息，区分以下两种情况，分别进行会计处理：

(1)财政将贴息资金拨付给贷款银行，由贷款银行以政策性优惠利率向企业提供贷款的，本公司以实际收到的借款金额作为借款的入账价值，按照借款本金和该政策性优惠利率计算相关

借款费用。

(2)财政将贴息资金直接拨付给本公司的，本公司将对应的贴息冲减相关借款费用。

已确认的政府补助需要退回的，在需要退回的当期分以下情况进行会计处理：

(1)初始确认时冲减相关资产账面价值的，调整资产账面价值；

(2)存在相关递延收益的，冲减相关递延收益账面余额，超出部分计入当期损益；

(3)属于其他情况的，直接计入当期损益。

政府补助计入不同损益项目的区分原则为：与本公司日常活动相关的政府补助，按照经济业务实质，计入其他收益或冲减相关成本费用；与本公司日常活动无关的政府补助，计入营业外收支。

(二十九) 递延所得税资产和递延所得税负债

1．递延所得税资产和递延所得税负债的确认和计量

本公司根据资产、负债与资产负债日的账面价值与计税基础之间的暂时性差异，采用资产负债表债务法确认递延所得税。公司当期所得税和递延所得税作为所得税费用或收益计入当期损益，但不包括下列情况产生的所得税：(1)企业合并；(2)直接在所有者权益中确认的交易或者事项。

对于可抵扣暂时性差异、能够结转以后年度的可抵扣亏损和税款抵减，公司以很可能取得用来抵扣可抵扣暂时性差异、可抵扣亏损和税款抵减的未来应纳税所得额为限，确认由此产生的递延所得税资产，除非该可抵扣暂时性差异是在以下交易中产生的：

(1)该交易不是企业合并，并且交易发生时既不影响会计利润也不影响应纳税所得额；

(2)对于与子公司、合营企业及联营企业投资相关的可抵扣暂时性差异，同时满足下列条件的，确认相应的递延所得税资产：暂时性差异在可预见的未来很可能转回，且未来很可能获得用来抵扣可抵扣暂时性差异的应纳税所得额。

各项应纳税暂时性差异均确认相关的递延所得税负债，除非该应纳税暂时性差异是在以下交易中产生的：

(1)商誉的初始确认，或者具有以下特征的交易中产生的资产或负债的初始确认：该交易不是企业合并，并且交易发生时既不影响会计利润也不影响应纳税所得额；

(2)对于与子公司、合营企业及联营企业投资相关的应纳税暂时性差异，该暂时性差异转回的时间能够控制并且该暂时性差异在可预见的未来很可能不会转回。

根据资产、负债的账面价值与其计税基础之间的差额(未作为资产和负债确认的项目按照税

法规定可以确定其计税基础的，该计税基础与其账面数之间的差额），按照预期收回该资产或清偿该负债期间的适用税率计算确认递延所得税资产或递延所得税负债。

确认递延所得税资产以很可能取得用来抵扣可抵扣暂时性差异的应纳税所得额为限。资产负债表日，有确凿证据表明未来期间很可能获得足够的应纳税所得额用来抵扣可抵扣暂时性差异的，确认以前会计期间未确认的递延所得税资产。对递延所得税资产的账面价值进行复核，如果未来期间很可能无法获得足够的应纳税所得额用以抵扣递延所得税资产的利益，则减记递延所得税资产的账面价值。在很可能获得足够的应纳税所得额时，转回减记的金额。

2．当拥有以净额结算的法定权利，且意图以净额结算或取得资产、清偿负债同时进行时，本公司当期所得税资产及当期所得税负债以抵销后的净额列报。

当拥有以净额结算当期所得税资产及当期所得税负债的法定权利，且递延所得税资产及递延所得税负债是与同一税收征管部门对同一纳税主体征收的所得税相关或者是对不同的纳税主体相关，但在未来每一具有重要性的递延所得税资产及负债转回的期间内，涉及的纳税主体意图以净额结算当期所得税资产和负债或是同时取得资产、清偿负债时，本公司递延所得税资产及递延所得税负债以抵销后的净额列报。

（三十）租赁

1．租赁的分类

租赁分为融资租赁和经营租赁。融资租赁为实质上转移了与资产所有权有关的全部风险和报酬的租赁，其所有权最终可能转移，也可能不转移。融资租赁以外的其他租赁为经营租赁。

融资租赁的确认条件见本附注三(十七)4“融资租入固定资产的认定依据和计价方法”之说明。

2．经营租赁的会计处理

(1)出租人：公司出租资产收取的租赁费，在不扣除免租期的整个租赁期内，按直线法进行分摊，确认为租赁相关收入。公司支付的与租赁交易相关的初始直接费用，计入当期费用；如金额较大的，则予以资本化，在这个租赁期间内按照与租赁相关收入确认相同的基础分期计入当期收益。公司承担了应由承租方承担的与租赁相关的费用时，公司将该部分费用从租金收入总额扣除，按扣除后的租金费用在租赁期内分配。或有租金于实际发生时计入当期损益。

(2)承租人：公司租入资产所支付的租赁费，在不扣除免租期的整个租赁期内，按直线法进行分摊，计入当期费用。公司支付的与租赁交易相关的初始直接费用，计入当期费用；资产出租方承担了应由公司承担的与租赁相关的费用时，公司将该部分费用从租金总额中扣除，按扣

除后的租金费用在租赁期内分摊，计入当期费用。或有租金于实际发生时计入当期损益。

3．融资租赁的会计处理

出租人：在租赁期开始日本公司按最低租赁收款额与初始直接费用之和作为应收融资租赁款的入账价值，同时记录未担保余值；将最低租赁收款额、初始直接费用及未担保余值之和与其现值之和的差额确认为未实现融资收益。未实现融资收益在租赁期内各个期间采用实际利率法计算确认当期的融资收入。应收融资租赁款扣除未实现融资收益后的余额分别长期债权和一年内到期的长期债权列示。或有租金于实际发生时计入当期损益。

承租人：在租赁期开始日本公司将租赁资产公允价值与最低租赁付款额现值两者中较低者作为租入资产的入账价值，将最低租赁付款额作为长期应付款的入账价值，其差额作为未确认融资费用。初始直接费用计入租入资产价值。未确认融资费用在租赁期内各个期间采用实际利率法计算确认当期的融资费用。最低租赁付款额扣除未确认融资费用后的余额分别长期负债和一年内到期的长期负债列示。或有租金于实际发生时计入当期损益。

(三十一) 终止经营

1．终止经营的条件

终止经营，是指公司满足下列条件之一的、能够单独区分的组成部分，且该组成部分已经处置或划分为持有待售类别：

(1)该组成部分代表一项独立的主要业务或一个单独的主要经营地区；

(2)该组成部分是拟对一项独立的主要业务或一个单独的主要经营地区进行处置的一项相关联计划的一部分；

(3)该组成部分是专为转售而取得的子公司。

2．终止经营的列报

拟结束使用而非出售的处置组满足终止经营定义中有关组成部分的，自停止使用日起作为终止经营列报；因出售对子公司的投资等原因导致其丧失对子公司控制权，且该子公司符合终止经营定义的，在合并报表中列报相关终止经营损益；在利润表中将终止经营处置损益的调整金额作为终止经营损益列报。

非流动资产或处置组不再划分为持有待售类别或非流动资产从持有待售的处置组中移除的，公司在当期利润表中将非流动资产或处置组的账面价值调整金额作为持续经营损益列报。公司的子公司、共同经营、合营企业、联营企业以及部分对合营企业或联营企业的投资不再继续划分为持有待售类别或从持有待售的处置组中移除的，公司在当期财务报表中相应调整各个划分

为持有待售类别后可比会计期间的比较数据。

不符合终止经营定义的持有待售的非流动资产或处置组，其减值损失或转回金额及处置损益作为持续经营损益列报。终止经营的减值损失或转回金额等经营损益及处置损益作为终止经营损益列报。

对于当期列报的终止经营，公司在当期财务报表中，将原来作为持续经营损益列报的信息重新作为可比会计期间的终止经营损益列报。终止经营不再满足持有待售类别划分条件的，公司在当期财务报表中，将原来作为终止经营损益列报的信息重新作为可比会计期间的持续经营损益列报。

（三十二）其他重要的会计政策和会计估计

1．套期会计

(1)套期保值的分类：

1)公允价值套期，是指对已确认资产或负债，尚未确认的确定承诺(除外汇风险外)的公允价值变动风险进行的套期。

2)现金流量套期，是指对现金流量变动风险进行的套期，此现金流量变动源于与已确认资产或负债、很可能发生的预期交易有关的某类特定风险，或一项未确认的确定承诺包含的外汇风险。

3)境外经营净投资套期，是指对境外经营净投资外汇风险进行的套期。境外经营净投资，是指企业在境外经营净资产中的权益份额。

(2)套期关系的指定及套期有效性的认定：

在套期关系开始时，本公司对套期关系有正式指定，并准备了关于套期关系、风险管理目标和套期策略的正式书面文件。该文件载明了套期工具、被套期项目或交易，被套期风险的性质，以及本公司对套期工具有效性评价方法。

套期有效性，是指套期工具的公允价值或现金流量变动能够抵销被套期风险引起的被套期项目公允价值或现金流量变动的程度。本公司持续地对套期有效性进行评价，判断该套期在套期关系被指定的会计期间内是否高度有效。套期同时满足下列条件时，本公司认定其为高度有效：

1)被套期项目和套期工具之间存在经济关系。该经济关系使得套期工具和被套期项目的价值因面临相同的被套期风险而发生方向相反的变动。

2)被套期项目和套期工具经济关系产生的价值变动中，信用风险的影响不占主导地位。

3)套期关系的套期比率，应当等于企业实际套期的被套期项目数量与对其进行套期的套期

工具实际数量之比，但不应当反映被套期项目和套期工具相对权重的失衡，这种失衡会导致套期无效，并可能产生与套期会计目标不一致的会计结果。

(3)套期会计处理方法：

1)公允价值套期

套期衍生工具的公允价值变动计入当期损益。被套期项目的公允价值因套期风险而形成的变动，计入当期损益，同时调整被套期项目的账面价值。

就与按摊余成本计量的金融工具有关的公允价值套期而言，对被套期项目账面价值所作的调整，应当按照开始摊销日重新计算的实际利率进行摊销，并计入当期损益。该摊销可以自调整日开始，但不应当晚于对被套期项目终止进行套期利得和损失调整的时点。

被套期项目为尚未确认的确定承诺的，该确定承诺的公允价值因被套期风险引起的累计公允价值变动确认为一项资产或负债，相关的利得或损失计入当期损益。当履行确定承诺而取得资产或承担负债时，应当调整该资产或负债的初始确认金额，以包括已确认的被套期项目的公允价值累计变动额。

2)现金流量套期

套期工具利得或损失中属于有效套期的部分，作为现金流量套期储备，应当计入其他综合收益。

被套期项目为预期交易，且该预期交易使企业随后确认一项非金融资产或非金融负债的，或者非金融资产或非金融负债的预期交易形成一项适用于公允价值套期会计的确定承诺时，企业应当将原在其他综合收益中确认的现金流量套期储备金额转出，计入该资产或负债的初始确认金额。

对于不属于上述涉及的现金流量套期，企业应当在被套期的预期现金流量影响损益的相同期间，将原在其他综合收益中确认的现金流量套期储备金额转出，计入当期损益。

如果在其他综合收益中确认的现金流量套期储备金额是一项损失，且该损失全部或部分预计在未来会计期间不能弥补的，企业应当在预计不能弥补时，将预计不能弥补的部分从其他综合收益中转出，计入当期损益。

3)境外经营净投资套期

对境外经营净投资的套期，包括作为净投资的一部分的货币性项目的套期，其处理与现金流量套期类似。套期工具的利得或损失中被确定为有效套期的部分计入其他综合收益，而无效套期的部分确认为当期损益。

(三十三) 重要会计政策和会计估计变更说明

1. 重要会计政策变更

(1)因企业会计准则及其他法律法规修订引起的会计政策变更

财政部于2019年4月30日发布《关于修订印发2019年度一般企业财务报表格式的通知》(财会[2019]6号，以下简称“2019年新修订的财务报表格式”)。2019年新修订的财务报表格式将“应收票据及应收账款”项目拆分为“应收票据”和“应收账款”两个项目列报，将“应付票据及应付账款”项目拆分为“应付票据”和“应付账款”两个项目列报；补充“研发费用”核算范围，明确“研发费用”项目还包括计入管理费用的自行开发无形资产的摊销；“营业外收入”和“营业外支出”项目中删除债务重组利得和损失。

财政部于2019年9月19日发布《关于修订印发合并财务报表格式(2019版)的通知》(财会[2019]16号，以下简称“2019年新修订的合并财务报表格式)。2019年新修订的合并财务报表格式除上述“应收票据及应收账款”、“应付票据及应付账款”项目的拆分外，删除了原合并现金流量表中“发行债券收到的现金”、“为交易目的而持有的金融资产净增加额”等行项目。

本公司按照《企业会计准则第30号——财务报表列报》等相关规定，对上述会计政策变更采用追溯调整法，可比期间财务报表已重新表述。对于上述报表格式变更中简单合并与拆分的财务报表项目，本公司已在财务报表中直接进行了调整，不再专门列示重分类调整情况。

(2)南山铝业及智尚科技自 2019 年 1 月 1 日起执行财政部修订后的《企业会计准则第 22 号——金融工具确认和计量》、《企业会计准则第 23 号——金融资产转移》、《企业会计准则第 24 号——套期保值》、以及《企业会计准则第 37 号——金融工具列报》(以下简称新金融工具准则)。根据新金融工具准则中衔接规定相关要求，公司对上年同期比较报表不进行追溯调整，本次会计政策变更不会对公司以前年度的财务状况、经营成果产生影响。

南山铝业及智尚科技公司对可比期间财务状况、经营成果产生影响：

项目	2018 年 12 月 31 日	2019 年 1 月 1 日	调整数
交易性金融资产	-	4,531,560,000.00	4,531,560,000.00
应收票据	2,698,430,628.79	1,119,946,425.35	-1,578,484,203.44
应收款项融资	-	1,578,484,203.44	1,578,484,203.44
其他流动资产	4,622,677,631.18	91,117,631.18	-4,531,560,000.00
可供出售金融资产	71,090,000.00	-	-71,090,000.00
其他权益工具投资	-	40,090,000.00	40,090,000.00
其他非流动金融资产	-	31,000,000.00	31,000,000.00

以公允价值计量且其变动计入当期损益的金融负债	9,000.00	-	-9,000.00
交易性金融负债	-	9,000.00	9,000.00

各科目调整情况说明：

根据财政部颁布的《企业会计准则第22号-金融工具确认和计量》（财会[2017]7号）、《企业会计准则第23号-金融资产转移》（财会[2017]8号）、《企业会计准则第24号-套期会计》（财会[2017]9号）、《企业会计准则第37号-金融工具列报》（财会[2017]14号）（统称为新金融工具准则），并要求境内上市企业自2019年1月1日起施行。根据规定南山铝业及智尚科技将2018年末报表中“可供出售金融资产”重分类至“其他非流动金融资产”和“其他权益工具投资”；“以公允价值计量且其变动计入当期损益的金融负债”重分类至“交易性金融负债”；“其他流动资产”中的理财产品重分类至“交易性金融资产”。“应收票据”中将计划背书或贴现的票据重分类至“应收款项融资”。

(3)本公司于2019年6月10日起执行财政部于2019年5月份发布的《企业会计准则第7号—非货币性资产交换》，根据要求，本公司对2019年1月1日至执行日之间发生的非货币性资产交换，根据本准则进行调整，对2019年1月1日之前发生的非货币性资产交换，不进行追溯调整。

(4)本公司于2019年6月17日起执行财政部于2019年5月份发布的《企业会计准则第12号—债务重组》，根据要求，本公司对2019年1月1日至执行日之间发生的债务重组，根据本准则进行调整，对2019年1月1日之前发生的债务重组，不进行追溯调整。

除上述会计政策变更外，报告期内，本公司未发生其他会计政策变更事项。

2．会计估计变更

报告期内，本公司无重要会计估计变更。

四、税项

(一) 主要税种及税率

税　种	计税依据	税　率
增值税	销售货物或提供应税劳务过程中产生的增值额	按3%、5%、6%、9%、10%、11%、13%、16%、17%等税率计缴。出口货物执行“免、抵、退”税政策，退税率为13%、15%、16%。
土地增值税	有偿转让国有土地使用权及地上建筑物和其他附着物产权产生的增值额；对预售房款根据房地产所在地规定的预缴率预缴。	实行四级超率累进税率(30%-60%)计缴；预缴率适用房地产所在地具体规定。

税　种	计税依据	税　率
房产税	从价计征的，按房产原值一次减除30%后余值的1.2%计缴；从租计征的，按租金收入的12%计缴。	1.2%、12%
城市维护建设税	应缴流转税税额	7%、5%等
教育费附加	应缴流转税税额	3%
地方教育附加	应缴流转税税额	2%
企业所得税	应纳税所得额	30%、25%、21% 17%、15.825%、15%

（二）税收优惠及批文

1．增值税

内销产品按16%、13%税率计算销项税并在抵扣进项税额后缴纳；出口货物享受“免、抵、退”税政策，退税率为13%、16%。

（1）根据财政部税务总局《关于调整增值税税率的通知》财税[2018]32号文，自2018年5月1日起，原适用17%和11%税率的，税率调整为16%和10%。

（2）根据财政部税务总局《关于调整部分产品出口退税率的通知》财税〔2018〕123号文，自2018年11月1日起铝箔产品出口退税率由15%调整到16%。

（3）根据财政部税务总局《关于深化增值税改革有关政策的公告》财政部、税务总局、海关总署公告[2019]39号文，自2019年4月1日起，原适用16%和10%税率的，税率调整为13%和9%。

（4）根据财政部税务总局《关于深化增值税改革有关政策的公告》财政部、税务总局、海关总署公告[2019]39号文，自2019年4月1日起铝箔产品出口退税率由16%调整到13%。

2．企业所得税

（1）2019年2月22日，根据山东省科学技术厅、山东省财政厅、山东省税务局联合下发《关于认定迈赫机器人自动化股份有限公司等505家企业为2018年度第一批高新技术企业的通知》，本公司之子公司南山铝业取得高新技术企业资格证书（证书编号：GR201837000107），税率为15%，资格有效期为三年，企业所得税优惠期为2018年1月1日至2020年12月31日。

（2）本公司控股二级子公司龙口南山铝压延新材料有限公司取得高新技术企业资格证书（证书编号：GR2019 37002142），税率为15%，资格有效期为三年，企业所得税优惠期为2019年1月1日至2021年12月31日。

（3）本公司二级子公司—南山铝业澳大利亚有限公司税率为30%；本公司二级子公司—南

山铝业新加坡有限公司税率为17%；南山铝业新加坡有限公司的控股子公司GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD.税率为17%；GLOBAL ALUMINIUM INTERNATIONAL PTE. LTD.的控股子公司PT BINTAN ALUMINA INDONESIA税率为25%；本公司全资二级子公司——Shandong Nanshan Aluminium Europa GmbH税率为15.825%，本公司全资二级子公司一南山美国先进铝技术有限责任公司、本公司全资二级子公司一南山美国有限公司联邦所得税税率为21%。

（4）本公司控股二级子公司NANSHAN Capital Holdings Limited利得税16.5%。

（5）根据《国家税务总局关于实施高新技术企业所得税优惠有关问题的通知》（国税函[2009]203号），高新技术企业享受15%的企业所得税率。本公司之子公司智尚科技于2016年12月15日取得了编号为GR201637001039的高新技术企业证书，公司自2017年1月1日至2019年12月31日享受15%的企业所得税优惠税率政策。本公司之子公司智尚科技通过了高新技术企业复审，取得了编号为GR201937002139的高新技术企业证书，公司自2019年1月1日至2021年12月31日享受15%的企业所得税优惠税率政策。

（6）根据《关于实施小微企业普惠性税收减免政策的通知》（财税〔2019〕13号），对小型微利企业年应纳税所得额不超过100万元的部分，减按25%计入应纳税所得额，按20%的税率缴纳企业所得税；对年应纳税所得额超过100万元但不超过300万元的部分，减按50%计入应纳税所得额，按20%的税率缴纳企业所得税。本公司之二级子公司山东贝塔尼服装有限公司、菲拉特（北京）贸易有限公司、北京南山电子商务有限公司、南山自重堂防护科技有限公司2019年度按照小型微利企业交纳企业所得税。

五、合并财务报表项目注释

以下注释项目除非特别注明，期初系指2019年1月1日，期末系指2019年12月31日；本期系指2019年度，上年系指2018年度。金额单位为人民币元。

（一）货币资金

1、明细情况

项　目	期末数	期初数
库存现金	9,572,827.24	16,126,204.26
银行存款	8,813,916,334.77	7,898,839,311.23
其他货币资金	4,883,755,180.50	1,913,151,051.07
合　计	13,707,244,342.51	9,828,116,566.56
其中：存放在境外的款项总额	1,752,606,251.76	2,571,089,024.92

2. 期末其他货币资金包括银行承兑汇票保证金、借款保证金、信用证保证金、保函保证金、期货保证金。

3. 期末公司因抵押或冻结等对使用有限制、以及存放在境外且资金汇回受到限制的款项详见本附注五(六十九)“所有权或使用权受到限制的资产”之说明。

4. 外币货币资金明细情况详见本附注五(七十)“外币货币性项目”之说明。

(二) 交易性金融资产

1. 明细项目

种 类	期末余额	期初余额
以公允价值计量且其变动计入当期损益的金融资产	2,443,733,198.90	4,531,560,000.00
其中：结构性存款	2,443,733,198.90	4,531,560,000.00
无效套期工具	-	-
指定以公允价值计量且其变动计入当期损益的金融资产	-	-
合 计	2,443,733,198.90	4,531,560,000.00

说明：依据新金融工具准则，南山铝业及智尚科技对期初数进行调整，详见“附注三(三十三)”。

2. 报告期末公司的以公允价值计量且其变动计入当期损益的金融资产为持有的结构性存款。

(三) 以公允价值计量且其变动计入当期损益的金融资产

1. 明细情况

项 目	期末公允价值	期初公允价值
交易性金融资产	114,376,163.42	51,729,685.59
其中：债务工具投资	-	600,000.00
权益工具投资	60,674,904.32	51,129,685.59
其他	53,701,259.10	-
指定以公允价值计量且其变动计入当期损益的金融资产	-	10,628.22
其他	-	10,628.22
合 计	114,376,163.42	51,740,313.81

2. 期末以公允价值计量且其变动计入当期损益的金融资产变现未受到重大限制。

（四）衍生金融资产

1．明细情况

项　目	期末数	期初数
套期工具	3,623,881.46	204,000.00
合　计	3,623,881.46	204,000.00

2．报告期末公司的衍生金融资产包括：持有的有效套期的铝期货合约浮动盈 1,941,725.00 元；持有的有效套期的人民币对外汇期权组合浮动盈利 1,682,156.46 元。

（五）应收票据

1．明细情况

种　类	期末数	期初数
银行承兑汇票	37,529,287.15	725,058,248.78
商业承兑汇票	1,308,690,673.76	1,162,636,002.04
账面余额小计	1,346,219,960.91	1,887,694,250.82
减：坏账准备	37,654,117.68	37,227,702.97
账面价值合计	1,308,565,843.23	1,850,466,547.85

2．按坏账准备计提方法分类披露

类　别	期末余额				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：	-	-	-	-	-
按组合计提坏账准备	-	-	-	-	-
其中：	-	-	-	-	-
信用风险较低的企业	593,137,607.33	44.06	-	-	593,137,607.33
信用风险较高的企业	753,082,353.58	55.94	37,654,117.68	5.00	715,428,235.90
合　计	1,346,219,960.91	100.00	37,654,117.68	2.80	1,308,565,843.23

续上表：

类　别	期初余额		
	账面余额	坏账准备	账面价值

	金额	比例(%)	金额	计提比例(%)	
按单项计提坏账准备	-	-	-	-	-
其中：	-	-	-	-	-
按组合计提坏账准备	-	-	-	-	-
其中：	-	-	-	-	-
信用风险较低的企业	1,143,140,191.47	60.56	-	-	1,143,140,191.47
信用风险较高的企业	744,554,059.35	39.44	37,227,702.97	5.00	707,326,356.38
合　计	1,887,694,250.82	100.00	37,227,702.97	1.97	1,850,466,547.85

3．坏账准备计提情况

期末按组合计提坏账准备的应收票据

组　合	账面余额	坏账准备	计提比例(%)
信用风险较高的企业	753,082,353.58	37,654,117.68	5.00

4．期末公司无已质押的应收票据。

5．期末公司已背书或者贴现且在资产负债表日尚未到期的应收票据

项目	期末终止确认金额	期末未终止确认金额
银行承兑汇票	25,966,396.21	58,859,428.27
商业承兑汇票	108,801,724.31	172,297,550.09
小　计	134,768,120.52	231,156,978.36

6．公司报告期末无因出票人无力履约而将票据转为应收账款的应收票据。

（六）应收账款

1．明细情况

种　类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
合　计	5,070,571,370.54	100.00	136,805,631.47	2.70	4,933,765,739.07

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	5,737,116,593.82	100.00	145,291,323.70	2.53	5,591,825,270.12
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
合 计	5,737,116,593.82	100.00	145,291,323.70	2.53	5,591,825,270.12

2. 坏账准备计提情况

(1)期末按信用风险组合计提坏账准备的应收账款

1)南山铝业坏账准备计提情况

账 龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	1,929,839,406.14	96,491,970.33	5.00
1-2年	124,249,842.46	12,424,984.25	10.00
2-3年	1,099,555.27	219,911.05	20.00
3年以上	-	-	-
小 计	2,055,188,803.87	109,136,865.63	5.31

续上表：

账 龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	2,205,197,668.14	110,259,883.40	5.00
1-2年	10,713,369.37	1,071,336.95	10.00
2-3年	-	-	-
3年以上	-	-	-
小 计	2,215,911,037.51	111,331,220.35	5.02

2)智尚科技坏账准备计提情况

账 龄	期末数		
	账面余额	坏账准备	计提比例(%)

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	219,579,874.86	10,978,993.75	5.00
1-2年	20,970,043.44	2,094,800.43	10.00
2-3年	3,282,184.79	656,436.96	20.00
3-5年	163,196.75	81,598.37	50.00
5年以上	-	-	-
小　计	243,995,299.84	13,811,829.51	5.66

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	308,883,357.42	15,444,167.88	5.00
1-2年	13,557,499.52	1,355,749.95	10.00
2-3年	5,938,618.87	1,187,723.77	20.00
3-5年	16,831.00	8,415.50	50.00
5年以上	-	-	-
小　计	328,396,306.81	17,996,057.10	5.48

(2)其他组合

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	1,100,834,121.78	5,504,170.60	0.50
1-2年	1,285,496,135.63	6,427,480.68	0.50
2-3年	333,966,829.93	1,669,834.15	0.50
3年以上	51,090,179.49	255,450.90	0.50
小　计	2,771,387,266.83	13,856,936.33	0.50

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	2,712,079,621.95	13,560,398.12	0.50
1-2年	358,876,112.44	1,794,380.56	0.50

账　龄	期初数		
2-3 年	58,782,924.85	293,914.62	0.50
3 年以上	63,070,590.26	315,352.95	0.50
小　计	3,192,809,249.50	15,964,046.25	0.50

3．本期计提、收回或转回的坏账准备情况

本期转回的坏账准备金额 6,982,445.17 元；本报告期无公司以前年度已全额或较大比例计提坏账准备，本期又全额或部分收回的应收账款。

4．本期无通过债务重组等其他方式收回的应收账款。

5．本期实际核销的应收账款情况

项　目	核销金额
实际核销的应收账款	1,503,247.06

6．因金融资产转移而终止确认的应收账款情况

(1)公司全资二级子公司南山美国有限公司与法巴银行签订应收账款保理合同，根据合同约定，法巴银行买断对合同所属的应收账款，2019 年 12 月 31 日，公司由此终止确认的应收账款金额为 1,188,463,173.17 元（170,359,676.21 美元）。

(2)公司全资二级子公司南山铝业欧洲有限公司与法巴银行签订应收账款保理合同，根据合同约定，法巴银行买断对合同所属的应收账款，2019 年 12 月 31 日，公司由此终止确认的应收账款金额为 56,254,794.08 元（其中美元终止确认金额 3,922,159.66 美元，欧元终止确认金额 3,681,906.37 欧元）。

7．本期无转移应收账款且继续涉入形成的资产、负债金额。

8．期末外币应收账款情况详见本附注五(七十)“外币货币性项目”之说明。

9．期末应收账款金额前 5 名情况

单位名称	期末余额	账龄	占应收账款期末余额合计数的比例(%)	坏账准备期末余额
第一名	718,082,598.00	1-2 年	14.16	3,590,412.99
第二名	466,250,000.00	1-2 年	9.20	2,331,250.00
第三名	251,109,000.00	2-3 年	4.95	1,255,545.00
第四名	153,563,555.85	1 年以内	3.03	7,678,177.79
第五名	140,909,219.55	1 年以内、1-2 年	2.78	9,597,171.55
小　计	1,729,914,373.40	-	34.12	24,452,557.33

（七）应收款项融资

1．明细情况

项　目	期末余额	期初余额
以公允价值计量且其变动计入其他综合收益的应收票据	1,104,674,932.14	1,578,484,203.44
合　计	1,104,674,932.14	1,578,484,203.44

