

Company Code: 600132

Abbreviation of the Company: Chongqing Brewery

**CHONGQING BREWERY CO., LTD.**  
**ANNUAL REPORT 2023**

## Important Notice

**I. The Board of Directors, the Board of Supervisors, and the directors, supervisors and senior management of the Company guarantee that the information of the Annual Report is true, accurate and complete and there are no false representations, misleading statements or material omissions, and assume individual and joint liabilities to the information contained herein.**

**II. All Directors of the Company attended the Board meeting.**

**III. Pan-China Certified Public Accountants LLP (Special General Partnership) has issued an auditor's report with an unqualified opinion to the Company.**

**IV. João Miguel Ventura Rego Abecasis, the person-in-charge of the Company, Chin Wee Hua, the person-in-charge of accounting affairs, and Liu Liping, the person-in-charge of the accounting department (head of the accounting department) hereby declare their guarantees for the authenticity, accuracy and completeness of the financial report in the Annual Report.**

**V. Plans on profit distribution or conversion of capital reserve to increase share capital in the current reporting period deliberated and approved by the Board of Directors**

The Company intends to distribute the cash dividend of 2.80 yuan per share (tax inclusive) to all shareholders on the basis of the total share capital of 483,971,198 shares as at December 31, 2023, totaling 1,355,119,354.40 yuan (tax inclusive). Cash dividend intended for distribution is from the operating profits generated by the Company in its production and operation, and such distribution is general dividend distribution.

After the completion of the profit distribution plan of 2023, the remaining undistributed profit in the consolidated financial statements of the Company is 59,187,375.37 yuan, and the remaining undistributed profit in the parent company financial statements is 351,378,262.35 yuan. No capital reserve is converted to increase share capital this time.

**VI. Risk statement with respect to forward-looking statements**

Applicable     Not applicable

Forward-looking statements, including future plans, contained in this report do not constitute actual commitments made by the Company to investors. Investors should be aware of investment risks.

**VII. Is there any non-operational fund occupied by the controlling shareholder and its related parties**

No

**VIII. Is there any external guarantee made in violation of required decision-making procedures**

No

**IX. Are there more than half of the directors who cannot guarantee the authenticity, accuracy and completeness of the annual report disclosed by the Company**

No

**X. Notice of material risks**

The Company has described relevant potential risks in this report. For details, please refer to “VI. Management Discussion and Analysis” under Section III of this Report.

**XI. Others**

Applicable     Not applicable

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Documents Available for Inspection	Financial statements signed with seals affixed by the person-in-charge of the Company, the person in-charge of accounting fairs and the person-in-charge of the accounting department of the Company;
	Original copy of the audit report bearing the seal of the accounting firm as well as the signatures and seals of the certified public accountants;
	Original copies of all the documents of the Company as well as the original scripts of its announcements disclosed on the newspaper designated by the CSRC during the reporting period.

## SECTION I DEFINITIONS

### I. Definitions

In this Report, unless the context otherwise requires, the following words shall have the following meanings:

CSRC	China Securities Regulatory Commission
SSE	Shanghai Stock Exchange
Company, the Company, the listed company	Chongqing Brewery Co., Ltd.
Carlsberg Foundation	Carlsberg Foundation
Carlsberg	Carlsberg A/S
Carlsberg Breweries	Carlsberg Breweries A/S
Carlsberg HK	Carlsberg Brewery Hong Kong Limited
Carlsberg Chongqing	Carlsberg Chongqing Limited
Carlsberg Investment, Carlsberg Consulting	Guangzhou Carlsberg Investment Co., Ltd., formerly known as Guangzhou Carlsberg Consultancy and Management Services Co., Ltd.
Carlsberg Chongqing Brewery, Chongqing Jianiag	Carlsberg Chongqing Brewery Co., Ltd., formerly known as Chongqing Jianiag Brewery Co., Ltd.
Major asset restructuring, this restructuring	The major asset purchase of Chongqing Brewery Co. Ltd. and joint capital increase in the joint venture as well as related-party transactions
Pack A assets	The collective name of 100% equity interest in Carlsberg (China) Breweries and Trading Company Limited, 100% equity interest in Carlsberg Beer Enterprise Management (Chongqing) Company Limited, 99% equity interest in Carlsberg Brewery (Guangdong) Company Limited, and 100% equity interest in Kunming Huashi Brewery Company Limited, which all held by Carlsberg Breweries.
Pack B assets	The collective name of 100% equity interest in Xinjiang Wusu Breweries Co. Ltd. and 70% equity interest in Ningxia Xixia Jianiag Brewery Co. Ltd., both held by Carlsberg Breweries.

## SECTION II COMPANY PROFILE AND PRINCIPAL FINANCIAL INDICATORS

### I. Corporate Information

Chinese name	重庆啤酒股份有限公司
Abbreviated Chinese name	重庆啤酒
English name	Chongqing Brewery Co., Ltd.
Abbreviated English name	CBC
Legal representative	João Miguel Ventura Rego Abecasis

### II. Contact Persons and Contact Information

	Secretary to the Board	Securities Affairs Representative
Name	Deng Wei	Li Xiaoyu
Address	Floor 13, Kingold Century, No.62, Jinsui Road, Tianhe District, Guangzhou City, Guangdong Province	Floor 13, Kingold Century, No.62, Jinsui Road, Tianhe District, Guangzhou City, Guangdong Province
Telephone	4001600132	4001600132

Fax	020-28016518	020-28016518
E-mail	CBCSMIR@carlsberg.asia	CBCSMIR@carlsberg.asia

### III. Basic Information

Registered address	No. 9, Hengshan East Road, Dazhulin Sub-district, High-tech Industrial Park, New North Zone, Chongqing
Business address	Floor 13, Kingold Century Finance Center, No. 62, Jinsui Road, Tianhe District, Guangzhou City, Guangdong Province
Postal code of business address	510623
Website	www.carlsbergchina.com.cn
Email	CBCSMIR@carlsberg.asia

### IV. Place of Information Disclosure and Document Inspection

Names and websites of media for annual report disclosure	<i>China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily</i>
Website of the stock exchange for annual report disclosure	www.sse.com.cn
Annual reports available at	Board Office of the Company

### V. Stock Listing

Stock Information				
Share Class	Stock Exchange for Listing	Stock Abbreviation	Stock Code	Previous Stock Abbreviation
A share	Shanghai Stock Exchange	Chongqing Brewery	600132	N/A

### VI. Other Relevant Information

Domestic accounting firm engaged by the Company	Name	Pan-China Certified Public Accountants LLP
	Office address	Block B, China Resources Building, 1366 Qianjiang Rd., Hangzhou 310020, China
	Signed CPAs	Huang Qiaomei, Zhao Xingming

### VII. Key Accounting Data and Financial Indicators for the Past Three Years

#### (I) Key accounting data

Monetary unit: RMB

Items	2023	2022		YoY growth rate (%)	2021
		After adjustment	Before adjustment		
Operating revenue	14,814,836,410.26	14,039,040,539.45	14,039,040,539.45	5.53	13,119,310,688.30
Net profit attributable to shareholders of the Company	1,336,597,321.13	1,263,619,606.46	1,263,604,930.09	5.78	1,166,243,415.91
Net profit attributable to shareholders of the Company after deducting non-recurring profit or	1,313,987,214.02	1,234,352,860.32	1,234,338,183.95	6.45	1,142,853,438.97

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loss					
Net cash flows from operating activities	3,096,948,816.62	3,752,648,258.54	3,752,648,258.54	-17.47	3,564,787,113.40
	December 31, 2023	December 31, 2022		YoY growth rate (%)	December 31, 2021
		After adjustment	Before adjustment		
Net profit attributable to shareholders of the Company	2,140,200,619.57	2,056,176,499.91	2,056,155,782.63	4.09	1,754,545,104.23
Total assets	12,386,911,593.95	12,497,582,459.14	12,497,542,168.83	-0.89	11,532,809,144.20

**(II) Key financial indicators**

Items	2023	2022		YoY growth rate (%)	2021
		After adjustment	Before adjustment		
Basic EPS (yuan/share)	2.76	2.61	2.61	5.78	2.41
Diluted EPS (yuan/share)	2.76	2.61	2.61	5.78	2.41
Basic EPS after deducting non-recurring profit or loss (yuan/share)	2.72	2.55	2.55	6.45	2.36
Weighted average ROE (%)	67.05	69.25	69.25	-2.20	99.69
Weighted average ROE after deducting non-recurring profit or loss (%)	65.92	67.65	67.65	-1.73	97.69

Remarks on key accounting data and financial indicators in the past three years

Applicable  Not Applicable

The Ministry of Finance issued the “Interpretation of China Accounting Standards for Business Enterprises No. 16” (Cai Kuai [2022] No. 31) (the “Interpretation No. 16”) on November 30, 2022, in which, the regulations about accounting for deferred tax related to assets and liabilities arising from a single transaction to which the initial recognition exemption does not apply take effect since January 1, 2023. For taxable and deductible temporary differences associated with lease liabilities and right-of-use assets arising from such single transactions and presented at the beginning of the earliest comparative period, the cumulative effect of initially applying the Interpretation No. 16 and “CASBE 18 – Enterprise Income Tax” shall be adjusted into retained earnings or other related items at the beginning of the earliest comparative period presented.

**VIII. Differences in Accounting Data under Domestic and Overseas Accounting Standards****(I) Differences in net profit and net assets attributable to shareholders of the listed company in the financial reports disclosed simultaneously in accordance with international accounting standards and Chinese accounting standards**

Applicable  Not applicable

**(II) Differences in net profit and net assets attributable to shareholders of the listed company in the financial reports disclosed simultaneously in accordance with foreign accounting standards and Chinese accounting standards**

Applicable     Not applicable

**(III) Explanation on the differences between domestic and foreign accounting standards:**

Applicable     Not applicable

**IX. Key Quarterly Financial Data in 2023**

Monetary unit: RMB

Items	First quarter (January-March)	Second quarter (April-June)	Third quarter (July-September)	Fourth quarter (October-December)
Operating revenue	4,005,811,752.65	4,498,990,103.91	4,523,879,342.82	1,786,155,210.88
Net profit attributable to shareholders of the Company	387,009,759.80	477,999,036.57	479,080,499.95	-7,491,975.19
Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss	381,431,374.83	472,726,600.63	472,823,195.86	-12,993,957.30
Net cash flows from operating activities	852,609,164.70	1,692,833,561.88	1,172,868,916.60	-621,362,826.56

Remarks on differences between quarterly data and data disclosed in periodic report

Applicable     Not Applicable

**X. Non-Recurring Profit or Loss**

Applicable     Not applicable

Monetary unit: RMB

Items	Year 2023	Note No. (if applicable)	Year 2022	Year 2021
Gains on disposal of non-current assets, including write-off of provision for impairment	-6,223,012.64		-2,686,096.87	-9,751,391.35
Government grants included in profit or loss (excluding those closely related to operating activities of the Company, satisfying government policies and regulations, enjoyed based on certain standards, and continuously affecting gains or losses of the Company)	57,034,039.96		56,173,947.41	49,841,416.83
Gains or losses on changes in fair value of financial assets and liabilities held by non-financial enterprises, and gains or losses on disposal of financial assets and liabilities, excluding those arising from hedging business related to operating activities	4,138,674.52		11,322,859.61	15,893,505.64
Losses on assets incurred due to force majeure such as natural disasters	-22,928,871.60			
The reversed provision for impairment of receivables based on impairment testing on an individual basis	728,718.32		368,172.05	



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Items	Year 2023	Note No. (if applicable)	Year 2022	Year 2021
Other non-operating revenue or expenditures	26,866,634.40		4,495,553.47	6,356,848.71
Other profit or loss satisfying the definition of non-recurring profit or loss	344,606.28		1,802,741.69	
Less: Enterprise income tax affected	14,721,391.00		15,007,349.22	15,591,614.27
Non-controlling interest affected (after tax)	22,629,291.13		27,203,082.00	23,358,788.62
Total	22,610,107.11		29,266,746.14	23,389,976.94

Remarks on defining items not listed in “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss” as non-recurring profit or loss with significant amount and remarks on defining non-recurring profit or loss listed in the “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss” as recurring profit or loss

Applicable     Not applicable

#### XI. Items Measured at Fair Value

Applicable     Not applicable

Monetary unit: RMB

Items	Opening balance	Closing balance	Increase/Decrease	Effect on current profit before tax
Held-for-trading financial assets		360,202,000.00	360,202,000.00	4,138,674.52
Other equity instrument investments	14,303,331.73	16,625,962.83	2,322,631.10	344,606.28
Derivative financial assets	3,829,356.40	14,392,732.78	10,563,376.38	-1,773,590.08
Derivative financial liabilities	2,616,336.56	15,408,026.80	12,791,690.24	-8,230,528.75
Total	20,749,024.69	406,628,722.41	385,879,697.72	-5,520,838.03

#### XII. Others

Applicable     Not applicable

## SECTION III MANAGEMENT DISCUSSION AND ANALYSIS

### I. Discussion and Analysis on Operations

In 2023, the Company actively embraced opportunities and challenges presented by the macro environment, maintaining a growth momentum across the three key financial indicators: sales volume, revenue, and profit. This marked a promising start to our SAIL’ 27 strategy. Notably, the Company’s sales volume in 2023 achieved a year-on-year growth of 4.93%, which is well above the industry level. It is worth noting that in 2023, the total output of beer enterprises above the designated size nationwide was 35.555 million kiloliters, a slight year-on-year increase of 0.3% (data source: National Bureau of Statistics).

I. Brands: In 2023, the Company continued to cultivate and expand its SAIL' 27 strategic key projects. Building on its diverse product portfolio and brand offerings, which resulted from the asset restructuring, the Company harnessed the power of “Local Power Brands + International Premium Brands” to drive product premiumization and foster innovative sales models.

Local brands: The Company relentlessly fortified its core competitiveness in key markets, leveraging its R&D and innovation capabilities as pivotal drivers of premiumization. With Chongqing Pure Draft, Dali Beer V8, low-alcohol brews of Wind Flower Snow Moon (WFSM), and targeted marketing initiatives tailored to specific regions, the Company further propelled premiumization of its local brand offerings. Chongqing Craft White Beer, unveiled under the Chongqing brand in December, 2023, not only cemented its premium product line but also elicited a positive market response.

Wusu elevated its brand image and national visibility by enhancing engagement with young consumers. The brand initiated a marketing campaign called “Dare to Challenge”, bringing together influential figures from various fields, who embarked on captivating challenges that stirred the competitive spirits of consumers. Additionally, to deliver a unique brand experience, Wusu proudly unveiled the very first brand experience store — the WUSU Big Big Q — in Shanghai, forging a strong association with the vibrant barbecue scene.

International brands: Kronenbourg 1664 solidified its presence in the super premium beer category by launching two new products, 1664 Prestige and 1664 Brut. These exquisite additions enriched the brand's product matrix, further catering to the diverse demands of consumers. To expand its reach to different consumer segments, the brand has consistently embraced French inspirations across various domains, including fashion and art. In 2023, the brand underwent a packaging upgrade, unveiling a new design of iconic small blue bottle that showcased French elegance and sparked consumer interest. Additionally, the brand collaborated with Maison Kitsune to unveil a limited-edition co-branded packaging. Through offline initiatives such as “1664 Pop-up Bus Station with a Twist” and “1664 L'ATELIER,” the brand actively conveyed its concept of Good Taste with A Twist to a broader audience.

To mark the Chinese New Year 2023 and the Year of the Rabbit, the Carlsberg brand unveiled a limited-edition packaging designed by a renowned illustrator. In the peak season, the brand embarked on “Carlsberg DIMENSION”, a nationwide performance tour that redefined avant-garde high-end parties through immersive audio and visual feast. Simultaneously, Carlsberg joined hands with a leading Chinese fashion brand to launch the “Urban Green Series” co-branded gift box, promoting a stylish and sustainable way of life.

In 2023, Tuborg enjoyed growth in both volume and price. With its brand ambassadors, the brand went above and beyond in conveying its distinctive attitude to consumers, inspiring young individuals to “Tilt The World WHY NOT.” Meanwhile, by continuously investing in the hip-pop music genre, which holds immense popularity among the youth, the brand not only enhanced its nationwide visibility but also cemented its international brand image. Its presence in the domestic market was strengthened through all-channel expansion. The upgraded Tuborg Pure Draft saw rapid growth in volume, driving the brand's premiumization.

Somersby Cider stepped up its development in 2023. With the captivating representation of its new spokesperson, Ms. Zhao Lusi, the brand effectively conveyed its optimistic image of “Unlock the Sunshine, Embrace the Joy,” capturing the hearts of more and more young consumers. The brand expanded its product offerings by introducing exciting new flavors such as passion fruit and orange, providing consumers with a broader range of cider options. Its various and effective e-commerce marketing campaigns propelled annual sales growth. These efforts earned Somersby the “Annual Dark Horse Award” from Tmall, a China's leading e-commerce platform.

Craft Beer Brands: During the Chinese New Year, JingA collaborated with the renowned Chinese fashion brand Warrior 1927 to unveil a co-branded shoe. This partnership was accompanied by a communication campaign titled “Celebrate the New Year Well, Start Anew in Every Step.” The campaign featured engaging advertising and challenges on Douyin (the Chinese version of TikTok), effectively amplifying the brand’s visibility across social media. In the summer, JingA continued to drive product trial and purchase through various initiatives, including product seeding, beer gardens, and engaging consumer interactions. Brooklyn introduced a new Pilsner product in May 2023, which secured wider reach and sales growth with a brighter and cooler design, enhanced drinkability, and a highly relatable street style.

