



Stock Code: 002493

Rongsheng Petrochemical Co., Ltd.

2023 Semi-annual Report



Section I Important Notice, Table of Contents and Definitions

The Board of Directors, the Board of Supervisors and the directors, supervisors and senior management of the Company confirm that the contents in this semi-annual report are true, accurate, and complete and have no false representations, misleading statements or material omissions, and they shall severally and jointly accept legal responsibility for such contents.

Li Shuirong, Chairman of the Company, Wang Yafang, the person in charge of the Company's accounting and Zhang Shaoying, the person in charge of the Accounting Firm (Accounting Officer), hereby make representations in respect of the truthfulness, accuracy and completeness of the financial statements in this semi-annual report.

All directors have attended the board meeting to consider this semi-annual report.

The Company describes in detail the risks it may face in Section III of this report under "X. Risks Faced by the Company and Countermeasures", which investors are advised to read.

The company plans to pay no cash dividend, no bonus shares, and no conversion of capital with provident fund.

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Contents of Documents for Future Reference

- (1) The financial statements containing signature and seals of the person in charge of the Company, the person in charge of the accounting works and the person in charge of the Accounting Firm (Accounting Officer);
- (2) Written confirmation from directors, senior management and supervisors of the Company on the 2023 Semi-annual Report;
- (3) The originals of all company documents and announcements that are disclosed to the public via media designated by CSRC during the reporting period;
- (4) The place where the above-mentioned documents are maintained: Office of the Board of Directors.

Definitions

Term	Reference	Definition
Company, the Company, Rongsheng Petrochemical	Refers to	Rongsheng Petrochemical Co., Ltd.
Rongsheng Holding	Refers to	Zhejiang Rongsheng Holding Group Co., Ltd., controlling shareholder of the Company
Rongtong Logistics	Refers to	Zhejiang Rongtong Logistics Co., Ltd., a subsidiary of the Company
Rongsheng Venture Capital	Refers to	Zhejiang Rongsheng Venture Capital Co., Ltd., a subsidiary of the Company's controlling shareholder
ZPC	Refers to	Zhejiang Petroleum & Chemical Co., Ltd., a subsidiary of the Company
Zhongjin Petrochemical	Refers to	Ningbo Zhongjin Petrochemical Co., Ltd., a subsidiary of the Company
Yisheng Investment	Refers to	Dalian Yisheng Investment Co., Ltd, a subsidiary of the Company
Shengyuan Chemical Fiber	Refers to	Zhejiang Shengyuan Chemical Fiber Co., Ltd., a subsidiary of the Company
Rongxiang Chemical Fiber	Refers to	Rongxiang Chemical Fiber Co., Ltd., a subsidiary of the Company
Hong Kong Sheng Hui	Refers to	Hong Kong Sheng Hui Co., Ltd., a subsidiary of the Company
Rongsheng Petrochemical (Singapore)	Refers to	Rongsheng Petrochemical (Singapore) Pte. Ltd., a subsidiary of the Company
Yongsheng Technology	Refers to	Zhejiang Yongsheng Technology Co. Ltd., a subsidiary of the Company
Rongsheng New Materials (Zhoushan)	Refers to	Rongsheng (Zhoushan) New Materials Co., Ltd., a subsidiary of the Company
Zhejiang Yisheng	Refers to	Zhejiang Yisheng Petrochemical Co., Ltd., a joint stock subsidiary of the Company
Hengyi Trading	Refers to	Ningbo Hengyi Trading Co., Ltd., a joint stock subsidiary of the Company
Xiaoshan Rural Commercial Bank	Refers to	Zhejiang Xiaoshan Rural Commercial Bank, a joint stock subsidiary of the Company
Zhejiang Petroleum	Refers to	Zhejiang Petroleum Co., Ltd., a joint stock subsidiary of ZPC
Yushan Petrochemical	Refers to	Zhoushan Yushan Petrochemical Engineering Co., Ltd, a former subsidiary of ZPC
Jintang Logistics	Refers to	Jintang Logistics Co., Ltd, a subsidiary of ZPC
Dingsheng Petrochemical	Refers to	Zhejiang Dingsheng Petrochemical Engineering Co., Ltd, a joint stock subsidiary of ZPC
Derong Chemicals	Refers to	Zhejiang Derong Chemicals Co. Ltd., a joint stock subsidiary of ZPC
ENN (Zhoushan)	Refers to	ZPC-ENN (Zhoushan) Gas Co., Ltd., a joint stock subsidiary of ZPC
Yisheng New Materials	Refers to	Zhejiang Yisheng New Materials Co., Ltd., a holding subsidiary of Zhongjin Petrochemical
Niluoshan New Energy	Refers to	Ningbo Niluoshan New Energy Co., Ltd., a subsidiary of Zhongjin Petrochemical
Yisheng Dahua	Refers to	Yisheng Dahua Petrochemical Co., Ltd., a subsidiary of Yisheng Investment
Hainan Yisheng	Refers to	Hainan Yisheng Petrochemical Co., Ltd., a joint stock subsidiary of Yisheng Investment
Hong Kong Yisheng	Refers to	Hong Kong Yisheng Co., Ltd., a subsidiary of Yisheng Dahua
Dalian Rongxincheng	Refers to	Dalian Rongxincheng Trading Co., Ltd., a subsidiary of Yisheng Dahua

Yisheng Chemical	Refers to	Ningbo Yisheng Chemical Co., Ltd, a subsidiary of Hong Kong Sheng Hui
The Securities Supervision Commission, CSRC	Refers to	China Securities Regulatory Commission
Stock exchange, SZSE	Refers to	Shenzhen Stock Exchange
Guosen Securities	Refers to	Guosen Securities Co., Ltd.
Yuan, 10,000 yuan	Refers to	RMB 0.00, RMB 10,000.00
Reporting period	Refers to	January 1, 2023 to June 30, 2023

Section II Company Profile and Key Financial Indicators

I. Company Profile

Stock abbreviation	Rongsheng Petrochemical	Stock code	002493
Abbreviation before change (if any)	None		
Listed on	Shenzhen Stock Exchange		
Company name in Chinese	荣盛石化股份有限公司		
Company abbreviation in Chinese (if any)	荣盛石化		
Company name in the foreign language (if any)	RONGSHENG PETROCHEMICAL CO., LTD.		
Company abbreviation in the foreign language (if any)	RSPC		
Legal representative of the Company	Li Shuirong		

II. Contact Information

	Secretary of the Board of Directors	Representative of securities affairs
Name	Quan Weiyang	Hu Yangyang
Address	Building of Zhejiang Rongsheng Holding Group, Yinong Town, Xiaoshan District, Hangzhou	Building of Zhejiang Rongsheng Holding Group, Yinong Town, Xiaoshan District, Hangzhou
Telephone	0571-82520189	0571-82520189
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E-mail	qw@rong-sheng.com	yangyang@rong-sheng.com

III. Other Information

1. Contact information of the Company

Whether the Company's registered address, office address and its postal code, company website, E-mail address, etc. have changed during the reporting period

The Company's registered address, office address and its postal code, company website, E-mail address, etc. have not changed during the reporting period, for details, please refer to the 2022 Annual Report.

2. Information disclosure and archiving place

Whether the information disclosure and archiving place has changed during the reporting period

The name and address of the stock exchange website and media where the Company discloses its semi-annual report and the place where the Company's semi-annual report is filed have not changed during the reporting period, for

details, please refer to the 2022 Annual Report.

3. Other relevant information

Whether other relevant information has changed during the reporting period

Applicable Not applicable

IV. Key Accounting Data and Financial Indicators

Whether the Company needs to retroactively adjust or restate prior years' accounting data

Yes No

Reasons for retroactive adjustment or restatement

Changes in accounting policies

	Current reporting period	Same period last year		Increase/decrease in the current reporting period over the same period last year
		Before adjustment	After adjustment	After adjustment
Operating income (RMB)	154,525,283,752.29	147,627,593,292.44	147,627,593,292.44	4.67%
Net profit attributable to shareholders of the listed company (RMB)	-1,126,633,616.55	5,366,591,400.34	5,366,884,515.49	-120.99%
Net profit attributable to shareholders of the listed company net of non-recurring gain and loss (RMB)	-1,388,043,242.84	5,245,936,331.24	5,246,229,446.40	-126.46%
Net cash flow from operating activities (RMB)	-2,278,779,430.90	31,079,069,859.60	31,079,069,859.60	-107.33%
Basic earnings per share (RMB per share)	-0.11	0.53	0.53	-120.75%
Diluted earnings per share (RMB per share)	-0.11	0.53	0.53	-120.75%
Weighted average return on net assets	-2.42%	10.60%	10.41%	-12.83%
	End of the reporting period	End of last year		Increase/decrease at the end of the reporting period over the end of last year
		Before adjustment	After adjustment	After adjustment
Total assets (RMB)	349,187,246,348.77	362,587,416,687.68	362,620,099,117.75	-3.70%
Net assets attributable to shareholders of the listed company (RMB)	44,835,523,194.51	47,260,382,901.11	47,261,683,528.65	-5.13%

Reasons for changes in accounting policies and correction of accounting errors

Effective January 1, 2023, the Company implemented the provisions of *ASBE Interpretation No. 16*, "Accounting for Deferred Taxes on Assets and Liabilities Arising from Individual Transactions Not Subject to the Initial Recognition Exemption" issued by the Ministry of Finance of the People's Republic of China, and adjusted individual transactions subject to the provisions of *ASBE Interpretation No. 16* for those transactions occurring between the beginning of the earliest period of the financial statements in which the provisions of *ASBE Interpretation No. 16* were first implemented and the date of the first implementation of *ASBE Interpretation No.*

16. For lease liabilities and right-of-use assets recognized at the beginning of the earliest period for the presentation of financial statements in which the provisions were first implemented that gave rise to taxable temporary differences and deductible temporary differences as a result of a single transaction to which the provisions apply, the cumulative effect was adjusted to retained earnings at the beginning of the earliest period for which the financial statements were presented, as well as to other relevant financial statement items in accordance with the provisions of ASBE No. 18, "Accounting for Income Taxes". These changes in accounting policy affected the Company's balance sheet items at the end of the previous year: deferred tax assets affected are RMB32,682,430.07, deferred tax liabilities affected are RMB31,381,802.53, undistributed earnings affected are RMB1,300,627.54; and the income statement items of January-June 2022: income tax expenses affected are RMB293,115.15.

V. Differences in Accounting Data under Domestic and Foreign Accounting Standards

1. Differences in net profits and net assets in financial reports disclosed in accordance with international accounting standards and China's accounting standards

In the reporting period of the Company, there is no difference in the net profits and net assets disclosed in the financial report under international accounting standards and China's accounting standards.

2. Differences in net profits and net assets in financial reports disclosed in accordance with foreign accounting standards and China's accounting standards

In the reporting period of the Company, there is no difference in the net profits and net assets disclosed in the financial report under foreign accounting standards and China's accounting standards.

VI. Items and Amounts of Non-recurring Gain and Loss

Unit: RMB

Item	Amount
Gains or losses on disposal of non-current assets (including the part written-off with provision for asset impairment accrued)	9,776,120.31
Government grants recognized in current gain and loss (excluding grants entitled to in quota or ration according to certain criteria under national policies and which are closely relevant to the Company's normal business operations)	100,951,165.76
Fund possession cost included in current gain and loss charged to non-financial enterprises	99,037.73
Except for effective hedging business related to the normal business operations of the Company, changes in gains and losses of fair value arising from trading financial assets, trading financial liabilities, investment income obtained from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets	320,428,570.35
Other non-operating revenues and expenditures except for the aforementioned items	1,189,521.25
Other profit/loss items falling within the definition of non-recurring gain or loss	3,709,266.29
Less: Affected amount of income tax	23,818,799.21
Affected amount of minority shareholders' equity (after tax)	150,925,256.19
Total	261,409,626.29

Other gain/loss items falling within the definition of non-recurring gain or loss:

The Company has no other gain/loss items falling within the definition of non-recurring gain or loss.

Explanation of the circumstances in which the non-recurring gain and loss items listed in the *Explanatory*

Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring Gains and Losses are defined as recurring gains and losses.

The Company has no explanation of the circumstances in which the non-recurring gain and loss items listed in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring Gains and Losses* are defined as recurring gains and losses.

Section III Management Discussion and Analysis

I. Main Businesses of the Company during the Reporting Period

(I) Industry of the company during the reporting period

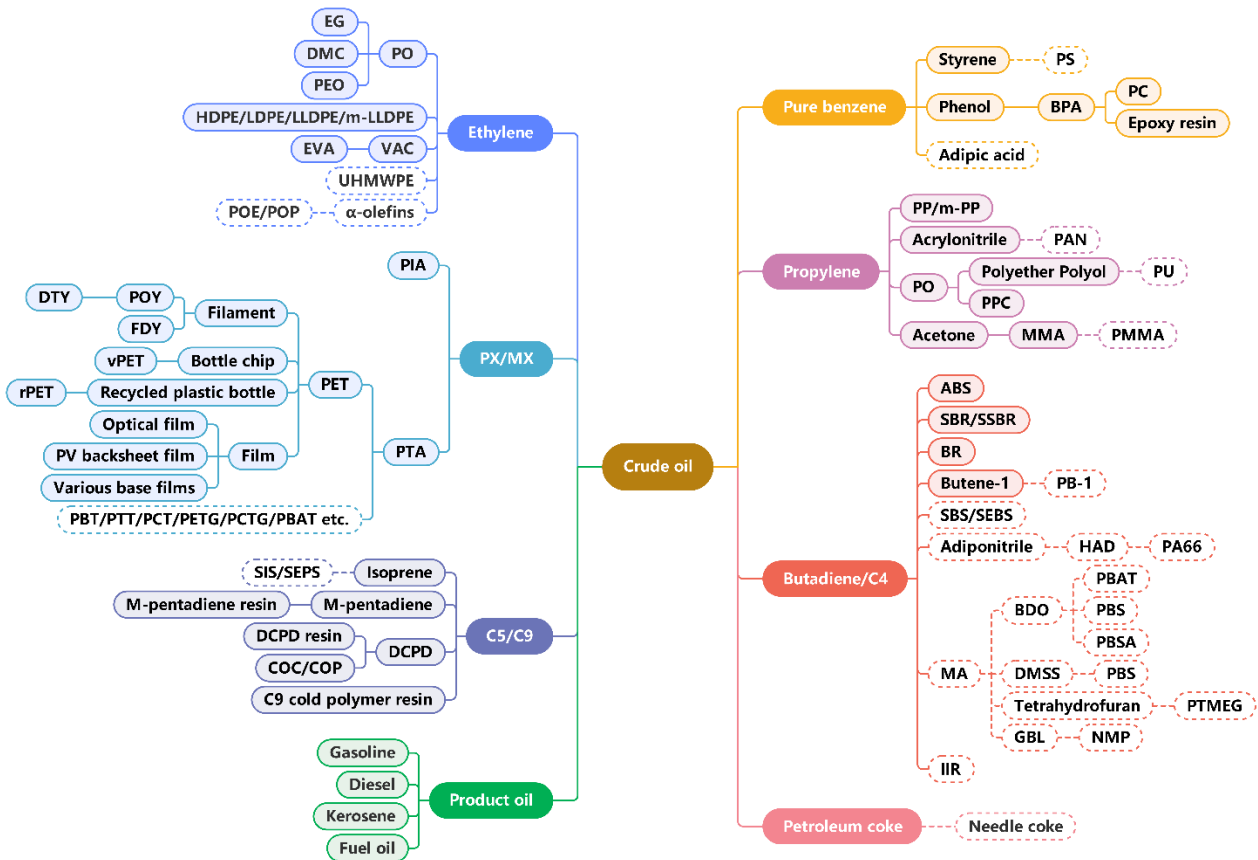
In the first half of 2023, the disruptions to the global economy caused by the Federal Reserve's continued interest rate hike to curb high inflation and the intensification of the competition between major powers have made the international political and economic environment increasingly complex and the competition further intensified. The world political and economic situation is complicated, and the foundation for sustained recovery and development of the domestic economy is still shaky. The Chinese government has effectively responded to various risks and challenges, actively resolved difficulties, and removed bottlenecks and blockages. In the first half of this year, China's economic recovery has gradually improved and high-quality development has made steady progress. Economic growth has shifted from being driven mainly by investment and exports last year to being driven mainly by consumption and investment this year; and from being driven mainly by industry last year to being driven by both the service sector and industry.

In the first half of the year, the petrochemical industry encountered new difficulties such as the simultaneous decline in raw materials and product prices, the weaker-than-expected recovery after the pandemic, and the sluggish demand in the international and domestic markets. According to the data of the National Bureau of Statistics, the operating income of the petrochemical industry in the first half of the year was 7.6 trillion yuan, down 4.4% year-on-year; among them, three major sectors: oil and gas extraction was 674.96 billion yuan, down 6.2% year-on-year, refining sector was 2.5 trillion yuan, up 1.3% year-on-year, and chemical sector was 4.27 trillion yuan, down 7.7% year-on-year. The total profit of the whole industry was 431.09 billion yuan, down 41.3% year-on-year; among them, three major sectors: oil and gas extraction were 190.69 billion yuan, down 12.6% year-on-year, refining sector was 27.4 billion yuan, down 70.2% year-on-year, chemical sector was 205.08 billion yuan, down 51.1% year-on-year. The total import and export volume of the whole industry was 476.36 billion US dollars, down 7.6% year-on-year; among them, exports were 162.06 billion US dollars, down 5.6% year-on-year, imports were 314.3 billion US dollars, down 8.7% year-on-year, and the trade deficit was 152.23 billion US dollars, down 11.7% year-on-year.

(II) Main businesses of the company during the reporting period

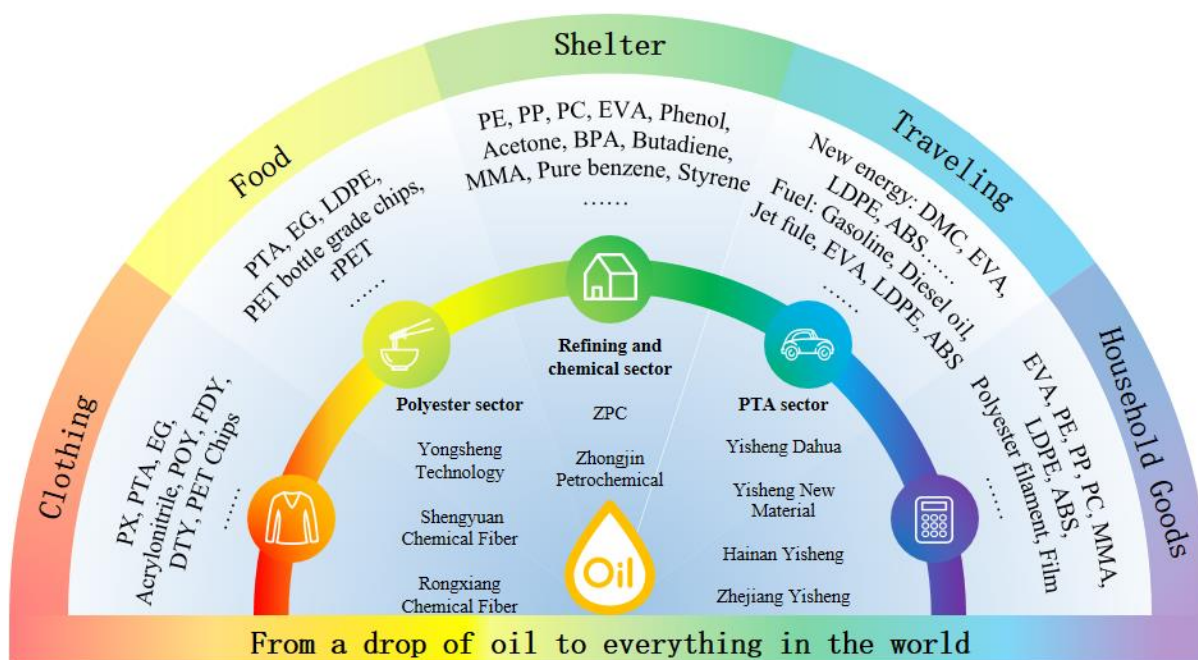
1. Main products

The Company operates the 40 million tonne refining and chemical integration project of Zhejiang Petroleum & Chemical Co., Ltd., the world's largest single-unit refinery. It is an important producer of polyester, new energy materials, engineering plastics, and high value-added polyolefins in China and Asia, with the world's largest production capacity of chemicals such as PTA and PX. At the same time, it ranks among the world's top in production capacity of multiple products such as polyethylene, polypropylene, PET, EVA, ABS, etc. In 2023, it was rated as the 7th most valuable chemical brand in the world by the renowned brand evaluation agency Brand Finance in the "Chemicals 25 2023" report.



Note: products marked by dotted line / dotted box are products under the plan.

During the reporting period, the Company's main business includes the R&D, production and sales of various chemicals, oil and polyester products. The products are rich in types and complete in specifications, covering many fields such as new energy, new materials, organic chemical, synthetic fiber, synthetic resin, synthetic rubber and oil, mainly including more than 30 categories of products such as olefins and their downstream products, aromatics and their downstream products, oil products, etc. The Company has basically realized "from a drop of oil to everything in the world", and is constantly improving the new energy and new material industry chain on the basis of the existing global super-large integrated refining base and complete upstream and downstream supporting facilities.



(III) Key performance drivers

Against the backdrop of ever-changing internal and external environments, the Company has not only effectively guaranteed normal and orderly business operation, but also fully completed the construction of major projects, continuing to maintain a strong development momentum.

1. Putting newly constructed units into operation to contribute more to the performance

Relying on the advantages of ZPC's large refining and chemical platform, the Company's planned high value-added products have been put into production. In the first half of 2023, ZPC has successfully put into operation an annual output of 400,000 tons of ABS unit, an annual output of 60,000 tons of solution polymerized styrene butadiene rubber unit and an annual output of 100,000 tons of butadiene rare earth rubber/70,000 tons of nickel butadiene rubber unit, and successfully produced qualified products. In the first half of the year, Yongsheng Technology's annual output of 250,000 tons of functional polyester film expansion project has also been put into operation. The operation of these new units can not only improve the extension of the industrial chain to promote the Company's products to reduce costs and increase efficiency, but also help boost the Company's high-quality development.

2. Focusing constantly on safe production to keep operational quality and efficiency stable

The Company not only focuses on economic benefits, but also on safe production. We adhere to the principle that "safety is the foundation of production and business", strengthen the safe production accountability system for all employees, promote all subsidiaries and production units to build and strengthen a solid safe production organizational structure, and assign safe production responsibilities at all levels. We also adopt a combination of rewards and penalties to encourage employees to strictly assure their primary responsibility in their daily work to ensure safe production.

3. Balancing the linkage between production and sales to improve operation performance

The Company firmly adheres to the market-oriented, production-based system, holds weekly production and operation meetings, and strives to achieve "same frequency resonance" in production, supply and sales to improve operating efficiency. The Company's business team keeps a close eye on the market, controls the rhythm of production and sales and adheres to the daily production and sales balance to ensure weekly balance, weekly production and sales balance to ensure monthly balance, constantly improving product quality and brand value.

4. Perfecting the internal management to effectively manage cost risks

The Company continues to strengthen internal management innovation, improve the working mechanism of key nodes such as industrial chain research, supplier and customer management, plan management, and risk control. In terms of main raw material procurement, the Company adopts the operation mode of “long-term contract + spot” and “futures hedging”, which not only guarantees the production materials, but also seizes the opportunity benefits, continuously optimizing the raw material cost. In the procurement of auxiliary materials, the Company adheres to the combination of risk control and cost priority, and adopts internal and external pricing to effectively control risks and reduce costs.

II. Analysis of Core Competitiveness

As one of the leading enterprises in the petrochemical industry with leading comprehensive strength in China, the Company’s core competitiveness is mainly reflected in the following aspects:

(I) Complete industrial synergistic advantages

After years of development and improvement, the Company has seized the opportunity of industrial adjustment, achieved rapid growth, and formed the development strategy of “from a drop of oil to everything in the world”. Both the extension of the industrial chain and the coordinating upstream and downstream sectors are helpful for the Company to effectively reduce business costs. While ensuring the supply of raw materials, they can also ensure the reliability and stability of product quality, and also improve the Company’s sustainable profitability and risk resistance.

The interconnection between Zhoushan Green Petrochemical Base and Ningbo Petrochemical Base can realize the coordinated development of Ningbo and Zhoushan bases. Pipeline transportation has greatly reduced the risk and cost of water and land transportation. A large number of light hydrocarbon raw materials produced by Ningbo Petrochemical Base are transported to Zhoushan Green Petrochemical Base through pipelines, which can be used as high-quality ethylene raw materials. The surplus oil of Zhoushan Green Petrochemical Base can also be transported to Ningbo Petrochemical Base as high-quality raw materials for the production of aromatics.

The construction of the ZPC Project has supporting facilities that can meet the supply and demand of crude oil in the two phases of the project. The total storage capacity of Mamu crude oil depot and Yushan Island crude oil depot has reached 4.6 million m³, which is the largest storage capacity among domestic refining and chemical facilities. As the most concentrated resource allocation base for oil and gas enterprises in China, the Zhejiang Free Trade Zone has an oil depot capacity of more than 30 million m³, including Huangzeshan Island, Cezi Island, and Waidiao Island. Most of the oil pipeline networks are interconnected, making local transportation available.

(II) Remarkable location competition advantages

The Company's production bases are located along the eastern coastline of China, including the “Circum-Bohai Sea Economic Zone” in Dalian City, Liaoning Province; the “Yangtze River Delta Economic Circle” in Ningbo City, Zhejiang Province; and the “Maritime Silk Road” in Haikou City, Hainan Province. Each production base of the Company is adjacent to high-quality ports, connected with canals and equipped with complete wharf facilities. The main raw materials and other auxiliary raw materials required for production can be unloaded and stored at the chemical material wharf built or rented by the Company, which has provided convenient transportation of bulk raw materials and inventory adjustment. The ZPC project is located in the major consumption area of oil and chemical products, consuming 40% of domestic petrochemical and chemical products, and the area’s production capacity of plastics and chemical fiber accounts for 90% of the country. Refined oil has many sales channels and enjoys strong policy support and obvious competitive advantages. ZPC has taken the lead in other private enterprises and cooperated with Zhejiang Provincial Energy Group to establish Zhejiang Petroleum, taking the lead in the layout of the refined oil retail business. ZPC plans to deploy 700 gas stations in Zhejiang Province. At present, more than 200

gas stations have been put into operation. The Ministry of Commerce officially approved granting ZPC the export qualification of non-state-owned trade refined oil. As the first private refining and petrochemical enterprise to obtain export permission, ZPC has taken the lead in opening sales channels in Southeast Asia. In the face of the excess supply of domestic refined oil, this export permission given to ZPC has become more valuable.

(III) Excellent strategic layout advantages

The management of the Company has a keen sense of investment, accurate timing for project operation and excellent investment and financing capacity. The Company started its business in the polyester chemical fiber sector and experienced many years of development. With the full-scale operation of the 40 million tons/year refining and chemical integration project of its subsidiary in early 2022, ZPC has become the largest single refinery in the world. With the lowest product oil yield and the largest PX production capacity, the project has become the largest PX production base in the world. The project continues to maximize the production and recover light components as raw materials for the ethylene cracking unit, and has made a one-time differentiated layout of downstream supporting chemical units. Due to the mutual provision of materials and main devices as well as the interconnected utilities, the maintenance of a single device does not affect the production load of the whole unit, and thus can achieve the goal of maintenance at the staggered time and long-term continuous operation of the plant. The advanced heavy oil processing technology adopted by the Company has stronger adaptability to raw materials and a higher conversion rate of reaction, taking the lead in terms of process, scale, and supporting facilities.

Relying on the 40 million tons/year refining and chemical integration project of ZPC, the Company has accelerated the layout of downstream new chemical materials, aimed at the field of new energy and high-end materials, and has deployed a number of new energy and new material products such as EVA, DMC, PC and ABS, continuously enriching its product chain. With the steady progress of new projects, the Company's production capacity of new energy materials, renewable plastics, special synthetic materials, and high-end synthetic materials will be expanded in an orderly manner, and the transformation of new materials will be gradually accelerated.

(IV) Strong R&D and innovation advantages

We uphold a technological R&D pattern driven by both independent innovation and cooperation. We have established many world-class R&D platforms, including a high-tech R&D center, a workstation for academicians and experts, an enterprise technology center, and a post-doctoral science and research workstation. Moreover, we engage in active technology exchanges and discussions and promote industry-university-research collaboration to acquire resources from universities, the community, and the Company. With all sectors of society, we jointly promote our research capabilities and technological advancement and together create an innovation ecosystem that is open, healthy, and cooperative, where everyone can benefit. In recent years, the Company has continuously enhanced scientific research cooperation with domestic and foreign countries and increased its R&D investment year by year to maintain a leading level in the industry.

The Company's main manufacturing subsidiaries are all national high-tech enterprises with strong R&D strength and rich process operation experience accumulated during long-term production management. The Company has selected a new technical route for Zhongjin's petrochemical project, using fuel oil (cheaper than naphtha) to produce some aromatic products. In doing so, the Company has not only eased the shortage of global naphtha supply but also greatly saved raw material procurement costs by introducing the concept of "circular economy". Hydrogen, the by-product, was used to process fuel oil into naphtha, laying the foundation for the promotion of the ZPC Project. By building projects with PTA patented technology, the Company has effectively reduced the investment cost and operation cost per unit capacity, enhanced the competitiveness of products, and accumulated rich experience in the domestic fabrication of complete sets of technology and equipment. The Company has summarized the successful application of large-scale melt direct spinning polyester and spinning technology in the early projects for further development and improvement in the later projects.

(V) Rich human resources advantages

The Company's core management team has rich professional experience and keen insight. Made up of efficient doers, the team has a deep understanding of the petrochemical and chemical fiber industries and rich experience in development strategy, new business planning, resource integration, and talent training. Focusing on the construction of corporate culture, the Company has formed a favorable working atmosphere and strong corporate cohesion. The Company has also trained a group of stable core management, R&D and technical talents through internal training and introduction. The Company attaches importance to the cultivation of on-the-job staff. Based on reality and comprehensive planning, the Company is constantly broadening the staff selection platform and formulating an effective incentive mechanism. To maintain the practical and effective work of the staff, the Company has improved the benefits of employees, optimized the professional title assessment system, and clarified the promotion standards and incentives. In addition, the Company combines the employee examination with performance evaluation and replaces evaluations with competition to dynamically evaluate employees' comprehensive quality and form a healthy competition atmosphere of competing through learning and competing for first place. Following the principle of "different measures for different talents and making good use of the strengths of talents", every employee will have the opportunity to give full play to their abilities.

(VI) Efficient operation and management advantages

The Company adheres to system construction, integrates digitization, intelligence, standardization, process, and regulation into operations; actively strengthens IT construction; comprehensively integrates business links such as sourcing, production, inventory, and sales; and constantly improves the rapid response ability. The Company has established a complete set of effective management systems in combination with actual situations, defined post responsibilities and work flow, and effectively reduced the operation costs through fine management. Through years of efforts, the Company's information construction, performance appraisal, credit management and other systems are at the leading level in the industry. At the same time, the Company has further improved its cohesiveness and influence through brand and cultural construction and won honors. The Company has won the "7th Most Valuable Brands in Global Chemical Industry in 2023", "The 16th among Top 50 Global Chemical Enterprises in 2023", "Billion Dollar Club of Global Chemical Companies among Top 100 Global Chemical Enterprises in the World", "Top 100 Comprehensive Health Index of China Listed Companies in 2021", "Top 10 List of Sales Revenue of Petroleum and Chemical Enterprises in 2022", "Advanced Standardization List in 2021", "Top 100 Value Listed Companies on Main Board", "Outstanding Management Team of Listed Companies in China", "Best Practice Award of Directors of Listed Companies in 2022", "2022 Top 100 Enterprises in Zhejiang Province, No.1 in Top 100 Manufacturing Enterprises in Zhejiang Province", "2022 Top 100 Private Enterprises in Zhejiang Province" and other honors.

III. Analysis of Main Business

Overview

Refer to relevant contents in "I. Main Businesses of the Company during the Reporting Period".

Year-on-year changes in key financial data

Unit: RMB

	Current reporting period	Same period last year	Year-on-year increase (decrease)	Reasons for change
Operating revenue	154,525,283,752.29	147,627,593,292.44	4.67%	
Operating cost	139,757,633,719.45	122,775,638,618.00	13.83%	
Selling expenses	100,549,410.04	101,947,202.32	-1.37%	

Administrative expenses	404,763,431.53	413,432,771.89	-2.10%	
Financial expenses	4,070,814,062.56	2,469,671,208.89	64.83%	Mainly due to the increase in interest expenses of the Company and subsidiaries during the period
Income tax expenses	-752,468,740.63	2,374,223,484.26	-131.69%	Mainly due to the decrease in income tax expense as a result of the decrease in total profit compared with the same period last year
R&D expenses	3,293,231,534.62	2,010,793,043.62	63.78%	Mainly due to increased investment in R&D expenses of subsidiary ZPC
Net cash flow from operating activities	-2,278,779,430.90	31,079,069,859.60	-107.33%	Mainly due to the increase of cash payment for raw materials purchased by the Company and its subsidiary ZPC during the period
Net cash flow from investment activities	-14,829,820,455.43	-19,631,641,960.18	-24.46%	Mainly due to the subsidiary ZPC investment cash payment in the current period is less than the same period of the previous year
Net cash flow from financing activities	15,356,373,078.79	-8,369,157,005.17	-283.49%	Mainly due to the subsidiary ZPC new bank borrowings increased year-on-year during the period
Net increase in cash and cash equivalents	-2,094,250,081.76	2,924,364,764.70	-171.61%	Mainly due to increase in cash paid for operating activities during the period

Significant changes in the composition of the company's profits or sources of profits during the reporting period

Applicable Not applicable

No significant changes in the composition of the company's profits or sources of profits during the reporting period.

The composition of operating revenue

Unit: RMB

	Current reporting period		Same period last year		Year-on-year increase (decrease)
	Amount	Proportion in operating income	Amount	Proportion in operating income	
Total operating income	154,525,283,752.29	100%	147,627,593,292.44	100%	4.67%
By industry					
Petrochemical industry	140,099,506,826.51	90.66%	128,869,677,600.33	87.29%	3.37%
Polyester chemical fiber industry	7,346,436,217.27	4.76%	7,034,942,127.69	4.77%	-0.01%
Trade and others	7,079,340,708.51	4.58%	11,722,973,564.42	7.94%	-3.36%
By product					
Oil refining products	55,062,107,428.82	35.63%	46,667,559,685.68	31.61%	4.02%
Chemical products	58,838,530,475.22	38.08%	57,275,666,363.94	38.80%	-0.72%
PTA	26,198,868,922.47	16.95%	24,926,451,550.71	16.88%	0.07%
Polyester chemical fiber film	7,346,436,217.27	4.76%	7,034,942,127.69	4.77%	-0.01%

Trade and others	7,079,340,708.51	4.58%	11,722,973,564.42	7.94%	-3.36%
By region					
China	138,025,327,277.01	89.32%	122,754,394,065.66	83.15%	6.17%
Overseas	16,499,956,475.28	10.68%	24,873,199,226.78	16.85%	-6.17%

Industries, products or regions that account for more than 10% of the Company's operating revenue or operating profit

Unit: RMB

	Operating revenue	Operating cost	Gross profit margin	Year-on-year increase (decrease) in operating revenue	Year-on-year increase (decrease) in operating cost	Year-on-year increase (decrease) in gross profit margin
By industry						
Petrochemical industry	140,099,506,826.51	125,906,847,107.64	10.13%	8.71%	20.05%	-8.48%
Polyester chemical fiber industry	7,346,436,217.27	7,103,615,870.05	3.31%	4.43%	6.03%	-1.46%
Trade and others	7,079,340,708.51	6,747,170,741.76	4.69%	-39.61%	-39.73%	0.18%
By product						
Oil refining products	55,062,107,428.82	45,444,345,713.79	17.47%	17.99%	35.51%	-10.67%
Chemical products	58,838,530,475.22	54,312,061,215.61	7.69%	2.73%	15.74%	-10.38%
PTA	26,198,868,922.47	26,150,440,178.24	0.18%	5.10%	7.08%	-1.84%
Polyester chemical fiber film	7,346,436,217.27	7,103,615,870.05	3.31%	4.43%	6.03%	-1.46%
Trade and others	7,079,340,708.51	6,747,170,741.76	4.69%	-39.61%	-39.73%	0.18%
By region						
China	138,025,327,277.01	123,547,954,391.45	10.49%	12.44%	25.52%	-9.32%
Overseas	16,499,956,475.28	16,209,679,328.00	1.76%	-33.66%	-33.41%	-0.37%

If the statistical caliber of the Company's main business data is adjusted in the reporting period, the Company's main business data adjusted by the caliber at the end of the reporting period for the latest period

Applicable Not applicable

I□. Non-core Business Analysis

Unit: RMB

	Amount	Proportion in total profit	Cause description	Whether it is sustainable
Investment income	178,577,881.79	-6.26%	Mainly due to investments in futures and investment income from	No

			associated enterprises	
Profit (loss) from fair value change	310,625,655.12	-10.88%	Mainly due to investments in futures	No
Asset impairment	-64,830,582.66	2.27%	Mainly due to provision for decline in value of inventories	No
Non-operating income	2,038,960.44	-0.07%	Mainly compensation income	No
Non-operating expenses	849,439.19	-0.03%	Mainly due to sporadic non-recurring losses	No
Income from asset disposal	-84,509.13	0.00%	Mainly the income from disposal of fixed assets	No
Credit impairment loss	-39,633,196.86	1.39%	Mainly due to provision for bad debts of accounts receivable	No
Other income	104,660,432.05	-3.67%	Mainly government subsidies	No

V. Analysis of Assets and Liabilities

1. Significant changes in asset composition

Unit: RMB

	End of the reporting period		End of last year		Increase (decrease) of proportion
	Amount	Proportion in total assets	Amount	Proportion in total assets	
Monetary fund	15,188,219,124.43	4.35%	18,238,774,380.21	5.03%	-0.68%
Accounts receivable	3,363,526,129.84	0.96%	7,128,011,047.03	1.97%	-1.01%
Stock	45,236,557,593.11	12.95%	60,689,909,793.94	16.74%	-3.79%
Investment real estate	10,531,297.60	0.003%	10,667,020.60	0.00%	0.00%
Long-term investment equity	8,891,042,895.47	2.55%	8,733,329,806.35	2.41%	0.14%
Fixed assets	215,083,404,817.73	61.60%	222,161,110,736.65	61.27%	0.33%
Construction in progress	32,973,381,339.08	9.44%	26,135,157,629.45	7.21%	2.23%
Right-of-use assets	212,408,093.54	0.06%	225,606,768.34	0.06%	0.00%
Short term loan	38,995,934,539.57	11.17%	26,369,552,400.50	7.27%	3.90%
Contract liabilities	3,989,090,507.85	1.14%	3,734,262,391.81	1.03%	0.11%
Long-term loan	134,520,212,536.23	38.52%	130,962,386,969.29	36.12%	2.40%
Lease liabilities	204,564,668.81	0.06%	213,400,396.45	0.06%	0.00%
Non-current liabilities due within one year	22,216,340,629.61	6.36%	20,461,387,778.93	5.64%	0.72%

2. Major foreign assets

 Applicable Not applicable

3. Assets and liabilities measured at fair value

Unit: RMB

Item	Amount at the beginning of the period	Profit and loss from changes in fair value for the period	Accumulated fair value changes recognized in equity	Impairment accrued in the current period	Purchase amount in the current period	Sales amount in the current period	Other changes	Amount at the end of the period
Financial assets								
Including: derivative financial assets	188,283,362.49							387,219,170.37
Total above	188,283,362.49							387,219,170.37
Financial liabilities	588,769,711.55							549,233,668.87

Whether there were significant changes in the measurement attributes of the Company's major assets during the reporting period

Yes No

4. Restrictions on rights of assets at the end of the reporting period

Item	Carrying value at the end of the period	Reasons for restrictions
Monetary fund	1,823,189,402.42	See note to monetary funds in the notes to the financial statements for details
Accounts receivable financing	11,038,301.85	Pledged for issuing bank acceptance bills as collateral
Fixed assets	213,092,536,178.09	Bank loan mortgage, letter of credit mortgage
Construction in progress	25,219,264,761.29	Bank loan mortgage
Intangible assets	4,893,798,769.47	Bank loan mortgage
Total	245,039,827,413.12	

VI. Analysis of Investment

1. Overall

Investment amount in the reporting period (RMB)	Investment amount in the same period of last year (RMB)	Variations
8,891,042,895.47	8,211,165,997.21	8.28%

2. Significant equity investments acquired during the reporting period

Applicable Not applicable

3. Major ongoing non-equity investments during the reporting period

Applicable Not applicable

4. Investment in financial assets

(1) Securities investment

There was no investment in securities during the reporting period.

(2) Investment in derivatives

The Company had no derivatives investment during the reporting period.

5. Use of the raised funds

The Company had no use of the raised funds during the reporting period.

VII. Sales of Major Assets and Equities

1. Sales of major assets

The Company did not sell any major assets during the reporting period.