说明：依据新金融工具准则，南山铝业及智尚科技对期初数进行调整，详见“附注三(三十三)”。

2．期末公司已背书或贴现且在资产负债表日尚未到期的应收票据

项　目	期末终止确认金额	期末未终止确认金额
银行承兑汇票	2,649,470,102.16	-
合　计	2,649,470,102.16	-

（八）预付款项

1．账龄分析

账　龄	期末数		期初数	
	金额	比例(%)	金额	比例(%)
1年以内	1,581,188,687.32	72.47	1,231,300,075.62	69.64
1-2年	102,236,593.12	4.69	19,853,513.20	1.12
2-3年	12,462,193.14	0.57	44,880,800.64	2.54
3年以上	485,976,136.53	22.27	472,134,124.70	26.70
合　计	2,181,863,610.11	100.00	1,768,168,514.16	100.00

2．预付款项金额前5名情况

单位名称	期末数	账龄	占预付款项期末余额合计数的比例(%)	未结算原因
第一名	274,067,601.17	1年以内	12.56	未达到结算期
第二名	199,304,784.00	1年以内	9.13	未达到结算期
第三名	185,006,912.87	1年以内	8.48	未达到结算期
第四名	174,850,819.64	1年以内	8.01	未达到结算期
第五名	156,034,818.23	1年以内	7.15	未达到结算期

单位名称	期末数	账龄	占预付款项期末余额合计数的比例(%)	未结算原因
小　计	989,264,935.91	-	45.33	未达到结算期

3．账龄超过1年且金额重大的预付款项未及时结算的原因为协议尚未执行完毕。

4．期末未发现预付款项存在明显减值迹象，故未计提减值准备。

（九）其他应收款

1．明细情况

项　目	期末数		
	账面余额	坏账准备	账面价值
应收利息	50,215,247.65	-	50,215,247.65
应收股利	-	-	-
其他应收款	8,442,475,171.64	86,638,743.66	8,355,836,427.98
合　计	8,492,690,419.29	86,638,743.66	8,406,051,675.63

续上表：

项　目	期初数		
	账面余额	坏账准备	账面价值
应收利息	47,275,638.86	-	47,275,638.86
应收股利	-	-	-
其他应收款	7,032,711,704.31	57,610,800.90	6,975,100,903.41
合　计	7,079,987,343.17	57,610,800.90	7,022,376,542.27

2．应收利息

项　目	期末数	期初数
借款利息收入	25,286,610.93	22,830,693.89
债券投资	12,910,678.73	12,402,732.42
存放央行、同业利息收入	8,102,881.98	4,621,801.68
融资租赁利息收入	3,915,076.01	7,420,410.87
账面余额小计	50,215,247.65	47,275,638.86
减：坏账准备	-	-
账面价值小计	50,215,247.65	47,275,638.86

3．其他应收款

(1)明细情况

种 类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	12,500,000.00	0.15	12,500,000.00	100.00	-
按组合计提坏账准备	8,429,975,171.64	99.85	74,138,743.66	0.88	8,355,836,427.98
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
小 计	8,442,475,171.64	100.00	86,638,743.66	1.03	8,355,836,427.98

续上表：

种 类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	7,029,851,704.31	99.96	54,750,800.90	0.78	6,975,100,903.41
单项金额虽不重大但单项计提坏账准备	2,860,000.00	0.04	2,860,000.00	100.00	-
小 计	7,032,711,704.31	100.00	57,610,800.90	0.82	6,975,100,903.41

(2)坏账准备计提情况

1)期末单项金额重大并单项计提坏账准备的其他应收款

单位名称	账面余额	坏账准备	计提比例(%)	理由
云南鸿翔一心堂药业（集团）股份有限公司	12,500,000.00	12,500,000.00	100.00	预计无法收回
小 计	12,500,000.00	12,500,000.00	100.00	-

2)期末按组合计提坏账准备的其他应收款

①期末按信用风险组合计提坏账准备的其他应收款

A.南山铝业坏账准备计提情况

账 龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	248,930,517.18	12,446,525.85	5.00
1-2年	100,000.00	10,000.00	10.00
2-3年	741,866.27	148,373.25	20.00

账　龄	期末数		
3年以上	37,163,137.50	18,581,568.75	50.00
小　计	286,935,520.95	31,186,467.85	10.87

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	207,921,619.04	10,396,080.97	5.00
1-2年	2,765,826.82	276,582.68	10.00
2-3年	38,135,421.23	7,627,084.24	20.00
3年以上	54,500.00	27,250.00	50.00
小　计	248,877,367.09	18,326,997.89	7.36

B.智尚科技坏账准备计提情况

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	25,210,807.02	1,260,540.36	5.00
1-2年	4,877,701.49	487,770.15	10.00
2-3年	2,837,282.56	567,456.51	20.00
3-5年	87,978.16	43,989.09	50.00
5年以上	42,603.31	42,603.31	100.00
小　计	33,056,372.54	2,402,359.42	7.27

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	34,674,512.12	1,733,725.61	5.00
1-2年	6,063,965.21	606,396.52	10.00
2-3年	635,029.07	127,005.81	20.00
3-5年	184,505.10	92,252.55	50.00
5年以上	168,181.80	168,181.80	100.00
小　计	41,726,193.30	2,727,562.29	6.53

②其他组合

账　龄	期末数		
	账面余额	坏账准备	计提比例(%)
1年以内	2,815,133,885.59	14,075,669.43	0.50
1-2年	2,287,628,041.14	11,438,140.20	0.50
2-3年	1,318,610,672.38	6,593,053.36	0.50
3年以上	1,688,610,679.04	8,443,053.40	0.50
小　计	8,109,983,278.15	40,549,916.39	0.50

续上表：

账　龄	期初数		
	账面余额	坏账准备	计提比例(%)
1年以内	2,755,503,025.46	13,777,515.13	0.50
1-2年	2,154,116,749.47	10,770,583.75	0.50
2-3年	1,650,022,096.19	8,250,110.48	0.50
3年以上	179,606,272.80	898,031.36	0.50
小　计	6,739,248,143.92	33,696,240.72	0.50

3)期末无单项金额虽不重大但单项计提坏账准备的其他应收款。

(3)本期计提、收回或转回的坏账准备情况

本期计提坏账准备金额 33,167,942.76 元；本报告期无公司以前年度已全额或较大比例计提坏账准备，本期收回的其他应收款金额为 2,860,000.00 元。

(4)本报告期无通过债务重组等其他方式收回的其他应收款情况。

(5)本报告期实际核销的其他应收款情况

项　目	核销金额
实际核销的其他应收款	1,280,000.00

(6)其他应收款按款项性质分类情况

款项性质	期末余额	期初余额
单位往来款项	8,166,045,930.51	6,395,445,943.17
个人往来款项	71,307,153.06	133,924,356.80
保证金、押金	193,829,070.10	495,573,480.68
其他	11,293,017.97	7,767,923.66
小　计	8,442,475,171.64	7,032,711,704.31

(7)截至 2019 年 12 月 31 日无应收政府补助款。

(8)期末其他应收款金额前 5 名情况

单位名称	期末余额	账龄	占其他应收账款期末余额合计数的比例(%)	坏账准备期末余额
第一名	1,486,212,343.00	1 年以内	17.60	7,431,061.72
第二名	745,438,022.33	2-3 年	8.83	3,727,190.11
第三名	362,809,390.15	2-3 年	4.30	1,814,046.95
第四名	304,973,825.40	1 年以内,1-2 年	3.61	1,524,869.13
第五名	243,294,750.19	2-3 年	2.88	1,216,473.75
小 计	3,142,728,331.07	-	37.23	15,713,641.66

(9)报告期内无因金融资产转移而终止确认的其他应收款。

(10)报告期内无转移其他应收款且继续涉入形成的资产、负债金额。

(11)期末外币其他应收款情况详见本附注五(七十)“外币货币性项目”之说明。

(十) 存货

1. 明细情况

项 目	期末数		
	账面余额	跌价准备	账面价值
原材料	2,576,766,157.49	19,218,572.95	2,557,547,584.54
在产品	9,313,092,997.87	10,447,182.00	9,302,645,815.87
库存商品	5,266,447,810.28	77,684,326.75	5,188,763,483.53
委托加工物资	19,739,060.64	-	19,739,060.64
低值易耗品	287,308.32	-	287,308.32
合 计	17,176,333,334.60	107,350,081.70	17,068,983,252.90

续上表:

项 目	期初数		
	账面余额	跌价准备	账面价值
原材料	2,893,969,385.56	22,356,901.76	2,871,612,483.80
在产品	9,298,634,519.64	10,261,101.17	9,288,373,418.47
库存商品	5,720,000,824.80	97,846,807.38	5,622,154,017.42

项　目	期初数		
	账面余额	跌价准备	账面价值
委托加工物资	279,559,828.58	-	279,559,828.58
低值易耗品	23,202,976.55	-	23,202,976.55
合　计	18,215,367,535.13	130,464,810.31	18,084,902,724.82

2．存货跌价准备增减变动情况

类　别	期初数	本期增加		本期减少		期末数
		计提	其他	转回或转销	其他	
原材料	22,356,901.76	4,382,198.13	-	7,520,526.94	-	19,218,572.95
在产品	10,261,101.17	6,122,473.37	-	5,936,392.54	-	10,447,182.00
库存商品	97,846,807.38	35,486,733.54	-	55,649,214.17	-	77,684,326.75
小　计	130,464,810.31	45,991,405.04	-	69,106,133.65	-	107,350,081.70

3．存货期末余额中无利息资本化金额。

（十一）持有待售资产

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
准备出售的子公司	28,628,012.89	-	28,628,012.89	57,377,563.96	-	57,377,563.96
合　计	28,628,012.89	-	28,628,012.89	57,377,563.96	-	57,377,563.96

2．其他说明

2018 年 12 月，经公司董事会批准拟将持有的龙口伟华置业有限公司、青岛嶺海明珠置业有限公司、青岛凯通置业有限公司三家公司股权对外转让，截止 2019 年 12 月 31 日，转让工作正在进行中。

（十二）其他流动资产

1．明细情况

项　目	期末数	期初数
待抵扣进项税额	476,707,422.92	366,127,490.94
预交税款	611,270,580.87	857,056,014.84

项　目	期末数	期初数
其他	2,081,218,364.68	2,051,329,607.70
合　计	3,169,196,368.47	3,274,513,113.48

2．期末未发现其他流动资产存在明显减值迹象，故未计提减值准备。

（十三）发放贷款和垫款

1．明细情况

项　目	期末数	期初数
企业贷款和垫款	2,666,443,467.74	696,553,558.97
短期贷款	1,261,280,000.00	21,100,544.00
票据贴现	349,163,467.74	154,453,014.97
中长期贷款	1,056,000,000.00	521,000,000.00
减：贷款损失一般准备金	26,744,141.11	7,021,740.06
减：贷款损失专项准备金-关注类	-	-
减：贷款损失专项准备金-正常类	63,032,042.16	18,504,087.92
减：贷款损失特种准备金	-	-
贷款及垫款净额	2,576,667,284.47	671,027,730.99

2．期末余额主要为本公司控股子公司南山集团财务有限公司向本公司参股公司发放的贷款。

（十四）可供出售金融资产

1．明细情况

项　目	期末数		
	账面余额	减值准备	账面价值
可供出售债务工具	1,017,860,258.08	-	1,017,860,258.08
可供出售权益工具	7,316,240,243.16	-	7,316,240,243.16
按公允价值计量的	1,236,857,110.52	-	1,236,857,110.52
按成本计量的	6,079,383,132.64	-	6,079,383,132.64
其他	1,667,768,653.45	-	1,667,768,653.45
合　计	10,001,869,154.69	-	10,001,869,154.69

续上表：

项　目	期初数		
	账面余额	减值准备	账面价值
可供出售债务工具	753,854,953.36	-	753,854,953.36
可供出售权益工具	6,166,742,419.45	-	6,166,742,419.45
按公允价值计量的	1,532,446,724.55	-	1,532,446,724.55
按成本计量的	4,634,295,694.90	-	4,634,295,694.90
其他	858,966,230.86	-	858,966,230.86
合　计	7,779,563,603.67	-	7,779,563,603.67

2．期末可供出售金融资产余额中无持有至到期投资重分类计入的情况。

3．期末按公允价值计量的可供出售金融资产

项　目	可供出售权益工具	可供出售债务工具	其他	小　计
权益工具的成本/债务工具的摊余成本	2,267,388,659.87	1,010,176,933.57	113,900,000.00	3,391,465,593.44
公允价值	1,236,857,110.52	1,008,645,180.00	44,366,204.72	2,289,868,495.24
累计计入其他综合收益的公允价值变动金额	-1,030,531,549.35	-1,531,753.57	-69,533,795.28	-1,101,597,098.20
已计提减值金额	-	-	-	-

4．期末按成本计量的可供出售金融资产

被投资单位	账面余额			
	期初数	本期增加	本期减少	期末数
恒丰银行股份有限公司	2,402,236,751.00	1,614,900,000.00	-	4,017,136,751.00
爱康飞机有限公司	398,470,000.00	-	-	398,470,000.00
新余南山长腾投资合伙企业（有限合伙）	179,700,000.00	-	129,052,963.00	50,647,037.00
深圳磐石千和新材料及高端装备投资合伙企业（有限合伙）	280,700,000.00	-	72,695,218.00	208,004,782.00
中关村科技租赁（北京）有限公司	99,900,000.00	-	-	99,900,000.00
深圳南山新成股权投资合伙企业（有限合伙）	270,000,000.00	-	120,441,070.00	149,558,930.00
国开厚德（北京）投资基金有限公司	50,000,000.00	-	-	50,000,000.00
深圳南山中航无人系统股权投资基金合伙企业（有限合伙）	90,000,000.00	-	6,060,606.06	83,939,393.94
PAAM Real Estate	335,523,612.01	-	279,236,673.20	56,286,938.81

被投资单位	账面余额			
	期初数	本期增加	本期减少	期末数
Investment I P/L				
PAAM Real Estate Investment II P/L	-	353,377,370.00	1,766,886.85	351,610,483.15
创智科技定向增发项目	299,999,994.00	-	-	299,999,994.00
龙口新成并购投资合伙企业（有限合伙）	5,225,000.00	-	-	5,225,000.00
其他	222,540,337.89	111,246,818.00	25,183,333.15	308,603,822.74
小　计	4,634,295,694.90	2,079,524,188.00	634,436,750.26	6,079,383,132.64

续上表：

被投资单位	减值准备				在被投资单位持股或出资比例(%)	本期现金红利
	期初数	本期增加	本期减少	期末数		
恒丰银行股份有限公司	-	-	-	-	2.35	-
爱康飞机有限公司	-	-	-	-	37.70	-
新余南山长腾投资合伙企业（有限合伙）	-	-	-	-	95.05	-
深圳磐石千和新材料及高端装备投资合伙企业（有限合伙）	-	-	-	-	96.56	-
中关村科技租赁（北京）有限公司	-	-	-	-	9.99	3,497,300.00
深圳南山新成股权投资合伙企业（有限合伙）	-	-	-	-	96.43	-
国开厚德（北京）投资基金有限公司	-	-	-	-	1.45	15,217,391.30
深圳南山中航无人系统股权投资基金合伙企业（有限合伙）	-	-	-	-	30.00	-
PAAM Real Estate Investment I P/L	-	-	-	-	24.95	-
PAAM Real Estate Investment II P/L	-	-	-	-	99.50	-
创智科技定向增发项目	-	-	-	-	1.89	-
龙口新成并购投资合伙企业（有限合伙）	-	-	-	-	27.78	-
其他	-	-	-	-	-	2,317,500.00
小　计	-	-	-	-	-	21,032,191.30

（十五）持有至到期投资

1. 明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
理财产品	-	-	-	30,000,000.00	-	30,000,000.00

2. 本期无将持有至到期投资重分类为可供出售金融资产的情况。

（十六）长期应收款

1. 明细情况

项　目	期末数		
	账面余额	坏账准备	账面价值
融资租赁	578,591,895.57	-	578,591,895.57
其中：未实现融资收益	54,342,306.44	-	54,342,306.44
合　计	578,591,895.57	-	578,591,895.57

续上表：

项　目	期初数		
	账面余额	坏账准备	账面价值
融资租赁	971,864,653.26	-	971,864,653.26
其中：未实现融资收益	143,178,429.10	-	143,178,429.10
合　计	971,864,653.26	-	971,864,653.26

2. 期末未发现长期应收款存在明显减值迹象，故未计提减值准备。

3. 期末外币长期应收款情况详见本附注五(七十)“外币货币性项目”之说明。

（十七）长期股权投资

1. 明细情况

项　目	期末数		
	账面余额	减值准备	账面价值
对合营企业投资	29,864,376.83	-	29,864,376.83
对联营企业投资	3,171,019,018.73	-	3,171,019,018.73
合　计	3,200,883,395.56	-	3,200,883,395.56

续上表：

项　目	期初数		
	账面余额	减值准备	账面价值
对合营企业投资	29,853,008.50	-	29,853,008.50
对联营企业投资	3,031,572,942.66	-	3,031,572,942.66
合　计	3,061,425,951.16	-	3,061,425,951.16

2. 对联营、合营企业投资

被投资单位名称	初始投资成本	期初数	本期变动	
			追加投资	减少投资
(1)合营企业				
南山（海南万宁）置业有限公司	200,000,000.00	-	-	-
海南万宁弘基置业有限公司	10,000,000.00	9,263,408.50	-	-
烟台南山融创置业有限公司	10,000,000.00	-	-	-
南山飞卓宇航工业有限公司	20,589,600.00	20,589,600.00	-	-
(2)联营企业				
烟台银行股份有限公司	1,808,300,000.00	2,188,365,832.62	-	-
青岛新恒力投资发展有限公司	312,000,000.00	540,175,276.59	-	-
龙口海通房地产开发有限公司	280,307,671.37	280,307,671.37	-	-
青岛南信投资有限公司	245,000,000.00	-	-	-
北京融创南山房地产有限公司	1,020,000.00	1,256,197.82	-	-
LN Development (Stirling) Pte Ltd	9,570,876.00	9,416,274.92	-	-
W Capital Markets Pte.Ltd	9,236,439.00	8,099,165.53	-	-
深圳云鹏南山基金管理有限公司	1,995,000.00	853,588.73	-	1,995,000.00
中航南山股权投资基金管理（深圳）有限公司	800,000.00	1,320,672.08	2,400,000.00	3,200,000.00
珠海横琴南山开源资产管理有限公司	2,000,000.00	1,778,263.00	-	-
中海油南山（山东）天然气有限公司	10,000,000.00	-	-	-
合　计	2,920,819,586.37	3,061,425,951.16	2,400,000.00	5,195,000.00

续上表：

被投资单位名称	本期变动			
	权益法下确认的投资损益	其他综合收益变动	其他权益变动	宣告发放现金股利或利润
(1)合营企业				
南山（海南万宁）置业有限公司	-	-	-	-
海南万宁弘基置业有限公司	200,680.67	-	-	-
烟台南山融创置业有限公司	-	-	-	-
南山飞卓宇航工业有限公司	-189,312.34	-	-	-
(2)联营企业				
烟台银行股份有限公司	71,804,651.53	-8,581,757.60	-	-
青岛新恒力投资发展有限公司	6,792,908.50	-	-	-
龙口海通房地产开发有限公司	-3,203,368.37	-	-	-
青岛南信投资有限公司	-	-	-	-
北京融创南山房地产有限公司	-285,638.82	-	-	-
LN Development (Stirling) Pte Ltd	63,931,479.13	-	-	-
W Capital Markets Pte.Ltd	905,010.99	-	-	-
深圳云鹏南山基金管理有限公司	1,141,411.27	-	-	-
中航南山股权投资基金管理（深圳）有限公司	-520,672.08	-	-	-
珠海横琴南山开源资产管理有限公司	-173,259.61	-	-	-
中海油南山（山东）天然气有限公司	-156,429.16	-	-	-
合　计	140,247,461.71	-8,581,757.60	-	-

续上表：

被投资单位名称	本期变动		期末数	减值准备期末余额
	计提减值准备	其他		
(1)合营企业				
南山（海南万宁）置业有限公司	-	-	-	-
海南万宁弘基置业有限公司	-	-	9,464,089.17	-
烟台南山融创置业有限公司	-	-	-	-
南山飞卓宇航工业有限公司	-	-	20,400,287.66	-

被投资单位名称	本期变动		期末数	减值准备期末余额
	计提减值准备	其他		
(2)联营企业	-	-	-	-
烟台银行股份有限公司	-	-	2,251,588,726.55	-
青岛新恒力投资发展有限公司	-	-	546,968,185.09	-
龙口海通房地产开发有限公司	-	-	277,104,303.00	-
青岛南信投资有限公司	-	-	-	-
北京融创南山房地产有限公司	-	-	970,559.00	-
LN Development (Stirling) Pte Ltd	-	315,430.72	73,663,184.77	-
W Capital Markets Pte.Ltd	-	271,309.57	9,275,486.09	-
深圳云鹏南山基金管理有限公司	-	-	-	-
中航南山股权投资基金管理(深圳)有限公司	-	-	-	-
珠海横琴南山开源资产管理有限公司	-	-	1,605,003.39	-
中海油南山（山东）天然气有限公司	-	10,000,000.00	9,843,570.84	-
合 计	-	10,586,740.29	3,200,883,395.56	-

3．期末未发现长期股权投资存在明显减值迹象，故未计提减值准备。

（十八）其他权益工具投资

1．其他权益工具投资情况：

项 目	期末余额	期初余额
龙口南山中油天然气有限公司	40,090,000.00	40,090,000.00
合 计	40,090,000.00	40,090,000.00

说明：依据新金融工具准则，南山铝业对期初数进行调整，详见“附注三(三十三)”。

2．非交易性权益工具投资

项 目	确认的股利收入	累计利得	累计损失	其他综合收益转入留存收益的金额	指定为以公允价值计量且其变动计入其他综合收益的原因	其他综合收益转入留存收益的原因
龙口南山中油天然气有限公司	-	-	-	-	-	-

（十九）其他非流动金融资产

项　目	期末余额	期初余额
山东科融天使创业投资合伙企业（有限合伙）	10,000,000.00	10,000,000.00
深圳南山大成新材料投资合伙企业（有限合伙）	21,000,000.00	21,000,000.00
合　计	31,000,000.00	31,000,000.00

说明：依据新金融工具准则，南山铝业及智尚科技对期初数进行调整，详见“附注三(三十三)”。

（二十）投资性房地产

1．明细情况

项　目	期初数	本期增加				本期减少		期末数
		外购	存货/固定资产/在建工程转入	企业合并增加	其他	处置	其他转出	
(1)账面原值								
房屋及建筑物	1,464,707,176.05	-	-	-	50,298,999.43	-	-	1,515,006,175.48
土地使用权	155,993,172.98	-	-	-	15,623,846.57	-	-	171,617,019.55
合　计	1,620,700,349.03	-	-	-	65,922,846.00	-	-	1,686,623,195.03
(2)累计折旧/摊销		计提/摊销						
房屋及建筑物	35,119,795.56	13,635,286.21	-	-	1,309,529.93	-	-	50,064,611.70
土地使用权	13,405,664.34	1,983,702.57	-	-	1,159,197.98	-	-	16,548,564.89
合　计	48,525,459.90	15,618,988.78	-	-	2,468,727.91	-	-	66,613,176.59
(3)减值准备		计提						
房屋及建筑物	-	-	-	-	-	-	-	-
土地使用权	-	-	-	-	-	-	-	-
合　计								
(4)账面价值	-	-	-	-	-	-	-	-
房屋及建筑物	1,429,587,380.49	-	-	-	-	-	-	1,464,941,563.78

项　目	期初数	本期增加				本期减少		期末数
		外购	存货/固定资产/在建工程转入	企业合并增加	其他	处置	其他转出	
土地使用权	142,587,508.64	-	-	-	-	-	-	155,068,454.66
合　计	1,572,174,889.13	-	-	-	-	-	-	1,620,010,018.44

2. 截止 2019 年 12 月 31 日未发现投资性房地产存在明显减值迹象，故未计提减值准备。

3. 截止 2019 年 12 月 31 日无用于担保的投资性房地产。

4. 本期投资性房地产原值和累计摊销增加额中的其他包括因汇率变动影响的金额。

（二十一）固定资产

1、明细情况

项　目	期末数	期初数
固定资产	36,875,029,812.45	40,424,615,927.68
固定资产清理	-	-
合　计	36,875,029,812.45	40,424,615,927.68

2、固定资产

(1)明细情况

项　目	期初数	本期增加				本期减少		期末数
		购置	在建工程转入	企业合并增加	其他	处置或报废	其他	

项　目	期初数	本期增加				本期减少		期末数
		购置	在建工程转入	企业合并增加	其他	处置或报废	其他	
(1)账面原值								
房屋及建筑物	22,734,118,461.39	38,603,331.79	193,426,239.05	-	279,206,311.11	251,843,834.16	677,582,203.22	22,315,928,305.96
机器设备	32,998,548,406.71	180,859,417.56	1,347,914,479.07	-	5,761,431.68	240,844,868.34	211,245,033.75	34,080,993,832.93
运输工具	3,749,483,723.84	142,470,648.08	-	-	264,651.23	2,813,113,740.31	3,389,443.86	1,075,715,838.98
电子及其他设备	1,911,379,970.29	110,912,006.12	3,949,289.64	-	9,051,222.56	170,931,608.10	6,506,921.23	1,857,853,959.28
小　计	61,393,530,562.23	472,845,403.55	1,545,290,007.76	-	294,283,616.58	3,476,734,050.91	898,723,602.06	59,330,491,937.15
(2)累计折旧		计提						
房屋及建筑物	5,200,194,268.98	620,360,935.24	-	-	163,128,143.09	59,662,351.51	649,779,486.86	5,274,241,508.94
机器设备	14,240,545,301.89	1,824,429,985.06	-	-	4,381,030.11	68,880,443.38	157,062,888.63	15,843,412,985.05
运输工具	716,491,043.38	177,106,818.19	-	-	72,383.02	415,829,214.48	2,018,521.61	475,822,508.50
电子及其他设备	808,833,689.79	94,635,484.09	-	-	11,978,180.33	49,308,258.99	4,666,973.01	861,472,122.21
小　计	20,966,064,304.04	2,716,533,222.58	-	-	179,559,736.55	593,680,268.36	813,527,870.11	22,454,949,124.70
(3)减值准备		计提						
房屋及建筑物	-	-	-	-	-	-	-	-
机器设备	-	-	-	-	-	-	-	-
运输工具	2,337,330.51	-	-	-	-	2,337,330.51	-	-

项　目	期初数	本期增加				本期减少		期末数
		购置	在建工程转入	企业合并增加	其他	处置或报废	其他	
电子及其他设备	513,000.00	-	-	-	-	-	-	513,000.00
小　计	2,850,330.51	-	-	-	-	2,337,330.51	-	513,000.00
(4)账面价值								
房屋及建筑物	17,533,924,192.41	-	-	-	-	-	-	17,041,686,797.02
机器设备	18,758,003,104.82	-	-	-	-	-	-	18,237,580,847.88
运输工具	3,030,655,349.95	-	-	-	-	-	-	599,893,330.48
电子及其他设备	1,102,033,280.50	-	-	-	-	-	-	995,868,837.07
小　计	40,424,615,927.68	-	-	-	-	-	-	36,875,029,812.45

[注]本期折旧额2,716,533,222.58元。本期增加中由在建工程中转入的固定资产原值1,545,290,007.76元。期末已提足折旧仍继续使用的固定资产原值2,238,838,538.54元。本期减少处置或报废中包括公司本期处置的子公司青岛航空股份有限公司、南山公务机有限公司、山东南山国际飞行有限公司资产原值共计3,048,460,750.94元，累计折旧共计388,889,055.81元。

本期固定资产增加减少的其他包括资产评估导致的固定资产原值折旧同时减少金额、外币汇率折算差异金额及资产类别之间的调整金额。

(2)期末未发现固定资产存在明显减值迹象，故未计提减值准备。

(3)本报告期公司无暂时闲置的固定资产。

(4)融资租赁租入的固定资产

类　别	账面原值	累计折旧	减值准备	账面价值

类　别	账面原值	累计折旧	减值准备	账面价值
房屋及建筑物	493,608,990.12	215,088,408.77	-	278,520,581.35
机器设备	482,974,404.93	225,949,156.54	-	257,025,248.39
运输设备	58,542,355.76	6,313,860.00	-	52,228,495.76
电子及其他设备	365,786,936.75	93,437,740.07	-	272,349,196.68
小　计	1,400,912,687.56	540,789,165.38	-	860,123,522.18

[注]本公司根据生产经营需要融资租入房屋、机器设备及医疗设备。

(5)本期末无经营租赁租出的固定资产。

(6)未办妥产权证书的固定资产情况说明。

项　目	账面价值	未办妥产权证书原因
工业材挤压车间	127,616,137.40	正在办理
工业材氮化车间	15,357,899.51	正在办理
工业材宿舍楼	18,271,051.42	正在办理
工业材餐厅	5,972,778.38	正在办理
工业材模具加工车间	6,986,569.96	正在办理
三连轧成品库	43,047,827.09	正在办理
工业材深加工车间	9,551,127.29	正在办理
工业材仓库	9,864,509.64	正在办理
铝材氧化车间	44,241,738.11	正在办理
铝材成品库	23,543,728.97	正在办理
铝材挤压车间	34,090,908.44	正在办理
铝材配电室	2,993,498.18	正在办理
铝材废水处理操作间	3,319,880.61	正在办理
铝材喷涂车间	14,125,748.00	正在办理
铝材加工车间	3,244,538.21	正在办理
110KV 变电站厂房	7,931,942.75	正在办理
隔热条厂房	4,502,306.01	正在办理
喷涂半成品周转仓	1,408,544.91	正在办理
熔铸厂房	24,728,369.12	正在办理
钢结构厂房	83,304,246.12	正在办理
圆锭熔铸厂房	84,870,036.06	正在办理
220KV 变电站厂房	20,047,697.92	正在办理
动力空压站厂房	5,547,733.70	正在办理
动力去离子站厂房	5,762,060.68	正在办理
生产废水站厂房	6,940,364.89	正在办理
动力 A 区混水站厂房	1,875,548.91	正在办理
动力净循环水泵站厂房	7,550,495.25	正在办理
扁锭浊循环厂房	4,285,873.60	正在办理