II. Sales: 2023 marked the beginning of a gradual recovery in consumption in China. Despite a more competitive beer market environment, the Company maintained its growth trajectory, achieving record-breaking performance. The Company’s core markets remained strong. Its’ advantage in premiumization expanded further. Its revenue per hectoliter witnessed growth, supported by a diverse brand portfolio and a precise pricing strategy. The Big City plan continued to delve deeper and receive increased investment, acting as a significant driver for the Company’s growth.

Traditional Retail: The Company continued to consolidate and enhance the on-trade channel, accelerating its development in dining and entertainment scenes. In terms of the off-trade channel, the Company continued to increase market share through consumer events, promotional packages, portfolio displays and promotions, and improved in-store execution standards.

New Retail: The Company harnessed the power of e-commerce, strategically leveraging its brand resources to forge deep collaborations with leading platforms such as Tmall and JD on IP marketing. The online B2B business progressed in an orderly manner, while partnerships with platforms on the community group-buy channel were fortified. These efforts led to a steady increase in the Company’s market share from the e-commerce channel. The O2O channel experienced double-digit growth, supported by the Company’s continued efforts in F&B-to-home and department store-to-store/home services. As a result, the Company fortified its position in core markets, driving growth in revenue per hectoliter.

III. Supply Chain: The Company further optimized its supply network in 2023. The commencement of Korla brewery expansion further reduced supply logistics costs. Wanzhou brewery resumed production by the year’s end, effectively supporting increased market demand. The construction of Foshan brewery has been progressing steadily, poised to commence operations in 2024. This project will fundamentally address the capacity shortage in South China region, reducing logistics and transportation costs.

In its relentless pursuit of better beer taste, the Company made taste assessment a top priority for its team’s capacity building. The Company launched a three-month “100 People Plan,” collaborating with China National Research Institute of Food and Fermentation Industries and China Alcoholic Drinks Association (CADA) to train and certify over 100 tasters, which significantly strengthened its beer tasting expertise. At the China International Beer Challenge hosted by CADA, the Company won 13 awards, the highest among all participating companies for the third consecutive year. Several of the Company’s brands, including Greenberg White Ale, Jing A Tuhao Gold Pilsner, Greenberg Red Ale, Brooklyn Defender IPA, and Wusu Loulan Secret Brewing, were honored with 4 or 3 stars.

IV. ESG: 2023 marked the first full year for the Company to implement the “Together Towards ZERO and Beyond (TTZAB)” ESG program. Significant progress was made across all targets, and the Company’s ESG rating was upgraded to A by MSCI, making Chongqing Brewery the sole A-share listed alcoholic drink company to receive such recognition. Mr. Lee Chee Kong, President of the Company, was honored as the “ESG Person of the Year 2023 in China’s Corporate Landscape” at the 21st China Enterprise Development Forum. The Company was bestowed

with multiple awards, including the “Outstanding Corporate Governance Case of the Year 2022” from CADA, the “ESG Golden Bull Top 100 Awards” from China Securities Journal, the “Vibrant ESG Green Development Program” from 21st Century, and the “ESG Pioneer Award 2023 for Listed Alcoholic Drinks Companies in China.” Additionally, Chongqing Brewery was recognized as the “Leading Green and Low-Carbon Innovation Enterprise” by Nanfang Metropolis Daily, the “ESG Benchmark Enterprise of the Year” by Guangzhou Daily, the “ESG Sustainable Development Case” by Yangcheng Evening News, the “Most Popular ESG Company in the Greater Bay Area” by New Express, and the “2023 ESG Innovation Pioneer” by NetEase Finance.

**ZERO Carbon Footprint:** During the reporting period, the Company utilized 100% green electricity and achieved a 79% adoption rate of electric forklifts. Throughout the year, the Company’s breweries successfully cut carbon emissions by 2,568 tons in their production. This represents a remarkable 75.58% decrease compared to the 2015 baseline. The Company conducted the second round of assessment of its full value chain carbon footprint, based on 2022 data. The results showed a 28% reduction in the full life-cycle carbon footprint compared to 2015.

**ZERO Farming Footprint:** The Company attaches great importance to the recycling of brewing by-products. In 2023, the Company successfully recycled 1.6 million tons of spent yeast and 144,000 tons of spent grains, repurposing them in the agriculture and animal husbandry sectors. This practice fostered a harmonious relationship between the Company and the environment. In addition, the Company achieved 100% local procurement of raw materials for main auxiliary components, with 50% of hops and 30% of malt being sourced domestically.

**ZERO Packaging Waste:** In 2023, the Company adopted glass bottles made with 60% recycled materials. Its beer brands, such as Carlsberg, utilized eco-friendly inks and PVC-free labels. Aiming to minimize the environmental impact of materials, the Company realized a bottle recycling rate to 74.3%, a 2.8% increase from the previous year. It conducted a project to lighten the weight of corrugated cardboard boxes, which resulted in an annual paper saving of 3,800 tons, equivalent to preserving 76,000 trees.

**ZERO Water Waste:** In 2023, the average water consumption of the Company’s breweries decreased by 5.8% compared to 2022, reaching 2.11HL/HL, a remarkable 45.5% reduction compared to 2015. Notably, its breweries located in high water risk zones achieved a further reduction in annual average water consumption, reaching 2.01 HL/HL. The total water savings exceeded 254,000 tons, equivalent to the volume of 101 standard swimming pools. Ningxia brewery launched the Company’s first reclaimed water supply program, improving water efficiency while contributing to water conservation in the local community.

**ZERO Irresponsible Drinking:** The Company further increased the proportion of alcohol-free/low-alcohol products, with WFSM unveiling a peach blossom flavored low alcohol beer. The Company actively participated in the National Responsible Drinking Awareness Week, promoting the concept of responsible drinking through brand events such as the Wusu Beer Music Festival. In 2023, 11 brand spokespersons of the Company, including Zhang Yanqi, GAI, Dilraba, Zhao Luisi, and Jike Junyi, jointed forces to advocate for responsible drinking, reaching an audience of over 5 million consumers.

**ZERO Accidents Culture:** The Company implemented pedestrian segregation across all its breweries, and adopted a three-level safety matrix training to enhance employee competence and safety awareness. The construction of Foshan brewery and the expansion of Korla brewery collectively amassed over 2 million safe working hours. In addition, the Company witnessed a significant 80% decrease in lost time incidents among both employees and contractors compared to 2018.

**V. Talent development:** The Company remains dedicated to building a culture and talent team that supports high-

performance growth. In 2023, the Company launched the “Qingyun Plan” to promote cross-regional and cross-team talent mobility, enriching the career experiences of its employees. Measures such as talent reviews, job rotations, cross-departmental projects, and long-term secondments were in place to facilitate internal movement and development of talent. In addition, the Company actively implemented targeted talent programs, including the Sales Personnel Development Project, Young Talent Development Project, Manager Pipeline Program, and Supervisor Pipeline Program, all designed to empower employees to grow through hands-on learning. Thanks to these sustained investments and efforts, the Company was honored with the titles of “China 100 Model Employers” and “Learning and Development Role Model” in 2023 by 51job, a leading human resource solutions provider in China.

**Cultural development:** The Company placed a strong emphasis on responsibility and accountability in the principles of Diversity, Equity & Inclusion (DE&I) in 2023. Together with employee representatives, the Company formulated and implemented the “Inclusive Leadership Behavior Guide,” conducting 69 workshops for over 1,700 managers, with the aim of enhancing their understanding and application of inclusive leadership, responsibility, and accountability. These efforts also aimed to nurture DE&I culture throughout the organization. In 2023, the Company witnessed a notable 3% increase in the representation of women in middle and senior management compared to 2022. As a recognition of its efforts, the Company was honored with the “2023 DEI Employer Award” by Employer Branding Institute, a renowned organization specializing in employer branding research.

The Company values employee feedback and has implemented various communication channels, including the President’s Face-to-Face Forum, Hotline, Employee Communication Assembly, HRBP Interviews, and Line Manager Interviews, to actively gather and respond to employee opinions and suggestions on various aspects of the Company’s operations. It adopted findings from the 2023 Dedication Survey, developing corresponding action plans for continuous improvement, with the goal of creating an even better workplace for its employees.

## II. Description of the Industry Where the Company Operated During the Reporting Period

According to National Bureau of Statistics data, beer enterprises above the designated size in China produced 35.555 kiloliters of beer in 2023, a year-on-year increase of 0.3%.

## III. Business of the Company During the Reporting Period

The Company mainly engages in manufacturing and sale of beer products.

**Business model:** The Company implements management by region.

**Procurement:** The Company adopts an approach of centralized procurement and decentralized ordering.

**Supply:** The Company organizes production and inventory in the principle of “production based on sales”.

**Sales:** The Company adopts a sales model that focuses primarily on wholesale agency, supplemented by direct selling.

## IV. Analysis on Core Competitiveness During the Reporting Period

Applicable     Not applicable

The Company is Carlsberg’s operation platform in China. Carlsberg Group, based in Denmark, is one of the world’s three largest beer companies. China is the largest market for Carlsberg Group globally. One of Carlsberg’s strategic priorities in SAIL’ 27 — its strategy aiming towards 2027, is to Keep Winning in China, with the ambition of being a successful, professional and attractive brewer in the country.

**Market channels:** The Company has a marketing and sales network that covers various provinces, regions and cities in China. Its advantageous markets enjoy high-quality customer resources, strong brand advantages, and stable distribution channels.

Brand portfolio: The Company boasts a strong brand portfolio of “Local Power Brands + International Premium Brands”. IPBs include Carlsberg, Tuborg, K1664, Grimbergen, Brooklyn, Somersby, while LBPs are Wusu, Chongqing, Shancheng, Xixia, Dali, Wind Flower Snow Moon and Jing-A. This portfolio enables the Company to achieve high-quality growth by satisfying diverse consumer needs for excellent beer.

Supply network: With 26 breweries distributed across a wide geographic area, the Company enjoys sound coordination in procurement, production, and logistics, realizing synergy and efficient operations.

Marketing and promotion: By combing overall operation with complementary branding, the Company has increased marketing and promotion efficiency with more distinctive brand image and diversified marketing approaches.

## V. Business Operation During the Reporting Period

In 2023, the Company sold 2.9975 million kiloliters of beer, an increase of 4.93% compared with 2.8566 million kiloliters in 2022. The operating revenue in 2023 was 14.815 billion yuan, an increase of 5.53% compared with 14.039 billion yuan in 2022. Net profit attributable to shareholders of the Company in 2023 was 1.337 billion yuan, an increase of 5.78% compared with 1.264 billion yuan in 2022. Net profit attributable to shareholders of the Company after deducting non-recurring profit or loss in 2023 was 1.314 billion yuan, an increase of 6.45% compared with 1.234 billion yuan in 2022.

### (I) Analysis of principal business

#### 1. Analysis on changes in related items in income statement and cash flow statement

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative	Percentage of change (%)
Operating revenue	14,814,836,410.26	14,039,040,539.45	5.53
Operation cost	7,533,975,786.02	6,952,428,993.91	8.36
Selling expenses	2,532,621,832.78	2,326,217,227.20	8.87
Administrative expenses	494,670,737.76	534,570,348.93	-7.46
Financial expenses	-60,313,396.63	-56,102,848.78	7.51
R&D expenses	26,232,056.27	110,747,936.06	-76.31
Net cash flows from operating activities	3,096,948,816.62	3,752,648,258.54	-17.47
Net cash flows from investing activities	-1,050,978,857.03	-388,086,486.41	170.81
Net cash flows from financing activities	-2,742,702,994.69	-2,133,485,949.36	28.56

Remarks:

Changes in R&D expenses are mainly due to the decrease in R&D input.

Changes in net cash flows from investing activities are mainly due to the increase in net investment in structured deposits, which offset the dividend received from the associate Chongqing Jiawei Beer Co., Ltd. in the current period.

Remarks on significant changes in business type, profit composition or source in the current period.

Applicable  Not Applicable

## 2. Revenue and cost analysis

Applicable  Not applicable

### (1). Analysis of principal business by industry, product, region and sales model

Monetary unit: RMB

Principal Business by Industry						
Industry	Operating revenue	Operating cost	Gross margin (%)	YoY growth in operating revenue (%)	YoY growth in operating cost (%)	YoY growth in gross margin (%)
Beer	14,441,498,095.03	7,257,400,295.48	49.75	5.44	8.27	-1.31 pp
Principal Business by Product						
Product	Operating revenue	Operating cost	Gross margin (%)	YoY growth in operating revenue (%)	YoY growth in operating cost (%)	YoY growth in gross margin (%)
International brands	5,277,531,505.74	2,390,976,254.79	54.70	8.30	5.07	1.40 pp
Local brands	9,163,966,589.29	4,866,424,040.69	46.90	3.86	9.92	-2.92 pp
Principal Business by Region						
Region	Operating revenue	Operating cost	Gross margin (%)	YoY growth in operating revenue (%)	YoY growth in operating cost (%)	YoY growth in gross margin (%)
Northwest	4,023,409,104.78	2,252,276,818.11	44.02	1.10	2.78	-0.91 pp
Central	6,083,629,709.60	3,323,196,374.35	45.37	3.01	9.86	-3.41 pp
South	4,334,459,280.65	1,681,927,103.02	61.20	13.74	13.14	0.21 pp
Principal Business by Sales Model						
Sales model	Operating revenue	Operating cost	Gross margin (%)	YoY growth in operating revenue (%)	YoY growth in operating cost (%)	YoY growth in gross margin (%)
Wholesale agency	14,407,575,363.33	7,238,075,310.41	49.76	5.72	8.49	-1.28 pp

Explanation Of Principal Business By Segment, Product, Region And Sales Model:

Not applicable.

### (2). Analysis on production and sales volume

Applicable  Not applicable

Main products	Unit	Production	Sales volume	Inventory volume	YoY growth in production (%)	YoY growth in sales volume	YoY growth in inventory volume

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						(%)	(%)
International brands	kl	786,373.42	835,516.24	70,191.22	2.86	7.93	-21.09
Local brands	kl	2,038,670.88	2,162,032.88	182,111.30	1.04	3.82	-7.87

Explanation Of Production And Sales Volume:

Not applicable.

**(3). Performance of major purchase contracts and major sales contracts**

Applicable     Not applicable

**(4). Cost analysis**

Monetary unit: RMB

By Industry							
Industry	Cost item	Amount in the current period	As % of total cost in the current period (%)	Amount in the prior period	As % of total cost in the prior period (%)	YoY Change (%)	Explanation
Alcohol, beverage and refined tea manufacturing industry	Raw material costs	4,826,855,183.73	66.51	4,353,191,926.22	64.95	10.88	
Alcohol, beverage and refined tea manufacturing industry	Labor costs	573,758,514.11	7.91	581,342,607.96	8.67	-1.30	
Alcohol, beverage and refined tea manufacturing industry	Manufacturing costs	675,114,347.72	9.30	672,881,885.81	10.04	0.33	
Alcohol, beverage and refined tea manufacturing industry	Others	1,181,672,249.92	16.28	1,095,573,838.87	16.34	7.86	
	Total	7,257,400,295.48	100.00	6,702,990,258.86	100.00	8.27	
By Product							
Product	Cost item	Amount in the current period	As % of total cost in the current period (%)	Amount in the prior period	As % of total cost in the prior period (%)	YoY Change (%)	Explanation
Beer	Raw material costs	4,826,855,183.73	66.51	4,353,191,926.22	64.95	10.88	
Beer	Labor costs	573,758,514.11	7.91	581,342,607.96	8.67	-1.30	
Beer	Manufacturing	675,114,347.72	9.30	672,881,885.81	10.04	0.33	



	costs						
Beer	Others	1,181,672,249.92	16.28	1,095,573,838.87	16.34	7.86	
	Total	7,257,400,295.48	100.00	6,702,990,258.86	100.00	8.27	

Other Information Relating To Cost Analysis:

None.

**(5). Changes in the scope of consolidation as a result of changes in shareholding of major subsidiaries during the Reporting Period**

Applicable  Not applicable

**(6). Material changes or adjustments to the Company's business, products or services during the Reporting Period**

Applicable  Not applicable

**(7). Information on major customers and suppliers**

**A. Major customers of the Company**

Applicable  Not applicable

Sales to the top five customers amounted to RMB 663.5524 million, accounting for 4.48% of the total annual sales. Of the aforementioned amount, sales to related parties was RMB 0, accounting for 0% of the total annual sales.

During the Reporting Period, the proportion of sales to a single customer exceeded 50% of the total, there were new customers in the top five customers or the Company was heavily dependent on a few customers.

Applicable  Not applicable

**B. Major suppliers of the Company**

Applicable  Not applicable

Purchase from the top five suppliers amounted to RMB 135.9190 million, accounting for 14.02 % of the total annual purchase. Of the aforementioned amount, purchase from related parties was RMB 0, accounting for 0% of the total annual purchase.

During the Reporting Period, the proportion of the purchase amount from a single supplier exceeded 50% of the total, there were new suppliers in the top five suppliers or the Company was heavily dependent on a few suppliers.

Applicable  Not applicable

Other remarks:

None.

**3. Expenses**

Applicable  Not applicable

The increase in selling expenses was mainly due to the increase in market investment, including increased advertising expense to drive business development.

**4. R&D input**

**(1). Details on R&D input**

Applicable  Not applicable

Monetary unit: RMB

Amount expended in the current period	26,232,056.27
---------------------------------------	---------------

Amount capitalized in the current period	0.00
Total R&D input	26,232,056.27
% to total operating revenue	0.18
Proportion of R&D input capitalized (%)	0.00

**(2). R&D personnel**

Applicable     Not applicable

Number of R&D personnel	1,484
As % of the total number of the Company's employees	21.60
Educational background structure of R&D personnel	
Educational background	Number in each educational background
Master's degree	19
Undergraduate	207
Junior college	455
High school and below	803
Age structure of R&D personnel	
Age group	Number in each age group
under 30 (excluding 30)	172
30-40 (including 30 but excluding 40)	384
40-50 (including 40 but excluding 50)	496
50-60 (including 50 but excluding 60)	423
over 60	9

**(3). Explanation**

Applicable     Not applicable

**(4). Reasons for significant changes in the composition of R&D personnel and the impact on the future development of the Company**

Applicable     Not applicable

**5. Cash flows**

Applicable     Not applicable

Decrease in net cash inflows from operating activities of 655.6994 million yuan was mainly due to the increase in taxes and rates in the current period.