2. Sales of major equities

Applicable Not applicable

VIII. Analysis of Main Holding and Joint-stock Companies

Main subsidiaries and joint-stock companies affecting more than 10% of the Company's net profit

Unit : RMB 10,000

Company name	Company type	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
ZPC	Subsidiary	Production, sales, storage and transportation of petroleum products etc.	5,580,000	27,526,076.93	9,019,919.96	12,077,630.30	-249,375.02	-175,152.74
Shengyuan Chemical Fiber	Subsidiary	Production and sales of polyester chips and polyester filaments	200,000	900,953.36	217,024.68	205,789.85	240.06	231.65
Zhongjin Petrochemical	Subsidiary	Production and sales of chemical products and petroleum products	600,000	3,994,362.13	812,757.56	2,324,764.77	-18,209.59	-19,537.08
Yisheng Investment	Subsidiary	Project investment, domestic trade, import and export of goods	201,800	1,691,608.61	769,388.77	1,413,522.77	5,904.47	8,684.11
Yisheng Dahua	Subsidiary	Production and sales of PTA and polyester bottle chips	245,645	1,534,612.31	612,554.90	1,413,522.77	-10,093.76	-7,306.72
Yongsheng Technology	Subsidiary	New material technology R&D, plastic product manufacturing, synthetic fibre manufacturing	16,000	249,093.57	68,599.22	111,389.35	-4,591.55	-4,599.22
Yisheng New Materials	Subsidiary	Production and sales of PTA	300,000	1,229,722.54	265,371.77	1,791,328.63	-20,745.66	-20,659.06
Zhejiang Yisheng	Joint stock company	Production and sales of PTA	USD 51,444.71	2,011,830.71	898,463.53	1,269,371.13	6,426.42	2,515.12
Hainan Yisheng	Joint stock company	Production and sales of PTA and polyester bottle chips	458,000	1,433,916.33	663,792.30	1,010,770.47	36,907.79	31,499.72

Acquisition and disposal of subsidiaries during the reporting period

Company name	Acquisition and disposal methods during the reporting period	Impact on overall production, operation and performance
Zhoushan ZPC Sales Co., Ltd.	Newly established	No significant impact
Zhoushan Yushan Petrochemical Engineering Co., Ltd	Sold	No significant impact

Description of major holding companies and joint-stock companies

(1) Zhejiang Petroleum & Chemical Co., Ltd.

Zhejiang Petroleum & Chemical Co., Ltd. (ZPC) is the implementing body of the Company's 40 million tons/year refining and chemical integration project. Its business scope includes general business items such as production, sales, storage and transportation of petroleum products, import and export trade of crude oil, sales of petrochemical raw and auxiliary materials and equipment and their parts and components. With Li Shuirong as its legal representative, ZPC, a holding subsidiary of the Company, owns a registered capital of RMB55.8 billion. As of June 2023, the company had total assets of RMB275,260,770,000 and net assets of RMB90,199,200,000; from January to June 2023, the company realized operating revenues of RMB120,776,300,000 and net profits of RMB-1,751,530,000.

(2) Ningbo Zhongjin Petrochemical Co., Ltd.

The business scope of Ningbo Zhongjin Petrochemical Co., Ltd. includes the storage of chemical products; wholesale and retail of chemical products and petroleum products (except hazardous chemicals). With Li Shuirong as its legal representative, Zhongjin Petrochemical, a wholly-owned subsidiary of the Company, owns a registered capital of RMB6,000,000,000. As of June 2023, the company had total assets of RMB39,943,620,000 and net assets of RMB8,127,580,000; from January to June 2023, the company realized operating revenues of RMB23,247,650,000 and net profit of RMB-195,370,000.

(3) Dalian Yisheng Investment Co., Ltd.

Dalian Yisheng Investment Co., Ltd. is mainly engaged in industrial investment. With Li Shuirong as its legal representative, Yisheng Investment owns registered capital of RMB2,018 million. The Company holds 70% of its equity. As of June 2023, the company had total assets of RMB16,916,090,000 and net assets of RMB7,693,890,000; from January to June 2023, the company realized operating revenues of RMB14,135,230,000 and net profits of RMB86,840,000.

(4) Yisheng Dahua Petrochemical Co., Ltd.

Yisheng Dahua Petrochemical Co., Ltd. is mainly engaged in the production and sales of PTA. With Li Shuirong as its legal representative, Yisheng Dahua Petrochemical owns a registered capital of RMB2,456,450,000. As of June 2023, the company had total assets of RMB15,346,120,000 and net assets of RMB6,125,550,000; from January to June 2023, the company realized operating income of RMB14,135,230,000 and net profit of RMB-73,070,000.

(5) Zhejiang Yisheng New Materials Co., Ltd.

Zhejiang Yisheng New Materials Co., Ltd. is mainly engaged in the production and sales of PTA. The legal representative is Xu Baoyue, the registered capital is RMB3 billion, and Ningbo Zhongjin Petrochemical Co., Ltd. holds 51% of its equity. As of June 2023, the company had total assets of RMB12,297,230,000 and net assets of RMB2,653,720,000; from January to June 2023, the company realized operating income of RMB17,913,290,000 and net profit of RMB-206,590,000.

(6) Hainan Yisheng Petrochemical Co., Ltd.

Hainan Yisheng Petrochemical Co., Ltd. is a joint-stock subsidiary of Yisheng Investment, the Company's holding subsidiary. The Company's main business includes the production and sales of PTA and polyester bottle chips, and import and export business. With Fang Xianshui as its legal representative, Yisheng Petrochemical owns a registered capital of RMB4,580,000,000. Yisheng Investment holds 50% of its equity. As of June 2023, the company had total assets of RMB14,339,160,000 and net assets of RMB6,637,920,000; from January to June 2023, the company realized operating income of RMB10,107,700,000 and net profit of RMB315,000,000.

(7) Zhejiang Yisheng Petrochemical Co., Ltd.

Zhejiang Yisheng Petrochemical Co., Ltd. is mainly engaged in PTA production and sales. Zhejiang Yisheng Petrochemical Co., Ltd. is mainly engaged in PTA production and sales. With Fang Xianshui as its legal

representative, Yisheng Petrochemical owns a registered capital of USD 514,447,100. The Company holds 30% of its equity. As of June 2023, the company had total assets of RMB200,118,310,000 and net assets of RMB8,984,640,000; from January to June 2023, the company realized operating revenues of RMB12,693,710,000 and net profits of RMB25,150,000.

(8) Zhejiang Shengyuan Chemical Fiber Co., Ltd.

Zhejiang Shengyuan Chemical Fiber Co., Ltd. is the implementing body of the Company's multi-functional fibre technical transformation project. Its business scope covers the manufacturing and processing of polyester and spandex (only for preparation) and the distribution of light textile raw materials and products. With Li Shuirong as its legal representative, Shengyuan Chemical Fiber, a wholly-owned subsidiary of the Company, owns a registered capital of RMB2,000,000,000. As of June 2023, the company had total assets of RMB9,009,530,000 and net assets of RMB2,170,250,000; from January to June 2023, the company realized operating revenues of RMB2,057,900,000 and net profits of RMB2,320,000.

(9) Zhejiang Yongsheng Technology Co., Ltd.

Zhejiang Yongsheng Technology Co., Ltd. is mainly engaged in the production and sales of polyester products. With Xu Yongming as its legal representative, Yongsheng Technology owns a registered capital of RMB160 million. The Company holds 70% of its equity. As of June 2023, the company had total assets of RMB2,490,940,000 and net assets of RMB685,990,000; from January to June 2023, the company realized operating income of RMB1,113,890,000 and net profit of RMB-45,990,000.

IX. Structured Entities Controlled by the Company

Applicable Not applicable

X. Risks Faced by the Company and Countermeasures

1. Risk from price fluctuation of raw materials

As a member of the crude oil industrial chain, the Company's main cost of production is the cost of upstream raw materials. Therefore, the fluctuation of crude oil prices will result in the price fluctuation of products in the industry chain, resulting in the fluctuation of corporate benefits and an increase in sales risk. Our crude oil team in Singapore has rich experience in procurement, trade, hedging, and logistics. With the help of the marketing department, we will focus on market changes, adhere to the combination of strategic procurement and preferential procurement, and effectively reduce procurement costs. We also strengthen sales management and arrange flexible long-term and short-term contracts to reduce the adverse impact of raw material fluctuations.

2. Risk of economic fluctuation

With chemicals, oil products, and polyester products as main products, our business covers the petrochemical and chemical fiber manufacturing industries, which go hand in hand with the national economy and people's livelihoods. Therefore, the prosperity of the national economy is tied to our industrial development. In recent years, the slowdown in demand growth from downstream industries has affected the petrochemical industry to a certain extent. The Company will pay close attention to the economic situation and market trends, and take practical and effective measures to minimize the risks posed by macroeconomic fluctuations.

3. Risk of exchange rate

In the future, the market-oriented reform of the exchange rate will become one of the important factors affecting investors' asset allocation. If the USD further strengthens in the interest rate increase cycle, it may lead to greater pressure on the depreciation of RMB. As the Company pursues international growth, the sharp fluctuation of the currency exchange rate of foreign exchange settlement, which is dominated by the USD, will jeopardize our daily operations. While controlling financial risks, the Company will continue to optimize the financing structure and the financing scale of USD funds, control the cost within a reasonable range, and then reduce the adverse impact of the exchange rate.

4. Risk of market competition

With the rapid development of the synthetic fiber industry chain in recent years, a certain degree of overcapacity has emerged in the petrochemical industry. The further launch of new capacity will intensify market competition and negatively affect the performance of our relevant products. The Company will accelerate the continuous expansion of the downstream deep processing fields, further strengthen our anti-risk capabilities, improve the level of product differentiation and competitiveness, strengthen the development of the market and enhance our overall profitability.

Section IV Corporate Governance

I. The Convening of the Annual General Meeting and Interim Shareholders' Meeting During the Reporting Period

1. General meeting of shareholders during the reporting period

Session	Type	Investor attendance ratio	Convening date	Disclosure date	Meeting resolution
The First Extraordinary General Meeting in 2023	Extraordinary General Meeting	77.78%	April 13, 2023	April 14, 2023	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1216403827&announcementTime=2023-04-14
2022 Annual General Meeting	Annual General Meeting	79.78%	May 16, 2023	May 17, 2023	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1216829613&announcementTime=2023-05-17

2. Preferred shareholders with voting rights recovered requested to convene an extraordinary general meeting of shareholders

Applicable Not applicable

II. Changes in Directors, Supervisors and Senior Management of the Company

There were no changes in the directors, supervisors and senior management of the Company during the reporting period, which can be found in the 2022 Annual Report, and some of them have changed their biographies as follows:

Mr. Xiang Jiongjiong: Master's degree; currently the director and general manager of Rongsheng Petrochemical Co., Ltd., vice chairman of Zhejiang Rongsheng Holding Group Co., Ltd. and director of Zhejiang Petroleum and Chemical Co., Ltd.; also the vice chairman of Zheshang General Association of Enterprises; selected in Forbes "2021 China's Best CEO List".

III. Profit Distribution and Conversion of Capital Reserve into Share Capital during the Reporting Period

The company plans to have no cash dividend, bonus shares, and capitalization of provident fund for the half-year.

IV. Implementation of the Equity Incentive Plan, Employee Stock Ownership Plan or other Employee Incentives

The Company had no implementation of equity incentive plan, employee stock ownership plan or other employee incentives during the reporting period.

Section V Environmental and Social Responsibility

I. Major Environmental Issues

Whether the listed company and its subsidiaries are key emission companies announced by the environmental protection department

Yes No

Environmental protection-related policies and industry standards

The Company and its subsidiaries strictly abide by the requirements of relevant laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*, and strictly implements the relevant standards such as the *Emission Standard of Pollutants for Petroleum Refining Industry* and the *Emission Standard of Pollutants for Petrochemical Industry*.

1. Executive standards:

(1) The emissions of flue gas from the heating furnace, catalytic regeneration flue gas, tail gas from the sulfur unit, reforming catalytic regeneration flue gas, organic waste gas and the concentration of atmospheric pollutants at the plant boundary shall comply with the special emission limits for atmospheric pollutants specified in the *Emission Standard of Pollutants for Petroleum Refining Industry* (GB31570-2015) and the *Emission Standard of Pollutants for Petrochemical Industry* (GB31571-2015) and *Emission Standards for Synthetic Resin Industry Pollutants* (GB31572-2015).

(2) The sulfuric acid mist of sulfuric acid plants shall be subject to the special emission limits of atmospheric pollutants specified in the *Emission Standard of Pollutants for Sulfuric Acid Industry* (GB26132-2010).

(3) The emission of odor pollutants shall comply with the Class II standard of *Emission Standard for Odor Pollutants* (GB14554-93).

(4) The exhaust gas pollutants of the power boiler shall be subject to an 80% commitment value of emission limit specified in Phase II of the *Emission Standard of Air Pollutants for Coal-fired Power Plants* (DB33/2147-2018).

(5) The exhaust gas pollutants from boilers in Mamu Oil Depot shall be subject to the special emission limits of oil-fired boilers in the *Emission Standard of Air Pollutants for Boilers* (GB13271-2014).

(6) The tailwater discharge of the integrated project and the sewage treatment plant of the base shall comply with the special discharge limits specified in the *Emission Standard of Pollutants for Petroleum Refining Industry* (GB 31570-2015), the *Emission Standard of Pollutants for Petrochemical Industry* (GB31571-2015) and the *Emission Standard of Pollutants for Synthetic Resin Industry* (GB31572-2015).

(7) The noise at the boundary of the factory shall comply with the Class III standard of *Emission Standard for Noise at Boundary of Industrial Enterprises* (GB12348-2008).

(8) The Integrated Project and the Solid Waste Disposal Center shall implement the *Standard for Pollution Control on the Non-hazardous Industrial Solid Waste Storage and Landfill* (GB 18599-2001), the *Standard for Pollution Control of Hazardous Waste Storage* (GB 18597-2001), the *Standard for Pollution Control of Hazardous Waste Incineration* (GB18484-2020) and the *Standard for Pollution Control of Hazardous Waste Landfill* (GB 18598-2019).

2. Quality standards

(1) The base and the points of concern shall implement the Class I (Class I area) and Class II (Class II area) standards in the *Ambient Air Quality Standard* (GB3095-2012) according to the category of ambient air functional areas. The Cm value specified in *Detailed Explanation of Integrated Emission Standard of Air Pollutants* is taken as the reference value of quality standard for non-methane total hydrocarbon (2.0mg/m³).

(2) The monitoring of surface water shall comply with the *Standard for Seawater Quality* (GB3097-1997).

Environmental protection administrative licensing

S/N	Certificate	Certificate No.	Issued by	Application date	Period of validity
1	Rongsheng Petrochemical <i>Pollutant Discharge Permit</i>	91330000255693873W001P	Hangzhou Ecological Environment Bureau	November 06, 2021	November 05, 2026
2	ZPC <i>Pollutant Discharge Permit</i>	913309003440581426001P	Zhoushan Ecological Environment Bureau (Daishan Branch)	July 19, 2019	July 18, 2024
3	ZPC <i>Radiation Safety Permit</i>	ZHFZ [L2105]	Environmental Protection Department of Zhejiang Province	October 18, 2018	October 17, 2023
4	Yushan Petrochemical <i>Hazardous Waste Operation License</i>	33090000267	Ecological Environment Department of Zhejiang Province	January 06, 2023	January 05, 2028
5	Yushan Petrochemical <i>Pollutant Discharge Permit</i>	91330900MA28K51W9C001P	Zhoushan Ecological Environment Bureau	April 03, 2019	April 02, 2024
6	Zhongjin Petrochemical <i>Pollutant Discharge Permit</i>	91330211764527945N001P	Ningbo Ecological Environment Bureau (Zhenhai Branch)	December 02, 2020	December 31, 2025
7	Zhongjin Petrochemical <i>Radiation Safety Permit</i>	ZHFZ [B2500]	Ecological Environment Department of Zhejiang Province	July 17, 2023	July 16, 2028
8	Zhejiang Yisheng <i>Pollutant Discharge Permit</i>	91330200744973411W001W	Ningbo Ecological Environment Bureau (Beilun Branch)	/	December 15, 2026
9	Zhejiang Yisheng <i>Radiation Safety Permit</i>	ZHFZ (B2005)	Ecological Environment Department of Zhejiang Province	/	November 17, 2024
10	Shengyuan Petrochemical Fiber <i>Pollutant Discharge Permit</i>	91330109754409144F001P	Hangzhou Ecological Environment Bureau	November 06, 2021	November 05, 2026
11	Shengyuan Petrochemical Fiber <i>Radiation Safety Permit</i>	ZHFZ A2408	Ecological Environment Department of Zhejiang Province	March 14, 2022	March 13, 2027

Industry emission standards and specific situations of pollutant emissions involved in production and operation activities

Company or Subsidiary Name	Types of main pollutants and particular pollutants	Names of main pollutants and particular pollutants	Discharge method	Number of discharge outlets	Distribution of discharge outlets	Emission concentration/intensity	Pollutant discharge standards in execution	Total emissions	Total certified emissions	Excessive emissions
Rongsheng Petrochemical	Waste gas	Particulate matter	Discharge after treatment	1	Furnace area	1.1245-3.1405mg/m ³	GB31572、GB31571、DB3301/T0205、	1.4347t	13.65t/a	None
Rongsheng	Waste gas	NOx	Discharge	1	Furnace area	14.701-45.007mg/m ³		18.42t	102.59t/a	None

Petrochemical			after treatment				GB14554、GB16297			
Rongsheng Petrochemical	Waste gas	Sulfur dioxide	Discharge after treatment	1	Furnace area	2.544-4.31mg/m ³		2.2431t	121.93t/a	None
Rongsheng Petrochemical	Waste gas	VOC	Discharge after treatment	1	Furnace area	0.221-0.545mg/m ³		0.2869t	110.38t/a	None
ZPC	Waste gas	Particulate matter	Discharge after treatment	58	In the factory	Mean: 0.80mg/m ³ ; range: 0-11.26mg/m ³	GB31570、 GB31571、GB31572	72.53t	1566.86t/a	None
ZPC	Waste gas	Sulfur dioxide	Discharge after treatment	90	In the factory	Mean: 3.24mg/m ³ ; range: 0.07-32.29mg/m ³	GB31570、 GB31571、GB31572	278.31t	2750.8t/a	None
ZPC	Waste gas	NOx	Discharge after treatment	93	In the factory	Mean: 30.75mg/m ³ ; range: 0.25-105.32mg/m ³	GB31570、 GB31571、GB31572	2505.38t	7078.45t/a	None
ZPC	Waste water	COD	Discharge after treatment	1	In the factory	Mean: 29.73mg/L; range: 1.1-49.7mg/L	GB31570、 GB31571、GB31572	347.56t	411.77t/a	None
ZPC	Waste water	Ammonia nitrogen	Discharge after treatment	1	In the factory	Mean: 0.1268mg/L; range: 0.01-3.33mg/L	GB31570、 GB31571、GB31572	1.6t	42.08t/a	None
Yushan Petrochemical	Waste gas	Particulate matter	Discharge after treatment	13	In the factory	Mean: 5.97mg/m ³ ; range: 0.27-24.25mg/m ³	DB33/2147、 GB13271、GB18484	18.73t	113.46t/a	None
Yushan Petrochemical	Waste gas	Sulfur dioxide	Discharge after treatment	13	In the factory	Mean: 6.87mg/m ³ ; range: 0.73-28.79mg/m ³	DB33/2147、 GB13271、GB18484	41.71t	955.31t/a	None
Yushan Petrochemical	Waste gas	NOx	Discharge after treatment	13	In the factory	Mean: 39.20mg/m ³ ; range: 22.71-69.87mg/m ³	DB33/2147、 GB13271、GB18484	657.76t	847.63t/a	None
Zhongjin Petrochemical	Waste gas	Sulfur dioxide	Continuous blow-down	15	Whole factory	5.99mg/m ³	GB13223、GB31570	54.16t	251.76t/a	None
Zhongjin Petrochemical	Waste gas	NOx	Continuous blow-down	15	Whole factory	26.38mg/m ³	GB13223、GB31570	238.39t	1141.74t/a	None

Zhongjin Petrochemical	Waste gas	Smoke dust	Continuous blow-down	15	Whole factory	3.28mg/m ³	GB13223、GB31570	29.60t	216.44t/a	None
Zhongjin Petrochemical	Waste water	Chemical oxygen demand	Continuous blow-down	2	East side	45.46mg/L	GB8978	99.19t	469.03t/a	None
Zhongjin Petrochemical	Waste water	Ammonia nitrogen	Continuous blow-down	2	East side	0.58mg/L	GB8978	1.26t	52.23t/a	None
Yisheng Dahua	Waste water	Chemical oxygen demand	Continuous blow-down	2	Northwest corner and north side of the plant	56.28mg/L	300mg/L	377.92t	1680t/a	None
Yisheng Dahua	Waste water	Ammonia nitrogen	Continuous blow-down	2	Northwest corner and north side of the plant	0.2mg/L	30mg/L	1.5844t	182t/a	None
Yisheng Dahua	Waste gas	NOx	Continuous blow-down	3	Southeast corner of the plant	23.48mg/m ³	50mg/m ³	44.95t	405t/a	None
Yisheng Dahua	Waste gas	Sulfur dioxide	Continuous blow-down	3	Southeast corner of the plant	1.15mg/m ³	35mg/m ³	2.28t	251t/a	None
Yisheng Dahua	Waste gas	Smoke dust	Continuous blow-down	3	Southeast corner of the plant	1.32mg/m ³	5mg/m ³	3.62t	51t/a	None
Zhejiang Yisheng	Process waste water	COD	Discharge after treatment	1	Sewage station	47.65mg/L	GB31571-2015	318.83t	1039.84t/a	None
Zhejiang Yisheng	Process waste water	Ammonia nitrogen	Discharge after treatment	1	Sewage station	0.16mg/L	GB31571-2015	1.11t	17.35t/a	None
Zhejiang Yisheng	Waste gas	SO ₂	Discharge after treatment	2	Boiler island	7.6mg/m ³	DB33/2147-2018	17.87t	197.45t/a	None
Zhejiang Yisheng	Waste gas	NOX	Discharge after treatment	2	Boiler island	36.63mg/m ³	DB33/2147-2018	37.94t	458.43t/a	None
Zhejiang	Waste gas	Smoke dust	Discharge	2	Boiler island	2.53mg/m ³	DB33/2147-2018	6.45t	78.99t/a	None

Yisheng			after treatment							
Hainan Yisheng	Waste gas	SO ₂	Discharge after treatment	2	Boiler/heat medium furnace	36.11/61.12mg/m ³	GB13223-2011、GB13271-2014	88.47t	679t/a	None
Hainan Yisheng	Waste gas	NO _x	Discharge after treatment	2	Boiler/heat medium furnace	43.62/160.68mg/m ³	GB13223-2011、GB13271-2014	185.60t	989.9t/a	None
Hainan Yisheng	Waste gas	Smoke dust	Discharge after treatment	2	Boiler/heat medium furnace	11.67/17.29mg/m ³	GB13223-2011、GB13271-2014	26.86t	232t/a	None
Hainan Yisheng	Process waste water	COD	Discharge after treatment	1	Sewage station	28.49mg/L	GB31571-2015、GB31572-2015	56.90t	236.15t/a	None
Hainan Yisheng	Process waste water	Ammonia nitrogen	Discharge after treatment	1	Sewage station	0.15mg/L	GB31571-2015、GB31572-2015	0.27t	17.7t/a	None
Shengyuan Chemical Fiber	Waste gas	Particulate matter	Discharge after treatment	1	West side of the factory	4.18mg/m ³	GB31572、GB31571、DB3301/T0205、GB14554、GB16297	2.99t	8.74t/a	None
Shengyuan Chemical Fiber	Waste gas	NO _x	Discharge after treatment	1	West side of the factory	28.94mg/m ³		17.35t	52.15t/a	None
Shengyuan Chemical Fiber	Waste gas	Sulfur dioxide	Discharge after treatment	1	West side of the factory	1.21mg/m ³		1.793t	17.38t/a	None
Shengyuan Chemical Fiber	Waste gas	VOC	Discharge after treatment	1	West side of the factory	0.87mg/m ³		1.066t	97.298t/a	None

Treatment of pollutants

The above companies build pollutant management facilities in accordance with the requirements of the environmental impact assessment of construction projects, and the prevention and control measures for waste gas, waste water, solid waste and noise are designed, constructed and put into operation at the same time as the main installations in strict accordance with the requirements of the environmental impact assessment, and the daily maintenance of equipment and facilities are carried out to ensure the high efficiency and stability of the pollutant management facilities.

Emergency response plan for environmental emergencies

1. *The Emergency Response Plan for Environmental Emergencies of Rongsheng Petrochemical Co., Ltd.* was completed in July 2022 for filing by the local environmental protection department, with filing number 330109-2022-045-L.

2. *The Emergency Response Plan for Environmental Emergencies of Zhejiang Petroleum and Chemical Co., Ltd.* has completed the filing at the local environmental protection department, Emergency Response Plan Filing No.: 330921-2021-023-H; Emergency Response Plan Filing Authorities: Zhoushan Ecological and Environmental Protection Bureau (Daishan branch).

3. *The Emergency Response Plan for Environmental Emergencies of Ningbo Zhongjin Petrochemical Co., Ltd.* was revised, evaluated and filed with the local environmental protection department in March 2022, with filing No. 330211-2022-019-H.

4. *The Emergency Response Plan for Environmental Emergencies of Zhejiang Yisheng Petrochemical Co., Ltd.* was revised, evaluated and filed with the local environmental protection department in September 2021.

5. *The Emergency Response Plan for Environmental Emergencies of Zhejiang Shengyuan Chemical Fiber Co., Ltd.* was completed on June 2, 2022 for filing by the local environmental protection department, with filing No. 330109-2022-034-L.

6. *The Emergency Response Plan for Environmental Emergencies of Hainan Yisheng Petrochemical Co., Ltd.* was revised, evaluated and filed with the local environmental protection department in December 2021.

Investment in environmental governance and protection and payment of environmental protection taxes

In accordance with the relevant requirements of the local government at the national level, the Company and its subsidiaries completed various monitoring and environmental governance work. From January to June 2023, the Company invested a total of approximately RMB49,960,000 in environmental protection related investments, and the Company and its subsidiaries paid a total of approximately RMB5,650,000 in environmental protection taxes.

Environmental self-monitoring plan

The Company and its subsidiaries strictly abide by the environmental protection laws, regulations and relevant regulations of the state and local governments. The Company has established an environmental self-monitoring scheme to ensure that all pollutants are discharged and disposed of in strict accordance with the requirements of laws and regulations. The self-monitoring plan is disclosed in the pollution source monitoring data management system. The Company carries out pollution source monitoring in strict accordance with the monitoring scheme to ensure that all pollutants are discharged in strict accordance with the requirements of laws and regulations, and entrusts a qualified third-party monitoring agency to carry out monitoring on a regular basis.

Administrative penalties for environmental issues during the reporting period

None

Other environmental information that should be disclosed

Other environmental information that should be disclosed has been disclosed as required.

Measures taken to reduce carbon emissions during the reporting period and their effects

As an active participant in China's environmental protection cause, Rongsheng Petrochemical actively fulfills

its commitment to green development, fully implements the requirements of the state and the company on carbon reduction and energy saving management, focuses on the development of recycling economy, cleaner production, green manufacturing, strengthens the management of carbon emissions, gives full play to the advantages of carbon fixation and carbon elimination, builds the whole life cycle of the green manufacturing system and promotes the green, low-carbon, and high-quality development of the industry chain by linking with the upstream and downstream partners.

The Company actively implements circular economy development mode, and recycles and utilizes the high concentration CO₂ generated from EO/EG (ethylene oxide/ethylene glycol) plant as raw material of DMC/PC (dimethyl carbonate/polycarbonate) plant, which effectively reduces carbon emission. At present, the company recycles and refines the tail gas of high concentration CO₂ emissions from a 800,000 tons/year ethylene glycol plant for the production of polycarbonate raw materials, and another CO₂ recovery project for an ethylene glycol plant is under implementation, forming an environmentally friendly green industrial chain process of CO₂ recovery, utilization, and the production of high-end PC resins, which is characteristic of the company.

ZPC renovated the original power center to reduce gas demand by converting 7 coal-fired boilers into gas-fired boilers. ZPC optimizes the operation of flare system, recovers flare gas with calorific value up to the standard in time, and accurately accompanies flare gas with calorific value not up to the standard, reduces the amount of accompanied fuel gas, and saves about 30 tons/hour of fuel gas. Zhongjin Petrochemical adopts 95+ energy-saving and environment-friendly waste heat recovery system to renovate the aromatics heating furnace. By purifying the fuel and adding new facilities such as preheater, blower and induced draft fan, the efficiency of the heating furnace has been increased to 95%, with an annual energy saving of 15,000 tons of standard coal.

□. Social Responsibility Information

The Company implements the concept of win-win cooperation and continues to help the community public welfare, and demonstrates its mission and responsibility with practical actions. The Company continues to improve the quality of customer service, strengthen the management of responsible purchasing, provide public welfare volunteer services, and work together with customers, suppliers, the public and other stakeholders in the community to make progress, build harmony and share the benefits.

The Company adheres to the customer-centered approach, continuously improves the service management system, actively responds to the diversified needs of customers, improves the quality and efficiency of services in multiple dimensions, strictly protects the privacy and information security of customers, and enhances customer satisfaction.

The Company is committed to building a responsible supply chain, deepening supplier compliance management, optimizing supplier management and business processes, attaching importance to the prevention of supply chain risks, establishing equal and mutually beneficial, close and stable cooperative relationships with outstanding suppliers, and working together with suppliers to build an honest, transparent and responsible supply chain ecology.

The company advocates the concept of public welfare, is enthusiastic about public welfare, and actively carries out public welfare donations to share the fruits of development with the society. It is committed to helping students and teachers, medical mutual aid, poverty alleviation and care for special groups, and encourages employees to participate in blood donation, condolences and other types of volunteer activities, carry forward the spirit of volunteerism, and continue to promote the public welfare cause and the healthy development of the community, and actively spread the civilization and harmony of the social trends, and to contribute to the construction of a harmonious and beautiful society.

Section VI Important Matters

I. Matters in respect of which the Company's actual controllers, shareholders, related parties, acquirers and the Company and other parties related to the commitments have completed fulfillment of the commitments during the reporting period and those which have not been completed beyond the reporting period as of the end of the reporting period

Cause of Commitment	Commitment Party	Commitment Type	Content of Commitment	Time of Commitment	Term of Commitment	Fulfillment
Share reform commitment	N/A	N/A	N/A		N/A	N/A
Commitments stated in the Report of Acquisition or Equity Change Report	N/A	N/A	N/A		N/A	N/A
Commitments made in assets reorganization	N/A	N/A	N/A		N/A	N/A
Commitment made during IPO or re-financing	Directors and supervisors of the Company	Commitment made during IPO	Directors Li Shuirong and Li Yongqing and Supervisor Li Guoqing promised that during their term of office, they would not transfer shares they held (including directly and indirectly) in the issuer of more than 25% of the total shares held (including directly and indirectly) by them in the issuer every year. Within half a year after resignation, they would not transfer shares directly or indirectly held by them in the issuer.	November 02, 2010	Term of commitment for share lock-up is 36 months	Fulfilled
Equity incentive commitment	N/A	N/A	N/A		N/A	N/A
Other commitments to minority shareholders of the Company	Shareholders before issuance	Commitment made during IPO	Zhejiang Rongsheng Holding Group Co., Ltd., the controlling shareholder of the Company, signed the <i>Non-competition Agreement</i> with the Company and promised not to compete with the Company in the same industry. Li Shuirong, the de facto controller and the largest natural person shareholder of the Company, and other shareholders, including Li Yongqing, Li Guoqing, Ni Xincan, Xu Yuejuan and Zhao Guanlong, respectively issued the <i>Letter of Commitment on Avoiding Horizontal Competition</i> and promised not to compete with the company in the same industry.	November 02, 2010	Long term	Fulfilled

Other commitments	N/A	N/A	N/A		N/A	N/A
Whether the commitments are performed on time	Yes					
If the commitments have not been fulfilled after the deadline, the specific reasons for the failure to complete the performance and the work plan for the next step should be explained in details	N/A					

II. Non-operating Occupation of Funds of the Listed Company by the Controlling Shareholder and Other Related Parties

There was no non-operating occupation of funds of the listed company by the controlling shareholder and other related parties during the reporting period.

III. Illegal External Guarantee

There was no illegal external guarantee during the reporting period.

IV. Appointment and Dismissal of Accounting Firm

Whether the semi-annual financial report has been audited

The semi-annual financial report has not been audited.

V. Explanation of the Board of Directors and the Board of Supervisors on the “Non-standard Audit Report” for the reporting period issued by the accounting firm

Applicable Not applicable

VI. Explanation of the Board of Directors on the Relevant Situation of the Previous Year of the “Non-standard Audit Report”

Applicable Not applicable

VII. Matters Related to Bankruptcy and Reorganization

The Company did not have any matters related to bankruptcy or reorganization during the reporting period.

VIII. Litigation Matters

Major litigation and arbitration matters

The Company had no major litigation and arbitration during the reporting period.

Other litigation matters

Applicable Not applicable

IX. Punishment and Rectification

Name	Type	Reason	Type of investigation/penalty	Conclusion (if any)	Disclosure Date	Disclosure reference
Rongsheng Petrochemical Co., Ltd.	Other	Zhejiang Securities Regulatory Bureau found in the on-site	Other	The supervision and management	January 12, 2023	For details, please refer to the <i>Announcement on the Company and Relevant</i>

Li Shuirong	Director	inspection that the company had irregularities in the recognition of revenue from trading business and in accounting treatment in 2020-2021.		measure of issuing a warning letter was taken and recorded in the integrity archives of securities and futures markets.		<i>Personnel Receiving a Warning Letter from Zhejiang Securities Regulatory Bureau (Announcement No. 2023-002) on the Juchao Information Network (www.cninfo.com.cn)</i>
Xiang Jiongiong	Director					
Wang Yafang	Senior management					
Quan Weiyang	Director					

Description of the rectification

After receiving the Warning Letter, the Company and the relevant personnel attach great importance to the problems pointed out wherein, strictly in accordance with the requirements of the Zhejiang Securities Regulatory Bureau, fully learn from the lessons, continue to strengthen the study of securities laws and regulations, establish, improve and strictly implement the financial and accounting management system, enhance the management of disclosure affairs, and improve the awareness of standardized operation; and to effectively exercise diligence and duty in order to facilitate the standardized operation of the Company and ensure that the disclosure of information is true, accurate, complete, timely and fair, thereby safeguarding the interests of the Company and all shareholders and promoting the Company's healthy, stable and sustainable development.

X. Integrity of the Company and its controlling shareholders and actual controllers

Applicable Not applicable

XI. Major Related Transactions

1. Related party transactions related to daily operations

Related party	Relationship	Type of related party transaction	Contents of related party transaction	Pricing principles of related party transaction	Price of related party transaction	Amount of related party transaction (RMB 10,000)	Proportion to similar transaction amount	Trading limit approved (RMB 10,000)	Exceed the approved limit or not	Settlement of related party transaction	Available market price for similar transaction	Disclosure Date	Disclosure reference
Rongsheng Holding	Parent company	Purchase of goods	Coal, low-value consumables, etc.	Market price	Market price	920,310.56	99.51%	1600000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 20, 2023	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1216478196&announcementTime=2023-04-20
Zhejiang Yisheng	Associated enterprise	Sales of goods	Aromatics, etc.	Market price	Market price	536,883.99	6.31%	1500000	No	Banker's acceptance bill, spot exchange, etc.	Market price	April 20, 2023	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1216478196&announcementTime=2023-04-20
Saudi Aramco	[Note]	Purchase of goods	Crude oil	Market price	Market price	2,718,963.07	34.15%	7100000	No	Electronic transfer	Market price	April 20, 2023	http://www.cninfo.com.cn/new/disclosure/detail?plate=szse&orgId=9900015502&stockCode=002493&announcementId=1216478196&announcementTime=2023-04-20
Total				--	--	4,176,157.62	--	10,200,000	--	--	--	--	--
Details of return of large sales				N/A									
Actual performance during the reporting period where the total amount of daily related party transactions to occur in the current period is estimated by category (if any)				None									
Reasons for substantial differences between the transaction price and market reference price (if applicable)				N/A									

[Note] Zhejiang Rongsheng Holding Group, the controlling shareholder of the Company, signed the Share Purchase Agreement with the strategic partner Aramco Overseas Company B.V. (hereinafter referred to as AOC), a wholly-owned subsidiary of Saudi Arabian Oil Company (hereinafter referred to as Saudi Aramco) on March 27, 2023, and the transferring parties have obtained the Confirmation of Securities Transfer Registration issued by China Securities Depository and Clearing Corporation Limited on July 20, 2023 and completed the transfer.

2. Related party transactions arising from the acquisition and sale of assets or equity

The Company had no connected transactions related to the acquisition or sales of assets or equity during the reporting period.

3. Related-party transactions for outward joint investment

The Company had no connected transactions related to joint outward investment during the reporting period.

4. Connected transactions on credit and debt

The Company had no connected transactions on credit and debt during the reporting period.

5. Transactions with financial companies with associated relationships

There are no deposits, loans, credits or other financial operations between the Company and the related finance companies, and the related party.

6. Transactions between the financial companies controlled by the company and related parties

There are no deposits, loans, credits or other financial operations between the finance companies controlled by the Company and the related party.

7. Other major related party transactions

There were no other major connected transactions during the reporting period.

XII. Material Contracts and Their Performance

1. Trusteeship, contracting and leasing

(1) Entrustment

The Company had no entrustment during the reporting period.

(2) Contracting

There was no contracting during the reporting period.

(3) Lease

There was no leasing during the reporting period.