项　目	账面价值	未办妥产权证书原因
圆锭浊循环厂房	4,237,915.64	正在办理
中厚板油库	1,094,638.65	正在办理
氧化铝仓库房屋	1,168,365.73	正在办理
氧化铝办公楼	1,940,039.53	正在办理
氧化铝宿舍楼	5,785,527.42	正在办理
氧化铝餐厅	1,682,880.65	正在办理
氧化铝全厂空压站	32,428,048.32	正在办理
天然气办公楼	1,359,961.27	正在办理
150MN 挤压车间	148,650,408.21	正在办理
东海圆锭车间	15,866,302.04	正在办理
锻造-办公楼	4,039,140.82	正在办理
锻造厂房	357,666,137.24	正在办理
4 万吨铝箔厂房	70,017,221.39	正在办理
4 万吨铝箔综合仓库	21,017,972.78	正在办理
4 万吨铝箔油库	973,104.19	正在办理
4 万吨铝箔循环水泵站	4,578,842.44	正在办理
4 万吨铝箔动力空压站	914,474.23	正在办理
4 万吨铝箔应急水塔	831,250.41	正在办理
一期脱硫工艺楼	5,418,406.31	正在办理
2#浆液循环泵房	2,102,231.73	正在办理
1#循环浆液泵房	1,392,415.66	正在办理
力学性能试验厂房	7,933,687.45	正在办理
锻造变电站	16,468,855.28	正在办理
中试车间实验中心厂房	18,649,554.54	正在办理
锻造表面处理车间	13,422,550.96	正在办理
中厚板 110kV 变电站	8,621,120.31	正在办理
中厚板废料打包间	6,559,601.44	正在办理
中厚板备品备件库	6,155,229.15	正在办理
动力机修间厂房	5,262,608.68	正在办理

项　目	账面价值	未办妥产权证书原因
4#浆液循环泵房	2,685,564.88	正在办理
锻造水处理站、换热站	6,449,702.82	正在办理
厂区浴室	1,983,913.35	正在办理
中厚板综合车队	1,534,584.60	正在办理
锻造空压站	1,475,236.33	正在办理
中厚板渣房	264,012.83	正在办理
4#机组配电室、小室	617,880.61	正在办理
南山铝业展馆	15,790,974.08	正在办理
铝材立体仓库及附属	32,702,622.46	正在办理
铝材挤压、喷涂车间	117,140,522.49	正在办理
铝材水务中心	3,529,062.64	正在办理
净化车间配电室	494,922.20	正在办理
污水处理泵房	181,764.00	正在办理
脱硫工艺楼	2,178,720.89	正在办理
脱硫厂房	2,950,656.65	正在办理
海水淡化车间	24,378,480.30	正在办理
中厚板成品库	12,089,335.95	正在办理
合　　计	1,613,669,610.68	-

(7)期末用于抵押或担保的固定资产详见本附注五(六十九)所有权或使用权受到限制的资产。

（二十二）在建工程

1．明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
在建工程	18,329,339,658.35	-	18,329,339,658.35	16,597,609,887.82	-	16,597,609,887.82
工程物资	3,708,220.87	-	3,708,220.87	5,491,335.17	-	5,491,335.17
合　计	18,333,047,879.22	-	18,333,047,879.22	16,603,101,222.99	-	16,603,101,222.99

2．在建工程

(1)明细情况

工程名称	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
东海开发	13,811,480,602.62	-	13,811,480,602.62	12,825,023,006.58	-	12,825,023,006.58
铝热工程	3,563,768,894.99	-	3,563,768,894.99	2,314,953,765.79	-	2,314,953,765.79
其他	954,090,160.74	-	954,090,160.74	1,457,633,115.45	-	1,457,633,115.45
小　计	18,329,339,658.35	-	18,329,339,658.35	16,597,609,887.82	-	16,597,609,887.82

(2)重大在建工程增减变动情况

工程名称	预算数(万元)	期初余额	本期增加	本期转入固定资产	本期其他减少	期末余额
东海开发	2,000,000.00	12,825,023,006.58	986,592,154.41	-	134,558.37	13,811,480,602.62

工程名称	预算数(万元)	期初余额	本期增加	本期转入固定资产	本期其他减少	期末余额
青岛航空飞机发动机采购	-	501,365,386.92	55,517,669.51	-	556,883,056.43	-
印尼宾坦南山工业园 100 万吨氧化铝	568,539.30	383,069,206.29	867,092,088.41	-	-	1,250,161,294.70
年产 1.4 万吨大型精密模锻件	150,950.00	932,427,694.42	59,898,877.25	902,915,869.02	4,068,569.91	85,342,132.74
航空航天用高强高韧高端铝合金生产线技术改造	104,262.00	591,220,162.35	432,039,875.27	35,112,720.53	-	988,147,317.09
零星工程	-	368,756,697.44	404,332,032.47	414,170,213.34	14,487,062.00	344,431,454.57
汽车轻量化铝板生产线	156,444.00	-	866,621,160.03	-	-	866,621,160.03
高性能高端铝箔生产线	45,309.00	-	25,095,605.44	-	-	25,095,605.44
小　计	3,025,504.30	15,601,862,154.00	3,697,189,462.79	1,352,198,802.89	575,573,246.71	17,371,279,567.19

续上表：

工程名称	工程投入占预算比例(%)	工程进度(%)	利息资本化累计金额	其中：本期利息资本化金额	本期利息资本化率(%)	资金来源
东海开发	69.06	-	3,167,537,140.38	487,171,249.26	-	自筹
青岛航空飞机发动机采购	-	-	142,138,447.71	24,655,604.39	-	自筹
印尼宾坦南山工业园 100 万吨氧化铝	11.00	16.00	-	-	-	募集资金
年产 1.4 万吨大型精密模锻件	133.00	99.00	48,332,544.91	-	-	自有资金
航空航天用高强高韧高端铝合金生产线技术改造	57.00	62.00	-	-	-	自有资金
零星工程	-	-	-	-	-	自有资金
汽车轻量化铝板生产线	45.00	57.00	-	-	-	自有资金

工程名称	工程投入占预算比例(%)	工程进度(%)	利息资本化累计金额	其中：本期利息资本化金额	本期利息资本化率(%)	资金来源
高性能高端铝箔生产线	5.00	8.00	-	-	-	自有资金
小　计	-	-	3,358,008,133.00	511,826,853.65	-	-

(3)本期末未发现在建工程存在明显减值迹象，故未计提减值准备。

(4) 截止 2019 年 12 月 31 日无用于借款抵押的在建工程。

3．工程物资

(1)明细情况

项　目	期末数	期初数
专用材料	3,708,220.87	5,491,335.17

(2)本期末未发现工程物资存在明显减值迹象，故未计提减值准备。

(二十三) 无形资产

1．明细情况

项　目	期初数	本期增加				本期减少		期末数
		购置	内部研发	企业合并增加	其他	处置	其他转出	
(1)账面原值								
土地使用权	7,457,304,705.41	47,541,132.55	-	-	75,432,857.49	-	10,398,315.21	7,569,880,380.24
软件	21,233,207.66	5,672,858.96	-	-	1,302,201.68	4,669,687.00	376,560.00	23,162,021.30

项　目	期初数	本期增加				本期减少		期末数
		购置	内部研发	企业合并增加	其他	处置	其他转出	
商标权	180,700.00	-	-	-	-	-	-	180,700.00
其他	19,600,719.82	2,633,046.03	-	-	18,858,603.25	98,940.63	-	40,993,428.47
合　计	7,498,319,332.89	55,847,037.54	-	-	95,593,662.42	4,768,627.63	10,774,875.21	7,634,216,530.01
(2)累计摊销		计提	其他			处置	其他	
土地使用权	1,326,717,178.21	126,711,187.53	-	-	3,261,317.87	-	710,128.84	1,455,979,554.77
软件	13,519,986.49	5,730,987.91	-	-	19,526.58	877,545.84	376,560.00	18,016,395.14
商标权	85,832.31	18,069.96	-	-	-	-	-	103,902.27
其他	15,948,493.51	2,762,763.72	-	-	33,290.32	4,601.01	-	18,739,946.54
合　计	1,356,271,490.52	135,223,009.12	-	-	3,314,134.77	882,146.85	1,086,688.84	1,492,839,798.72
(3)减值准备		计提	其他			处置	其他	
土地使用权	-	-	-	-	-	-	-	-
软件	-	-	-	-	-	-	-	-
商标权	-	-	-	-	-	-	-	-
其他	-	-	-	-	-	-	-	-
合　计	-	-	-	-	-	-	-	-
(4)账面价值								

项　目	期初数	本期增加				本期减少		期末数
		购置	内部研发	企业合并增加	其他	处置	其他转出	
土地使用权	6,130,587,527.20	-	-	-	-	-	-	6,113,900,825.47
软件	7,713,221.17	-	-	-	-	-	-	5,145,626.16
商标权	94,867.69	-	-	-	-	-	-	76,797.73
其他	3,652,226.31	-	-	-	-	-	-	22,253,481.93
合　计	6,142,047,842.37	-	-	-	-	-	-	6,141,376,731.29

[注]本期摊销额 135,223,009.12 元，公司无通过内部研发形成的无形资产。

2. 期末未发现无形资产存在明显减值迹象，故未计提减值准备。

3. 期末用于抵押或担保的无形资产详见本附注五(六十九)“所有权或使用权受到限制的资产”。

4. 本期无形资产原值和累计摊销增加额和减少额中的其他包括因汇率变动影响的金额。

（二十四）长期待摊费用

项　目	期初数	本期增加	本期摊销	其他减少	期末数	其他减少原因
大修费、启动费	100,190,187.20	60,186,372.73	68,690,486.11	33,108,064.14	58,578,009.68	-
飞行员引进费	613,702,689.39	139,601,070.01	186,820,521.52	566,483,237.88	-	-
其他	137,752,541.10	86,638,443.52	28,030,501.35	153,229,017.27	43,131,466.00	-
合　计	851,645,417.69	286,425,886.26	283,541,508.98	752,820,319.29	101,709,475.68	-

[注]：其他减少中包括公司本期处置的子公司青岛航空股份有限公司、南山公务机有限公司、山东南山国际飞行有限公司期末长期待摊余额共计 750,114,987.57 元。

（二十五）递延所得税资产/递延所得税负债

1．未经抵销的递延所得税资产

项　目	期末数		期初数	
	可抵扣暂时性差异	递延所得税资产	可抵扣暂时性差异	递延所得税资产
未到期责任准备	4,958,068.60	1,239,517.15	5,430,348.84	1,357,587.21
担保赔偿准备	58,320,908.36	14,580,227.09	65,013,136.16	16,253,284.04
坏账准备	185,602,197.77	30,427,512.98	171,753,953.95	33,933,330.37
固定资产减值准备	513,000.00	76,950.00	513,000.00	76,950.00
待弥补亏损	717,770,638.37	152,273,263.67	649,670,777.20	136,238,440.09
递延收益	41,930,803.59	6,333,370.57	33,127,662.25	7,681,915.56
未实现内部利润	330,881,158.86	71,541,376.84	214,344,637.38	50,803,149.90
公允价值变动损益	1,531,753.68	382,938.42	4,457,110.36	1,113,377.59
贷款损失准备	61,305,442.16	15,326,360.54	16,733,516.04	4,183,379.01
存货跌价准备	68,985,404.79	12,043,957.24	70,643,219.43	12,718,675.98
其他综合收益	4,248,002.34	644,758.99	10,408,160.14	2,525,292.23
资产计税价值的差异	14,986,257.92	3,746,564.48	2,267,641.16	566,910.29
合　计	1,491,033,636.44	308,616,797.97	1,244,363,162.91	267,452,292.27

2．未经抵销的递延所得税负债

项　目	期末数	期初数

	应纳税暂时性差异	递延所得税负债	应纳税暂时性差异	递延所得税负债
公允价值变动损益	8,733,198.90	1,309,979.84	-	-
其他综合收益	3,623,881.46	711,797.87	204,000.00	30,600.00
其他	33,186,354.52	8,296,588.63	-	-
合　计	45,543,434.88	10,318,366.34	204,000.00	30,600.00

（二十六）其他非流动资产

1．明细情况

项　目	期末数	期初数
股权分置流通权	307,370,229.05	307,370,229.05
预付长期资产购建款项	703,242,796.33	189,205,687.92
其他	383,539,959.00	347,520,000.00
合　计	1,394,152,984.38	844,095,916.97

2．预付长期资产购建款项期末余额主要明细如下：

单位名称	与本公司关系	期末余额	预付款时间	未结算原因
第一名	非关联方	124,035,776.44	2019 年	合同预付款
第二名	非关联方	95,334,768.48	2019 年	合同预付款
第三名	非关联方	25,867,822.20	2018-2019 年	合同预付款
第四名	非关联方	23,594,812.40	2018-2019 年	合同预付款
第五名	非关联方	22,944,000.00	2015-2019 年	合同预付款
合　计	-	291,777,179.52	-	-

（二十七）短期借款

1．明细情况

借款类别	期末数	期初数
保证借款	4,926,277,526.14	6,255,313,254.34
保理借款	150,000,000.00	70,004,640.00
质押借款	340,000,000.00	705,147,200.00
信用借款	3,839,000,000.00	822,000,000.00
票据贴现融资	1,983,950,000.00	320,000,000.00

借款类别	期末数	期初数
信用证贴现融资	-	42,796,029.21
合　计	11,239,227,526.14	8,215,261,123.55

2．本公司报告期末不存在逾期未偿还的短期借款。

3．外币借款情况详见附注五(七十)“外币货币性项目”之说明。

(二十八) 向中央银行借款

项　目	期末数	期初数
票据再贴现	403,323,237.50	428,220,937.50

(二十九) 吸收存款及同业存放

项　目	期末数	期初数
吸收成员单位活期存款	65,946,569.03	94,971,896.99

[注]为公司控股子公司南山集团财务有限公司吸收成员单位存款。

(三十) 交易性金融负债

项　目	期末公允价值	期初公允价值
交易性金融负债	-	9,000.00
其中：发行的交易性债券	-	-
其他	-	9,000.00
指定为以公允价值计量且其变动计入当期损益的金融负债	-	-
合　计	-	9,000.00

(三十一) 衍生金融负债

1．明细情况

项　目	期末数	期初数
套期工具	4,248,002.34	10,408,160.14

2．其他说明

报告期末公司的衍生金融负债为持有的有效套期的铝期货合约浮动亏损。

3．外币衍生金融负债明细情况详见本附注五(七十)“外币货币性项目”之说明。

（三十二）应付票据

票据种类	期末数	期初数
银行承兑汇票	4,640,728,657.12	2,528,064,104.27
商业承兑汇票	428,576,467.06	804,027,935.11
合　计	5,069,305,124.18	3,332,092,039.38

[注]本期末无已到期未支付的应付票据。

（三十三）应付账款

1．明细情况

账　龄	期末数	期初数
1年以内	3,445,365,195.55	2,752,226,299.19
1年至2年	658,910,589.08	1,196,604,636.56
2年至3年	559,007,182.50	499,460,093.21
3年以上	929,692,180.56	758,871,262.74
合　计	5,592,975,147.69	5,207,162,291.70

2．本公司报告期末一年以上的应付账款主要为尚未支付的工程款。

3．外币应付账款情况详见附注五(七十)“外币货币性项目”之说明。

（三十四）预收款项

1．明细情况

账　龄	期末数	期初数
1年以内	2,194,837,635.77	1,663,305,932.33
1年至2年	584,901,878.59	240,416,543.05
2年至3年	42,570,598.61	168,978,890.24
3年以上	305,406,219.67	382,064,987.47
合　计	3,127,716,332.64	2,454,766,353.09

2．本公司报告期末一年以上的预收款项主要为预收的房地产销售款及天然气配套费。

（三十五）卖出回购金融资产

项　目	期末数	期初数
银行同业及其他金融机构-债券	862,100,000.00	722,000,000.00

[注]卖出回购金融资产为公司控股子公司南山集团财务有限公司办理的回购业务。

（三十六）应付职工薪酬

1．明细情况

项　目	期初数	本期增加	本期减少	期末数
(1)短期薪酬	771,061,265.86	3,007,363,564.87	2,919,878,224.36	858,546,606.37
(2)离职后福利—设定提存计划	1,050,761.59	144,031,975.15	143,387,117.89	1,695,618.85
(3)辞退福利	-	-	-	-
(4)其他一年内到期的其他福利	-	-	-	-
合　计	772,112,027.45	3,151,395,540.02	3,063,265,342.25	860,242,225.22

2．短期薪酬

项　目	期初数	本期增加	本期减少	期末数
(1)工资、奖金、津贴和补贴	435,153,913.34	2,735,555,576.62	2,703,499,062.65	467,210,427.31
(2)职工福利费	2,368,486.03	102,776,862.20	102,648,229.81	2,497,118.42
(3)社会保险费	699,828.02	83,830,398.53	83,971,144.79	559,081.76
其中：医疗保险费	564,938.88	67,428,538.79	67,568,213.13	425,264.54
工伤保险费	90,571.96	7,882,771.93	7,896,241.54	77,102.35
生育保险费	44,317.18	6,356,190.56	6,343,792.87	56,714.87
其他	-	2,162,897.25	2,162,897.25	-
(4)住房公积金	891,309.41	16,509,571.78	15,675,115.18	1,725,766.01
(5)工会经费和职工教育经费	331,943,599.73	67,812,994.24	13,291,390.58	386,465,203.39
(6)其他短期薪酬	4,129.33	878,161.50	793,281.35	89,009.48
(7)短期利润分享计划	-	-	-	-
小　计	771,061,265.86	3,007,363,564.87	2,919,878,224.36	858,546,606.37

3．设定提存计划

项　目	期初数	本期增加	本期减少	期末数
(1)基本养老保险	1,012,726.85	137,282,961.62	136,966,522.83	1,329,165.64

项　目	期初数	本期增加	本期减少	期末数
(2)失业保险费	38,034.74	6,749,013.53	6,420,595.06	366,453.21
(3)企业年金缴费	-	-	-	-
小　计	1,050,761.59	144,031,975.15	143,387,117.89	1,695,618.85

(三十七) 应交税费

项　目	期末数	期初数
增值税	215,974,870.95	168,572,416.85
消费税	11,822,016.26	9,428,773.35
城市维护建设税	10,877,157.03	7,263,916.31
企业所得税	890,347,110.80	1,059,113,108.75
房产税	25,607,613.14	29,724,498.67
土地增值税	41,418,896.21	99,508,053.42
土地使用税	13,896,404.09	20,027,608.17
教育费附加	4,712,478.10	2,771,454.68
地方教育附加	3,441,487.58	3,515,569.44
水利建设专项资金	2,305,290.84	3,004,404.14
代扣代缴个人所得税	2,094,417.87	4,794,704.49
其他	12,537,619.92	9,864,460.33
合　计	1,235,035,362.79	1,417,588,968.60

(三十八) 其他应付款

1、明细情况

项　目	期末数	期初数
应付利息	671,219,181.99	686,839,312.89
应付股利	6,107,297.49	6,107,297.49
其他应付款	4,545,232,234.29	3,842,907,531.98
合　计	5,222,558,713.77	4,535,854,142.36

2、应付利息

(1)明细情况

项　目	期末数	期初数
企业借款利息	49,612,059.45	28,611,340.33
企业债券利息	621,607,122.54	658,227,972.56
小　计	671,219,181.99	686,839,312.89

(2)本公司报告期末不存在逾期未偿还的应付利息。

3. 应付股利

项　目	期末数	期初数
普通股股利	6,107,297.49	6,107,297.49

4. 其他应付款

(1)明细情况

项　目	期末数	期初数
单位往来款项	3,333,849,668.57	3,184,412,202.87
个人往来款项	333,078,342.99	228,459,265.67
保证金、押金	246,175,813.85	212,907,841.36
股东出资	368,990,841.67	185,062,529.71
其他	263,137,567.21	32,065,692.37
小　计	4,545,232,234.29	3,842,907,531.98

[注]截止2019年12月31日其他应付款中股东出资为本公司之子公司山东南山铝业股份有限公司之控股子公司的少数股东实际投资额超过其认缴注册资本的部分，金额为188,109,514.48元；一部分为控股子公司的少数股东出资款，金额为180,881,327.19元，因未完成法定变更程序，暂记入其他应付款。

(2) 外币其他应付款情况详见附注五(七十)“外币货币性项目”之说明。

(三十九) 一年内到期的非流动负债

1. 明细情况

项　目	期末数	期初数
一年内到期的长期借款	2,636,892,038.08	3,105,632,838.08
一年内到期的应付债券	3,212,798,578.19	3,953,998,539.69
一年内到期的长期应付款	250,899,590.39	345,511,034.38
合　计	6,100,590,206.66	7,405,142,412.15

2. 一年内到期的长期借款

(1) 明细情况

借款类别	期末数	期初数
质押借款	66,666,666.64	66,666,666.64
抵押/保证借款	1,142,024,171.44	725,048,571.44
保证借款	350,201,200.00	776,317,600.00
信用借款	578,000,000.00	1,537,600,000.00
质押/保证	500,000,000.00	-
小 计	2,636,892,038.08	3,105,632,838.08

[注]一年内到期的长期借款中无逾期借款。

(2) 金额前 5 名的一年内到期的长期借款

贷款单位	借款起始日	借款到期日	币种	年利率(%)	期末数	
					原币金额	人民币金额
渤海银行烟台支行	2017/6/30	2020/6/30	人民币	5.23	74,000,000.00	74,000,000.00
	2018/12/5	2020/10/27	人民币	5.23	112,000,000.00	112,000,000.00
	2019/6/21	2020/10/27	人民币	5.23	252,000,000.00	252,000,000.00
国家开发银行	2005/10/13	2020/3/15	人民币	4.90	62,360,000.00	62,360,000.00
	2012/6/28	2020/5/20	人民币	4.655	174,860,000.00	174,860,000.00
	2012/6/28	2020/11/20	人民币	4.655	187,350,000.00	187,350,000.00
中国工商银行股份有限公司	2015/12/22	2020/3/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/6/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/9/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/12/15	人民币	4.90	22,857,142.86	22,857,142.86
	2016/8/29	2020/2/25	人民币	4.90	33,333,333.32	33,333,333.32
	2016/8/29	2020/8/25	人民币	4.90	33,333,333.32	33,333,333.32
	2018/1/3	2020/1/2	人民币	5.80	140,000,000.00	140,000,000.00
中信信托有限责任公司	2017/7/10	2020/1/9	人民币	6.70	10,000,000.00	10,000,000.00
	2017/7/10	2020/7/10	人民币	6.70	383,880,000.00	383,880,000.00
吉林省信托有限责任公司	2018/10/23	2020/10/23	人民币	7.40	500,000,000.00	500,000,000.00
小 计	-	-	-	-	2,054,545,238.08	2,054,545,238.08

续上表

贷款单位	借款起始日	借款到期日	币种	年利率(%)	期初数	
					原币金额	人民币金额
渤海银行烟台支行	2017/6/30	2020/6/30	人民币	5.23	29,600,000.00	29,600,000.00
	2018/12/5	2020/10/27	人民币	5.23	28,000,000.00	28,000,000.00
	2019/6/21	2020/10/27	人民币	5.23	-	-
国家开发银行	2005/10/13	2020/10/12	人民币	4.90	62,500,000.00	62,500,000.00
	2012/6/28	2020/5/20	人民币	4.655	174,860,000.00	174,860,000.00
	2012/6/28	2020/11/20	人民币	4.655	174,860,000.00	174,860,000.00
中国工商银行股份有限公司	2015/12/22	2020/3/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/6/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/9/15	人民币	4.90	22,857,142.86	22,857,142.86
	2015/12/22	2020/12/15	人民币	4.90	22,857,142.86	22,857,142.86
	2016/8/29	2020/2/25	人民币	4.90	33,333,333.32	33,333,333.32
	2016/8/29	2020/8/25	人民币	4.90	33,333,333.32	33,333,333.32
	2018/1/3	2020/1/2	人民币	5.80	140,000,000.00	140,000,000.00
中信信托有限责任公司	2017/7/10	2020/1/9	人民币	6.70	10,000,000.00	10,000,000.00
	2017/7/10	2020/7/10	人民币	6.70	10,000,000.00	10,000,000.00
吉林省信托有限责任公司	2018/10/23	2020/10/23	人民币	7.40	-	-
小 计	-	-	-	-	787,915,238.08	787,915,238.08

3. 一年内到期的应付债券

债券名称	面值	发行日期	期限(年)	发行金额	期初应付利息
15 南铝 01	500,000,000.00	2015/9/25	5	500,000,000.00	6,672,054.80
15 南铝 02	1,000,000,000.00	2015/9/25	5	1,000,000,000.00	4,368,061.37
09 企业债	955,001,000.00	2009/10/20	10	955,001,000.00	14,325,015.00
14 南山集 MTN001	1,000,000,000.00	2014/5/8	5	1,000,000,000.00	55,958,333.33
16 南山集 MTN001	1,000,000,000.00	2016/6/24	3	1,000,000,000.00	23,327,777.78
16 南山集 MTN002	1,000,000,000.00	2016/11/4	3	1,000,000,000.00	5,541,666.67
17 南山集 MTN001	1,000,000,000.00	2017/8/22	3	1,000,000,000.00	21,760,555.54

债券名称	面值	发行日期	期限(年)	发行金额	期初应付利息
17 南山集 MTN002	1,000,000,000.00	2017/10/23	3	1,000,000,000.00	10,829,166.67
15 南山 02	1,000,000,000.00	2015/12/25	5	1,000,000,000.00	273,334.60
小 计	8,455,001,000.00	-	-	8,455,001,000.00	143,055,965.76

续上表

债券名称	本期应付利息	本期已付利息	期末应付利息	期末金额
15 南铝 01	24,849,999.99	24,850,000.00	6,672,054.79	499,291,443.95
15 南铝 02	16,268,800.00	16,268,800.00	4,368,061.37	324,344,523.52
09 企业债	57,301,059.99	71,626,074.99	-	-
14 南山集 MTN001	27,861,111.22	83,819,444.55	-	-
16 南山集 MTN001	20,872,222.22	44,200,000.00	-	-
16 南山集 MTN002	29,555,555.57	35,097,222.24	-	-
17 南山集 MTN001	59,800,000.00	59,800,000.00	21,760,555.54	1,000,000,000.00
17 南山集 MTN002	56,500,000.00	56,500,000.00	10,829,166.67	1,000,000,000.00
15 南山 02	22,354,865.68	22,257,246.00	370,954.28	389,162,610.72
小 计	315,363,614.67	414,418,787.78	44,000,792.65	3,212,798,578.19

4. 一年内到期的长期应付款

应付单位名称	付款期限	初始金额	利率(%)	应计利息	期末数	备注
南山融资租赁（天津）有限公司	每年两期	150,000,000.00	7.10	10,644,600.00	30,000,000.00	融资租赁
南山融资租赁（天津）有限公司	每年两期	100,000,000.00	7.10	7,096,400.00	20,000,000.00	融资租赁
浦银金融租赁股份有限公司	每年四期	250,000,000.00	4.75	9,530,829.36	80,373,971.20	融资租赁
南山融资租赁（天津）有限公司	每年两期	58,000,000.00	12.55	7,006,425.27	8,960,240.73	融资租赁
浦银金融租赁股份有限公司	每年四期	200,000,000.00	4.75	7,560,416.67	100,000,000.00	融资租赁
南山融资租赁（天津）有限公司	每年两期	24,500,000.00	11.68	953,703.33	8,166,666.67	融资租赁
南山融资租赁（天津）有限公司	每年两期	20,900,000.00	12.55	2,657,610.21	3,398,711.79	融资租赁
小 计	-	803,400,000.00	-	45,449,984.84	250,899,590.39	-

5. 一年内到期的外币非流动负债情况详见附注五(七十)“外币货币性项目”之说明。

(四十) 其他流动负债

1. 明细情况

项目及内容	期末数	期初数
短期应付债券	5,500,000,000.00	6,500,000,000.00
其他	82,540,717.10	169,588,895.53
合　计	5,582,540,717.10	6,669,588,895.53

2、短期应付债券的增减变动

债券名称	面值	发行日期	兑付日期	债券期限	发行金额
18 南山集 CP001	1,000,000,000.00	2018/4/23	2019/4/23	12 个月	1,000,000,000.00
18 南山集 SCP004	1,000,000,000.00	2018/5/25	2019/2/19	9 个月	1,000,000,000.00
18 南山集 SCP005	500,000,000.00	2018/7/16	2019/4/12	9 个月	500,000,000.00
18 南山集 SCP006	1,000,000,000.00	2018/8/9	2019/5/6	9 个月	1,000,000,000.00
18 南山集 SCP007	1,000,000,000.00	2018/9/17	2019/6/14	9 个月	1,000,000,000.00
18 南山集 SCP008	1,000,000,000.00	2018/10/15	2019/7/12	9 个月	1,000,000,000.00
18 南山集 SCP009	1,000,000,000.00	2018/11/28	2019/8/25	9 个月	1,000,000,000.00
19 南山集 SCP 002	1,000,000,000.00	2019/4/22	2020/1/17	8 个月	1,000,000,000.00
19 南山集 SCP 003	1,000,000,000.00	2019/5/13	2020/2/7	8 个月	1,000,000,000.00
19 南山集 SCP 004	500,000,000.00	2019/6/24	2020/3/20	8 个月	500,000,000.00
19 南山集 SCP 005	1,000,000,000.00	2019/8/16	2020/5/12	8 个月	1,000,000,000.00
19 南山集 SCP 006	500,000,000.00	2019/9/3	2020/5/30	8 个月	500,000,000.00
19 南山集 SCP 001	1,000,000,000.00	2019/2/25	2019/11/22	8 个月	1,000,000,000.00
19 南山集 CP001	1,000,000,000.00	2019/5/28	2020/5/28	12 个月	1,000,000,000.00
19 南山集 CP002	500,000,000.00	2019/10/25	2020/10/25	12 个月	500,000,000.00
小　计	13,000,000,000.00	-	-	-	13,000,000,000.00