Increase in net cash outflows from investing activities of 662.8924 million yuan was mainly due to the increase in net investment in structured deposits, which offset the dividend received from the associate Chongqing Jiawei Beer Co., Ltd. in the current period.

Increase in net cash outflows from financing activities of 609.217 million yuan was mainly due to the increase in cash dividend.

**(II) Major changes in profits caused by non-principal businesses**

Applicable     Not applicable

**(III) Analysis of assets and liabilities**

√ Applicable   □ Not applicable

**1. Assets and liabilities**

Monetary unit: RMB

Items	Closing balance	% to total	December 31, 2022	% to total	Percentage of change (%)	Reasons for changes
Held-for-trading financial assets	360,202,000.00	2.91			100.00	Mainly due to the increase in bank structured deposits.
Derivative financial assets	14,392,732.78	0.12	3,829,356.40	0.03	275.85	Mainly due to the changes in fair value of aluminum hedging business.
Other receivables	23,987,973.67	0.19	17,619,026.18	0.14	36.15	Mainly due to the increase in deposits and waste materials disposal funds.
Other current assets	146,488,217.09	1.18	109,533,473.56	0.88	33.74	Mainly due to the increase in prepaid taxes and input VAT to be credited.
Long-term equity investments	140,608,195.59	1.14	296,599,881.05	2.37	-52.59	Mainly due to dividend distributed by Chongqing Jiawei Beer Co., Ltd. in the current period.
Construction in progress	783,503,734.86	6.33	395,295,204.91	3.16	98.21	Mainly due to the Foshan Factory Project.
Right-of-use assets	153,497,044.09	1.24	100,306,926.11	0.80	53.03	Mainly due to expansion of the consolidation scope.
Derivative financial liabilities	15,408,026.80	0.12	2,616,336.56	0.02	488.92	Mainly due to the changes in fair value of aluminum hedging business.
Taxes and rates payable	86,479,764.60	0.70	255,387,461.35	2.04	-66.14	Mainly due to the decreases in enterprise income tax and consumption tax.
Non-current liabilities due within one year	42,382,811.96	0.34	24,005,592.21	0.19	76.55	Mainly due to expansion of the consolidation scope.
Lease liabilities	121,370,635.09	0.98	77,928,597.87	0.62	55.75	Mainly due to expansion of the consolidation scope.
Deferred tax liabilities	7,806,126.04	0.06	42,694,067.15	0.34	-81.72	Mainly due to the offset against deferred tax assets for a net basis presentation.

Other remarks:

None.

**2. Overseas assets**

□ Applicable   √ Not applicable

**3. Restriction on major assets as of the end of the Reporting Period**

√ Applicable   □ Not applicable

Monetary unit: RMB

Items	Closing book balance	Closing carrying amount	Type of restrictions	Reasons
Cash and bank balances	820,036.10	820,036.10		
Including: Deposits for letters of guarantee	316,100.00	316,100.00	Frozen	Deposits are frozen.
Deposits for litigation	503,436.10	503,436.10	Frozen	Deposits are frozen.
Other deposits	500.00	500.00	Frozen	Deposits are frozen.
Total	820,036.10	820,036.10		

**4. Other remarks**

Applicable     Not applicable

**(IV) Analysis of operating information in the liquor production industry**

Applicable     Not applicable

For details, please refer to the analysis of the operating information in the liquor production industry.

**Analysis on Operating Information of Liquor Production Industry****1 Industry profile**

√ Applicable    □ Not applicable

For details, please refer to “VI. Discussion and analysis on the future development of the Company” under Section III ““MANAGEMENT DISCUSSION AND ANALYSIS””.

**2 Production capacity**

Existing capacity

√ Applicable    □ Not applicable

Unit: '0,000 kiloliter

Name of main factories	Design capacity	Actual capacity
Carlsberg (China) Brewery Industry and Trade Limited	50.00	43.00
Carlsberg Chongqing Brewery Co., Ltd.	40.00	36.00
Chongqing Brewery Yibin Co., Ltd.	35.00	32.00
Ningxia Xixia Jianiang Brewery Co., Ltd.	30.00	27.00
Jiulongpo Branch of Carlsberg Chongqing Brewery Co., Ltd.	28.00	21.00
Carlsberg Tianmu Lake Brewery (Jiangsu) Co., Ltd.	26.00	23.00
Xinjiang Wusu Brewery Co. Ltd.	25.00	24.00
Kunming Huashi Brewery Co., Ltd.	25.00	24.00
Hechuan Branch of Carlsberg Chongqing Brewery Co., Ltd.	18.00	17.00
Carlsberg Brewery (Anhui) Co., Ltd.	16.00	16.00

**Capacity under construction**

√ Applicable    □ Not applicable

Monetary unit: RMB Ten Thousand

Name of capacity under construction	Planned investment amount	Amount invested in this reporting period	Accumulated investment amount
Foshan new capacity construction project	149,193	46,724	84,701

Production capacity calculation standards

√ Applicable    □ Not applicable

The capacity is calculated according to the time requirements of the beer production process, and the allocation of the brewery's fixed assets.

**3 Inventory at the end of the Reporting Period**

√ Applicable    □ Not applicable

Unit: kiloliter

Finished beer	Semi-finished beer (including base beer)
252,302.52	85,399.39

Inventory impairment risk warning

□ Applicable    √ Not applicable

**4 Product profile**

√ Applicable    □ Not applicable

Monetary unit: RMB Ten Thousand

Product segment	Production (kl)	Change YoY (%)	Sales volume (kl)	Change YoY (%)	Production-sales ratio (%)	Sales revenue	Change YoY (%)	Main representing brand
Premium	1,353,400.93	-0.10	1,437,495.07	3.98	106.21	885,469.01	5.18	Carlsberg, Tuborg, 1664, Wusu Red
Mainstream	1,372,489.42	3.34	1,461,627.53	5.97	106.49	529,720.01	5.64	Chongqing, Wusu, Dali, Xixia
Economy	99,153.96	-0.26	98,426.51	3.80	99.27	28,960.79	10.06	Shancheng, others

#### Product grading standards

Applicable  Not applicable

The Company classifies its products into three segments based on consumption price, i.e, premium (priced at RMB 8 yuan and above), mainstream (priced between RMB 4-8 yuan, excluding 8 yuan), and economy (priced below RMB 4 yuan)

#### Changes in product structure and business strategy

Applicable  Not applicable

Leveraging its 6+6 brand portfolio, the Company has continued to advance its premiumization strategy and expanded its market presence. By enhancing channel distribution, optimizing networks, and expanding into new retail and online sales channels, the Company has positively responded to consumer demand and successfully developed its branded products, including Carlsberg, Tuborg, Chongqing, and Dali, in various regions.

## 5 Raw material purchase

### (1). Purchase model

Applicable  Not applicable

The Company adopts an approach of centralized procurement and decentralized ordering for raw material purchase.

### (2). Purchase amount

Applicable  Not applicable

Monetary unit: RMB Ten Thousand

Type of raw materials	Purchase amount in the current period	Purchase amount in the prior period	as % in total purchase amount in the current period (%)
Beer brewing raw materials	162,056.79	154,047.40	31.34
Packaging materials	325,659.36	343,183.76	62.97
Energy	29,408.89	25,403.60	5.69
Total	517,125.04	522,634.76	100.00

Note: The above amounts are tax-inclusive.

## 6 Sales

**(1). Sales model**√ Applicable     Not applicable

The Company adopts a sales model that focuses primarily on wholesale agency channels, supplemented by direct selling.

**(2). Sales channel**√ Applicable     Not applicable

Monetary unit: RMB Ten Thousand

Channel type	Sales revenue in the current period	Sales revenue in the prior period	Sales volume in the current period (kl)	Sales volume in the prior period (kl)
Wholesale agency	1,440,757.54	1,362,842.61	2,992,674.57	2,849,292.21

**(3). Sales by region**√ Applicable     Not applicable

Monetary unit: RMB Ten Thousand

Region	Sales revenue in the current period	Sales revenue in the prior period	as % in the total amount	Sales volume in the current period (kl)	Sales volume in the prior period (kl)	as % in the total volume
Northwest	402,340.91	397,944.29	27.86	816,786.07	786,139.91	27.25
Central	608,362.97	590,595.43	42.13	1,379,177.81	1,346,071.46	46.01
South	433,445.93	381,081.94	30.01	801,585.17	724,406.15	26.74

Region division standards

√ Applicable     Not applicable

The company divides its management region into three, i.e., Northwest, Central, and South.

**(4). Information on distributors**√ Applicable     Not applicable

Unit: Nr.

Region	Number of distributors by the end of the reporting period	Number of distributors increased in the reporting period	Number of distributors decreased in the reporting period
Northwest	1,117	230	361
Central	1,391	284	222
South	561	222	139

Remarks

 Applicable    √ Not applicable

Management of distributors

√ Applicable     Not applicable

The Company places significant importance on enhancing the capacity of its distributors, with a particular focus on the capacity development of key accounts. Its distributor network allows it to implement effective marketing strategies such as market planning, channel operations, and product promotion.

The Company empowers its distributors through its distributor excellence programs. By utilizing a hierarchical

grading system, distributors are assessed based on their abilities and provided with corresponding management support and empowerment. With a particular focus on key accounts, the Company established a pilot committee system, granting empowerment and benefits aligned with the mutually beneficial objectives of both parties. Additionally, the Company developed a channel model suitable for local conditions and distributor capability profile, taking into account various market stages and competitive environments. This enables the systematic and strategic planning of sales areas and channel divisions. Through strategic cooperation, daily operational system, and capacity development initiatives, the Company progressively enhances its channel planning, expands its channel coverage, and strengthens control over its sales terminals. These efforts aim to bolster the capabilities of distributors and augment their overall operational proficiency.

#### (5). Information relating to online sales

Applicable     Not applicable

Future online business strategy

Applicable     Not applicable

The Company is taking organizational structure innovation to the next level by merging its e-commerce and O2O businesses into the greater marketing department. This move will foster collaboration with leading traditional e-commerce platforms like JD and Tmall for brand building, new product testing, and consumer engagement. The social e-commerce will be further leveraged to enhance marketing, content-driven operations, and consumer interactions. Through stronger partnerships with various business divisions, the Company will embrace EB2B (e-commerce business-to-business) and community group-buy channels as essential supplements to its Big City plan and catalysts for channel digitalization.

The Company will further optimize its O2O model, fueling the development of innovative initiatives such as the Flash Warehouse (a pre-positioned warehouse for instant home delivery), and liquor franchises. At the same time, it will enhance collaboration with MOFT leading retailers in the vibrant O2O sector, harnessing their power to drive impactful engagement. Efforts will be vigorously made to develop F&B-to-home business, driving the digital transformation of dining channels. To explore opportunities in in-store business, the Company will strengthen partnerships with leading platforms like Meituan and Dianping to generate new traffic for offline dining and entertainment scenes.

## 7 Analysis of the Company's revenue and costs

### (1). Disclosure of the compositions of the Company's principal business by class

Applicable     Not applicable

Monetary unit: RMB

Class	Operating revenue	Year-on-year (%)	Operating cost	Year-on-year (%)	Gross margin (%)	Year-on-year (%)
By product segment						
Premium	8,854,690,109.71	5.18	3,983,867,831.58	8.97	55.01	-1.57
Mainstream	5,297,200,132.72	5.64	3,021,344,782.27	7.30	42.96	-0.88
Economy	289,607,852.60	10.06	252,187,681.63	9.09	12.92	0.78
Total	14,441,498,095.03	5.44	7,257,400,295.48	8.27	49.75	-1.31
By sales channel						
Wholesale agency	14,407,575,363.33	5.72	7,238,075,310.41	8.49	49.76	-1.28
By region						
Northwest	4,023,409,104.78	1.10	2,252,276,818.11	2.78	44.02	-0.91



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Central	6,083,629,709.60	3.01	3,323,196,374.35	9.86	45.37	-3.40
South	4,334,459,280.65	13.74	1,681,927,103.02	13.14	61.20	0.21
Total	14,441,498,095.03	5.44	7,257,400,295.48	8.27	49.75	-1.31

## Remarks

Applicable  Not applicable

The Company classifies its products into three segments based on consumption price, i.e., premium (priced at RMB 8 yuan and above), mainstream (priced between RMB 4-8 yuan, excluding 8 yuan), and economy (priced below RMB 4 yuan).

**(2). Information on cost**

Applicable  Not applicable

Monetary unit: RMB

Cost item	Amount in the current period	Amount in the prior period	As % of total cost in the current period (%)	YoY (%)
Raw material costs	4,826,855,183.73	4,353,191,926.22	66.51	10.88
Labor costs	573,758,514.11	581,342,607.96	7.91	-1.30
Manufacturing costs	675,114,347.72	672,881,885.81	9.30	0.33
Others	1,181,672,249.92	1,095,573,838.87	16.28	7.86
Total	7,257,400,295.48	6,702,990,258.86	100.00	8.27

## Remarks

Applicable  Not applicable

**8 Other explanations**

Applicable  Not applicable

**(V) Investment analysis****General analysis of external equity investment**

Applicable  Not applicable

**1. Significant equity investment**

Applicable  Not applicable

**2. Significant non-equity investment**

Applicable  Not applicable

**3. Financial assets measured at fair value**

Applicable  Not applicable

Categories	Opening balance	Gains on changes in fair value	Cumulative changes in fair value included in equity	Provision for impairment	Amount purchased	Amount sold/ redeemed	Other changes	Closing balance
Held-for-trading financial assets [Note]		4,138,674.52			1,080,000,000.00	-723,936,674.52		360,202,000.00
Derivative financial instruments	1,213,019.84		-8,016,892.01		6,650,276.40	-861,698.25		-1,015,294.02
Other equity instrument investments	14,303,331.73		2,322,631.10					16,625,962.83
Total	15,516,351.57	4,138,674.52	-5,694,260.91		1,086,650,276.40	-724,798,372.77		375,812,668.81

Note: Please refer to item XIII (III) of section VI for details.

Financial assets measured at fair value mainly include held-for-trading financial assets, derivative financial instruments (derivative financial assets and liabilities), and equity investment instruments of the Company. Please refer to item VII 2, 3, 18 and 34 of section X for details.

#### Securities investment

Applicable     Not applicable

#### Private equity investment

Applicable     Not applicable

#### Derivative investment

Applicable     Not applicable

(1). Derivative investments for hedging purposes during the reporting period

Applicable     Not applicable

Categories of derivative investments	Initial investment amount	Opening carrying amount	Gains on changes in fair value	Cumulative changes in fair value included in equity	Amount purchased in the reporting period	Amount sold in the reporting period	Closing carrying amount	Proportion to the total closing balance of net assets (%)
Aluminum swaps - Cash flow hedges		1,213,019.84		-8,016,892.01	6,650,276.40	-861,698.25	-1,015,294.02	0.05
Total		1,213,019.84		-8,016,892.01	6,650,276.40	-861,698.25	-1,015,294.02	0.05
Accounting policies and specific accounting principles for hedging business during the reporting period, and remarks on whether there are any material changes compared with that of the previous reporting period	None.							
Remarks on actual profit and loss during the reporting period	Amount affected due to the transfer from other comprehensive income to profit or loss for hedging settlement was -10,004,118.83 yuan; considering the hedged items, profit or loss was affected by 0.00 yuan.							
Remarks on the effect of hedging	Under the premise of ensuring normal production and operation, the Company carries out hedging business, which is conducive to effectively avoiding market risks, hedging the impact of raw material prices on its production and operation, and achieving its long-term and steady development. The Company's the volume of commodity swaps match with volume of expected future purchases, hence the hedge is effective.							
Sources of funds for derivative investments	Self-owned funds							
Risk analysis and control measures of derivative positions during the reporting period (including but not limited to market risk, liquidity risk, credit risk, operational risk, legal risk, etc.)	<p>I. Risk analysis The Company's hedging business is mainly to lock the price of raw materials in advance and stabilize the production cost, but there are also certain risks:</p> <ol style="list-style-type: none"> <li>1. market risk: aluminum prices fluctuate wildly, and its price trend may not be favorable to the Company;</li> <li>2. Policy risks: if there are major changes in relevant laws, regulations and policies of the derivatives market, there may be risks of drastic fluctuations or inability to trade in the derivatives market;</li> <li>3. Performance risk: in the event of large adverse fluctuations in the price of financial derivatives, the counterparty may violate the contract and cause losses to the Company;</li> <li>4. Technical risk: there may be uncontrollable or unpredictable system, network, communication failures, resulting in failure in the normal operation of the trading system, which lead to delay, interruption, data error or other problems in trading orders.</li> <li>5. Foreign exchange risk: hedging involves foreign currency settlement, and exchange rate may change due to changes in the foreign exchange market, resulting in the risk of loss.</li> </ol> <p>II. Risk control To carry out hedging business, the Company will carefully choose financial institutions with financial derivatives business qualifications to conduct transactions. Priority</p>							

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	<p>is given to financial institutions with excellent credit ratings, strong strength and outstanding service capabilities.</p> <p>The Company formulated the “Hedging Business Management System (April 2022)”, improved the relevant internal control system, and set up an internal hedging investment committee, which is specifically responsible for matters related to the Company’s hedging business, and the risk control and internal audit department regularly or irregularly inspects the hedging business, supervises the hedging business personnel to implement risk management policies and procedures, and prevents operational risks in the business in a timely manner. When the market price fluctuates greatly or abnormal fluctuations occur, such as when the market value loss of the trading contract approaches or breaks the stop loss limit, the hedging investment committee immediately convenes a meeting to make a decision and reduce the Company’s losses as much as possible.</p>
Changes in the market price or fair value of the invested derivatives during the reporting period (the specific methods used and the setting of relevant assumptions and parameters should be disclosed in the analysis of the fair value of derivatives)	The amount in the statements provided by financial institutions is used as the basis for determination.
Whether involved in litigations (if applicable)	N/A
Date of disclosing the announcement of the Board of Directors on approval for derivative investment (if any)	Please refer to the “Announcement on the Resolution of the Eighth Meeting of the Tenth Session of the Board of Directors of Chongqing Brewery Co., Ltd.” and the “Announcement of Chongqing Brewery Co., Ltd. on Continuing to Carry Out Aluminum Hedging Business” disclosed on the website of Shanghai Stock Exchange on April 28, 2023 for details.
Date of disclosing announcement of the shareholders’ meeting on approval for derivative investment (if any)	Please refer to the “Announcement on Resolution of the First Extraordinary Shareholders’ Meeting of 2022 of Chongqing Brewery Co., Ltd.” and the “Announcement on Resolution of the Shareholders’ Meeting of 2021 of Chongqing Brewery Co., Ltd.” disclosed on the website of Shanghai Stock Exchange respectively on March 25, 2022 and May 26, 2022 for details.