2. Major guarantee

Unit : RMB 10,000

Guarantees of the Company to its subsidiaries										
Name of guaranteed party	Date of disclosure of announcement relating to guarantee amount	Guarantee amount	Date of actual occurrence	Amount of actual guarantee	Type of guarantee	Collateral (if any)	Counter-guarantees (if any)	Period of guarantee	Completed or not	Related party guarantee or not
ZPC	December 14, 2022	6,260,000	July 31, 2018	255,000	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 10, 2018	101,754.69	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 08, 2018	59,699.56	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 08, 2018	19,899.85	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 18, 2019	57,375	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 03, 2018	11,897.28	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 08, 2018	51,722.57	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 09, 2018	19,530.45	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 09, 2018	29,294.66	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 10, 2018	4,596.38	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 10, 2018	9,764.62	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 13, 2018	3,616.41	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 16, 2018	34,360.74	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	August 15, 2018	7,234.86	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 31, 2018	25,500	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	September 29, 2018	51,000	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 23, 2018	59,661.59	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 26, 2018	10,846.68	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 30, 2018	5,062.97	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 31, 2018	21,702.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 07, 2018	6,982.72	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 08, 2018	14,104.45	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 08, 2018	10,490.7	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 03, 2018	5,100.51	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 09, 2018	17,214.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 01, 2019	26,389.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 03, 2019	18,081.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 04, 2019	2,893.13	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 09, 2018	7,378.68	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 04, 2019	12,658.2	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	January 04, 2019	93,840	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 08, 2019	6,872.25	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 09, 2019	18,070.58	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 10, 2019	9,041.32	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 14, 2019	4,410.14	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 15, 2019	13,023.36	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 30, 2019	65,790	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 31, 2019	14,469.72	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 30, 2019	2,169.85	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 01, 2019	11,926.1	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 04, 2019	2,895.27	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 01, 2019	7,595.43	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 01, 2019	6,148.09	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 03, 2019	25,320.99	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 11, 2019	3,307.6	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 12, 2019	4,700.16	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 11, 2019	19,271.88	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	February 27, 2019	46,920	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 01, 2019	8,311.98	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 01, 2019	3,251.25	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 07, 2019	5,062.77	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 07, 2019	12,658.2	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 08, 2019	1,446.56	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 08, 2019	4,339.83	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 12, 2019	3,255.84	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 13, 2019	2,205.07	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 15, 2019	17,725.56	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 18, 2019	17,102.85	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 29, 2019	18,360	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 08, 2019	3,614.12	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 10, 2019	723.28	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 11, 2019	1,446.77	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 07, 2019	2,167.5	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 11, 2019	2,532.66	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	April 12, 2019	6,151.11	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 12, 2019	735.02	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 12, 2019	5,062.77	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 15, 2019	1,808.26	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 01, 2019	7,951.41	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 11, 2019	1,083.75	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 07, 2019	4,049.91	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 07, 2019	17,340	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 07, 2019	7,956	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 09, 2019	3,254.87	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 10, 2019	1,084.92	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 13, 2019	1,837.56	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 13, 2019	2,531.44	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 16, 2019	11,574.45	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 16, 2019	16,214.7	Joint liability guarantee			March 15, 2027	No	Yes
ZPC	December 14, 2022	6,260,000	May 30, 2019	51,000	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 01, 2019	4,339.59	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	June 04, 2019	12,657.84	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 07, 2019	1,734	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 05, 2019	7,234.86	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 05, 2019	9,040.36	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 06, 2019	4,339.69	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 06, 2019	35,700	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 06, 2019	3,675.11	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 12, 2019	21,702.54	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 20, 2019	362.61	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 01, 2019	51,000	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 05, 2019	11,055.47	Joint liability guarantee			March 15, 2027	No	Yes
ZPC	December 14, 2022	6,260,000	July 05, 2019	3,978.18	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 08, 2019	1,446.56	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 08, 2019	17,850	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 10, 2019	14,469.72	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 10, 2019	4,777.65	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 10, 2019	3,255.84	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	June 05, 2019	1,806.93	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 10, 2019	2,532.66	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 11, 2019	1,083.75	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 16, 2019	3,614.12	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 16, 2019	6,507.09	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	July 31, 2019	39,784.08	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 02, 2019	7,233.05	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 07, 2019	3,675.11	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 07, 2019	8,862.78	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 07, 2019	5,423.34	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	September 23, 2019	3,614.88	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	September 23, 2019	2,900.88	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	September 29, 2019	44,370	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	September 30, 2019	10,851.27	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	August 07, 2019	3,800.01	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 09, 2019	3,795.42	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 21, 2019	10,490.7	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	October 21, 2019	6,865.62	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 29, 2019	26,520	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 15, 2019	9,046.38	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	October 09, 2019	1,627.92	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 18, 2019	3,039.09	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 19, 2019	1,300.5	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	November 21, 2019	74,970	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	December 18, 2019	2,948.82	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	December 19, 2019	5,062.77	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	December 24, 2019	5,427.93	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 16, 2020	6,872.25	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 16, 2020	3,979.02	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 16, 2020	2,205.24	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 16, 2020	10,490.7	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 16, 2020	2,134.35	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 14, 2020	2,530.98	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	February 18, 2020	727.77	Joint liability			July 30, 2030	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	March 16, 2020	4,700.16	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 19, 2020	7,234.86	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	March 31, 2020	10,200	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 01, 2020	16,575	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 17, 2020	1,806.93	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	April 17, 2020	2,532.66	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	May 13, 2020	2,040	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 03, 2020	4,339.59	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	June 05, 2020	4,339.59	Joint liability guarantee			July 30, 2030	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	79,380	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	23,226	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	88,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	294,000	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	128,772	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	25,519.2	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 20, 2021	8,820	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 21, 2021	33,516	Joint liability			November	No	Yes

					guarantee			15, 2032		
ZPC	December 14, 2022	6,260,000	January 21, 2021	58,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 21, 2021	58,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 21, 2021	11,760	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	January 22, 2021	33,516	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 04, 2021	55,860	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 05, 2021	44,100	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 05, 2021	41,160	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 05, 2021	17,640	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 05, 2021	58,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 05, 2021	108,780	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 05, 2021	67,032	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	February 07, 2021	33,516	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 18, 2021	12,348	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 18, 2021	20,956.32	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 19, 2021	29,400	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 19, 2021	35,280	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 22, 2021	58,800	Joint liability			November	No	Yes

					guarantee			15, 2032		
ZPC	December 14, 2022	6,260,000	March 22, 2021	58,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 25, 2021	29,400	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 26, 2021	147,000	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	March 26, 2021	47,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 28, 2021	17,640	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 28, 2021	76,440	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 28, 2021	36,456	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 28, 2021	29,400	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 28, 2021	18,228	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 29, 2021	47,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 30, 2021	2,940	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	April 30, 2021	2,940	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	June 29, 2021	58,800	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 05, 2021	194,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 05, 2021	29,400	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 06, 2021	23,520	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 06, 2021	41,160	Joint liability			November	No	Yes

					guarantee			15, 2032		
ZPC	December 14, 2022	6,260,000	July 06, 2021	85,260	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 06, 2021	85,260	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 06, 2021	88,200	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 06, 2021	176,400	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 06, 2021	23,520	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	September 15, 2021	59,364.48	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	September 17, 2021	23,520	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	September 17, 2021	22,932	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	September 17, 2021	47,040	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	September 17, 2021	120,540	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	September 22, 2021	19,404	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	June 13, 2022	9,408	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	July 11, 2022	199.92	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	August 02, 2022	129.36	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	August 04, 2022	223.44	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	August 09, 2022	70.56	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	August 10, 2022	8.82	Joint liability			November	No	Yes

					guarantee			15, 2032		
ZPC	December 14, 2022	6,260,000	September 05, 2022	302.82	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	October 10, 2022	241.08	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	November 01, 2022	258.72	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	December 16, 2022	41.16	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	December 27, 2022	4704	Joint liability guarantee			November 15, 2032	No	Yes
ZPC	December 14, 2022	6,260,000	June 06, 2019	1,082.67	Joint liability guarantee			July 01, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	March 29, 2021	4.73	Joint liability guarantee			July 01, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	May 13, 2021	231.59	Joint liability guarantee			January 02, 2024	No	Yes
ZPC	December 14, 2022	6,260,000	May 27, 2021	120.84	Joint liability guarantee			July 01, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	July 29, 2021	1,692.06	Joint liability guarantee			April 16, 2024	No	Yes
ZPC	December 14, 2022	6,260,000	November 18, 2021	0.41	Joint liability guarantee			July 01, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	November 26, 2021	299.9	Joint liability guarantee			July 30, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	December 03, 2021	39.7	Joint liability guarantee			July 01, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	May 17, 2022	61.44	Joint liability guarantee			July 01, 2023	No	Yes
ZPC	December 14, 2022	6,260,000	September 05, 2022	1,282.05	Joint liability guarantee			April 30, 2024	No	Yes
ZPC	December 14, 2022	6,260,000	September 08, 2022	11,149.6	Joint liability guarantee			July 30, 2024	No	Yes
ZPC	December 14, 2022	6,260,000	September 19, 2022	20.92	Joint liability			July 01, 2023	No	Yes

					guarantee					
ZPC	December 14, 2022	6,260,000	October 12, 2022	59.08	Joint liability guarantee			July 01, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	January 17, 2023	29,800	Joint liability guarantee			July 14, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 14, 2023	50,200	Joint liability guarantee			August 11, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 01, 2023	35,000	Joint liability guarantee			January 24, 2025	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 07, 2023	35,000	Joint liability guarantee			February 06, 2026	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	January 01, 2023	29,000	Joint liability guarantee			December 20, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 14, 2023	17,906.29	Joint liability guarantee			September 12, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 16, 2023	28,530	Joint liability guarantee			September 14, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 11, 2023	18,898.38	Joint liability guarantee			November 07, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 18, 2023	18,644.99	Joint liability guarantee			November 14, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 28, 2023	33,000	Joint liability guarantee			February 27, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	April 14, 2023	31,000	Joint liability guarantee			October 13, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 12, 2023	40,393.39	Joint liability guarantee			November 10, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 15, 2023	23,800	Joint liability guarantee			November 14, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	April 03, 2023	17,000	Joint liability guarantee			April 02, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 21, 2023	3,794.24	Joint liability guarantee			August 18, 2023	No	Yes
Zhongjin	December 14, 2022	5,380,000	March 14, 2023	8,891.93	Joint liability			September	No	Yes

Petrochemical					guarantee			01, 2023		
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 17, 2023	5,707.75	Joint liability guarantee			September 01, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 12, 2023	11,475.29	Joint liability guarantee			November 01, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 16, 2023	16,670.98	Joint liability guarantee			November 10, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 24, 2023	15,224.23	Joint liability guarantee			November 10, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 05, 2023	10	Joint liability guarantee			November 30, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 05, 2023	10	Joint liability guarantee			May 31, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 05, 2023	27,980	Joint liability guarantee			July 02, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	December 08, 2022	50	Joint liability guarantee			December 08, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	December 08, 2022	50	Joint liability guarantee			June 08, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	December 08, 2022	49,850	Joint liability guarantee			December 08, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 07, 2023	15,195.21	Joint liability guarantee			September 07, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 14, 2023	13,724.4	Joint liability guarantee			February 28, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 10, 2023	21,445.56	Joint liability guarantee			September 10, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 10, 2023	3,836.1	Joint liability guarantee			September 10, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	November 18, 2022	15,000	Joint liability guarantee			November 18, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	April 07, 2023	26,821.23	Joint liability guarantee			October 07, 2023	No	Yes
Zhongjin	December 14, 2022	5,380,000	June 14, 2023	28,789.65	Joint liability			December 14,	No	Yes

Petrochemical					guarantee			2023		
Zhongjin Petrochemical	December 14, 2022	5,380,000	July 08, 2022	16,400	Joint liability guarantee			July 08, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 26, 2023	7,500	Joint liability guarantee			December 22, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 24, 2023	60,000	Joint liability guarantee			May 24, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	May 26, 2023	38,000	Joint liability guarantee			May 26, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 01, 2023	6,200	Joint liability guarantee			June 01, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 07, 2023	8,300	Joint liability guarantee			June 07, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 13, 2023	27,000	Joint liability guarantee			June 13, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 13, 2023	7,000	Joint liability guarantee			June 13, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 28, 2023	3,500	Joint liability guarantee			June 28, 2024	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	September 13, 2022	16,000	Joint liability guarantee			September 13, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	September 14, 2022	11,600	Joint liability guarantee			September 14, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	September 19, 2022	24,890	Joint liability guarantee			September 19, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	September 29, 2022	33,610	Joint liability guarantee			September 29, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 15, 2023	4,685.03	Joint liability guarantee			September 10, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	January 20, 2023	11,000	Joint liability guarantee			September 23, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	January 29, 2023	15,300	Joint liability guarantee			September 23, 2023	No	Yes
Zhongjin	December 14, 2022	5,380,000	February 08, 2023	3,700	Joint liability			September	No	Yes

Petrochemical					guarantee			23, 2023		
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 21, 2023	3,500	Joint liability guarantee			September 23, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 22, 2023	61,100	Joint liability guarantee			September 23, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	March 08, 2023	5,400	Joint liability guarantee			September 23, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 09, 2023	17,630.11	Joint liability guarantee			December 08, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 15, 2023	6,266.15	Joint liability guarantee			December 14, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	February 28, 2019	3,000	Joint liability guarantee			December 20, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 09, 2023	19,050	Joint liability guarantee			July 04, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	June 25, 2023	15,800	Joint liability guarantee			July 01, 2023	No	Yes
Zhongjin Petrochemical	December 14, 2022	5,380,000	April 17, 2023	21,460.63	Joint liability guarantee			July 24, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 27, 2023	47,000	Joint liability guarantee			June 22, 2024	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	July 13, 2022	17,400	Joint liability guarantee			July 07, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	July 18, 2022	21,000	Joint liability guarantee			July 13, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	March 10, 2023	9,039.92	Joint liability guarantee			February 06, 2024	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	May 24, 2023	20,000	Joint liability guarantee			May 22, 2025	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 15, 2023	33,000	Joint liability guarantee			June 06, 2025	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 19, 2023	15,100	Joint liability guarantee			June 07, 2024	No	Yes
Yisheng	December 14, 2022	5,380,000	June 28, 2023	16,800	Joint liability			June 19, 2024	No	Yes

Dahua					guarantee					
Yisheng Dahua	December 14, 2022	5,380,000	December 27, 2022	10,000	Joint liability guarantee			November 25, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	March 27, 2023	20,000	Joint liability guarantee			March 15, 2024	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	October 14, 2022	18,144	Joint liability guarantee			October 22, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	September 19, 2022	17,721.04	Joint liability guarantee			September 14, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	March 16, 2023	18,040.27	Joint liability guarantee			March 10, 2024	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	May 29, 2023	6,862.52	Joint liability guarantee			July 23, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	May 30, 2023	6,862.52	Joint liability guarantee			July 23, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 01, 2023	3,502.96	Joint liability guarantee			July 11, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 01, 2023	3,660.01	Joint liability guarantee			July 11, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 08, 2023	3,339.08	Joint liability guarantee			July 30, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 08, 2023	3518.32	Joint liability guarantee			July 15, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 16, 2023	3,786.34	Joint liability guarantee			July 21, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 21, 2023	3,390.29	Joint liability guarantee			August 19, 2023	No	Yes
Yisheng Dahua	December 14, 2022	5,380,000	June 29, 2023	6,698.64	Joint liability guarantee			July 29, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	January 01, 2023	10,000	Joint liability guarantee			December 20, 2023	No	Yes
Shengyuan Chemical	December 14, 2022	5,380,000	February 10, 2023	10,500	Joint liability guarantee			February 10, 2024	No	Yes

Fiber										
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	March 24, 2023	7,000	Joint liability guarantee			April 24, 2024	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	March 16, 2023	10,000	Joint liability guarantee			March 15, 2024	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	July 19, 2022	10,000	Joint liability guarantee			July 18, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	July 08, 2022	20,000	Joint liability guarantee			July 07, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	April 28, 2023	689.09	Joint liability guarantee			September 07, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	January 18, 2023	390.61	Joint liability guarantee			September 19, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	June 08, 2023	796.72	Joint liability guarantee			September 21, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	May 19, 2023	1,254.86	Joint liability guarantee			September 06, 2023	No	Yes
Shengyuan Chemical Fiber	December 14, 2022	5,380,000	March 09, 2023	632.11	Joint liability guarantee			July 20, 2023	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	March 02, 2023	14,819.55	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	June 16, 2021	3,430	Joint liability guarantee			December 15, 2025	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	May 24, 2022	7,534	Joint liability guarantee			December 15, 2026	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	October 14, 2022	1,389.12	Joint liability guarantee			December 15, 2026	No	Yes

Yongsheng Technology	December 14, 2022	5,380,000	March 02, 2023	2,436.09	Joint liability guarantee			December 15, 2023	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	June 16, 2021	564	Joint liability guarantee			December 15, 2023	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	March 02, 2023	3,248.12	Joint liability guarantee			June 15, 2024	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	June 16, 2021	752	Joint liability guarantee			June 15, 2024	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	May 24, 2022	466	Joint liability guarantee			June 15, 2024	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	October 14, 2022	85.89	Joint liability guarantee			June 15, 2024	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	June 06, 2022	7,744.11	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	June 15, 2022	3,565.37	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	August 22, 2022	1,433.53	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	September 06, 2022	2,293.22	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	October 12, 2022	6,745.75	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	October 24, 2022	9,902.7	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	November 09, 2022	2,231.62	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	November 28, 2022	2,634.69	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	December 14, 2022	2,745.17	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	January 19, 2023	4,398.97	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	February 14, 2023	3,190.42	Joint liability guarantee			June 06, 2032	No	Yes

Yongsheng Technology	December 14, 2022	5,380,000	April 25, 2023	1,706.04	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	May 17, 2023	1,433.53	Joint liability guarantee			June 06, 2032	No	Yes
Yongsheng Technology	December 14, 2022	5,380,000	June 12, 2023	5,000	Joint liability guarantee			June 03, 2024	No	Yes
Total limits of guarantees to subsidiaries approved at the end of the reporting period (B3)		11,640,000		Total balance of guarantees actually provided to subsidiaries at the end of the reporting period (B4)		6,806,681.81				

Guarantees of the subsidiaries to their subsidiaries

Name of guaranteed party	Date of disclosure of announcement relating to guarantee amount	Guarantee amount	Date of actual occurrence	Amount of actual guarantee	Type of guarantee	Collateral (if any)	Counter-guarantees (if any)	Period of guarantee	Completed or not	Related party guarantee or not
Yisheng Dahua	December 24, 2022	162,000	April 24, 2023	79.85	Joint liability guarantee			October 24, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 24, 2023	37.04	Joint liability guarantee			October 24, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 24, 2023	18.7	Joint liability guarantee			October 24, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 07, 2023	1050	Joint liability guarantee			July 07, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 07, 2023	1015	Joint liability guarantee			July 07, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	33.22	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	63.44	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	5	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	10.97	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	113.08	Joint liability guarantee			October 21, 2023	No	Yes

Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	151.44	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	140.78	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	71.85	Joint liability guarantee			October 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	700	Joint liability guarantee			July 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 21, 2023	910	Joint liability guarantee			July 21, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 27, 2023	70	Joint liability guarantee			October 27, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 27, 2023	70	Joint liability guarantee			October 27, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 27, 2023	70	Joint liability guarantee			October 27, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 27, 2023	38.82	Joint liability guarantee			October 27, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	April 27, 2023	16.39	Joint liability guarantee			October 27, 2023	No	Yes
Yisheng Dahua	December 24, 2022	162,000	March 31, 2023	1,957.6	Joint liability guarantee			March 25, 2024	No	Yes
Total limits of guarantees to subsidiaries approved at the end of the reporting period (C3)		162,000		Total balance of guarantees actually provided to subsidiaries at the end of the reporting period (C4)		6,623.17				
Total amount of guarantees of the Company (Including the above three mentioned guarantees)										
Total limits of guarantees approved at the end of the reporting period (A3+B3+C3)		11,802,000		Total balance of guarantees actually provided at the end of the reporting period (A4+B4+C4)		6,813,304.98				
Proportion of total amount of guarantees (i.e. A4+B4+C4) in net assets of the Company				151.96%						

3. Entrust finance

There was entrust finance during the reporting period.

4. Other major contracts

There were no other major contracts during the reporting period.

XIII. Explanation of other Major Matters

1. Rongsheng Petrochemical issued a letter of guarantee to CNOOC Trading (Singapore) Pte. Ltd. on May 18, 2023 pursuant to the “Resolution on the Company’s Mutual Guarantee Amount for the Year of 2023” which was considered and approved by the Third Extraordinary Shareholders’ General Meeting of 2022 in order to provide a joint and several liability guarantee for a series of contracts relating to energy transactions (including but not limited to spot and energy derivatives transactions) entered into between its subsidiary Rongsheng Petrochemical (Singapore) Pte. Ltd. and CNOOC Trading (Singapore) Pte. Ltd. during the period from May 18, 2023 (inclusive) to May 17, 2024 (inclusive), in the amount of US\$250 million (two hundred and fifty million dollars).

2. At the end of June 2023, the Company’s subsidiary Zhejiang Petroleum & Chemical Co., Ltd. transferred all of its 100% equity interest in its subsidiary Zhoushan Yushan Petrochemical Engineering Co., Ltd. to Zhoushan Green Petrochemical Park Management Co.

XIV. Major Matters of the Company’s Subsidiaries

Applicable Not applicable

Section VII Changes in Shares and Shareholders

I. Changes in shares

1. I. Changes in shares

Unit: share

	Before the change		Increase or decrease (+, -)					After the change	
	Number	Proportion	New issue of shares	Issue of bonus shares	Conversion of provident fund into shares	Others	Subtotal	Number	Proportion
I. Shares subject to sales restrictions	627,243,750	6.19%						627,243,750	6.19%
1. State-owned shares									
2. Shares held by state-owned legal persons									
3. Shares held by other domestic capital	627,243,750	6.19%						627,243,750	6.19%
Including: Shares held by domestic legal persons									
Shares held by domestic natural persons	627,243,750	6.19%						627,243,750	6.19%
4. Shares held by foreign investors									
Including: Shares held by foreign legal persons									
Shares held by foreign natural persons									
II. Shares without sales restrictions	9,498,281,250	93.81%						9,498,281,250	93.81%
1. RMB ordinary shares	9,498,281,250	93.81%						9,498,281,250	93.81%
2. Domestically-listed foreign shares									
3. Overseas-listed foreign shares									
4. Others									
III. Total shares	10,125,525,000	100.00%						10,125,525,000	100.00%

Reasons for share changes

Applicable Not applicable

Approval of share changes

Applicable Not applicable

Transfers of share changes

Applicable Not applicable

Progress of implementation of share buybacks

At the Second Meeting of the Sixth Session of the Board of Directors of the Company held on August 4, 2022, the Company considered and approved the “Resolution on the Buyback of the Company’s Shares”, and agreed that the Company would use its own or self-financed funds to buy back some of the Company’s RMB ordinary shares (A-shares) that had been issued within the territory by means of centralized bidding transactions for the purpose of conversion of corporate bonds issued by listed companies that are convertible into shares or employee stock ownership plans. The buyback amount shall not be less than RMB1 billion (inclusive) and not more than RMB2 billion (inclusive), the buyback price shall not be more than RMB20 per share (inclusive), and the implementation period shall be within 12 months from the date of the Board of Directors’ consideration and approval of this buyback program. For details, please refer to the “Announcement on the Buyback Program of the Company’s Shares” (Announcement No. 2022-066) dated August 5, 2022 published in the Securities Times, China Securities Journal and Juchao Information Website (<http://www.cninfo.com.cn>).

As of June 30, 2023, the Company’s Phase II buyback accumulated 147,059,906 shares of the Company’s stock through dedicated securities accounts by means of centralized bidding transactions, accounting for 1.4524% of the Company’s total share capital, with the highest transaction price at RMB15.45 per share and the lowest at RMB10.04 per share, and the total transaction amounting to RMB1,979,998,427.34 (excluding transaction fees). The share buyback is in compliance with the Company’s established share buyback program and the requirements of relevant laws and regulations.

Progress in the implementation of share buyback using centralized bidding to reduce share buybacks

Applicable Not applicable

Effect of share changes on financial indicators such as basic and diluted earnings per share and net assets per share attributable to the Company’s common shareholders for the most recent year and the most recent period

Applicable Not applicable

Other disclosures deemed necessary by the Company or required by securities regulators

Applicable Not applicable

2. Changes in restricted shares

Applicable Not applicable

II. Issuance and Listing of Securities

Applicable Not applicable

III. Number of Shareholders and Shareholding of the Company

Unit: share

Total number of ordinary shareholders at the end of the reporting period	122,895	Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any)	0					
Shareholdings of ordinary shareholders holding more than 5% of shares or top 10 ordinary shareholders								
Name of shareholder	Nature of shareholder	Shareholding ratio	Number of ordinary shares held at the end of the reporting period	Increase and decrease during the reporting period	Number of ordinary shares held subject to sales restrictions	Number of ordinary shares held not subject to sales restrictions	Pledge, marking or freezing	
							Status of shares	Number
Zhejiang Rongsheng Holding Group Co., Ltd.	Domestic non-state-owned legal person	61.46%	6,222,789,981	0	0	6,222,789,981		
Li Shuirong	Domestic natural person	6.35%	643,275,000	0	482,456,250	160,818,750		
Hong Kong Securities Clearing Company Limited	Foreign legal person	1.61%	163,494,667	2,758,963	0	163,494,667		
Li Guoqing	Domestic natural person	0.95%	96,525,000	0	72,393,750	24,131,250		
Xu Yuejuan	Domestic natural person	0.95%	96,525,000	0	0	96,525,000		
Li Yongqing	Domestic natural person	0.95%	96,525,000	0	72,393,750	24,131,250		
China Construction Bank Co., Ltd. - GF Technology Pioneer Hybrid Securities Investment Fund	Others	0.67%	68,188,935	-5,000,000	0	68,188,935		
Horizon Asset - Huaneng Trust · Jiayue No. 7 Single Fund Trust - Horizon Asset Huixin No. 43 Single Asset Management Plan	Others	0.60%	60,948,287	0	0	60,948,287		
Ni Xincai	Domestic natural person	0.47%	47,925,000	0	0	47,925,000		
Industrial and Commercial Bank of China Co., Ltd. - Guangfa Shuangqing Upgrade Hybrid Securities Investment Fund	Others	0.38%	38,972,360	-8,000,000	0	38,972,360		
Strategic investors or general legal persons becoming the top 10 shareholders due to rights issues	N/A							
Explanation of the relationship or concerted action among the above shareholders	Among the top 10 shareholders, Zhejiang Rongsheng Holding Group Co., Ltd. is the controlling shareholder of the Company, Li Yongqing and Li Guoqing are nephews of Li Shuirong. Chairman of the Board of Directors of Zhejiang Rongsheng Holding Group Co., Ltd., Xu Yuejuan is sister-in-law of Li Shuirong, and Ni							

	Xincai is the brother-in-law of Li Shuirong, forming associated relationships. In addition to the above associated relationships, the Company has no knowledge of whether other shareholders are related to each other or act in concert.		
Explanation of the above shareholders on delegating/receiving/waiving voting rights	N/A		
Special explanation of the existence of a special repurchase account among the top 10 shareholders	Among the top 10 shareholders, Rongsheng Petrochemical Co., Ltd. repurchased 283,142,652 shares in the special securities account, accounting for 2.80% of the Company's total share capital.		
Shareholdings of the top 10 shareholders not subject to sales restrictions			
Name of shareholder	Number of shares without sales restrictions held at the end of the reporting period	Class of shares	
		Class of shares	Number
Zhejiang Rongsheng Holding Group Co., Ltd.	6,222,789,981	RMB ordinary shares	6,222,789,981
Hong Kong Securities Clearing Company Limited	163,494,667	RMB ordinary shares	163,494,667
Li Shuirong	160,818,750	RMB ordinary shares	160,818,750
Xu Yuejuan	96,525,000	RMB ordinary shares	96,525,000
China Construction Bank Co., Ltd. - GF Technology Pioneer Hybrid Securities Investment Fund	68,188,935	RMB ordinary shares	68,188,935
Horizon Asset - Huaneng Trust · Jiayue No. 7 Single Fund Trust - Horizon Asset Huixin No. 43 Single Asset Management Plan	60,948,287	RMB ordinary shares	60,948,287
Ni Xincai	47,925,000	RMB ordinary shares	47,925,000
Industrial and Commercial Bank of China Co., Ltd. -Guangfa Shuangqing Upgrade Hybrid Securities Investment Fund	38,972,360	RMB ordinary shares	38,972,360
Penghua Fund - China Life Insurance Co., Ltd. - Participating Insurance - Penghua Fund State Life Stock Growth Equity Portfolio Single Asset Management Plan (Available for Sale)	36,595,081	RMB ordinary shares	36,595,081
Industrial and Commercial Bank of China Co., Ltd. - Guangfa Innovation Upgrade Flexible Allocation Mixed Securities Investment Fund	35,805,383	RMB ordinary shares	35,805,383
Explanation of the associated relationship or concerted action among the top 10 shareholders of ordinary shares without sales restrictions and among the top 10 shareholders of ordinary shares without sales restrictions and the top 10 shareholders of ordinary shares	Among the top 10 shareholders, Zhejiang Rongsheng Holding Group Co., Ltd. is the controlling shareholder of the Company, Xu Yuejuan is sister-in-law of Li Shuirong, Chairman of the Board of Directors of Zhejiang Rongsheng Holding Group Co., Ltd., and Ni Xincai is the brother-in-law of Li Shuirong, forming associated relationships. In addition to the above associated relationships, the Company has no knowledge of whether other shareholders are related to each other or act in concert.		
Explanation of the top 10 ordinary shareholders' participation in securities margin trading (if any)	Zhejiang Rongsheng Holding Group Co., Ltd. holds 6,207,789,981 shares through an ordinary account and 15,000,000 shares through a credit account.		

Whether any of the top 10 shareholders of ordinary shares and the top 10 shareholders of ordinary shares not subject to sales restrictions of the Company have any agreed repurchase trading during the reporting period

The top 10 shareholders of ordinary shares and the top 10 shareholders of ordinary shares not subject to sales restrictions did not conduct the agreed repurchase transaction during the reporting period

IV. Changes in Shareholdings of Directors, Supervisors and Senior Management

There were no changes in the shareholdings of the Company's directors, supervisors and senior management during the reporting period, which can be found in the 2022 Annual Report.

V. Changes in Controlling Shareholders or Actual Controllers

Changes in controlling shareholders during the reporting period

There were no changes in controlling shareholders during the reporting period.

Changes in actual controllers during the reporting period

There were no changes in actual controllers during the reporting period.

Section VIII Preferred Shares

The Company had no preferred shares during the reporting period.

Section IX Bonds

I. Enterprise Bonds

The Company had no corporate bonds during the reporting period.

II. Corporate Bonds

1. Basic information of corporate bonds

Unit : RMB 10,000

Name of bond	Bond abbreviation	Bond code	Issue date	Value date	Maturity date	Bond balance	Interest rate	Mode of repayment of principal and interest	Trading venue
2020 Public Offering of Green Corporate Bonds to Eligible Investors by Rongsheng Petrochemical Co., Ltd. (Grade 1)	20 Rongsheng G1	149087.SZ	April 20, 2020	April 22, 2020	April 22, 2024	100,000	3.86%	The interest shall be accrued per year on a simple interest basis, instead of compound interest. The interest shall be paid once a year, and the last interest shall be paid together with the principal.	Shenzhen Stock Exchange
2020 Public Offering of Green Corporate Bonds to Eligible Investors by Rongsheng Petrochemical Co., Ltd. (Grade 2)	20 Rongsheng G2	149220.SZ	August 28, 2020	September 02, 2020	September 02, 2024	100,000	3.45%	The interest shall be accrued per year on a simple interest basis, instead of compound interest. The interest shall be paid once a year, and the last interest shall be paid together with the principal.	Shenzhen Stock Exchange
Investor suitability arrangements (if any)	Qualified institutional investor								
Applicable transaction mechanism	Competitive price transaction								
Any risk of termination of listing and trading (if any) or not and countermeasures	None								

Overdue bonds

Applicable Not applicable

2. Trigger and implementation of issuer or investor option clauses and investor protection clauses

Name of bond	Bond abbreviation	Type of clause covered under the bond	Option clause	Implementation of investor protection clause
2020 Public Offering of Green Corporate Bonds to Eligible Investors by Rongsheng Petrochemical Co., Ltd. (Grade 1)	20 Rongsheng G1	Option to adjust coupon rate, put-back option and accelerated settlement clause	According to Rongsheng Petrochemical's announcement on March 18, 2022, - <i>The First Indicative Announcement on the 2022 Coupon Rate Adjustment of Green Corporate Bonds (Phase I) Issued to Qualified Investors in 2020 by Rongsheng Petrochemical Co., Ltd.</i> , Rongsheng Petrochemical has decided to lower the coupon rate of 20 Rongsheng G1 to 3.86% for the next two years (i.e. from April 22, 2022 to April 21, 2024).	The implementation conditions for the above clause of investor protection have not been triggered during the reporting period
2020 Public Offering of Green Corporate Bonds to Eligible Investors by Rongsheng Petrochemical Co., Ltd. (Grade 2)	20 Rongsheng G2	Option to adjust coupon rate, put-back option and accelerated settlement clause	According to Rongsheng Petrochemical's announcement on August 3, 2022 - <i>The First Indicative Announcement on the Implementation Measures for Coupon Rate Adjustment and Investor Buyback of Green Corporate Bonds (Phase II) Issued to Qualified Investors in 2020 by Rongsheng Petrochemical Co., Ltd.</i> , Rongsheng Petrochemical has decided to lower the coupon rate of 20 Rongsheng G2 to 3.45% for the two next years (September 2, 2022 to September 1, 2024).	The implementation conditions for the above clause of investor protection have not been triggered during the reporting period

3. Adjustment of credit rating results during the reporting period

Applicable Not applicable

4. Implementation and changes of guarantee, debt repayment plan and other debt repayment security measures during the reporting period and the impact on interests of bond investors

Bond abbreviation	20 Rongsheng G1
Substance of credit enhancement mechanism, debt repayment plan and other debt repayment security measures	Establishing a special account for raised funds and a special account for debt repayment
Bond guarantee	None
Changes in credit enhancement mechanism, debt repayment plan and other debt repayment security measures and the impact on interests of bondholders (if any)	None
Implementation of credit enhancement mechanism, debt repayment plan and other debt repayment security measures during the reporting period	The special account for raised funds and the special account for debt repayment operated as agreed in the prospectus
Bond abbreviation	20 Rongsheng G2
Substance of credit enhancement mechanism, debt repayment plan and other debt repayment security measures	Establishing a special account for raised funds and a special account for debt repayment
Bond guarantee	Irrevocable guarantee for joint and several liabilities provided by Zhejiang Rongsheng Holding Group Co., Ltd.
Changes in credit enhancement mechanism, debt repayment plan and other debt repayment security measures and the impact on interests of bondholders (if any)	None

Implementation of credit enhancement mechanism, debt repayment plan and other debt repayment security measures during the reporting period	The special account for raised funds and the special account for debt repayment operated as agreed in the prospectus
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III. Debt Financing Instruments of Non-financial Enterprises

During the reporting period, the Company did not have any debt financing instruments of non-financial enterprises.

IV. Convertible Corporate Bonds

The Company had no convertible bonds during the reporting period.

V. Loss within the Scope of the Consolidated Financial Statements during the Reporting Period of the Company Exceeding 10% of the Net Assets at the End of Last Year

Applicable Not applicable

VI. Key Accounting Data and Financial Indicators of the Company in Recent Two Years as of the End of the Reporting Period

Unit : RMB 10,000

Item	End of the reporting period	End of last year	Increase or decrease at the end of the reporting period over the end of the previous year
Current ratio	69.27%	73.60%	-5.88%
Liability-asset ratio	73.15%	73.20%	-0.05%
Quick ratio	23.68%	23.07%	2.64%
	Current reporting period	Same period last year	Increase/decrease in the current reporting period over the same period last year
Net profit net of non-recurring gain and loss	-138,804.32	524,622.94	-126.46%
EBITDA total debt ratio	3.76%	11.42%	-7.66%
Interest coverage ratio	0.19	3.74	-94.92%
Cash interest coverage ratio	0.51	10.38	-95.09%
EBITDA interest coverage ratio	1.82	5.02	-63.75%
Loan repayment rate	100.00%	100.00%	
Interest cover ratio	100.00%	100.00%	

Section X Financial Reports

I. Audit Report

Whether the semi-annual report is audited

The company's semi-annual financial report is not audited.

II. Financial Statements

The financial statement notes are represented in RMB.

1. Consolidated balance sheet

Prepared by: Rongsheng Petrochemical Co., Ltd.

June 30, 2023

Unit: RMB

Item	June 30, 2023	January 01, 2023
Current assets:		
Monetary fund	15,188,219,124.43	18,238,774,380.21
Settlement provision		
Lending funds		
Trading financial assets	387,219,170.37	188,283,362.49
Derivative financial assets		
Notes receivable		
Accounts receivable	3,363,526,129.84	7,128,011,047.03
Accounts receivable financing	529,695,407.36	187,298,909.35
Advance payment	3,370,137,428.73	2,558,120,124.99
Premium receivables		
Reinsurance receivables		
Reinsurance contract reserves receivables		
Other receivables	8,124,126,700.64	4,262,221,292.97
Including: Interest receivables		
Dividends receivable		
Redemptory monetary capital for sale		
Inventory	45,236,557,593.11	60,689,909,793.94
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	4,519,277,838.44	2,467,681,369.50
Total current assets	80,718,759,392.92	95,720,300,280.48

Non-current assets:		
Loans and advances		
Creditors investment		
Other creditors investment		
Long-term receivables		
Long-term equity investment	8,891,042,895.47	8,733,329,806.35
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	10,531,297.60	10,667,020.60
Fixed assets	215,083,404,817.73	222,161,110,736.65
Construction in progress	32,973,381,339.08	26,135,157,629.45
Productive biological assets		
Oil & gas assets		
Right-of-use assets	212,408,093.54	225,606,768.34
Intangible assets	6,457,143,332.49	5,997,771,881.12
Development expenses		
Goodwill		
Long-term deferred expense	42,880.57	117,159.13
Deferred income tax assets	1,366,443,593.55	429,885,619.21
Other non-current assets	3,474,088,705.82	3,206,152,216.42
Total non-current assets	268,468,486,955.85	266,899,798,837.27
Total assets	349,187,246,348.77	362,620,099,117.75
Current liabilities:		
Short term loan	38,995,934,539.57	26,369,552,400.50
Borrowings from the central bank		
Borrowing funds		
Trading financial liabilities	549,233,668.87	588,769,711.55
Derivative financial liabilities		
Notes payable	2,425,595,695.06	3,408,800,462.03
Accounts payable	40,246,839,546.30	69,079,366,976.43
Advance collections		
Contract liabilities	3,989,090,507.85	3,734,262,391.81
Financial assets sold for buyback		
Deposits from customers and interbank		
Funds from securities trading agency		
Funds from securities underwriting agency		
Payroll payable	688,558,340.81	1,022,711,102.12
Taxes payable	965,805,931.75	1,463,341,122.44
Other payables	5,932,751,765.86	3,472,604,671.47
Including: Interests payable		

Dividends payable	108,000,000.00	108,000,000.00
Handling charges and commissions payable		
Reinsurance payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	22216340629.61	20,461,387,778.93
Other current liabilities	514,202,837.84	458,588,848.28
Total current liabilities	116,524,353,463.52	130,059,385,465.56
Non-current liabilities:		
Insurance contract reserves		
Long-term loan	134520212536.23	130,962,386,969.29
Bonds payable	2,033,552,302.01	2,034,827,122.23
Including: Preferred share		
Perpetual bond		
Lease liabilities	204,564,668.81	213,400,396.45
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	170,438,435.27	195,662,553.73
Deferred income tax liabilities	1,973,379,242.26	1,987,353,203.65
Other non-current liabilities		
Total non-current liabilities	138,902,147,184.58	135,393,630,245.35
Total liabilities	255,426,500,648.10	265,453,015,710.91
Owner's equity:		
Share capital	10,125,525,000.00	10,125,525,000.00
Other equity instruments		
Including: Preferred share		
Perpetual bond		
Capital reserve	10,824,524,064.73	10,822,594,513.39
Less: Treasury stock	3,978,202,364.65	3,978,202,364.65
Other comprehensive income	314,363,696.98	139,462,613.71
Special reserves		
Surplus reserves	886,470,394.72	886,470,394.72
Generic risk reserves		
Undistributed profits	26,662,842,402.73	29,265,833,371.48
Total owner's equity attributable to the parent company	44,835,523,194.51	47,261,683,528.65
Minority equity	48,925,222,506.16	49,905,399,878.19
Total owner's equity	93,760,745,700.67	97,167,083,406.84
Total liabilities and owner's equity	349,187,246,348.77	362,620,099,117.75

Legal representative: Li Shuirong

Person in charge of accounting: Wang Yafang

Person in charge of

the accounting firm: Zhang Shaoying

2. Balance sheet of the parent company

Unit: RMB

Item	June 30, 2023	January 01, 2023
Current assets:		
Monetary fund	1,289,438,127.40	710,893,292.35
Trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable	222,163,810.04	70,794,193.95
Accounts receivable financing	15,594,344.92	49,291,497.90
Advance payment	133,123,447.54	59,646,623.00
Other receivables	674,551,215.09	674,169,712.95
Including: Interest receivables		
Dividends receivable	300,000,000.00	300,000,000.00
Stock	481,185,027.35	458,506,509.44
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	89,640,529.43	80,073,156.09
Total current assets	2,905,696,501.77	2,103,374,985.68
Non-current assets:		
Creditors investment		
Other creditors investment		
Long-term receivables		
Long-term equity investment	44,137,924,006.11	43,204,610,202.35
Investment in other equity instruments		
Other non-current financial assets		
Investment real estate	10,531,297.60	10,667,020.60
Fixed assets	284,450,002.95	292,134,252.67
Construction in progress		
Productive biological assets		
Oil & gas assets		
Right-of-use assets	1,087,988.53	1,813,314.23
Intangible assets	17159447.14	18,392,144.26
Development expenses		
Goodwill		
Long-term deferred expense		
Deferred income tax assets		

Other non-current assets		
Total non-current assets	44,451,152,742.33	43,527,616,934.11
Total assets	47,356,849,244.10	45,630,991,919.79
Current liabilities:		
Short term loan	6,377,180,353.05	7,450,753,608.62
Trading financial liabilities		
Derivative financial liabilities		
Notes payable	900,000,000.00	700,000,000.00
Accounts payable	4,163,629,109.56	5,285,277,965.83
Advance collections		
Contract liabilities	159,953,422.31	149,074,706.33
Payroll payable	34,936,199.84	46,566,384.61
Taxes payable	2,641,653.21	3,732,804.55
Other payables	8,482,371,918.80	5,268,355,508.97
Including: Interests payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	1,536,106,190.28	885,163,049.92
Other current liabilities	20,793,944.90	19,379,711.82
Total current liabilities	21,677,612,791.95	19,808,303,740.65
Non-current liabilities:		
Long-term loan	5,402,803,405.56	3,695,453,801.14
Bonds payable	2,033,552,302.01	2,034,827,122.23
Including: Preferred share		
Perpetual bond		
Lease liabilities	838,207.46	24,474.11
Long-term payables		
Long-term payroll payable		
Estimated liabilities		
Deferred income	8,876,721.64	9,434,323.24
Deferred income tax liabilities		
Other non-current liabilities		
Total non-current liabilities	7,446,070,636.67	5,739,739,720.72
Total liabilities	29,123,683,428.62	25,548,043,461.37
Owner's equity:		
Share capital	10,125,525,000.00	10,125,525,000.00
Other equity instruments		
Including: Preferred share		
Perpetual bond		
Capital reserve	11,243,393,393.54	11,243,393,393.54

Less: Treasury stock	3,978,202,364.65	3,978,202,364.65
Other comprehensive income	44,845,554.93	44,972,616.09
Special reserves		
Surplus reserves	886,470,394.72	886,470,394.72
Undistributed profits	-88,866,163.06	1,760,789,418.72
Total owner's equity	18,233,165,815.48	20,082,948,458.42
Total liabilities and owner's equity	47,356,849,244.10	45,630,991,919.79

3. Consolidated income statement

Unit: RMB

Item	2023 Semi-annual	2022 Semi-annual
I. Gross operating income	154,525,283,752.29	147,627,593,292.44
Including: operating income	154,525,283,752.29	147,627,593,292.44
Interest income		
Earned premium		
Handling charge and commission income		
II. Gross operating costs	157,870,551,223.95	135,812,343,157.18
Including: Operating costs	139,757,633,719.45	122,775,638,618.00
Interest expense		
Handling charge and commission expenses		
Surrender value		
Net payments for insurance claims		
Net appropriation of reserves for insurance liability		
Policy dividend payment		
Reinsurance costs		
Taxes and surcharges	10,243,559,065.75	8,040,860,312.46
Selling expenses	100549410.04	101,947,202.32
Administrative expenses	404763431.53	413,432,771.89
R&D expenses	3,293,231,534.62	2,010,793,043.62
Financial expenses	4070814062.56	2,469,671,208.89
Including: Interest expenses	3,625,811,842.89	1,964,665,554.58
Interest income	223,711,660.97	287,403,323.38
Add: Other income	104,660,432.05	49,421,957.99
Investment income (losses expressed with "-")	178,577,881.79	263,093,784.45
Including: return on investment in associated enterprises and joint ventures	239,850,471.43	203,113,377.87
Gains on derecognition of financial assets measured at amortized cost		
Exchange gains (losses expressed with "-")		
Net exposure hedging gains (losses expressed with "-")		
Gains on changes in fair value (losses expressed with "-")	310,625,655.12	44,396,337.62

Credit impairment loss (losses expressed with “-”)	-39,633,196.86	-78,692,429.59
Loss on assets impairment (losses marked with “-”)	-64,830,582.66	-28,970,610.45
Gains on disposal of assets (losses expressed with “-”)	-84,509.13	-13,729,695.91
III. Operating profit (losses expressed with “-”)	-2,855,951,791.35	12,050,769,479.37
Add: non-operating income	2,038,960.44	3,260,393.40
Less: non-operating expenses	849,439.19	10,239,301.34
IV. Total profits (total losses expressed with “-”)	-2,854,762,270.10	12,043,790,571.43
Less: income tax expenses	-752,468,740.63	2,374,223,484.26
V. Net profit (net losses expressed with “-”)	-2,102,293,529.47	9,669,567,087.17
(I) By business continuity		
1. Net profit from going concern (net losses expressed with “-”)	-2,102,293,529.47	9,669,567,087.17
2. Net profit from discontinued operations (net losses expressed with “-”)		
(II) By ownership		
1. Net profit attributable to shareholders of the parent company	-1,126,633,616.55	5,366,884,515.49
2. Minority interest income (net losses expressed with “-”)	-975,659,912.92	4,302,682,571.68
VI. Other comprehensive income, net of tax	168,529,741.50	83,943,911.79
After-tax net of other comprehensive income attributable to the owners of parent company	174,901,083.27	78,243,601.32
(I) Other comprehensive income which may not be reclassified to gain and loss		
1. Re-measurement of changes in defined benefit plans		
2. Other comprehensive income which may not be transferred to gain and loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		
(II) Other comprehensive income which may be reclassified to gain and loss	174,901,083.27	78,243,601.32
1. Other comprehensive income which may be transferred to gain and loss under the equity method	-32,777,139.77	-32,374,602.55
2. Changes in fair value of other creditors investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other creditors investments		
5. Cash flow hedging reserves		
6. Difference in translation of foreign currency financial statements	207,678,223.04	110,618,203.87
7. Others		
Other comprehensive income attributable to minority shareholders, net of tax	-6,371,341.77	5,700,310.47