续上表：

债券名称	期初余额	本期发行	按面值计提利息	本期偿还	期末余额
18 南山集 CP001	1,000,000,000.00	-	-	1,000,000,000.00	-
18 南山集 SCP004	1,000,000,000.00	-	-	1,000,000,000.00	-
18 南山集 SCP005	500,000,000.00	-	-	500,000,000.00	-
18 南山集 SCP006	1,000,000,000.00	-	-	1,000,000,000.00	-
18 南山集 SCP007	1,000,000,000.00	-	-	1,000,000,000.00	-

债券名称	期初余额	本期发行	按面值计提利息	本期偿还	期末余额
18 南山集 SCP008	1,000,000,000.00	-	-	1,000,000,000.00	-
18 南山集 SCP009	1,000,000,000.00	-	-	1,000,000,000.00	-
19 南山集 SCP 002	-	1,000,000,000.00	-	-	1,000,000,000.00
19 南山集 SCP 003	-	1,000,000,000.00	-	-	1,000,000,000.00
19 南山集 SCP 004	-	500,000,000.00	-	-	500,000,000.00
19 南山集 SCP 005	-	1,000,000,000.00	-	-	1,000,000,000.00
19 南山集 SCP 006	-	500,000,000.00	-	-	500,000,000.00
19 南山集 SCP 001	-	1,000,000,000.00	-	1,000,000,000.00	-
19 南山集 CP001	-	1,000,000,000.00	-	-	1,000,000,000.00
19 南山集 CP002	-	500,000,000.00	-	-	500,000,000.00
小 计	6,500,000,000.00	6,500,000,000.00	-	7,500,000,000.00	5,500,000,000.00

（四十一）长期借款

1．明细情况

借款类别	期末数	期初数
担保借款	3,308,325,329.33	464,303,565.93
质押借款	133,333,333.44	1,478,000,000.08
抵押\保证	2,331,778,014.29	3,878,929,702.39
信用借款	420,000,000.00	1,346,000,000.00
合 计	6,193,436,677.06	7,167,233,268.40

2．本公司报告期末不存在逾期未偿还的长期借款。

3．外币长期借款情况详见附注五(七十)“外币货币性项目”之说明。

（四十二）应付债券

1．明细情况

项 目	期末数	期初数
债券面值	15,751,713,000.00	18,715,854,000.00
利息调整	-44,292,069.22	-61,811,180.93

项　目	期末数	期初数
合　计	15,707,420,930.78	18,654,042,819.07

2. 应付债券的增减变动(不包括划分为金融负债的优先股、永续债等其他金融工具)

债券名称	面值	发行日期	债券期限（年）	发行金额	期初余额
15 南铝 01	500,000,000.00	2015/9/25	5.00	500,000,000.00	498,710,794.14
15 南铝 02	1,000,000,000.00	2015/9/25	5.00	1,000,000,000.00	322,886,646.13
17 南铝债	1,500,000,000.00	2017/8/28	5.00	1,500,000,000.00	1,493,339,086.16
17 南山集 MTN 001	1,000,000,000.00	2017/8/22	3.00	1,000,000,000.00	1,000,000,000.00
17 南山集 MTN 002	1,000,000,000.00	2017/10/23	3.00	1,000,000,000.00	1,000,000,000.00
18 南山集 MTN 002	500,000,000.00	2018/10/22	3.00	500,000,000.00	500,000,000.00
18 南山集 MTN 001	1,000,000,000.00	2018/4/12	3.00	1,000,000,000.00	1,000,000,000.00
19 南山集 MTN 001	500,000,000.00	2019/4/12	3.00	500,000,000.00	-
19 南山集 MTN 002	500,000,000.00	2019/5/31	3.00	500,000,000.00	-
16 南山 01	2,500,000,000.00	2016/3/14	5.00	2,500,000,000.00	2,492,575,534.06
15 南山 02	1,000,000,000.00	2015/12/25	5.00	1,000,000,000.00	387,800,457.23
16 南山 03	2,400,000,000.00	2016/5/26	5.00	2,400,000,000.00	2,392,152,530.62
16 南山 04	900,000,000.00	2016/8/29	5.00	900,000,000.00	896,780,277.73
16 南山 06	700,000,000.00	2016/11/16	5.00	700,000,000.00	697,298,466.19
16 南山 07	800,000,000.00	2016/11/16	5.00	800,000,000.00	796,897,287.96
16 南山 05	700,000,000.00	2016/8/29	5.00	700,000,000.00	697,477,961.57
17 南山 01	500,000,000.00	2017/7/25	5.00	500,000,000.00	497,616,381.34
17 南山 02	500,000,000.00	2017/8/14	5.00	500,000,000.00	497,582,376.71
18 南山 02	700,000,000.00	2018/4/19	5.00	700,000,000.00	696,231,257.72
18 南山 03	1,100,000,000.00	2018/8/17	3.00	1,100,000,000.00	1,093,966,743.91
18 南山 05	500,000,000.00	2018/12/25	3.00	500,000,000.00	399,252,733.13
18 南山 01	1,300,000,000.00	2018/4/19	3.00	1,300,000,000.00	1,293,474,284.47
19 南山 01	1,000,000,000.00	2019/1/21	3.00	1,000,000,000.00	-
19 南山 03	1,000,000,000.00	2019/6/18	3.00	1,000,000,000.00	-
19 南山 04	1,000,000,000.00	2019/8/7	3.00	1,000,000,000.00	-

债券名称	面值	发行日期	债券期限（年）	发行金额	期初余额
19 南山 05	500,000,000.00	2019/10/22	3.00	500,000,000.00	-
小　计	24,600,000,000.00	-	-	24,600,000,000.00	18,654,042,819.07

续上表

债券名称	本期发行	利息调整	本期偿还	转至一年内到期的非流动负债	期末余额
15 南铝 01	-	580,649.81	-	499,291,443.95	-
15 南铝 02	-	1,457,877.39	-	324,344,523.52	-
17 南铝债	-	1,847,258.43	-	-	1,495,186,344.59
17 南山集 MTN 001	-	-	-	1,000,000,000.00	-
17 南山集 MTN 002	-	-	-	1,000,000,000.00	-
18 南山集 MTN 002	-	-	-	-	500,000,000.00
18 南山集 MTN 001	-	-	-	-	1,000,000,000.00
19 南山集 MTN001	500,000,000.00	-	-	-	500,000,000.00
19 南山集 MTN 002	500,000,000.00	-	-	-	500,000,000.00
16 南山 01	-	3,421,472.94	324,297,000.00	-	2,171,700,007.00
15 南山 02	-	1,362,153.49	-	389,162,610.72	-
16 南山 03	-	3,283,608.16	2,324,790,000.00	-	70,646,138.78
16 南山 04	-	1,205,657.41	691,200,000.00	-	206,785,935.14
16 南山 06	-	929,415.63	558,000,000.00	-	140,227,881.82
16 南山 07	-	1,065,664.54	-	-	797,962,952.50
16 南山 05	-	943,441.40	-	-	698,421,402.97
17 南山 01	-	646,092.96	-	-	498,262,474.30
17 南山 02	-	644,124.03	-	-	498,226,500.74
18 南山 02	-	648,684.24	-	-	696,879,941.96
18 南山 03	-	1,586,114.30	-	-	1,095,552,858.21
18 南山 05	-	210,448.15	350,000,000.00	-	49,463,181.28
18 南山 01	-	1,914,315.81	-	-	1,295,388,600.28
19 南山 01	1,000,000,000.00	-1,416,776.64	-	-	998,583,223.36
19 南山 03	1,000,000,000.00	-3,883,289.16	-	-	996,116,710.84

债券名称	本期发行	利息调整	本期偿还	转至一年内到期的非流动负债	期末余额
19 南山 04	1,000,000,000.00	-1,221,162.22	-	-	998,778,837.78
19 南山 05	500,000,000.00	-762,060.77	-	-	499,237,939.23
小　计	4,500,000,000.00	14,463,689.90	4,248,287,000.00	3,212,798,578.19	15,707,420,930.78

3.其他说明

（1）本公司之子公司南山铝业于 2015 年 9 月 25 日按面值发行 15 亿元公司债券，其中：品种一 15 南铝 01 实际发行规模 5 亿元，5 年期，最终票面利率 4.97%；品种二 15 南铝 02 实际发行规模 10 亿元，5 年期，最终票面利率 4.40%。

（2）本公司之子公司南山铝业于 2017 年 8 月 28 日按面值发行 15 亿元公司债券，本期债券简称为“17 南铝债”，实际发行规模 15 亿元，5 年期，最终票面利率 5.37%。

（3）本公司于 2019 年 4 月 12 日按面值发行 5 亿元公司债券，本期债券简称为“19 南山集 MTN001”，实际发行规模 5 亿元，3 年期，最终票面利率 5.70%。

（4）本公司于 2019 年 5 月 31 日按面值发行 5 亿元公司债券，本期债券简称为“19 南山集 MTN002”，实际发行规模 5 亿元，3 年期，最终票面利率 5.39%。

（5）本公司于 2019 年 1 月 21 日按面值发行 10 亿元公司债券，本期债券简称为“19 南山 01”，实际发行规模 10 亿元，3 年期，最终票面利率 5.30%。

（6）本公司于 2019 年 6 月 18 日按面值发行 10 亿元公司债券，本期债券简称为“19 南山 03”，实际发行规模 10 亿元，3 年期，最终票面利率 5.50%。

（7）本公司于 2019 年 8 月 7 日按面值发行 10 亿元公司债券，本期债券简称为“19 南山 04”，实际发行规模 10 亿元，3 年期，最终票面利率 5.10%。

（8）本公司于 2019 年 10 月 22 日按面值发行 5 亿元公司债券，本期债券简称为“19 南山 05”，实际发行规模 5 亿元，3 年期，最终票面利率 5.40%。

（四十三）长期应付款

1．明细情况

项　目	期末数	期初数
长期应付款	620,832,551.64	1,262,345,347.96

2．长期应付款

(1)明细情况

项　目	期末数	期初数

项　目	期末数	期初数
融资租赁	561,952,551.64	1,197,547,897.96
融资租赁保证金	58,880,000.00	64,797,450.00
小　计	620,832,551.64	1,262,345,347.96

(2)外币长期应付款情况详见附注五(七十)“外币货币性项目”之说明。

（四十四）递延收益

1．明细情况

项　目	期初数	本期增加	本期减少	期末数	形成原因
政府补助	662,281,465.34	154,820,032.84	49,341,892.50	767,759,605.68	收到财政拨款
其他	9,834,770.39	1,343,773.71	6,263,685.66	4,914,858.44	-
合　计	672,116,235.73	156,163,806.55	55,605,578.16	772,674,464.12	-

2．涉及政府补助的项目：

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
购买国产设备增值税退税	20,777,405.57	-	其他收益	2,886,131.16	-	17,891,274.41	与资产相关
购买国产设备增值税退税	11,411,884.60	-	其他收益	1,909,752.72	-	9,502,131.88	与资产相关
购买国产设备增值税退税	9,482,863.23	-	其他收益	1,215,837.00	-	8,267,026.23	与资产相关
铝液短流程合金化及塑性成型加工关键技术课题经费	2,604,666.65	-	其他收益	368,000.04	-	2,236,666.61	与资产相关
铝冶炼及铝加工公共服务平台建设经费资金	466,666.53	-	其他收益	66,666.72	-	399,999.81	与资产相关
年产 22 万吨轨道交通新型合金材料生产线项目预算资金	8,124,412.59	-	其他收益	706,470.72	-	7,417,941.87	与资产相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
高性能铝合金中厚板开发资金	13,750,000.00	-	其他收益	1,000,000.00	-	12,750,000.00	与资产相关
高性能铝合金板带材工程研究中心资金	346,666.66	-	其他收益	26,666.64	-	320,000.02	与资产相关
高性能特种铝合金材料生产线项目	822,222.22	-	其他收益	66,666.67	-	755,555.55	与资产相关
节能重点工程循环经济和资源节约重大示范项目及重点工业污染工程国家补助	8,555,555.55	-	其他收益	666,666.67	-	7,888,888.88	与资产相关
铝合金熔铸生产线系统优化项目	493,333.33	-	其他收益	40,000.00	-	453,333.33	与资产相关
赤泥压滤废水再利用项目	1,900,000.40	-	其他收益	199,999.92	-	1,700,000.48	与资产相关
新型阴极结构铝电解槽技术创新及产业化示范工程资金（2012年第二批中央预算内投资计划）	9,652,777.51	-	其他收益	833,333.40	-	8,819,444.11	与资产相关
新型阴极结构铝电解槽技术创新及产业化示范工程资金（2011年第二批中央预算内投资计划）	3,078,703.55	-	其他收益	277,777.80	-	2,800,925.75	与资产相关
汽车热交换器用复合钎焊铝合金箔研究及产业化示范资金	500,000.24	-	其他收益	62,499.96	-	437,500.28	与资产相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
技术中心创新能力建设项目资金	3,888,888.80	-	其他收益	277,777.80	-	3,611,111.00	与资产相关
铝合金板带材生产项目资金	706,666.51	-	其他收益	80,000.04	-	626,666.47	与资产相关
年产 10 万吨轨道交通用高性能金属材料生产线政府补助	6,000,000.00	-	其他收益	1,000,000.00	-	5,000,000.00	与资产相关
大型精密模具生产线技术改造项目	1,600,000.00	-	其他收益	200,000.00	-	1,400,000.00	与资产相关
轨道交通车辆轻量化高性能铝合金板带材生产项目资金	18,000,000.00	-	其他收益	2,000,000.00	-	16,000,000.00	与资产相关
150MN 工程技术改造项目补助资金	766,666.65	-	其他收益	66,666.68	-	699,999.97	与资产相关
150MN 交通运输用新型大规格高强高韧铝合金材料生产线技术改造资金	28,803,666.65	-	其他收益	2,504,666.68	-	26,298,999.97	与资产相关
150MN 大规格超高强高韧耐腐蚀铝合金航空材料的开发及产业化	2,400,000.00	-	其他收益	200,000.00	-	2,200,000.00	与资产相关
热电机组脱销改造项目资金	1,398,148.17	-	其他收益	111,111.12	-	1,287,037.05	与资产相关
东海热电低氮燃烧改造项目资金	1,388,390.97	-	其他收益	311,819.56	-	1,076,571.41	与资产相关
热电机组脱硝及脱硫、除尘提效改造项目	2,795,555.34	-	其他收益	246,666.68	-	2,548,888.66	与资产相关
热电一期脱硫除尘改造项目	3,466,666.72	-	其他收益	266,666.64	-	3,200,000.08	与资产相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
国家铝合金压力加工工程技术研究中心	6,933,333.34	-	其他收益	533,333.40	-	6,399,999.94	与资产相关
税款增值计划资金	2,062,391.60	-	其他收益	1,033,620.00	-21,146.50	1,049,918.10	与资产相关
年产 1.4 万吨大型模锻件项目	950,000.00	-	其他收益	36,111.11	-	913,888.89	与资产相关
航空航天用合金材料生产线技术改造项目	1,900,000.00	-	其他收益	72,222.22	-	1,827,777.78	与资产相关
航空航天用新材料生产线后处理工艺技术改造项目	1,900,000.00	-	其他收益	72,222.22	-	1,827,777.78	与资产相关
省级机器换人技术改造项目资金	1,900,000.00	-	其他收益	72,222.22	-	1,827,777.78	与资产相关
2015 年度中央外经贸发展专项资金	25,333,333.33	-	其他收益	2,000,000.00	-	23,333,333.33	与资产相关
年产 2 万吨宽幅汽车铝板生产线技术改造项目资金	37,152,177.77	-	其他收益	2,933,066.67	-	34,219,111.10	与资产相关
脱硫除尘项目	1,633,333.34	-	其他收益	133,333.32	-	1,500,000.02	与资产相关
电解铝及配套碳素生产线烟气脱硫高效除尘治理项目	16,710,000.00	-	其他收益	1,114,000.00	-	15,596,000.00	与资产相关
2016 年度中央外经贸发展专项资金	22,551,273.43	-	其他收益	1,734,713.28	-	20,816,560.15	与资产相关
2016 年度中央外经贸发展专项资金	28,500,000.00	-	其他收益	1,083,333.33	-	27,416,666.67	与资产相关
高性能船舶用中强可焊耐腐蚀铝合金板材研发项目	838,888.88	-	其他收益	66,666.67	-	772,222.21	与资产相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
航空航天用高强高韧高端铝合金生产线技术改造项目	100,000,000.00	100,000,000.00	其他收益	-	-	200,000,000.00	与资产相关
高速列车 7050 铝合金轴箱体锻造技术研发	2,000,000.00	-	其他收益	11,111.11	-	1,988,888.89	与资产相关
2016 年市级工业转型升级专项资金	4,333,333.30	-	其他收益	333,333.36	-	3,999,999.94	与资产相关
2017 年度中央外经贸发展专项资金	1,365,833.31	-	其他收益	99,333.36	-	1,266,499.95	与资产相关
2017 年度中央外经贸发展专项资金	9,642,500.00	-	其他收益	366,527.78	-	9,275,972.22	与资产相关
扩大先进技术和设备进口贴息补助资金	7,432,413.35	-	其他收益	282,518.65	-	7,149,894.70	与资产相关
高速动车组车体用大断面铝合金型材生产线建设项目	29,108,333.33	-	其他收益	1,996,000.00	-	27,112,333.33	与资产相关
烟台市创新驱动发展专项资金	100,000.00	-	其他收益	100,000.00	-	-	与收益相关
汽车轻量化铝镁合金材料生产线产品优化技术改造	2,257,222.20	3,376,100.00	其他收益	384,406.68	-	5,248,915.52	与资产相关
国家新材料生产应用示范平台建设项目	9,827,495.30	4,000,000.00	其他收益	752,765.96	-	13,074,729.34	与资产相关
交通运输用高性能铝合金材料生产线技术改造项目	3,665,277.78	-	其他收益	251,333.32	-	3,413,944.46	与资产相关
新材料首批次保费补贴资金	10,676,200.00	-	其他收益	-	10,676,200.00	-	与收益相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
交通运输用新型大规格高强高韧轻合金材料生产线技术改造资金	-	4,084,600.00	其他收益	272,306.68	-	3,812,293.32	与资产相关
航空航天机翼长衍用高性能铝合金型材实施方案	-	25,000,000.00	其他收益	-	-	25,000,000.00	与资产相关
海水淡化项目补助	-	10,000,000.00	其他收益	-	-	10,000,000.00	与资产相关
2018年度中央外经贸发展专项资金	-	555,000.00	其他收益	40,363.64	-	514,636.36	与资产相关
省级商贸发展和市场开拓资金（扩大先进设备技术出口）	-	65,000.00	其他收益	4,482.76	-	60,517.24	与资产相关
2018年度中央外经贸发展专项资金	-	1,009,000.00	其他收益	-	-	1,009,000.00	与资产相关
省级商贸发展和市场开拓资金（扩大先进设备技术出口）	-	125,000.00	其他收益	8,333.28	-	116,666.72	与资产相关
2018年度中央外经贸发展专项资金	-	1,509,000.00	其他收益	75,449.97	-	1,433,550.03	与资产相关
环保设备改造	9,800,000.00	-	其他收益	653,328.00	-	9,146,672.00	与资产相关
电解铝及配套碳素生产线脱硫高效除尘项目	11,100,000.00	5,000,000.00	其他收益	927,777.78	-	15,172,222.22	与资产相关
防波提	118,720,000.00	-	-	-	-	118,720,000.00	与资产相关
BIF-业务改善基金	-	96,332.84	其他收益	31,590.53	520.40	64,221.91	与资产相关

补助项目	期初余额	本期新增补助金额	本期分摊		其他变动	期末余额	与资产相关/与收益相关
			转入项目	金额			
HUD 机载设备加改装项目民航发展基金	3,560,000.00	-	营业收入	890,000.00	2,670,000.00	-	与资产相关
工业发展专项资金	351,199.97	-	营业收入	29,266.68	-	321,933.29	与资产相关
经贸发展专项资金	365,116.67	-	营业收入	29,400.00	-	335,716.67	与资产相关
污水治理项目	26,430,000.00	-	-	-	-	26,430,000.00	与资产相关
合　计	662,281,465.34	154,820,032.84	-	36,016,318.60	13,325,573.90	767,759,605.68	-

注：（1）其他变动金额为本公司控股子公司-山东南山铝业股份有限公司 2018 年收到财政部和工业和信息化部拨付的新材料首批次保费补贴资金 10,676,200.00 元，本期投保费用已实际支出，递延收益冲减管理费用及美元汇率变动影响所致。（2）HUD 机载设备加改装项目民航发展基金其他变动为 2019 年 12 月 31 日处置青岛航空股份有限公司导致。

3.其他说明

（1）本公司控股二级子公司-龙口东海氧化铝有限公司 2007 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 43,433,918.87 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（18 年）内平均摊销，本期摊销 2,412,995.48 元； 2009 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 8,516,441.73 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（18 年）内平均摊销，本期摊销 473,135.68 元；

（2）本公司控股二级子公司-烟台南山铝业新材料有限公司 2008 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 28,302,221.68 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（16 年）内平均摊销，本期摊销 1,768,888.80 元； 2009 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 1,017,094.05 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（16 年）内平均摊销，本期摊销 63,568.32 元； 2010 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 1,236,730.55 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（16 年）内平均摊销，本期摊销 77,295.60 元；

（3）本公司控股二级子公司-龙口南山铝压延新材料有限公司 2008 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 9,982,024.55 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（18 年）内平均摊销，本期摊销 554,556.96 元； 2009 年收到龙口市国税局所退的外商投资企业采购国产设备增值税 11,903,040.47 元，由于该政府补助与资产购置相关，因此确定为与资产有关的政府补助，在资产使用年限（18 年）内平均摊销，本期摊销 661,280.04 元；

（4）本公司控股子公司-山东南山铝业股份有限公司 2011 年收到国家科学技术部拨付的 2011 年国家科技支撑计划课题经费 5,130,000.00 元，2012 年收到 350,000.00 元，2013 年收到 40,000.00 元，合计 5,520,000.00 元，在资产使用年限（15 年）内平均摊销，本期摊销 368,000.04 元；

（5）本公司控股子公司-山东南山铝业股份有限公司 2011 年收到国家科学技术部拨付的 2011 年政策引导类计划专项项目预算经费 1,000,000.00 元，在资产使用年限（15 年）内平均摊销，本期摊销 66,666.72 元；

（6）本公司控股子公司-山东南山铝业股份有限公司 2014 年收到龙口市财政局拨付的年产 22 万吨轨道交通新型合金材料生产线项目预算资金 10,597,060.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 706,470.72 元；

（7）本公司控股子公司-山东南山铝业股份有限公司 2012 年收到龙口市财政局拨付的高性能铝合金中厚板开发资金 13,500,000.00 元，2017 年收到龙口市财政局根据《关于拨付专项经费补助资金的通知》拨付资金 1,500,000.00 元，在资产的使用期限（15 年）内平均摊销，本期摊销金额 1,000,000.00 元；

（8）本公司控股子公司-山东南山铝业股份有限公司 2012 年收到烟台市发展和改革委员会拨付的高性能铝合金板带材工程研究中心资金 400,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 26,666.64 元；

（9）本公司控股子公司-山东南山铝业股份有限公司 2013 年收到龙口市发展和改革局拨付的高性能特种铝合金材料生产线项目引导资金 700,000.00 元，2015 年收到 300,000.00 元，共计 1,000,000.00 元。在资产使用期限（15 年）内平均摊销，本期摊销金额 66,666.67 元；

（10）本公司控股子公司-山东南山铝业股份有限公司 2014 年收到龙口市财政局拨付的“节能重点工程循环经济和资源节约重大示范项目及重点工业污染工程国家补助”预算资金 10,000,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销金额 666,666.67 元；

（11）本公司控股子公司-山东南山铝业股份有限公司 2013 年收到龙口市发展和改革局拨付的铝合金熔铸生产线系统优化项目资金 420,000.00 元，2015 年收到 180,000.00 元，合计 600,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销金额 40,000.00 元；

（12）本公司控股二级子公司-龙口东海氧化铝有限公司 2013 年收到龙口环保局拨付的赤泥压滤废水再利用项目资金 3,000,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 199,999.92 元；

（13）本公司控股子公司-山东南山铝业股份有限公司 2012 年收到国家发展和改革委员会拨付的新型阴极结构铝电解槽技术创新及产业化示范工程资金 15,000,000.00 元，在资产的使用期限（18 年）内平均摊销，本期摊销 833,333.40 元；

（14）本公司控股子公司-山东南山铝业股份有限公司 2012 年收到国家发展和改革委员会拨付的新型阴极结构铝电解槽技术创新及产业化示范工程资金 5,000,000.00 元，在资产的

使用期限（18年）内平均摊销，本期摊销277,777.80元；

（15）本公司控股二级子公司-烟台南山铝业新材料有限公司2011年收到烟台市财政局、烟台市科学技术局拨付的汽车热交换器用复合钎焊铝合金箔研究及产业化示范资金1,000,000.00元，在资产使用年限（16年）内平均摊销，本期摊销62,499.96元；

（16）本公司控股二级子公司-龙口南山铝压延新材料有限公司2012年收到龙口市财政局拨付的技术中心创新能力建设项目资金5,000,000.00元，在资产使用年限（18年）内平均摊销，本期摊销277,777.80元；

（17）本公司控股子公司-山东南山铝业股份有限公司2012年收到龙口市发展和改革局拨付的铝合金板带材生产项目资金840,000.00元，2013年收到360,000.00元，合计1,200,000.00元，在资产使用期限（15年）内平均摊销，本期摊销80,000.04元；

（18）本公司控股子公司-山东南山铝业股份有限公司2009年收到龙口市财政局拨付的轨道交通用高性能金属材料项目资金15,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销1,000,000.00元；

（19）本公司控股子公司-山东南山铝业股份有限公司2011年收到龙口市财政局拨付的大型精密模具生产线技术改造项目资金3,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销200,000.00元；

（20）本公司控股子公司-山东南山铝业股份有限公司2012年收到龙口市财政局拨付的轨道交通车辆轻量化高性能铝合金板带材生产项目资金30,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销2,000,000.00元；

（21）本公司控股子公司-山东南山铝业股份有限公司2013年收到龙口市财政局拨付的150MN工程技术改造项目补助资金1,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销66,666.68元；

（22）本公司控股子公司-山东南山铝业股份有限公司2014年收到龙口市财政局拨付的150MN交通运输用新型大规格高强高韧铝合金材料生产线技术改造资金37,570,000.00元，在资产使用期限（15年）内平均摊销，本期摊销2,504,666.68元；

（23）本公司控股子公司-山东南山铝业股份有限公司2015年收到龙口市科技局拨付的150MN大规格超高强高韧耐腐蚀铝合金航空材料的开发及产业化项目经费3,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销200,000.00元；

（24）本公司控股子公司-山东南山铝业股份有限公司2013年收到龙口市财政局拨付的热电机组脱硝改造项目资金2,000,000.00元，在资产使用期限（18年）内平均摊销，本期摊

销 111,111.12 元；

（25）本公司控股子公司-山东南山铝业股份有限公司 2013 年收到龙口市环境保护局拨付的东海热电低氮燃烧改造项目资金 3,000,000.00 元，其中涉及 1 号锅炉组的补助为 840,000.00 元，在资产使用期限（95 个月）内平均摊销，本期摊销 106,105.26 元，涉及 3 号锅炉组的补助为 2,160,000.00 元，在资产使用期限（126 个月）内平均摊销，本期摊销 205,714.30 元；

（26）本公司控股子公司-山东南山铝业股份有限公司 2015 年收到龙口市财政局拨付的用于国家补助和省级配套大气污染防治专项资金热电机组脱硝及脱硫、除尘提效改造项目资金 3,700,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 246,666.68 元；

（27）本公司控股子公司-山东南山铝业股份有限公司 2015 年收到龙口市环境保护局拨付的南山、东海热电一期脱硫除尘改造项目资金 4,000,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 266,666.64 元；

（28）本公司控股子公司-山东南山铝业股份有限公司 2013 年收到科学技术部拨付的国家铝合金压力加工工程技术研究中心资金 3,000,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 200,000.00 元； 2014 年收到龙口市财政局拨付的“国家铝合金压力加工工程技术研究中心地方配套”补助资金 2,000,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 133,333.40 元；2015 年收到科学技术部资源配置与管理司拨付的国家铝合金压力加工工程技术研究中心补助款 1,500,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 100,000.00 元； 2016 年收到科学技术部资源配置与管理司拨付的国家铝合金压力加工工程技术研究中心补助款 1,500,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 100,000.00 元；

（29）本公司控股子公司-山东南山铝业股份有限公司控股子公司-南山美国先进铝技术有限责任公司 2011 年收到美国印第安纳拉菲叶特市税款增值计划资金 7,561,080.00 元（120 万美元）， 本期摊销 1,033,620.00 元；

（30）本公司控股子公司-山东南山铝业股份有限公司 2014 年收到龙口市发展和改革局拨付的“年产 14000 吨大型模锻件项目”资金 700,000.00 元，2016 年收到龙口市发展和改革局拨付的用于“年产 14000 吨大型精密模锻件项目”的战略性新兴产业引导资金 300,000.00 元，合计 1,000,000.00 元，其中涉及转资设备的补助为 500,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销 36,111.11 元；

