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Lanzhou Zhuangyuan Pasture Co., Ltd.*
蘭州莊園牧場股份有限公司

(A joint stock limited liability company incorporated in the People's Republic of China)

(Stock code: 1533)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made by Lanzhou Zhuangyuan Pasture Co., Ltd.* (蘭州莊園牧場股份有限公司) (the “**Company**”) pursuant to Rule 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By Order of the Board

Lanzhou Zhuangyuan Pasture Co., Ltd.

蘭州莊園牧場股份有限公司

Yao Gexian

Chairman of the Board

Lanzhou, the PRC, 30 March 2022

As at the date of this announcement, the non-independent directors of the Company are Mr. Yao Gexian, Mr. Lian Enzhong, Mr. Zhang Yu, Mr. Yang Yi, Mr. Ma Hongfu and Ms. Zhang Qianyu; and the independent directors of the Company are Mr. Wang Haipeng, Mr. Zhang Yubao and Mr. Sun Jian.

* *For identification purposes only*

Lanzhou Zhuangyuan Pasture Co., Ltd.***ANNOUNCEMENT ON CHANGES IN ACCOUNTING POLICIES**

The Company and all members of its Board of Directors hereby confirm that all information disclosed herein is true, accurate and complete with no false or misleading statement or material omission.

Special Note:

The changes in accounting policies are an adjustment made in accordance with the relevant revised accounting standards of the Ministry of Finance, and does not have a material impact on the key financial indicators, such as operating revenue, net assets and net profit, of the Company for the year 2021 and the prior period.

On 30 March 2022, the Resolution on Changes in Accounting Policies was considered and approved at both the 11th meeting of the fourth session of the board of directors and the seventh meeting of the fourth session of the supervisory committee of Lanzhou Zhuangyuan Pasture Co., Ltd.* (蘭州莊園牧場股份有限公司) (the “Company”). In accordance with the relevant requirements of the Rules Governing the Listing of Shares on Shenzhen Stock Exchange, the Guidelines of Shenzhen Stock Exchange for Self-Regulatory Supervision by Listed Companies (No. 1) – Standardized Operations of Listed Companies on the Main Board (《深圳證券交易所上市公司自律監管指引第1號—主板上市公司規範運作》) and the Articles of Association of Lanzhou Zhuangyuan Pasture Co., Ltd. (《蘭州莊園牧場股份有限公司章程》), the changes in accounting policies of the Company are not subject to consideration at the general meeting. The details of the changes are as follows:

I. SUMMARY OF THE CHANGES IN ACCOUNTING POLICIES

1. Reason for the changes in accounting policies

On 1 November 2021, the Accounting Department of the Ministry of Finance issued the fifth batch of Questions and Answers on the Implementation of Chinese Accounting Standards for Business Enterprises in 2021 (including 6 questions and answers), of which Question 5 stated that: “According to the relevant requirements of the Accounting Standard for Business Enterprises No. 14 – Revenue (Cai Kuai [2017] No. 22) (《企業會計準則第14號—收入》(財會[2017] 22號)), under general circumstances, before the control of the goods or services is transferred to the customer, the transportation activities incurred for the purpose of the fulfillment of the contracts with customers do not constitute a single performance obligation, and accordingly the relevant transportation expenses shall be treated as contract performance costs, and be amortized and included in the current profit and loss on the same basis as the recognition of revenue from goods or services. Such contract performance costs shall be carried forward to “principal operations costs” or “other operating costs” upon recognition of revenue from goods or services, and shown in the income statement under “operating costs”.”

In accordance with the above requirements, the Company reclassifies the transportation expenses that do not constitute a single performance obligation, originally presented in selling expenses, to operating costs with retrospective adjustment to the financial statements.

2. Effective date of the changes

The Company implements the changed accounting policies starting from 1 January 2021.

3. The accounting policies adopted before the changes

Prior to the changes, the transportation expenses of the Company that do not constitute a single performance obligation were presented in selling expenses.

4. The accounting policies adopted by the Company after the changes

After the changes, the transportation expenses that do not constitute a single performance obligation are presented in operating costs.