VII. Total comprehensive income	-1,933,763,787.97	9,753,510,998.96
Total comprehensive income attributable to owners of the parent company	-951,732,533.28	5,445,128,116.81
Total comprehensive income attributable to minority shareholders	-982,031,254.69	4,308,382,882.15
VIII. Earnings per share:		
(I) Basic earnings per share	-0.11	0.53
(II) Diluted earnings per share	-0.11	0.53

Legal representative: Li Shuirong Person in charge of accounting: Wang Yafang Person in charge of the accounting firm: Zhang Shaoying

4. Income statement of the parent Company

Unit: RMB

Item	2023 Semi-annual	2022 Semi-annual
I. Operating income	1,904,808,648.13	4,107,305,612.19
Less: operating costs	1,874,789,103.99	4,041,318,165.55
Taxes and surcharges	2,607,675.09	2,700,643.12
Selling expenses	26,880,098.49	17,459,641.66
Administrative expenses	23,716,251.23	23,698,690.45
R&D expenses	53,266,225.68	31,150,823.34
Financial expenses	403,526,675.25	319,755,089.76
Including: Interest expenses	429,963,010.74	368,521,783.77
Interest income	16,599,784.42	16,334,174.24
Add: Other income	3,974,497.63	3,700,945.72
Investment income (losses expressed with “-”)	111,928,533.98	74,552,966.18
Including: return on investment in associated enterprises and joint ventures	146,126,783.72	116,775,484.71
Gains on derecognition of financial assets measured at amortized cost (loss expressed with “-”)		
Net exposure hedging gains (losses expressed with “-”)		
Gains on changes in fair value (losses expressed with “-”)		
Credit impairment loss (losses expressed with “-”)	-9,136,090.59	-1,185,903.93
Loss on assets impairment (losses marked with “-”)		
Gains on disposal of assets (losses expressed with “-”)	-107,408.12	
II. Operating profits (losses expressed with “-”)	-373,317,848.70	-251,709,433.72
Add: non-operating income	19,958.10	2,400.00
Less: non-operating expenses	338.98	3,336.13
III. Total profits (total losses expressed with “-”)	-373,298,229.58	-251,710,369.85
Less: income tax expenses		
IV. Net profits (net losses expressed with “-”)	-373,298,229.58	-251,710,369.85
(I) Net profits from going concern (net losses expressed with “-”)	-373,298,229.58	-251,710,369.85
(II) Net profits from discontinued operations (net losses expressed		

with “-”)		
V. Other comprehensive incomes, net of tax	-127,061.16	-16,184,956.95
(I) Other comprehensive income which may not be reclassified to gain and loss		
1. Re-measurement of changes in defined benefit plans		
2. Other comprehensive income which may not be transferred to gain and loss under the equity method		
3. Changes in fair value of investment in other equity instruments		
4. Changes in fair value of the credit risk of the Company		
5. Others		
(II) Other comprehensive income which may be reclassified to gain and loss	-127,061.16	-16,184,956.95
1. Other comprehensive income which may be transferred to gain and loss under the equity method	-127,061.16	-16,184,956.95
2. Changes in fair value of other creditors investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other creditors investments		
5. Cash flow hedging reserves		
6. Difference in translation of foreign currency financial statements		
7. Others		
VI. Total comprehensive incomes	-373,425,290.74	-267,895,326.80
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated cash flow statement

Unit: RMB

Item	2023 Semi-annual	2022 Semi-annual
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	178,201,062,732.02	159,196,956,646.29
Net increase in deposits from customers and other banks		
Net increase in borrowings from the central bank		
Net increase in loans from other financial institutions		
Cash received from receiving insurance premium of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits and investment of the insured		
Cash received from interests, handling charges and commissions		
Net increase in borrowing funds		
Net increase in repurchase business capital		
Net cash received from securities trading agency		

Refunds of taxes and levies	2,445,377,522.07	2,157,182,476.09
Cash received relating to other operating activities	4,490,843,204.34	2,484,959,437.08
Subtotal of cash inflows for operating activities	185,137,283,458.43	163,839,098,559.46
Cash paid for goods purchased and services received	170,942,183,577.59	115,043,678,352.35
Net increase in loans and advances to customers		
Net increase in deposits with the central bank and other banks		
Cash paid for claims under original insurance contracts		
Net increase in lending funds		
Cash paid for interests, handling charges and commissions		
Cash paid for policy dividends		
Cash paid to and on behalf of employees	2,254,417,512.61	2,152,763,806.81
Payments of all types of taxes	10,665,209,175.36	12,408,782,000.44
Cash paid relating to other operating activities	3,554,252,623.77	3,154,804,540.26
Subtotal of cash outflows from operating activities	187,416,062,889.33	132,760,028,699.86
Net cash flow from operating activities	-2,278,779,430.90	31,079,069,859.60
II. Cash flows from investing activities:		
Cash received from investment recovery	1,596,493,789.84	1,893,761,792.86
Cash received from the return on investment	39,685,918.80	474,185,918.80
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	164,567.04	123,351,594.29
Net cash received from the disposal of subsidiaries and other business units	18,698,663.16	
Cash received relating to other investing activities	310,660,628.44	146,751,092.54
Subtotal of cash inflows from investing activities	1,965,703,567.28	2,638,050,398.49
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	14,998,585,601.67	20,237,056,147.11
Cash paid for investments	1,570,703,757.46	2,007,185,485.41
Net increase in pledge loans		
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities	226,234,663.58	25,450,726.15
Subtotal of cash outflows from investing activities	16,795,524,022.71	22,269,692,358.67
Net cash flow from investment activities	-14829820455.43	-19,631,641,960.18
III. Cash flow from financing activities:		
Cash received from absorption of investment		27,600,000.00
Including: cash received by subsidiaries from investments of minority shareholders		27,600,000.00
Cash received from borrowings	69,050,797,915.91	40,241,485,050.60
Cash received relating to other financing activities	4,554,000,000.00	2,380,000,000.00
Subtotal of cash inflows from financing activities	73,604,797,915.91	42,649,085,050.60
Cash paid for repayment of debts	50,333,783,864.21	42,674,355,052.94
Cash paid for distribution of dividends and profits or payment of interests	5,579,093,602.51	5,306,659,201.93

Including: dividends or profits paid by subsidiaries to minority shareholders		79,500,000.00
Cash paid relating to other financing activities	2,335,547,370.40	3,037,227,800.90
Subtotal of cash outflows from financing activities	58,248,424,837.12	51,018,242,055.77
Net cash flow from financing activities	15356373078.79	-8,369,157,005.17
IV. Effect of change in exchange rate on cash and cash equivalents	-342,023,274.22	-153,906,129.55
V. Net increase in cash and cash equivalents	-2,094,250,081.76	2,924,364,764.70
Add: opening balance of cash and cash equivalents	15,459,279,803.77	14,338,837,644.67
VI. Ending balance of cash and cash equivalents	13,365,029,722.01	17,263,202,409.37

6. Cash flow statement of the parent Company

Unit: RMB

Item	2023 Semi-annual	2022 Semi-annual
I. Cash flow from operating activities:		
Cash received from sales of goods or rendering of services	3,821,944,250.75	4,338,189,240.57
Refunds of taxes and levies	6,895,663.22	3,706,999.49
Cash received relating to other operating activities	209,329,629.24	117,737,304.75
Subtotal of cash inflows for operating activities	4,038,169,543.21	4,459,633,544.81
Cash paid for goods purchased and services received	4,382,424,862.02	4,589,047,468.86
Cash paid to and on behalf of employees	149,906,056.53	139,829,993.64
Payments of all types of taxes	9,748,781.30	31,689,288.36
Cash paid relating to other operating activities	112,878,878.35	292,165,012.19
Subtotal of cash outflows from operating activities	4,654,958,578.20	5,052,731,763.05
Net cash flow from operating activities	-616,789,034.99	-593,098,218.24
II. Cash flows from investing activities:		
Cash received from investment recovery		
Cash received from the return on investment	39,685,918.80	544,913,908.83
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets	161,625.29	
Net cash received from the disposal of subsidiaries and other business units		
Cash received relating to other investing activities		
Subtotal of cash inflows from investing activities	39,847,544.09	544,913,908.83
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	3,944,526.39	16,207,302.41
Cash paid for investments	827,000,000.00	60,000,000.00
Net cash paid for acquisition of subsidiaries and other business units		
Cash paid relating to other investing activities		20,000,000.00
Subtotal of cash outflows from investing activities	830,944,526.39	96,207,302.41
Net cash flow from investment activities	-791,096,982.30	448,706,606.42

III. Cash flow from financing activities:		
Cash received from absorption of investment		
Cash received from borrowings	8,012,734,846.32	8,417,495,719.30
Cash received relating to other financing activities	7,560,000,000.00	5,836,000,000.00
Subtotal of cash inflows from financing activities	15,572,734,846.32	14,253,495,719.30
Cash paid for repayment of debts	6,737,974,664.83	5,455,036,978.96
Cash paid for distribution of dividends and profits or payment of interests	1,742,995,626.85	1,750,777,811.03
Cash paid relating to other financing activities	4,943,986,958.94	5,583,725,079.66
Subtotal of cash outflows from financing activities	13,424,957,250.62	12,789,539,869.65
Net cash flow from financing activities	2,147,777,595.70	1,463,955,849.65
IV. Effect of change in exchange rate on cash and cash equivalents	1,223,824.25	-17,440,392.99
V. Net increase in cash and cash equivalents	741,115,402.66	1,302,123,844.84
Add: opening balance of cash and cash equivalents	510,179,880.17	464,104,910.32
VI. Ending balance of cash and cash equivalents	1,251,295,282.83	1,766,228,755.16

7. Consolidated statement of changes in owner's equity

Amount for the current period

Unit: RMB

Item	2023 Semi-annual													Minority equity	Total owner's equity
	Owner's equity attributable to the parent company														
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Generic risk reserves	Undistributed profits	Others	Subtotal		
Preferr ed shares		Perpet ual bond	Others												
I. Ending balance of the previous year	10,125,525,000.00				10,822,594,513.39	3,978,202,364.65	139,462,613.71		886,470,394.72		29,264,532,743.94		47,260,382,901.11	49,905,399,878.19	97,165,782,779.30
Add: Changes in accounting policies											1,300,627.54		1,300,627.54		1,300,627.54
Correction of errors in the previous period															
Business combinations under the same control															
Others															
II. Opening balance of the year	10,125,525,000.00				10,822,594,513.39	3,978,202,364.65	139,462,613.71		886,470,394.72		29,265,833,371.48		47,261,683,528.65	49,905,399,878.19	97,167,083,406.84
III. Increases/decreases in the current period (decrease expressed with "-")					1,929,551.34		174,901,083.27				-2,602,990,968.75		-2,426,160,334.14	-980,177,372.03	-3,406,337,706.17
(I) Total comprehensive income							174,901,083.27				-1,126,633,616.55		-951,732,533.28	-982,031,254.69	-1,933,763,787.97
(II) Capital contributed and reduced by owners					1,929,551.34								1,929,551.34	1,853,882.66	3,783,434.00

1. Ordinary shares invested by the owners																	
2. Capital contributed by holders of other equity instruments																	
3. Amount of share-based payment recognized in owner's equity																	
4. Others					1,929,551.34							1,929,551.34	1,853,882.66	3,783,434.00			
(III) Profit distribution									-			-		-			
1.1. Withdrawal of surplus reserve									1,476,357,352.20			1,476,357,352.20		1,476,357,352.20			
2. Withdrawal of generic risk reserves																	
3. Distribution to owners (or shareholders)									-			-		-			
4. Others									1,476,357,352.20			1,476,357,352.20		1,476,357,352.20			
(IV) Internal carry-forward of owner's equity																	
1. Capital reserve transferred into capital (or share capital)																	
2. Surplus reserve transferred into capital (or share capital)																	
3. Surplus reserves for making up loss																	
4. Changes in defined benefit plans carried forward to retained																	

earnings															
5. Other comprehensive incomes carried forward to retained earnings															
6. Others															
(V) Special reserve															
1. Amount appropriated in the current period								180,176,909.39					180,176,909.39	141,267,662.52	321,444,571.91
2. Use in the current period								180,176,909.39					180,176,909.39	141,267,662.52	321,444,571.91
(VI) Others															
IV. Ending balance of the current period	10,125,525,000.00				10,824,524,064.73	3,978,202,364.65	314,363,696.98		886,470,394.72		26,662,842,402.73		44,835,523,194.51	48,925,222,506.16	93,760,745,700.67

Amount of the previous year

Unit: RMB

Item	2022 Semi-annual														Minority equity	Total owner's equity
	Owner's equity attributable to the parent company															
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surpluses reserves	Generic risk reserves	Undistributed profits	Others	Subtotal			
Preferred shares		Perpetual bond	Others													
I. Ending balance of the previous year	10,125,525,000.00				10,820,095,850.58		-12,469,066.84		712,695,666.11		27,192,950,922.86		48,838,798,372.71	46,404,668,221.37	95,243,466,594.08	
Add: Changes in accounting policies											413,152,764.33		413,152,764.33	391,029,261.29	804,182,025.62	

Correction of errors in the previous period															
Business combinations under the same control															
Others															
II. Opening balance of the year	10,125,525,000.00				10,820,095,850.58		-12,469,066.84		712,695,666.11		27,606,103,687.19		49,251,951,137.04	46,795,697,482.66	96,047,648,619.70
III. Increases/decreases in the current period (decrease expressed with “-”)					1,106,064,809.42		78,243,601.32				3,859,571,060.54		2,831,749,852.44	4,335,982,882.15	7,167,732,734.59
(I) Total comprehensive income							78,243,601.32				5,366,884,515.49		5,445,128,116.81	4,308,382,882.15	9,753,510,998.96
(II) Capital contributed and reduced by owners					1,106,064,809.42								-1,106,064,809.42	27,600,000.00	-1,078,464,809.42
1. Ordinary shares invested by the owners														27,600,000.00	27,600,000.00
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment recognized in owner's equity															
4. Others					1,106,064,809.42								-1,106,064,809.42		1,106,064,809.42
(III) Profit distribution											-1,507,313,454.95		-1,507,313,454.95		-1,507,313,454.95
1. Withdrawal of surplus reserve															

2. Withdrawal of generic risk reserves														
3. Distribution to owners (or shareholders)											-	-	-	-
											1,507,313,454.95	1,507,313,454.95	1,507,313,454.95	1,507,313,454.95
4. Others														
(IV) Internal carry-forward of owner's equity														
1. Capital reserve transferred into capital (or share capital)														
2. Surplus reserve transferred into capital (or share capital)														
3. Surplus reserves for making up loss														
4. Changes in defined benefit plans carried forward to retained earnings														
5. Other comprehensive incomes carried forward to retained earnings														
6. Others														
(V) Special reserve														
1. Amount appropriated in the current period								113,932,255.89				113,932,255.89	69,752,084.84	183,684,340.73
2. Use in the current period								113,932,255.89				113,932,255.89	69,752,084.84	183,684,340.73
(VI) Others														
IV. Ending balance of the current period	10,125,525,000.00				10,820,095,850.58	1,106,064,809.42	65,774,534.48		712,695,666.11		31,465,674,747.73	52,083,700,989.48	51,131,680,364.81	103,215,381,354.29

8. Statement of changes in owner's equity of the parent company

Amount for the current period

Unit: RMB

Item	2023 Semi-annual											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total owner's equity
		Preferred shares	Perpetual bond	Others								
I. Ending balance of the previous year	10,125,525,000.00				11,243,393,393.54	3,978,202,364.65	44,972,616.09		886,470,394.72	1,760,789,418.72		20,082,948,458.42
Add: Changes in accounting policies												
Correction of errors in the previous period												
Others												
II. Opening balance of the year	10,125,525,000.00				11,243,393,393.54	3,978,202,364.65	44,972,616.09		886,470,394.72	1,760,789,418.72		20,082,948,458.42
III. Increases/decreases in the current period (decrease expressed with "-")							-127,061.16			-1,849,655,581.78		-1,849,782,642.94
(I) Total comprehensive income							-127,061.16			-373,298,229.58		-373,425,290.74
(II) Capital contributed and reduced by owners												
1. Ordinary shares invested by the owners												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment recognized in owner's equity												

4. Others												
(III) Profit distribution										-		-
										1,476,357,352.20		1,476,357,352.20
1. Withdrawal of surplus reserve												
2. Distribution to owners (or shareholders)										-		-
										1,476,357,352.20		1,476,357,352.20
3. Others												
(IV) Internal carry-forward of owner's equity												
1. Capital reserve transferred into capital (or share capital)												
2. Surplus reserve transferred into capital (or share capital)												
3. Surplus reserves for making up loss												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Amount appropriated in the current period												
2. Use in the current period												
(VI) Others												
IV. Ending balance of the current period	10,125,525,000.00				11,243,393,393.54	3,978,202,364.65	44,845,554.93		886,470,394.72	-88,866,163.06		18,233,165,815.48

Amount of the previous year

Unit: RMB

Item	2022 Semi-annual											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Others	Total owner's equity
		Preferred shares	Perpetual bond	Others								
I. Ending balance of the previous year	10,125,525,000.00				11,243,136,840.58		86,581,231.86		712,695,666.11	1,704,130,316.18		23,872,069,054.73
Add: Changes in accounting policies												
Correction of errors in the previous period												
Others												
II. Opening balance of the year	10,125,525,000.00				11,243,136,840.58		86,581,231.86		712,695,666.11	1,704,130,316.18		23,872,069,054.73
III. Increases/decreases in the current period (decrease expressed with "-")						1,106,064,809.42	-16,184,956.95			1,759,023,824.80		-2,881,273,591.17
(I) Total comprehensive income							-16,184,956.95			251,710,369.85		-267,895,326.80
(II) Capital contributed and reduced by owners						1,106,064,809.42						-1,106,064,809.42
1. Ordinary shares invested by the owners												
2. Capital contributed by holders of other equity instruments												
3. Amount of share-based payment recognized in owner's equity												
4. Others						1,106,064,809.42						-1,106,064,809.42
(III) Profit distribution										-1,507,313,454.95		-1,507,313,454.95

1. Withdrawal of surplus reserve												
2. Distribution to owners (or shareholders)									1,507,313 ,454.95	-		1,507,313 ,454.95
3. Others												
(IV) Internal carry-forward of owner's equity												
1. Capital reserve transferred into capital (or share capital)												
2. Surplus reserve transferred into capital (or share capital)												
3. Surplus reserves for making up loss												
4. Changes in defined benefit plans carried forward to retained earnings												
5. Other comprehensive incomes carried forward to retained earnings												
6. Others												
(V) Special reserve												
1. Amount appropriated in the current period												
2. Use in the current period												
(VI) Others												
IV. Ending balance of the current period	10,125,52 5,000.00				11,243,13 6,840.58	1,106,064 ,809.42	70,396,27 4.91		712,695,6 66.11	- 54,893,50 8.62		20,990,79 5,463.56

III. Company Profile

Rongsheng Petrochemical Co., Ltd. (hereinafter referred to as the Company) is a joint-stock limited company initiated and established on the foundation of Rongsheng Chemical Fiber Group Co., Ltd. by Zhejiang Rongsheng Holding Group Co., Ltd., as well as natural persons including Li Shuirong, Li Yongqing, Li Guoqing, Xu Yuejuan, Ni Xincan and Zhao Guanlong. The Company was registered on June 18, 2007 and is headquartered in Hangzhou, Zhejiang Province. The Company now holds the Business License (Unified Social Credit Code: 91330000255693873W) issued by the Industry and Commerce Administration of Zhejiang Province, with a registered capital of RMB10,125,525,000.00 and a total of 10,125,525,000.00 shares (par value: RMB1 per share), including outstanding shares subject to sales restrictions: 627,243,750 A shares, and outstanding shares not subject to sales restrictions: 9,498,281,250 A shares. Shares of the Company were listed for trading at Shenzhen Stock Exchange on November 2, 2010.

The Company operates in the petrochemical fiber industry. Business scope: manufacturing and processing of polyester yarn and chemical fabric, processing of paper products, sales of light textile raw materials and products, hardware, chemical products and raw materials (other than hazardous chemicals and precursor chemicals), industrial investment, warehousing services of ordinary goods (excluding dangerous goods), road cargo transportation (operation with a valid license), import and export business. (Business activities subject to the approval shall be carried out upon approval by relevant departments according to law.) Main products include oil refining products, chemical products, PTA, polyester chip, polyester yarn and film, and so forth.

The financial statements were approved for publication at the eleventh meeting of the sixth session of the Board of Directors of the Company on August 25, 2023.

The Company has included its 34 subsidiaries in the consolidated financial statements of the current period, such as Zhejiang Shengyuan Chemical Fiber Co., Ltd., Hong Kong Sheng Hui Co., Ltd., Ningbo Yisheng Chemical Co., Ltd., Dalian Yisheng Investment Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Hong Kong Yisheng Dahua Petrochemical Co., Ltd., Dalian Rongxincheng Trading Co., Ltd., Zhejiang Rongtong New Materials Co., Ltd., Dalian Yisheng New Material Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Ningbo Niluoshan New Energy Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd., Ningbo Rongxincheng Trading Co., Ltd., Yisheng New Materials Trading Co., Ltd., Zhejiang Rongyi Trading Co., Ltd., Rongsheng Petrochemical (Singapore) Pte. Ltd., Rongtong Logistics (Singapore) Pte. Ltd., Rongsheng Petrochemical (Hong Kong) Co., Ltd., Rongsheng International Trading Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd., Zhoushan ZPC Trading Co., Ltd., ZPC Zheyou Technology Co., Ltd., Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd., ZPC Jintang Logistics Co., Ltd., Zhejiang ZPC Sales Co., Ltd., Zhoushan ZPC Sales Co., Ltd., ZPC (Zhejiang Free Trade Zone) Green Petrochemical Research Institute Co., Ltd., Rongxiang Chemical Fiber Co., Ltd., Zhejiang Yongsheng Technology Co., Ltd., Zhejiang Zhuosheng Trading Co., Ltd., Rongsheng International Trading (Hainan) Co., Ltd., Rongsheng Chemical (Shanghai) Co., Ltd., Rongsheng New Materials (Zhoushan) Co., Ltd., and Rongsheng New Materials (Taizhou) Co., Ltd., See Notes VIII and IX to these financial statements for details.

IV. Preparation Basis of Financial Statements

1. Preparation basis

The financial statements of the Company are prepared on a going concern basis.

2. Going concern

There are no matters or circumstances that cause the Company to have serious doubts about its going concern

ability within 12 months from the end of the reporting period.

V. Significant Accounting Policies and Accounting Estimates

Tips for specific accounting policies and estimates:

Important tips: According to the actual production and operation characteristics, the Company has formulated specific accounting policies and accounting estimates for transactions or events such as impairment of financial instruments, depreciation of right-of-use assets, depreciation of fixed assets, amortization of intangible assets and revenue recognition.

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

The financial statements prepared by the Company comply with the requirements of the Accounting Standards for Business Enterprises, which truthfully and completely reflect the Company's financial position, business achievements, cash flow and other relevant information.

2. Accounting period

The accounting year is the calendar year from January 1 to December 31.

3. Operating cycle

The business cycle of the Company is short, and 12 months is taken as the liquidity division standard of assets and liabilities.

4. Recording currency

The Company and its domestic subsidiaries adopt RMB as the recording currency, while overseas subsidiaries such as Hong Kong Sheng Hui Co., Ltd., Hong Kong Yisheng Dahua Petrochemical Co., Ltd., Yisheng New Materials Trading Co., Ltd., Rongsheng Petrochemical (Singapore) Private Co., Ltd., Rongtong Logistics (Singapore) Private Co., Ltd., Rongsheng Petrochemical (Hong Kong) Co., Ltd. and Zhejiang Petroleum & Chemical (Singapore) Private Co., Ltd. engaging in overseas operations, choose the currency in the main economic environment where they operate as the recording currency.

5. Accounting methods for business combinations under the same control and not under the same control

1. Accounting methods for business combinations under the same control

The assets and liabilities acquired by the Company in business combination shall be measured according to the book value of the combined party in the consolidated financial statements of the final controlling party on the date of combination. The Company shall adjust the capital reserve according to the difference between the book value share of the owner's equity of the combined party in the consolidated financial statements of the final controlling party and the book value of the consolidated consideration paid or the total face value of the issued shares; If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

2. Accounting methods for business combinations not under the common control

On the purchase date, the difference between the combined cost and the fair value share of the identifiable net

assets of the acquiree obtained in the merger is recognized as goodwill. If the combined cost is less than the fair value share of the identifiable net assets of the acquiree obtained in the combination, first, the fair value of identifiable assets, liabilities and contingent liabilities of the acquiree and the measurement of combined cost are reviewed. If the combined cost is still less than the fair value share of identifiable net assets of the acquiree obtained in the merger after review, the difference is included in the current gain and loss.

6. Preparation method for consolidated financial statements

The parent company brings all subsidiaries under its control into the consolidation scope of the consolidated financial statements. The consolidated financial statements are based on the financial statements of the parent company and its subsidiaries and are prepared according to other related documents by the parent company in accordance with the *Accounting Standards for Business Enterprises No. 33—Consolidated Financial Statements*.

7. Classification of joint arrangement and accounting methods for joint operation

1. The joint arrangement is divided into joint operation and joint venture.

2. When the Company is a party to a joint operation, the following items are recognized in relation to the share of interest in the joint operation:

(1) Recognition of assets held individually and assets held jointly on a holding share basis;

(2) Recognition of liabilities assumed individually and liabilities assumed jointly on a holding share basis;

(3) Recognition of revenue from the sale of the Company's share of common operation output;

(4) Recognition of income from joint operations arising from the sale of assets based on the Company's share of ownership;

(5) Recognition of expenses incurred separately and recognition of expenses incurred in joint operations based on the Company's share of ownership.

8. Recognition standard for cash and cash equivalents

Cash listed in the statement of cash flows refers to cash on hand and deposits that can be used for payment at any time. The term "cash equivalents" refers to short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

9. Foreign currency business and conversion of foreign currency statements

1. Translation of foreign currency business

In foreign currency transactions, the spot exchange rate at the transaction date shall be adopted at the initial recognition to convert the foreign currency into the amount of RMB. On the balance sheet date, the monetary items denominated in foreign currencies are translated at the spot exchange rate on the balance sheet date. The exchange differences arising from the exchange rate are included in current gain and loss except for the exchange difference between the principal and interest of foreign currency-specific borrowings related to the acquisition and construction of assets eligible for capitalization. The foreign currency non-monetary items measured at historical cost are still translated at the spot exchange rate at the transaction date, and their RMB amount shall not be changed. Foreign currency non-monetary items measured at fair value are translated at the spot exchange rate at the determination date of fair value, and the exchange differences are included in current gain and loss or other comprehensive income.

2. Translation of foreign currency financial statements

Items of assets and liabilities in the balance sheet are translated at the spot exchange rate prevailing on the balance sheet date. Except for the “undistributed profit” item, other items of owner’s equity are translated at the spot exchange rate at the transaction date. Income and expense items in the income statement are translated at the approximate spot exchange rate at the transaction date. The converted difference in foreign currency financial statements arising from the above translations is included in other comprehensive income.

10. Financial instruments

1. Classification of financial assets and financial liabilities

At initial recognition, financial assets are classified into the following three categories: (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; and (3) financial assets at fair value through gain and loss.

At initial recognition, financial liabilities are classified into four categories: (1) financial liabilities at fair value through gain and loss; (2) financial liabilities that are formed since the transfer of financial assets do not comply with the conditions for derecognition or continue to involve in the financial assets to be transferred; (3) financial guarantee contracts not falling under the above (1) or (2), and loan commitments not falling under the above (1) and lending at a rate lower than the market interest rate; (4) financial liabilities at amortized cost.

2. Recognition basis, measurement methods and derecognition conditions for financial assets and financial liabilities

(1) Recognition basis and initial measurement methods for financial assets and financial liabilities

A financial asset or a financial liability shall be recognized when the Company becomes a party to a financial instrument contract. A financial asset or financial liability shall be measured at fair value at the initial recognition. For financial assets or financial liabilities at fair value through gain and loss, the transaction expenses thereof shall be directly recorded in current gain and loss. For other categories of financial assets or financial liabilities, the related transaction expenses are included in the initial recognition amount. However, if the accounts receivable initially recognized by the Company do not contain significant financing components or the Company does not consider the financing components in contracts less than one year, the initial recognition shall be carried out according to transaction price as defined in the *Accounting Standards for Business Enterprises No. 14—Revenue*.

(2) Subsequent measurement method for financial assets

1) Financial assets measured at amortized cost

They are subsequently measured at amortized cost by adopting the effective interest method. Gains or losses arising from financial assets measured at amortized cost and not part of any hedging relationship are included in current gain and loss upon derecognition, reclassification, amortization under the effective interest method or recognition of impairment.

2) Debt instrument investments at fair value through other comprehensive income

They are subsequently measured at fair value. Interest, impairment losses or gains and exchange gains and losses calculated by the effective interest method are included in current gain and loss, and other gains or losses are included in other comprehensive income. Upon derecognition, the accumulated gain or loss previously included in other comprehensive incomes is transferred from other comprehensive incomes and included in the current gain and loss.

3) Equity instrument investments at fair value through other comprehensive income

They are subsequently measured at fair value. Dividends obtained (except those falling under the recovery of investment costs) are included in current gain and loss, and other gains or losses are included in other comprehensive income. Upon derecognition, the accumulated gain or loss previously included in other comprehensive incomes is

transferred out from other comprehensive incomes and included in retained earnings.

4) Financial assets at fair value through gain and loss

They are subsequently measured at fair value, and the resulting gains or losses (including interest and dividend income) are included in current gain and loss, unless the financial asset is part of the hedging relationship.

(3) Subsequent measurement method for financial liabilities

1) Financial liabilities at fair value through gain and loss

Such financial liabilities comprise trading financial liabilities (including derivatives of financial liabilities) and those specified as financial liabilities at fair value through gain and loss. Such financial liabilities are subsequently measured at fair value. Change in fair value of financial liability designated to be measured at fair value through gain and loss due to change in the Company's own credit risk is included in other comprehensive income, unless the treatment will cause or expand the accounting mismatch in gain and loss. Other gains or losses arising from such financial liabilities (including interest expenses, except changes in fair value caused by changes in the own credit risk) are included in current gain and loss, unless the financial liabilities are part of the hedging relationship. Upon derecognition, the accumulated gain or loss previously included in other comprehensive incomes is transferred out from other comprehensive incomes and included in retained earnings.

2) Financial liabilities that are formed since the transfer of financial asset does not comply with the conditions for derecognition or continue to involve in the financial assets to be transferred

They are measured pursuant to relevant provisions under *Accounting Standards for Business Enterprises No. 23—Transfer of Financial Assets*.

3) Financial guarantee contracts not falling under the above 1) or 2), and loan commitments not falling under the above 1) and to lend at a rate lower than the market interest rate

A subsequent measurement shall be made after they are initially recognized according to the higher one of the following: ① the amount of loss reserve determined in accordance with the impairment provisions of financial instruments; ② the remaining amount after the determined accumulative amortization amount is deducted from the initially recognized amount in accordance with relevant provisions of the *Accounting Standards for Business Enterprises No. 14—Revenue*.

4) Financial liabilities at amortized cost

They are measured at amortized cost under the effective interest method. Gains or losses arising from financial liabilities measured at amortized cost and not part of any hedging relationship are included in current gain and loss when derecognized and amortized under the effective interest method.

(4) Derecognition of financial assets and financial liabilities

1) The Company will derecognize the financial assets when one of the following conditions are met:

① The contractual rights to the cash flows from the financial asset expire;

② The transfer of such financial assets has been completed and is in line with the provisions on derecognition of a financial asset under the *Accounting Standards for Business Enterprises No. 23—Transfer of Financial Assets*.

2) When the current obligations of financial liabilities (or part thereof) have been discharged, the recognition of the financial liabilities (or part thereof) shall be terminated accordingly.

3. Recognition basis and measurement method for transfer of financial assets

Where the Company transfers almost all risks and returns related to the ownership of the financial assets transferred, these financial assets will be derecognized, and the rights and obligations that occurred or were retained during the transfer are separately recognized as assets or liabilities. Where almost all risks and rewards on the ownership of financial assets are retained, the transferred financial assets shall continue to be recognized. Where the Company has neither transferred nor retained any risk and reward relating to the ownership of the financial

assets, it shall be disposed of in the following conditions: (1) where the control over the financial asset is not retained, the recognition of the financial asset shall be terminated, and the rights and obligations arising or retained in the transfer shall be separately recognized as assets or liabilities; (2) where the control over the financial asset is retained, the relevant financial asset shall be recognized according to the degree of continued involvement in the transferred financial asset, and the relevant liabilities shall be recognized accordingly.

When the overall transfer of financial assets meets the conditions for derecognition, the difference between the following two amounts shall be included in the current gain and loss: (1) the book value of the transferred financial assets on the date of derecognition; (2) the sum of the consideration received from the transfer of financial assets and the amount of the derecognized part in a cumulative amount of change in fair value which is originally included in other comprehensive income (the financial assets involved in the transfer are debt instrument investments at fair value through other comprehensive income). A part of financial assets is transferred, and if the transferred part meets the conditions for derecognition entirely, the book value of the whole financial asset before transfer shall be allocated between the derecognized part and the continued recognition part according to their relative fair values on the transfer date, and the difference between the following two amounts shall be included in current gain and loss: (1) the book value of the derecognized part; (2) the sum of the consideration of the derecognized part and the amount of the corresponding derecognized part in the accumulated amount of changes in fair value originally directly included in other comprehensive income (the financial assets involved in the transfer are debt instrument investments at fair value through other comprehensive income).

4. Methods for determination of the fair value of financial assets and financial liabilities

When determining the fair value of related financial assets and financial liabilities, the Company adopts the valuation technique applicable in the prevailing circumstance and supported by sufficient available data and other information. The Company classifies the input values used by the valuation technique as the following tiers and uses them in turns:

(1) Tier 1 input value refers to the unadjusted quotations of the same assets or liabilities in an active market which can be obtained on the measurement date;

(2) Tier 2 input value refers to them directly or indirectly observable input value of relevant assets or liabilities apart from Tier 1 input value, including: quotations of similar assets or liabilities on an active market; quotations of identical or similar assets or liabilities in markets that are not active; observable input values other than quotations, such as interest rates and yield curves that are observable during normal quotation intervals; input values for market validation, etc.;

(3) Tier 3 input value refers to the unobservable input value of relevant assets or liabilities, including the volatility of interest rate and stock that cannot be directly observed or cannot be verified by observable market data, the future cash flows of the disposal obligations assumed in the business combination, financial forecasts made using its own data, etc.

5. Impairment of financial instruments

(1) Measurement and accounting treatment of impairment of financial instruments

On the basis of expected credit loss, for financial assets at amortized cost, debt instrument investments at fair value through other comprehensive income, contract assets, lease receivables, loan commitments classified as financial liabilities at fair value through gain and loss, financial guarantee contracts that do not belong to financial liabilities at fair value through gain and loss or financial liabilities formed by the transfer of financial assets that do not meet the conditions for derecognition or continue to be involved in the transferred financial assets shall be impaired and loss reserve shall be recognized.

Expected credit loss refers to the weighted average of credit losses of financial instruments weighted by the risk of default. Credit loss refers to the difference between all contract cash flow receivables according to the contract, and all cash flows expected to be collected, that is, the present value of all cash shortages. The financial

assets purchased or generated by the Company that have suffered credit impairment are discounted according to the credit-adjusted effective interest rate of the financial assets.

For the purchased or originated financial assets with credit impairment, the Company only recognizes the cumulative change of expected credit loss in the whole existence period after initial recognition as the loss reserve on the balance sheet date.

For receivables and contract assets arising from transactions as stipulated under the *Accounting Standards for Business Enterprises No. 14—Revenue* that do not contain significant financing components or where the Company does not consider the financing components in contracts not exceeding one year, the Company uses simplified measurement methods to measure the loss reserve according to the expected credit loss amount equivalent to the whole duration.

For financial assets other than the above measurement methods, the Company assesses whether its credit risk has increased significantly since initial recognition on each balance sheet date. If the credit risk has increased significantly since the initial recognition, the Company shall measure the loss reserve according to the amount of expected credit loss during the whole existence period. If the credit risk has not increased significantly since the initial recognition, the Company shall measure the loss reserve according to the amount of expected credit loss of the financial instrument in the next 12 months.

The Company uses available reasonable and credible information, including forward-looking information, to determine whether the credit risk of financial instruments has increased significantly since the initial recognition by comparing the default risk of financial instruments on the balance sheet date with the default risk on the initial recognition date.

On the balance sheet date, if the Company judges that the financial instrument only has low credit risk, it is assumed that the credit risk of the financial instrument has not increased significantly since the initial recognition.

The Company evaluates the expected credit risk and measures the expected credit loss on the basis of a single financial instrument or combination of financial instruments. When based on the portfolio of financial instruments, the Company divides the financial instruments into different portfolios according to the common risk characteristics.

The Company re-measures the expected credit loss on each balance sheet date, and the resulting increase or reversal of the loss reserve is included in the current gain and loss as impairment loss or profit. For financial assets at amortized cost, the loss provision is offset against the book value of the financial asset as given in the balance sheet; For debt investment measured at fair value through other comprehensive income, the loss allowances are recognized in other comprehensive income by the Company instead of offsetting the book value of the financial assets.

(2) Financial instruments where expected credit risk is evaluated and expected credit loss is measured by portfolio

Item	Basis for determining portfolios	Method for measuring expected credit loss
Other receivables - Loan margin portfolio	Nature of account	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the next 12 months or the whole duration.
Other receivables - government receivables portfolio		
Other receivables - futures margin portfolio		
Other receivables - paper goods transaction settlement portfolio		
Other receivables - deposit and margin receivables portfolio		
Other receivables - reserve fund receivables portfolio		
Other receivables - current account portfolio		

Other receivables - Related party dealings portfolio within the scope of consolidation	Related parties within the scope of consolidation [note]	
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[Note]: Related parties of the Company and within the scope of consolidated financial statements

(3) Receivables and contract assets with expected credit losses measured on a portfolio basis using a simplified measurement approach

1) Specific portfolio and method for measuring expected credit loss

Item	Basis for determining portfolios	Method for measuring expected credit loss
Banker's acceptance receivables	Type of notes	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration
Commercial acceptance bill receivables		
Accounts receivable - aging portfolio	Aging	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the comparison table between the aging of accounts receivable and the expected credit loss rate of the whole duration is compiled to calculate the expected credit loss
Accounts receivable - trade accounts portfolio of overseas subsidiaries	Nature of account	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration
Accounts receivable - Related party dealings portfolio within the scope of consolidation	Related parties within the scope of consolidation	With reference to historical credit loss experience and in combination with the current situation and the forecast of future economic conditions, the expected credit loss is calculated through default risk exposure and the expected credit loss rate in the whole duration

2) Accounts receivable—comparison table between aging of aging portfolio and expected credit loss rate of the whole duration

Aging	Expected credit loss rate of accounts receivable (%)
Within 1 year (included, the same below)	5
1-2 year(s)	10
2-3 year(s)	30
Above 3 years	100

6. Offset of financial assets and financial liabilities

Financial assets and financial liabilities are listed separately on the balance sheet and can not offset each other. However, if the following conditions are met at the same time, the net amount after mutual offset shall be listed in the balance sheet: (1) the Company has the legal right to set off the recognized amount, and such legal right is currently enforceable; (2) the Company intends either to settle on a net basis, or to realize the financial assets and pay off the financial liabilities simultaneously.

For the transfer of financial assets not in line with the conditions for derecognition, the Company does not offset the transferred financial assets and liabilities.

11. Inventories

1. Classification of inventories

Inventory includes finished products or commodities held for sale in daily activities, products in the process of production, materials and supplies consumed in the process of production or providing labor services.

2. Valuation method for delivered inventories

Inventories delivered shall be weighted average at the end of each month.

3. Recognition basis for the net realizable value of inventories

On the balance sheet date, the inventory was measured at the lower of the cost and net realizable value. Inventory falling price reserves were accrued based on the difference between the cost of a single inventory and the net realizable value. The net realizable value of inventory directly used for sale will be determined by the amount of the estimated selling price of the inventory minus the estimated sales expenses and related taxes. For inventories that need to be processed, the net realizable value shall be determined in the normal production and operation process by subtracting the estimated selling price of finished products produced from the estimated cost to be incurred when completion, the estimated sales expenses and relevant taxes and fees. On the balance sheet date, if a part of the same inventory has a contract price agreement and other parts do not have a contract price, the net realizable value shall be determined respectively, and the corresponding cost shall be compared to determine the accrual or reversal amount of inventory depreciation reserve respectively.

4. Inventory system of inventories

The perpetual inventory system is adopted for inventories.

5. Amortization method for low-value consumables and packaging materials

(1) Low-value consumables

Low-value consumables are amortized using the one-off amortization method.

(2) Packaging materials

Low-value consumables are amortized using the one-off amortization method.

12. Contract costs

Assets relating to contract cost comprise contract acquisition cost and contract performance cost.

Where the incremental cost incurred by the Company to acquire the contract is expected to be recovered, it is recognized in the form of contract acquisition cost as an asset. The contract acquisition cost for which the amortization period does not exceed one year shall be directly included in the current gain and loss as incurred.

The costs incurred by the Company for performing the contract, if not within the applicability scope of relevant standards relating to inventories, fixed assets or intangible assets, can be recognized as an asset within the contract performance cost if the following conditions are met:

1. The cost is related to a current contract or a contract to be obtained, including direct labor cost, direct material/manufacture cost (or similar costs), cost to be undertaken by the customer and other costs incurred under the contract;
2. The cost increases the resources available to the Company to fulfill performance duties in the future;
3. The costs are expected to be recovered.

Assets related to contract cost are amortized on the same basis as recognition of revenue of goods or services related to the asset and recognized in current gain and loss.