(2). Derivative investments for speculative purposes during the reporting period

Applicable     Not applicable

Other remarks:

None.

#### 4. Progress of major asset restructuring during the reporting period

Applicable     Not applicable

#### (VI) Sales of major assets and equity interests

Applicable     Not applicable

#### (VII) Analysis on major controlled subsidiaries and investee companies

Applicable     Not applicable

Monetary unit: RMB

Name of subsidiary	Type	Place of registration	Business nature	Registered capital	Business Scope	Holding proportion	Operating revenue	Operating profit	Net profit
Carlsberg Chongqing Brewery Co., Ltd.	Holding subsidiary	Chongqing	Beer industry	850,000,000.00	Production and sales of beer	51.42%	14,814,836,410.26	3,422,347,290.22	2,781,505,513.33

#### (VIII) Structured entities controlled by the Company

Applicable     Not applicable

### VI. Discussion and Analysis on the Future Development of the Company

#### (I) Landscape and trend of the industry

Applicable     Not applicable

Following its peak production in 2013, China's beer industry has experienced a consistent downward trajectory. Although there has been a slight increase since 2021, production in 2023 dropped by 28.6% compared to 2013. China's beer industry has therefore entered the established market stage, exhibiting the following characteristics:

1. Continued competition: The five largest beer companies in China now hold a combined market share exceeding 90%. While they continue to develop business in their respective strongholds, these major players face fierce competition in localized markets. Niche brands and imported beers also directly compete with the five major players in specific market niches.
2. Rising costs: Various cost factors, including raw materials, packaging materials, energy, and labor, have continued to increase. This places higher demands on operational efficiency for beer enterprises.
3. Diversification: Consumer demand has expanded beyond traditional mainstream core beers, leading to a greater emphasis on diversified products. Craft beers, specialty beers, ciders, alcohol-free and low-alcohol beers are gaining increasing attention from major beer companies.
4. High-quality development: Despite the significant decline in industry output, major beer companies have generally witnessed improvements in revenue and profitability. This indicates the resilience of China's beer industry.

Regarding industry trends, the Company's management remains steadfast in their belief that achieving high-quality development is both the objective and the path forward for China's beer industry. Embracing high-quality development is crucial for beer companies to navigate steadily amidst the new normal of economy.

## (II) Development strategy of the Company

Applicable     Not applicable

As a member of the Carlsberg Group, the Company conducts business in alignment with the group's overall strategy, aiming to become a successful, professional, and attractive brewing company in its respective market.

In February 2024, the Carlsberg Group announced a refresh of the SAIL'27 strategy: Accelerate SAIL. SAIL'27 set the strategic frame for Carlsberg. Accelerate SAIL builds on this foundation, setting higher growth ambitions by increasing investments in and support for selected growth drivers within portfolio, geographies and capabilities, improving supply chain efficiency, developing a growth culture and continuing the well-embedded cost focus.

Accelerate SAIL focuses on five strategic levers:

1. Product portfolio: boosting premium growth; accelerating the Beyond Beer category.
2. Geographic focuses: driving growth in emerging markets; promoting profitable growth in stronghold markets.
3. Excellent execution: stepping up capacity building; promoting digital transformation.
4. Winning culture: building a growth culture; dedicated to Together Towards ZERO and Beyond.
5. Funding the journey: enhancing supply chain efficiency.

## (III) Business plan

Applicable     Not applicable

As of the date of disclosure of this report, the Company maintains a cautiously optimistic outlook on the macro economy and the beer industry in 2024. The Chinese beer industry is expected to benefit from a more favorable environment as the macro environment gradually improves and policies for stabilizing growth are implemented in 2024. However, challenges such as rising costs, intensified competition, and slower-than-anticipated consumption recovery still present uncertainties.

The Company expects a mid-to-high single-digit revenue growth in 2024. To this end, it will continue to nurture and expand strategic projects within SAIL' 27 and Accelerate SAIL, leveraging its "International Premium Brands + Local Power Brands" portfolio, driving product premiumization, and promoting sales model innovation. The Company will focus on the following areas:

1. Brands: Local brands will continue to build ties with specific localities, embed regional characteristics, and refresh their branding. Additionally, their premiumization will continue through diversified product portfolios. The Chongqing brand will strengthen its association with Chongqing hot pot by partnering with HOU HOT POT to cultivate the consumer mentality of "Eating Chongqing hotpot while drinking Chongqing beer," and selectively expand into markets outside Chongqing to strengthen its product portfolio. Dali Beer and Tianmu Lake Beer will continue to premiumize and enhance market shares. Wind Flower Snow Moon will expand its successful low-alcohol brews, consider new launches, and explore further in the field of fruity alcoholic drinks.

Wusu will enter a new development stage. In 2024, the Company will continue to invest in the Wusu brand to ensure competitive media placements. We will also upgrade content marketing to strengthen the brand's social visibility. Building on the successful launch of Wusu White Beer in 2023, the Company will continue to unveil new products that align with market demand. A new level of brand activities will be developed, fostering partnerships with food

festivals, food streets, and barbecue chains. With the Big City 2.0, the Company will actively expand its distribution network, strengthen store management, and drive sales to ensure steady and orderly market expansion.

International brands: 1664 is set to cement its French heritage, enhancing product communication, expanding portfolio offerings and elevating its premiumization. Also, it will continue to nurture scenarios that harmonize with the French way of life, solidifying its position as a super-premium brand.

During the Chinese New Year of 2024, the Carlsberg brand launched a limited edition packaging, extending best wishes for a year of great success and smooth endeavors. The brand will embark on a series of captivating marketing activities to support its new brand positioning. With its sponsorship of the renowned Liverpool Football Club in the second and third quarters of 2024, the brand will launch an extensive summer soccer marketing campaign, centering around consumers. Additionally, it will enhance its party experience with its new “Curious Metaverse” performance tour, providing consumers with an avant-garde and upscale brand experience.

Tuborg, focusing on “Tilt The World WHY NOT,” will carry out a series of innovative and captivating marketing initiatives with its use of influential spokespersons. These initiatives aim to further bolster Tuborg’s young, stylish and international brand image, instilling the brand’s WHY NOT attitude into the hearts of young consumers nationwide. Meanwhile, Tuborg Pure Draft will continue its premiumization with “Tuborg’s Premium Brew: Pure Draft for the Young”, delivering distinct brand experiences young individuals, and meeting the preferences and aspirations of different consumer groups.

Somersby Cider is set to enhance its annual collaboration with its brand spokesperson and launch new limited edition packaging endorsed by the spokesperson, aimed at captivating the interest of young consumers. Additionally, it will focus on catering to the “emotional” needs and drinking occasions of urban white-collar professionals, introducing innovative packaging options such as mini cans and slimming cans, as well as new flavors. These efforts will continue to shape the brand’s youthful and high-end identity, providing consumers with an exceptional fruity beer experience.

In 2024, the Company’s craft beer brands will dive deeper into the craft beer community through continued marketing innovation, strengthened distribution, and vibrant consumer engagement, while expanding its reach to the general beer enthusiasts. By investing in resources for tribal marketing, captivating consumer experiences, and industry events, they aim to attract and convert more craft beer geeks and beer enthusiasts, enhance brand reputation in the craft beer community and entice more people to try and purchase exceptional brews.

2. Sale: In 2024, the Company will remain committed to its established strategy, continuing to drive product premiumization and consolidate the market share of its core beer segment. The Big City plan will go deep, which will entail optimizing product portfolio and strengthened implementation. The Company will also focus on developing differentiated products that align with the specific dynamics of different channels and regions. Furthermore, it will continue to invest in developing tools and solutions that digitalize its sales channels comprehensively.

The Company will continue its unwavering efforts in the on-trade channel, including restaurants and entertainment venues. The Company is committed to establishing and strengthening partnerships with major national clients while also enhancing brand portfolio to further its market share in the on-trade channel. In terms of the off-trade channel, it will not only focus on promoting small business formats, but also actively embrace new channels such as variety stores, retail discount stores, and liquor franchises. Additionally, its cooperation with O2O platforms will be expanded to drive F&B-to-home and department store-to-home/store business.

The Company is dedicated to cultivating larger and stronger partnerships with distributors. We will continue to upgrade the capabilities of our distributors by providing a wealth of rich and differentiated training to personnel at all levels within distributors, and bolstering our Carlsberg E-learning platform specifically designed for distributors.

3. Supply Chain: The Company is committed to further enhancing its production capacity to ensure the timely supply of products on proximity while improving the efficiency of logistics and transportation. Safety remains a top priority, and we will continue to foster a ZERO Accidents culture. To achieve this, we will enhance the quality of our three-level safety matrix retraining, emphasizing the importance of “focus on work and avoid distractions” in our safety practices. In terms of taste assessment, we will continue the “100 People Plan” to reinforce the taste assessment capabilities of our breweries. A pilot project for a zero carbon emission brewery will be launched, utilizing energy storage, solar energy, and electric boiler heat pumps, etc., to achieve zero carbon emissions. The Company will remain dedicated to promoting Carlsberg’s excellence process, which encompasses regional management, performance management, and organizational management.

4. ESG: In 2024, we will continue to advance our ESG program, “Together Towards ZERO and Beyond”, working diligently towards a series of ambitions, including achieving zero carbon emission of our full value chain by 2040, and fulfilling our mission of ‘Brewing for a better today and tomorrow.’

5. Talent Development: In 2024, the Company will continue to implement a diverse range of talent development programs, nurturing employees based on their values, professional competence, and performance. To facilitate continuous growth of employees, we will upgrade our internal learning platform to provide employees with enhanced resources and opportunities. Regarding talent acquisition, we will continue to promote various forms of employer branding, strengthen recruitment channels in different markets, and prioritize the recruitment, development, and cultivation of strategic talents. In terms of culture construction, we will continue to foster a culture of responsibility and accountability guided by the principles of Diversity, Equality, and Inclusion (DE&I). Internally, we strive to enhance organizational efficiency and promote a growth culture, empowering the implementation of the Accelerate SAIL strategy.

#### **(IV) Possible risks exposure**

Applicable     Not applicable

1. Rising costs: Operating costs, including raw materials, packaging materials, energy, and labor, are generally on an upward trajectory. Additionally, premiumization will require continued investment in marketing expenses.

2. Intensified competition: Some national beer companies and emerging niche beer brands may seek to increase their presence in the Company’s markets. Competition in the mid-to-premium segment will become increasingly fierce.

#### **(V) Others**

Applicable     Not applicable

#### **VII. Explanation for the Company’s failure to disclose as per guidelines due to inapplicable guidelines or state secrets, business secret or other special reasons**

Applicable     Not applicable



## SECTION IV CORPORATE GOVERNANCE

### I. Information on Corporate Governance

√ Applicable    □ Not applicable

In strict accordance with the *Company Law*, the *Securities Law*, the *Code of Corporate Governance for Listed Companies*, the *Rules for Listing of Stocks on the Shanghai Stock Exchange* and other applicable laws and regulations, the Company has established and improved the corporate governance structure and internal management and control systems, consistently conducted corporate governance initiatives and standardized its operation to improve its corporate governance during the reporting period.

#### 1. About shareholders and the General Meeting of Shareholders

During the reporting period, the Company convened one annual general meeting of shareholders, and two extraordinary general meetings of shareholders. In strict accordance with the *Articles of Association* and the *Rules of Procedure for the General Meeting of Shareholders*, the Company adjusted and standardized the organizational conduct of the General Meeting of Shareholders and enhanced the efficiency of the meetings, to ensure that all shareholders, minority shareholders in particular, could fully exercise their own rights.

#### 2. About the directors and the Board

During the reporting period, the Company convened six meetings of the Board, six meetings of the Audit Committee, one meeting of the Strategy and Development Committee, and two meetings of the Remuneration and Appraisal Committee. The Board of Directors carried out necessary deliberation and decision-making procedures for significant matters within the scope of its authority, and carefully implemented all resolutions passed at the General Meeting of Shareholders in strict accordance with the *Articles of Association* and the *Rules of Procedure for the Board of Directors*. Each special committee, with clear responsibilities, has effectively facilitated the standard operation and informed decision-making of the Board of Directors. The election of the Board of Directors was completed during the reporting period. The members of the Board of Directors possess extensive expertise in the beer industry, along with knowledge in areas such as accounting, finance, and law. Their diverse backgrounds enable them to offer professional and constructive advice for significant decisions of the Company. Moreover, they have diligently fulfilled their responsibilities to safeguard the interests of the Company and all shareholders.

#### 3. About the supervisors and the Board of Supervisors

During the reporting period, the Company convened four meetings of the Board of Supervisors. All supervisors, in strict accordance with of the *Articles of Association* and the *Rules of Procedure for the Board of Supervisors*, actively performed their supervisory duty on the Company's financial position, related-party transactions, periodic reports, and the performance of directors and senior management, safeguarding the interests of the Company and all shareholders.

#### 4. About relationship between the controlling shareholder and the listed company:

During the reporting period, the controlling shareholder of the Company did not engaged in non-operational fund occupation from the listed company, and the listed company did not provide any external guarantees to the controlling shareholder.

#### 5. About stakeholders

The Company fully respected and safeguarded the legitimate rights and interests of the stakeholders, including banks and other creditors, employees, consumers, and suppliers. It actively engaged in cooperative efforts, while

ensuring a balance among the stakeholders in the principle of mutual benefit, honesty and good faith, so as to jointly promote the sustainable, sound and harmonious development of the Company.

#### 6. About related party transactions

During the reporting period, the Company, in strict compliance with applicable laws, regulations, and regulatory documents, improved its internal control system, standardized related-party transactions, and urged the controlling shareholder and actual controller to honor their commitments. The Company followed necessary decision-making procedures with related parties for related transactions. The independent directors of the Company issued unbiased and impartial independent opinions. The equity and fairness of related party transactions were ensured, with no damage to the interests of investors, minority investors in particular.

#### 7. About information disclosure and transparency

During the reporting period, the Company actively strengthened communication with CSRC and the stock exchange, and disclosed its periodic reports and temporary announcements in a true, accurate, complete and timely manner in strict accordance with the requirements of CSRC and SSE, and the *Management System for Information Disclosure*, ensuring that all shareholders, minority shareholders in particular, could equally and timely access the information of the Company and assess risks. The Company received an A-rating for its information disclosure from the Shanghai Stock Exchange for the year 2022/2023.

#### 8. About management of investor relations

During the reporting period, the Company maintained an open communication channel with investors by addressing investor hotline, hosting investor research visits, and attending investor conference calls, brokerage strategy meetings, and reverse roadshows, so that investors can have accurate and timely access to the Company's information and can exercise their legal rights. The Company established a regular practice of holding performance briefings. Throughout the year, four performance briefings were held regarding periodic reports, which greatly enhanced the communication with investors. The Company's 2022 Annual Results Presentation was recognized as the "Best Practice of 2022 Annual Results Presentations of Listed Companies."

#### 9. About sustainable development

During the reporting period, the Company disclosed its first ESG report. Since the release of its ESG plan — "Together Towards ZERO and Beyond" in 2022, the Company has consistently delivered remarkable results in carbon reduction, water conservation, responsible drinking, and community engagement. These efforts have contributed to a steady progression towards high-quality and sustainable development during the reporting period. Notably, MSCI, a leading international rating agency upgraded the Company's ESG rating to A grade.

#### 10. About management of inside information

The Company implemented the registration and filing of insiders with inside information in strict accordance with the requirements of CSRC and SSE, the *Registration and Management of Insiders with Access to Inside Information* and the *Rules for Internal Reporting of Key Information*. In addition, the Company conducted relevant training to effectively prevent insider trading and other securities violations.

Where there is any material difference between the requirements of the Company's governance and laws, administrative regulations and CSRC requirements on the governance of listed companies, the reasons for such difference shall be provided.