（31）本公司控股子公司-山东南山铝业股份有限公司 2016 年收到龙口市财政局拨付的

用于航空航天用合金材料生产线技术改造项目的工业转型升级专项资金2,000,000.00元，其中涉及转资设备的补助为1,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销72,222.22元；

（32）本公司控股子公司-山东南山铝业股份有限公司 2016 年收到龙口市财政局拨付的航空航天用新材料生产线后处理工艺技术改造项目资金2,000,000.00元，其中涉及转资设备的补助为2,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销金额72,222.22元；

（33）本公司控股子公司-山东南山铝业股份有限公司 2016 年收到龙口市财政局拨付的省级机器换人技术改造项目奖励资金 2,000,000.00 元，其中涉及转资设备的补助为2,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销金额72,222.22元；

（34）本公司控股子公司-山东南山铝业股份有限公司 2015 年收到龙口市财政局拨付的中央外经贸发展专项资金30,000,000.00万元，在资产使用期限（15年）内平均摊销，本期摊销金额为2,000,000.00元；

（35）本公司控股子公司-山东南山铝业股份有限公司 2015 年收到龙口市财政局拨付的用于年产2万吨宽幅汽车铝板生产线技术改造项目资金 43,996,000.00 元，在资产使用期限（15年）内平均摊销，本期摊销金额为2,933,066.67元；

（36）本公司控股子公司-山东南山铝业股份有限公司 2016 年收到龙口市环境保护局拨付脱硫除尘治理专项资金2,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销133,333.32元；

（37）本公司控股子公司-山东南山铝业股份有限公司于 2016 年收到龙口市财政局拨付的“电解铝及配套碳素生产线烟气脱硫高效除尘治理项目”补助资金 16,710,000.00 元，该项政府补助属于与资产相关的政府补助，在资产使用期限（15 年）内平均摊销，本期摊销1,114,000.00元；

（38）本公司控股子公司-山东南山铝业股份有限公司 2016 年收到龙口市财政局拨付的中央外经贸发展专项资金30,000,000.00元，在资产使用期限（15年）内平均摊销，其中涉及转资设备的补助为 30,000,000.00 元，在资产使用期限（15 年）内平均摊销，本期摊销1,083,333.33元；公司控股子公司-龙口南山铝压延新材料有限公司2016年收到龙口市财政局拨付的中央外经贸发展专项资金26,020,700.00元，在资产使用期限（15年）内平均摊销，本期摊销1,734,713.28元；

（39）本公司控股子公司-山东山东南山铝业股份有限公司 2016 年收到龙口市科技局高

性能船舶用中强可焊耐腐蚀铝合金板材的研发资金1,000,000.00元，在资产使用期限（15年）内平均摊销，本期摊销金额为66,666.67元；

（40）本公司控股子公司-山东南山铝业股份有限公司 2017 年收到龙口市财政局拨付的用于航空航天用高强高韧高端铝合金生产线技术改造项目预算资金 100,000,000.00 元，用于关于下达2017年中央基建投资预算指标的通知航空航天用高强高韧高端铝合金生产线技术改造项目，公司2019年收到龙口市财政局拨付的用于航空航天用高强高韧高端铝合金生产线技术改造项目资金 100,000,000.00 元，合计 200,000,000.00 元，项目正在建设中，本期尚未摊销；

（41）本公司控股子公司-山东南山铝业股份有限公司 2017 年收到龙口市财政局拨付高速列车 7050 铝合金轴箱体锻造技术研发项目补助资金 2,000,000.00 元，在资产的使用期限（15 年）内平均摊销，本期摊销金额 11,111.11 元；

（42）本公司控股二级子公司-龙口南山铝压延新材料有限公司 2017 年收到龙口市财政局拨付的2016年市级工业转型升级专项资金5,000,000.00元，在资产使用年限（15年）内平均摊销，本期摊销333,333.36元；

（43）本公司控股二级子公司-龙口南山铝压延新材料有限公司 2017 年收到龙口市财政局拨付的中央外经贸发展专项资金 1,490,000.00 元，在资产使用年限（15 年）内平均摊销，本期摊销99,333.36元；

（44）本公司控股子公司-山东南山铝业股份有限公司 2017 年收到龙口市财政局拨付的 2017 年中央外经贸发展专项资金 10,150,000.00 元，其中涉及转资设备的补助为5,075,000.00元，在资产使用期限（15年）内平均摊销，本期摊销366,527.78元；

（45）本公司控股子公司-山东南山铝业股份有限公司 2017 年收到财政局下拨的扩大先进技术和设备进口贴息补助资金7,823,593.00元，其中涉及转资设备的补助为7,823,593.00元，在资产使用期限（15年）内平均摊销，本期摊销282,518.65元；

（46）本公司控股子公司-山东南山铝业股份有限公司 2017 年收到龙口市财政局拨付的用于高速动车组车体用大断面铝合金型材生产线建设项目资金 29,940,000.00 元，在资产使用期限（15年）内平均摊销，本期摊销1,996,000.00元；

（47）本公司控股二级子公司-龙口南山铝压延新材料有限公司 2018 年收到龙口市科技局拨付的专项经费补助资金100,000.00元，本期一次摊销；

（48）本公司控股二级子公司-龙口南山铝压延新材料有限公司 2018 年收到龙口市财政局拨付的汽车轻量化铝镁合金材料生产线产品优化技术改造项目专项资金 2,390,000.00 元，

在资产使用期限（15年）内平均摊销，本期摊销159,333.36元；本公司2019年收到龙口市财政局拨付的下达预算指标的专项资金3,376,100.00元，在资产使用期限（15年）内平均摊销，本期摊销225,073.32元；

（49）本公司控股子公司-山东南山铝业股份有限公司2018年9月收到中国商用飞机有限责任公司上海飞机设计研究院拨付的国家新材料生产应用示范平台建设项目资金7,000,000.00元，在资产使用期限（180个月）内平均摊销；2018年12月收到中国商用飞机有限责任公司上海飞机设计研究院拨付的国家新材料生产应用示范平台建设项目资金3,000,000.00元，在资产剩余使用期限（177个月）内平均摊销；2019年7月收到中国商用飞机有限责任公司上海飞机设计研究院拨付的国家新材料生产应用示范平台建设项目资金2,000,000.00元，在资产剩余使用期限（170个月）内平均摊销；2019年12月收到中国商用飞机有限责任公司上海飞机设计研究院拨付的国家新材料生产应用示范平台建设项目资金2,000,000.00元，在资产剩余使用期限（165个月）内平均摊销，本期共摊销752,765.96元；

（50）本公司控股子公司-山东南山铝业股份有限公司2018年收到龙口市财政局拨付的交通运输用高性能铝合金材料生产线技术改造项目资金3,770,000.00元，在资产使用期限（15年）内平均摊销，本期摊销251,333.32元；

（51）本公司控股子公司-山东南山铝业股份有限公司2018年收到财政部和工业和信息化部拨付的新材料首批次保费补贴资金10,676,200.00元，在保费支出时一次性摊销，本期摊销10,676,200.00元；

（52）本公司控股子公司-山东南山铝业股份有限公司2019年收到龙口市财政局根据龙财企指[2019]5号文拨付的“制造业强市-汽车用高性能多用途铝型材生产线技术”项目资金4,084,600.00元，在资产剩余使用期限（15年）内平均摊销，本期摊销272,306.68元；

（53）本公司控股子公司-山东南山铝业股份有限公司2019年1月10日收到根据龙口市财政局根据龙财企指[2019]4号文拨付的中央工业转型升级资金（航空航天机翼长衍用高性能铝合金型材实施方案）项目资金2500万，该项目尚未开展，递延收益尚未摊销；

（54）本公司控股子公司-山东南山铝业股份有限公司2019年1月15日收到根据龙口市财政局根据龙财建指[2019]12号文拨付的预算资金1000万，因相关资产尚未转资，故本期未摊销；

（55）本公司控股子公司-山东南山铝业股份有限公司2019年收到龙口市财政局拨付的中央外经贸发展专项资金555,000.00元，在资产剩余使用期限（13.75年）内平均摊销，本期摊销金额40,363.64元；

（56）本公司控股子公司-山东南山铝业股份有限公司 2019 年收到龙口市财政局拨付的省级商贸发展和市场开拓资金 65,000.00 元，在资产剩余使用期限（14.5 年）内平均摊销，本期摊销金额 4,482.76 元；

（57）本公司控股子公司-山东南山铝业股份有限公司 2019 年收到龙口市财政局拨付的省级商贸发展和市场开拓资金 1,009,000.00 元，因相关资产尚未转资，故本期未摊销；

（58）本公司控股子公司-山东南山铝业股份有限公司 2019 年收到龙口市财政局拨付的省级商贸发展和市场开拓资金 125,000.00 元，在资产剩余使用期限（15 年）内平均摊销，本期摊销金额 8,333.28 元；

（59）本公司控股子公司-山东南山铝业股份有限公司 2019 年收到龙口市财政局拨付的中央外经贸发展资金 1,509,000.00 元，在资产剩余使用期限（15 年）内平均摊销，本期摊销金额 75,449.97 元。

（60）本公司控股子公司-龙口南山屺坶岛港发展有限公司 2017 年、2018 年共收到龙口市财政局下拨的龙口港区防波堤工程投资专项资金 118,720,000.00 元，工程尚未完工本期尚未摊销；

（61）本公司控股子公司-山东怡力电业-南山电厂 2018 年收到龙口市环境保护局的大气污染治理补助资金 9,800,000.00 元，在资产剩余使用期限（15 年）内平均摊销，本期摊销金额 653,328.00 元。

（62）本公司控股子公司-山东怡力电业-三四电解 2017 年收到财政局拨付的电解铝及配套碳素生产线烟气脱硫高效除尘治理项目补助资金 11,100,000.00 元，2019 年收到财政局拨付的电解铝及配套碳素生产线烟气脱硫高效除尘治理项目补助资金 5,000,000.00 元，在资产剩余使用期限（15 年）内平均摊销，本期摊销金额 927,777.78 元。

（63）本公司 2017 年收到政府拨付的中央外经贸发展专项资金 441,000.00 元，本期在资产的使用期限（15 年）内平均摊销，本期摊销 29,266.68 元；

（64）本公司 2017 年收到政府拨付的工业发展专项资金 439,000.00 元，本期在资产的使用期限（15 年）内平均摊销，本期摊销 29,400.00 元；

（65）本公司 2018 年收到龙口市环境保护局拨付的污水治理专项资金 26,430,000.00 元，因该项目尚未实际支出，本期尚未摊销；

（66）本公司控股子公司（截止 2019 年 12 月 31 日）-青岛航空股份有限公司 2018 年收到中国民用航空局平视显示器（HUD）机载设备加改装项目民航发展基金 4,450,000.00 元，本期在资产的使用期限（5 年）内平均摊销，本期摊销 890,000.00 元；

（67）本公司控股子公司-PARK REGIS INVESTMENTS PTE LTD2019年收到新加坡旅游局拨付的工作管理系统相关资产补贴(新加坡币6,206.33)人民币96,332.84元，在资产剩余使用期限（3年）内平均摊销，本期摊销金额31,590.53元。

（四十五）其他非流动负债

项　目	期末数	期初数
高校发展基金	59,984,378.68	29,282,355.71

（四十六）实收资本

投资人	期初数	期初出资比例(%)	本期增加	本期减少	期末数	期末出资比例(%)
南山村村民委员会	510,000,000.00	51.00	-	-	510,000,000.00	51.00
宋作文	490,000,000.00	49.00	-	-	490,000,000.00	49.00
合　计	1,000,000,000.00	100.00	-	-	1,000,000,000.00	100.00

（四十七）资本公积

项　目	期初数	本期增加	本期减少	期末数
资本溢价	451,808,621.02	-	-	451,808,621.02
其他资本公积	553,321,339.17	9,867,996.57	-	563,189,335.74
合　计	1,005,129,960.19	9,867,996.57	-	1,014,997,956.76

（四十八）其他综合收益

项　目	期初数	本期变动额(+,-)					期末数
		本期所得税前发生额	减：前期计入其他综合收益当期转入损益	减：所得 税费用	税后归属于母公司	税后归属于少数股东	
(1)不能重分类进损益的其他综合收益	-1,002,937.88	506,450.45	-	-	506,450.45	-	-496,487.43
1)重新计量设定受益计划变动额	-	-	-	-	-	-	-
2)权益法下不能转损益的其他综合收益	-1,002,937.88	506,450.45	-	-	506,450.45	-	-496,487.43
(2)将重分类进损益的其他综合收益	-755,595,401.77	-75,474,753.51	-6,090,822.60	-822,517.27	-107,475,084.24	38,913,670.60	-863,070,486.01
1)权益法下可进损益的其他综合收益	-10,286,494.28	-8,628,881.88	-	-	-8,628,881.88	-	-18,915,376.16
2)可供出售金融资产公允价值变动损益	-853,797,272.03	-295,716,632.66	-	729,089.17	-296,445,721.83	-	-1,150,242,993.86
3)持有至到期投资重分类为可供出售金额资产损益	-	-	-	-	-	-	-
4)现金流量套期损益的有效部分	-2,878,085.51	-624,120.88	-6,090,822.60	-1,551,606.44	4,987,046.28	2,031,261.88	2,108,960.77
5)外币财务报表折算差额	111,366,450.05	229,494,881.91	-	-	192,612,473.19	36,882,408.72	303,978,923.24
合　计	-756,598,339.65	-74,968,303.06	-6,090,822.60	-822,517.27	-106,968,633.79	38,913,670.60	-863,566,973.44

（四十九）盈余公积

1．明细情况

项　目	期初数	本期增加	本期减少	期末数
法定盈余公积	500,000,000.00	-	-	500,000,000.00
任意盈余公积	3,850,528,548.06	212,496,728.72	-	4,063,025,276.78
合　计	4,350,528,548.06	212,496,728.72	-	4,563,025,276.78

2．公司本期提取的盈余公积增加原因为根据当期实现净利润提取的任意盈余公积。

（五十）未分配利润

项　目	本期数	上年数
上年年末余额	35,608,934,364.60	33,700,123,863.03
加：年初未分配利润调整	-	-
调整后本年年初余额	35,608,934,364.60	33,700,123,863.03
加：本期归属于母公司所有者的净利润	2,445,045,557.32	2,087,681,366.15
设定受益计划变动额结转留存收益	-	-
其他转入	11,359,777.73	-
减：提取法定盈余公积	-	-
提取任意盈余公积	212,496,728.72	178,870,864.58
应付普通股股利	-	-
转作股本的普通股利润	-	-
期末未分配利润	37,852,842,970.93	35,608,934,364.60

[注]：其他转入为处置子公司形成。

（五十一）营业收入/营业成本

1．明细情况

项　目	本期数		上年数	
	收　入	成　本	收　入	成　本
主营业务	42,194,849,636.69	34,972,322,421.42	41,787,016,320.85	33,721,812,260.14
其他业务	1,266,517,440.06	819,731,787.01	1,385,358,094.57	1,057,352,311.81

项　目	本期数		上年数	
	收　入	成　本	收　入	成　本
合　计	43,461,367,076.75	35,792,054,208.43	43,172,374,415.42	34,779,164,571.94

2. 主营业务收入/主营业务成本(按行业分类)

行业名称	本期数		上年数	
	收　入	成　本	收　入	成　本
工业	22,708,009,075.13	17,785,460,127.93	21,680,970,124.33	17,661,613,413.64
建筑、房地产	2,538,429,563.77	1,885,527,749.91	1,159,602,583.31	825,950,136.92
服务	14,372,451,570.15	13,560,541,910.42	14,758,253,970.51	13,919,676,583.82
其他	2,575,959,427.64	1,740,792,633.16	4,188,189,642.70	1,314,572,125.76
小　计	42,194,849,636.69	34,972,322,421.42	41,787,016,320.85	33,721,812,260.14

3. 主营业务收入/主营业务成本(按地区分类)

地区名称	本期数		上年数	
	收　入	成　本	收　入	成　本
境内	32,287,503,696.82	27,344,920,246.57	26,963,196,138.98	21,520,618,840.89
境外	9,907,345,939.87	7,627,402,174.85	14,823,820,181.87	12,201,193,419.25
小　计	42,194,849,636.69	34,972,322,421.42	41,787,016,320.85	33,721,812,260.14

4. 公司前五名客户的营业收入情况

客户名称	营业收入	占公司全部营业收入的比例(%)
第一名	1,530,264,798.05	3.52
第二名	1,086,090,112.74	2.50
第三名	1,037,151,373.66	2.39
第四名	936,690,473.75	2.16
第五名	796,512,621.59	1.83
小　计	5,386,709,379.79	12.40

(五十二) 税金及附加

项　目	本期数	上年数
城市维护建设税	64,470,798.68	78,742,352.78
教育税附加	27,815,105.78	34,133,286.32

项　目	本期数	上年数
地方教育税附加	18,539,102.03	22,640,425.10
水利建设基金	4,506,775.51	5,987,836.16
房产税	101,257,689.14	102,855,075.91
土地使用税	54,233,871.35	209,413,572.60
印花税	18,204,968.66	39,583,220.51
车船使用税	342,005.59	671,143.27
土地增值税	4,927,764.48	570,702,984.37
其他	41,996,995.18	52,640,625.32
合　计	336,295,076.40	1,117,370,522.34

[注]计缴标准详见本附注四“税项”之说明。

（五十三）销售费用

项　目	本期数	上年数
运输费	807,869,880.18	386,961,526.53
市场推广费	501,005,807.05	365,144,645.73
职工薪酬	256,680,078.51	308,526,160.63
摊销及租赁费	156,618,382.73	230,160,143.33
招待费	31,390,479.56	28,014,372.36
差旅费	36,144,078.01	30,636,406.63
其他	39,325,435.73	83,566,613.25
合　计	1,829,034,141.77	1,433,009,868.46

（五十四）管理费用

项　目	本期数	上年数
职工薪酬	750,152,061.77	789,424,015.21
公司经费	581,335,042.76	453,129,177.60
招待费	53,353,561.17	50,143,981.31
摊销及租赁费	397,595,028.35	509,390,946.68
差旅费	29,292,819.64	30,036,618.46

项　目	本期数	上年数
其他	59,020,757.33	91,845,431.55
合　计	1,870,749,271.02	1,923,970,170.81

（五十五）研发费用

项　目	本期数	上年数
职工薪酬	58,083,694.89	76,153,567.74
直接材料	781,396,786.66	67,742,538.52
折旧与摊销	16,594,079.75	34,530,564.50
其他	41,433,832.84	29,148,560.48
合　计	897,508,394.14	207,575,231.24

（五十六）财务费用

项　目	本期数	上年数
利息费用	2,676,587,217.25	2,661,755,176.60
减：利息资本化	511,826,853.65	483,923,805.02
减：利息收入	281,981,363.84	297,316,102.32
汇兑损失	-582,974.17	-2,809,296.96
减：汇兑收益	110,789,276.78	250,594,808.06
其他	89,676,830.73	60,151,724.35
合　计	1,861,083,579.54	1,687,262,888.59

（五十七）其他收益

1.明细项目

项　目	本期数	上年数
政府补助-收益性补助	447,130,061.83	88,004,406.02
政府补助-资产性补助	34,967,651.92	29,493,364.10
合　计	482,097,713.75	117,497,770.12

2.政府补助明细

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
高端制造用高性能铝合金产品的研究与开发补助	-	300,000.00	与收益相关
专利资助资金	146,000.00	10,000.00	与收益相关
军民融合产业发展资金	400,000.00	750,000.00	与收益相关
人才建设资金（泰山产业领军人才工程专项经费）	2,100,000.00	1,100,000.00	与收益相关
标准化资助项目资金	566,800.00	1,010,000.00	与收益相关
技师工作站建设补助	-	100,000.00	与收益相关
高性能铝合金大规格板带材制造与应用技术	1,280,000.00	1,410,000.00	与收益相关
“双百计划”创新人才奖	3,150,000.00	1,000,000.00	与收益相关
基于工业大数据的铝/铜板带材智能化工艺控制技术	725,000.00	1,410,000.00	与收益相关
基于工业大数据的铝/铜板带材智能化工艺控制技术	190,000.00	380,000.00	与收益相关
基于工业大数据的铝/铜板带材智能化工艺控制技术	156,000.00	300,000.00	与收益相关
博士后科研工作站博士进站补助	1,050,000.00	50,000.00	与收益相关
烟台市重点研发计划资金	-	100,000.00	与收益相关
省级服务业发展（外经贸和商贸流通）专项资金	-	522,100.00	与收益相关
个人所得税、增值税手续费	-	9,712.09	与收益相关
高强高韧7050铝合金材料制备及大型复杂锻件成型制造技术研究项目	-	3,000,000.00	与收益相关
重点基础材料提升与产业化重点专项资金	-	2,390,000.00	与收益相关
稳岗补贴	2,358,270.31	588,620.87	与收益相关
国家级应对贸易摩擦资金	41,000.00	-	与收益相关
省级商贸发展和市场开拓资金	860,400.00	-	与收益相关
高性能超薄铝合金电池箔技术开发及应用	1,000,000.00	-	与收益相关
山东省直接债务融资引导奖励资金	300,000.00	-	与收益相关
中央外经贸发展专项资金	2,800,000.00	-	与收益相关
省级国际市场开拓资金	300,000.00	-	与收益相关
人才奖补贴	100,000.00	-	与收益相关
高强高韧耐蚀Al-Zn-Mg合金大型复杂构件成型技术	2,100,000.00	-	与收益相关
时速600公里高速磁悬浮列车车体用铝型材研发	2,000,000.00	-	与收益相关
高强高韧损伤容限7XXX系铝合金预控神厚板的研究专用	200,000.00	-	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
乘用车覆盖件用新型快速时效响应铝合金薄板工业化制造技术	140,000.00	-	与收益相关
有色金属节能绿色标准修订补助	80,000.00	-	与收益相关
机翼长桁用高性能7150铝合金材料及挤压技术开发	400,000.00	-	与收益相关
基于工业大数据的航空铝板生产智能协同控制及优化	800,000.00	-	与收益相关
高速列车7050铝合金轴箱体锻造技术研发资金	11,111.11	-	与资产相关
2018年度中央外经贸发展专项资金	40,363.64	-	与资产相关
省级商贸发展和市场开拓资金（扩大先进设备技术出口）	4,482.76	-	与资产相关
烟台市创新驱动发展专项资金	100,000.00	-	与收益相关
省级商贸发展和市场开拓资金（扩大先进设备技术出口）	8,333.28	-	与资产相关
2018年度中央外经贸发展专项资金	75,449.97	-	与资产相关
交通运输用新型大规格高强高韧轻合金材料生产线技术改造资金	272,306.68	-	与资产相关
电解铝及配套碳素生产线烟气脱硫高效除尘治理项目	1,114,000.00	-	与资产相关
国家新材料生产应用示范平台建设项目	752,765.96	172,504.70	与资产相关
交通运输用高性能铝合金材料生产线技术改造项目	251,333.32	104,722.22	与资产相关
高速动车组车体用大断面铝合金型材生产线建设项目	1,996,000.00	831,666.67	与资产相关
汽车轻量化铝镁合金材料生产线产品优化技术改造项目资金	384,406.68	132,777.80	与资产相关
铝液短流程合金化及塑性成型加工关键技术课题经费	368,000.04	368,000.04	与资产相关
铝冶炼及铝加工公共服务平台建设经费资金	66,666.72	66,666.72	与资产相关
新型阴极结构铝电解槽技术创新及产业化示范工程（2012年第二批中央预算内投资计划）	833,333.40	833,333.40	与资产相关
新型阴极结构铝电解槽技术创新及产业化示范工程（2011年第二批中央预算内投资计划）	277,777.80	277,777.80	与资产相关
购买国产设备增值税退税	1,909,752.72	1,909,752.72	与资产相关
汽车热交换器用复合钎焊铝合金箔研究及产业化示范资金	62,499.96	62,499.96	与资产相关
购买国产设备增值税退税	1,215,837.00	1,215,837.00	与资产相关
技术中心创新能力建设项目资金	277,777.80	277,777.80	与资产相关
2016年度中央外经贸发展专项资金	1,734,713.28	1,734,713.28	与资产相关
2016年度中央外经贸发展专项资金	1,083,333.33	1,000,000.00	与资产相关
2016年市级工业转型升级专项资金	333,333.36	333,333.36	与资产相关
2017年度中央外经贸发展专项资金（进口贴息）	99,333.36	99,333.36	与资产相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
2017 年度中央外经贸发展专项资金	366,527.78	338,333.33	与资产相关
铝合金板带材生产项目资金	80,000.04	80,000.00	与资产相关
购买国产设备增值税退税	2,886,131.16	2,886,131.16	与资产相关
赤泥压滤废水再利用项目资金	199,999.92	199,999.92	与资产相关
年产 10 万吨轨道交通用高性能金属材料生产线政府补助	1,000,000.00	1,000,000.00	与资产相关
大型精密模具生产线技术改造项目	200,000.00	200,000.00	与资产相关
轨道交通车辆轻量化高性能铝合金板带材生产项目资金	2,000,000.00	2,000,000.00	与资产相关
2*200MW 热电机组脱销改造项目资金	111,111.12	111,111.11	与资产相关
东海热电低氮燃烧改造项目资金	311,819.56	311,819.55	与资产相关
热电机组脱硝及脱硫、除尘提效改造项目资金	246,666.68	246,666.72	与资产相关
热电一期脱硫除尘改造项目资金	266,666.64	266,666.64	与资产相关
150MN 工程技术改造项目补助资金	66,666.68	66,666.67	与资产相关
150MN 交通运输用新型大规格高强高韧铝合金材料生产线技术改造资金	2,504,666.68	2,504,666.67	与资产相关
150MN 大规格超高强高韧耐腐蚀铝合金航空材料的开发及产业化项目资金	200,000.00	200,000.00	与资产相关
税款增值计划资金	1,033,620.00	993,615.00	与资产相关
年产 22 万吨轨道交通新型合金材料生产线项目预算资金	706,470.72	706,470.72	与资产相关
脱硫除尘项目	133,333.32	133,333.33	与资产相关
高性能特种铝合金材料生产线项目资金	66,666.67	66,666.67	与资产相关
节能重点工程循环经济和资源节约重大示范项目及重点工业污染工程国家补助资金	666,666.67	666,666.67	与资产相关
铝合金熔铸生产线系统优化项目资金	40,000.00	40,000.00	与资产相关
2015 年度中央外经贸发展专项资金	2,000,000.00	2,000,000.00	与资产相关
年产 2 万吨宽幅汽车铝板生产线技改造项目资金	2,933,066.67	2,933,066.67	与资产相关
高性能船舶用中强可焊耐腐蚀铝合金板的研发	66,666.67	66,666.67	与资产相关
年产 14000 吨大型模锻件项目	36,111.11	33,333.33	与资产相关
航空航天用合金材料生产线技术改造项目	72,222.22	66,666.67	与资产相关
航空航天用新材料生产线后处理工艺技术改造项目	72,222.22	66,666.67	与资产相关
省级机器换人技术改造项目资金	72,222.22	66,666.67	与资产相关
扩大先进技术和设备进口贴息补助资金	282,518.65	260,786.43	与资产相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
高性能铝合金中厚板开发资金	1,000,000.00	1,000,000.00	与资产相关
国家铝合金压力加工工程技术研究中心	200,000.00	200,000.00	与资产相关
国家铝合金压力加工工程技术研究中心	133,333.40	133,333.33	与资产相关
国家铝合金压力加工工程技术研究中心地方配套	100,000.00	100,000.00	与资产相关
国家铝合金压力加工工程技术研究中心	100,000.00	100,000.00	与资产相关
高性能铝合金板带材	26,666.64	26,666.67	与资产相关
环保设备改造	653,328.00	-	与资产相关
电解铝及配套碳素生产线脱硫高效除尘项目	927,777.78	-	与资产相关
BIF-业务改善基金	31,590.53	-	与资产相关
工业提质增效升级资金	2,000,000.00	-	与收益相关
标准化资助	216,000.00	-	与收益相关
商贸发展和市场开拓资金	50,200.00	-	与收益相关
智能制造试点示范项目奖励资金	-	1,000,000.00	与收益相关
质量标杆企业奖励资金	-	3,000,000.00	与收益相关
绿色发展项目奖励资金	-	1,000,000.00	与收益相关
烟台市重点研发计划补助资金	-	100,000.00	与收益相关
增值税代收代缴手续费返还	9,373.90	7,567.43	与收益相关
省级服务业发展补助资金	-	28,700.00	与收益相关
个人所得税手续费返还资金	-	-	与收益相关
中央外经贸发展专项资金	14,800.00	-	与收益相关
科学技术合作奖励资金	-	-	与收益相关
专利奖励资金	2,000.00	-	与收益相关
稳定岗位补助资金	603,590.45	-	与收益相关
技术研发补助资金	200,000.00	-	与收益相关
企业研究开发财政补助	21,600.00	-	与收益相关
上市企业分环节奖励之改制奖励资金	1,000,000.00	-	与收益相关
企事业单位引才奖励资金	50,000.00	-	与收益相关
商贸发展专项资金	234,000.00	-	与收益相关