If the book value of assets relating to contract cost is higher than the remaining consideration expected to be obtained due to the transfer of goods or services relating to the assets minus the estimated cost to be incurred, the Company accrues impairment reserves for the excess portion and recognizes it as an asset impairment loss. If the factors causing the impairment of the prior period change and make the remaining consideration expected to be obtained due to the transfer of goods or services relating to the assets minus the estimated cost to be incurred higher than the book value of the asset, the withdrew asset impairment provision shall be reversed and recorded in the current gains or losses, but the book value of the asset after reversion shall not exceed the book value of the asset at

the reversion date under the condition of not withdrawing the impairment provision.

13. Long-term equity investment

1. Judgment of joint control and significant influence

Joint control refers to the shared control over a certain arrangement according to the relevant agreement, and the activities under such arrangement are subject to approval by the parties sharing the control power. Significant influence refers to that one party has the power to participate in the decision-making of financial and operating policies of the investee but is unable to control or jointly control these policies with other parties.

2. Determination of investment cost

(1) For business combination under the same control, where the combining party uses cash payment, transfer of non-cash assets, assumption of debts or issuing of equity securities as combination consideration, the share of owner's equity of the combined party acquired in the book value of total owner's equity in consolidated financial statements of the ultimate controller on the combination date shall be identified as the initial investment cost of long-term equity investment. The difference between the initial investment cost of long-term equity investment and the book value of the combination consideration paid or the par value of the issued shares is adjusted against the capital reserve. If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

For the long-term equity investments formed through business combination under the same control] and implemented through multiple transactions step by step by the Company, it is a must to judge whether they are "package deals". If they are package deals, each deal is regarded as a deal to obtain control right for accounting treatment. If it is not a package deal, on the date of combination, the share of the book value of net assets of the combined party that should be enjoyed after combination in the consolidated financial statements of the ultimate controller, is recognized as an initial investment cost. The difference between the initial investment cost of long-term equity investment on the date of combination and the sum of the book value of long-term equity investment before the combination is realized and the book value of consideration additionally paid to further acquire shares on the date of combination is adjusted against the capital reserve. If the capital reserve is not sufficient for offsetting, the adjustment is made to retained earnings.

(2) As for business combinations not under the same control, the fair value of the combination consideration paid on the combination date is recorded as the initial investment cost of long-term equity investment.

For the long-term equity investments formed through business combination not under the same control and implemented through multiple transactions step by step by the Company, the accounting treatment is different in unconsolidated financial statements and consolidated financial statements:

1) In individual financial statements, the initial investment cost of long-term equity investment accounted using the cost method is measured at the sum of the book value of equity investment originally held and investment cost additionally paid.

2) In consolidated financial statements, it is a must to judge whether they are "package deals". If they are package deals, each deal is regarded as a deal to obtain control right for accounting treatment. Suppose these transactions are not "package deals", the equities of the acquiree held before the purchase date shall be re-measured at fair value at the purchase date. The difference between the fair value and its book value shall be recognized as current investment income. In case the equity of the acquiree held before the purchase date involves other comprehensive income under the equity method, relevant other comprehensive income shall be transferred to the current return on the purchase date, except for other comprehensive income resulting from the re-measurement of the investee's net defined benefit plan liabilities or changes in net assets.

(3) Except for the formation of business combination: As for those obtained by cash payment, the actually paid purchase price is taken as the initial investment cost; the long-term equity investment formed by issuing equity

securities, the fair value of issuing equity securities is taken as the initial investment costs. If acquired through debt restructuring, its initial investment cost shall be determined in accordance with the *Accounting Standards for Business Enterprises No. 12—Debt Restructuring*; in the case of non-monetary asset exchange, the initial investment cost shall be determined in accordance with the *Accounting Standards for Business Enterprises No. 7—Exchange of Non-monetary Assets*.

3. Methods for subsequent measurement and gain and loss recognition

The long-term equity investment in the invested entity under its control will be accounted for through the cost method; long-term equity investment in associated enterprises and joint ventures is accounted for under the equity method.

4. Treatment methods for investments in subsidiaries through multiple deals step by step until control losing

(1) Individual financial statements

For disposal of equity, the difference between book value and the actual price of the acquisition shall be recorded into current gain and loss. For the remaining equity, if the investor still has significant influence over the investee or imposes joint control with other parties, it is accounted for by the equity method; In case of failure to control, jointly control or significantly influence the investee, it shall be calculated in accordance with the provisions of the *Accounting Standards for Business Enterprises No. 22—Recognition and Measurement of Financial Instruments*.

(2) Consolidated financial statements

1) Investments in subsidiaries through multiple deals step by step until control losing and not belonging to “package deals”.

Before losing control, the capital reserves (capital premium) are adjusted at the difference between the disposal cost and the share in net assets of subsidiaries calculated continuously from the acquisition date or combination date corresponding to the disposal of long-term equity investment; if the capital premium is not sufficient to be offset, retained earnings are offset.

When losing control over a former subsidiary, the remaining equity is re-measured at the fair value on the date of control loss. The balance of the sum of the consideration received through the disposal of equity and the fair value of the remaining equity after deducting the entitled share of net assets continuously calculated at the original shareholding ratio from the purchase date or the date of combination in the subsidiary is recognized in the investment income for the period during which the control is lost, and is written off against goodwill. Other comprehensive income related to equity investment in the former subsidiary is transferred into return on investment for the period during which the control is lost.

2) Investments in subsidiaries through multiple deals step by step until control losing and belonging to “package deals”

Each deal is considered as a deal for the disposal of the subsidiary and losing control of accounting treatment. However, the difference between the disposal cost of each deal before losing the control and the entitled share of net assets of the subsidiary corresponding to the disposal investment is recognized as other comprehensive income in consolidated financial statements, and when the control is lost, transferred together into gain and loss for the period during which the control is lost.

14. Investment properties

Measurement model of investment properties

Measurement by the cost method

Depreciation or amortization methods

1. Investment properties of the Company include the land use rights leased and held for sale after appreciation, and leased buildings.

2. Investment properties are initially measured by cost and subsequently measured by the cost model, with its depreciation or amortization conducted by the same methods for fixed assets and intangible assets.

15. Fixed assets

(1) Recognition conditions

Fixed assets refer to tangible assets held for production, service, lease or operation with a service life of more than one accounting year. Fixed assets can be recognized only when related economic benefits are very likely to flow into the Company, and their costs can be measured reliably.

(2) Depreciation method

Category	Depreciation method	Depreciable life (years)	Residual value rate	Annual depreciation rate
Housing and buildings	Straight-line depreciation method	5-30	5 or 10	19.00-3.00
Machinery and equipment	Straight-line depreciation method	10-15	5 or 10	9.50-6.00
Transportation facilities	Straight-line depreciation method	4-5	5 or 10	23.75-18.00
Other equipment	Straight-line depreciation method	3-10	5 or 10	31.67-9.00

16. Construction in progress

1. Construction in progress is able to be recognized only when related economic benefits are very likely to flow into the Company, and its costs can be measured reliably. Construction in progress is measured at the actual cost incurred before such asset is ready for the intended use.

2. Construction in progress is carried forward to fixed assets based on actual costs of the project when it is ready for its intended use. As for construction in progress which is ready for the intended use but has not gone through the formalities of final accounts of completion, it shall be transferred into fixed assets at the estimated value. Upon the final accounts of completion, the previous tentatively estimated value other than accrued depreciation shall be adjusted based on actual costs.

17. Borrowing costs

1. Recognition principle of the capitalization of borrowing costs

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction or production of a qualifying asset for capitalization, it shall be capitalized and recognized as costs of relevant assets; Other borrowing costs shall be recognized as an expense when they are incurred and included in current gain and loss.

2. Capitalization period of borrowing costs

(1) Capitalization begins when the borrowing cost meets the following conditions: 1) asset expenditure has

been incurred; 2) the borrowing costs have been incurred; 3) the acquisition, construction or production activities necessary to bring the asset to its intended use or sales have been initiated.

(2) Where the acquisition and construction or production process of assets eligible for capitalization are interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs shall be suspended. The borrowing costs incurred during such period shall be recognized as expenses of the current period until the asset's acquisition and construction or production activity restarts.

(3) When the assets acquired, constructed or produced qualified for capitalization conditions are ready for intended use or sales, the capitalization of the borrowing costs shall be ceased.

3. Capitalization rate and amount of borrowing costs

In case of special borrowing for the acquisition & construction or production of assets eligible for capitalization conditions, interest income to be capitalized shall be recognized after deducting the bank interests for the unused portion or the investment income for short-term investment from the interest costs (including recognized depreciation or amortization of premium under effective interest method) actually occurred in the current period of specific borrowing. Where a general borrowing is used for the acquisition, construction, or production of assets eligible for capitalization, it shall determine the capitalization amounts of interests on the general borrowing by multiplying the weighted average asset expenses of the part of the accumulative asset expenses minus the special borrowings by the capitalization rate of the general borrowings used.

18. Intangible assets

(1) Pricing method, service life, and impairment test

1. Intangible assets include land use rights, patent rights and non-patented technology and so on, which are initially measured according to cost.

2. Any intangible asset with a limited service life shall be amortized in a systematic and rational manner based on the expected realization method of economic benefits related to it within its service life; where the expected realization method cannot be confirmed reliably, the straight-line method shall be adopted. Details are as follows:

Item	Amortization period (year)
Land-use right	15-50
Know-how	6-10
Management software	5-10
Pollution dumping right	5-20
Sea area use right	1-50

(2) Internal R&D expenditure accounting policy

The expenditure in the research stage of internal R&D projects is included in the current gain and loss. The expenditures incurred during the development of an internal R&D project shall be recognized as intangible assets if they simultaneously meet the following conditions: (1) It is technically feasible to complete the intangible assets so that they can be used or sold; (2) it is intended to finish and use or sell the intangible assets; (3) the ways for intangible assets to generate economic benefits shall be proven useful, including the way to prove that there is a potential market for the products manufactured with the intangible assets or there is a potential market for the intangible assets or the intangible assets will be used internally; (4) enough technical and financial resources and other resources are available to support the development of such intangible assets, and the Company is able to use or sell such intangible assets; (5) the expenses incurred from developing the intangible asset can be reliably measured.

19. Impairment of long-term assets

Long-term assets such as long-term equity investment, investment properties measured by the cost model, fixed assets, construction in progress, right-of-use assets and intangible assets with limited service lives shall be evaluated for their recoverable amount in case of any sign of impairment at the balance sheet date. For goodwill formed by business combination and intangible assets with uncertain service life, an impairment test should be carried out every year regardless of whether there is a sign of impairment. Goodwill impairment testing must be done in combination with the asset group or asset group portfolio to which it is linked.

Where the recoverable amount of asset is lower than its book value, the Company shall recognize the provision for asset impairment based on the difference and recognize such loss into the current gains and losses.

20. Long-term deferred expenses

Long-term deferred expenses refer to all expenses that have been paid and have an amortization period of more than one year (excluding one year). Long-term deferred expenses are recorded at the actual incurred amount and amortized on an average basis by stages over the beneficial period or prescribed period. In case that long-term deferred expense items cannot benefit the future accounting periods, the amortized value of such unamortized items shall be fully transferred into the current gain and loss.

21. Contract assets and contract liabilities

The Company presents contract assets or liabilities in the balance sheet based on the relation between performance obligation and customer payment. The Company will record the net amount of contract assets and contract liabilities under the same contract after they are set off against each other.

The Company records the right to receive consideration from customers unconditionally (i.e., only depending on the time lapses) as the receivables, and presents the right to receive consideration when goods have been transferred to the customers, which depends on other factors other than the time lapses, as contract assets.

The Company presents the obligation to transfer goods to the customer for considerations received or receivable from the customer as a contract liability.

22. Employee remuneration

(1) Accounting treatment method for short-term remuneration

1. Employee remuneration includes short-term remuneration, post-employment benefits, dismissal benefits and other long-term employee benefits.

2. Accounting treatment method for short-term remuneration

The actual short-term remuneration in the accounting period when employees offer services for the Company will be recognized as liabilities and included in current gain and loss or relevant asset cost.

(2) Accounting treatment method of post-employment benefits

Post-employment benefits are divided into defined contribution plans and defined benefit plans.

(1) During the accounting period when an employee provides services to the Company, the amount to be deposited according to the defined contribution plan shall be recognized as the liability and recorded into the current gain and loss or the cost of the relevant assets.

(2) The accounting treatment for a defined benefit plan generally includes the following steps:

1) In accordance with the projected unit credit method, demographic and financial variables are estimated using unbiased and consistent actuarial assumptions, the obligations arising from the defined benefit plan are measured, and the period for the relevant obligation is determined. In the meantime, the obligations arising from the defined benefit plan are discounted to determine the present value and current cost of service of the defined benefit plan;

2) Where the defined benefit plan involves any assets, the deficit or surplus resulting from the present value of obligations in the defined benefit plan minus the fair value of assets shall be recognized as net liabilities or net assets of the defined benefit plan. Where the defined benefit plan has any surplus, the Company will measure the net assets of the defined benefit plan based on the surplus or asset limit of the defined benefit plan (whichever is the lower);

3) At the end of the period, the Company shall recognize the cost of employee remuneration as cost of service, the net interest of net liabilities or net assets of the defined benefit plan and changes arising from the re-measurement of net liabilities or net assets of the defined benefit plan, in which the cost of service and net interest of net liabilities or net assets of the defined benefit plan are recorded in the current gain and loss or relevant asset cost, changes arising from the re-measurement of net liabilities or net assets of the defined benefit plan are recorded in other comprehensive incomes and is not allowed to be carried back to gains or losses during the subsequent accounting period, but the amounts recognized in other comprehensive incomes can be transferred within the equity scope.

(3) Accounting treatment method for dismissal benefits

Where dismissal benefits are provided to employees, liabilities in employee remuneration are recognized and included in the current gain and loss when: (1) the Company is not in a position to unilaterally withdraw dismissal benefits provided under termination plans or layoff proposals; (2) when the Company recognizes the costs or expenses related to restructuring involving the payment of dismissal benefits.

(4) Accounting treatment method for other long-term employee benefits

Where the Company provides other long-term employee benefits for its employees and the employee reaches the conditions of the defined benefit plan, accounting treatment shall be adopted based on relevant provisions of the defined benefit plan. For long-term employee benefits other than the aforesaid ones, the accounting treatment should be conducted in accordance with relevant provisions of the defined benefit plan. In order to simplify relevant accounting treatments, the employee remuneration cost resulting from other long-term employee benefits shall be recognized as cost of service, the total net amount of component items, including net interest of net liabilities or net asset of other long-term employee benefits, as well as changes arising from re-measurement of net liabilities or net asset of other long-term employee benefits and so on, is recorded in current gain and loss or relevant asset cost.

23. Revenue

Accounting policies for revenue recognition and measurement

1. Revenue recognition principle

The Company assesses the contract from the commencement date of the contract and recognizes each individual performance obligation included by the contract, and determines whether each individual performance obligation will be fulfilled during a certain period or at a certain time point.

It will constitute performance of the obligation in a certain period of time if any of the following conditions are met; otherwise it will constitute performance of obligation at a certain time point: (1) the customer obtains and consumes economic benefits arising from contract performance by the Company; (2) the customer can control goods

in progress during the process of contract performance by the Company; (3) goods arising from contract performance by the Company have irreplaceable purposes, and the Company is entitled to receive payment for accumulatively completed performance proportion to date throughout the contract term.

If the performance obligations are performed within the specified period, the Company will recognize the income within this period in accordance with the progress of the contract's performance. If the performance progress cannot be determined reasonably and the costs incurred are expected to be compensated, the income will be recognized according to the costs incurred until the performance progress is determined reasonably. If the performance obligations are performed at a time point, the Company will recognize the income at the time when the customer obtains control power over goods or services. When judging whether the customer has already obtained the right of control over goods, the Company shall consider the following items: (1) the Company has the right to receive payment currently; namely, the customer assumes the obligation of making payment currently in regards to the goods; 2) the Company has already transferred the legal ownership of the goods to the customer; namely, the customer has already obtained the legal ownership of such goods; 3) the Company has already transferred the material object of the goods to the customer, namely the customer has already obtained such goods in the material object; 4) the Company has already transferred the significant risk and consideration of the property in the goods to the customer, namely, the customer has already obtained the significant risk and consideration of the property in the goods; (5) the customer has accepted such goods; (6) other signs that indicate the customer has already obtained the control over goods.

2. Revenue measurement principles

(1) The income shall be measured by the Company according to the transaction price apportioned to each single performance obligation. Transaction price refers to the amount of consideration the Company expects to receive for the transfer of goods or services to the customer, but it does not include payments received on behalf of the third party or funds to be returned to the customer.

(2) In case of variable consideration in contract, the Company will determine the best estimate of variable consideration in line with the expected or most possible amount, but the transaction price that contains variable consideration will not exceed the amount of accumulated recognized income that is least likely to be reversed when relevant uncertainties are removed.

(3) If there is significant financing in the contract, the Company shall determine the transaction price according to the amount payable in cash when the client obtains control of the goods or services. The difference between the transaction price and contract consideration is amortized by the effective interest method during the term of the contract. On the contract commencement date, if the Company estimates that the time between the customer's acquisition of control over goods or services and the payment of the price by the customer will not exceed one year, the significant financing in the contract shall not be considered.

(4) If there are two or more performance obligations in the contract, at the beginning of the contract, the Company shall allocate the transaction price to each separate performance obligation according to the relative proportion of the stand-alone selling price of the goods promised by each performance obligation.

3. Specific methods for revenue recognition

The Company mainly sells oil refining products, chemical products, PTA, polyester chip, polyester yarn and film, and so forth, fulfilling its performance obligation at a certain time point. Proceeds from domestic sales are recognized when the Company has delivered the products to the buyer, the amount of product sales revenue has been determined, the payment for goods has been recovered, or the collection voucher has been obtained, and the relevant economic benefits are likely to flow in. Proceeds from overseas market sales are recognized when the Company has declared the products at the customs and obtained the bill of lading according to the contract, the amount of product sales revenue has been determined, the payment for goods has been recovered, or the collection voucher has been obtained, and the relevant economic benefits are likely to flow in.

24. Government grants

1. Government grants are recognized when both of the following conditions are met: (1) the Company is able to meet the conditions attached to the government grants; (2) the Company can receive government grants. In the case of a monetary asset, the government grants shall be measured according to the amount received or accrued. In the case of a non-monetary asset, the government grants shall be measured at fair value; where the fair value cannot be reliably obtained, it shall be measured in accordance with the nominal amount.

2. Judgment basis and accounting method for asset-related government grants

Government grants or subsidies that are required by government documents to be used for the acquisition or other formation of long-term assets are classified as asset-related government grants. If the government documents are not clear, judgment shall be made on the basis of the basic conditions that must be met to obtain the grants, and those that are based on the acquisition, construction or other formation of long-term assets are treated as asset-related government grants. Government grants relating to the assets are either written off against the book value of the relevant assets or recognized as deferred income. The government grants recognized as deferred income shall be recorded in the gain and loss on a reasonable and systematic basis over the service life of relevant assets. The government grants measured according to notional amount shall be directly included in current gain and loss. If the relevant asset has been sold, transferred, retired or damaged before the end of the service life, the balance of the relevant deferred income that has not been allocated will be transferred into the current gain and loss of asset disposal.

3. Judgment basis and accounting method for income-related government grants

Government grants other than those related to assets will be classified into income-related government grants. For government grants that include both the asset-related and the income-related components, it is difficult to distinguish between government grants that are asset-related or income-related and such grants are generally classified as asset-related. Income-related government grants of the Company are used for compensation for relevant costs & expenses or losses in subsequent periods, which are recognized as deferred income, and recorded in current gain and loss or offset against relevant costs in the period of recognition of relevant costs, expenses or losses. Government grants for compensation for incurred relevant costs and expenses or losses are directly included in current gain and loss or offset against relevant costs.

4. The government grants related to the daily business activities of the Company shall be recorded into other incomes or written down related costs and expenses according to the economic and business nature. Government grants not related to the daily activities of the Company are recorded in non-operating incomes and expenses.

5. Accounting treatment method for policy-based preferential loans with discounted interest

(1) Where the Treasury disburses the discount interest funds to the lending bank, and the lending bank provides loans to the Company at preferential policy interest rates, the Company shall use the actual amount of loans received as the entry value, and calculate the borrowing costs based on the principal and the preferential policy interest rate.

(2) If the Treasury allocates the discount interest funds directly to the Company, the discount interest will be used to offset the borrowing costs.

25. Deferred tax assets/deferred tax liabilities

1. Depending on the difference between the book value and the tax base of assets or liabilities (the difference between the tax base and the book value if the tax base of items not recognized as assets or liabilities can be determined based on tax laws), the deferred income tax assets or deferred income tax liabilities shall be calculated and recognized based on the applicable tax rate during the expected asset recovery or liability settlement period.

2. Deferred income tax assets shall be recognized to the extent of probable taxable income used for deducting temporary deductible difference. On the balance sheet date, if there is concrete evidence indicating that it is likely

to obtain enough taxable income in the future to offset temporary deductible difference, the deferred income tax assets that were not recognized in previous accounting periods should be recognized.

3. At the balance sheet date, the Company should recheck the book value of deferred income tax assets. If it is unlikely to obtain enough taxable income to offset gains generated from the deferred income tax assets, then it is necessary to write down the book value of deferred income tax assets. If it is likely to obtain enough taxable income, the deducted amount shall be recovered.

4. The current income taxes and deferred income taxes of the Company are recorded as income tax expense or income in the current gains or losses, excluding income taxes arising from: (1) business combination; (2) transactions or events recognized directly in owner's equity.

26. Lease

1. The Company as lessee

On the commencement date of the lease term, the Company recognizes the lease with a lease term of no more than 12 months and without the purchase option as a short-term lease; and recognizes the lease with lower value when a single leased asset is brand new as a low-value asset lease. In case of a sublease or expected sublease of lease asset, the original lease will not be deemed as a low-value asset lease.

For all short-term leases and low-value asset leases, the Company will recognize the lease payment in the relevant asset cost or current gain and loss under the straight-line method during each period of the lease term.

In addition to the above short-term leases and low-value asset leases under simplified treatment, the Company recognizes the right-of-use assets and lease liabilities for the lease on the commencement date of the lease term.

(1) Right-of-use assets

The right-of-use assets shall be initially measured at cost. The cost includes: 1) the initial measurement amount of the lease liability; 2) the amount of lease payment made on or before the commencement date of lease term, net of the relevant amount of used lease incentives (if any); 3) the initial direct expenses incurred by the lessee; 4) expected cost to be incurred by the lessee for the purpose of disassembly and removal of lease assets, restoration of the site where leased assets are located or restoration of leased assets to the status as agreed in lease terms.

The Company will use the straight-line method to calculate the depreciation of the right-of-use assets. Where it is reasonably certain that the ownership of the leased assets can be obtained at the expiry of the lease term, the leased assets shall be depreciated by the Company over its remaining service life. Where it is not reasonably certain that the ownership of the leased assets can be obtained at the time the term of the lease expires, the Company shall accrue the depreciation within the shorter of the lease period and the remaining service life of the leased assets.

(2) Lease liabilities

On the commencement date of the lease, the Company recognizes the present value of outstanding lease payments as lease liabilities. In calculating the present value of the lease payments, the Company adopts the interest rate embedded in the lease as the discount rate. If the Company is unable to determine the interest rate embedded in the lease, it will adopt the incremental borrowing rate as the discount rate. The difference between the lease payment and its present value is treated as unrecognized financing expenses, on which the interest expenses are recognized at the discount rate of the present value of the lease payment during each period of the lease term and included in the current gain and loss. The variable lease payments not included in the measurement of lease liabilities shall be included in current gain and loss when actually incurred.

After the inception of the lease, the Company measures lease liabilities again according to the present value of the lease payments after the change, and adjusts the book value of the right-of-use asset accordingly in case of changes in the actual fixed payment amount, the expected payable amount of the guarantee residual value, the index or ratio used to determine the lease payment amount, the purchase option, and evaluation result or the actual exercise

situation of the lease renewal option or the termination option. Where the book value of the right-of-use asset has been reduced to zero, but a further reduction is required for the lease liabilities, the remaining amount shall be included in the current gain and loss.

2. The Company as lessor

At the inception of the lease, a lease that transfers in substance almost all risks and rewards related to the ownership of leased assets is classified as a financing lease by the Company. Except for the financing lease, others are treated as the operating lease.

(1) Operating lease

During each period of the lease term, the Company recognizes the lease receipts as rental income under the straight-line method, and the initial direct costs incurred are capitalized and amortized on the same basis as the recognition of rental income, which is included in the current gain and loss by installment. Variable lease payments the Company acquired in connection with operating leases that are not included in the lease receipts are recognized in the current gain and loss when actually incurred.

(2) Financing lease

At the inception of the lease, the Company recognizes the financing lease receivables based on the net lease investment (the sum of the unsecured residual value and the present value of the lease collection not received on the first date of the lease term and discounted at the interest rate implicit in the lease), and derecognizes the financing lease assets. During each period of the lease term, the Company calculates and recognizes the interest income at the interest rate implicit in the lease.

The variable lease payments obtained by the Company that are not included in the measurement of the net lease investment are included in the current gain and loss when actually incurred.

27. Changes in significant accounting policies and accounting estimates

(1) Significant accounting policy changes

Contents and reasons of accounting policy changes	Approval process	Note
The Ministry of Finance issued Accounting Standards for Business Enterprises Interpretation No. 16, "Accounting for Deferred Income Taxes Related to Assets and Liabilities Arising from Individual Transactions Not Subject to the Initial Recognition Exemption", which requires that adjustments be made to individual transactions subject to the provision that occur between the beginning of the earliest period of the financial statements in which the provision is first implemented and the date of the first implementation of the provision.	The Company has implemented this provision since January 1, 2023	For lease liabilities and right-of-use assets recognized at the beginning of the earliest period for the presentation of financial statements in which the provisions were first implemented that gave rise to taxable temporary differences and deductible temporary differences as a result of a single transaction to which the provisions apply, the cumulative effect was adjusted to retained earnings at the beginning of the earliest period for which the financial statements were presented, as well as to other relevant financial statement items in accordance with the provisions of ASBE No. 18, "Accounting for Income Taxes".

The specific adjustments are as follows:

1. For the balance sheet items of December 31, 2022, the deferred tax assets affected were RMB32,682,430.07, the deferred tax liabilities affected were RMB31,381,802.53, and the undistributed profits affected were RMB1,300,627.54.

2. For the income statement items from January to June 2022, the income tax expenses were RMB293,115.15.

(2) Significant accounting estimate changes
 Applicable Not applicable

(3) Financial statements related to adjustments to items at the beginning of the year of first-time implementation of new accounting standards from 2023 onwards
 Applicable Not applicable

28. Others
(1) Safety production costs

The safety production costs withdrawn by the Company in accordance with the Administrative Measures for the Collection and Utilization of Enterprise Safety Production Funds (CZ [2022] No. 136) promulgated by the Ministry of Finance and the Ministry of Emergency Management were charged to the costs of relevant products or current profits or losses and also to the “special reserve”. In the case of using the withdrawn safety production costs, if they belong to cost expenditure, they shall directly offset the special reserves. Where a fixed asset is formed, the expenditures incurred shall be collected under the item “Construction in Progress” and shall be recognized as a fixed asset when the completed security project reaches the intended usable state. Moreover, the special reserves shall be written down upon the cost of the formed fixed assets, and the accumulated depreciation of the same amount shall be confirmed, and such fixed assets will not be depreciated in any following period.

(2) Segment report

The Company determines the operating segment on the basis of its internal organizational structure, management requirements, internal reporting system and so on. Operating segments refer to components within the Company satisfying all the following conditions:

- 1) It engages in business activities from which it may earn revenues and incur expenses;
- 2) The management can evaluate the operating results of such components on a regular basis, so as to decide to allocate resources to them and evaluate their performance;
- 3) It has access to accounting information of the component, such as its financial condition, operation result and cash flow.

VI. Taxes
1. Main tax categories and tax rates

Tax category	Basis of taxation	Tax rate
Value-added tax	The value-added tax received is calculated on the basis of sales of goods and taxable service income calculated according to the tax law. After deducting the VAT paid allowed for the current period, the difference is VAT payable.	13%、9%、6%[Note 1]
Excise (consumption) tax	Taxable sales (volume)	[Note 2]
Urban maintenance and construction tax	Actual payment of turnover tax	7%、5%
Enterprise income tax	Taxable income	[Note 3]
Property tax	The remaining value after deducting 30% from the original value of the property	1.2%、12%

	in one go for ad valorem collection; the rental income for rent based collection.	
Education surcharge	Actual payment of turnover tax	3%
Local education surcharge	Actual payment of turnover tax	2%

[Note 1] VAT is calculated and paid at the tax rate of 13% for goods sold. Rental income and sales of liquefied petroleum gas and steam shall be subject to VAT at the rate of 9%. Warehousing services and other businesses and interest income shall be subject to VAT at the rate of 6%. The policy of “tax exemption, credit and refund” is implemented for export goods, and the export tax rebate rate is 13%.

[Note 2] Sales of fuel oil, diesel and aviation kerosene are subject to consumption tax at RMB 1.2/liter. Sales of gasoline and naphtha are subject to consumption tax at RMB 1.52/liter.

[Note 3] Explanation for enterprise income tax rate of taxpayers at different tax rates

Name of taxpayer	Income tax rate
Subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd., Zhejiang Yongsheng Technology Co., Ltd.	15%
Subsidiaries Hong Kong Sheng Hui Co., Ltd., Hong Kong Yisheng Dahua Petrochemical Co., Ltd., Yisheng New Materials Trading Co., Ltd., Rongsheng Petrochemical (Singapore) Private Co., Ltd., Rongtong Logistics (Singapore) Private Co., Ltd., Rongsheng Petrochemical (Hong Kong) Co., Ltd. and Zhejiang Petroleum & Chemical (Singapore) Private Co., Ltd.	The tax shall be calculated and paid according to the relevant tax rates of the country and region where the business is located.
Subsidiaries Rongxiang Chemical Fiber Co., Ltd., ZPC Jintang Logistics Co., Ltd., Rongsheng International Trade (Hainan) Co., Ltd., Dalian Zhejiang Yisheng New Materials Co., Ltd. and Zhejiang Rongyi Trading Co., Ltd., Rongsheng Chemical (Shanghai) Co., Ltd.	20%
Other taxpayers other than the above	25%

2. Tax preference

1. According to requirements in *the Notice on the Continuation of the Policy of Partial Consumption Tax on Naphth and Fuel Oil* by the Ministry of Finance, People’s Bank of China and State Taxation Administration (No. 87 [2011] of the Ministry of Finance), *the Notice on Improving the Tax Refund Policy of Consumption Tax for Ethylene Aromatic Chemical Products from Naphth and Fuel Oil* by the Ministry of Finance, People’s Bank of China, General Administration of Customs and State Taxation Administration (No. 2 [2013] of the Ministry of Finance), *the Interim Measures for the Refund (Exemption) of Consumption Tax for Naphth and Fuel Oil Used in the Production of Ethylene and Aromatic Chemical Products* by the State Taxation Administration (Announcement of the State Administration of Taxation No. 36 of 2012) and *the Announcement on the Refund of Consumption Tax for Ethylene and Aromatic Chemical Products from Naphth and Fuel Oil* by the State Administration of Taxation and General Administration of Customs (Announcement No. 29 of 2013 of the State Administration of Taxation and the General Administration of Customs), in the case that the production enterprise implementing the fixed-point direct supply plan and selling naphth and fuel oil within the planned quantity limit, with a Chinese anti-counterfeiting special VAT invoice with “DDZG” logo, it shall be exempted from consumption tax. The subsidiaries Ningbo Zhongjin Petrochemical Co., Ltd. and Zhejiang Petroleum & Chemical Co., Ltd. are qualified for the tax refund, and the preferential policy of refunding consumption tax paid in the procurement stage is applicable. The subsidiaries Ningbo Zhongjin Petrochemical Co., Ltd. and Zhejiang Petroleum & Chemical Co., Ltd. implementing the fixed-point direct supply plan meet the above conditions, and the preferential policy of exemption from consumption tax on the sales stage is applicable.

According to the requirements of *the Notice on Continuing the Increase of Refined Oil Consumption Tax* by the Ministry of Finance and State Administration of Taxation (No. 11 [2015] of the Ministry of Finance), the unit

consumption tax of diesel, aviation kerosene and fuel oil increase from RMB 1.1/L to RMB 1.2/L, and suspension of consumption tax continues to apply in aviation kerosene. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. enjoys the preferential policy of suspension of consumption tax for selling aviation kerosene.

2. According to the document *Announcement of the Ministry of Finance and the State Taxation Administration on Further Strengthening the Implementation of Policies Regarding Period-End Value-Added Tax Credit Refund* (Announcement No. 14 [2022] of the Ministry of Finance and the State Administration of Taxation) jointly issued by the Ministry of Finance and the State Administration of Taxation, some subsidiaries of the Company meet the relevant conditions for the tax credit refund, and the total amount of tax credit refund received in the current period is RMB 88.3319 million.

3. According to the *Announcement on Filing of High-tech Enterprises Recognized by Zhejiang Provincial Accreditation Institutions in 2022* issued by the Office of the National High-tech Enterprise Accreditation Management Leading Group, subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd. and Zhejiang Petroleum & Chemical Co., Ltd. have passed the high-tech enterprise accreditation and obtained the High-tech Enterprise Certificate numbered GR202233004307 and GR202233003797 respectively. The validity period of the recognition is 2022-2024, and the enterprise income tax is calculated and paid at a reduced rate of 15% in the current period.

According to the *Announcement on Filing the Third Batch of High-tech Enterprises Recognized by Dalian in 2021* issued by the Office of the National High-tech Enterprise Recognition Management Leading Group, the subsidiary Yisheng Dahua Petrochemical Co., Ltd. passed the high-tech enterprise accreditation and obtained the *High-tech Enterprise Certificate* with the number of GR202121200832, which is valid from 2021 to 2023. The enterprise income tax shall be calculated and paid at the reduced tax rate of 15% in this period.

According to the *Announcement on Filing the First Batch of High-tech Enterprises Recognized by Ningbo City Authority in 2022* issued by the Office of the National High-tech Enterprise Recognition Management Leading Group, Ningbo Zhongjin Petrochemical Co., Ltd., a subsidiary, has passed the high-tech enterprise accreditation and obtained the *High-tech Enterprise Certificate* with the number of GR202233101251, with the validity period of 2022-2024. The enterprise income tax is calculated and paid at the reduced tax rate of 15% in the current period.

According to the *Announcement on the Filing of the First Batch of High-tech Enterprises Recognized in Zhejiang Province in 2021* issued by the Office of the National High-tech Enterprise Recognition Management Leading Group, Zhejiang Yongsheng Technology Co., Ltd., a subsidiary, has passed the recognition of a high-tech enterprise and obtained the *High-Tech Enterprise Certificate* with the number GR202133009456. The recognition period is from 2021 to 2023, and the enterprise income tax is calculated and paid at a reduced rate of 15% in this period.

4. According to the *Notice On Issues Related to the Implementation of the Preferential Catalogue of Enterprise Income Tax for Special Equipment of Environmental Protection, the Preferential Catalogue of Enterprise Income Tax for Special Equipment of Energy and Water Conservation and the Preferential Catalogue of Enterprise Income Tax for Special Equipment of Work Safety* (No. 48 [2008] of the Ministry of Finance), for the special equipment purchased by the Company that can be used for environmental protection, energy and water conservation, safe production and other purposes, the enterprise income tax payable of the current year can be deducted by 10% of the equipment investment. If the tax payable of the enterprise in the current year is insufficient for credit, it can be carried forward to the next year, and the carryforward period shall not exceed five tax years. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has special equipment that can be used for environmental protection, energy and water conservation and safe production, which is qualified for the preferential policy of 10% of the investment to credit the taxable income of the enterprise income tax in the current year.

5. According to requirements of Article 2 in the *Notice of the Ministry of Finance and the State Administration of Taxation on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises* (No. 13 [2019] of the Ministry of Finance), If the annual taxable income of small low-profit enterprises does not

exceed RMB 1 million (inclusive), it shall be included in the taxable income at the reduced rate of 25%, and the enterprise income tax shall be paid at the tax rate of 20%. For the part with an annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million, 50% thereof is included in the payable income, and the enterprise income tax is paid at the tax rate of 20%.

According to the requirements of the *Announcement on the Implementation of Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement No. 12 [2021] of the Ministry of Finance and the State Taxation Administration), for the part of small low-profit enterprises' annual taxable income not exceeding RMB 1 million, the enterprise income tax shall be further half-reduced on the basis of the preferential policy stipulated in Article 2 of the *Notice of the Ministry of Finance and the State Taxation Administration on Implementing the Inclusive Tax Deduction and Exemption Policies for Micro and Small Enterprises* (No. 13 [2019] of the Ministry of Finance).

According to the requirements of the *Announcement on the Further Implementation of Preferential Income Tax Policies for Micro and Small Enterprises and Individual Industrial and Commercial Households* (Announcement No. 13 [2021] of the Ministry of Finance and the State Taxation Administration), from January 1, 2022 to December 31, 2024, for small and micro enterprises with an annual taxable income exceeding RMB 1 million but not exceeding RMB 3 million, the enterprise income tax shall be further reduced by 25%, and the enterprise income tax shall be paid at the tax rate of 20%. Subsidiaries Rongxiang Chemical Fiber Co., Ltd. Rongsheng International Trade (Hainan) Co., Ltd., Dalian Yisheng New Material Co., Ltd., Zhejiang Rongyi Trade Co., Ltd. and Rongsheng Chemical (Shanghai) Co., Ltd. meet the above requirements in this period.

6. According to the *Implementation Opinions of the Office of the People's Government of Xiaoshan District, Hangzhou on Deepening the Reform of "Heroes per Mu" and Promoting High Quality Development* (XZBF [2020] No. 38), Class A enterprises can enjoy 100% reduction and exemption of land use tax. The Company and its subsidiary, Zhejiang Shengyuan Chemical Fiber Co., Ltd., meet the requirements of the above preferential tax policies, and are fully exempt from land use tax in this period.

VII. Notes to Items in the Consolidated Financial Statements

1. Monetary fund

Unit: RMB

Item	Ending balance	Beginning balance
Cash on hand	2,041,641.14	947,398.91
Bank deposit	12,695,174,133.64	14,971,568,361.00
Other monetary funds	2,491,003,349.65	3,266,258,620.30
Total	15188219124.43	18,238,774,380.21
Including: Total amount of overseas deposits	1,379,503,007.18	2,459,323,215.90

Other notes:

Among other monetary funds at the end of the period, RMB 570.0074 million is the deposit made for issuing bank acceptance bills, RMB 952.6963 million is the deposit made for issuing letters of credit, RMB 45.3763 million is the deposit made for issuing the letter of guarantee, RMB 250 million is the deposit made for handling bank loans, RMB667.8139 million is the investment funds and RMB 5.1094 million is the deposit interest accrued based on the effective interest rate method at the end of the period.

2. Trading financial assets

Unit: RMB

Item	Ending balance	Beginning balance
Financial assets at fair value through current gain and loss	387,219,170.37	188,283,362.49
Including: derivative financial assets	387,219,170.37	188,283,362.49
Total	387,219,170.37	188,283,362.49

3. Accounts receivable
(1) Classified disclosure of accounts receivable

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Proportion of accrual		Amount	Proportion	Amount	Proportion of accrual	
Accounts receivable with provision for bad debt reserves based on aging portfolio	3,510,441,592.36	100.00%	146,915,462.52	4.19%	3,363,526,129.84	7,257,160,866.85	100.00%	129,149,819.82	1.78%	7,128,011,047.03
Total	3,510,441,592.36	100.00%	146,915,462.52	4.19%	3,363,526,129.84	7,257,160,866.85	100.00%	129,149,819.82	1.78%	7,128,011,047.03

Provision made for bad debt reserves based on aging portfolio: 146,915,462.52

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Proportion of accrual
Trade fund portfolio of overseas subsidiaries	669,897,585.76	0.00	0.00%
Aging portfolio	2,840,544,006.60	146,915,462.52	5.17%
Total	3,510,441,592.36	146,915,462.52	

For provision for bad debt reserves of the accounts receivable by the general model of the expected credit loss, relevant information on bad debt reserves is disclosed based on the disclosure method of other receivables:

 Applicable Not applicable

Disclose according to aging

Unit: RMB

Aging	Ending balance
Within 1 year (inclusive of 1 year)	3,462,234,284.73

1-2 year(s)	42,868,308.23
2-3 years	3,324,575.20
Above 3 years	2,014,424.20
Total	3,510,441,592.36

(2) Bad debt provision and its recovery or reversal in the current period

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Others	
Provision made for bad debt reserves based on aging portfolio	129,149,819.82	41,185,702.41			-23,420,059.71 [Note]	146,915,462.51
Total	129,149,819.82	41,185,702.41			-23,420,059.71	146,915,462.51

[Note] Other changes were due to the transfer of 100% equity interest in Zhoushan Yushan Petrochemical Engineering Co., Ltd by ZPC, a subsidiary of the Company, and the corresponding transfer of bad debt provision for accounts receivable.