Applicable     Not applicable

## II. Specific measures by the controlling shareholder and actual controller of the Company to ensure the independence of the Company's assets, personnel, finance, organization and business, as well as the solutions, work progress and follow-up work plans adopted where the Company's independence is affected

Applicable     Not applicable

Same or similar business conducted by controlling shareholder, actual controller and other entities under their control as conducted by the Company, as well as the impact of intra-industry competition or major changes in intra-industry competition on the Company, the measures adopted, the progress of the resolution and the follow-up plans

Applicable     Not applicable

The Company completed the major asset restructuring at the end of 2020. All beer assets and businesses in Mainland China (excluding the listed company and the subsidiaries controlled by the listed company) previously controlled by Carlsberg was injected into the listed company. Carlsberg no longer retains control over any beer assets or businesses (excluding the listed company and the subsidiaries controlled by the listed company) in Mainland China, nor does it directly or indirectly engage in businesses that compete with the listed company through entities under its control.

During the restructuring, Carlsberg and Carlsberg Breweries had respectively made commitments to prevent intra-industry competition: (I) They have reaffirmed their obligations to avoid inter-industry competition as the actual controller and controlling shareholder of the listed company. (II) To comprehensively prevent potential future inter-industry competition, Carlsberg and Carlsberg Breweries have voluntarily made additional arrangements concerning the equity interests of non-controlling subsidiaries of Carlsberg that were not included in the restructuring and are involved in beer assets and businesses in Mainland China. For details, please refer to "(I) Commitments of the Company's actual controller, shareholders, related parties, acquirer, the Company and other commitment made during the reporting period or ongoing by the end of the reporting period" under Section VI.

During the reporting period, Carlsberg has fulfilled its commitment to avoid intra-industry competition and solicited the acquisition intention of the list company before obtaining control of Beijing Capital Brewing Company Limited and Jinbei Asia Pacific (Beijing) Catering Co., Ltd. After evaluation and review, the management and the board of directors of the listed company agreed to acquire 100% equity of the two companies, believing that, with high quality and development potential, the underlying assets could complement the business of the listed company and were reasonably priced.

## III. Summary of the General Meeting of Shareholders

Meeting session	Date of meeting	Search index of website designated for publishing the resolutions	Disclosure date of the publication of the resolutions	Meeting resolutions
2022 Annual General Meeting of Shareholders	30 May 2023	www.sse.com.cn	31 May 2023	For details, please refer to the Announcement on the Resolutions of the 2022 First Extraordinary General Meeting of Shareholders of Chongqing Brewery Co., Ltd. (announcement

				number: 2023-011).
2023 First Extraordinary General Meeting of Shareholders	17 August 2023	www.sse.com.cn	18 August 2023	For details, please refer to the Announcement on the Resolutions of the 2023 First Extraordinary General Meeting of Shareholders of Chongqing Brewery Co., Ltd. (announcement number: 2023-017).
2023 Second Extraordinary General Meeting of Shareholders	5 December 2023	www.sse.com.cn	6 December 2023	For details, please refer to the Announcement on the Resolutions of the 2023 Second Extraordinary General Meeting of Shareholders of Chongqing Brewery Co., Ltd. (announcement number: 2023-030).

Holders of preferred shares with restored voting rights request the convening of an Extraordinary General Meeting of Shareholders

Applicable     Not applicable

Description of the General Meeting of Shareholders

Applicable     Not applicable

**IV. Particulars of Directors, Supervisors and Senior Management****(I) Changes in shareholding of directors, supervisors and senior management in office and resigned during the reporting period and their remuneration**

√ Applicable    □ Not applicable

Unit: Share

Name	Position	Gender	Age	Commencement date of term	Termination date of term	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Change of shares within the year	Reason for change	Total pre-tax remuneration obtained from the Company during the reporting period (in RMB '0,000)	Receiving remuneration from related parties of the Company
João Miguel Ventura Rego Abecasis	Chairman of the Board of Directors	Male	52	December 2, 2022	May 25, 2025	0	0	0		0	Yes
Gavin Stuart Brockett	Director	Male	62	March 14, 2022	May 25, 2025	0	0	0		0	Yes
Andrew Douglas Emslie	Director	Male	45	July 13, 2022	May 25, 2025	0	0	0		0	Yes
Lee Chee Kong	Director, President	Male	52	Director: January 23, 2019 President: January 1, 2021	May 25, 2025	0	0	0		940.91	No
Chin Wee Hua	Director, Vice President	Male	52	Director: March 9, 2017 Vice President: January 1, 2021	May 25, 2025	0	0	0		438.82	No
Lv Yandong	Director	Male	48	May 6, 2016	May 25, 2025	0	0	0		349.28	No

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Yuan Yinghong	Independent Director	Female	58	May 25, 2022	May 25, 2025	0	0	0		12	No
Sheng Xuejun	Independent Director	Male	54	May 25, 2022	May 25, 2025	0	0	0		12	No
Zhu Qianyu	Independent Director	Female	48	May 25, 2022	May 25, 2025	0	0	0		12	No
Kuang Qi	Chairman of the Board of Supervisors	Male	46	May 18, 2021	May 25, 2025	0	0	0		186.56	No
Huang Minlin	Supervisor	Male	44	May 4, 2018	May 25, 2025	0	0	0		219.61	No
Xie Yi	Employee Representative Supervisor	Male	44	November 30, 2023	May 25, 2025	0	100	100		154.98	No
Deng Wei	Board Secretary	Male	51	August 22, 2006	May 25, 2025	0	0	0		154.10	No
Chen Changli	Employee Representative Supervisor (Resigned)	Male	60	May 6, 2016	November 30, 2023	1,171	1171	0		183.29	No
Total	/	/	/	/	/	1,171	1,271	100	/	2,663.55	/

Name	Major work experiences
João Miguel Ventura Rego Abecasis	52 years old. Portuguese. João obtained Business Management Degree from Universidade Católica Portuguesa in 1995. He has been with Carlsberg since 2011 as CCO and later CEO of Super Bock in Portugal and then in 2016 as VP for Challenger Markets in the Western Europe region. In 2017, he became Managing Director of French business Kronenbourg, and in 2019, he became Group Chief Commercial Officer and a member of Executive Committee. Before joining Carlsberg, João held a range of sales and marketing roles at Unilever. He has been serving as EVP Asia in Carlsberg Group since September 2022. He is currently the Chairman of the Company.
Gavin Stuart Brockett	62 years old. South African. He obtained the Bachelor's Degree in Commerce and Bachelor's Degree in Accounting from the University of the Witwatersrand (South Africa) respectively in 1983 and 1985 and qualified as a chartered accountant in 1988. He joined SABMiller in 1991 and successively held several senior financial leadership positions in South Africa and Europe, including the chief financial officer in Plzensky Pradroj (Czech Republic) and Birra Peroni (Italy). From 2010 to 2012, he held the VP Finance Asia role in Carlsberg, a period in the wine industry as the chief financial officer of Accolade Wines followed, and then a return to Carlsberg as the Chief Operating Officer of Carlsberg China in 2014. Most recently for Levi Strauss & Co he was the CFO of the Asia region from 2016 to 2017 and thereafter he served as the

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	Senior Vice President and Global Controller for Levi Strauss & Co. in the United States until 2021. In January 2022, he rejoined Carlsberg to act as the VP Finance of Asia. He currently serves as a director of the Company.
Andrew Douglas Emslie	45 years old. British. He obtained a BA (Hons) degree in Accounting & Law from the University of Manchester, England in 2001. He completed the Legal Practice Course from the College of Law in Chester, England in 2002 and qualified as a Solicitor in England and Wales in 2004. Andrew has since worked for a number of leading international law firms in the UK, Australia and Asia with a focus on cross-border mergers & acquisitions and joint ventures. During his career, Andrew has held senior leadership positions as in-house counsel, based in Asia, with listed multinational companies, including EnSCO, Maersk and Olam. Before Carlsberg, Andrew was Vice President of Legal at Olam International from June 2016 to July 2019. In August 2019, he joined Carlsberg and currently serves as Vice President and Asia Head of Legal & Compliance. He currently serves as a director of the Company.
Lee Chee Kong	52 years old. Malaysian. He graduated from University Utara Malaysia in Marketing. Before joining Carlsberg, he served as the President of Asia Region and Managing Director of China at HILDING ANDERS (SLUMBERLAND). Before that, he also worked as Managing Director of HEINZ China, and served managing roles in China and Asia Pacific Division at COLGATE-PALMOLIVE for a long time. Currently he serves as a director of the Company and President of the Company/Carlsberg China.
Chin Wee Hua	52 years old. Malaysian. He graduated from the University of Western Australia with Bachelor of Commerce degree, majoring in Accounting and Finance and also obtained the MBA degree from University of Leicester UK. He is a registered Australian Certified Public Accountant. From 2001 to 2008, he served as Finance Director in Alstom Asia Pacific (Malaysia) Sdn Bhd. From 2009 to 2014, he held position as Finance Director of Wuhan Boiler Company Limited. From 2015 to 2016, he was Asia Finance Director in GE Grid Solutions Pte Ltd. Currently he serves as a director of the Company and VP Finance of the Company / Carlsberg China.
Lv Yandong	48 years old. Chinese. He obtained a master's degree of Mechanical and Electronic Engineering from Harbin Institute of Technology. He served as the Director of Supply Chain in Carlsberg Huizhou and the Deputy General Manager of CBC successively. Before joining Carlsberg, he had engaged in technical and management in Harbin Electronic and Machinery Co. Ltd., Guangzhou P & G and Pepsi successively. He served as the Director of Supply Chain in Carlsberg Huizhou and the Deputy General Manager of CBC successively. He is currently serving as the VP Supply Chain of Carlsberg China. Now he is VP Supply Chain of Carlsberg China and a director of the Company.
Yuan Yinghong	58 years old. Chinese. She obtained a Bachelor's degree in Management, majoring in Economics and Management, South China Normal University. She is a Certified Public Accountant and Certified Internal Auditor, and holds the titles of Accountant and Auditor. She has over 30 years of experience in the field of accounting and once served as the deputy head of the Culture and Health Department Section and the head of the Industry Section of the bureau directly under the Guangdong Audit Office. Currently, she is the deputy secretary-general of the Guangzhou Institute of Certified Public Accountants and the secretary of the Industry Discipline Inspection Commission within the Institute. Additionally, she is recognized as an expert in the evaluation expert pool of the State-owned Assets Supervision and Administration Commission of Guangdong Provincial Government. Currently, she serves as an independent director of the Company.
Sheng Xuejun	54 years old. Chinese. He holds the position of Professor and Doctoral Supervisor at the Southwest University of Political Science and Law, and serves as a legislative consulting expert to the Standing Committee of the Chongqing Municipal People's Congress and the Municipal Government, and a consulting expert to the Shenzhen Intermediate People's Court and Chongqing No.5 Intermediate People's Court. He previously served as the Vice Chairman of the Degree Committee at Southwest University of Political Science and Law, as well as the Dean of the School of Economics and Law. He also worked as the Vice President and Judge of the Second Civil Trial Division at the Supreme People's Court. He was awarded the Second Prize for Excellent Achievements in Chinese Law and the Second Prize for National Teaching Achievements. Currently, he serves an independent director of the Company.
Zhu Qianyu	48 years old. Chinese. She holds a Ph.D. from the School of Economics, Huazhong University of Science and Technology, and is a Postdoctoral Fellow from the Department of Finance at Guanghua School of Management of Peking University. She currently serves as an associate professor and master's supervisor at the School of Agriculture and Rural Development of Renmin University of China. Additionally, she is a researcher at the Rural Economic and Finance Institute, the National Academy of Development and Strategy, the Dual Carbon Research Institute, and the China Rural Revitalization Research Institute, all affiliated with Renmin University of China. She also acts as an expert for project training and evaluation for the World Bank and the National Rural Revitalization Administration, as well as a project assessment expert for the National Natural Science Foundation of China. Currently, she is an independent director of the Company.
Kuang Qi	46 years old. Chinese. He graduated from Jinan University in 2000 with double bachelor's degree in Economics and Laws and obtained the Chinese legal profession qualification certificate. His previous work experiences include the Deputy Director of legal affairs of Amway (China) Daily-Use Commodity Co., Ltd. and legal consultant of Heinz (China) Investment Company Co., Ltd. Before joining Carlsberg, he acted as the senior legal consultant of Mead Johnson Nutrition (China) Co., Ltd. He is the Senior Legal Director and Chairman of the Board of Supervisors of the Company now.
Huang Minlin	44 years old. Chinese. He graduated from The Hong Kong University of Science and Technology with a Bachelor's Degree in Accounting and is a member of the Hong

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	Kong Institute of Certified Public Accountants. He worked in KPMG Hong Kong as the Audit Manager from 2004 to 2010. He joined Carlsberg Asia in 2010 and successively served as the Regional Supply Chain Financial Director and Regional Financial Director. He is currently the Senior Finance Director and Supervisor of the Company.
Xie Yi	44 years old. Chinese. He holds a Master's degree in International Development from the University of Edinburgh, UK. He previously served as the Director of the News Office at Chongqing Daily News Group and the Director of the Current Affairs News Department at Chongqing Morning Post. Additionally, he worked at the former Foreign Trade and Economy Commission of Chongqing Municipality and the former General Staff Department of the People's Liberation Army. He joined the Company in 2014 and has since held positions of Senior Manager, Deputy Director, and Director of Corporate Affairs. Currently, he serves as Senior Director of Corporate Affairs and Employee Representative Supervisor of the Company.
Deng Wei	51 years old. Chinese. He holds a MBA degree from the School of Business Administration at Chongqing University. From 1997 to 2000, he worked in the Life Insurance Marketing Department at the Chongqing Branch of Ping An, where he was involved in sales and business team management. In October 2000, he joined Chongqing Brewery (Group) Co., Ltd., serving in the Asset Management Department. There he was responsible for mergers and acquisitions, as well as the integration of merged and acquired companies alongside the team. Since 2006, he has been serving as the Board Secretary of the Company.
Chen Changli (Resigned)	60 years old. Chinese. He previously served as the packaging workshop director and deputy general manager of the Company and the deputy general manager of Chongqing Brewery Group Company, the Party secretary of the Company, the Chairman of the Trade Union and the employee representative supervisor of the Company. He resigned due to retirement in December 2023.

Other remarks

 Applicable     Not applicable



**(II) Positions of directors, supervisors and senior management in office and resigned during the reporting period****1. Positions in shareholder's entity**

√ Applicable    □ Not applicable

Name of person in office	Name of shareholder's entity	Position in Shareholder's entity	Commencement date of term	Termination date of term
João Miguel Ventura Rego Abecasis	Carlsberg Brewery Malaysia Berhad	Director	2022-10	
João Miguel Ventura Rego Abecasis	Lao Brewery Co., Ltd.	Director	2022-10	2025-10
João Miguel Ventura Rego Abecasis	Cambrew Ltd.	Chairman	2024-03	
João Miguel Ventura Rego Abecasis	Carlsberg Brewery Hong Kong Limited	Director	2022-11	
João Miguel Ventura Rego Abecasis	Caretech Ltd.	Director	2022-11	
João Miguel Ventura Rego Abecasis	Carlsberg Vietnam Breweries Ltd.	Chairman	2023-01	2027-04
João Miguel Ventura Rego Abecasis	Carlsberg Supply Company Asia Limited	Director	2023-01	
João Miguel Ventura Rego Abecasis	Carlsberg Asia Pte. Ltd.	Director	2023-09	
Gavin Stuart Brockett	Myanmar Carlsberg Co., Ltd.	Director	2022-01	
Gavin Stuart Brockett	Carlsberg Brewery Malaysia Berhad	Director	2022-02	
Gavin Stuart Brockett	Lao Brewery Co., Ltd.	Director	2022-04	
Gavin Stuart Brockett	Carlsberg Brewery Hong Kong Limited	Director	2022-01	
Gavin Stuart Brockett	Caretech Ltd.	Director	2022-01	
Gavin Stuart Brockett	HK Yau Ltd.	Director	2022-01	
Gavin Stuart Brockett	Cambrew Ltd.	Director	2023-04	

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Gavin Stuart Brockett	Angkor Beverage Company	Chairman	2022-12	
Gavin Stuart Brockett	Cambrew 1 Ltd.	Director	2023-09	
Gavin Stuart Brockett	Cambrew Property Limited	Director	2023-09	
Gavin Stuart Brockett	Cambrew Success Company Limited	Director	2023-09	
Andrew Douglas Emslie	CB Distribution Co., Ltd.	Director	2020-07	
Andrew Douglas Emslie	Carlsberg Indochina Ltd.	Director	2020-07	
Andrew Douglas Emslie	Myanmar Carlsberg Co., Ltd.	Director	2020-11	
Andrew Douglas Emslie	Paduak Holding Pte. Ltd.	Director	2020-12	
Andrew Douglas Emslie	Carlsberg Asia Pte. Ltd.	Director	2020-12	
Andrew Douglas Emslie	Lao Brewery Co., Ltd.	Director	2021-03	
Andrew Douglas Emslie	Carlsberg Vietnam Breweries Limited	Director	2021-04	
Andrew Douglas Emslie	Cambrew Ltd.	Director	2022-01	
Andrew Douglas Emslie	Angkor Beverage Company	Director	2023-06	
Lee Chee Kong	Lanzhou Huanghe Jianiang Brewery Co. Ltd.	Vice Chairman	2019-07	
Lee Chee Kong	Jiuquan West Brewery Co., Ltd.	Vice Chairman	2019-07	
Lee Chee Kong	Qinghai Huanghe Jianiang Brewery Co., Ltd.	Vice Chairman	2019-07	
Lee Chee Kong	Tianshui Huanghe Jianiang Brewery Co., Ltd.	Vice Chairman	2019-07	
Lee Chee Kong	Capital Brewing Company Limited	Director	2019-02	