补助项目	本期发生金额	上期发生金额	与资产相关/与收益相关
国际市场开拓资金	203,000.00	-	与收益相关
Fuel schemes 税收抵扣政府抵减	91,277.13	-	与收益相关
残疾人就业补助	3,389,566.00	-	与收益相关
采购创新设备补贴	305,403.00	-	与收益相关
龙口市财政局拨付与收益相关扶持资金	352,834,018.56	-	与收益相关
浦东新区经济发展财政扶持资金	89,000.00	-	与收益相关
人才稳岗补贴	10,631.83	-	与收益相关
三代手续费返还	595,039.18	-	与收益相关
山东省金融创新发展引导资金	14,180,500.00	-	与收益相关
上海市浦东新区世博地区开发管理委员会开发扶持资金	952,000.00	3,976,000.00	与收益相关
省级饭店业扶持奖励	2,000,000.00	-	与收益相关
航空发展专项资金补贴	-	1,200,000.00	与收益相关
稳岗补贴	-	70,671.62	与收益相关
景区厕所改造	-	149,865.00	与收益相关
省级饭店业扶持奖励	-	6,000,000.00	与收益相关
三代手续费返还	-	748,325.76	与收益相关
航空扶持资金	-	9,000,000.00	与收益相关
航空扶持资金	-	32,900,000.00	与收益相关
航空扶持资金	-	12,190,000.00	与收益相关
税收返还	-	298,810.24	与收益相关
稳岗补贴	-	48,749.34	与收益相关
三代手续费返还	-	1,855,283.67	与收益相关
市场化会展项目补助	1,380,000.00	-	与收益相关
税收减免	5,005,160.04	-	与收益相关
乡村振兴扶持资金	38,210,000.00	-	与收益相关
政府稳岗文件	107,458.50	-	与收益相关
三代手续费返还	31,972.93	-	与收益相关
合计	482,097,713.75	117,497,770.12	-

3.与收益相关的大额政府补助形成情况

（1）2019年，龙口市财政局根据龙财企指[2019]7号文《关于下达预算指标的通知》，拨付烟台锦泰国际贸易有限公司用于应对贸易摩擦款41,000.00元；

（2）2019年，龙口市财政局根据龙财企指[2019]6号《关于下达预算指标的通知》，拨付烟台锦泰国际贸易有限公司省级商贸发展和市场开拓资金-出口信保专项资金488,400.00元，根据龙财工指[2019]126号文件《下达预算指标通知》，拨付烟台锦泰国际贸易有限公司省级商贸发展和市场开拓资金-出口信保专项资金372,000.00元；

（3）2019年，烟台市科学技术局与烟台市财政局根据烟科[2019]13号文件《关于下达2019年烟台市重点研发计划的通知》，拨付烟台东海铝箔有限公司高性能超薄铝合金电池箔技术开发及应用专项补助1,000,000.00元；

（4）2019年，龙口市财政局根据济银发[2018]171号，中国人民银行济南分行、山东省财政厅、山东省发展改革委、山东省金融办、山东证监局关于印发《山东省直接债务融资引导奖励办法》的通知，拨付山东南山铝业股份有限公司债务融资发行奖励300,000.00元；

（5）2019年，龙口市财政局根据龙财企指[2019]2号，关于下达预算指标的通知，拨付山东南山铝业股份有限公司2018年度中央外经贸发展专项资金2,800,000.00元；

（6）2019年，龙口市公共就业（人才）服务中心根据烟人社发[2015]27号《关于贯彻落实鲁人社发[2015]23号文件切实做好我市失业保险支持企业稳定岗位有关工作的通知》和烟人社发[2015]43号《关于贯彻落实鲁人社发[2015]55号文件进一步做好我市失业保险支持企业稳定岗位有关工作的通知》、鲁人社办发（2018）9号《关于实施失业保险援企稳岗“护航行动”的通知》，拨付山东南山铝业股份有限公司人才稳岗补贴718,161.16元；

（7）2019年，龙口市公共就业（人才）服务中心根据烟人社字[2019]52号关于贯彻落实鲁人社字（2019）85号文件进一步做好我市失业保险支持企业稳定就业岗位有关工作的通知和鲁人社字[2019]85号 关于进一步做好失业保险支持企业稳定就业岗位的通知、鲁人社办发〔2018〕9号《关于实施失业保险援企稳岗“护航行动”的通知》，拨付山东南山铝业股份有限公司稳岗补贴1,463,669.10元；

（8）2019年，山东省商务厅拨付山东南山铝业股份有限公司2019年省级国际市场开拓资金300,000.00元；

（9）2019年，烟台市公共就业人才服务中心根据烟人社字[2019]142号，关于开展2019年度企事业单位引才奖补和伯乐奖申报工作的通知，拨付山东南山铝业股份有限公司引才奖补100,000.00元；

（10）2019 年，龙口市科技局根据龙财教指[2019]9 号，关于拨付专项经费补助资金的通知，拨付山东南山铝业股份有限公司 2018 年重点研发计划（医用食品专项计划及重大科技创新工程）2,100,000.00 元；

（11）2019 年，龙口市科技局根据龙财教指[2019]10 号，拨付山东南山铝业股份有限公司 2018 年度创新驱动发展专项（重点研发计划）2,000,000.00 元；

（12）2019 年，龙口市会计核算中心根据鲁人社函[44]号、鲁人社字[2017]41 号、鲁政办字[2017]144 号，拨付山东南山铝业股份有限公司外专双百计划经费 1,300,000.00 元；

（13）2019 年，龙口市财政局根据龙科字[2019]5 号，关于下达龙口市二〇一七年科技研发计划和补助经费的通知，拨付山东南山铝业股份有限公司高强高韧损伤容限 7XXX 系铝合金预控神厚板的研究与应用项目经费 200,000.00；

（14）2019 年，龙口市市场监督管理局根据烟市监便字[2019]1 号，关于公布 2017 年度龙口市标准化资助项目名单的通报，拨付山东南山铝业股份有限公司 2017 年标准化补助 232,000.00 元；

（15）2019 年，烟台市市场监督管理局标准化根据烟市监便字[2019]1 号、烟质监函[2018]157 号，关于公布 2017 年度烟台市标准化资助项目名单的通报，拨付山东南山铝业股份有限公司 2017 年标准化补助 150,000.00 元；

（16）2019 年，有研工程技术研究院拨付山东南山铝业股份有限公司“高性能铝合金大规格板带材制造与应用技术”项目补助资金 1,000,000.00 元；

（17）2019 年，科学技术部高科技研究发展中心根据国科高发计字[2017]35 号，关于国家重点研发计划重点基础材料技术提升与产业化重点专项 2017 年度项目立项的通知，拨付山东南山铝业股份有限公司“基于工业大数据的铝/铜板带材智能化工艺控制技术”项目子课题研究补助资金 725,000.00 元；

（18）2019 年，龙口市财政局根据龙财教指[2019]84 号，关于拨付专项经费补助资金的通知，拨付山东南山铝业股份有限公司重点研发计划资金（泰山产业领军人才工程战略性新兴产业创新类）2,000,000.00 元；

（19）2019 年，中国第一汽车股份有限公司拨付山东南山铝业股份有限公司拨付“高性能铝合金大规格板带材制造与应用技术”项目研究补助资金 280,000.00 元；

（20）2019 年，山东省知识产权局根据鲁财教[2017]29 号，关于做好 2018 年度山东省专利资助相关工作的通知，拨付山东南山铝业股份有限公司专利资助资金 26,000.00 元；

（21）2019 年，东北大学拨付山东南山铝业股份有限公司“基于工业大数据的铝/铜板带材

智能化工艺控制技术”项目子课题研究补助资金 190,000.00 元；

（22）2019 年，燕山大学拨付山东南山铝业股份有限公司“基于工业大数据的铝/铜板带材智能化工艺控制技术”项目子课题研究补助资金 156,000.00 元；

（23）2019 年，山东省知识产权局根据山东省知识产权（专利）资金管理办法，拨付山东南山铝业股份有限公司专利资助资金 50,000.00 元；

（24）2019 年，龙口市科学技术局根据龙财教指[2019]152 号，关于拨付专项经费补助资金的通知，拨付山东南山铝业股份有限公司军民融合产业发展资金 400,000.00 元；

（25）2019 年，龙口市科学技术局根据龙财教指[2019]156 号，关于拨付专项经费补助资金的通知，拨付山东南山铝业股份有限公司省级人才建设资金 100,000.00 元；

（26）2019 年，中国第一汽车股份有限公司拨付山东南山铝业股份有限公司拨付“乘用车覆盖件制造技术”项目研究补助资金 140,000.00 元；

（27）2019 年，龙口市市场监督管理局根据烟政发[2018]16 号、烟政字[2019]19 号，拨付山东南山铝业股份有限公司专利奖 70,000.00 元；

（28）2019 年，有色金属技术经济研究院根据有色计经字[2019]53 号，关于拨发 2019 年有色金属行业节能与绿色研究项目第一批标准经费的通知，拨付山东南山铝业股份有限公司有色金属行业节能与绿色标准研究课题“取水定额第 12 部分：氧化铝生产”项目经费 50,000.00 元；

（29）2019 年，有色金属技术经济研究院根据有色标委[2019]89 号，关于拨发 2019 年度有色金属行业标准制修订补助经费的通知，拨付山东南山铝业股份有限公司 2019 年有色金属行业标准制修订项目补助经费 16,000.00 元；

（30）2019 年，有色金属技术经济研究院根据有色标委[2019]88 号，关于拨发 2019 年度有色金属行业标准制修订补助经费的通知，拨付山东南山铝业股份有限公司 2019 年有色金属行业标准制修订项目补助经费 14,000.00 元；

（31）2019 年，山东省科学技术厅根据鲁科字[2019]141 号，山东省科学技术厅关于拨付国批外国专家项目和“外专双百计划”等项目资助经费的通知，拨付山东南山铝业股份有限公司项目资助经费 1,850,000.00 元；

（32）2019 年，龙口市市场监督管理局根据龙政办发[2019]57 号，拨付山东南山铝业股份有限公司标准化补助 30,800.00 元；

（33）2019 年，烟台市市场监督管理局根据龙市监[2019]70 号，关于公布 2018 年度龙口市标准化资助项目名单的通报，拨付山东南山铝业股份有限公司标准化补助 154,000.00 元；

（34）2019 年，龙口市人力资源根据鲁人社字[2018]171 号、龙发[2016]14 号，拨付山东南山铝业股份有限公司博士后进站补助资金 1,050,000.00 元；

（35）2019 年，龙口市公共就业（人才）服务中心根据烟人社字[2019]52 号《关于贯彻落实鲁人字[2019]85 号文件切实做好我市失业保险支持企业稳定就业岗位有关工作的通知》，拨付稳岗补贴 176,440.05 元；

（36）2019 年，龙口市科技局根据烟科[2018]24 号，关于下达 2018 年度烟台市重点研发计划（产业关键技术、校所城产融合）结转部分的通知，拨付龙口南山铝压延新材料有限公司“给予机翼长桁用高性能 7150 铝合金材料及挤压技术开发”项目开发补助资金 400,000.00 元；

（37）2019 年，龙口市财政局根据龙财教指[2019]9 号，关于拨付专项经费补助资金的通知，拨付南山铝压延新材料有限公司“基于工业大数据的航空铝板生产智能协同控制及优化”项目研究补助资金 800,000.00 元。

（38）2019 年，龙口市财政局拨付与收益相关扶持资金 352,834,018.56 元。

（39）2019 年，龙口市残疾人联合会根据龙政发[2001]73 号关于印发《龙口市按比例安排残疾人劳动就业办法》的通知，拨付龙口新南山投资发展有限公司“残疾人就业补助”项目补助资金 3,389,566.00 元。

（40）2019 年，龙口市财政局根据《山东省直接债务融资奖励办法》（济银发[2018]171 号）的通知，拨付南山集团有限公司“山东省金融创新发展引导资金”项目补助资金 14,180,500.00 元。

（41）2019 年，龙口市财政局拨付南山集团有限公司与收益相关乡村振兴扶持资金 38,210,000.00 元。

（42）2019 年，龙口市税务局根据财政部税务总局海关总署公告 2019 年第 39 号关于深化增值税改革有关政策的公告的通知，减免南山集团有限公司及其子公司增值税 5,005,160.04 元。

（43）2019 年，烟台市莱山区财政局根据烟财行指[2017]46 号文，关于下达托年度专项资金预算指标的通知，拨付烟台南山酒店管理有限公司“省级饭店业扶持奖励”项目补助资金 2,000,000.00 元。

（44）2019 年，青岛市财政局根据青政办发（2018）22 号文的通知，拨付青岛新南国际博览中心有限公司“市场化会展项目”资金补助 1,380,000.00 元。

（45）2019 年，上海市浦东新区世博地区开发管理委员会根据《浦东新区促进金融业发展财政扶持办法实施细则》通知，拨付富瑞达国际融资租赁有限公司开发扶持资金 952,000.00 元。

（46）2019 年 6 月，龙口市财政局依据龙财企指[2019]86 号《关于下达预算指标的通知》，

向山东南山智尚科技股份有限公司拨付2018年工业提质增效升级资金2,000,000.00元。

（47）2019年3月，烟台市市场监督管理局依据烟质监函[2018]157号《关于公布2017年度烟台市标准化资助项目名单的通报》，向山东南山智尚科技股份有限公司拨付标准化资助150,000.00元；2019年3月，龙口市市场监督管理局依据烟质监函[2018]157号《关于公布2017年度烟台市标准化资助项目名单的通报》，向山东南山智尚科技股份有限公司拨付标准化资助30,000.00元;2019年12月，烟台市市场监督管理局根据《关于公布2018年度烟台市标准化资助项目名单的通报》，向山东南山智尚科技股份有限公司拨付标准化资助30,000.00元；2019年12月，龙口市市场管理监督局根据龙市监〔2019〕70号《关于公布2018年度龙口市标准化资助项目名单的通报》，向山东南山智尚科技股份有限公司拨付标准化资助6,000.00元。

（48）2019年1月，龙口市财政局依据龙财企指[2019]6号《关于下达预算指标的通知》，向龙口慧博国际商务服务有限公司拨付2019年商贸发展和市场开拓资金50,200.00元。

（49）2019年3月，龙口市国家税务局向山东南山智尚科技股份有限公司返还增值税代收代缴手续费3,002.62元，向山东缔尔玛服饰有限公司返还增值税代收代缴手续费590.15元。向龙口慧博国际商务服务有限公司返还增值税代收代缴手续费5,781.13元；

（50）2019年1月，龙口市财政局依据龙财企指[2019]7号《关于下达预算指标的通知》，向山东南山智尚科技股份有限公司拨付中央外经贸发展专项资金14,800.00元；

（51）2019年12月，山东省知识产权事业发展中心根据《2019年度第一批省专利补助申报注意事项》，向山东南山智尚科技股份有限公司拨付专利奖励资金2,000.00元；

（52）2019年12月，龙口市公共就业（人才）服务中心根据鲁人社字[2019]85号《关于进一步做好失业保险支持企业稳定就业岗位的通知》，向山东缔尔玛服饰有限公司拨付稳定岗位补助资金302,530.32元;2019年8月,龙口市公共就业(人才)服务中心根据鲁人社字[2019]85号《关于进一步做好失业保险支持企业稳定就业岗位的通知》，向山东南山智尚科技股份有限公司拨付稳定岗位补助资金301,060.13元；

（53）2019年3月，龙口市科学技术局依据龙口市科技研发计划项目合同（项目编号2017GG014），向山东南山智尚科技股份有限公司拨付技术研发补助资金200,000.00元；2017年3月，龙口市科学技术局依据龙口市科技研发计划项目合同（项目编号2016GG17），向山东南山纺织服饰有限公司拨付技术研发补助资金100,000.00元。

（54）2019年12月，山东省科学技术厅向山东南山智尚科技股份有限公司拨付企业研究开发财政补助21,600.00元。

（55）2019年12月，龙口市财政局根据龙金融[2019]18号《关于进一步促进金融业发展

的实施办法》，向山东南山智尚科技股份有限公司拨付上市企业分环节奖励之改制奖励1,000,000.00元。

（56）2019年12月，烟台市人力资源和社会保障局根据烟人社字[2019]167号《关于公布2019年烟台市企事业单位引才奖补和伯乐奖名单的通知》，向山东缔尔玛服饰有限公司拨付企事业单位引才奖励资金50,000.00元。

（57）2019年12月，龙口市财政局根据龙财工指[2019]126号《关于下达预算指标的通知》，向龙口慧博国际商务服务有限公司拨付商贸发展专项资金234,000.00元。

（58）2019年12月，山东省商务厅根据鲁商办字[2019]38号《关于组织开展2019年省级国际市场开拓资金申报工作的通知》，向山东南山智尚科技股份有限公司拨付国际市场开拓资金179,000.00元；2019年1月，山东省商务厅根据鲁商办字[2018]166号《关于组织开展2018年省级国际市场开拓资金申报工作的通知》，向山东南山智尚科技股份有限公司拨付国际市场开拓资金24,000.00元。

（五十八）投资收益

1．明细情况

项　目	本期数	上年数
权益法核算的长期股权投资收益	138,575,960.09	324,404,935.23
处置长期股权投资产生的投资收益	2,451,188,031.64	-8.33
以公允价值计量且其变动计入当期损益的金融资产持有期间取得的投资收益	1,154,708.12	330,694.34
持有至到期投资持有期间取得的投资收益	-	94,027.40
可供出售金融资产持有期间取得的投资收益	74,045,800.97	249,483,195.98
处置以公允价值计量且其变动计入当期损益的金融资产产生的投资收益	136,135,459.19	6,448,441.93
处置持有至到期投资产生的投资收益	-	-
处置可供出售金融资产产生的投资收益	8,238,727.23	12,151,016.80
其他投资收益	-14,980,882.92	-19,594,264.57
合　计	2,794,357,804.32	573,318,038.78

2．按权益法核算的长期股权投资收益重要项目

被投资单位名称	本期数	上年数	本期比上年增减变动的原因
烟台银行股份有限公司	71,804,651.53	71,384,340.27	被投资单位净利润增加
青岛新恒力投资发展有限公司	6,792,908.50	276,874,555.82	被投资单位净利润增加

被投资单位名称	本期数	上年数	本期比上年增减变动的原因
南山（海南万宁）置业有限公司	-	-21,761,184.27	超额亏损
海南万宁弘基置业有限公司	200,680.67	-	被投资单位净利润增加
LN Development (Stirling) Pte Ltd	62,895,383.63	-363,207.24	被投资单位净利润增加
深圳云鹏南山基金管理有限公司	-	-1,141,411.27	被投资单位注销清算
中航南山股权投资基金管理(深圳)有限公司	-	520,672.08	投资单位股权已转让
珠海横琴南山开源资产管理有限公司	-173,259.61	-221,737.00	被投资单位净利润减少
南山飞卓宇航工业有限公司	-189,312.34	-	被投资单位净利润减少
龙口海通房地产开发有限公司	-3,203,368.37	-	被投资单位净利润减少
W Capital Markets Pte.Ltd	890,344.06	-1,123,290.98	被投资单位净利润增加
北京融创南山房地产有限公司	-285,638.82	236,197.82	被投资单位净利润减少
中海油南山（山东）天然气有限公司	-156,429.16	-	被投资单位净利润减少
小　计	138,575,960.09	324,404,935.23	-

3. 本公司不存在投资收益汇回的重大限制。

（五十九）公允价值变动收益

项　目	本期数	上年数
以公允价值计量且其变动计入当期损益的金融资产	2,813,559.24	-9,955,732.95
以公允价值计量且其变动计入当期损益的金融负债	-776,925.00	-9,000.00
合　计	2,036,634.24	-9,964,732.95

（六十）信用减值损失

项　目	本期数	上年数
应收账款坏账损失	8,326,386.88	-
其他应收款坏账损失	-13,814,267.09	-
应收票据坏账损失	-426,414.71	-
合　计	-5,914,294.92	-

（六十一）资产减值损失

项　目	本期数	上年数

项　目	本期数	上年数
坏账损失	-67,701,449.05	100,233,164.06
存货跌价损失	-45,953,050.37	-70,857,013.74
固定资产减值损失	2,337,330.51	-2,337,330.51
其他	-108,330.27	604,038.08
合　计	-111,425,499.18	27,642,857.89

（六十二）资产处置收益

项　目	本期数	上年数
处置划分为持有待售的非流动资产（金融工具、长期股权投资和投资性房地产除外）或处置组（子公司和业务除外）时确认的收益	-	-
处置未划分为持有待售的非流动资产时确认的收益	-83,856,386.77	-99,585,605.79
其中：固定资产	-83,856,386.77	-99,585,605.79
在建工程	-	-
债务重组中因处置非流动资产产生的收益	-	-
合　计	-83,856,386.77	-99,585,605.79

（六十三）营业外收入

1．明细情况

项　目	本期数	上年数
接受捐赠	128,104.88	800,075.00
政府补助	20,558,698.68	1,200,567,049.07
各种奖励款	1,389,636.54	554,595.31
罚没及违约金收入	76,267,228.80	60,141,671.30
无法支付的应付款	57,730,377.39	33,506,269.35
非流动资产毁损报废利得	1,987,108.81	1,660,418.70
其他	35,891,346.91	26,691,353.89
合　计	193,952,502.01	1,323,921,432.62

2．计入当期营业外收入的政府补助情况

补助项目	本期数	上年数	与资产相关/与收益相关

补助项目	本期数	上年数	与资产相关/与收益相关
龙口市财政局扶持资金	-	955,833,280.00	与收益相关
航空发展专项资金	240,000.00	-	与收益相关
新能源项目补助	-	-	与收益相关
垃圾中转站建设补助金	-	-	与收益相关
新增纳统服务业企业奖励	100,000.00	-	与收益相关
贸促会补贴	1,090,000.00	7,960,000.00	与收益相关
2018 年度中央外经贸发展专项资金	2,200,000.00	-	与收益相关
2018 年度省级商贸发展和市场开拓资金	2,931,000.00	-	与收益相关
稳岗补贴	214,874.18	-	与收益相关
龙口市公共就业人才服务中心见习补贴	174,765.00	-	与收益相关
新跨越民营企业奖励	5,000,000.00	-	与收益相关
海堤建设（南山）工程专项资金	7,370,000.00	-	与资产相关
2018 年度烟台市创新驱动发展专项资金	1,000,000.00	-	与资产相关
石黄路及黄水路财政补贴	-	229,246,304.43	与收益相关
省级服务业发展专项资金境外投资贷款贴息	-	2,130,000.00	与收益相关
养生健康小镇补助资金	-	2,000,000.00	与收益相关
技术中心创新补助	-	1,500,000.00	与收益相关
美国先进铝公司	-	1,334,870.28	与收益相关
创新活动链税收优惠	-	207,771.77	与收益相关
工资信贷计划（WCS）	238,059.50	138,177.36	与收益相关
发展民营经济补助资金	-	100,000.00	与收益相关
工资信贷计划（WCS）	-	62,245.23	与收益相关
税收返还	-	35,000.00	与收益相关
烟台海事局搜救奖励	-	10,000.00	与收益相关
上海市浦东新区世博地区开发管理委员会专项资金专户款	-	7,000.00	与收益相关
安全生产监督管理局救援奖补	-	2,400.00	与收益相关
合　计	20,558,698.68	1,200,567,049.07	-

3.政府补助形成情况：

（1）中国民用航空局根据《关于下达2019年通用航空发展专项资金的通知》（局发明电[2019]1030号）文，向山东南山国际飞行有限公司拨付2019年通用航空发展专项资金240,000.00元，该款项与收益相关已计入营业外收入。

（2）根据青发（2017）14号文、青工商企发（2018）27号文，青岛新南国际博览中心有限公司申请100,000.00的2017年新增纳统服务业企业奖励，批准拨付。

（3）根据即墨贸促会字（2017）3号文，青岛新南国际博览中心有限公司申请1,090,000.00元贸促会资金补助，批准拨付。

（4）龙口市财政局根据《关于下达预算指标的通知》（龙财企[2019]7号）号文，向本公司拨付2018年度中央外经贸发展专项资金2,200,000.00元，该款项与收益相关已计入营业外收入。

（5）龙口市财政局根据《关于下达预算指标的通知》（龙财企[2019]6号）号文，向本公司拨付2018年度省级商贸发展和市场开拓资金2,931,000.00元，该款项与收益相关已计入营业外收入。

（6）龙口市公共就业（人才）服务中心根据烟人社字（2019）52号关于贯彻落实鲁人社字（2019）85号文件切实做好我市失业保险支持企业稳定就业岗位有关工作的通知，向龙口市南山建筑安装有限公司拨付稳岗补贴157,669.81元，向山东南山建设发展股份有限公司拨付稳岗补贴57,204.37元，共计214,874.18元，该款项与收益相关已计入营业外收入。

（7）龙口市公共就业人才服务中心根据《关于进一步做好高校毕业生就业见习工作的意见》，向本公司拨付见习补贴174,765.00元，该款项与收益相关已计入营业外收入。

（8）龙口市财政局根据《关于下达预算指标的通知》（龙财企[2019]3号）号文，向本公司拨付工业提质增效升级资金（新跨越民营企业奖励）5,000,000.00元，该款项与收益相关已计入营业外收入。

（9）龙口市财政局根据《关于下达2018年省财政水利发展资金预算指标的通知》（龙财农指[2019]5号）号文，向本公司拨付海堤建设（南山）工程专项资金7,370,000.00元，该款项与收益相关已计入营业外收入。

（10）龙口市财政局根据《关于拨付专项经费补助资金的通知》（龙财教指[2019]10号）号文，向本公司拨付2018年度烟台市创新驱动发展专项资金1,000,000.00，该款项与收益相关已计入营业外收入。

（11）根据IRAS关于创新活动链税收优惠的评估以及发放说明、根据MINISTRY OF MANPOWER以及 IRAS WCS Office关于发放WCS的通知，将支付NANSHAN GROUP SINGAPORECO.PTE.LTD

人民币合计 238,059.50 元，该款项与收益相关已计入营业外收入。

（六十四）营业外支出

项　目	本期数	上年数
对外捐赠	38,637,663.28	36,052,010.06
资产报废、毁损损失	66,247,752.12	33,696,090.74
罚款支出	39,355,811.87	11,177,027.72
赔偿金、违约金	11,312,885.28	7,838,663.64
税收滞纳金	48,054.47	37,623,676.64
其他	13,241,798.47	21,242,067.46
合　计	168,843,965.49	147,629,536.26

（六十五）所得税费用

项　目	本期数	上年数
本期所得税费用	563,451,767.49	889,531,377.77
递延所得税费用	-41,782,342.99	-39,126,720.84
合　计	521,669,424.49	850,404,656.93

（六十六）其他综合收益

项　目	本期数			
	税前金额	所得税	税后归属于母公司	税后归属于少数股东
(1)以后不能重分类进损益的其他综合收益	506,450.45	-	506,450.45	-
1)重新计算设定受益计划净负债或净资产的变动	-	-	-	-
2)权益法下在被投资单位不能重分类进损益的其他综合收益中享有的份额	506,450.45	-	506,450.45	-
(2)以后将重分类进损益的其他综合收益	-75,474,753.51	-822,517.27	-107,475,084.24	38,913,670.60
1)权益法下在被投资单位以后将重分类进损益的其他综合收益中享有的份额	-8,628,881.88	-	-8,628,881.88	-
减：前期计入其他综合收益当期转入损益	-	-	-	-
小　计	-8,628,881.88	-	-8,628,881.88	-

项　目	本期数			
	税前金额	所得税	税后归属于母公司	税后归属于少数股东
2)可供出售金融资产公允价值变动损益	-295,716,632.66	729,089.17	-296,445,721.83	
减：前期计入其他综合收益当期转入损益	-	-	-	-
小　计	-295,716,632.66	729,089.17	-296,445,721.83	
3)现金流量套期损益的有效部分	-6,714,943.48	-1,551,606.44	-1,103,776.32	2,031,261.88
减：前期计入其他综合收益当期转入损益	-6,090,822.60	-	-6,090,822.60	
转为被套期项目初始确认金额的调整额	-	-	-	-
小　计	-624,120.88	-1,551,606.44	4,987,046.28	2,031,261.88
4)外币财务报表折算差额	229,494,881.91	-	192,612,473.19	36,882,408.72
减：前期计入其他综合收益当期转入损益	-	-	-	-
小　计	229,494,881.91	-	192,612,473.19	36,882,408.72
合　计	-74,968,303.06	-822,517.27	-106,968,633.79	38,913,670.60

续上表：

项　目	上期数			
	税前金额	所得税	税后归属于母公司	税后归属于少数股东
(1)以后不能重分类进损益的其他综合收益	-1,663,238.69	-	-1,663,238.69	-
1)重新计算设定受益计划净负债或净资产的变动	-	-	-	-
2)权益法下在被投资单位不能重分类进损益的其他综合收益中享有的份额	-1,663,238.69	-	-1,663,238.69	-
(2)以后将重分类进损益的其他综合收益	-979,099,760.41	-33,494,884.46	-985,564,474.58	39,959,598.63
1)权益法下在被投资单位以后将重分类进损益的其他综合收益中享有的份额	20,308,576.05	-	20,308,576.05	-
减：前期计入其他综合收益当期转入损益	-	-	-	-
小　计	20,308,576.05	-	20,308,576.05	-
2)可供出售金融资产公允价值变动损益	-1,060,752,531.98	-31,000,192.23	-1,028,362,957.09	-1,389,382.66
减：前期计入其他综合收益当期转入损益	-	-	-	-
小　计	-1,060,752,531.98	-31,000,192.23	-1,028,362,957.09	-1,389,382.66
3)现金流量套期损益的有效部分	-10,204,160.14	-2,494,692.23	-2,878,085.51	-4,831,382.40

项　目	上期数			
	税前金额	所得税	税后归属于母公司	税后归属于少数股东
减：前期计入其他综合收益当期转入损益	-	-	-	-
转为被套期项目初始确认金额的调整额	-	-	-	-
小　计	-10,204,160.14	-2,494,692.23	-2,878,085.51	-4,831,382.40
4)外币财务报表折算差额	71,548,355.66	-	25,367,991.97	46,180,363.69
减：前期计入其他综合收益当期转入损益	-	-	-	-
小　计	71,548,355.66	-	25,367,991.97	46,180,363.69
合　计	-980,762,999.10	-33,494,884.46	-987,227,713.27	39,959,598.63