(3) Accounts receivable of top 5 ending balances collected by debtors

Unit: RMB

Company name	Ending balance of accounts receivable	Proportion in a total ending balance of accounts receivable	Ending balance of provision for bad debts
Company 1	597,729,963.56	17.03%	29,886,498.18
Company 2	470,753,229.81	13.41%	23,537,661.49
Company 3	432,875,534.32	12.33%	21,643,776.72
Company 4	431,142,109.51	12.28%	21,557,105.48
Company 5	230,631,698.06	6.57%	
Total	2,163,132,535.26	61.62%	

4. Receivables financing

Unit: RMB

Item	Ending balance	Beginning balance
Banker's acceptance	529,695,407.36	187,298,909.35
Total	529,695,407.36	187,298,909.35

Changes in receivables financing during the period and changes in fair value

Applicable Not applicable

If the provision for impairment of receivables financing is based on the general model of expected credit losses, disclose information about the provision for impairment by referring to the disclosure for other receivables:

Applicable Not applicable

5. Advance payments

(1) Advance payments presented by age

Unit: RMB

Aging	Ending balance		Beginning balance	
	Amount	Proportion	Amount	Proportion
Within 1 year	3,316,027,084.91	98.39%	2,522,481,841.45	98.61%
1-2 year(s)	54,110,343.82	1.61%	35,638,283.54	1.39%
Total	3,370,137,428.73		2,558,120,124.99	

(2) Top five payers with the biggest ending balances of advance payments

Company name	Book balance	Proportion in balance of advance payments
Supplier 1	1,871,773,815.42	55.54%
Supplier 2	221,866,743.50	6.58%
Supplier 3	105,805,000.00	3.14%
Supplier 4	94,920,875.86	2.82%
Supplier 5	79,242,619.30	2.35%
Subtotal	2,373,609,054.08	70.43%

6. Other receivables

Unit: RMB

Item	Ending balance	Beginning balance
Other receivables	8,124,126,700.64	4,262,221,292.97
Total	8,124,126,700.64	4,262,221,292.97

(1) Other receivables

1) Classification of other receivables by nature

Unit: RMB

Nature of account	Ending book balance	Beginning book balance
Government receivables portfolio	7,558,341,466.87	3,670,422,597.36
Paper goods transaction settlement portfolio	127,170,824.05	126,333,617.88
Loan margin portfolio	85,908,960.00	145,908,960.00
Futures margin portfolio	196,283,951.92	272,529,752.95
Deposit receivable margin portfolio	138,257,087.23	41,469,354.87

Petty cash receivable, etc.	23,522,521.57	13,736,810.60
Current account portfolio	5,458,414.91	5,383,742.27
Total	8,134,943,226.55	4,275,784,835.93

2) Bad debt provision

Unit: RMB

Bad-debt provision	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire duration (without credit impairment)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as of January 1, 2023	1,518,350.97	878,119.54	11,167,072.45	13,563,542.96
The balance as of January 1, 2023 in the current period				
--Transferred to Stage II	-570.00	570.00		
--Transferred to Stage III		-101,623.84	101,623.84	
Provision in current period	96,032.87	-19,482.21	-1,629,056.22	-1,552,505.56
Other changes [Note]			-1,194,511.50	-1,194,511.50
Balance as of June 30, 2023	1,613,813.85	757,583.49	8,445,128.57	10,816,525.91

[Note] Other changes were due to the transfer of 100% equity interest in Zhoushan Yushan Petrochemical Engineering Co., Ltd by ZPC, a subsidiary of the Company, and the corresponding transfer of bad debt provision for other accounts receivable.

Disclose according to aging

Unit: RMB

Aging	Ending balance
Within 1 year (inclusive of 1 year)	7,108,896,394.64
1-2 year(s)	940,773,689.69
2-3 years	78,576,009.36
Above 3 years	6,697,132.86
Total	8,134,943,226.55

3) Bad debt provision and its recovery or reversal in the current period

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Others	
Other receivables with provision for bad debts based on a combination of credit risk characteristics	13,563,542.96	-1,552,505.56			-1,194,511.50	10,816,525.91

Total	13,563,542.96	-1,552,505.56			-1,194,511.50	10,816,525.91
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4) Top five debtors with the biggest ending balances of other accounts receivable

Unit: RMB

Company name	Nature of payment	Ending balance	Aging	Proportion in total ending balance of other receivables	Ending balance of provision for bad debts
Company 1	Tax refund receivables	3,447,105,065.72	Within 1 year	42.43%	
Company 2	Government receivables	2,255,438,401.15	Within 1 year	27.76%	
Company 3	Grants receivables	1,745,798,000.00	Within 1 year	21.49%	
Company 4	Deposit guarantee receivable	112,830,000.00	Within 1 year	1.39%	
Company 5	Grants receivables	110,000,000.00	Within 1 year	1.35%	
Total		7,671,171,466.87		94.42%	

5) Receivables involving government subsidies

Unit: RMB

Company name	Name of government subsidy project	Ending balance	Period-end aging	Estimated time, amount and basis to receive
Zhoushan Green Petrochemical Base Management Committee	Grants receivables	1,745,798,000.00	Within 1 year	Expected to be recovered by December 31, 2023
Xiaoshan District Headquarters Economy Special Class	Grants receivables	110,000,000.00	Within 1 year	Expected to be recovered by December 31, 2023
Total		1,855,798,000.00		

7. Inventories

Whether the company is subject to disclosure requirements for the real estate industry

No

(1) Classification of inventories

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Inventory depreciation reserves or provision for impairment of contract performance cost	Book value	Book balance	Inventory depreciation reserves or provision for impairment of contract performance cost	Book value

Raw materials	24,560,032,875.34		24,560,032,875.34	38,684,253,387.46	216,055.92	38,684,037,331.54
Products in process	13,282,599,126.09		13,282,599,126.09	11,833,781,904.06	69,319,996.22	11,764,461,907.84
Commodity stocks	7,302,838,073.01	64,830,582.66	7,238,007,490.35	10,300,065,925.25	212,720,495.66	10,087,345,429.59
Work in process - outsourced	679,248.98		679,248.98	276,865.36		276,865.36
Low-value consumables	155,238,852.35		155,238,852.35	153,788,259.61		153,788,259.61
Total	45,301,388,175.77	64,830,582.66	45,236,557,593.11	60,972,166,341.74	282,256,547.80	60,689,909,793.94

(2) Provision for obsolete inventory or for impairment of the cost of contract performance

Unit: RMB

Item	Beginning balance	Increase in the current period		Decrease in the current period		Ending balance
		Provision	Others	Reversal or write-off	Others	
Raw materials	216,055.92			216,055.92		
Products in process	69,319,996.22			69,319,996.22		
Commodity stocks	212,720,495.66	64,830,582.66		212,720,495.66		64,830,582.66
Total	282,256,547.80	64,830,582.66		282,256,547.80		64,830,582.66

For the specific basis for determining the net realizable value, please refer to Note V (XI) for the detailed description of inventories in the financial statements. The decrease of inventory falling price reserves in the current period is written off according to the consumption of products and the sales of inventory goods in the current period.

8. Other current assets

Unit: RMB

Item	Ending balance	Beginning balance
VAT input tax to be deducted	2,837,734,162.75	1,131,926,010.21
Business income tax pre-paid	1,681,543,675.69	1,335,755,359.29
Total	4,519,277,838.44	2,467,681,369.50

9. Long-term equity investment

Unit: RMB

Investee	Beginning balance (book value)	Increase and decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
		Additional investment	Reduced investment	Investment gains or losses recognized under the equity method	Other comprehensive income adjustments	Other equity changes	Declared distribution of cash dividends or profits	Provision for impairment	Others		
I. Joint ventures											
II. Associated enterprise											
Zhejiang Yisheng Petrochemical Co., Ltd.	2,691,757,678.94			7,545,372.64	7,361,140.20					2,706,664,191.78	
Ningbo Hengyi Trading Co., Ltd.	231,733,252.44			6,836,819.72	15,457,757.73					223,112,314.43	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,006,079,840.15			131,295,914.20	11,387,579.14		39,685,918.80			2,109,077,414.69	
Zhejiang Jurong Petroleum & Chemical Sales Co., Ltd.	14,454,169.54			6,424.02						14,460,593.56	
Zhejiang Kunsheng Petroleum & Chemical Sales Co., Ltd.	13,221,013.56			3,945,821.17						17,166,834.73	
Hainan Yisheng Petrochemical Co., Ltd.	3,302,885,758.56			158,527,948.32	51,525,859.11					3,409,887,847.77	
Zhejiang Provincial Petroleum Co., Ltd.											
ZPC-ENN (Zhoushan) Gas Co., Ltd.	12,729,631.15			1,097,873.39	-					11,631,757.76	

Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	32,038,237.54			2,361,627.20						34,399,864.74
Zhejiang Derong chemicals Co. Ltd.	342,047,728.85			75,568,477.45		3,629,298.85				270,108,550.25
Zhoushan ZPC Zhougang Tugboat Co., Ltd.	61,965,559.46			5,792,243.70		154,135.14				67,911,938.30
Ningbo Coastal Public Pipe Gallery Co., Ltd.	6,301,526.09			287,718.81						6,013,807.28
Zhejiang Zhenshi Port Service Co., Ltd.	18,115,410.07			492,370.11						18,607,780.18
Zhejiang Dongjiang Green Petrochemical Technology Innovation Center Co., Ltd.		2,000,000.00								2,000,000.00
Subtotal	8,733,329,806.35	2,000,000.00		239,850,471.43	48,234,897.50	3,783,433.99	39,685,918.80			8,891,042,895.47
Total	8,733,329,806.35	2,000,000.00		239,850,471.43	48,234,897.50	3,783,433.99	39,685,918.80			8,891,042,895.47

10. Investment properties

(1) Investment real estate under the cost measurement mode

Unit: RMB

Item	Houses and buildings	Total
I. Original book value		
1. Initial balance	14,286,632.00	14,286,632.00
2. Increase in the current period		
(1) Outsourcing		
(2) Transfers from inventories/fixed assets/construction in progress		
(3) Increase due to business merger		
3. Decrease in the current period		
(1) Disposal		
(2) Other transfer-out		
4. Ending balance	14,286,632.00	14,286,632.00
II. Accumulated depreciation and accumulated amortization		
1. Initial balance	3,619,611.40	3,619,611.40
2. Increase in the current period	135,723.00	135,723.00
(1) Accrual or amortization		
3. Decrease in the current period		
(1) Disposal		
(2) Other transfer-out		
4. Ending balance	3,755,334.40	3,755,334.40
III. Provision for impairment		
1. Initial balance		
2. Increase in the current period		
(1) Accrual		
3. Decrease in the current period		
(1) Disposal		
(2) Other transfer-out		
4. Ending balance		
IV. Book value		
1. Closing book value	10,531,297.60	10,531,297.60
2. Beginning book value	10,667,020.60	10,667,020.60

(2) Investment real estate under the fair value method

 Applicable Not applicable

11. Fixed assets

Unit: RMB

Item	Ending balance	Beginning balance
Fixed assets	215,083,404,817.73	222,161,110,736.65
Total	215,083,404,817.73	222,161,110,736.65

(1) Fixed assets

Unit: RMB

Item	Housing and buildings	Machinery and equipment	Transportation facilities	Other equipment	Total
I. Original book value:					
1. Initial balance	69,834,680,127.08	182,919,839,330.11	242,890,945.99	328,633,655.38	253,326,044,058.56
2. Increase in the current period	10,387,557.14	2,227,418,502.20	4,611,239.55	9,614,523.40	2,252,031,822.29
(1) Acquisition	6,168,382.87	224,955,088.42	4,266,153.34	9,576,851.47	244,966,476.10
(2) Transfer-in from construction in progress	4,219,174.27	2,002,463,413.78	345,086.21	37,671.93	2,007,065,346.19
(3) Increase due to business merger					
3. Decrease in the current period	2,854,159,930.40	1,072,070.80	4,641,318.16		2,859,873,319.36
(1) Disposal or scrapping	2,854,159,930.40	1,072,070.80	4,641,318.16		2,859,873,319.36
4. Ending balance	66,990,907,753.82	185,146,185,761.51	242,860,867.38	338,248,178.78	252,718,202,561.49
II. Accumulated depreciation					
1. Initial balance	5,369,690,269.91	25,406,562,812.20	171,391,329.11	205,749,238.47	31,153,393,649.69
2. Increase in the current period	1,245,813,636.93	5,667,224,839.30	19,899,594.84	26,913,862.82	6,959,851,933.89
(1) Accrual	1,245,813,636.93	5,667,224,839.30	19,899,594.84	26,913,862.82	6,959,851,933.89
3. Decrease in the current period	485,801,595.55	819,907.95	3,366,008.54		489,987,512.04
(1) Disposal or scrapping	485,801,595.55	819,907.95	3,366,008.54		489,987,512.04
4. Ending balance	6,129,702,311.29	31,072,967,743.55	187,924,915.41	232,663,101.29	37,623,258,071.54
III. Provision for impairment					
1. Initial balance		11,539,672.22			11,539,672.22
2. Increase in the current period					
(1) Accrual					
3. Decrease in the current period					

(1) Disposal or scrapping					
4. Ending balance		11,539,672.22			11,539,672.22
IV. Book value					
1. Closing book value	60,861,205,442.53	154,061,678,345.74	54,935,951.97	105,585,077.49	215,083,404,817.73
2. Beginning book value	64,464,989,857.17	157,501,736,845.69	71,499,616.88	122,884,416.91	222,161,110,736.65

(2) Fixed assets with the certificate of title not transacted

Unit: RMB

Item	Original book value	Reasons for incomplete certificates of title
Houses and buildings - tank farm, supporting buildings and others of ZPC	7,127,767,903.92	In progress
Houses and buildings -- flow shop of Zheyong Technology Co. Ltd.	87,465,832.30	In progress
Houses and buildings -office buildings and others of Yisheng Dahua Petrochemical Co., Ltd.	197,972,690.71	In progress
Houses and buildings -warehouse, supporting facilities and others of Zhejiang Yisheng New Materials Co., Ltd.	120,229,088.05	In progress
Houses and buildings - polymerization building and others of Zhejiang Shengyuan Chemical Fiber Co., Ltd.	505,740,074.63	In progress
Houses and buildings -film warehouse and others of Zhejiang Yongsheng Technology Co. Ltd.	62,725,896.38	In progress
Subtotal	8,101,901,485.99	

12. Construction in progress

Unit: RMB

Item	Ending balance	Beginning balance
Construction in progress	30,786,777,964.96	24,590,757,677.89
Engineering materials	2,186,603,374.12	1,544,399,951.56
Total	32,973,381,339.08	26,135,157,629.45

(1) Construction in progress

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
1.4 million tons	14,326,345,977.		14,326,345,97	14,276,035,76		14,276,035,76

ethylene and downstream chemical plant (optimization of product structure of Phase II project)	17		7.17	3.50		3.50
Utilities and supporting facilities	10,298,131,689.24		10,298,131,689.24	6,020,862,104.28		6,020,862,104.28
Functional polyester film expansion project with an annual output of 250,000 tons per year	1,172,554,302.34		1,172,554,302.34	967,377,971.40		967,377,971.40
High performance resin project	781,998,909.47		781,998,909.47	446,159,950.48		446,159,950.48
High-end new material project	34,603,773.64		34,603,773.64	17,358,490.59		17,358,490.59
Jintang New Material Project	289,228,091.35		289,228,091.35	41,739,407.97		41,739,407.97
Sporadic projects	3,883,915,221.75		3,883,915,221.75	2,821,223,989.67		2,821,223,989.67
Total	30,786,777,964.96		30,786,777,964.96	24,590,757,677.89		24,590,757,677.89

(2) Changes in major construction in progress in the current period

Unit: RMB

Project	Budget (RMB 10,000)	Beginning balance	Increase in the current period	Amount of fixed assets carried over in the current period	Other decreases in the current period	Ending balance	Percentage of the actual cost to budget (%)	Project progress	Accumulated capitalized amount of interest	Including: Capitalized amount of interest in the current period	Interest capitalization rate in the current period	Sources of fund
1.4 million tons ethylene and downstream chemical plant (optimization of product structure of Phase II project)	3,448,517	14,276,035,763.50	1,958,505,258.62	1,908,195,044.95		14,326,345,977.17	83%	85.00%	735,756,707.49	287,274,447.16	4.21%	Bank loans, other sources
Utilities and supporting facilities		6,020,862,104.28	4,277,269,584.96			10,298,131,689.24			1,182,033,025.44	162,522,112.46	4.21%	Bank loans, other sources
Functional polyester film expansion project with an annual output of 250,000 tons per year	200,000	967,377,971.40	212,918,797.34	7,742,466.40		1,172,554,302.34	87%	90.00%	49,267,203.84	21,003,796.14	4.45%	Bank loans, other sources
High performance resin project	1,827,550	446,159,950.48	335,838,958.99			781,998,909.47	5%	5%	12,420,180.87	12,420,180.87	4.21%	Bank loans, other sources
High-end new material project	6,414,691	17,358,490.59	17,245,283.05			34,603,773.64	0.1%	0.1%	525,486.35	525,486.35	4.21%	Bank loans, other sources
Jintang New Material	7,953,857	41,739,407.97	247,488,683.38			289,228,091.35	0.4%	0.4%	7,457,041.66	7,457,041.66	3.70%	Bank loans, other

Project												sources
Sporadic projects		2,821,223,989.67	1,153,819,066.92	91,127,834.84		3,883,915,221.75			43,209,812.96	43,209,812.96	3.70%	Bank loans, other sources
Total	19,844,615	24,590,757,677.89	8,203,085,633.26	2,007,065,346.19		30,786,777,964.96			2,030,669,458.61	534,412,877.60		

(3) Engineering materials

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Special materials	1,893,171,149.69		1,893,171,149.69	1,170,107,409.07		1,170,107,409.07
Special Equipment	293,432,224.43		293,432,224.43	374,292,542.49		374,292,542.49
Total	2,186,603,374.12		2,186,603,374.12	1,544,399,951.56		1,544,399,951.56

13. Right-of-use assets

Unit: RMB

Item	Housing and buildings	Total
I. Original book value		
1. Initial balance	290,265,617.88	290,265,617.88
2. Increase in the current period		
3. Decrease in the current period		
4. Ending balance	290,265,617.88	290,265,617.88
II. Accumulated depreciation		
1. Initial balance	64,658,849.54	64,658,849.54
2. Increase in the current period	13,198,674.80	13,198,674.80
(1) Accrual	13,198,674.80	13,198,674.80
3. Decrease in the current period		
(1) Disposal		
4. Ending balance	77,857,524.34	77,857,524.34
III. Provision for impairment		
1. Initial balance		
2. Increase in the current period		
(1) Accrual		
3. Decrease in the current period		
(1) Disposal		
4. Ending balance		
IV. Book value		
1. Closing book value	212,408,093.54	212,408,093.54
2. Beginning book value	225,606,768.34	225,606,768.34

14. Intangible assets
(1) Intangible assets

Unit: RMB

Item	Land-use right	Know-how	Management software	Pollution dumping right	Sea area use right	Total
I. Original book value						
1. Initial balance	6,628,695,167.07	5,879,510.85	59,311,084.87	131,600,298.14	26,848,149.00	6,852,334,209.93
2. Increase in the current period	633,300,941.70		859,186.99		339,680.26	634,499,808.95
(1) Acquisition	633,300,941.70		859,186.99		339,680.26	634,499,808.95
(2) Internal R&D						
(3) Increase due to business merger						
3. Decrease in the current period	94,178,868.60			18,215,610.00		112,394,478.60
(1) Disposal	94,178,868.60			18,215,610.00		112,394,478.60
4. Ending balance	7,167,817,240.17	5,879,510.85	60,170,271.86	113,384,688.14	27,187,829.26	7,374,439,540.28
II. Accumulated amortization						
1. Initial balance	705,649,558.22	4,354,353.66	22,900,082.84	105,115,117.48	16,543,216.61	854,562,328.81
2. Increase in the current period	76,865,571.11	94,339.62	3,258,795.92	6,376,120.32	2,078,277.45	88,673,104.42
(1) Accrual	76,865,571.11	94,339.62	3,258,795.92	6,376,120.32	2,078,277.45	88,673,104.42
3. Decrease in the current period	11,615,393.73			14,323,831.71		25,939,225.44
(1) Disposal	11,615,393.73			14,323,831.71		25,939,225.44
4. Ending balance	770,899,735.60	4,448,693.28	26,158,878.76	97,167,406.09	18,621,494.06	917,296,207.79
III. Provision for impairment						
1. Initial balance						
2. Increase in the current period						

(1) Accrual						
3. Decrease in the current period						
(1) Disposal						
4. Ending balance						
IV. Book value						
1. Closing book value	6,396,917,504.57	1,430,817.57	34,011,393.10	16,217,282.05	8,566,335.20	6,457,143,332.49
2. Beginning book value	5,923,045,608.85	1,525,157.19	36,411,002.03	26,485,180.66	10,304,932.39	5,997,771,881.12

15. Long-term deferred expenses

Unit: RMB

Item	Beginning balance	Increase in the current period	Amortization amount in the current period	Other reductions	Ending balance
Improvement expense for fixed assets rented through operating lease	117,159.13		74,278.56		42,880.57
Total	117,159.13		74,278.56		42,880.57

16. Deferred tax assets/deferred tax liabilities

(1) Deferred tax assets not offset

Unit: RMB

Item	Ending balance		Beginning balance	
	Deductible temporary difference	Deferred income tax assets	Deductible temporary difference	Deferred income tax assets
Provision for impairment of assets	97,376,638.15	17,198,358.89	359,105,143.75	59,820,985.40
Unrealized profits from internal transactions	224,428,959.67	15,917,850.38	174,649,487.88	7,817,620.70
Deductible loss	8,125,301,546.06	1,252,064,896.14	1,926,924,516.34	322,308,341.68
Deferred income	156,852,441.59	24,472,310.67	186,228,230.49	30,561,612.33
Changes in fair value of trading financial instruments and derivative financial instruments	205,289,035.92	25,402,412.92	103,171,027.61	16,689,662.09
Lease liabilities	203,726,461.35	31,387,764.55	213,375,922.34	32,682,430.07
Total	9,012,975,082.74	1,366,443,593.55	2,963,454,328.41	469,880,652.27

(2) Deferred income tax liabilities before offset

Unit: RMB

Item	Ending balance		Beginning balance	
	Taxable temporary differences	Deferred income tax liabilities	Taxable temporary differences	Deferred income tax liabilities
The parent company, reflected at the level of consolidated statements, invests the loan as paid-in capital into the subsidiary company, which serves as the loan interest for the capitalization of long-term asset construction.	2,180,240,858.72	328,365,181.14	2,232,554,629.20	334,883,194.38
Changes in fair value of trading financial instruments and derivative financial instruments	554,214,202.84	63,123,424.85	188,283,362.48	14,181,961.06
One-time pre-tax deduction of long-term assets	10,347,277,171.26	1,552,091,575.69	10,979,341,858.26	1,646,901,278.74
Right-of-use assets	211,320,105.01	29,799,060.58	223,793,454.11	31,381,802.53
Total	13,293,052,337.83	1,973,379,242.26	13,623,973,304.05	2,027,348,236.71

(3) Deferred tax assets or liabilities, net of offsets

Unit: RMB

Item	Amount of deferred tax assets and liabilities offset at the end of the period	Closing balance of deferred tax assets or liabilities after offsetting	Deferred tax assets and liabilities offset at the beginning of period	Opening balance of deferred tax assets or liabilities after offsetting
Deferred income tax assets		1,366,443,593.55	39,995,033.06	429,885,619.21
Deferred income tax liabilities		1,973,379,242.26	39,995,033.06	1,987,353,203.65

(4) Details of unrecognized deferred tax assets

Unit: RMB

Item	Ending balance	Beginning balance
Deductible loss	4,230,054,377.66	4,786,039,765.48
Changes in fair value of trading financial instruments and derivative financial instruments	343,944,632.95	74,384,267.98
Deferred income	13,585,993.68	9,434,323.24
Provision for impairment of assets	136,725,605.16	77,404,439.05
Right-of-use assets	249,781.07	1,788,840.12
Total	4,724,560,390.52	4,949,051,635.87

(5) The deductible losses of unrecognized deferred income tax assets will be due in the following years

Unit: RMB

Year	Ending amount	Beginning amount	Note
2023	792,917,664.54	795,881,505.75	
2024	565,117,200.13	649,192,751.95	
2025	858,446,525.60	892,628,563.63	
2026	576,201,200.57	942,842,859.62	
2027	1,041,468,787.46	1,098,455,315.24	
2032	395,902,999.36	407,038,769.29	
Total	4,230,054,377.66	4,786,039,765.48	

17. Other non-current assets

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Prepayment for purchase of long-term assets	3,062,874,289.86		3,062,874,289.86	2,794,937,800.46		2,794,937,800.46
Rental value of silver leased in	411,214,415.96		411,214,415.96	411,214,415.96		411,214,415.96
Total	3,474,088,705.82		3,474,088,705.82	3,206,152,216.42		3,206,152,216.42

18. Short-term borrowings
(1) Categories of short-term borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Mortgage borrowing	200,335,687.65	
Guaranteed loan	36,867,861,290.30	24,978,544,183.97
Credit borrowings	1,927,737,561.62	1,391,008,216.53
Total	38,995,934,539.57	26,369,552,400.50

19. Trading financial liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Trading financial liabilities	549,233,668.87	588,769,711.55
Including: derivative financial liabilities	38,314,339.11	102,366,489.48

Including: fair value of silver leased	510,919,329.76	486,403,222.07
Total	549,233,668.87	588,769,711.55

20. Notes payable

Unit: RMB

Category	Ending balance	Beginning balance
Banker's acceptance	2,425,595,695.06	3,408,800,462.03
Total	2,425,595,695.06	3,408,800,462.03

21. Accounts payable

(1) Presentation of accounts payable

Unit: RMB

Item	Ending balance	Beginning balance
Payable for material procurement and operation	30,505,465,193.29	57,051,576,225.73
Payable for purchase of long-term assets	9,741,374,353.01	12,027,790,750.70
Total	40,246,839,546.30	69,079,366,976.43

22. Contract liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Loans	3,989,090,507.85	3,734,262,391.81
Total	3,989,090,507.85	3,734,262,391.81

23. Employee remuneration payable

(1) Presentation of employee remuneration payable

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
I. Short-term remuneration	1,014,193,651.21	1,858,052,784.50	2,193,356,796.52	678,889,639.19
II. Post-employment benefits - defined contribution plan	8,517,450.91	69,869,488.36	68,718,237.65	9,668,701.62
III. Dismissal welfare		29,277.15	29,277.15	
Total	1,022,711,102.12	1,927,951,550.01	2,262,104,311.32	688,558,340.81

(2) Short-term remuneration

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Wage, bonus, allowance and subsidy	1,006,507,629.78	1,736,653,348.57	2,072,724,935.41	670,436,042.94
2. Employee welfare expenses		13,907,815.70	13,922,772.97	-14,957.27
3. Social insurance premium	6,762,820.48	49,537,708.44	48,998,841.25	7,301,687.67
Including: Medical insurance premium	6,309,552.30	43,203,602.99	43,047,093.53	6,466,061.76
Work-related injury insurance premium	453,268.18	5,922,687.41	5,540,329.68	835,625.91
Birth insurance premium		411,418.04	411,418.04	
4. Housing provident fund	234,695.00	38,824,770.00	38,987,193.06	72,271.94
5. Labor union and personnel education expenses	688,505.95	19,129,141.79	18,723,053.83	1,094,593.91
Total	1,014,193,651.21	1,858,052,784.50	2,193,356,796.52	678,889,639.19

(3) Presentation of defined contribution plan

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
1. Basic endowment insurance	8,222,090.39	67,447,105.54	66,342,094.75	9,327,101.18
2. Unemployment insurance premium	295,360.52	2,422,382.82	2,376,142.90	341,600.44
Total	8,517,450.91	69,869,488.36	68,718,237.65	9,668,701.62

24. Taxes payable

Unit: RMB

Item	Ending balance	Beginning balance
Value-added tax	24,337,058.95	406,455,280.68
Excise (consumption) tax	395,382,435.83	449,500,508.31
Enterprise income tax	198,106,213.67	248,997,237.28
Individual income tax	8,239,091.07	14,735,296.18
Urban maintenance and construction tax	103,366,435.94	64,611,829.70
Education surcharge	44,311,870.09	59,958,124.53
Local education surcharge	29,541,184.87	39,972,113.03
Property tax	2,474,042.28	25,589,744.40
Land use tax	99,710,848.30	112,480,989.03
Stamp duty	57,490,925.78	38,152,661.15
Environmental protection tax	2,845,824.97	2,886,594.15
Vehicle and vessel tax		744.00
Total	965,805,931.75	1,463,341,122.44

25. Other payables

Unit: RMB

Item	Ending balance	Beginning balance
Dividends payable	108,000,000.00	108,000,000.00
Other payables	5,824,751,765.86	3,364,604,671.47
Total	5,932,751,765.86	3,472,604,671.47

(1) Dividends payable

Unit: RMB

Item	Ending balance	Beginning balance
Dividends payable on ordinary shares by subsidiaries	108,000,000.00	108,000,000.00
Total	108,000,000.00	108,000,000.00

(2) Other payables
1) Other payables listed by the nature of payment

Unit: RMB

Item	Ending balance	Beginning balance
Entrusted loan	787,044,725.00	989,433,904.99
Current accounts	4,075,672,124.62	1,539,513,447.19
Deposit and security	785,123,844.07	718,412,933.85
Settled but unpaid operating expenses	153,095,077.86	98,302,534.15
Others	23,815,994.31	18,941,851.29
Total	5,824,751,765.86	3,364,604,671.47

26. Non-current liabilities due within one year

Unit: RMB

Item	Ending balance	Beginning balance
Long-term borrowings due within one year	22,195,957,020.74	20,439,097,358.80
Lease liabilities due within one year	20,383,608.87	22,290,420.13
Total	22,216,340,629.61	20,461,387,778.93

27. Other current liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Output tax to be transferred	514,202,837.84	458,588,848.28

Total	514,202,837.84	458,588,848.28
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28. Long-term borrowings

(1) Categories of long-term borrowings

Unit: RMB

Item	Ending balance	Beginning balance
Mortgage and guarantee borrowings	104,321,425,232.56	104,036,600,984.70
Guaranteed loan	29,422,024,831.65	26,613,442,784.59
Credit borrowings	776,762,472.02	312,343,200.00
Total	134,520,212,536.23	130,962,386,969.29

29. Bonds payable

(1) Bonds payable

Unit: RMB

Item	Ending balance	Beginning balance
Green corporate bonds (second tranche)	1,010,358,988.44	1,029,195,433.12
Green corporate bonds (third tranche)	1,023,193,313.57	1,005,631,689.11
Total	2,033,552,302.01	2,034,827,122.23

(2) Increase/decrease of bonds payable: (excluding preferred stock, perpetual bond and other financial instruments classified as financial liabilities)

Unit: RMB

Name of bond	Par value	Issue date	Bond period	Issue amount	Beginning balance	Issue in current period	Interest accrued by par value	Amortization of premiums or discounts	Repayment in current period	Ending balance
20 Rongsheng G1	1,000,000,000.00	April 20, 2020	4 years (2 + 2)	995,452,830.20	1,029,195,433.12		19,185,240.11	578,315.21	38,600,000.00	1,010,358,988.44
20 Rongsheng G2	1,000,000,000.00	August 28, 2020	This tranche of bonds has a maturity of 4 years, with the right to adjust the nominal interest rate by the issuer and sell back by the	995,405,660.39	1,005,631,689.11		17,013,698.64	547,925.82		1,023,193,313.57

			investor at the end of the second year.							
Total				1,990,858,490.59	2,034,827,122.23		36,198,938.75	1,126,241.03	38,600,000.00	2,033,552,302.01

30. Lease liabilities

Unit: RMB

Item	Ending balance	Beginning balance
Lease payments	265,856,685.59	276,960,637.05
Unacknowledged financial charges	-61,292,016.78	-63,560,240.60
Total	204,564,668.81	213,400,396.45

31. Deferred income

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance	Reasons for incurrence
Government subsidies	195,662,553.73	5,000,000.00	30,224,118.46	170,438,435.27	Government subsidies related to assets
Total	195,662,553.73	5,000,000.00	30,224,118.46	170,438,435.27	

32. Share capital

Unit: RMB

	Beginning balance	Increase and decrease of this change (+, -)					Ending balance
		New issue of shares	Issue of bonus shares	Conversion of provident fund into shares	Others	Subtotal	
Total number of shares	10,125,525,000.00						10,125,525,000.00

33. Capital reserves

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Capital premium (equity premium)	10,779,726,139.51			10,779,726,139.51
Other capital reserves	42,868,373.88	1,929,551.34		44,797,925.22
Total	10,822,594,513.39	1,929,551.34		10,824,524,064.73

Other notes, including notes to increase and decrease in the current period and its reasons:

The increase in the current period was due to other changes in the equity of associate enterprises other than net

profit or loss, other comprehensive income and profit distribution, and the Company's share of these changes, calculated on the basis of its proportionate share of ownership, was credited to capital surplus (other capital surplus).

34. Treasury stock

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Repurchase of public shares	3,978,202,364.65			3,978,202,364.65
Total	3,978,202,364.65			3,978,202,364.65

35. Other comprehensive income

Unit: RMB

Item	Beginning balance	The amount incurred in the current period						Ending balance
		Amount incurred before current income tax	Less: amount included in other comprehensive income previously and then transferred into current gain and loss	Less: Amount included in other comprehensive incomes previously and then transferred into current retained earnings	Less: income tax expenses	Attributable to the parent company after tax	Attributable to the minority shareholders after tax	
Other comprehensive income to be reclassified into profit or loss	139,462,613.71	168,529,741.50				174,901,083.27	-6,371,341.77	314,363,696.98
Including: other comprehensive income convertible into profit or loss by the equity method	71,764,562.47	-48,234,897.50				32,777,139.77	-15,457,757.73	38,987,422.70
Translation difference of financial statements in foreign currency	67,698,051.24	216,764,639.00				207,678,223.04	9,086,415.96	275,376,274.28
Total other comprehensive income	139,462,613.71	168,529,741.50				174,901,083.27	-6,371,341.77	314,363,696.98

36. Special reserve

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
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Safety production expenses		180,176,909.39	180,176,909.39	
Total		180,176,909.39	180,176,909.39	

Other notes, including notes to increase and decrease in the current period and its reasons:

The increase and decrease of special reserve in this period are the safety production expenses accrued and used by subsidiaries Yisheng Dahua Petrochemical Co., Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Yisheng New Material Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd. and ZPC Zheyong Technology Co., Ltd.

37. Surplus reserve

Unit: RMB

Item	Beginning balance	Increase in the current period	Decrease in the current period	Ending balance
Statutory surplus reserve	886,470,394.72			886,470,394.72
Total	886,470,394.72			886,470,394.72

38. Undistributed profits

Unit: RMB

Item	Current period	Prior period
Undistributed profits at the end of the prior period before the adjustment	29,264,532,743.94	27,192,950,922.86
Total amount of undistributed profit at the beginning of adjustment (“+” for increase, “-” for decrease)	1,300,627.54	413,152,764.33
Undistributed profit at the beginning of the period after adjustment	29,265,833,371.48	27,606,103,687.19
Add: Net profit attributable to the owner of the parent company in the current period	-1,126,633,616.55	3,340,817,867.85
Less: Withdrawal of statutory surplus reserve		173,774,728.61
Common stock dividends payable	1,476,357,352.20	1,507,313,454.95
Undistributed profits at the end of the period	26,662,842,402.73	29,265,833,371.48

Details of adjustment of beginning undistributed profits:

As a result of the change in accounting policy, the undistributed profits affected at the beginning of the period was RMB1,300,627.54.

39. Operating income and operating costs

(1) Details

Unit: RMB

Item	Current amount incurred		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	154,208,585,059.79	139,557,422,671.72	146,940,663,114.45	122,345,306,791.96
Other Businesses	316,698,692.50	200,211,047.73	686,930,177.99	430,331,826.04

Total	154,525,283,752.29	139,757,633,719.45	147,627,593,292.44	122,775,638,618.00
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(2) Breakdown of revenue generated by contracts with customers by major categories

1) Breakdown of income by commodity type

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Oil refining	55,062,107,428.82	45,444,345,713.79	46,667,559,685.68	33,534,663,244.96
Chemical	58,838,530,475.22	54,312,061,215.61	57,275,666,363.94	46,925,265,381.47
PTA	26,198,868,922.47	26,150,440,178.24	24,926,451,550.71	24,421,941,185.37
Polyester chemical fiber film	7,346,436,217.27	7,103,615,870.05	7,034,942,127.69	6,699,618,967.02
Trade and others	7,079,340,708.51	6,747,170,741.76	11,722,973,564.42	11,194,149,839.18
Total	154,525,283,752.29	139,757,633,719.45	147,627,593,292.44	122,775,638,618.00

2) Breakdown of income by the time of commodity transfer

Item	Amount in the current period
Revenue recognized at a certain point of time	154,524,576,134.52
Revenue recognized at a certain period of time	707,617.77
Total	154,525,283,752.29

(3) The revenue recognized in the current period included in the opening book value of contract liabilities is RMB3,734,262,391.81.