Lee Chee Kong	G-Shell Asia Pacific Limited	Director	2019-02	
Lee Chee Kong	Jing-A Brewing Company Limited	Director	2019-02	
Chin Wee Hua	Lanzhou Huanghe Jianiang Brewery Co. Ltd.	Director	2017-06	
Chin Wee Hua	Jiuquan West Brewery Co., Ltd.	Director	2017-03	
Chin Wee Hua	Qinghai Huanghe Jianiang Brewery Co., Ltd.	Director	2017-06	
Chin Wee Hua	Tianshui Huanghe Jianiang Brewery Co., Ltd.	Director	2017-04	
Lv Yandong	Guangzhou Carlsberg Investment Co., Ltd.	Chairman	2020-12	
Kuang Qi	Guangzhou Carlsberg Investment Co., Ltd.	Supervisor	2021-12	

## 2. Positions in other entities

√ Applicable    □ Not applicable

Name of person in office	Name of other entities	Position in other entities	Commencement date of term	Termination date of term
Yuan Yinghong	Guangzhou Institute of Certified Public Accountants	Deputy Secretary General, Secretary of Industry Discipline Inspection Commission	2001-08	
Yuan Yinghong	Guangzhu Holike Creative Home Co., Ltd.	Independent Director	2022-01	2026-08
Yuan Yinghong	Guangzhou Hengyun Enterprises Holding Ltd.	Independent Director	2021-01	2024-03
Yuan Yinghong	Guangdong Winsun Pharm Co., Ltd.,	Independent Director	2020-04	2023-12
Yuan Yinghong	Huizhou Jinghao Medical Technology Co., Ltd.	Independent Director	2020-12	2023-12
Sheng Xuejun	Southwest University of Political Science & Law	Professor, Doctoral Supervisor	2010-01	
Sheng Xuejun	Chongqing Iron & Steel Company Limited	Independent Director	2021-08	2024-06
Sheng Xuejun	Chongqing Zaisheng Technology Co., Ltd.	Independent Director	2023-05	2026-05
Sheng Xuejun	Guilin Tourism Corporation Limited	Independent Director	2023-03	
Sheng Xuejun	Chongqing Department Store Co.,	Independent	2020-10	

	Ltd.	Director		
Zhu Qianyu	Renmin University of China	Associate professor and master supervisor; Researcher of Rural Economic and Finance Institute; Researcher of National Academy of Development and Strategy	2010-03	
Zhu Qianyu	CSG Holding Co., Ltd.	Independent Director	2019-04	
Zhu Qianyu	BANK OF GUIYANG CO., LTD.	Independent Director	2024-02	2024-05
Zhu Qianyu	KINGFA SCI. & TECH. CO., LTD.	Independent Director	2021-01	2023-12

**(III) Remuneration of directors, supervisors and senior management**

Applicable     Not applicable

Decision-making procedures for the remuneration of directors, supervisors and senior management	During the reporting period, the allowances of independent directors shall be implemented in accordance with the <i>Independent Director System of Chongqing Brewery Co., Ltd.</i> approved by the General Meeting of Shareholders; Directors' allowances shall be subject to the approval by the general meeting of shareholders after the Remuneration and Appraisal Committee of the Board of Directors proposes a plan and submits it to the Board of Directors for review and approval, and supervisors' allowances shall be subject to the approval by the general meeting of shareholders after review and approval by the Board of Supervisors of the Company. The remuneration of senior executives shall be implemented in accordance with the <i>Administrative Measures for the Remuneration and Performance Appraisal of Senior Executives</i> proposed by the Remuneration and Appraisal Committee, subject to review and approval by the Company's Board of Directors.
Whether directors recuse themselves from discussions and decisions regarding their own remuneration matters	Yes
Particulars of recommendations issued by the Remuneration and Evaluation Committee or the Specialized Meeting of Independent Directors on matters relating to the remuneration of directors, supervisors and senior management	The allowances of independent directors shall be subject to the approval by the General Meeting of Shareholders. Except for independent directors, the other directors and supervisors are not paid for their positions as directors and supervisors in the Company. The remuneration of senior executives shall be determined based on a plan proposed by the Remuneration and Appraisal Committee, subject to review and approval by the Company's Board of Directors.

Basis for the determination of remuneration of directors, supervisors and senior management	During the reporting period, the allowances for independent directors shall be implemented in accordance with the provisions of the <i>Independent Director System of Chongqing Brewery Co., Ltd.</i> deliberated and approved by the General Meeting of Shareholders; Except for independent directors, the other directors and supervisors are not paid for their positions as directors and supervisors in the Company. The remuneration of senior executives is based on the <i>Administrative Measures for the Remuneration and Performance Appraisal of Senior Executives</i> approved by the Board of Directors, as well as the operating performance of the current year confirmed in the Audit Report issued by the accounting firm, which shall be assessed and confirmed by the Remuneration and Appraisal Committee and the Board of Directors.
Actual remuneration paid to directors, supervisors and senior management	During the reporting period, the allowances for independent directors shall be paid by the Company monthly; the basic remuneration of senior executives shall be paid by the Company monthly. The performance remuneration shall be paid by the Company after the appraisal by the Remuneration and Appraisal Committee and the Board of Directors.
Total actual remuneration received by all directors, supervisors and senior management as at the end of the reporting period	RMB 26.6355 million

**(IV) Changes of directors, supervisors and senior management of the Company**

Applicable     Not applicable

Name	Position	Change	Reason for change
Chen Changli	Employee Representative Supervisor	Resigned	Retirement
Xie Yi	Employee Representative Supervisor	Election	By-election

**(V) Explanation on penalties by securities regulators in the past three years**

Applicable     Not applicable

**(VI) Others**

Applicable     Not applicable

**V. Information about the Board Meetings Convened during the Reporting Period**

Meeting session	Date of meeting	Meeting resolutions
Eighth Meeting of the Tenth of the Board of Directors	26 April 2023	For details, please refer to “L2023-005” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 28 April 2023.

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Nine Meeting of the Tenth of the Board of Directors	31 July 2023	For details, please refer to “L2023-013” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 1 August 2023.
Tenth Meeting of the Tenth of the Board of Directors	16 August 2023	For details, please refer to “L2023-016” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 17 August 2023.
Eleventh Meeting of the Tenth of the Board of Directors	26 September 2023	For details, please refer to “L2023-018” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 28 September 2023.
Twelfth Meeting of the Tenth of the Board of Directors	30 October 2023	For details, please refer to “L2023-021” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 31 October 2023.
Thirteenth Meeting of the Tenth of the Board of Directors	14 November 2023	For details, please refer to “L2023-026” Announcement disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 15 November 2023.

**VI. Performance of Duties by Directors****(I) Attendance of Board meetings and General Meetings of Shareholders by directors**

Name of director	Independent director	Information on attendance at the Board Meeting						Attendance at General Meetings of Shareholders
		Number of Board meetings required to be attended during the year	Attended in person	Attended via communication	Attended by representative	Absence	Failed to attend in person at two meetings in a row	Number of attendance at General Meetings of Shareholders
João Miguel Ventura Rego Abecasis	No	6	6	6	0	0	No	3
Gavin Stuart Brockett	No	6	6	6	0	0	No	3
Andrew Douglas Emslie	No	6	6	6	0	0	No	3
Lee Chee Kong	No	6	6	1	0	0	No	3
Chin Wee Hua	No	6	6	1	0	0	No	3
Lv Yandong	No	6	6	3	0	0	No	3
Yuan Yinghong	Yes	6	6	2	0	0	No	3
Sheng Xuejun	Yes	6	6	4	0	0	No	3
Zhu Qianyu	Yes	6	6	3	0	0	No	3

Explanation on failure to attend in person at two Board meetings in a row

Applicable     Not applicable

Number of Board meetings convened during the year	6
Including: Number of meetings convened on site	0

Number of meetings convened via communication	1
Number of meetings convened on site with communication	5

**(II) Objections raised by directors on relevant matters of the Company**

Applicable     Not applicable

**(III) Others**

Applicable     Not applicable

**VII. Special Committees under the Board of Directors**

Applicable     Not applicable

**(1). Members of special committees under the Board of Directors**

Type of special committee	Name of members
Audit Committee	Yuan Yinghong (Chairman of the Committee), Sheng Xuejun, Zhu Qianyu, Gavin Stuart Brockett, Chin Wee Hua [Note]
Nomination Committee	Sheng Xuejun (Chairman of the Committee), Zhu Qianyu, Andrew Douglas Emslie
Remuneration and Appraisal Committee	Zhu Qianyu (Chairman of the Committee), Yuan Yinghong, João Miguel Ventura Rego Abecasis
Strategy and Development Committee	Lee Chee Kong (Chairman of the Committee), Chin Wee Hua, Lv Yandong, Yuan Yinghong, João Miguel Ventura Rego Abecasis

Note: In compliance with the *Measures for the Administration of Independent Directors of Listed Companies* and other applicable guidelines, on 19 January 2024, the Company's Board of Directors replaced Chin Wee Hua, Director and Vice President, with Lv Yandong, Director, in the Audit Committee.

**(2). Six meetings convened by the Audit Committee during the reporting period**

Date of meeting	Content of meeting	Important opinions and suggestions	Other performance of duties
2023-03-02	PAN-CHINA Certified Public Accountants LLP reported and communicated major issues of concern and findings in the pre-audit phase of 2022 financial audit and internal control audit at the first meeting of the Audit Committee of the Tenth the Board of Directors of the Company in 2023.	The Audit Committee demonstrated a detailed understanding and effective communication regarding key audit matters, other significant considerations, and internal control audits. They paid special attention to the fulfillment of performance commitments for 2022.	
2023-04-26	<i>Summary Reports on Financial Statements Audit and Internal Control Audit Performed by Pan-China Public Accountants (Special General Partnership) for the Year</i>	The Audit Committee agreed to submit the proposals to the Board of Directors for deliberation.	The Audit Committee listened to the <i>Update on CBC Daily Related Party Transactions for FY 2022 &amp; 2023 Q1, 2022 Internal Audit</i>

	<p>2022,  <i>CBC 2022 Annual Report and Executive Summary,</i>  <i>CBC 2022 Final Account Report, Proposal on the Dividend Distribution Plan for the Year 2022,</i>  <i>Evaluation Report on the Company's Internal Control for the Year of 2022,</i>  <i>Annual Performance Report of the Audit Committee of the 10th Board of Directors of the Company for the Year of 2022,</i>  <i>CBC 2023 Q1 Report,</i>  <i>Proposal on the Engagement of Pan-China Certified Public Accountants (Special General Partnership) as the Auditor of the Company's Financial Report and Internal Control for the Year of 2023,</i>  and <i>Proposal on the Continuation of Aluminum Hedging Business</i> were approved at the 2nd meeting of the Audit Committee of the Tenth Board of Directors of the Company in 2023.</p>		<p><i>Report and 2023 Audit Plan, and Risk Management Report.</i></p>
2023-08-16	<p><i>CBC 2023H1 Report and Executive Summary</i> was approved at the 3rd meeting of the Audit Committee of the Tenth Board of Directors of the Company in 2023.</p>	<p>The Audit Committee agreed to submit the proposal to the Board of Directors for deliberation.</p>	<p>The Audit Committee listened to the <i>Report on the Implementation of Aluminium Hedging, Update on CBC Daily Related Party Transactions for 2023 Q3, CBC Internal Audit Summary Report fro 2023 Q3, and CBC Risk Management Report.</i></p>
2023-09-26	<p><i>Proposal on the Related Party Transaction Regarding the Acquisition of 100% Equity in Beijing Capital Brewing Company Limited and Jinbei Asia Pacific (Beijing) Catering Co., Ltd.</i> was approved at the 4th meeting of the Audit Committee of the Tenth Board of Directors of the Company</p>	<p>The Audit Committee agreed to submit the proposal to the Board of Directors for deliberation.</p>	



	in 2023.		
2023-10-30	The <i>CBC 2023 Q3 Report</i> was approved at the 5th meeting of the Audit Committee of the Tenth Board of Directors of the Company in 2023.	The Audit Committee agreed to submit the proposal to the Board of Directors for deliberation.	The Audit Committee listened to the <i>Report on the Implementation of Aluminium Hedging, Update on CBC Daily Related Party Transactions for 2023 Q3, CBC Internal Audit Summary Report for 2023 Q3, and CBC Risk Management Report.</i>
2023-11-14	The <i>Proposal on the 2023 Interim Dividend Distribution Plan of Carlsberg Chongqing Brewery Company Limited, Proposal on the Estimation of Daily Related Party Transactions in 2024, and Proposal on the Investment of Short-Term Bank Financial Products in 2024</i> were approved at the 6th meeting of the Audit Committee of the Tenth Board of Directors of the Company in 2023.	The Audit Committee agreed to submit the proposals to the Board of Directors for deliberation.	

**(3). One meeting convened by the Strategy and Development Committee during the reporting period**

Date of meeting	Content of meeting	Important opinions and suggestions	Other performance of duties
2023-04-26	The <i>Proposal on the CBC Financial Budget for the Year 2023</i> was approved at the 1st meeting of the Strategy and Development Committee of the 10th Board of Directors of the Company in 2023.	The Strategy and Development Committee agreed on this proposal.	

**(4). Two meetings convened by the Remuneration and Appraisal Committee during the reporting period**

Date of meeting	Content of meeting	Important opinions and suggestions	Other performance of duties
2023-04-26	The <i>Proposal on the Annual Evaluation of the Performance and Remuneration of the Senior Management for the Year of 2022</i> was approved at the 1st meeting of the Remuneration and Appraisal	The Remuneration and Appraisal Committee concluded that the 2022 remuneration assessment of the Company's senior executives aligned with	

	Committee of the 10th Board of Directors of the Company in 2023.	that the <i>Remuneration and Performance Appraisal Plan for Senior Management</i> , and agreed to submit the proposal to the Board of Directors for deliberation.	
2023-08-16	The <i>Proposal on the Amendment of Remuneration and Performance Appraisal Plan for Senior Management</i> was approved at the 2nd meeting of the Remuneration and Appraisal Committee of the 10th Board of Directors of the Company in 2023.	The Remuneration and Appraisal Committee agreed to submit the proposal to the Board of Directors for deliberation.	

**(5). Particulars of objections**

Applicable     Not applicable

**VIII. Explanation on the Risks of the Company Found by the Board of Supervisors**

Applicable     Not applicable

The Board of Supervisors had no objections to the matters subject to supervision during the reporting period.

**IX. Employees of the Parent Company and Major Subsidiaries as at the End of the Reporting Period****(I) Employees**

Number of existing employees of the parent company	29
Number of existing employees of major subsidiaries	6,840
Total number of existing employees	6,869
Number of resigned and retired employees whose expenses shall be undertaken by the parent company and major subsidiaries	4,285
Specialization composition	
Category of specialization	Headcount of specialization
Production personnel	1,900
Sales personnel	3,022
Technicians	1,422
Finance personnel	250
Administrative personnel	75
Others	200
Total	6,869
Educational background	
Educational level	Headcount
Postgraduates	201
Undergraduates	1,695
Junior college graduates	2,286
High school graduates and below	2,687

Total	6,869
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**(II) Remuneration policy**

Applicable    Not applicable

During the reporting period, the Company's employee remuneration policy shall determined the salary growth ratio of all employees based on the Company's economic benefits and business performance as well as the completion of the annual beer production, sales and profits, and considering the salary situation in the market. Management personnel of middle level and above shall be subject to the year-end incentive assessment linked to the Company's performance, and production workshops shall be subject to the KPI assessment, which is combined with product quality, various consumption indicators and production efficiency. The salary of employees of the Company is composed of fixed salary, performance appraisal salary and year-end bonus.

**(III) Training programs**

Applicable    Not applicable

The company maintains a robust employee training mechanism, developing and implementing training programs aligned with the requirements of business growth annually .

During the reporting period, the Company organized a diverse range of cultural and leadership programs aimed at enhancing the capabilities of key talents and team managers. These programs included "Workshop on Responsibility and Accountability in a Diverse, Equal and Inclusive Culture," "Workshop on Transformation and Winning Projects," "The New Generation Management," "University Counseling," "SL II", "Management Execution Enhancement (DDI copyrighted course)," and "Conflict Management." For sales directors and managers, a targeted action learning program called the "Tiger Project" was implemented. For supply chain managers, the "CE Basic Module Optimization - Organizational Management" program was carried out. Young talents were offered three projects: "General Management Trainee," "Supply Chain Management Trainee," and "Sales Management Talents," which aimed at building and developing talent reserves for the Company. Specifically, courses including "7 Habits of Highly Effective People," "Time Management," and "Role Transformation of Career Professionals" were carried out. To foster the capacity development of all staff members, the Company carried out various courses and shared sessions such as "Financial Training for Non-Financial Managers" and "Beer Tasting and Art", which facilitated the rapid development of the Company.

In terms of sales, the sales team has focused on the Company's strategy and business needs, building an empowerment platform to enhance the business capabilities of the internal sales team and core distributors.

1. To consolidate the core markets, several programs were undertaken, including school-enterprise cooperation training courses, sand table exercises, and market strategy workshops.
2. Live-streaming sessions were conducted to introduce new products and share successful marketing experiences, with the aim of promoting product premiumization.
3. Key channel empowerment was a focus, leading to the implementation of the MOFT channel training series and guidelines for O2O business operations.
4. To strengthen beer knowledge and business fundamentals, training materials were upgraded, and a group of internal lecturers were selected and trained.
5. Distributor-focused training programs, such as the President Class and Manager Camp, were provided. Additionally, online learning platforms and targeted live courses were made available.

In terms of the supply chain, the Company continued to deepen its commitment to lean production. Efforts were made to enhance the awareness of systematization and standardization in factory construction. Training programs such as "Carlsberg Excellence Foundation Workshop," "Root Cause Analysis and Problem Solving," "Sensory

Tasting Training,” and “EHS Training” were conducted, raising the standardization awareness of frontline workers while enhancing overall work efficiency.