(六十七) 合并现金流量表主要项目注释

1．收到的其他与经营活动有关的现金

项　目	本期数	上年数
利息收入	281,981,363.84	297,316,102.32
政府补贴	502,656,412.43	1,047,135,430.66
罚没收入	76,267,228.80	60,141,671.30
其他	37,409,088.33	3,859,606.47
合　计	898,314,093.40	1,408,452,810.75

2．支付的其他与经营活动有关的现金

项　目	本期数	上年数
销售费用中现金支出	1,415,735,680.53	894,323,564.49
管理费用中现金支出	1,545,832,800.40	703,201,095.99
财务费用中现金支出	89,676,830.73	60,151,724.35
对外捐赠	38,637,663.28	36,052,010.06
其他	63,958,550.10	112,714,458.68
合　计	3,153,841,525.04	1,806,442,853.57

3．收到的其他与投资活动有关的现金

项　目	本期数	上年数
前期购买理财产品转回	4,531,560,000.00	525,280,000.00

项　目	本期数	上年数
购买理财产品的投资收益	128,315,201.43	24,059,779.84
收回委托贷款	676,880,000.00	-
长期应收减少	393,272,757.69	278,922,718.41
合　计	5,730,027,959.12	828,262,498.25

4. 支付的其他与投资活动有关的现金

项　目	本期数	上年数
购买的理财产品	2,435,000,000.00	4,593,260,000.00
支付委托贷款	178,350,000.00	-
往来款项	727,390,356.84	1,128,424,655.20
合　计	3,340,740,356.84	5,721,684,655.20

5. 收到的其他与筹资活动有关的现金

项　目	本期数	上年数
保函保证金	412,510,609.00	
长期应付款增加	450,900,893.11	-
往来款	771,716,742.64	962,179,572.94
合　计	1,635,128,244.75	962,179,572.94

6. 支付的其他与筹资活动有关的现金

项　目	本期数	上年数
支付的发行费用	-	5,644,937.86
质押借款保证金	-	161,434,080.00
票据贴现保证金	1,134,000,000.00	-
合　计	1,134,000,000.00	167,079,017.86

（六十八）现金流量表补充资料

1. 现金流量表补充资料

项　目	本期数	上年数
(1)将净利润调节为经营活动现金流量：	-	-
净利润	3,455,377,488.92	2,958,816,729.54
加：资产减值准备	111,425,499.18	-27,642,857.89

项　目	本期数	上年数
信用减值损失	5,914,294.92	-
固定资产折旧、油气资产折耗、生产性生物资产折旧	2,716,533,222.58	2,764,950,973.74
无形资产摊销	135,223,009.12	80,799,681.21
长期待摊费用摊销	283,541,508.98	172,080,947.20
处置固定资产、无形资产和其他长期资产的损失(收益以“－”号填列)	83,856,386.77	99,585,605.79
固定资产报废损失(收益以“－”号填列)	66,247,752.12	32,035,672.04
公允价值变动损失(收益以“－”号填列)	-2,036,634.24	9,964,732.95
财务费用(收益以“－”号填列)	2,164,760,363.60	2,177,831,371.58
投资损失(收益以“－”号填列)	-2,794,357,804.32	-573,318,038.78
递延所得税资产减少(增加以“－”号填列)	-41,164,505.70	-1,490,813.84
递延所得税负债增加(减少以“－”号填列)	10,287,766.34	-37,635,907.00
存货的减少(增加以“－”号填列)	1,015,919,471.92	-971,512,766.17
经营性应收项目的减少(增加以“－”号填列)	2,367,049,825.14	-4,731,685,119.01
经营性应付项目的增加(减少以“－”号填列)	-2,365,956,284.43	1,940,174,963.50
处置划分为持有待售的非流动资产(金融工具、长期股权投资和投资性房地产除外)或处置组(子公司和业务除外)时确认的损失(收益以“－”号填列)	-	-
其他	-	-
经营活动产生的现金流量净额	7,212,621,360.91	3,892,955,174.86
(2)不涉及现金收支的重大投资和筹资活动：	-	-
债务转为资本	-	-
一年内到期的可转换公司债券	-	-
融资租入固定资产	-	-
(3)现金及现金等价物净变动情况：	-	-
现金的期末余额	8,823,489,162.01	7,914,965,515.49
减：现金的期初余额	7,914,965,515.49	8,849,707,702.56
加：现金等价物的期末余额	-	-
减：现金等价物的期初余额	-	-
现金及现金等价物净增加额	908,523,646.52	-934,742,187.07

2．现金和现金等价物

项　目	期末数	期初数
(1)现金	8,823,489,162.01	7,914,965,515.49
其中：库存现金	9,572,827.24	16,126,204.26
可随时用于支付的银行存款	8,813,916,334.77	7,898,839,311.23
可随时用于支付的其他货币资金	-	-
(2)现金等价物	13,707,244,342.51	9,828,116,566.56
其中：三个月内到期的债券投资	-	-
(3)期末现金及现金等价物余额	8,823,489,162.01	7,914,965,515.49
其中：母公司或集团内子公司使用受限制的现金和现金等价物	-	-

[注]现金流量表补充资料的说明：

2019 年度现金流量表中现金期末数为 8,823,489,162.01 元，2019 年 12 月 31 日资产负债表中货币资金期末数为 13,707,244,342.51 元，差额 4,883,755,180.50 元，系现金流量表现金期末数扣除了不符合现金及现金等价物标准的银行承兑汇票保证金、借款保证金、信用证保证金、保函保证金、期货保证金。

2018 年度现金流量表中现金期末数为 7,914,965,515.49 元，2018 年 12 月 31 日资产负债表中货币资金期末数为 9,828,116,566.56 元，差额 1,913,151,051.07 元，系现金流量表现金期末数扣除了不符合现金及现金等价物标准的银行承兑汇票保证金、信用证保证金。

(六十九) 所有权或使用权受到限制的资产

项　目	期末账面价值	受限原因
货币资金	4,883,755,180.50	承兑汇票保证金、信用证保证金、保函保证金、借款保证金
固定资产	1,092,093,307.79	借款抵押
长期股权投资	2,607,551,893.66	股票质押
无形资产	1,146,661,120.84	土地抵押
合　计	9,730,061,502.79	-

(七十) 外币货币性项目

项　目	期末外币余额	折算汇率	期末折算人民币余额
货币资金			

项　目	期末外币余额	折算汇率	期末折算人民币余额
其中：澳元	27,920,865.32	4.8843	136,373,882.48
港币	16,532.00	0.8958	14,809.03
韩币	42,800.00	0.0060	258.16
美元	252,633,284.22	6.9762	1,762,420,317.37
欧元	13,754,536.82	7.8155	107,498,582.52
日元	1,740,020.00	0.0641	111,510.92
台币	510.00	0.2328	118.72
新加坡币	188,778,478.80	5.1739	976,720,971.46
新西兰币	2,865.00	4.6973	13,457.76
印尼盾	126,275,862,122.56	0.0005	63,428,365.54
英镑	615,114.04	9.1501	5,628,354.98
应收账款			
其中：澳元	386,257.92	4.8843	1,886,599.56
美元	125,881,046.22	6.9762	878,171,354.65
欧元	3,545,568.35	7.8155	27,710,389.44
新加坡币	15,838,669.96	5.1739	81,947,694.51
英镑	114,044.03	9.1501	1,043,514.28
其他应收款			
其中：澳元	53,533,432.55	4.8843	261,473,344.60
美元	124,919,981.97	6.9762	871,466,778.22
欧元	41,181.45	7.8155	321,853.62
新加坡币	505,257,439.61	5.1739	2,614,151,466.80
印尼盾	196,819,850.00	0.0005	98,360.31
短期借款			
其中：美元	85,202,854.87	6.9762	594,392,156.14
新加坡币	112,300,000.00	5.1739	581,028,970.00
衍生金融负债			
其中：美元	18,058.16	6.9762	125,977.34

项　目	期末外币余额	折算汇率	期末折算人民币余额
应付账款			
其中：澳元	871,291.76	4.8843	4,255,650.34
美元	218,049,331.65	6.9762	1,521,155,747.46
欧元	5,521,706.65	7.8155	43,154,898.32
新加坡币	1,870,265.68	5.1739	9,676,567.60
印尼盾	56,737,325,161.45	0.0005	28,499,158.43
其他应付款			
其中：澳元	248,833,442.92	4.8843	1,215,377,185.25
美元	27,284,589.33	6.9762	190,342,752.08
欧元	227,889.41	7.8155	1,781,069.68
新加坡币	789,683,635.26	5.1739	4,085,744,160.47
印尼盾	361,143,139,358.95	0.0005	181,402,198.90
一年内到期的非流动负债			
其中：新加坡币	4,000,000.00	5.1739	20,695,600.00
长期借款			
其中：澳元	50,400,000.00	4.8843	246,168,720.00
新加坡币	106,919,789.70	5.1739	553,192,299.93
长期应付款			
其中：美元	376,648,516.42	6.9762	2,627,575,380.25

（七十一）政府补助

1. 明细情况

补助项目	初始确认金额或本期增加金额	列报项目	计入当期损益	
			损益项目	金　额
资产性补助	154,820,032.84	递延收益	其他收益	34,967,651.92
		递延收益	营业收入	948,666.68
收益性补助	-	递延收益	其他收益	100,000.00
收益性补助	447,130,061.83	其他收益	其他收益	447,130,061.83

补助项目	初始确认金额或本期增加金额	列报项目	计入当期损益	
			损益项目	金 额
收益性补助	20,558,698.68	营业外收入	营业外收入	20,558,698.68
合 计	622,508,793.35	-	-	503,705,079.11

2、本期收到的政府补助详见本附注五(四十四)"递延收益"、附注五(五十七)"其他收益"、附注五(六十三)"营业外收入"。

六、合并范围的变更

本节所列数据除非特别注明，金额单位为人民币万元。

(一) 处置子公司

1、单次处置对子公司投资即丧失控制权的情形

子公司名称	股权处置价款	股权处置比例(%)	股权处置方式	丧失控制权的时点	丧失控制权时点的确定依据
青岛航空股份有限公司	3,127,211,343.00	100.00	出售	2019-12-31	[注1]
南山公务机有限公司	1,000.00	100.00	出售	2019-12-31	[注1]
山东南山国际飞行有限公司	29,000,000.00	100.00	出售	2019-12-31	[注1]
合计数	3,156,212,343.00	-	-	-	-

续上表：

子公司名称	处置价款与处置投资对应的合并财务报表层面享有该子公司净资产份额的差额	丧失控制权之日剩余股权的比例(%)	丧失控制权之日剩余股权对应的合并财务报表层面享有该子公司净资产份额	丧失控制权之日剩余股权的公允价值
青岛航空股份有限公司	[注2]	-	-	-
南山公务机有限公司	[注2]	-	-	-
山东南山国际飞行有限公司	[注2]	-	-	-
合计数	-	-	-	-

续上表：

子公司名称	按照公允价值重新计量剩余股权产生的利得或损失	丧失控制权之日剩余股权公允价值的确定方法及主要假设	与原子公司股权投资相关的其他综合收益转入投资损益的金额
青岛航空股份有限公司	-	-	-
南山公务机有限公司	-	-	-
山东南山国际飞行有限公司	-	-	-

子公司名称	按照公允价值重新计量剩余股权产生的利得或损失	丧失控制权之日剩余股权公允价值的确定方法及主要假设	与原子公司股权投资相关的其他综合收益转入投资损益的金额
合计数	-	-	-

(1)出售股权而减少子公司的情况说明

[注 1]：根据本公司 2019 年 12 月 31 日公司股东大会审议批准，同意公司将所持有的青岛航空股份有限公司 100%股权作价计 3,127,211,343.00；将南山公务机有限公司 100%股权作价 1,000.00 元；将山东南山国际飞行有限公司 100%股权作价 29,000,000.00 元，转让给青岛城建公司与青岛城市建设投资（集团）有限责任公司（以下简称“青岛城建”）。本公司于 2019 年 12 月 31 日于青岛城建签订《股权转让协议》，股权转让基准日为 2019 年 12 月 31 日，本公司自 2019 年 12 月 31 日起，不再将其纳入合并财务报表范围。

截止到 2019 年 12 月 31 日青岛航空股份有限公司、南山公务机有限公司、山东南山国际飞行有限公司尚未办妥工商变更登记手续。

[注 2]损益确认方法的说明

根据本公司与青岛城建公司于 2019 年 12 月 31 日签订的《股权转让协议》，公司将所持有的青岛航空股份有限公司 100%股权作价计 3,127,211,343.00 与按所处置股权比例计算应享有原有子公司自购买日开始持续计算的投资成本之间的差额 2,317,878,172.81 元，计入投资收益。；将南山公务机有限公司 100%股权作价 1,000.00 元；将山东南山国际飞行有限公司 100%股权作价 29,000,000.00 元与按所处置股权比例计算投资成本之间的差额 126,674,941.39 元，计入投资收益。

(二) 其他原因引起的合并范围的变动

1. 以直接设立或投资等方式增加的子公司(指通过新设、派生分立等非合并收购方式增加的子公司)

(1) 2019 年 10 月 22 日，南山集团有限公司出资设立龙口市隆裕国际贸易有限公司。该公司于 2019 年 10 月 22 日完成工商设立登记，注册资本为人民币 20,000 万元，南山集团有限公司认缴出资人民币 20,500 万元，占其注册资本的 100%，拥有对其的实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

(2) 2019 年 8 月 22 日，南山集团有限公司与烟台市财金投资控股有限公司出资设立烟台裕龙精化股权投资基金管理有限公司。该公司于 2019 年 8 月 22 日完成工商设立登记，注册资本为人民币 1,000 万元，烟台市财金投资控股有限公司认缴出资人民币 490 万元，占其注册资

本的49%，南山集团有限公司认缴出资人民币510万元，占其注册资本的51%，拥有对其的实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

（3）2019年6月28日，南山集团有限公司与万华实业集团有限公司与山东发展投资控股集团有限公司出资设立山东裕龙石化有限公司。该公司于2019年6月28日完成工商设立登记，注册资本为人民币1,200,000万元，南山集团有限公司认缴出资人民币852,000.00万元，占其注册资本的71.00%，万华实业集团有限公司认缴出资人民币24,000.00万元，占其注册资本的20.00%，山东发展投资控股集团有限公司认缴出资人民币108,000.00万元，占其注册资本的9.00%。南山集团有限公司拥有对其的实质控制权，故自该公司成立之日起，将其纳入合并财务报表范围。

七、在其他主体中的权益

本节所列数据除非特别注明，金额单位为人民币万元。

（一）在子公司中的权益

1．企业集团的构成

子公司名称	级次	主要经营地	注册地	业务性质	持股比例(%)		取得方式
					直接	间接	
山东南山铝业股份有限公司	一级	山东省龙口市	山东省龙口市	制造业	23.72	23.53	投资
山东南山智尚科技股份有限公司	一级	山东省龙口市	山东省龙口市	制造业	90.00	-	投资
山东南山暖通新材料有限公司	一级	山东省龙口市	山东省龙口市	制造业	100.00	-	投资
山东怡力电业有限公司	一级	山东省龙口市	山东省龙口市	制造业	100.00	-	投资
烟台南山庄园葡萄酒有限公司	一级	山东省龙口市	山东省龙口市	制造业	100.00	-	投资
南山集团资本投资有限公司	一级	北京市	北京市	其他	100.00	-	投资
上海鲁润资产管理有限公司	一级	上海市	上海市	其他	100.00	-	投资
山东南山科技产业园管理有限公司	一级	山东省龙口市	山东省龙口市	其他	100.00	-	投资
龙口市南山水务有限公司	一级	山东省龙口市	山东省龙口市	其他	100.00	-	投资
上海胶润国际贸易有限公司	一级	山东省龙口市	山东省龙口市	贸易	100.00	-	投资
NAN SHAN GROUP SINGAPORE CO.PTE.LTD	一级	新加坡	新加坡	综合	100.00	-	合并
南山旅游集团有限公司	一级	山东省龙口市	山东省龙口市	旅游业	100.00	-	投资

子公司名称	级次	主要经营地	注册地	业务性质	持股比例(%)		取得方式
					直接	间接	
龙口市南山小额贷款股份有限公司	一级	山东省龙口市	山东省龙口市	金融业	45.00	25.00	投资
南山集团财务有限公司	一级	山东省龙口市	山东省龙口市	金融业	55.00	37.00	投资
龙口市南山融资担保有限公司	一级	山东省龙口市	山东省龙口市	金融业	100.00	-	投资
龙口市南山西海岸人工岛建设发展有限公司	一级	山东省龙口市	山东省龙口市	建筑业	100.00	-	投资
龙口市南山建筑安装有限公司	一级	山东省龙口市	山东省龙口市	建筑业	100.00	-	投资
龙口南山蓬莱岛港发展有限公司	一级	山东省龙口市	山东省龙口市	服务业	100.00	-	投资
龙口市南山油品经营有限公司	一级	山东省龙口市	山东省龙口市	服务业	100.00	-	投资
龙口港蓬莱岛发展有限公司	一级	山东省龙口市	山东省龙口市	服务业	100.00	-	投资
龙口祥瑞达投资有限公司	一级	山东省龙口市	山东省龙口市	其他	100.00	-	投资
山东南山建设发展股份有限公司	一级	山东省龙口市	山东省龙口市	房地产业	100.00	-	投资
龙口市隆裕国际贸易有限公司	一级	山东省龙口市	山东省龙口市	贸易	100.00	-	投资
烟台裕龙精化股权投资基金管理有限公司	一级	山东省龙口市	山东省龙口市	金融业	51.00	-	投资
山东裕龙石化有限公司	一级	山东省龙口市	山东省龙口市	制造业	71.00	-	投资

[注]本公司直接持有山东南山铝业股份有限公司 23.72%、通过山东怡力电业有限公司间接持有 23.53%的股权，为该公司的第一大股东，并在董事会中占有多数，对其具有实质控制权，故将其纳入合并财务报表范围。

2. 重要的非全资子公司

子公司名称	少数股东的持股比例(%)	本期归属于少数股东的损益	本期向少数股东支付的股利	期末少数股东权益余额
山东南山铝业股份有限公司	52.75	122,299,328.20	315,177,093.25	2,239,557,248.57
山东南山智尚科技股份有限公司	10.00	-745,517.64	-	7,197,338.40
南山集团财务有限公司	8.00	18,453,019.59	-	140,228,746.14

注：此处金额单位为元。

3. 重要非全资子公司的主要财务信息

子公司名称	期末数					
	流动资产	非流动资产	资产合计	流动负债	非流动负债	负债合计
山东南山铝业股份有限	2,272,360.07	3,203,575.01	5,475,935.07	1,094,099.13	226,969.18	1,321,068.31

子公司名称	期末数					
	流动资产	非流动资产	资产合计	流动负债	非流动负债	负债合计
公司						
山东南山智尚科技股份有限公司	142,192.74	60,797.83	202,990.57	97,648.35	-	97,648.35
南山集团财务有限公司	1,285,718.97	104,671.55	1,390,390.52	1,215,104.59	-	1,215,104.59

续上表：

子公司名称	期初数					
	流动资产	非流动资产	资产合计	流动负债	非流动负债	负债合计
山东南山铝业股份有限公司	2,175,931.16	3,054,002.23	5,229,933.39	913,001.06	291,149.04	1,204,150.10
山东南山智尚科技股份有限公司	162,137.93	65,317.31	227,455.25	134,095.01	-	134,095.01
南山集团财务有限公司	843,744.32	107,758.74	951,503.05	799,502.12	-	799,502.12

续上表：

子公司名称	本期数			
	营业收入	净利润	综合收益总额	经营活动现金流量
山东南山铝业股份有限公司	2,150,900.91	173,628.09	180,118.45	379,204.24
山东南山智尚科技股份有限公司	177,083.06	12,103.52	12,090.05	38,175.83
南山集团财务有限公司	42,185.68	23,066.27	23,285.00	175,721.41

续上表：

子公司名称	上年数			
	营业收入	净利润	综合收益总额	经营活动现金流量
山东南山铝业股份有限公司	2,022,236.20	152,251.52	158,629.36	218,356.14
山东南山智尚科技股份有限公司	199,290.68	11,961.08	11,910.91	19,211.81
南山集团财务有限公司	31,297.52	20,827.13	23,462.92	26,894.23

（二）在合营安排或联营企业中的权益

1. 重要的合营企业或联营企业

合营企业或联营企业名称	主要经营地	注册地	业务性质	持股比例(%)		对合营企业或联营企业投资的会计处理方法
				直接	间接	
南山（海南万宁）置业有限公司	海南	海南	房地产开发	50.00	-	权益法
海南万宁弘基置业有限公司	海南	海南	房地产开发	50.00	-	权益法
烟台银行股份有限公司	烟台	烟台	银行业	34.83	-	权益法
青岛新恒力投资发展有限公司	青岛	青岛	房地产开发	39.00	-	权益法
青岛南信投资有限公司	青岛	青岛	房地产开发	49.00	-	权益法
烟台南山融创置业有限公司	烟台	烟台	房地产开发	50.00	-	权益法
龙口海通房地产开发有限公司	烟台	烟台	房地产开发	40.00	-	权益法
中海油南山（山东）天然气有限公司	烟台	烟台	燃气生产和供应业	40.00	-	权益法
南山飞卓宇航工业有限公司	烟台	烟台	汽车制造业	50.00	-	权益法
LN Development (Stirling) Pte Ltd	新加坡	新加坡	房地产开发	-	49.00	权益法

2．合营企业或联营企业发生的超额亏损

合营企业或联营企业名称	前期累计未确认的损失	本期未确认的损失(或本期分享的净利润)	本期末累积未确认的损失
南山（海南万宁）置业有限公司	-2,983.87	-16,500,437.62	-16,503,421.49

注：此处金额单位为元。

八、关联方关系及其交易

本节所列数据除非特别说明，金额单位为人民币元。

（一）关联方关系

1．本公司的母公司情况

母公司/实际控制人	业务性质	注册地	注册资本(万元)	母公司对本企业的持股比例(%)	母公司对本企业的表决权比例(%)
南山村村民委员会	非营利组织	龙口	无	51.00	51.00

本公司最终控制方为南山村村民委员会。

2．本公司的子公司情况

本公司的子公司情况详见本附注七(一)“在子公司中的权益”。

3．本公司的合营和联营企业情况

本公司重要的合营和联营企业详见本附注七(二)“在合营安排或联营企业中的权益”。

4．本公司的其他关联方情况

其他关联方名称	与本公司的关系
青岛金恒力置业有限公司	联营公司青岛新恒力投资发展有限公司之子公司
万宁南山融创实业有限公司	合营公司南山(海南万宁)置业有限公司之子公司
烟台市顺成南山融创置业有限公司	合营公司烟台南山融创置业有限公司之子公司
青岛海琴置业有限公司	联营公司龙口海通房地产开发有限公司之子公司
Amt Due by LN Development	联营公司 LN Development (Stirling) Pte Ltd 之子公司

(二) 关联方交易情况

1. 购销商品、接受和提供劳务情况

关联方名称	关联交易内容	定价政策	本期数	上年数
烟台南山融创置业有限公司	销售开发产品	市场价	-	211,103,366.71
中海油南山(山东)天然气有限公司	销售开发产品	市场价	10,553.97	1,784.75
南山飞卓宇航工业有限公司	销售开发产品	市场价	294,955.72	-
合计	-	-	305,509.69	211,105,151.46

2. 利息收入与利息支出情况

关联方名称	关联交易内容	本期数	上年数
烟台市顺成南山融创置业有限公司	利息收入	-	25,333,379.81
海南万宁弘基置业有限公司	利息收入	39,866,876.32	25,657,717.01
烟台银行股份有限公司	利息收入	483,595.45	1,446,111.63

3. 吸收关联方存款

关联方名称	期末数	期初数
海南万宁弘基置业有限公司	10,240,015.75	48,148,789.46
烟台南山融创置业有限公司	1,851.74	7,490,973.39
南山(海南万宁)置业有限公司	1,475,484.30	11,472,199.84
青岛金恒力置业有限公司	19,124.18	18,399,961.10
青岛南信投资有限公司	607.70	917,068.95
万宁南山融创实业有限公司	20,086.16	20,015.05
青岛新恒力投资发展有限公司	42,660.40	40,259.10
南山飞卓宇航工业有限公司	40,828,563.76	-

[注]为本公司之子公司南山集团财务有限公司吸收成员单位存款。

4. 发放贷款

关联方名称	本期数	上年数
海南万宁弘基置业有限公司	521,000,000.00	521,000,000.00

[注]为本公司之子公司南山集团财务有限公司发放的贷款。

(三) 关联方应收应付款项

1、应收关联方款项

项目名称	关联方名称	期末数	期初数
应收款项	青岛南信投资有限公司	392,912,016.58	408,007,000.00
应收款项	青岛海琴置业有限公司	364,009,390.15	362,809,390.15
应收款项	龙口海通房地产开发有限公司	46,686,096.48	46,682,938.48
应收款项	海南万宁弘基置业有限公司	463,019,000.56	481,280,000.00
应收款项	烟台市顺成南山融创置业有限公司	656,669,882.79	731,966,000.00
应收款项	中海油南山（山东）天然气有限公司	8,601,981.25	-
应收款项	Amt Due by LN Development	997,369,706.23	965,042,274.36

2. 应付关联方款项

项目名称	关联方名称	期末数	期初数
应付款项	万宁南山融创实业有限公司	400,000,000.00	400,000,000.00
应付款项	青岛金恒力置业有限公司	440,745,824.59	409,500,000.00
应付款项	南山(海南万宁）置业有限公司	145,454,403.94	149,000,000.00

九、承诺及或有事项

(一) 重要承诺事项

合并范围内各公司为自身对外借款进行的财产抵押担保情况(单位：万元)

担保单位	抵押权人	抵押标的物	担保借款余额	借款到期日
南山集团有限公司	国开行山东分行	土地使用权	6,236.00	2020/10/12
南山集团有限公司	工行龙口支行	土地使用权	45,000.00	2024/1/19
龙口市南山西海	中银富登村镇银行，	土地使用权	129,796.00	2022/6/27

担保单位	抵押权人	抵押标的物	担保借款余额	借款到期日
岸人工岛建设发展有限公司	国开行山东省分行、农银龙口支行			
龙口南山屹母岛港发展有限公司	工行龙口支行	海域使用权	1,500.00	2023/12/21
烟台南山酒店管理有限公司	中行龙口支行	房屋所有权、土地使用权	33,000.00	2024/5/22
122 MIDDLE INVESTMENT PTE LTD	Maybank	房屋所有权、土地使用权	10,691.98（新加坡币）	2021/6/27
NS PROPERTY (HARPER) PTE LTD	UOB Bank Ltd	房屋所有权、土地使用权	400.00（新加坡币）	Earlier of 42 Months or 6 months after TOP
NS Property Development Pte Ltd	United overseas Bank Ltd	房屋所有权、土地使用权	10,930.00（新加坡币）	无期限
PARK REGIS INVESTMENTS PTE. LTD	星展银行(DBS)	房屋所有权、土地使用权	300.00（新加坡币）	无期限

（二）或有事项

截至2019年12月31日，本公司之子公司南山铝业股份有限公司出具的保函金额为11,161.92万元，出具的信用证金额54,498.53万元。

除上述事项外本公司无需要披露的或有事项。

十、资产负债表日后非调整事项

新型冠状病毒疫情于2020年年初爆发，相关防控工作在全球持续进行，对商业和经济活动产生了一定影响。由于市场就疫情影响存在的不确定性进一步加大，本公司将密切关注疫情发展情况，评估其对公司未来财务状况、经营业绩等方面的影响。截至本报告批准报出之日，尚未发现新型冠状病毒疫情对公司2019年财务报表有任何重大不利影响。

截至本财务报表签发日，除上述事项外，本公司无其他需要披露的资产负债表日后重大事项。

十一、其他重要事项

本节所列数据除非特别说明，金额单位为人民币元。

（一）前期差错更正说明

本期公司无重要前期差错更正事项。

（二）债务重组

本期公司无重要债务重组事项。

（三）资产置换

本期公司无重要资产置换事项。

（四）年金计划

本期公司无重要年金计划事项。

（五）终止经营

如六(一)所述，本公司将所持有的青岛航空股份有限公司100%股权作价3,127,211,343.00；将南山公务机有限公司100%股权作价1,000.00元；将山东南山国际飞行有限公司100%股权作价29,000,000.00元，转让给青岛城建公司与青岛城市建设投资（集团）有限责任公司（以下简称“青岛城建”）。本公司于2019年12月31日于青岛城建签订《股权转让协议》，股权转让基准日为2019年12月31日。本公司自2019年12月31日起，不再将其纳入合并财务报表范围。本公司已停止对其经营业务。

（六）分部信息

本期公司无重要分部信息。

十二、母公司财务报表重要项目注释

以下注释项目除非特别注明，期初系指2019年1月1日，期末系指2019年12月31日；本期系指2019年度，上年系指2018年度。金额单位为人民币元。

（一）应收票据

1．明细情况

种　类	期末数	期初数
银行承兑汇票	403,250,000.00	175,691,000.00
商业承兑汇票	450,000,000.00	-
账面余额小计	853,250,000.00	175,691,000.00

种　类	期末数	期初数
减：坏账准备	-	-
账面价值合计	853,250,000.00	175,691,000.00

2．期末公司无已质押的应收票据。

3．期末公司已背书或者贴现且在资产负债表日尚未到期的应收票据

项目	期末终止确认金额	期末未终止确认金额
商业承兑汇票	-	119,800,000.00
小　计	-	119,800,000.00

4．期末公司无因出票人未履约而将其转应收账款的票据。

（二）应收账款

1．明细情况

种　类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
合　计	729,632,006.80	100.00	3,648,160.03	0.50	725,983,846.77