40. Taxes and surcharges

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Excise (consumption) tax	9,052,613,367.30	7,112,674,964.09
Urban maintenance and construction tax	630,841,527.61	495,092,495.24
Education surcharge	270,454,545.77	212,329,803.12
Property tax	4,818,231.42	10,317,577.78
Land use tax	7,635,782.75	6,416,558.40
Vehicle and vessel tax	50,549.64	50,572.80
Stamp duty	91,225,567.44	60,056,010.68
Local education surcharge	180,304,238.66	141,553,202.07
Environmental protection tax	5,615,255.16	2,369,128.28
Total	10,243,559,065.75	8,040,860,312.46

41. Selling expenses

Unit: RMB

Item	The amount incurred in the current period	Amount incurred in the previous period
Employee remuneration	63,363,691.24	64,511,659.03

Sales business expenses	19,686,887.93	14,352,856.99
Others	17,498,830.87	23,082,686.30
Total	100,549,410.04	101,947,202.32

42. Administrative expenses

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Employee remuneration	185,798,003.18	190,037,722.33
Office expenses	64,671,634.46	74,000,796.84
Depreciation and amortization expenses	79,060,728.97	81,710,412.34
Insurance premium	8,308,602.47	8,281,160.58
Business entertainment expenses	8,111,405.17	5,321,480.33
Others	58,813,057.28	54,081,199.47
Total	404,763,431.53	413,432,771.89

43. R&D expenses

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Direct input	2,632,385,681.71	1,649,463,279.23
Depreciation and amortization	377,120,072.35	184,641,754.92
Personnel labor	268,013,526.46	154,877,662.59
Equipment commissioning fee	5,390,252.95	17,605,681.57
Outsourcing R&D and others	10,322,001.15	4,204,665.31
Total	3,293,231,534.62	2,010,793,043.62

44. Financial expenses

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Interest expense	3,625,811,842.89	1,964,665,554.58
Interest income	223,711,660.97	287,403,323.38
Net exchange losses/gains	466,810,926.53	633,964,624.42
Others	201,902,954.11	158,444,353.27
Total	4,070,814,062.56	2,469,671,208.89

45. Other income

Unit: RMB

Source of other income	Current amount incurred	Amount incurred in the previous period
Government subsidies related to assets	14,415,451.98	14,050,227.64
Government subsidies related to income	86,535,713.78	32,618,518.38
Reimbursement of withholding tax handling fees	3,709,266.29	2,753,211.97
Total	104,660,432.05	49,421,957.99

46. Investment income

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Long-term equity investment income calculated by equity method	239,850,471.43	203,113,377.87
Investment income from disposal of long-term equity investments	9,860,629.44	
Investment income from disposal of financial instruments	-71,232,256.81	59,881,368.85
Interest income from related party lending	99,037.73	99,037.73
Total	178,577,881.79	263,093,784.45

47. Gain from change in fair value

Unit: RMB

Source of income from changes in fair value	Current amount incurred	Amount incurred in the previous period
Trading financial assets	373,456,101.92	57,651,704.12
Trading financial liabilities	-62,830,446.80	-13,255,366.50
Total	310,625,655.12	44,396,337.62

48. Credit impairment loss

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Bad debt losses	-39,633,196.86	-78,692,429.59
Total	-39,633,196.86	-78,692,429.59

49. Asset impairment loss

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Inventory falling price loss	-64,830,582.66	-28,970,610.45

Total	-64,830,582.66	-28,970,610.45
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50. Income from asset disposal

Unit: RMB

Sources of asset disposal income	Current amount incurred	Amount incurred in the previous period
Income from disposal of fixed assets	-84,509.13	-13,729,695.91
Total	-84,509.13	-13,729,695.91

51. Non-operating income

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period	Amount included in non-recurring gain and loss of the current period
Income from claims and penalties	1,838,710.13	2,693,626.24	1,838,710.13
Others	200,250.31	566,767.16	200,250.31
Total	2,038,960.44	3,260,393.40	2,038,960.44

52. Non-operating expenses

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period	Amount included in non-recurring gain and loss of the current period
External donations		10,161,000.00	
Penalty expenses	38,400.00		38,400.00
Others	811,039.19	78,301.34	811,039.19
Total	849,439.19	10,239,301.34	849,439.19

53. Income tax expenses

(1) Presentation of income tax expenses

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Income tax expenses in the current period	198,063,195.10	2,337,034,839.17
Deferred income tax expenses	-950,531,935.73	37,188,645.09
Total	-752,468,740.63	2,374,223,484.26

(2) Adjustment of accounting profit and income tax expense

Unit: RMB

Item	Current amount incurred
Total profits	-2,854,762,270.10
Income tax expenses at statutory/applicable rates	-713,690,567.51
Impact of different tax rates applied to subsidiaries	281,783,967.62
Impact of income tax during periods prior to adjustment	-9,398,709.53
Impact of non-taxable income	-65,910,690.50
Impact of non-deductible costs, expenses and losses	7,632,969.47
Impact of using deductible loss on deferred income tax assets unrecognized in prior periods	-1,195,711.76
Impact of temporary deductible difference or deductible loss on deferred income tax assets unrecognized in the current period	143,688,504.34
Impact of R&D cost plus deduction	-395,378,502.76
Income tax expense	-752,468,740.63

54. Other comprehensive income

See note VII 35 of the notes to the financial statements

55. Cash flow statement items

(1) Other cash received relating to operating activities

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Temporary loan received from Rongsheng Holding	1,500,000,000.00	200,000,000.00
Recovery of bills, letters of credit and other deposits	2,223,926,332.12	1,965,060,681.53
Government subsidies received	498,113,367.88	43316892.47
Interest income received from bank deposits	184,274,855.72	157,005,934.38
Recovery of operating deposit and security deposit	78,943,677.78	110,570,955.02
Others	5,584,970.84	9,004,973.68
Total	4,490,843,204.34	2,484,959,437.08

(2) Other cash paid relating to operating activities

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Repayment of temporary loan to Rongsheng Holding	1,500,000,000.00	200,000,000.00
Payment of bills, letters of credit and other deposits	1,363,618,254.50	1,978,732,723.46

Cash disbursements from administrative expenses, R&D expenses and sales expenses	247,771,882.68	780,880,736.96
Payment of bank charges	170,964,467.88	145,819,298.69
Payment of operating deposit and security deposit	233,369,986.76	34,406,866.91
Others	38,528,031.95	14,964,914.24
Total	3,554,252,623.77	3,154,804,540.26

(3) Other cash received from investment activities

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Recovery of temporary loan and interest from ZPC-ENN (Zhoushan) Gas Co., Ltd.	52,200.00	51,620.00
Recovery of bills, letters of credit and other deposits	300,801,878.44	89,926,997.54
Receipt of project deposit	9,806,550.00	56,772,475.00
Total	310,660,628.44	146,751,092.54

(4) Other cash paid relating to investment activities

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Payment of bills, letters of credit and other deposits	204,461,781.53	25,450,726.15
Payment of project related security deposit	21,772,882.05	
Total	226,234,663.58	25,450,726.15

(5) Cash received from other financing activities

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Temporary loan received from Rongsheng Holding	3,756,000,000.00	1,580,000,000.00
Entrusted loan received from Zhejiang Yisheng	548,000,000.00	750,000,000.00
Recovery of loan deposit	250,000,000.00	50,000,000.00
Total	4,554,000,000.00	2,380,000,000.00

(6) Other cash paid for financing activities

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
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Repayment of temporary loan to Rongsheng Holding	1,281,510,402.57	1,113,795,788.33
Entrusted loan and interest repaid to Zhejiang Yisheng	771,887,121.59	775,732,134.99
Buy back shares		1,106,064,809.42
Payment of loan security	250,000,000.00	15,545,440.00
Payment of financing fees	15,979,886.75	7,858,776.72
Expenditure for right-to-use assets	16,169,959.49	18,230,851.44
Total	2,335,547,370.40	3,037,227,800.90

56. Supplementary information of Cash Flow Statement

(1) Supplementary information of Cash Flow Statement

Unit: RMB

Supplementary information	Amount for the current period	Amount of prior period
1. Converting net profit into cash flow from operating activities:		
Net profit	-2,102,293,529.47	9,669,567,087.17
Add: Provision for impairment of assets	104,463,779.52	107,663,040.04
Fixed assets depreciation, oil and gas assets depletion, productive biological assets depreciation	6,694,859,530.55	4,719,817,742.41
Depreciation of right-of-use assets	13,198,674.80	14,506,107.79
Amortization of intangible assets	73,419,072.52	78,719,312.45
Amortization of long-term deferred expenses	74,278.56	2,400,152.84
Loss on disposing fixed assets, intangible assets and other long-term assets (gains expressed with "-")	84,509.13	13,729,695.91
Losses on disposal of fixed assets (gains expressed with "-")		
Loss from changes in fair value (gains expressed with "-")	-310,625,655.12	-44,396,337.62
Financial expenses (gains expressed with "-")	4,061,769,909.71	2,548,734,133.43
Loss from investment (gains expressed with "-")	-218,545,353.28	-263,093,784.45
Reduction of deferred income tax assets (increase expressed with "-")	-946,536,989.23	-30,514,884.54
Increase of deferred income tax liabilities (decrease expressed with "-")	-13,973,961.39	-7,259,990.85
Decrease in inventories (increase expressed with "-")	15,390,669,640.75	644,082,4631.39
Decrease of operating receivables (increase expressed with "-")	-3,022,908,454.07	-20,013,027,205.49
Increase in operating payables (decrease expressed with "-")	-22,002,434,883.88	27,841,400,159.12
Others		
Net cash flow from operating activities	-2,278,779,430.90	31,079,069,859.60
2. Significant investment and financial activities not involving cash receipts and payments:		
Debt into capital		
Convertible corporate bonds due within one year		
Fixed assets leased under finance leases		
3. Net change in cash and cash equivalents:		

Ending balance of cash	13,365,029,722.01	17,263,202,409.37
Less: Beginning balance of cash	15,459,279,803.77	14,338,837,644.67
Add: Ending balance of cash equivalents		
Less: Beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-2,094,250,081.76	2,924,364,764.70

(2) Composition of cash and cash equivalents

Unit: RMB

Item	Ending balance	Beginning balance
I. Cash	13,365,029,722.01	15,459,279,803.77
Including: cash on hand	2,041,641.14	947,398.91
Bank deposits available for payment at any time	12,695,174,133.64	14,971,568,361.00
Other monetary funds available for payment at any time	667,813,947.23	486,764,043.86
II. Cash equivalents		
III. Ending balance of cash and cash equivalents	13,365,029,722.01	15,459,279,803.77

57. Assets with restricted ownership or use rights

Unit: RMB

Item	Carrying value at the end of the period	Reasons for restrictions
Monetary fund	1,823,189,402.42	See note to monetary funds in the notes to the financial statements for details
Fixed assets	213,092,536,178.09	Bank loan mortgage, letter of credit mortgage
Intangible assets	4,893,798,769.47	Bank loan mortgage
Construction in progress	25,219,264,761.29	Bank loan mortgage
Accounts receivable financing	11,038,301.85	Pledged for issuing bank acceptance bills as collateral
Total	245,039,827,413.12	

58. Monetary items denominated in foreign currencies

(1) Monetary items denominated in foreign currencies

Unit: RMB

Item	Ending balance in foreign currencies	Translation rate	Ending balance in RMB
Monetary fund			
Including: USD	329,080,263.60	7.2258	2,377,868,168.77
EUR	4,632,465.01	7.8771	36,490,390.15
HKD	361,177.65	0.92198	332,998.57

SGD	2,879,806.82	5.3442	15,390,263.61
GBP	2.70	9.1432	24.69
Accounts receivable			
Including: USD	208,748,378.12	7.2258	1,508,374,030.64
EUR			
HKD			
Other receivables			
Including: USD	27,038,764.33	7.2258	195,376,703.29
HKD	12,487,496.00	0.92198	11,513,221.56
Short term loan			
Including: USD			
EUR			
Accounts payable			
Including: USD	481,424,416.51	7.2258	3,478,676,548.82
EUR	72,767,037.28	7.8771	573,193,229.36
Other payables			
Including: USD	17,741,664.45	7.2258	128,197,718.98
Non-current liabilities due within one year			
Including: USD	48,000,000.00	7.2558	348,278,400.00
Long-term loan			
Including: USD	242,000,000.00	7.2558	1,755,903,600.00
EUR	63,507,048.12	7.8771	500,251,368.75
HKD			
Prepayment			
Including: USD	696,227.90	7.2258	5,030,803.56
EUR	4,700,271.68	7.8771	37,024,510.05

(2) Description of the overseas operating entity, including important overseas operating entity, shall disclose its main overseas business place, recording currency and the basis for selection, and shall also disclose reasons in the case of changes in recording currency.

Company name	Place of registration	Recording currency	Selection basis
Hong Kong Sheng Hui Co., Ltd.	Hong Kong, China	USD	General settlement currency for company operation
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	Hong Kong, China		
Yisheng New Materials Trading Co., Ltd.	Hong Kong, China		
Rongsheng Petrochemical (Singapore) Pte. Ltd.	Singapore		
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	Singapore		
Rongtong Logistics (Singapore) Pte. Ltd.	Singapore		
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	Hong Kong, China		

59. Government grants

(1) Basics of government grants

Unit: RMB

Category	Amount	Presented items	Amounts included in current gain and loss
Government grants related to assets	14,415,451.98	Deferred income	14,415,451.98
Income-related government grants for compensation for incurred relevant costs or losses	86,535,713.78	Deferred income	86,535,713.78

(2) Return of government grants

Applicable Not applicable

(3) Breakdown of government grants

1) Government grants related to assets

Item	Beginning deferred income in 2023	New grants in the current period (new entry in deferred income account)	Amortization in the current period (amortization of deferred income)	Other decreases in the current period	Ending deferred income	Presented items of amortization in the current period	Description of document number
Construction funds for infrastructure supporting projects	41,464,285.30		1,842,857.16		39,621,428.14	Other income	Funds allocated by the Finance Bureau of Dalian Jinzhou New Area for supporting project construction of a wharf, sewage treatment and other infrastructure
Interest subsidy fund for PTA project loan	6,726,329.94		2,690,529.12		4,035,800.82	Other income	Interest subsidy fund for PTA project loan granted by Dalian Finance Bureau
Subsidy for closed seawater cooling system project of science and technology program	3,416,516.31		1,366,672.68		2,049,843.63	Other income	Subsidy for closed seawater cooling system project of science and technology program granted by the Finance Bureau of Dalian Economic and Technological Development Zone
Subsidy fund for industrial technological transformation projects in Xiaoshan District	10,269,834.14		1,003,305.90		9,266,528.24	Other income	Funds allocated by Hangzhou Municipal Finance Bureau and Xiaoshan District Finance Bureau for industrial technological transformation projects
Financial subsidy for land change	8,195,296.46		124,485.48		8,070,810.98	Other income	Financial subsidy fund for land change allocated by the Finance Bureau of Dalian Economic and Technological Development Zone
Special fund for 1.2 million tons of PTA major project	833,332.60		333,333.36		499,999.24	Other income	Special subsidy allocated by the Dalian Finance Bureau for the "fiber grade purified terephthalic acid (PTA) project with an annual output of 1.2 million tons"

Support fund for mother solid recovery system project of PTA refining unit within the science and technology program	601,666.85		240,666.66		361,000.19	Other income	Subsidy allocated by the Finance Bureau of Dalian Economic and Technological Development Zone for the “mother solid recovery system project of PTA refining unit” within the science and technology program
Interest subsidy for supporting industrial projects in the “five points and one line” coastal economic belt park of Liaoning Province	600,000.00		240,000.00		360,000.00	Other income	Interest subsidy for supporting industrial projects in the “five points and one line” coastal economic belt park of Liaoning Province allocated by the Finance Bureau of Dalian Economic and Technological Development Zone
90,000 tons of PTT project	1,391,600.00		149,100.00		1,242,500.00	Other income	Subsidy funds allocated by Xiaoshan District Finance Bureau for the project of PTT new chemical fiber with an annual output of 90,000 tons
Subsidy for 100,000 tons of environmental protection and healthy multifunctional fiber project	2,961,766.48		306,389.52		2,655,376.96	Other income	Funds allocated by Hangzhou Municipal Bureau of Finance and Xiaoshan District Bureau of Finance for enterprise technological transformation projects
Subsidy fund for key industrial technological transformation projects	57,230.51		28,115.88		29,114.63	Other income	Funding and subsidized interest rate allocated by Hangzhou Municipal Bureau of Finance for enterprise technological transformation
Funding and subsidized interest rate for enterprise technological transformation	50,714.31		25,357.14		25,357.17	Other income	Funds allocated by Xiaoshan District Finance Bureau for key industrial technological transformation projects
National special subsidy fund	40,310,111.08		1,691,333.34		38,618,777.74	Other income	Reply of Zhejiang Provincial Development and Reform Commission on the approval of 40 MTPA Refining and Chemical Integration Project for Zhejiang Petroleum & Chemical Co., Ltd.
Seawater desalination project of Zhoushan Green Petrochemical Base (phase I)	16,495,999.84		687,333.36	15808666.48	0.00	Other income	Special funds allocated by the Daishan County Development and Reform Bureau for investment projects in the central budget for the construction of ecological civilization in 2019
Subsidy for recycling transformation project of mother solid project	10,368,518.52		1,036,851.84		9,331,666.68	Other income	The central subsidy fund for the demonstration pilot project of circular transformation of the park in 2013 allocated by the Finance Bureau of Dalian Jinpu New Area
Subsidy fund for boiler cleaning transformation	22,842,324.75		1,179,925.92		21,662,398.83	Other income	The first batch of special subsidy funds for the clean transformation of coal-fired boilers of Hangzhou coal-

							fired power plants (thermal power) and other industrial enterprises issued by Hangzhou Municipal Bureau of Finance and Hangzhou Municipal Ecology and Environment Bureau in 2002
Government subsidies for imported equipment	14,600,000.01	5,000,000.00	900,000.00		18,700,000.01	Other income	The fifth batch of special financial incentive funds (for promoting industrial development) for revitalizing the real economy (transformation of traditional industries) issued by Shaoxing Keqiao District Finance Bureau and Shaoxing Keqiao District Economic and Information Bureau
Subsidy for low nitrogen transformation of gas-fired boiler	1,363,066.00		85,664.16		1,277,401.84	Other income	Subsidy for low nitrogen transformation of gas-fired boilers issued by Shaoxing Keqiao District Finance Bureau and Keqiao Branch of Shaoxing Ecological Environment Bureau
Special financial funds for industrial and information technology development, asset-based government subsidies	9,777,777.76		333,333.36		9,444,444.40	Other income	<i>Notice on Issuing the Provincial Special Financial Funds for Industrial and Information Development in 2021 (Second Batch)</i> (ZCJF [2022] No. 4) issued by the Zhoushan Finance Bureau and Zhoushan Economic and Information Bureau
Technical renovation of intelligent conveying and packaging for polyester low-stretch yarn	1,377,927.41		48,643.80		1,329,283.61	Other income	<i>Notice on Issuing Financial Assistance Funds for the Second Batch of Hangzhou Manufacturing Enterprise Technical Transformation Projects in 2021</i> by the Hangzhou Municipal Finance Bureau (H.C.Q. [2021] No.77); <i>Notice on Issuing the District Level Supporting Facilities for the Second Batch of Municipal Manufacturing Enterprise Technical Transformation Projects in 2021</i> by the Finance Bureau of Xiaoshan District and the Economic and Information Technology Bureau of Xiaoshan District, Hangzhou City (X.C.Q. [2022] No. 13)
Special incentive project for supply chain innovation and application	586,666.67		19,999.98		566,666.69	Other income	Special incentive funds for supply chain innovation and application in Zhoushan Green Petrochemical Base
Equipment for the functional polyester film expansion project with an annual output of 250,000 tons per year	1,139,810.02		59,989.98		1,079,820.04	Other income	<i>Notice on Issuing the Special Financial Incentive Fund for High Starting Point Planning of Industrial Projects in Keqiao District in 2021 (Third Batch)</i> by the Economic and Information Technology Bureau of Keqiao District, Shaoxing City and the Finance Bureau of Keqiao District, Shaoxing City (SKJX. [2022] No.36)

Others	231,778.77		21,563.34		210,215.43	Other income	The special financial funds for energy conservation and industrial circular economy of Zhejiang Province allocated by Xiaoshan District Finance Bureau
Total	195,662,553.73	5,000,000.00	14,415,451.98	15,808,666.48	170,438,435.27		

2) Income-related government grants for compensation for incurred relevant costs or losses

Item	Amount	Presented items	Description of document number
Financial support funds	67,359,684.15	Other income	Zhoushan Bureau of Finance and Zhoushan Bureau of Economy and Information Technology <i>Notice on the Issuance of Municipal Industrial Development Special Funds in 2023 (the First Batch)</i> (ZCJF(2023)No.10), Ningbo Leading Group Office of High-Quality Development of Manufacturing Industry, Ningbo Bureau of Economy and Information Technology, Ningbo Bureau of Finance <i>Notice on the Issuance of A Number of Opinions on the Industrial Sprint in the Fourth Quarter to Get off to a Good Start, Stabilize Production and Improve the Quality</i> (YZZYB[2022] No. 23) etc.
Industrial development promotion fund	17,901,654.00	Other income	Zhejiang Provincial Department of Commerce <i>Notice on the Clarification of the 2023 Provincial Business Promotion Financial Special "Two-dimensional Allocation Method" Funds</i> (ZSWF (2023) No. 36), the Administrative Committee of Ningbo Hi-tech Zone <i>Notice on the Issuance of Opinions on Policies of Stabilizing the Economy by Relieving Troubles and Helping Enterprises in Ningbo Hi-tech Zone</i> (YGX [2022] No. 13) etc.
Subsidy fund for talents introduction	775,723.42	Other income	Ningbo Bureau of Human Resources and Social Security, Ningbo Federation of Labor Unions and Ningbo Committee of the Communist Youth League <i>Notice on the Selection of Ningbo Craftsmen for the New Era in 2022</i> (YRSH [2022] No. 26), Hangzhou Xiaoshan District Human Resources and Social Security Bureau <i>Notice on the Issuance of the Implementation Rules for One-time Recruitment Subsidy for Manufacturing Enterprises in Xiaoshan District, Hangzhou</i> (XRS [2022] No. 62) etc.
Other rewards and subsidies	498,652.21	Other income	
Total	86,535,713.78		

VIII. Changes in Combination Scope

1. Changes in combination scope due to other reasons

Describe changes in combination scope due to other reasons (such as establishment of a new subsidiary, liquidation of a subsidiary, etc.) and its relevant information:

1. Increase in combination scope

Company name	Acquisition method	Date of equity acquisition	Amount of contribution
Zhoushan ZPC Sales Co., Ltd.	Newly established	May 25, 2023	

2. Decrease in combination scope

Company name	Method of equity disposal	Date of disposal	Net assets on the disposal date	Net profits from the beginning of the period to the disposal date
Zhoushan Yushan Petrochemical Engineering Co., Ltd	Sold	June 29, 2023	8,932,299.46	-9,860,629.44

IX. Equities in Other Entities

1. Equities in subsidiaries

(1) Group composition

Name of subsidiary	Principal place of business	Place of registration	Business nature	Shareholding ratio		Acquisition method
				Direct	Indirect	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Set up
Hong Kong Sheng Hui Co., Ltd.	Hong Kong, China	Hong Kong, China	Commercial	100.00%		Business combinations under the same control
Ningbo Yisheng Chemical Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		95.00%	Set up
Dalian Yisheng Investment Co., Ltd.	Dalian, Liaoning	Dalian, Liaoning	Manufacturing	70.00%		Set up
Yisheng Dahua Petrochemical Co., Ltd.	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		84.60%	Set up
Hong Kong Yisheng Dahua Petrochemical Co., Ltd.	Hong Kong, China	Hong Kong, China	Commercial		100.00%	Set up
Dalian Rongxincheng Trading Co., Ltd.	Dalian, Liaoning	Dalian, Liaoning	Commercial		100.00%	Set up
Zhejiang Rongtong Chemical Fiber New Material Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial		100.00%	Set up
Dalian Yisheng New Materials Co., Ltd.	Dalian, Liaoning	Dalian, Liaoning	Manufacturing		100.00%	Set up
Ningbo Zhongjin Petrochemical Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing	100.00%		Business combinations under the same control
Ningbo Niluoshan New Energy Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		100.00%	Set up
Zhejiang Yisheng New Materials Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing		51.00%	Business combinations not under the same control
Ningbo Rongxincheng Trading Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Set up
Yisheng New Materials Trading Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Set up
Zhejiang Rongyi Trading Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial		100.00%	Set up

Rongsheng Petrochemical (Singapore) Pte. Ltd.	Singapore	Singapore	Commercial	100.00%		Set up
Rongtong Logistics (Singapore) Pte. Ltd.	Singapore	Singapore	Commercial		100.00%	Set up
Rongsheng Petrochemical (Hong Kong) Co., Ltd.	Hong Kong	Hong Kong	Commercial		100.00%	Set up
Rongsheng International Trading Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial	100.00%		Set up
Zhejiang Petroleum & Chemical Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	51.00%		Business combinations under the same control
Zhoushan ZPC Sales Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Set up
ZPC Zheyong Technology Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing		70.00%	Set up
Zhejiang Petroleum & Chemical (Singapore) Pte. Ltd.	Singapore	Singapore	Commercial		100.00%	Set up
ZPC Jintang Logistics Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Set up
Zhejiang ZPC Sales Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Commercial		100.00%	Set up
Zhoushan ZPC Sales Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Set up
ZPC (Zhejiang Free Trade Zone) Green Petrochemical Research Institute Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Commercial		100.00%	Set up
Rongxiang Chemical Fiber Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Manufacturing	100.00%		Set up
Zhejiang Yongsheng Technology Co., Ltd.	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Manufacturing	70.00%		Business combinations under the same control
Zhejiang Zhuosheng Industry & Trade Co., Ltd.	Shaoxing, Zhejiang	Shaoxing, Zhejiang	Commercial		100.00%	Set up
Rongsheng International Trading (Hainan) Co., Ltd.	Danzhou, Hainan	Danzhou, Hainan	Commercial	100.00%		Set up
Rongsheng Chemical (Shanghai) Co., Ltd.	Shanghai, China	Shanghai, China	Commercial	100.00%		Set up
Rongsheng (Zhoushan) New Materials Co., Ltd.	Zhoushan, Zhejiang	Zhoushan, Zhejiang	Manufacturing	100.00%		Set up
Rongsheng New Material (Taizhou) Co., Ltd.	Taizhou, Zhejiang	Taizhou, Zhejiang	Manufacturing	100.00%		Set up

(2) Major non-wholly owned subsidiaries

Unit: RMB

Name of subsidiary	Shareholding ratio of minority shareholders	Gain and loss attributable to minority shareholders in the current period	Dividend announced to be distributed to minority shareholders in the current period	Ending balance of minority equity
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Dalian Yisheng Investment Co., Ltd.	30.00%	29,428,680.84	0.00	2,045,661,193.99
Yisheng Dahua Petrochemical Co., Ltd.	15.40%	-11,254,535.39	0.00	1,058,318,814.22
Zhejiang Petroleum & Chemical Co., Ltd.	49.00%	-886,165,692.60	0.00	44,315,096,816.19
Zhejiang Yongsheng Technology Co., Ltd.	30.00%	-13,797,656.55	0.00	205,797,649.66
Zhejiang Yisheng New Materials Co., Ltd.	49.00%	-93,870,709.22	0.00	1,300,348,032.10

(3) Main financial information of major non-wholly owned subsidiaries

Unit: RMB

Name of subsidiary	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Dalian Yisheng Investment Co., Ltd.	7,212,986,819.99	9,703,099,236.64	16,916,086,056.63	8,061,139,037.75	1,161,059,290.64	9,222,198,328.39	7,863,016,267.32	9,670,921,048.60	17,533,937,315.92	9,020,135,075.15	877,263,398.54	9,897,398,473.69
Yisheng Dahua Petrochemical Co., Ltd.	9,052,113,024.88	6,294,010,072.48	15,346,123,097.36	8,059,514,815.59	1,161,059,290.64	9,220,574,106.23	9,702,998,995.48	6,368,833,973.65	16,071,832,969.13	9,017,987,092.36	877,263,398.54	9,895,250,490.90
Zhejiang Petroleum & Chemical Co., Ltd.	54,158,766,593.40	221,102,002,686.62	275,260,769,280.02	64,886,437,837.05	120,175,131,872.31	185,061,569,709.36	66,428,360,516.70	220,440,137,988.94	286,868,498,505.64	73,204,392,158.98	121,717,089,146.90	194,921,481,305.88
Zhejiang Yongsheng Technology Co., Ltd.	624,860,495.73	1,866,075,225.02	2,490,935,720.75	948,947,912.58	855,995,642.66	1,804,943,555.24	603,435,056.35	1,678,225,947.80	2,281,661,004.15	841,912,139.62	707,764,510.53	1,549,676,650.15
Zhejiang Yisheng New Materials Co., Ltd.	3,503,255,416.30	8,793,970,033.38	12,297,225,449.68	7,488,427,584.79	2,155,080,125.25	9,643,507,710.04	3,175,435,983.29	9,113,541,928.71	12,288,977,912.00	7,823,185,859.65	1,605,762,652.80	9,428,948,512.45

Unit: RMB

Name of subsidiary	Current amount incurred				Amount incurred in the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Dalian Yisheng Investment Co., Ltd.	14,135,227,704.16	86,841,067.42	57,348,886.01	-1,088,546,093.37	15,534,691,823.25	195,822,039.82	205,941,149.69	-319,840,820.17
Yisheng Dahua Petrochemical Co., Ltd.	14,135,227,704.16	-73,067,164.80	-51,033,487.10	-1,089,402,616.64	15,534,691,823.25	57,298,172.33	83,019,574.83	-820,469,146.06

Zhejiang Petroleum & Chemical Co., Ltd.	120,776,303,042.53	-1,751,527,430.45	-1,751,601,063.10	9,529,287,672.59	106,665,923,148.47	8,538,772,313.32	8,538,550,415.75	31,729,992,611.42
Zhejiang Yongsheng Technology Co., Ltd.	1,113,893,496.59	-45,992,188.49	-45,992,188.49	114,065,403.23	1,259,283,241.43	53,147,684.81	53,147,684.81	-28,301,658.25
Zhejiang Yisheng New Materials Co., Ltd.	17,913,286,293.88	-206,590,638.53	-206,311,659.91	205,886,712.10	16,017,912,352.52	22,695,139.38	22,695,139.38	340,635,556.04

2. Equity in joint ventures or associated enterprises

(1) Important joint ventures or associated enterprises

Name of the joint venture or associated enterprise	Principal place of business	Place of registration	Business nature	Shareholding ratio		Accounting method for investments in joint ventures or associated enterprises
				Direct	Indirect	
Zhejiang Yisheng Petrochemical Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Manufacturing	16.07%	13.93%	Accounting by the equity method
Hainan Yisheng Petrochemical Co., Ltd.	Yangpu, Hainan	Yangpu, Hainan	Manufacturing		50.00%	Accounting by the equity method
Ningbo Hengyi Trading Co., Ltd.	Ningbo, Zhejiang	Ningbo, Zhejiang	Commercial	30.00%		Accounting by the equity method
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	Xiaoshan, Zhejiang	Xiaoshan, Zhejiang	Finance	9.71%		Accounting by the equity method

Basis for holding less than 20% of the voting rights but having significant influence, or holding 20% or more of the voting rights but not having significant influence:

The company holds 9.712% of the shares of Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd. and has a representative on the board of directors of the company, who has the substantive right to participate in decision-making. The representative can participate in the formulation of financial and operating policies of Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd., so as to exert significant influence on it.

(2) Main financial information of important associated enterprises

Unit: RMB

	Ending balance/amount incurred in the current period	Beginning balance/amount incurred in the prior period
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	Zhejiang Yisheng	Hainan Yisheng	Ningbo Hengyi Trading Co., Ltd.	Xiaoshan Rural Commercial Bank	Zhejiang Yisheng	Hainan Yisheng	Ningbo Hengyi Trading Co., Ltd.	Xiaoshan Rural Commercial Bank
Current assets	16,751,172,744.1 ₁	5,731,762,059.41	1,170,433,896.52	232,365,085,118.20	15,176,421,030.3 ₃	5,152,846,491.05	287,114,550.78	204,793,958,004.31
Non-current assets	3,367,134,387.25	8,607,401,246.01	3,556,134,332.39	98,969,635,753.6 ₈	3,593,134,697.01	7,192,824,373.67	3,450,161,589.10	78,315,867,412.7 ₂
Total assets	20,118,307,131.3 ₆	14,339,163,305.4 ₂	4,726,568,228.91	331,334,720,871.88	18,769,555,727.3 ₄	12,345,670,864.7 ₂	3,737,276,139.88	283,109,825,417.03
Current liabilities	9,933,871,440.11	4,650,658,258.43	3,986,989,420.91	289,140,013,843.35	9,101,100,209.73	4,166,702,054.87	2,968,960,871.83	255,066,384,587.60
Non-current liabilities	1,199,800,375.00	3,050,582,087.92		20,365,549,825.2 ₈	733,508,577.50	1,752,991,337.36		7,200,472,723.92
Total liabilities	11,133,671,815.1 ₁	7,701,240,346.35	3,986,989,420.91	309,505,563,668.63	9,834,608,787.23	5,919,693,392.23	2,968,960,871.83	262,266,857,311.52
Minority equity				269,087,264.74				273,191,261.65
Shareholders' equity attributable to the parent company	8,984,635,316.25	6,637,922,959.07	739,578,808.00	21,560,069,938.5 ₁	8,934,946,940.11	6,425,977,472.49	768,315,268.05	20,569,776,843.8 ₆
Share of net assets calculated by the shareholding ratio	2,695,390,594.88	3,318,961,479.54	221,873,642.40	2,093,870,872.29	2,680,484,082.03	3,212,988,736.25	230,494,580.42	1,997,736,727.08
Adjustments								
--Goodwill		102,420,700.00		4,040,400.00		102,420,700.00		4,040,400.00
--Unrealized profits from internal transactions						-12,523,708.66		
--Others	11,273,596.91	-11,494,331.77	1,238,672.03	11,166,142.40	11,273,596.91	30.97	1,238,672.03	4,302,713.07
Book value of equity investment in associated enterprise	2,706,664,191.78	3,409,887,847.77	223,112,314.43	2,109,077,414.69	2,691,757,678.94	3,302,885,758.56	231,733,252.44	2,006,079,840.15
Fair value of equity investment in associated enterprise with the public offer								

Operating revenue	12,693,711,327.4 ₃	10,107,704,727.6 ₄	8,952,011,880.85	3,601,028,878.05	12,302,809,948.5 ₅	8,854,354,173.70	7,381,130,901.74	3,129,903,598.29
Net profit	25,151,242.14	314,997,204.80	22,789,399.06	1,370,009,795.40	97,938,771.62	272,897,534.93	18,541,394.77	980,074,507.71
Net profit from termination of operation								
Other comprehensive income	24,537,134.00	-103,051,718.22	-51,525,859.11	117,255,082.81	-37,253,216.39	-31,204,585.25	-15,602,292.63	-56,814,156.95
Total comprehensive income	49,688,376.14	211,945,486.58	-28,736,460.05	1,487,264,878.21	60,685,555.23	241,692,949.68	2,939,102.14	923,260,350.76
Dividends received from associated enterprises in the current year				39,685,918.80		265,000,000.00	169,500,000.00	39,685,918.80

(3) Summary of the financial information of minor joint ventures and associated enterprises

Unit: RMB

	Ending balance/amount incurred in the current period	Beginning balance/amount incurred in the prior period
Associated enterprise:		
Total book value of investments	442,301,126.80	500,873,276.26
Total of the following items calculated as per the respective shareholding proportion		
--Net profit	-64,355,583.45	-64,491,661.45
--Other comprehensive income	3,783,433.99	-154,250.47
--Total comprehensive income	-60,572,149.46	-64,645,911.92

X. Risks Relating to Financial Instruments

The Company conducts risk management to seek the appropriate balance between the risks and benefits from its use of financial instruments and to mitigate the adverse effects that the risks of financial instruments have on the Company's financial performance. Based on this objective, the Company's basic policy for risk management is to confirm and analyze all kinds of risks faced by the Company, set up an appropriate risk bottom line, conduct risk management, and monitor all risks promptly and reliably to limit risks within a specific range.

The Company faces various risks related to financial instruments in its daily activities, mainly including credit risk, liquidity risk and market risk. The Management has deliberated and approved the policies governing such risks, as outlined below.

(I) Credit risk

Credit risk refers to the risk that may bring financial loss to one party of the financial tool caused by the other party's failure to perform its obligations in the contract.

1. Practice of credit risk management

(1) Evaluation method of credit risk

On each balance sheet date, the Company assesses whether the credit risk of relevant financial instruments has increased significantly since initial recognition. When confirming whether the credit risks have increased significantly since the initial recognition, the Company considers reasonable and well-founded information, including qualitative and quantitative analysis based on the Company's history data, external credit risk ratings and forward-looking information, without incurring additional costs or efforts. Based on a single financial instrument or a combination of financial instruments with similar credit risk characteristics, the Company compares the default risks of the financial instruments on the balance sheet date with the default risks on the initial recognition date so as to determine changes in the expected default risks of financial instruments during the duration.

When one or more of the following quantitative and qualitative criteria is/are triggered, the Company considers that the credit risks of financial instruments have increased significantly:

1) The quantitative criteria mainly refer to that the probability of default of the remaining duration on the balance sheet date increases by more than a certain proportion compared with the initial recognition.

2) The qualitative criteria mainly include significant adverse changes in the debtor's business or financial situation, and existing or expected changes in the technical, market, economic or legal environment, which will have a significant adverse impact on the debtor's repayment ability to the Company, etc.

(2) Definition of default and credit-impaired assets

When a financial instrument meets one or more of the following conditions, the Company defines the financial asset as a default, and its standard is consistent with the definition of credit impairment:

1) The debtor has major financial difficulties;

2) The debtor violates the binding provisions on the debtor in the contract;

3) The debtor is likely to go bankrupt or undergo another financial restructuring;

4) The creditor gives the debtor concessions that the debtor would not make under any other circumstances due to economic or contractual considerations related to the debtor's financial difficulties.

2. Measurement of expected credit loss

Key parameters for measuring expected credit loss include the probability of default (PD), loss given default (LGD) and exposure at default (EAD). The Company has taken into account the quantitative analysis and forward-looking information of historical statistical data (such as counterparty rating, guarantee method, collateral type and repayment method), and established the PD, LGD and EAD models.

3. For the reconciliation between the opening balance and the closing balance of the provision for loss of financial instruments, please see notes VII 3 and VII 6 of the financial statements for details.

4. Credit risk exposure and credit risk concentration

The credit risk to the Company mainly comes from monetary funds and accounts receivable. In order to control the above related risks, the Company has taken the following measures respectively.

(1) Monetary fund

The Company deposits bank deposits and other monetary funds in financial institutions with high credit rating, so its credit risk is low.

(2) Receivables

The Company regularly evaluates the credit of customers who trade by credit. According to the credit evaluation results, the Company chooses to trade with recognized customers with good credit and monitors their accounts receivable balance to ensure that the Company will not face significant bad debt risk.

Since the Company only conducts transactions with recognized third parties with good credit, no collateral is required. Credit risk concentration is managed according to customers. As of June 30, 2023, the Company has a certain credit concentration risk, because 61.62% (December 31, 2022: 57.71%) of the Company's accounts receivable are from the top five customers ranking in terms of balance. The Company holds no collateral or other credit enhancement for the balance of accounts receivable.

The maximum credit risk exposure of the Company is the book value of each financial asset on the balance sheet.

(II) Liquidity risk

Liquidity risk refers to the risk of occurrence of capital shortage when the Company fulfills its obligations settled by delivering cash or other financial assets. It may result from the inability to sell financial assets at fair value as soon as possible; or because the other party is unable to repay its contractual debts; or from debts due in advance; or from the inability to generate expected cash flow.

In order to control this risk, the Company comprehensively uses various financing means, such as bill settlement and bank loan, and adopts the method of the appropriate combination of long-term and short-term financing methods to optimize the financing structure, so as to maintain the balance between financing sustainability and flexibility. The Company has obtained bank credit lines from a number of commercial banks to meet working capital needs and capital expenditure.

Financial liabilities are classified by remaining maturity date

Item	Amount by the end of the period				
	Book value	Undiscounted contract price	Within 1 year	1-3 year(s)	Above 3 years
Bank borrowings	195,712,104,096.54	221,025,418,081.61	67,482,367,115.08	64,217,111,870.36	89,325,939,096.17
Trading financial liabilities	549,233,668.87	549,233,668.87	549,233,668.87		
Notes payable	2,425,595,695.06	2,425,595,695.06	2,425,595,695.06		
Accounts payable	40,246,839,546.30	40,246,839,546.30	40,246,839,546.30		
Other payables	5,932,751,765.86	5,932,751,765.86	5,932,751,765.86		
Bonds payable	2,033,552,302.01	2,107,600,000.00	1,073,100,000.00	1,034,500,000.00	

Lease liabilities	224,948,277.68	283,362,499.97	29,292,521.61	57,669,786.69	196,400,191.67
Subtotal	247,125,025,352.32	272,570,801,257.67	117,739,180,312.78	65,309,281,657.05	89,522,339,287.84

(Cont.)

Item	Amount at the beginning of the period				
	Book value	Undiscounted contract price	Within 1 year	1-3 year(s)	Above 3 years
Bank borrowings	177,771,036,728.59	226,673,503,345.00	43,948,504,913.77	40,986,100,131.36	141,738,898,299.87
Trading financial liabilities	588,769,711.55	588,769,711.55	588,769,711.55		
Notes payable	3,408,800,462.03	3,408,800,462.03	3,408,800,462.03		
Accounts payable	69,079,366,976.43	69,079,366,976.43	69,079,366,976.43		
Other payables	3,472,604,671.47	3,472,604,671.47	3,472,604,671.47		
Bonds payable	2,034,827,122.23	2,146,200,000.00	73,100,000.00	2,073,100,000.00	
Lease liabilities	235,690,816.58	273,722,334.25	23,875,292.60	42,762,902.46	207,084,139.19
Subtotal	256,591,096,488.88	305,642,967,500.73	120,595,022,027.85	43,101,963,033.82	141,945,982,439.06

(III) Market risk

Market risk means a risk that the fair value or future cash flow of the financial instrument fluctuates due to changes in market price. It mainly includes interest rate risk and foreign exchange risk.

1. Interest rate risk

Interest rate risk refers to the risk that the fair value of financial instruments or cash flow in the future may fluctuate due to changes in the market interest rate. The interest-bearing financial instruments with fixed interest rates expose the Company to fair value interest rate risk, and the interest-bearing financial instruments with floating interest rates expose the Company to cash flow interest rate risk. The Company determines the ratio of fixed interest rate and floating interest rate financial instruments according to the market environment, and maintains an appropriate combination of financial instruments through regular review and monitoring. The cash flow interest rate risk faced by the Company is mainly related to the bank borrowings with floating interest rates.

As of June 30, 2023, the bank borrowings with a floating interest rate of the Company are RMB 135,828.1803 million, USD 290 million, and EUR 63.507 million (December 31, 2022: RMB 138,260.1218 million). Under the assumption that other variables remain unchanged, assuming that the interest rate changes by 50 benchmark points, it will not have a significant impact on the total profits and shareholders' equity.

2. Foreign exchange risk

Foreign exchange risk means a risk that the fair value or future cash flow of a financial instrument fluctuates due to a change in the foreign exchange rate. The risk of exchange rate changes faced by the Company is mainly related to the Company's foreign currency monetary assets and liabilities. For foreign currency assets and liabilities, in case of short-term imbalance, the Company will buy and sell foreign currencies at the market exchange rate when necessary to ensure that the net risk exposure is maintained at an acceptable level.

The Company's monetary assets and liabilities in foreign currencies at the end of the period are detailed in note VII 58 of Notes to Items in the Consolidated Financial Statements.

XI. Disclosure of Fair Value

1. Fair value at the end of the period of assets and liabilities measured at fair value

Unit: RMB

Item	Ending fair value			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
I. Sustained measurement of fair value	--	--	--	--
1. Trading financial assets and other non-current financial assets				
(1) Financial assets classified as financial assets measured at fair value through profit or loss for the current period	387,219,170.37			387,219,170.37
Derivative financial assets	387,219,170.37			387,219,170.37
2. Receivables financing			529,695,407.36	529,695,407.36
Total assets continuously measured at fair value	387,219,170.37		529,695,407.36	916,914,577.73
3. Trading financial liabilities	549,233,668.87			549,233,668.87
Derivative financial liabilities	549,233,668.87			549,233,668.87
Total liabilities continuously measured at fair value	549,233,668.87			549,233,668.87
II. Unsustained fair value measurement	--	--	--	--

2. Basis for determination of the market prices of sustained and unsustained Level 1 fair value measurement items

It is based on the floating gain and loss amount determined by the futures and paper cargo position contract in accordance with the fair value on the balance sheet date.

3. Qualitative and quantitative information of valuation techniques and important parameters adopted for sustained and unsustained level 3 fair value measurement items

Basis: the fair value is determined by using a specific valuation technique, and the important parameters adopted include interest rates that cannot be directly observed and so on.

XII. Related Party and Related Transactions

1. The Company's parent company

Name of parent company	Place of registration	Business nature	Registered capital	Proportion of the Company's shares held by the parent company	Proportion of the Company's voting rights held by the parent company
Zhejiang Rongsheng Holding Group Co., Ltd.	Xiaoshan, Zhejiang	Industrial investment	83,466.40	61.46%	61.46%

Information about the Company's parent company

Other information:

By the end of June, Li Shuirong directly holds 6.35% equity in the Company. Zhejiang Rongsheng Holding Group Co., Ltd. holds 61.46% of the equity of the Company, and Li Shuirong holds 63.523% of the equity of Zhejiang Rongsheng Holding Group Co., Ltd., thus indirectly holding 39.04% of the equity of the Company, with a total of holding 45.39% of the equity of the Company.

The ultimate controlling party of the Company is Li Shuirong.

2. Information on subsidiaries of the Company

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

3. The Company's joint ventures and associated enterprises

See Note IX for details of important joint ventures or associated enterprises of the Company.