#### (IV) Labor outsourcing

Applicable  Not applicable

Total working hours of outsourced labor	3,048,773 hours
Total remuneration paid for outsourced labor	RMB 143,500,900

### X. Proposal on Profit Distribution or Conversion of Capital Reserve into Capital Stock

#### (I) Formulation, implementation or adjustment of cash dividend policy

Applicable  Not applicable

In accordance with the *Company Law of the People’s Republic of China*, the *Accounting Standards for Enterprises* and the *Articles of Association*, the Company proposes the following distribution plan, considering the requirements of production and operation development as well as the shareholders’ interests:

The Company intends to distribute the cash dividend of 2.80 yuan per share (tax inclusive) to all shareholders on the basis of the total share capital of 483,971,198 shares as at December 31, 2023, totaling 1,355,119,354.40 yuan (tax inclusive). Cash dividend intended for distribution is from the operating profits generated by the Company in its production and operation, and such distribution is general dividend distribution.

After the completion of the profit distribution plan of 2023, the remaining undistributed profit in the consolidated financial statements of the Company is 59,187,375.37 yuan, and the remaining undistributed profit in the parent company financial statements is 351,378,262.35 yuan. No capital reserve is converted to increase share capital this time.

#### (II) Special description on cash dividend policy

Applicable  Not applicable

Whether it complies with the provisions of the Articles of Association or the requirements stated in the resolutions approved at the General Meeting of Shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the standards and proportion of dividend distribution are clear	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the relevant decision-making procedures and mechanisms are complete	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the independent directors perform their duties and play their due role	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether minority shareholders have the opportunity to fully express their opinions and appeals, and whether their legitimate interests have been adequately protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

#### (III) Where the parent company has a positive profit available for distribution to shareholders with no cash profit distribution plan proposed during the reporting period, the Company shall disclose the reasons therefor and the purpose and utilization plan of such undistributed profit in detail

Applicable  Not applicable

#### (IV) Plans on profit distribution or conversion of capital reserve to increase share capital in the current

**reporting period**

√ Applicable    □ Not applicable

Monetary unit: RMB

Bonus share distributed for every 10 shares (share)	
Dividend distributed for every 10 shares (yuan) (tax inclusive)	28.00
Share capital increased by converting capital reserve for every 10 shares (share)	
Cash dividend distributed (tax inclusive)	1,355,119,354.40
Net profit attributable to shareholders of ordinary shares in the consolidated financial statements for the period of dividend distribution	1,336,597,321.13
Proportion to net profit attributable to shareholders of ordinary shares in the consolidated financial statements (%)	101.39
Amount of shares repurchased in cash included in cash dividend	
Total cash dividend distributed (tax inclusive)	1,355,119,354.40
Proportion of total cash dividend distributed to net profit attributable to shareholders of ordinary shares in the consolidated financial statements (%)	101.39

**XI. The Company's Equity Incentive Scheme, Employee Stock Ownership Plan or Other Employee Incentive Measures and Their Impact****(I) Relevant incentive matters disclosed in provisional announcements without progress or change in subsequent implementation**

□ Applicable    √ Not applicable

**(II) Incentives not disclosed in provisional announcements or with subsequent development**

Equity incentives

□ Applicable    √ Not applicable

Other remarks

□ Applicable    √ Not applicable

Employee stock ownership plan

□ Applicable    √ Not applicable

Other incentive measures

□ Applicable    √ Not applicable

**(III) Equity incentives granted to directors and senior management during the reporting period**

□ Applicable    √ Not applicable

**(IV) Establishment and implementation of evaluation mechanism and incentive mechanism for senior management during the reporting period**

Applicable    Not applicable

According to the needs of establishing a modern enterprise system, the Company implements the appointment system for senior executives and has established a fair and transparent performance evaluation and incentive mechanism for directors, supervisors and senior executives, urging management personnel to fulfill their obligations of integrity and diligence, clarifying their rights and responsibilities, and giving full play to the enthusiasm and creativity of senior executives. The management of the Company supervises the daily performance of senior executives in accordance with the President's Work Rules and the Financial Management System of the Company, and the Company conducts year-end evaluation of senior executives and gives rewards or punishments to senior executives according to the business objectives set at the beginning of the year and the remuneration system for senior executives reviewed and approved by the Board of Directors.

## **XII. Development and Implementation of Internal Control Systems during the Reporting Period**

Applicable    Not applicable

The Company evaluated and revised its business related control processes during the current year. During the reporting period, the Company provided training on risk and internal control policies to its internal control staff. The internal audit department conducted specialized audits on various processes, including purchase management, inventory management, capital management, IT system management, R&D process management, and outsourcing business management.

Description of significant defects in the internal control during the reporting period

Applicable    Not applicable

## **XIII. Management and Control of Subsidiaries During the Reporting Period**

Applicable    Not applicable

The Company consistently performed self-assessment of the internal control effectiveness within its subsidiaries, in accordance with the corporate internal control system. Additionally, the Company ensured internal control oversight of its subsidiaries by conducting specialized process audits.

In Q4 2023, Carlsberg Chongqing Brewery, a subsidiary controlled by the Company, completed the acquisition of 100% equity of Beijing Capital Brewing Company Limited and Jinbei Asia Pacific (Beijing) Catering Co., Ltd. In 2024, the Company will continue to integrate and optimize the processes of the two newly acquired subsidiaries, and include them in the internal self-assessment scope for supervision and management.

## **XIV. Relevant Issues on the Audit Report on Internal Control**

Applicable    Not applicable

Pan-China Certified Public Accountants LLP (Special General Partnership), the accounting firm engaged by the Company, has conducted an audit on the effectiveness of internal control related to the Company's financial report and issued an unqualified audit report. For details of the Company's 2023 Internal Control Audit Report, please refer to the SSE website.

Disclosure of internal control audit report: Yes.

Type of opinion: Unqualified opinion.

## **XV. Rectification of Issues Found in Self-Inspections as per the Special Campaign on Governance of Listed Companies**

Applicable    Not applicable

## **XVI. Others**

Applicable     Not applicable

## SECTION V ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

### I. Environmental Information

Any environmental protection mechanism established	Yes
Funds invested for environmental protection during the reporting period (in RMB '0,000)	2,053.1

#### (I) Explanation on environmental protection of the Company and its subsidiaries falling into the category of key pollution discharging units listed by the environmental protection authorities

Applicable     Not applicable

##### 1. Pollution discharge information

Applicable     Not applicable

Company name	Major pollutants	Method of discharge	Number of discharge outlet	Distribution of discharge outlet	Discharge concentration	Pollutant discharge standards	Total discharge implemented	Total discharge approved	Discharge exceeding standards
Wanzhou Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Discharged into urban pipeline network after treatment	1	Northwest of the factory	COD: 135.64mg/l  Ammonia nitrogen: 4.71mg/l	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 5.14ton  Ammonia nitrogen: 0.147ton	COD: 143ton  Ammonia nitrogen: 12.88ton	No
Carlsberg Chongqing Brewery Co., Ltd. (Mawang Township Factory)	Wastewater	Discharged into urban pipeline network after treatment	1	Northeast corner within the factory	COD: 134.71mg/L  Ammonia nitrogen: 12.71mg/L,	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015)	COD: 21.23ton  Ammonia nitrogen: 2.017ton	COD: 376.782ton  Ammonia nitrogen: 33.91ton	No
Carlsberg Chongqing Brewery Co., Ltd. (Dazhulin Factory)	Wastewater	Discharged into urban pipeline network after treatment	1	North side within the factory	COD: 122.91mg/L  Ammonia nitrogen: 0.45mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015); GB8978-1996 Integrated Wastewater Discharge Standard.	COD: 14.942ton  Ammonia nitrogen: 0.205ton	COD: 116.33ton  Ammonia nitrogen: 21.81ton	No
Hechuan Branch of	Wastewater	Discharged into urban	1	North gate within the	COD: 179.95mg/L	Pretreatment standards set out in	COD: 20.921ton	COD: 158.306ton	No

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Carlsberg Chongqing Brewery Co., Ltd.		pipeline network after treatment		factory	Ammonia nitrogen: 5.47 mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015)	Ammonia nitrogen: 0.674ton	Ammonia nitrogen: 14.248ton	
Liangping Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Discharged into urban pipeline network after treatment	1	Outside the factory gate	COD: 205 mg/L Ammonia nitrogen: 6.32 mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 23.575ton Ammonia nitrogen: 0.697ton	COD: 429.45ton Ammonia nitrogen: 38.65ton	No
Peiling Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Discharged into the downstream municipal water treatment plant, and subsequently released following appropriate treatment by the treatment plant.	1	Northwest of the factory	COD: 30.652 mg/L Ammonia nitrogen: 0.515mg/L	Negotiation standard set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005 ) amendment sheet	COD: 0.872ton Ammonia nitrogen: 0.11ton	COD: 175ton Ammonia nitrogen: 15.75ton	No
Shizhu Branch of Carlsberg Chongqing Brewery Co., Ltd.	Wastewater	Discharged into pipeline network of the park after treatment	1	Northwest corner within the factory	COD: 149mg/L Ammonia nitrogen: 1.35mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 1.743ton Ammonia nitrogen: 0.82ton	COD: 143.18ton Ammonia nitrogen: 12.88ton	No
Chongqing Brewery Yibin Co., Ltd.	Wastewater	Discharged into water treatment plant of the park after treatment	1	South side of the factory area	COD: 142.44mg/L Ammonia nitrogen: 0.63mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 18.5ton Ammonia nitrogen: 0.577ton	COD: 147.65ton Ammonia nitrogen: 30.80ton	No
Chongqing Brewery Xichang Co., Ltd.	Wastewater	Discharge into pipe network of the area	1	South of the factory area	COD: 2800mg/L Ammonia nitrogen: 4.5mg/L	Negotiation standard set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005 ) amendment sheet	COD: 0.543ton Ammonia nitrogen: 0.00465ton	COD: 105ton Ammonia nitrogen: 9.45ton	No
Chongqing Beer Panzhihua Co., Ltd.	Wastewater	Discharged into urban pipeline network after treatment	1	West side within the factory	COD: 2660mg/L Ammonia nitrogen: 48.307mg/L	Negotiation standard set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005 ) amendment sheet	COD: 101.936ton Ammonia nitrogen: 1.844ton	COD: 286.36ton Ammonia nitrogen: 25.77ton	No
Hunan Chongqing Brewery Grandmen Co., Ltd.	Wastewater	Discharged into urban pipeline network after treatment	1	Outside the factory entrance	COD: 154mg/L Ammonia nitrogen: 5.4mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005), as well as the feed-water quality	COD: 12.756ton Ammonia nitrogen: 0.45ton	COD: 55ton Ammonia nitrogen: 21ton	No



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						requirements of Lixian Domestic Sewage Treatment Plant			
Yongzhou Branch of Hunan Chongqing Brewery Grandmen Co., Ltd.	Wastewater	Discharged into urban pipe network after pretreatment, and subsequently discharged into municipal water treatment plan	1	South of the factory area	COD: 2,367mg/L  Ammonia nitrogen: 17.5mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Negotiation standard set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005) amendment sheet has been implemented since June.	COD: 14.51ton  Ammonia nitrogen: 1.3ton	COD: 39ton  Ammonia nitrogen: 8ton	No
Chongqing Brewery Group Chengdu Bock Beer Co., Ltd.	Wastewater	Discharged into urban pipeline network after treatment	1	East of the factory	COD: 165 mg/L  Ammonia nitrogen: 2.6 mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 11.5ton  Ammonia nitrogen: 0.31ton	COD: 356ton  Ammonia nitrogen: 32ton	No
Kunming Huashi Brewery Co., Ltd.	Wastewater	Discharged after treatment	1	Southwest of the factory	COD: 117.84mg/L  Ammonia nitrogen: 9.04 mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015)	COD: 12.44ton  Ammonia nitrogen: 0.955ton	COD: 158.3725ton  Ammonia nitrogen: 11.8754ton	No
Carlsberg (China) Brewery Industry and Trade Limited	Wastewater	Discharged after treatment	1	Northwest of the factory	COD: 50.6mg/l  Ammonia nitrogen: 3.14 mg/l	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 11.99ton  Ammonia nitrogen: 0.712ton	COD: 312.59ton  Ammonia nitrogen: 29.23ton	No
Carlsberg Tianmu Lake Brewery (Jiangsu) Co., Ltd.	Wastewater	Continuous discharge	1	Central and western part of the factory	COD: 618mg/L  Ammonia nitrogen: 18.17mg/L	Negotiation standard set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005) amendment sheet	COD: 133ton  Ammonia nitrogen: 3.98ton	COD: 1,348.6ton  Ammonia nitrogen: 26.21ton	No
Carlsberg Brewery (Jiangsu) Co., Ltd.	Wastewater	Discharged after treatment	1	Southwest of the factory	COD: 146mg/L  Ammonia nitrogen: 15.2mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 7.46ton  Ammonia nitrogen: 1.2ton	COD: 118.82ton  Ammonia nitrogen: 15.36ton	No
Carlsberg Brewery (Anhui) Co., Ltd.	Wastewater	Discharged after treatment	1	North side of the factory	COD: 82.83mg/L  Ammonia nitrogen: 3.74mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 30.11ton  Ammonia nitrogen: 1.24ton	COD: 54.21ton  Ammonia nitrogen: 3.45ton	No
Carlsberg Brewery	Wastewater	Discharged into urban	1	Northwest corner	COD: 43mg/L	Pretreatment standards set out in	COD: 5.26ton	COD: 75ton	No

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(Guangdong ) Co., Ltd.		water treatment plant after being treated		within the factory	Ammonia nitrogen: 0.89 mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	Ammonia nitrogen: 0.08ton	Ammonia nitrogen: 5ton	
Xinjiang Wusu Beer Co., Ltd.	Wastewater	Discharged after treatment	1	Northwest corner of the factory	COD: 147.43mg/L Ammonia nitrogen: 1.44mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 31.511ton Ammonia nitrogen: 4.879ton	COD: 301ton Ammonia nitrogen: 63ton	No
Xinjiang Wusu Brewery (Wusu) Co., Ltd.	Wastewater	Discharged after treatment	1	Northwest corner in the factory area	COD: 79mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005)	COD: 8.85ton	COD: 23.49ton	No
Xinjiang Wusu Brewery (Yining) Co., Ltd.	Wastewater	Discharged after treatment	1	Southeast of the factory	COD: 92.33 mg/L Ammonia nitrogen: 4.34mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015)	COD: 6.62ton Ammonia nitrogen: 0.311ton	COD: 18ton Ammonia nitrogen: 15.75ton	No
Xinjiang Wusu Brewery (Korla) Co., Ltd.	Wastewater	Discharged into urban pipeline network after treatment	1	Southwest of the factory	COD: 2,000mg/L Ammonia nitrogen: 45mg/L	Negotiation standard set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005 ) amendment sheet	COD: 23.4ton Ammonia nitrogen: 0.375ton	COD: No total volume requirement Ammonia nitrogen: No total volume requirement	No
Xinjiang Wusu Brewery (Aksu) Co., Ltd.	Wastewater	Discharged after treatment	1	West side of the factory	COD: 102mg/L Ammonia nitrogen: 8mg/L	Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015)	COD: 8.5ton Ammonia nitrogen: 0.67ton	COD: 28ton Ammonia nitrogen: 5.25ton	No
Ningxia Xixia Jianiang Brewery Co., Ltd.	Wastewater	Discharge after treatment	1	Southwest of the factory	COD: 49.5mg/L Ammonia nitrogen: 2.82mg/L	Pretreatment standards set out in Discharge Standard of Pollutants for Beer Industry (GB19821-2005); Wastewater Quality Standards for Discharge to Municipal Sewers (GB31962-2015)	COD: 9.397ton Ammonia nitrogen: 0.54ton	COD: 48.8ton Ammonia nitrogen: 4.88ton	No

## 2. Construction and operation of pollution prevention facilities

√ Applicable    □ Not applicable

In 2023, the Company's pollution control facilities operated reliably, ensuring that pollutants were discharged in compliance with relevant standards. Furthermore, the Company successfully passed environmental protection inspections conducted by relevant authorities at all levels.

## 3. Environmental impact assessment of construction projects and other administrative approval on

**environmental protection**

Applicable     Not applicable

On December 19, 2022, Carlsberg Brewery (Foshan) Co. Ltd. obtained the approval of Foshan Municipal Bureau of Ecology and Environment on the environmental impact report on a project of Carlsberg Brewery (Foshan) Co. Ltd., which concerns an annual output of 500,000 tons of beer (FHSF [2022] No. 98). At present, the project is under construction and subsequently will be subject to completion acceptance in strict accordance with the process of simultaneous design, construction and performance.

On May 7, 2022, Xinjiang Wusu Brewery (Korla) Co. Ltd. obtained the Approval of the Ecological and Environmental Bureau of Bayingol Prefecture on the Environmental Impact Report on the Phase III Expansion Project of Xinjiang Wusu Brewery (Korla) Co. Ltd. (BHPJH (2022) No. 82). The Phase III expansion project was completed in October 2023 and passed the EIA acceptance on January 11, 2024, and is currently in the publicity period for environmental acceptance and evaluation.

On November 28, 2023, a new finished product warehouse of Xichang Factory of Chongqing Brewery completed the filing of the environmental impact registration form for the construction project (filing no: 202351340100000108).

**4. Contingency plans for environmental emergencies**

Applicable     Not applicable

The Company attaches great importance to environmental emergency warning, risk prevention and control, and has established comprehensive measures for environmental risk prevention and control. Each of its breweries has formulated *Environmental Emergency Response Plan* and *Environmental Risk Assessment Report*, and these documents have been filed them with relevant environmental protection departments. The Company is able to effectively cope with local or regional environmental pollution incidents caused by sudden environmental pollution and ecological damage, and ensure that incidents can be addressed quickly and efficiently on site to protect the brewery and surrounding environment as well as the life and property of the people in residential areas, preventing unforeseen environmental pollution incidents.