续上表：

种　类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	1,074,843,378.00	100.00	5,374,216.89	0.50	1,069,469,161.11
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
合　计	1,074,843,378.00	100.00	5,374,216.89	0.50	1,069,469,161.11

2．坏账准备计提情况

期末按其他组合计提坏账准备的应收账款

组　合	账面余额	坏账准备	计提比例(%)
1年以内	11,664,488.80	58,322.44	0.50
1-2年	717,967,518.00	3,589,837.59	0.50
小　计	729,632,006.80	3,648,160.03	0.50

3．本期计提、收回或转回的坏账准备情况

本期计提坏账准备金额-1,726,056.86元；本报告期公司无以前年度已全额或较大比例计提坏账准备，本期又全额或部分收回的应收账款。

4．本期无通过债务重组等其他方式收回的应收账款。

5．本期无实际核销的应收账款。

6．本期无应收关联方账款。

7．本期无因金融资产转移而终止确认的应收账款。

8．本期无转移应收账款且继续涉入形成的资产、负债。

(三) 其他应收款

1．明细情况

项　目	期末数		
	账面余额	坏账准备	账面价值
应收利息	22,282,400.53	-	22,282,400.53
应收股利	-	-	-
其他应收款	47,596,813,208.31	19,936,477.03	47,576,876,731.28
合　计	47,619,095,608.84	19,936,477.03	47,599,159,131.81

续上表：

项　目	期初数		
	账面余额	坏账准备	账面价值
应收利息	24,549,863.97	-	24,549,863.97
应收股利	-	-	-
其他应收款	58,259,790,872.11	13,048,429.36	58,246,742,442.75
合　计	58,284,340,736.08	13,048,429.36	58,271,292,306.72

2．应收利息

(1)明细情况

项　目	期末数	期初数
借款利息	22,282,400.53	24,549,863.97

(2)本期无重要逾期利息。

3. 其他应收款

(1)明细情况

种　类	期末数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	47,596,813,208.31	100.00	19,936,477.03	0.04	47,576,876,731.28
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
小　计	47,596,813,208.31	100.00	19,936,477.03	0.04	47,576,876,731.28

续上表：

种　类	期初数				
	账面余额		坏账准备		账面价值
	金额	比例(%)	金额	计提比例(%)	
单项金额重大并单项计提坏账准备	-	-	-	-	-
按组合计提坏账准备	58,259,790,872.11	100.00	13,048,429.36	0.02	58,246,742,442.75
单项金额虽不重大但单项计提坏账准备	-	-	-	-	-
小　计	58,259,790,872.11	100.00	13,048,429.36	0.02	58,246,742,442.75

(2)坏账准备计提情况

期末按组合计提坏账准备的其他应收款

1）低信用风险组合

账　龄	账面余额	坏账准备	计提比例(%)
关联方组合	43,609,517,801.80	-	-
小　计	43,609,517,801.80	-	-

2）其他组合

组　合	账面余额	坏账准备	计提比例(%)
1年以内	1,633,048,708.75	8,165,243.54	0.50

组　合	账面余额	坏账准备	计提比例(%)
1-2 年	1,330,663,625.51	6,653,318.13	0.50
2-3 年	209,718,676.76	1,048,593.38	0.50
3 年以上	813,864,395.49	4,069,321.98	0.50
小　计	3,987,295,406.51	19,936,477.03	0.50

(3)本期计提、收回或转回的坏账准备情况

本期计提坏账准备金额 6,888,047.67 元；本期公司无以前年度已全额或较大比例计提坏账准备，本期又全额或部分收回的其他应收款。

(4)本期无通过债务重组等其他方式收回的其他应收款。

(5)本期无实际核销的其他应收款。

(6)其他应收款按款项性质分类情况

款项性质	期末余额	期初余额
单位往来款项	3,970,124,839.13	2,607,032,471.51
个人往来款项	2,120,000.00	682,986.22
保证金、押金	15,015,722.98	1,970,416.00
其他	34,844.40	-
合并范围内公司往来	43,609,517,801.80	55,650,104,998.38
小　计	47,596,813,208.31	58,259,790,872.11

(四) 长期股权投资

1、明细情况

项　目	期末数			期初数		
	账面余额	减值准备	账面价值	账面余额	减值准备	账面价值
对子公司投资	15,847,148,535.13	-	15,847,148,535.13	16,235,848,535.13	-	16,235,848,535.13
对联营、合营企业投资	3,079,371,041.48	-	3,079,371,041.48	2,999,797,307.03	-	2,999,797,307.03
合　计	18,926,519,576.61	-	18,926,519,576.61	19,235,645,842.16	-	19,235,645,842.16

2. 子公司情况

被投资单位名称	期初余额	本期增加	本期减少	期末余额

被投资单位名称	期初余额	本期增加	本期减少	期末余额
山东南山铝业股份有限公司	5,823,481,128.19	-	-	5,823,481,128.19
龙口市南山西海岸人工岛建设发展有限公司	2,555,000,000.00	-	-	2,555,000,000.00
NAN SHAN GROUP SINGAPORE CO.PTE.LTD	2,332,847,538.22	-	-	2,332,847,538.22
南山集团资本投资有限公司	1,000,000,000.00	-	-	1,000,000,000.00
龙口港屺母岛发展有限公司	571,386,500.00	-	-	571,386,500.00
南山集团财务有限公司	440,000,000.00	-	-	440,000,000.00
南山旅游集团有限公司	360,000,000.00	-	-	360,000,000.00
山东南山建设发展有限公司	340,000,000.00	-	-	340,000,000.00
青岛航空股份有限公司	481,000,000.00	800,000,000.00	1,281,000,000.00	-
上海鲁润资产管理有限公司	301,000,000.00	-	-	301,000,000.00
山东裕龙石化有限公司	-	41,000,000.00	-	41,000,000.00
山东南山智尚科技股份有限公司	282,211,833.37	-	-	282,211,833.37
龙口市南山融资担保有限公司	200,000,000.00	-	-	200,000,000.00
山东南山暖通新材料有限公司	188,000,000.00	-	-	188,000,000.00
山东怡力电业有限公司	150,000,000.00	-	-	150,000,000.00
山东南山科技产业园管理有限公司	100,000,000.00	-	-	100,000,000.00
烟台南山庄园葡萄酒有限公司	73,040,000.00	-	-	73,040,000.00
龙口市南山小额贷款股份有限公司	60,000,000.00	-	-	60,000,000.00
龙口南山屺坶岛港发展有限公司	50,000,000.00	-	-	50,000,000.00
其他	927,881,535.35	72,500,000.00	21,200,000.00	979,181,535.35
小 计	16,235,848,535.13	913,500,000.00	1,302,200,000.00	15,847,148,535.13

3. 对联营、合营企业投资

被投资单位名称	初始投资成本	期初数	本期变动			
			追加投资	减少投资	权益法下确认的投资损益	其他综合收益变动
(1)合营企业						
烟台南山融创置业有限	10,000,000.00	25,000,000.00	-	-	-	-

被投资单位名称	初始投资成本	期初数	本期变动			
			追加投资	减少投资	权益法下确认的投资损益	其他综合收益变动
公司						
(2)联营企业						
烟台银行股份有限公司	1,808,300,000.00	2,188,365,832.62	-	-	71,804,651.53	-8,581,757.60
青岛新恒力投资发展有限公司	312,000,000.00	540,175,276.59	-	-	6,792,908.50	-
青岛南信投资有限公司	245,000,000.00	245,000,000.00	-	-	-	-
北京融创南山房地产有限公司	1,020,000.00	1,256,197.82	-	-	-285,638.82	-
中海油南山(山东)天然气有限公司	-	-	10,000,000.00	-	-156,429.16	-
小 计	2,376,320,000.00	2,999,797,307.03	10,000,000.00	-	78,155,492.05	-8,581,757.60

续上表：

被投资单位名称	本期变动				期末数	减值准备期末余额
	其他权益变动	宣告发放现金股利或者利润	计提减值准备	其他		
(1)合营企业						
烟台南山融创置业有限公司	-	-	-	-	25,000,000.00	-
(2)联营企业						
烟台银行股份有限公司	-	-	-	-	2,251,588,726.55	-
青岛新恒力投资发展有限公司	-	-	-	-	546,968,185.09	-
青岛南信投资有限公司	-	-	-	-	245,000,000.00	-
北京融创南山房地产有限公司	-	-	-	-	970,559.00	-
中海油南山(山东)天然气有限公司	-	-	-	-	9,843,570.84	-
小 计	-	-	-	-	3,079,371,041.48	-

(五) 营业收入/营业成本

1. 明细情况

项 目	本期数	上年数

	收 入	成 本	收 入	成 本
主营业务	3,692,091,502.05	3,325,659,496.07	2,302,794,938.77	658,141,260.23
其他业务	45,169,207.48	183,182.14	3,962,950.73	240,239.19
合 计	3,737,260,709.53	3,325,842,678.21	2,306,757,889.50	658,381,499.42

2．主营业务收入/主营业务成本(按行业分类)

行业名称	本期数		上年数	
	收 入	成 本	收 入	成 本
服务	3,535,712,606.90	3,297,866,472.43	-	-
其他	156,378,895.15	27,793,023.64	2,302,794,938.77	658,141,260.23
小 计	3,692,091,502.05	3,325,659,496.07	2,302,794,938.77	658,141,260.23

(六) 投资收益

项 目	本期数	上年数
成本法核算的长期股权投资收益	158,235,814.39	407,415,079.52
权益法核算的长期股权投资收益	78,155,492.05	348,495,093.91
处置长期股权投资产生的投资收益	1,210,080,245.58	7,889,623.26
可供出售金融资产持有期间取得的投资收益	-	15,895,000.00
处置可供出售金融资产产生的投资收益	8,238,727.23	12,151,016.80
合 计	1,454,710,279.25	791,845,813.49

十三、财务报表之批准

2019年度财务报表已经公司董事会于2020年4月21日批准报出。

南山集团有限公司

2020年4月21日

统一社会信用代码

91330000087374063A (1/1)

营业执照

(副本)

扫描二维码登录"国家企业信用信息公示系统"了解更多登记、备案、许可、监管信息

名　　称　中汇会计师事务所(特殊普通合伙)

类　　型　特殊普通合伙企业

执行事务合伙人　余强

经营范围　审查企业会计报表、出具审计报告；验证企业资本，出具验资报告；办理企业合并、分立、清算事宜中的审计业务，出具有关报告；基本建设年度决算审计；代理记帐；会计咨询、税务咨询、管理咨询、会计培训；法律、法规规定的其他业务。（依法须经批准的项目，经相关部门批准后方可开展经营活动）

成立日期　2013 年 12 月 19 日

合伙期限　2013 年 12 月 19 日 至 长期

主要经营场所　杭州市江干区新业路 8 号华联时代大厦 A 幢 601 室

仅供中汇会审[2020]1857号报告使用

登记机关　浙江省市场监督管理局

2020 年 01 月 20 日

国家企业信用信息公示系统网址http://www.gsxt.gov.cn

市场主体应当于每年 1 月 1 日至 6 月 30 日通过

国家市场监督管理总局监制

会计师事务所

执业证书

名　　称：中汇会计师事务所（特殊普通合伙）

首席合伙人：余强

主任会计师：

经营场所：杭州市江干区新业路8号
华联时代大厦A幢601室

组织形式：特殊普通合伙

执业证书编号：33000014

批准执业文号：浙财会（2013）54 号

批准执业日期：2013 年 12 月 4 日

证书序号：0001679

说　明

1、《会计师事务所执业证书》是证明持有人经财政部门依法审批，准予执行注册会计师法定业务的凭证。

2、《会计师事务所执业证书》记载事项发生变动的，应当向财政部门申请换发。

3、《会计师事务所执业证书》不得伪造、涂改、出租、出借、转让。

4、会计师事务所终止或执业许可注销的，应当向财政部门交回《会计师事务所执业证书》。

发证机关：浙财会 2018 年 5 月 日

中华人民共和国财政部制

仅供中汇会审[2020]1857号报告使用

证书序号：000381

会计师事务所
证券、期货相关业务许可证

经财政部、中国证券监督管理委员会审查，批准

仅供中汇会审[2020]1857号报告使用

中汇会计师事务所（特殊普通合伙）

执行证券、期货相关业务。

首席合伙人：余强

证书号：45　　发证时间：二〇一九年十一月六日

证书有效期至：二〇二一年十一月六日

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

中国注册会计师协会

姓名 Full name 刘元鹏

性别 Sex 男

出生日期 Date of birth 1972-04-28

工作单位 Working unit 山东和信会计师事务所（特殊普通合伙）

身份证号码 Identity card No. 370013720428527



年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

370100010021

证书编号：
No. of Certificate

山东省注册会计师协会

批准注册协会：
Authorized Institute of CPAs

发证日期：
Date of Issuance

1999 年 06 月 22 日

年度检验登记
Annual Renewal Registration

山东省注册会计师协会
2019年
注册会计师
年检合格专用章

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

山东省注册会计师协会
2016年
注册会计师
年检合格专用章

2016年03月09日

年 月 日
y m d

6

年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

山东省注册会计师协会
2017年
注册会计师
年检合格专用章

2017年03月01日

年 月 日
y m d

7

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出 峄和会计师事务所
Agree the holder to be transferred from

事务所
CPAs

山东省注册会计师协会
2018年
注册会计师
年检合格专用章

转出协会盖章
Stamp of the transfer-out Institute of CPAs
2018年 3月 26日
y m d

同意调入 济宁会计师事务所有限公司
Agree the holder to be transferred in

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs
2018年 3月 26日
y m d

10

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs
年 月 日
y m d

同意调入
Agree the holder to be transferred in

事务所
CPAs

转入协会盖章
Stamp of the transfer-in Institute of CPAs
年 月 日
y m d

11

THE CHINESE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

中国注册会计师协会

姓名 Full name 吴培

性别 Sex 男

出生日期 Date of birth 1968-01-08

工作单位 Working unit 山东和信会计师事务所（特殊普通合伙）

身份证号码 Identity card No. 372833680106107



年度检验登记
Annual Renewal Registration

本证书经验验合格，继续有效一年。
This certificate is valid for another year after this renewal.

2015年
注册会计师
年检合格专用章

2015年 3月 5日

110001670091

证书编号：
No. of Certificate

批准注册协会：
Authorized Institute of CPAs 山东省注册会计师协会

发证日期：
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年度检验登记
Annual Renewal Registration

本证书经检验合格，继续有效一年。
This certificate is valid for another year after this renewal.

2016年 注册会计师 年检合格专用章

2016年09月09日

年 月 日

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2017年 注册会计师 年检合格专用章

2017年03月0

年 月 日

注册会计师工作单位变更事项登记
Registration of the Change of Working Unit by a CPA

同意调出
Agree the holder to be transferred from 中和信

事务所
CPAs

转出协会盖章
Stamp of the transfer-out Institute of CPAs

2018年 3月 26日

同意调入
Agree the holder to be transferred in 中证洲际

事务所
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10

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11

ISSUER

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Hong Kong

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Shandong, China

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NANSHAN CAPITAL HOLDINGS LIMITED
(南山資本控股有限公司)

(incorporated in Hong Kong with limited liability)

U.S.$110,000,000 7.0 per cent. Guaranteed Bonds due 2022 Unconditionally and Irrevocably Guaranteed by

NANSHAN GROUP CO., LTD
(南山集團有限公司)

(incorporated in the People's Republic of China with limited liability)

Issue Price: 100.0 per cent.

This supplemental Information Memorandum (the "**Supplemental Information Memorandum**") is supplemental to, and should be read together with, the Information Memorandum dated 24 June 2021 as a single document (the "**Original Information Memorandum**" and together with this Supplemental Information Memorandum, the "**Information Memorandum**") relating to the U.S. $110,000,000 7.0 per cent. Guaranteed Bonds due 2022 issued by Nanshan Capital Holdings Limited (南山資本控股有限公司) (the "**Issuer**") and unconditionally and irrevocably guaranteed (the "**Guarantee**") by Nanshan Group Co., Ltd (南山集團有限公司) (the "**Guarantor**"), a company incorporated under the laws of the People's Republic of China.

The disclosures contained in this Supplemental Information Memorandum supplement and amend the Original Information Memorandum. Save as expressly provided herein or as the context otherwise requires, terms defined in the Original Information Memorandum shall have the same meanings when used in this Supplemental Information Memorandum.

The Issuer and the Guarantor accepts responsibility for the information contained in this Supplemental Information Memorandum. To the best of the knowledge of the Issuer and the Guarantor (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplemental Information Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application has been made to The Stock Exchange of Hong Kong Limited (the "**SEHK**") for the listing of, and permission to deal in, the Bonds by way of debt issues to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Professional Investors**") only. This Supplemental Information Memorandum is for distribution to Professional Investors only.

Notice to Hong Kong investors: The Issuer and Guarantor confirm that the Bonds are intended for purchase by Professional Investors only and will be listed on the SEHK on that basis. Accordingly, the Issuer and Guarantor confirm that the Bonds are not appropriate as an investment for retail investors in Hong Kong. Investors should carefully consider the risks involved.

The SEHK has not reviewed the contents of this Supplemental Information Memorandum, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Supplemental Information Memorandum to Professional Investors only have been reproduced in this Supplemental Information Memorandum. Listing of the Bonds on the SEHK is not to be taken as an indication of the commercial merits or credit quality of the Bonds or the Issuer or the Guarantor or quality of disclosure in this Supplemental Information Memorandum. Hong Kong Exchanges and Clearing Limited and the SEHK take no responsibility for the contents of this document, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this document.

The Information Memorandum includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purposes of giving information with regard to the Issuer, the Guarantor and the Group. The Issuer, the Guarantor and the Group accept full responsibility for accuracy of the information contained in Information Memorandum and confirms, having made all reasonable enquiries, that to the best ofits knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

The purpose of this Supplemental Information Memorandum is to update the "**Summary Financial Information of the Group**" beginning on page 8 of the Original Information Memorandum, the "**Risk Factors**" beginning on page 18 of the Original Information Memorandum and the "**Competitive Strengths**" beginning on page 75 of the Original Information.

The Original Information Memorandum shall be amended in the manner set forth below:

- On page 18 of the Original Information Memorandum, the followings shall replace the first paragraph of the risk factor headed "**The Group has substantial indebtedness and may incur additional indebtedness in the future, which could adversely affect its future strategy and operations and its ability to generate sufficient cash to satisfy its outstanding and future debt obligations.".**

  "The Group currently has incurred a large amount of indebtedness. As at 31 December 2020, the short-term loans of the Group amounted to approximately RMB17.1 billion, the total current liabilities of the Group amounted to approximately RMB54.1 billion and the long-term loans of the Group amounted to approximately RMB1.0 billion while the cash and cash equivalents of the Group only amounted to approximately RMB9.9 billion. For further details, please refer to the audited consolidated financial statements of the Guarantor for the year ended 31 December 2020 included elsewhere in this Information Memorandum for further information."

- On page 75 of the Original Information Memorandum, the followings shall replace the first paragraph of the competitive strength headed "**Prudent financial structure.".**

  "The Group puts great emphasis on maintaining a prudent financial structure, which the Guarantor believes is the key to sustainable business development and maximising returns on the Group's investments. The Group has adopted prudent financial management policies to achieve greater financial efficiency. For example, the Group has maintained an adequate level of cash balance and current assets to fulfil its liquidity needs and has made investments which are in line with the Group's business strategies. In addition, the Group has established an accounting system independent of its controlling shareholder and formulated a financial management system to independently make financial decisions, and also established an independent financial department which is equipped with full-time financial staff. As at 31 December 2018 and 2019 and 2020, the Group held cash and cash equivalents of approximately RMB7.9 billion, RMB8.8 billion and RMB15.3 billion, respectively, while the Group's current assets were approximately RMB41.3 billion, RMB45.4 billion and RMB55.4 billion, respectively. As at 31 December 2018 and 2019 and 2020, the Group's total liabilities were approximately RMB69.1 billion, RMB68.7 billion and RMB66.2 billion, respectively. With respect to its investment management, the Group has implemented effective control measures from the commencement to the completion of its production activities, which enable it to control operational costs to improve its results of operations."

- On pages 9 to 12 of the Original Information Memorandum, the Original Information Memorandum sets out the summary consolidated financial information of the Guarantor as at and for the years ended 31 December 2019 and 2020.

  1. The followings shall replace the summary consolidated financial information of the Guarantor as at and for the years ended 31 December 2019 and 2020 set out on pages 9 to 12 of the Original Information Memorandum.

SUMMARY CONSOLIDATED INCOME STATEMENT

Summary Consolidated Statements of Comprehensive Income

	For the year ended 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Total operating revenue	43,461,367.10	48,878,552.30
Business Operations Cash Flow		
Including: Business operations income	43,326,503.4	48,680,766.9
Interest rate income	124,933.2	190,494.9
Gained insurance income	1,107.9	–
Administrative and commission income	8,822.6	7,290.5
Total operating cost	42,586,724.7	45,398,264.4
Including: Cost of operation	35,751,325.9	38,950,501.1
Interest rate spending	30,069.1	26,701.9
Administrative costs and commission costs	659.2	835.1
Business tax and surcharge	336,295.1	511,389.1
Selling expenses	1,829,034.1	884,778.0
Management expenses	1,870,749.3	1,714,642.8
R&D expenses	897,508.4	1,521,176.9
Finance costs	1,861,083.6	1,788,239.5
Including: Interest expenses	2,164,760.4	1,885,799.2
Interest income	281,981.4	398,470.9
Add: Other income	482,097.7	1,026,499.8
Investment income	2,794,357.8	487,935.4
Including: Investment income from affiliates and joint ventures	138,576.0	331,263.2
Gains from changes in fair value	2,036.6	–14,595.1
Loss due to credit impairment	–5,914.3	1,313.1
Loss due to asset impairment	–111,425.5	–73,779.8
Gain due to disposal of assets	–83,856.4	125,170.2
Operating profit	3,951,938.4	5,032,831.5
Add: Non-operating income	193,952.5	195,972.3
Less: Non-operating expenses	168,844.0	120,447.7
Total profit (Loss)	3,977,047.0	5,108,356.1
Less: Income tax expenses	521,669.4	889,513.8
Net profit (Loss)	3,455,377.5	4,218,842.3
Including: Net profit realised before the consolidation		
Attributable to shareholders of the Company	2,445,045.6	2,842,353.5
Attributable to minority interests	1,010,331.9	1,376,488.8

Summary Consolidated Statements of Financial Position

	As at 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Current assets		
Bank balances and cash	13,480,239.5	19,670,407.7
Tradable Financial Assets	3,341,047.1	122,300.0
Derivatives Financial Assets	3,623.9	1,841.4
Bills receivable	1,293,957.1	1,445,965.6
Accounts Receivable	4,933,7665.7	6,680,171.0
Receivables Financing	1,119,283.7	400,190.8
Prepayments	2,181,863.6	2,223,388.2
Other receivable	8,374,000.7	6,608,220.3
Inventories	17,068,983.3	16,495,365.7
Assets for Sale	28,628.0	105,240.4
Non-current assets repayable within one year	259,820.0	148,210.0
Other current assets	2,909,376.4	1,497,655.4
Total current assets	54,994,588.9	55,398,956.5
Non-current assets:		
Loans and Advancements	2,587,704.7	982,925.9
Debt investment	350,290.0	1,390,931.0
Other debt investment	1,030,770.9	472,505.1
Long-term accounts receivable	578,591.9	328,544.2
Long-term equity investment	3,200,883.4	4,821,976.1
Other equity instrument investment	8,127,038.9	6,593,985.0
Other non-current financial assets	380,230.0	264,710.0
Investment properties	1,620,010.0	1,558,794.1
Fixed assets	36,875,029.8	36,231,549.3
Construction in progress	18,333,047.9	18,352,817.2
Intangible assets	6,141,376.7	8,140,910.7
Goodwill	–	812,431.1
Long-term unamortised expenses	101,709.5	261,156.7
Deferred income tax assets	308,616.8	216,550.3
Other non-current assets	1,043,863.0	2,768,529.6
Total non-current assets	80,679,163.5	83,198,336.3
Total assets	135,673,752.5	138,597,292.8

	As at 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Current liabilities:		
Short-term borrowings	11,239,227.5	17,151,981.0
Borrowings from the PBOC	403,323.2	552,499.5
Derivatives liabilities	4,248.0	1,619.9
Notes payable.	5,069,305.1	7,568,236.6
Trade payable	5,592,975.1	4,421,105.2
Contract liabilities	2,939,755.5	3,017,158.7
Receipts in advance	–	4,097.0
Financial assets sold under repurchase agreements	862,155.6	604,524.8
Interbank deposits	70,925.6	1,259,916.5
Employee remuneration payable	860,242.2	990,747.5
Tax payable	1,235,035.4	1,569,312.2
Other payable	5,217,524.1	5,021,895.6
Including: Interest payable	666,184.5	384,627.0
Dividend payable	6,107.3	6,107.3
Non-current liabilities repayable within one year	6,100,590.2	8,095,583.8
Other current liabilities	5,770,501.6	3,884,807.2
Total current liabilities	45,365,809.2	54,143,485.60
Non-current liabilities:		
Long-term borrowings	6,193,436.7	5,194,693.2
Bonds payable	15,707,420.9	4,617,985.0
Long-term payables	620,832.6	1,011,809.0
Deferred income	772,674.5	1,189,901.7
Deferred income tax liabilities	10,318.4	30,883.5
Other non-current liabilities	59,984.4	58,046.8
Total non-current liabilities	23,364,667.4	12,103,319.1
Total liabilities	68,730,476.5	66,246,804.7
Shareholder's equity:		
Paid-in capital	1,000,000.0	1,000,000.0
Capital reserves	1,117,847.6	1,646,862.9
Composite reserves	–863,566.9	–401,976.9
Specialised reserves	–	–70.6
Surplus reserves	4,563,025.3	4,789,524.0
Undistributed profits	37,749,993.3	38,346,005.1
Total equity attributable to shareholders of the Company	43,567,299.2	45,380,344.5
Minority interests	23,375,976.7	26,970,143.6
Total shareholder's equity	66,943,275.9	72,350,488.1
Total liabilities and shareholder's equity	135,673,752.4	138,597,292.8

Summary Consolidated Cash Flows Statements Data

	For the year ended 31 December	
	2019	2020
	(RMB'000) (audited)	(RMB'000) (audited)
Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	39,128,193.5	41,007,457.8
Customer and interbank deposits	–29,025.3	1,189,416.0
Increase in PBOC loans	–24,897.7	149,176.3
Cash inflows from interest, administrative charges and commission fees	142,797.2	221,847.9
Net increase in cash from repurchasing business	140,100.0	–257,600.0
Tax rebate	1,109,367.0	971,879.6
Other cash receipts relating to other operating activities	898,314.1	2,332,799.7
Sub-total of cash inflows from operating activities	41,364,848.8	45,614,977.2
Cash paid for goods and services	23,488,211.9	29,146,760.3
Increase in advance cash payments made by customers	1,905,639.6	–1,660,148.2
Increase in interbank deposits	53,881.8	140,885.5
Payment of interest, administrative fees and commission fees	29,216.1	27,328.5
Wages payable to workers in cash	3,065,965.6	3,099,261.0
Payment of taxies and levies	2,455,470.9	2,354,577.1
Payment of other expenses related to operating activities	3,153,841.5	2,613,046.6
Sub-total of cash outflows from operating activities	34,152,227.4	35,721,710.9
Net cash flows from operating activities	7,212,621.4	9,893,266.3
Cash flows from investing activities:		
Cash received from investments	3,419,638.0	6,868,280.0
Cash received from returns on investments	155,794.8	189,906.5
Cash received from fixed assets, intangible assets, and other long term investment assets	16,889.6	2,654,282.6
Cash received from subsidiaries and other operating units	1,592,418.7	1,604,157.9
Cash received from other investment related activities	5,730,028.0	5,105,693.4
Sub-total cash inflows from investing activities	10,914,769.1	16,422,320.3
Cash paid to acquire fixed assets, intangible assets and other long-term assets	3,270,394.5	6,182,494.4
Cash paid on investments	6,051,610.0	4,330,580.0
Cash obtained from subsidiaries or other business units	–	463,149.9
Cash payable on other investing activities	3,340,740.4	1,386,850.0
Sub-total cash outflows from investing activities	12,662,744.8	12,363,074.2
Net cash flows from investing activities	–1,747,975.7	4,059,246.1
Cash flows from financing activities:		
Cash received from investment activities	232,155.8	1,633,548.3
Including: Cash received by subsidiaries from investment from minority shareholders	–	1,217,622.8
Cash received from borrowings	29,969,372.7	24,875,155.5
Cash received from other finance activities	1,635,128.2	2,431,762.7
Sub-total cash inflows from financing activities	31,836,656.7	28,940,466.5
Cash payments for settlement of borrowings	32,716,099.1	32,634,903.7
Cash payments for interest expenses, distribution of dividend or interests	2,637,873.1	2,804,145.2
Including: cash payments for distribution of dividends and profit by subsidiaries to minority shareholders	315,177.1	315,177.1
Other cash payments relating to financing activities	1,134,000.0	854,157.0
Net cash flows from financing activities	36,487,972.2	36,293,205.8
Net increase in cash and cash equivalents	–4,651,315.40	–7,352,739.40
Effect from foreign exchange rate changes on cash and cash equivalents	95,193.4	–93,872.4
Net increase in cash and cash equivalents at the beginning of the period	908,523.6	6,505,900.5
Cash and cash equivalents at the beginning of the period	7,914,965.5	8,823,489.2
Cash and cash equivalents at end of year	8,823,489.2	15,329,389.7