Other joint ventures and associated enterprises that form balances in related party transactions with the Company in the current or previous period are as follows:

Name of joint venture or associated enterprise	Relation with the Company
Zhejiang Provincial Petroleum Co., Ltd.	Associated enterprise
ZPC-ENN (Zhoushan) Gas Co., Ltd.	Associated enterprise
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Associated enterprise
Zhejiang Kunsheng Petroleum & Chemical Sales Co., Ltd.	Associated enterprise
Ningbo Coastal Public Pipe Gallery Co., Ltd.	Associated enterprise
Zhejiang Zhenshi Port Service Co., Ltd.	Associated enterprise
Zhejiang Derong chemicals Co. Ltd.	Associated enterprise
Zhejiang Jurong Petroleum & Chemical Sales Co., Ltd.	Associated enterprise
Zhoushan ZPC Zhougang Tugboat Co., Ltd.	Associated enterprise

4. Other related parties

Name of other related parties	Relationship between other related parties and the Company
Li Jumei	Close family member of the actual controller
Xiang Jiongjiong	Director and General Manager
Sanyuan Holding Group Co., Ltd.	Controlled by a family member close to the actual controller
Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Controlled by a family member close to the actual controller
Zhejiang Saintyear Textile Co., Ltd.	Controlled by a family member close to the actual controller
Zhejiang Rongtong Logistics Co., Ltd.	The same ultimate actual controller
Ningbo Rongxiang Logistics Co., Ltd.	The same ultimate actual controller
Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	The same ultimate actual controller

Ningbo United Group Co., Ltd.	The same ultimate actual controller
Suzhou Shenghui Equipment Co., Ltd.	The same ultimate actual controller
Hangzhou Shengyuan Real Estate Development Co., Ltd.	The same ultimate actual controller
Daishan Chenyu Real Estate Co., Ltd.	The same ultimate actual controller
Rongsheng Coal Co., Ltd.	The same ultimate actual controller
Rongsheng Energy Co., Ltd.	The same ultimate actual controller
Ningbo Qingzhi Chemical Terminal Co., Ltd.	The same ultimate actual controller
Ningbo Qijiashan Chemical Terminal Co., Ltd.	The same ultimate actual controller
Ningbo Haineng Blend Oil Co., Ltd.	The same ultimate actual controller
Hong Kong Yisheng Co., Ltd.	Subsidiary of Hainan Yisheng Petrochemical Co., Ltd.
Hong Kong Yisheng Petrochemical Investment Co., Ltd.	Subsidiary of Zhejiang Yisheng Petrochemical Co., Ltd.
Ningbo Shengmao Trading Co., Ltd.	Subsidiary of Hong Kong Yisheng Petrochemical Investment Co., Ltd.
Zhejiang Yixin Chemical Fiber Co., Ltd.	Subsidiary of Zhejiang Yisheng Petrochemical Co., Ltd.
Dongzhan Shipping Co., Ltd.	Associated enterprise of Zhejiang Rongtong Logistics Co., Ltd.
Guangsha (Zhoushan) Energy Group Co., Ltd.	Subsidiary of Zhejiang Provincial Petroleum Co., Ltd.
Zhejiang Petroleum Integrated Energy Sales Co., Ltd.	Subsidiary of Zhejiang Provincial Petroleum Co., Ltd.
Zhoushan Oil Pipeline Co., Ltd.	Actual control company of subsidiary of Zhejiang Provincial Petroleum Co., Ltd.
ZHEJIANG PETROLEUM TRADING (SINGAPORE) PTE. LTD.	Subsidiary of Zhejiang Provincial Petroleum Co., Ltd.
SAUDI ARABIAN OIL COMPANY	[Note]
ARAMCO TRADING SINGAPORE PTE LTD	Subsidiary of SAUDI ARABIAN OIL COMPANY
Sabic (China) Holding Co Ltd	Subsidiary of SAUDI ARABIAN OIL COMPANY
Sabic (Shanghai) Trading Co Ltd	Subsidiary of SAUDI ARABIAN OIL COMPANY
SABIC ASIA PACIFIC PTE LTD	Subsidiary of SAUDI ARABIAN OIL COMPANY

Other notes

[Note] Zhejiang Rongsheng Holding Group, the controlling shareholder of the Company, signed the Share Purchase Agreement with the strategic partner Aramco Overseas Company B.V. (hereinafter referred to as AOC), a wholly-owned subsidiary of Saudi Arabian Oil Company (hereinafter referred to as Saudi Aramco) on March 27, 2023, and the transferring parties have obtained the Confirmation of Securities Transfer Registration issued by China Securities Depository and Clearing Corporation Limited on July 20, 2023 and completed the transfer.

5. Related party transactions

(1) Related party transactions regarding purchase and sales of goods as well as provision and acceptance of labor services

Table of the purchasing of goods and receiving of labor services

Unit: RMB

Related party	Contents of related party	Current amount	Amount of transactions	Whether it exceeds the	Amount incurred in the
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	transaction	incurred	approved	approved amount of transactions	previous period
Zhejiang Rongsheng Holding Group Co., Ltd.	Coal and other materials	9,203,105,641.75	16,000,000,000	No	2,860,103,597.62
Rongsheng Energy Co., Ltd.	Coal			No	2,460,663,120.71
Rongsheng Coal Co., Ltd.	Coal, labor			No	204,118,267.44
Zhejiang Rongtong Logistics Co., Ltd.	Freight	531,548,409.92	1,000,000,000	No	201,831,537.80
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Plant operation guarantee service fee	345,759,181.50	700,000,000	No	284,720,249.85
Zhejiang Derong chemicals Co. Ltd.	Industrial m-pentadiene, auxiliary materials, etc.	341,814,473.82	1,500,000,000	No	
Ningbo Hengyi Trading Co., Ltd.	PTA、PX	211,953,592.92	3,000,000,000	No	1,457,707,469.19
Suzhou Shenghui Equipment Co., Ltd.	Equipment and materials	84,014,976.28	350,000,000	No	120,696,751.37
Guangsha (Zhoushan) Energy Group Co., Ltd.	Warehousing service	59,158,556.00	200,000,000	No	59,007,693.52
Ningbo Qingzhi Chemical Terminal Co., Ltd.	Lump sum fee for port operation	36,123,758.82	100,000,000	No	37,621,279.16
Zhejiang Yisheng Petrochemical Co., Ltd.	IPA, warehousing fee	47,306,743.36	120,000,000	No	39,096,544.29
Ningbo Rongxiang Logistics Co., Ltd.	Freight	23,806,547.61	70,000,000	No	12,714,540.55
Ningbo Haineng Blend Oil Co., Ltd.	Warehousing service	15,812,394.15	50,000,000	No	12,844,360.86
Dongzhan Shipping Co., Ltd.	Freight	12,206,518.81	50,000,000	No	7,160,941.04
Zhoushan Oil Pipeline Co., Ltd.	Pipeline service	5,288,990.83	30,000,000	No	
Sanyuan Holding Group Hangzhou Thermal Power Co., Ltd.	Steam	4,791,721.11	30,000,000	No	8,639,495.40
Zhejiang Juxing Chemical Fiber Co., Ltd.	Auxiliary materials, hardware			No	12,202,312.51
Zhejiang Saintyear Textile Co., Ltd.	Auxiliary materials	2,394,958.41	3,000,000	No	
Zhejiang Petroleum Integrated Energy Sales Co., Ltd.	Diesel	630,247.79	5,000,000	No	1,739,890.17
Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone	Coal water slurry processing power	49,438.48	1,000,000	No	124,914.09
Ningbo United Group Co., Ltd.	Hotel services	76,056.84	1,000,000	No	9,404.71
Ningbo Shengmao Trading Co., Ltd.	PX etc.		1,000,000,000	No	730,188,253.84

ZHEJIANGPETROLEUMTRADING(SINGAPORE)PTE.LTD.	Crude oil		4,120,000,000	No	1,391,497,077.45
SAUDI ARABIAN OIL COMPANY	Crude oil	27,189,630,729.16	71,000,000,000	No	25,561,755,046.86
ARAMCO TRADING SINGAPORE PTE LTD	Crude oil	[Note 1]		No	630,102,133.60
Sabic (Shanghai) Trading Co Ltd	MEG	317,929,261.69		No	395,291,299.43
SABIC ASIA PACIFIC PTE LTD	MEG			No	150,378,165.78
Sabic (China) Holding Co Ltd	MEG			No	246,571,056.35
Total		38433402199.25	99,330,000,000.00		36,886,785,403.59

Information on goods sold/services provided

Unit: RMB

Related party	Contents of related party transaction	Current amount incurred	Amount incurred in the previous period
ZHEJIANGPETROLEUMTRADING(SINGAPORE)PTE.LTD.	Crude oil	1,089,776,427.34	
Hainan Yisheng Petrochemical Co., Ltd.	PTA, PX etc.	168,481,157.17	
Zhejiang Juxing Chemical Fiber Co., Ltd.	PTA, auxiliary materials, MEG etc.		562,682,429.13
Ningbo Rongxiang Logistics Co., Ltd.	Diesel	3,643,690.64	
Ningbo Shengmao Trading Co., Ltd.	PTA	153,267,962.43	
Suzhou Shenghui Equipment Co., Ltd.	Diesel	9734.51	
Zhejiang Derong chemicals Co. Ltd.	Diesel, engineering materials, power, etc.	539,900,609.38	152,121,369.05
Zhejiang Dingsheng Petrochemical Engineering Co., Ltd.	Diesel	935,398.27	
Zhejiang Jurong Petroleum & Chemical Sales Co., Ltd.	Diethylene glycol, glycol etc.	56,928,235.68	75,673,733.14
Zhejiang Rongtong Logistics Co., Ltd.	Diesel, PTA	11,667,724.36	838,459.20
Zhejiang Yisheng Petrochemical Co., Ltd.	PTA、PX	5,368,839,946.05	2,105,247,813.15
Zhejiang Yixin Chemical Fiber Co., Ltd.	PTA	147,504,424.78	60,176.99
Zhejiang Petroleum Integrated Energy Sales Co., Ltd.	Diesel, gas	245,866,250.46	
Zhoushan ZPC Zhongang Tugboat Co., Ltd.	Diesel etc.	7,139,205.79	4,992,805.40
Ningbo Hengyi Trading Co., Ltd.	PTA		446,053,097.35
Zhejiang Kunsheng Petroleum & Chemical Sales Co., Ltd.	PX, MEG, petroleum benzene etc.		9,031,590,312.35
ARAMCO TRADING SINGAPORE PTE LTD	Crude oil	[Note 1]	463,239
Total		7793960766.86	12,379,723,434.76

Note to related party transactions of goods purchase & sale and labor services rendering & receiving

[Note 1] The Company purchased crude oil from ARAMCO TRADING SINGAPORE PTE LTD in the first half of the year for an aggregate amount of RMB 1,114,146,200 and at the same time sold crude oil to ARAMCO TRADING SINGAPORE PTE LTD for an amount of RMB 1,116,545,900 (confirmed with the net book value method).

[Note 2] The Company transferred its equity interest in this company in November 2021, and after the transfer of equity the Company no longer holds an equity interest in this company, and only the amount of transactions with this company for the period January-June 2022 is disclosed in the notes to these financial statements.

(2) Related leasing

The Company acts as the Lessor:

Unit: RMB

Name of lessee	Type of leased asset	Rental income recognized in the current period	Rental income recognized in the previous period
Rongtong Logistics Co., Ltd.	House rental	642,201.84	642,201.84
Ningbo Rongxiang Logistics Co., Ltd.	House rental	65,415.93	
Total		707,617.77	642,201.84

The Company acts as the Lessee:

Unit: RMB

Name of lessor	Type of leased asset	Rental expenses for short-term leases and leases of low-value assets on a simplified basis (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Rent paid		Interest expense on lease liabilities assumed		Increase in right-of-use assets	
		Current amount incurred	Amount incurred in the previous period	Current amount incurred	Amount incurred in the previous period	Current amount incurred	Amount incurred in the previous period	Current amount incurred	Amount incurred in the previous period	Current amount incurred	Amount incurred in the previous period
Zhejiang Rongsheng Holding Group Co., Ltd.	House leasing	275,229.36	275,229.36								
Hangzhou Shengyuan Real Estate Development Co., Ltd.	House leasing	1,847,627.16									
Total		2122856.52	275,229.36								

(3) Affiliated guarantees

The Company as guarantor

Unit: RMB

Secured party	Guarantee amount	Starting date of the guarantee	Ending date of the guarantee	Whether the guarantee has
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				been performed
Sanyuan Holding Group Co., Ltd.	80,000,000.00	March 04, 2021	February 27, 2024	No
Zhejiang Rongsheng Holding Group Co., Ltd.	1,799,607,000.00	July 19, 2022	December 29, 2023	No
Zhejiang Rongsheng Holding Group Co., Ltd.	4,283,382,500.00	July 04, 2022	June 08, 2024	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 1]	522,881,200.00	October 24, 2022	October 31, 2023	No
Zhejiang Rongsheng Holding Group Co., Ltd.	56,331,187,700.00	January 29, 2021	March 12, 2028	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 2]	591,311,900.00	April 28, 2020	April 01, 2029	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 3]	1,837,500,000.00	May 08, 2021	January 15, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 4]	3,172,884,100.00	November 22, 2021	October 20, 2027	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 5]	200,585,200.00	June 09, 2020	June 15, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 6]	119,750,000.00	September 30, 2020	September 30, 2023	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 7]	73,067,700.00	November 16, 2021	January 24, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 1]	2,040,000,000.00	September 28, 2022	October 12, 2025	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 8]	3,243,951,600.00	August 18, 2020	April 20, 2026	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 9]	15,667,777,100.00	November 14, 2022	October 30, 2030	No
Zhejiang Rongsheng Holding Group Co., Ltd., Rongsheng Petrochemical Co., Ltd.	5,829,555,400.00	July 08, 2022	December 08, 2024	No
Zhejiang Rongsheng Holding Group Co., Ltd., Rongsheng Petrochemical Co., Ltd., Li Shuirong, Li Jumei [Note 11]	20,420,426,300.00	July 31, 2018	July 30, 2030	No
Zhejiang Rongsheng Holding Group Co., Ltd., Rongsheng Petrochemical Co., Ltd., Li Shuirong, Li Jumei [Note 11]	1,068,695,820.00	August 08, 2018	July 30, 2030	No
Zhejiang Rongsheng Holding Group Co., Ltd., Rongsheng Petrochemical Co., Ltd. [Note 10]	30,552,538,800.00	January 22, 2021	November 15, 2032	No
Zhejiang Rongsheng Holding Group Co., Ltd.	6,738,472,300.00	March 15, 2022	June 26, 2024	No
Zhejiang Rongsheng Holding Group Co., Ltd.	310,070,225.85	June 02, 2022	December 30, 2024	No
Zhejiang Rongsheng Holding Group Co., Ltd.	30,565,862,360.64	November 27, 2020	October 30, 2023	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 9]	219,800,235.27	March 29, 2023	September 30, 2024	No
Zhejiang Rongsheng Holding Group	689,246.25	May 09, 2023	July 11, 2023	No

Co., Ltd. [Note 1]				
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 1]	3,663,779,025.54	May 12, 2023	August 31, 2023	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 11]	10,827,073.95	June 06, 2019	July 01, 2023	No
Zhejiang Rongsheng Holding Group Co., Ltd. [Note 10]	149,623,151.37	March 29, 2021	July 30, 2024	No

Description of related guarantee:

[Note 1] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 60% of the guarantee amount.

[Note 2] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The subsidiary Ningbo Niluoshan New Energy Co., Ltd. has provided mortgage guarantee with fixed assets and intangible assets worth RMB 134.8 million.

[Note 3] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The subsidiary Ningbo Zhongjin Petrochemical Co., Ltd. has provided a mortgage guarantee with machinery and equipment worth RMB 3,786.8923 million.

[Note 4] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The subsidiary Zhejiang Yisheng New Materials Co., Ltd. has provided a mortgage guarantee with machinery and equipment worth RMB 4,238.0024 million.

[Note 5] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 50% of the guarantee amount. The subsidiary Zhejiang Yisheng New Materials Co., Ltd. has provided a mortgage guarantee with machinery and equipment worth RMB 4,238.0024 million.

[Note 6] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 50% of the guarantee amount.

[Note 7] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 51% of the guarantee amount.

[Note 8] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with machinery and equipment worth RMB 8,641.9026 million.

[Note 9] Zhejiang Rongsheng Holding Group Co., Ltd. has provided joint and several liability guarantees for 100% of the guarantee amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed assets of the newly added 1.4 million tons/year ethylene and downstream chemical plant (Phase II project product structure optimization) project (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

[Note 10] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company have provided joint and several liability guarantees for 60% of the guarantee amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed asset-refining and chemical integration project with an annual output of 40 million tons (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

[Note 11] Zhejiang Rongsheng Holding Group Co., Ltd. and the Company have provided joint and several liability guarantees for 51% of the guarantee amount. The subsidiary Zhejiang Petroleum & Chemical Co., Ltd. has provided a mortgage guarantee with the completed asset-refining and chemical integration project with an annual output of 40 million tons (including but not limited to the mortgage guarantee provided in the form of land use right, above-ground structures and equipment of the project after the completion acceptance of the construction project).

(4) Remuneration of key management personnel

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Remuneration of key management personnel	6,219,431.41	7,453,462.37

(5) Other related transactions

1. Fund borrowing from/to related parties

(1) At the beginning of the period, the Company had RMB 1,539.5136 million payable to Zhejiang Rongsheng Holding Group Co., Ltd.; in the current period, the Company has borrowed RMB 3,756 million from Zhejiang Rongsheng Holding Group Co., Ltd., made RMB 61.6691 million provisions for fund possession cost, and returned RMB 1,281.5104 million of principal and interest on a cumulative basis. As of June 30, 2023, the amount payable by the Company is RMB 4,075.6721 million.

In the current period, the subsidiary Zhejiang Shengyuan Chemical Fiber Co., Ltd. has borrowed RMB 1,500 million from Zhejiang Rongsheng Holding Group Co., Ltd. and returned RMB 1,500 million on a cumulative basis. As of June 30, 2023, Zhejiang Shengyuan Chemical Fiber Co., Ltd. has fully repaid the above amount.

(2) At the beginning of the period, the entrusted loan and the related interest payable of Zhejiang Yisheng New Materials Co., Ltd. to Zhejiang Yisheng Petrochemical Co., Ltd. were RMB 988 million and RMB 1.4339 million, respectively. In the current period, RMB 750 million was paid in due course, RMB 548 million of the entrusted loan was received, RMB 21.4979 million of entrusted loan interest was accrued, and RMB 21.8871 million of entrusted loan interest was paid. As of June 30, 2023, RMB 786 million of entrusted loan and RMB 1.0447 million of entrusted loan interest were not yet due for payment.

(3) At the beginning of the period, the amount receivables of subsidiary Zhejiang Petroleum & Chemical Co., Ltd. from ZPC-ENN (Zhoushan) Gas Co., Ltd. were RMB 4.8 million, with RMB 105,000 provisions for fund possession cost, RMB 52,200 of fund possession cost collected. As of June 30, 2023, the amount receivables of Zhejiang Petroleum & Chemical Co., Ltd. were RMB 4.8528 million.

2. As of June 30, 2023, the subsidiary Zhejiang Petroleum & Chemical Co., Ltd. had made RMB 577.4678 million of house payments to Daishan Chenyu Real Estate Co., Ltd. on a cumulative basis.

3. The subsidiary Rongsheng Petrochemical (Singapore) Pte Ltd. had conducted paper transactions with Hong Kong Yisheng Co., Ltd., with an investment gain of USD 2,343,288.04 realized in total in the current period. During this period, the Company conducted paper transactions with Hong Kong Yisheng Co., Ltd., with an investment gain of USD 2,698,895.3 realized in total in the current period.

4. As of June 30, 2023, the deposit balance of the Company and its subsidiaries in the related party Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd. was RMB 225,986,928.64, USD 16,988.94 and EUR 129.66.

6. Accounts receivable and payable of related parties

(1) Receivables

Unit: RMB

Project	Related party	Ending balance		Beginning balance	
		Book balance	Bad-debt	Book balance	Bad-debt

			provision		provision
Accounts receivable	Zhejiang Yisheng Petrochemical Co., Ltd.	470,753,229.81	23,537,661.49	328,112,466.43	18,074,604.36
	Zhejiang Kunsheng Petroleum & Chemical Sales Co., Ltd.			299,160,177.48	14,958,008.87
Subtotal		470,753,229.81	23,537,661.49	627,272,643.91	33,032,613.23
Advance payment	Sabic (Shanghai) Trading Co Ltd	6,017,596.12		122,661.83	
	Ningbo Shengmao Trading Co., Ltd.			52,067,253.14	
	Hangzhou Shengyuan Real Estate Development Co., Ltd.			3,063,364.94	
Subtotal		6,017,596.12		55,253,279.91	
Other receivables	ZPC-ENN (Zhoushan) Gas Co., Ltd.	4,852,780.00	242,639.00	4,800,000.00	523,802.73
	Hong Kong Yisheng Co., Ltd.			1,135,320.34	
	Hong Kong Yisheng Petrochemical Investment Co., Ltd.			412,896.31	
	Rongsheng Energy Co., Ltd.			14,992.79	749.64
	Zhoushan Yushan Petrochemical Engineering Co., Ltd	2,255,438,401.15			
Subtotal		2,260,291,181.15	242,639.00	6,363,209.44	524,552.37

(2) Payables

Unit: RMB

Project	Related party	Ending book balance	Beginning book balance
Accounts payable	Rongsheng Petrochemical (Singapore) Pte. Ltd. [Note]	18,699,871,466.82	33,752,876,000.52
	Zhejiang Petroleum & Chemical Co., Ltd. [Note]	353,785,739.30	2,265,876,894.64
	Yisheng Dahua Petrochemical Co., Ltd. [Note]	1,446,664,700.00	2,053,414,700.00
	Dalian Rongxincheng Trading Co., Ltd. [Note]	1,678,147,924.43	1,692,694,346.81
	Zhejiang Yisheng New Materials Co., Ltd. [Note]	1,170,327,255.10	1,597,577,255.10
	Ningbo Zhongjin Petrochemical Co., Ltd. [Note]	735,500,000.00	538,000,000.00
	The Company [Note]	305,000,000.00	230,000,000.00
	Zhejiang Rongtong Chemical Fiber New Material Co., Ltd. [Note]	486,657,018.90	21,596,060.00
	Zhejiang Shengyuan Chemical Fiber Co.,	165,288,400.00	40,288,400.00

	Ltd. [Note]		
	Dalian Yisheng New Materials Co., Ltd. [Note]		19,500,000.00
	Zhejiang Rongtong Logistics Co., Ltd.	109,276,591.92	294,356,317.53
	Zhejiang Derong chemicals Co. Ltd.	261,793,212.01	175,832,956.88
	Suzhou Shenghui Equipment Co., Ltd.	19,581,790.48	35,726,908.47
	Ningbo Qingzhi Chemical Terminal Co., Ltd.	3,192,564.66	11,606,791.20
	Ningbo Rongxiang Logistics Co., Ltd.		7,324,253.61
	Daishan Chenyu Real Estate Co., Ltd.	20,855,214.64	5,541,000.66
	Electric Power Branch, Thermal Power Co., Ltd. of Ningbo Economic and Technological Development Zone		12,062.48
	Ningbo United Group Co., Ltd.	8,058.00	8,058.00
	Guangsha (Zhoushan) Energy Group Co., Ltd.	27,056.95	
	Dongzhan Shipping Co., Ltd.		4,563,302.75
	Zhejiang Saintyear Textile Co., Ltd.	527,003.00	
	SAUDI ARABIAN OIL COMPANY	1,101,073,292.67	2,184,202,912.13
	Sabic (China) Holding Co Ltd		33,015,867.24
Subtotal		26,557,577,288.88	44,964,014,088.02
Notes payable	Suzhou Shenghui Equipment Co., Ltd.		6,351,362.24
Subtotal			6,351,362.24
Contract liabilities and other current liabilities	Zhejiang Petroleum Integrated Energy Sales Co., Ltd.	21,780,947.40	1,061,404.81
	Zhejiang Jurong Petroleum & Chemical Sales Co., Ltd.		1,825,881.25
	Zhoushan ZPC Zhongang Tugboat Co., Ltd.	1,137,583.79	1,639,886.33
	Zhejiang Saintyear Textile Co., Ltd.	45,602.11	45,602.11
	Ningbo Shengmao Trading Co., Ltd.	2,807,202.46	
Subtotal		25,771,335.76	4,572,774.50
Other payables	Zhejiang Rongsheng Holding Group Co., Ltd.	4,075,672,124.62	1,539,513,447.19
	Zhejiang Yisheng Petrochemical Co., Ltd.	787,044,725.00	989,433,904.99
	Zhejiang Yixin Chemical Fiber Co., Ltd.		1,015,495.53
Subtotal		4,862,716,849.62	2,529,962,847.71

[Note]: They are the letters of credit issued by the Company and its subsidiaries, which were discounted after being received by Rongsheng Petrochemical (Singapore) Pte Ltd, Zhejiang Rongtong Chemical Fiber New Material Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Dalian Rongxincheng Trading Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd., the Company, Zhejiang Yisheng New Materials Co., Ltd. and Ningbo Zhongjin Petrochemical Co., Ltd.

XIII. Commitments and Contingencies

1. Major commitments

Significant commitments at the balance sheet date

1. As of June 30, 2023, the number of letters of credit issued but not withdrawn in the financial institutions, including Bank of Communications Hangzhou Xiaoshan Sub-Branch by the Company and its holding subsidiaries Zhejiang Shengyuan Chemical Fiber Co., Ltd., Yisheng Dahua Petrochemical Co., Ltd., Zhejiang Petroleum & Chemical Co., Ltd., Zhejiang Yongsheng technology Co. Ltd., Rongsheng Petrochemical (Singapore) Pte Ltd., Ningbo Zhongjin Petrochemical Co., Ltd., Zhejiang Yisheng New Materials Co., Ltd. and Zhejiang Yongsheng technology Co. Ltd. were RMB 8,459.9070 million, USD 7,640.7192 million, EUR 132.3433 million, GBP 629,000.

2. As of June 30, 2023, the letters of guarantee of the Company and its subsidiaries not yet due are as follows:

Unit : RMB 10,000

Issuing bank	Name of issuing company	Beneficiary	Guarantee amount
Industrial and Commercial Bank of China Limited, Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY87,070.00
Hangzhou Xiaoshan Sub-branch of Bank of Communications Co., Ltd.	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY10,590.50
Zhoushan Branch of Bank of Communications Co., Ltd.	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY36,970.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Branch of Standard Chartered Bank (China) Limited	CNY42,000.00
Shanghai Pudong Development Bank Co., Ltd. Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY146,185.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY17,120.00
China Construction Bank Corporation Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Zhoushan Customs of the People's Republic of China	CNY24.00
Agricultural Bank of China Limited Xiaoshan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY46,970.00
Huaxia Bank Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY18,000.00
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY31,540.00
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	China CNTC International Tendering Co., Ltd.	CNY20.00
Bank of China Co., Ltd., Zhoushan Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Guiyan Resources (Yimen) Co., Ltd	CNY8,616.86
Ping An Bank Co., Ltd. Ningbo Branch	Zhejiang Petroleum & Chemical Co., Ltd.	Hangzhou Customs of the People's Republic of China	CNY29,300.00
China Construction Bank Corporation Dalian Ganjingzi Sub-branch	Yisheng Dahua Petrochemical Co., Ltd.	Zhengzhou Commodity Exchange	CNY22,680.00
Dalian Jinpu New Area Branch of Bank of China Limited	Yisheng Dahua Petrochemical Co., Ltd.	Zhengzhou Commodity Exchange	CNY31,080.00
Dalian Jinpu New Area Branch of Bank of China Limited	Yisheng Dahua Petrochemical Co., Ltd.	Yisheng Dahua Petrochemical Co., Ltd.	CNY10,000.00

XIV. Events after the Balance Sheet Date

1. Description of other events after the balance sheet date

Important non-adjusting events

Zhejiang Rongsheng Holding Group (hereinafter referred to as Rongsheng Holding or the Transferor), the controlling shareholder of Rongsheng Petrochemical Co., Ltd. (hereinafter referred to as the Company or Rongsheng Petrochemical), entered into a Share Purchase Agreement on March 27, 2023 with the strategic partner Aramco Overseas Company B.V. (hereinafter referred to as the Transferee or AOC), a wholly-owned subsidiary of Saudi Arabian Oil Company (hereinafter referred to as Saudi Aramco), under which Rongsheng Holding proposed to transfer 1,012,552,501 shares of the Company held by it to AOC by agreement. Meanwhile, Rongsheng Petrochemical signed the Strategic Cooperation Agreement with Saudi Aramco to establish a strategic cooperation relationship, and the Company and its subsidiaries signed a series of business cooperation agreements with Saudi Aramco and/or its affiliates under the Strategic Cooperation Agreement to promote the realization of the strategic objectives and long-term sustainable development of both parties.

The Company received the Confirmation of Agreement to Transfer Shares of a Listed Company from the Shenzhen Stock Exchange provided by the controlling shareholder on July 19, 2023, and the agreement to transfer shares has obtained the Confirmation of Securities Transfer Registration issued by China Securities Depository and Clearing Corporation Limited on July 20, 2023. The number of shares transferred is 1,012,552,501.

On July 21, 2023, Rongsheng Holding has received the full payment of the transfer price from AOC.

XV. Other Important Matters

1. Segment information

(1) Determination basis and accounting policies for reporting segments

(1) Determination basis and accounting policies for reporting segments

The operating income and operating costs of the Company classified by product are detailed in Note VII 39 to these financial statements.

Factors considered in determining the segment for the report

The Company determines its reporting segment based on the internal organizational structure, management requirements and internal reporting system, and determines reporting segments on the basis of the industry segment. The business performance of the petrochemical production business, polyester fiber manufacturing business, and wholesale and retail business have been evaluated, respectively.

(2) Financial information of the reporting segments

Unit: RMB

Item	Oil refining production business	Chemical production business	Polyester fiber manufacturing business	Trade business	Inter-segment offset	Total
Revenue from main businesses	62,537,771,453.17	100,626,810,708.74	7,355,725,882.65	82,570,928,622.55	-98,882,651,607.32	154,208,585,059.79
Main business	53,349,353,931	96,063,964,036	7,108,535,699.28	81,503,685,38	-	139,557,422,6

costs	.09	.14		9.87	98,468,116,38 4.66	71.72
Total assets	333,370,429,386.32		58,857,318,585.71	9,852,081,940 .54	- 52,892,583,56 3.80	349,187,246,3 48.77
Total liabilities	226,114,301,803.33		37,767,913,830.73	6,560,552,956 .80	- 15,016,267,94 2.76	255,426,500,6 48.10

2. Others

2. Other important transactions and events impacting the investor's decision-making

Taking the actual needs of the Company's business development into account, the Company and its subsidiaries utilized the futures market to carry out futures investment business during the period in order to hedge the risk of price fluctuations of the Company's major raw materials and products. As of June 30, 2023, the Company and its subsidiaries deposited futures margin of RMB196,283,951.92 accordingly for holding futures contracts.

XVI. Notes to Main Items of the Financial Statements of the Parent Company

1. Accounts receivable

(1) Classified disclosure of accounts receivable

Unit: RMB

Category	Ending balance					Beginning balance				
	Book balance		Bad-debt provision		Book value	Book balance		Bad-debt provision		Book value
	Amount	Proportion	Amount	Proportion of accrual		Amount	Proportion	Amount	Proportion of accrual	
Individual provision for bad debts										
Accounts receivable with provision for bad debt reserves based on aging portfolio	235,209,170.80	100.00%	13,045,360.76	5.55%	222,163,810.04	74,726,789.47	100.00%	3,932,595.52	5.26%	70,794,193.95
Total	235,209,170.80	100.00%	13,045,360.76	5.55%	222,163,810.04	74,726,789.47	100.00%	3,932,595.52	5.26%	70,794,193.95

Accounts receivable with provision for bad debt reserves based on aging portfolio:

Unit: RMB

Name	Ending balance		
	Book balance	Bad-debt provision	Proportion of accrual
Aging portfolio	235,209,170.80	13,045,360.76	5.55%
Total	235,209,170.80	13,045,360.76	

For provision for bad debt reserves of the accounts receivable by the general model of the expected credit loss, relevant information on bad debt reserves is disclosed based on the disclosure method of other receivables:

Applicable Not applicable

Disclose according to aging

Unit: RMB

Aging	Ending balance
Within 1 year (inclusive of 1 year)	230,120,836.58
1-2 years	3,127,651.72
2-3 years	1,048,755.34
Above 3 years	911,927.16
Total	235,209,170.80

(2) Bad debt provision and its recovery or reversal in the current period

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Others	
Provision made for bad debt reserves based on aging portfolio	3,932,595.52	9,112,765.24				13,045,360.76
Total	3,932,595.52	9,112,765.24				13,045,360.76

(3) Accounts receivable of top 5 ending balances collected by debtors

Unit: RMB

Company name	Ending balance of accounts receivable	Proportion in a total ending balance of accounts receivable	Ending balance of provision for bad debts
Company 1	204,427,371.48	86.91%	10,221,368.57
Company 2	4,276,808.31	1.82%	213,840.42
Company 3	2,304,090.13	0.98%	115,204.51
Company 4	2,101,500.00	0.89%	105,075.00
Company 5	1,626,277.04	0.69%	81,313.85
Total	214,736,046.96	91.29%	

2. Other receivables

Unit: RMB

Item	Ending balance	Beginning balance
Dividends receivable	300,000,000.00	300,000,000.00
Other receivables	374,551,215.09	374,169,712.95

Total	674,551,215.09	674,169,712.95
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(1) Dividends receivable
1) Classification of dividends receivable

Unit: RMB

Project (or investee)	Ending balance	Beginning balance
Hong Kong Sheng Hui Co., Ltd.	300,000,000.00	300,000,000.00
Total	300,000,000.00	300,000,000.00

2) Significant dividends receivable aged over 1 year

Unit: RMB

Project (or investee)	Ending balance	Aging	Reason for the unrecovered amount	Whether impairment occurs and its judgment basis
Hong Kong Sheng Hui Co., Ltd.	300,000,000.00	Above 3 years	Unrecovered	Subsidiaries operate normally, and no risk is expected in the recovery of funds.
Total	300,000,000.00			

3) Bad debt provision
 Applicable Not applicable

(2) Other receivables
1) Classification of other receivables by nature

Unit: RMB

Nature of account	Ending book balance	Beginning book balance
Transactions between related parties within the consolidation scope	373,770,147.28	373,727,461.92
Deposit guarantee receivable	600,000.00	600,000.00
Petty cash receivable, etc.	2,412,353.56	2,050,211.43
Total	376,782,500.84	376,377,673.35

2) Bad debt provision

Unit: RMB

Bad-debt provision	Stage I	Stage II	Stage III	Total
	Expected credit loss in the next 12 months	Expected credit loss over the entire duration (without credit impairment)	Expected credit loss for the entire duration (credit impairment has occurred)	
Balance as of January 1, 2023	23,031.73		2,184,928.67	2,207,960.40

The balance as of January 1, 2023 in the current period				
--Transferred to Stage II	-570.00	570.00		
Provision in current period	18,107.10	570.00	4,648.25	23,325.35
Balance as of June 30, 2023	40568.83	1140.00	2,189,576.92	2,231,285.75

Book balance changes with significant changes in loss provisions in the current period

Applicable Not applicable

Disclose according to aging

Unit: RMB

Aging	Ending balance
Within 1 year (inclusive of 1 year)	1,081,523.92
1-2 years	11,400.00
2-3 years	373,500,000.00
Above 3 years	2,189,576.92
Total	376,782,500.84

3) Bad debt provision and its recovery or reversal in the current period

Provision for bad debts in the current period:

Unit: RMB

Category	Beginning balance	The amount of change in the current period				Ending balance
		Provision	Recovered or returned	Write-off	Others	
Provision made for bad debt reserves based on aging portfolio	2,207,960.40	23,325.35				2,231,285.75
Total	2,207,960.40	23,325.35				2,231,285.75

4) Top five debtors with the biggest ending balances of other accounts receivable

Unit: RMB

Company name	Nature of payment	Ending balance	Aging	Proportion in total ending balance of other receivables	Ending balance of provision for bad debts
Company 1	Current accounts	373,500,000.00	2-3 years	99.13%	
Company 2	Petty cash receivable, etc.	1,287,371.67	Above 3 years	0.34%	1,287,371.67
Company 3	Deposit guarantee receivable	600,000.00	Above 3 years	0.16%	600,000.00
Company 4	Current accounts	153,392.48	Within 1 year	0.04%	
Company 5	Petty cash receivable, etc.	121,000.00	Above 3 years	0.03%	121,000.00
Total		375,661,764.15		99.70%	2,008,371.67

3. Long-term equity investment

Unit: RMB

Item	Ending balance			Beginning balance		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in subsidiaries	40,289,393,720.56		40,289,393,720.56	39,462,393,720.56		39,462,393,720.56
Investment in joint ventures and associated enterprises	3,848,530,285.55		3,848,530,285.55	3,742,216,481.79		3,742,216,481.79
Total	44,137,924,006.11		44,137,924,006.11	43,204,610,202.35		43,204,610,202.35

(1) Investment in subsidiaries

Unit: RMB

Investee	Beginning balance (book value)	Increase and decrease in the current period				Ending balance (book value)	Ending balance of provision for impairment
		Additional investment	Reduced investment	Provision for impairment	Others		
Zhejiang Petroleum & Chemical Co., Ltd.	28,457,242,115.34					28,457,242,115.34	
Ningbo Zhongjin Petrochemical Co., Ltd.	5,990,201,140.04					5,990,201,140.04	
Zhejiang Shengyuan Chemical Fiber Co., Ltd.	2,030,140,000.00					2,030,140,000.00	
Dalian Yisheng Investment Co., Ltd.	1,468,204,457.48					1,468,204,457.48	
Rongsheng Petrochemical (Singapore) Pte. Ltd.	620,889,560.00					620,889,560.00	
Zhejiang Yongsheng Technology Co., Ltd.	198,306,537.70					198,306,537.70	
Hong Kong Sheng Hui Co., Ltd.	141,419,910.00					141,419,910.00	
Rongsheng International Trading Co., Ltd.	100,000,000.00					100,000,000.00	
Rongxiang Chemical Fiber Co., Ltd.	3,000,000.00					3,000,000.00	
Rongsheng International Trading (Hainan) Co., Ltd.	1,000,000.00					1,000,000.00	
Rongsheng Chemical (Shanghai) Co., Ltd.	40,000,000.00					40,000,000.00	
Rongsheng (Zhoushan) New Materials Co., Ltd.	130,000,000.00	427,000,000.00				557,000,000.00	
Rongsheng New Material (Taizhou) Co., Ltd.	281,990,000.00	400,000,000.00				681,990,000.00	
Total	39,462,393,720.56	827,000,000.00				40,289,393,720.56	

(2) Investment in joint ventures and associated companies

Unit: RMB

Investor	Beginning balance (book value)	Increase and decrease in the current period								Ending balance (book value)	Ending balance of provision for impairment
		Addition al investme nt	Reduced investmen t	Investmen t gains or losses recognize d under the equity method	Other compre nsive income adjustmen ts	Other equity changes	Declared distributio n of cash dividends or profits	Provision for impairme nt	Othe rs		
I. Joint ventures											
II. Associated enterprise											
Zhejiang Yisheng Petrochemical Co., Ltd.	1,476,728,206.10			4,041,804.61	3,943,117.43					1,484,713,128.14	
Zhejiang Xiaoshan Rural Commercial Bank Co., Ltd.	2,006,079,840.15			131,295,914.20	11,387,579.14		39,685,918.80			2,109,077,414.69	
Ningbo Hengyi Trading Co., Ltd.	231,733,252.44			6,836,819.72	-15,457,757.73					223,112,314.43	
Zhejiang Kunsheng Petroleum & Chemical Sales Co., Ltd.	13,221,013.56			3,945,821.17						17,166,834.73	
Zhejiang Jurong Petroleum & Chemical Sales Co., Ltd.	14,454,169.54			6,424.02						14,460,593.56	
Subtotal	3,742,216,481.79			146,126,783.72	-127,061.16		39,685,918.80			3,848,530,285.55	
Total	3,742,216,481.79			146,126,783.72	-127,061.16		39,685,918.80			3,848,530,285.55	

4. Operating income and operating costs

(1) Details

Unit: RMB

Item	Current amount incurred		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	1,880,440,264.50	1,851,745,862.85	1,791,602,246.63	1,726,342,682.30
Other Businesses	24,368,383.63	23,043,241.14	2,315,703,365.56	2,314,975,483.25
Total	1,904,808,648.13	1,874,789,103.99	4,107,305,612.19	4,041,318,165.55

(2) Breakdown of revenue generated by contracts with customers by major categories

1) Breakdown of income by commodity type

Item	Current amount incurred		Amount incurred in the previous period	
	Revenue	Cost	Revenue	Cost
Polyester chemical fiber film	1,880,440,264.50	1,851,745,862.85	1,791,602,246.63	1,726,342,682.30
Trade and others	24,368,383.63	23,043,241.14	2,315,703,365.56	2,314,975,483.25
Total	1,904,808,648.13	1,874,789,103.99	4,107,305,612.19	4,041,318,165.55

2) Breakdown of income by the time of commodity transfer

Item	Amount in the current period	Amount in the previous period
Revenue recognized at a certain point of time	1,904,166,446.29	4,106,663,410.36
Revenue recognized at a certain period of time	642,201.84	642,201.84
Subtotal	1,904,808,648.13	4,107,305,612.19

(3) The revenue recognized in the current period included in the opening book value of contract liabilities is RMB 149,074,706.33.

5. Investment income

Unit: RMB

Item	Current amount incurred	Amount incurred in the previous period
Long-term equity investment income calculated by equity method	146,126,783.72	116,775,484.71
Investment income from disposal of financial instruments	-34,198,249.74	-42,222,518.53
Total	111,928,533.98	74,552,966.18

XVII. Supplementary Information

1. Breakdown of non-recurring gains and losses in the current period

Unit: RMB

Item	Amount
Gains or losses on disposal of non-current assets (including the part written-off with provision for asset impairment accrued)	9,776,120.31
Government grants recognized in current gain and loss (excluding grants entitled to in quota or ration according to certain criteria under national policies and which are closely relevant to the Company's normal business operations)	100,951,165.76
Fund possession cost included in current gain and loss charged to non-financial enterprises	99,037.73

Except for effective hedging business related to the normal business operations of the Company, changes in gains and losses of fair value arising from trading financial assets, trading financial liabilities, investment income obtained from disposal of trading financial assets, trading financial liabilities and available-for-sale financial assets	320,428,570.35
Other non-operating revenues and expenditures except for the aforementioned items	1,189,521.25
Other profit/loss items falling within the definition of non-recurring gain or loss	3,709,266.29
Less: Affected amount of income tax	23,818,799.21
Affected amount of minority equity	150,925,256.19
Total	261,409,626.29

Other gain/loss items falling within the definition of non-recurring gain or loss:

The Company has no other gain/loss items falling within the definition of non-recurring gain or loss.

Explanation of the circumstances in which the non-recurring gain and loss items listed in the *Explanatory Announcement No. 1 on Information Disclosure of Companies Publicly Issuing Securities-Non-recurring Gains and Losses* are defined as recurring gains and losses.

Applicable Not applicable

2. Return on equity and earnings per share (EPS)

Profit within the reporting period	Weighted average return on net assets	Earnings per share (EPS)	
		Basic earnings per share (RMB per share)	Diluted earnings per share (RMB per share)
Net profit attributable to ordinary shareholders of the Company	-2.42%	-0.11	-0.11
Net profit attributable to ordinary shareholders of the Company after deducting non-recurring gains and losses	-2.98%	-0.14	-0.14

3. Differences in accounting data under domestic and foreign accounting standards

(1) Differences in net profits and net assets in financial reports disclosed in accordance with international accounting standards and China accounting standards

Applicable Not applicable

(2) Differences in net profits and net assets in financial reports disclosed in accordance with foreign accounting standards and China accounting standards

Applicable Not applicable

Rongsheng Petrochemical Co., Ltd.

Chairman: Li Shuirong

August 25, 2023