5. Details of the changes in accounting policies

The transportation expenses that do not constitute a single performance obligation originally presented in selling expenses are reclassified to operating costs with retrospective adjustment.

II. IMPACT OF THE CHANGES IN ACCOUNTING POLICIES ON THE COMPANY

The changes in accounting policies affect the “selling expenses” and “operating costs” in the income statement of the Company, but does not have a material impact on the key financial indicators, such as operating revenue, net assets and net profit, of the Company for the year 2021 and the prior period, and the retrospective adjustment does not alter the nature of profit or loss in the annual financial reports published by the Company in the last two years.

Unit: RMB

Item	2021			2020		
	Prior to the changes	Change in amount	After the changes	Prior to the changes	Change in amount	After the changes
Consolidated Income Statement						
Selling expenses	76,252,242.09	-15,519,820.5	60,732,421.57	73,121,070.82	-20,445,514.56	52,675,556.26
Operating costs	762,983,780.33	15,519,820.5	778,503,600.85	532,943,936.61	20,445,514.56	553,389,451.17
Income Statement of the Parent Company						
Selling expenses	47,406,876.54	-8,976,306.77	38,430,569.77	42,777,406.30	-14,658,327.89	28,119,078.41
Operating costs	551,929,443.28	8,976,306.77	560,905,750.05	403,534,475.13	14,658,327.89	418,192,803.02

III. EXPLANATION OF THE BOARD OF DIRECTORS ON THE REASONABLNESS OF THE CHANGES IN ACCOUNTING POLICIES

The changes in the Company’s accounting policies are reasonable changes made in accordance with the relevant requirements of documents issued by the Ministry of Finance, and comply with the relevant regulations of the Ministry of Finance, China Securities Regulatory Commission, Shenzhen Stock Exchange and other regulatory bodies, which can more objectively and fairly reflect the Company’s financial position and operating results, and are in the interests of the Company and shareholders as a whole. The decision-making procedure for the changes in the Company’s accounting policies complies with relevant laws, regulations and the Articles of Association, and will not damage the interests of the Company and shareholders, especially the minority shareholders.

IV. OPINIONS OF THE INDEPENDENT DIRECTORS

The independent directors are of the view that the changes in the Company's accounting policies are reasonable changes made in accordance with the relevant requirements of documents issued by the Ministry of Finance, and comply with the relevant regulations of the Ministry of Finance, China Securities Regulatory Commission, Shenzhen Stock Exchange and other regulatory bodies, which can more objectively and fairly reflect the Company's financial position and operating results, and are in the interests of the Company and shareholders as a whole. The decision-making procedure for the changes in the Company's accounting policies complies with relevant laws, regulations and the Articles of Association, and will not damage the interests of the Company and shareholders, especially the minority shareholders.

The independent directors of the Company agree with the changes in the accounting policies.

V. OPINIONS OF THE SUPERVISORY COMMITTEE

The Supervisory Committee is of the view that the changes in the Company's accounting policies are reasonable changes made in accordance with the relevant requirements of documents issued by the Ministry of Finance, and comply with the relevant regulations of the Ministry of Finance, China Securities Regulatory Commission, Shenzhen Stock Exchange and other regulatory bodies, which can more objectively and fairly reflect the Company's financial position and operating results, and are in the interests of the Company and shareholders as a whole. The decision-making procedure for the changes in the Company's accounting policies complies with relevant laws, regulations and the Articles of Association, and will not damage the interests of the Company and shareholders, especially the minority shareholders.

The Supervisory Committee agrees with the changes in the accounting policies.

VI. DOCUMENTS AVAILABLE FOR INSPECTION

1. Resolution of the 11th meeting of the fourth session of the board of directors of the Company
2. Resolution of the seventh meeting of the fourth session of the supervisory committee of the Company
3. Independent opinions of the independent directors on matters related to the 11th meeting of the fourth session of the board of directors

Announcement is hereby made.

The Board of Directors of
Lanzhou Zhuangyuan Pasture Co., Ltd.
30 March 2022