**5. Environmental self-monitoring plan**

Applicable     Not applicable

Each brewery of the Company has formulated its self-monitoring plan for environmental protection to effectively monitor various pollutant factors. The Company implements Discharge Standard of Pollutants for Beer Industry (GB19821-2005), ISO14001 Environmental Management System and internal SHAPE system (environmental health and safety excellence evaluation system).

**6. Administrative penalties for environmental issues during the reporting period**

Applicable     Not applicable

**7. Other environmental information that shall be disclosed**

Applicable     Not applicable

**(II) Environmental protection of companies other than key pollutant discharging units**

Applicable     Not applicable

**(III) Relevant information conducive to ecological protection, pollution prevention and control, and fulfillment of environmental responsibilities**

√ Applicable    □ Not applicable

The Company's ESG program, named "Together Towards ZERO and Beyond", focuses on environmental and ecological protection, and is committed to carrying out various measures such as waste treatment, energy conservation and water resource management to reduce the negative impact on the ecological environment and actively fulfill environmental responsibilities.

In terms of waste management, we have further standardized the management of collection, storage and disposal of various wastes in daily production. For general waste, we have strictly implemented garbage classification, recycling and transporting the waste at fixed location and time, and recycling renewable resources; for hazardous waste, we have organized to sort out the collection scope of hazardous waste, cleaning, storing and transferring the waste according to the category, storing the waste in the warehouse for hazardous waste, entrusting qualified third parties to dispose of the waste when the storage reaches a certain amount, and establishing a ledger for the generation, transfer and disposal of hazardous waste so as to ensure the effective waste disposal tracking and management.

In terms of discharge of waste gas and water, all the breweries under the Company are equipped with well-functioning sewage treatment stations, and have installed automatic monitoring facilities to monitor various emission indicators in real time. The odor generated by the sewage station is collected and disposed of responsibly to ensure that the odor is treated up to standard. The wastewater of the breweries contains plenty of carbon sources that provide nutrients for microorganisms necessary for wastewater treatment. In accordance with Discharge Standard of Pollutants for Beer Industry, we provide wastewater to sewage treatment plants. While promoting the resource utilization of wastewater, we have saved the energy consumption in the sewage treatment by breweries, thus achieving a win-win situation for both the breweries and the sewage treatment plants. In 2023, we have implemented resource utilization of beer wastewater in six breweries.

In terms of noise management, the Company strictly follows the *Law of the People's Republic of China on Noise Pollution Prevention and Control* and other applicable laws and regulations, having formulated internal policies such as *Noise Control and Hearing Protection Procedures*, and further strengthening the prevention and control of noise pollution according to the noise pollution prevention and control idea, i.e. "prevention from the source, control in the transmission, and protection of the receptor." We have effectively controlled the impact of noise through regular noise monitoring at plant boundary, equipment renovation and maintenance, increased isolation protection and other measures.

In terms of reducing packaging waste, the Company has actively carried out innovative cooperation to promote sustainable packaging design, facilitate the use of green and environmentally-friendly packaging materials and lightweight packaging, and reduce packaging waste and environmental pollution. Compared with 2022, the canning rate of our products increased by 4.2% in 2023, showing an effective reduction in the consumption of packaging materials. Meanwhile, the Company has continued to carry out a number of bottle recovery projects, encouraging dealers to expand the coverage of bottle recovery, continuously promote the improvement of dealers' bottle recovery performance and reduce the environmental impact of packages and waste by optimizing the bottle recovery network. In 2023, the Company's overall bottle recovery rate was 2.80% higher than in 2022, and the bottle loss was 0.30% lower. In addition, we have used ton bags made of recyclable materials for the outer packaging of agricultural raw materials, which have reduced the environmental pollution caused by the waste of packaging materials while lowering consumption of packaging materials during the transportation of agricultural products (rice, starch, malt, etc.).

In terms of energy conservation, please refer to "(IV) Measures taken to reduce carbon emissions during the reporting period and related effects."

In terms of water resource management, the Company has continuously reduced unit water consumption by implementing a series of water-saving measures, including water-saving renovation of bottle washers, packaging water recycling projects, water-saving vacuum pumps, and reclaimed water reuse projects. The company's water efficiency improved from 3.87 HL/HL in 2015 to 2.11 HL/HL in 2023, significantly outperforming the Chinese beer industry average of 3.2 HL/HL. In 2023, the Company received multiple awards for its water conservation efforts:

1. Urumqi Brewery was awarded the “Water Conservation Benchmark Enterprise in the Industrial Sector of the Autonomous Region” in 2023.
2. Shizhu Brewery was recognized as the “County-level Water-saving Enterprise” in Shizhu County in 2023.
3. In 2022, Dali Brewery won the national-level title of “Water Efficiency Leader.”
4. Ningxia Brewery was honored as the “Municipal Water-saving Enterprise” in Helan County in 2022.
5. Boke Brewery was honored as the “Advanced Unit of Water Resource and Conservation Management” in Pidu District in 2022.

The Company attaches great importance to the impact of business development on biodiversity, and has carried out a number of wildlife and ecosystem protection actions. In 2023, we cooperated with the World Wildlife Fund (WWF) to carry out biodiversity conservation projects, such as the protection of black-necked cranes in Kunming, the restoration of the ecosystem in Chongqing, and the agricultural transformation around Tianmu Lake in Jiangsu, promoting the conservation of biodiversity while continuously promoting the protection of basin water resources and key wetland ecosystems through the water source protection, wetland restoration and aquatic environment monitoring.

#### (IV) Measures taken to reduce carbon emissions during the reporting period and related effects

Any carbon reduction measures taken	Yes
CO2 equivalents of reduced emission (unit: ton)	2568.3
Types of carbon reduction measures (such as using clean energy for power generation, using carbon reduction technology in the production process, developing and producing new products that support carbon reduction, etc.)	Please refer to the following “Specific description”.

Specific description

Applicable     Not applicable

The Company is committed to achieving net-zero emission across the full value chain by 2040, and its carbon reduction actions cover raw material cultivation, production, packaging, logistics transportation and distribution, and cooling and storage.

In the process of raw material cultivation, processing and production, the Company has improved the overall efficiency of equipment year by year, reduced the immersion damage of raw materials, and continuously improved the output rate of raw materials. In addition, the Company has recycled and treated raw material wastes such as spent grains and spent yeasts for animal husbandry, and reduced the demand for feeds and fertilizers in agriculture and animal husbandry, thereby reducing greenhouse gas emissions generated during the production and use of feeds and fertilizers, and effectively reducing the carbon footprint in agriculture.

In the process of beer production, the Company has continued to increase investment in renewable energy, actively explored and tried more clean energy alternatives, and further optimized the energy structure. In 2023, the electricity

used by the Company was 100% supplied by green energy, which totaled 160,207 MWh; at the same time, the Company has actively deployed projects to comprehensively use thermal energies such as biogas and steam, reducing heat energy consumption and carbon emission by recycling and reusing biogas and boiler steam. In 2023, the Company reduced carbon emission by 2,568.3 tons, and the carbon emission per hectoliter of beer brewed decreased by 74.1% compared to 2015.

In the use of packaging materials, the Company has cooperated with suppliers to carry out carbon reduction actions, including driving suppliers to obtain ISO 14001 certification of environmental management system and national green factory certification, and urging them to carry out photovoltaic deployment. In 2023, zero carbon emission in the production process of main outer liners used in corrugated boxes has been achieved.

In terms of logistics transportation, the Company has continued to promote the electrification of its logistics fleet, and replaced traditional lead-acid batteries with lithium-ion batteries that are more environmentally friendly, increasing the proportion of electric forklifts from 75% to 79% in 2023. In addition, we have worked with logistics providers to strictly monitor the fuel use in the logistics process and provide fuel efficiency training to drivers, thus improving suppliers' energy conservation awareness and environmental performance.

In the cooling and storage process, the Company has implemented the energy-saving freezer project since 2021, purchasing freon-free refrigerants and energy-saving freezers, reducing terminal energy consumption by 10% per year, and effectively reducing greenhouse gas emissions generated by refrigerants. In 2023, we purchased about 15,000 energy-saving freezers, and optimized the existing freezers, controlled and optimized the performance of the freezers' transmission system, and rationally planned and used energy, thereby reducing the energy consumption per unit of product and further lowering the level of carbon emission.

In terms of operation, in order to reduce employees' carbon emissions in the commuting process, the Company has given priority to cooperating with passenger service providers with lower carbon emission level. In 2023, the Company completed the pilot bidding for electric bus substitution at Chongqing Brewery, which will be officially launched in 2024 and is expected to effectively reduce carbon emissions by about 3,016.06 tons. At the same time, we have been committed to improving the awareness of energy conservation and emission reduction among internal employees, carrying out the "Ideas for Carlsberg" scheme to solicit suggestions from employees on carbon reduction and water conservation, which are potentially achievable in the work, and awarding bonuses and commendations to the winners, thus forming a corporate atmosphere in which all employees are involved in low-carbon operations.

In 2023, the Company launched a new round of full value chain carbon verification, which showed a 28% reduction in carbon emissions across the value chain in 2022 compared to 2015 baseline data.

## II. Work on Social Responsibility

### (I) Disclosure of the social responsibility report, sustainable development report or ESG report separately

Applicable     Not applicable

For details, please refer to the CBC 2023 ESG Report disclosed by the Company on the website of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) on the very day.

### (II) Specific work on social responsibility

Applicable     Not applicable

Item of external donation and public welfare	Quantity / Content	Description
Total input (in RMB '0,000)	42	For details, please refer to the following "Specific description."

Including: Funds (in RMB '0,000)	42	
Amount equivalent to goods and materials (in RMB '0,000)		
Number of beneficiaries (Person)		

Specific description

Applicable  Not applicable

- On August 24, 2023, the 20th “Chongqing Beer” Scholarship Granting Ceremony was jointly held by the Yibin Municipal Party Committee of the Communist Youth League and Chongqing Brewery Yibin Co., Ltd, and a total of RMB 200,000 in scholarships was granted to 60 university freshmen on site.
- The Company supported the cultural and other activities of college and university students in Chongqing aiming at spreading science, technology and information on health in the countryside, providing RMB 100,000 for the activities, guiding and empowering young students to “pursue education, develop their talents and make contributions” through their social practices. This program received a total of 218 research reports and 162 practical projects, which awarded 2 grand prizes, 4 first prizes, 6 second prizes, 8 third prizes, and recognized 135 projects with excellent prizes.
- On December 12, 2023, in parallel with Safety Day, the Company initiated a volunteer activity, calling upon employees to prioritize healthy walking and safe driving through Tencent Public Welfare and WeChat mini-app. The activity spanned over a duration of 9 days, during which 4,014 employees actively participated. 96 volunteer teams collectively walked over 160 million steps and drove safely for a distance of 5,780 kilometers. In total, the combined mileage achieved surpassed 100,000 kilometers. The Company allocated RMB 120,000 of public welfare funds to match the volunteer activity. These funds were donated through the Beijing Foreign Enterprises Volunteer Association to rural elementary schools in Yushu, aiming to foster a new generation of scientific talents.

### III. Specific Work on Consolidating and Expanding the Achievements of Poverty Alleviation and Rural Revitalization

Applicable  Not applicable

Item of poverty alleviation and rural revitalization	Quantity / Content	Description
Total input (in RMB '0,000)	20	For details, please refer to the following “Specific description.”
Including: Funds (in RMB '0,000)	20	
Amount equivalent to goods and materials (in RMB '0,000)		
Number of beneficiaries (Person)		
Forms of assistance (such as poverty alleviation through industries, employment, education, etc.)		

Specific description

Applicable  Not applicable

On August 24, 2023, the 20th “Chongqing Beer” Scholarship Granting Ceremony was jointly held by the Yibin Municipal Party Committee of the Communist Youth League and Chongqing Brewery Yibin Co., Ltd, and a total of RMB 200,000 in scholarships was granted to 60 university freshmen on site.

## SECTION VI IMPORTANT MATTERS

### I. Performance of Commitments

#### (I) Commitments by relevant parties such as actual controllers, shareholders, related parties, acquirers and the Company during or subsisting to the reporting period

√ Applicable    □ Not applicable

Background of commitment	Type of commitment	Party of commitment	Content of commitment	Time of commitment	Any requirement on performance period	Term of commitment	Timely and strict performance	Reasons for failure of timely performance	Forthcoming plans in view of no timely performance
Commitments related to major asset restructuring	Asset injection	Listed company	The listed company has the legal and complete ownership of the assets to be injected by Chongqing Brewery, and the listed company truly holds such assets, and is free from any events of holding them for others or for the benefit of others by entrustment or trust; there are no other rights such as mortgages or pledges on such assets, no other interest arrangements prohibiting or restricting transfer of such assets, nor any restrictions such as seizure, sealing up or freeze of such assets by law enforcement departments that restrict the rights on such assets or other circumstances that hinder the transfer of ownership; the ownership of such assets is clear, with no ownership disputes or potential disputes of any kind, and with no internal decision-making obstacles or substantive legal obstacles to the assignment or transfer of such assets. At the	2020	No	Long-term	No	The 36 registered trademarks of Chongqing Brewery were seized on Dec. 2, 2020 due to litigations, including ten registered trademarks of the “Shancheng” series and 26 registered trademarks of the “Chongqing” series. On Dec. 9, 2020, the listed company obtained a ruling issued by the Chongqing No. 1 Intermediate People’s Court, which ruled to unseal the seized assets of Chongqing Brewery. In order to ensure the normal use of such trademarks by Chongqing Jianiang before the change of registration of such	



			<p>same time, the listed company guarantees that this situation will continue until the assets intended to be injected to Chongqing Brewery are transferred to Chongqing Jianiang.</p>					<p>trademarks to the name of Chongqing Jianiang (renamed as “Carlsberg Chongqing”), Chongqing Brewery signed a Trademark Licensing Contract with Chongqing Jianiang on Dec. 2, 2020, authorizing Chongqing Jianiang to use such trademarks during the period from the delivery date to the expiration date of such trademarks.</p> <p>In January 2021, the Company received the Civil Ruling Paper and other documents issued by the Chongqing No. 1 Intermediate People’s Court, and according to the application for property preservation in the litigation filed by Chongqing Jiawei Beer Co. Ltd. to the Chongqing No. 1 Intermediate People’s Court, the Company’s trademarks seized in the litigation (hereinafter referred to as “Subsequently Restricted Trademarks”) included 15 registered trademarks of the</p>	
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								<p>“Shancheng” series and 88 registered trademarks of the “Chongqing” series held by the listed company.</p> <p>The duration of seizure is three years (Jan. 4, 2021 –Jan. 3, 2024).</p> <p>In July 2022, the Company received the Enforcement Ruling Paper (No. 1 of Yu 01 ZB No. 528 (2020)) issued by the Chongqing No. 1 Intermediate People’s Court, which ruled to lift the seizure of the rights of the above-mentioned registered trademarks of the Company (including 15 registered trademarks of the “Shancheng” series and 88 registered trademarks of the “Chongqing” series) that were ruled in the Civil Ruling Paper (No. 2 of Yu 01 MC No. 988 (2020) and the Notice on Assisting the Enforcement (No. 1 of Yu 01 ZB No. 528 (2020)). In July 2022, the Company submitted a request to the State Intellectual</p>
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								Property Administration for resuming the review of the transfer application. The transfer of such trademarks have been completed.	
	Others	Carlsberg	<p>1. Carlsberg will ensure to maintain the independence of the listed company from Carlsberg and its affiliates in terms of business, assets, finance, personnel and institutions, will strictly abide by relevant regulations of CSRC on the independence of listed companies, and will not use the control of the listed company to violate the standard operating procedures of the listed company, interfere in the business decisions of the listed company, or damage the legitimate rights and interests of the listed company and other shareholders;</p> <p>2. The restructuring is conducive to improving the governance mechanism of the listed company, improving the integrity of the assets of the listed company, enhancing the independence of the listed company, and helping the listed company maintain independence in terms of personnel, procurement, production, sales and intellectual property rights, which is in line with the interests of the listed company and all its shareholders. After the completion of the restructuring, Carlsberg will give full play to the active role of a controlling shareholder and assist the listed</p>	2020	No	Long-term	Yes		

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			<p>company to further strengthen and improve the governance structure of the listed company.</p> <p>Carlsberg commits that, if it violates the above commitments and thus causes losses to the listed company, it will bear corresponding compensations according to law.</p>						
	Others	Carlsberg Breweries	<p>1. Carlsberg Breweries will ensure to maintain the independence of the listed company from Carlsberg Breweries and its affiliates in terms of business, assets, finance, personnel and institutions, will strictly abide by relevant regulations of CSRC on the independence of listed companies, and will not use the control of the listed company to violate the standard operating procedures of the listed company, interfere in the business decisions of the listed company, or damage the legitimate rights and interests of the listed company and other shareholders;</p> <p>2. The restructuring is conducive to improving the governance mechanism of the listed company, improving the integrity of the assets of the listed company, enhancing the independence of the listed company, and helping the listed company maintain independence in terms of personnel, procurement, production, sales and intellectual property rights, which is in line with the interests of the listed company and all its shareholders. After the completion of the restructuring, Carlsberg Breweries will give full play to the</p>	2020	No	Long-term	Yes		

			<p>active role of a controlling shareholder and assist the listed company to further strengthen and improve the governance structure of the listed company.</p> <p>Carlsberg Breweries also commits to urge Carlsberg Hong Kong and Carlsberg Chongqing to abide by and implement the above commitments to avoid harming the interests of the listed company and other shareholders.</p> <p>Carlsberg Breweries commits that, if it violates the above commitments and thus causes losses to the listed company, it will bear corresponding compensations according to law.</p>						
	Resolution of related-party transactions	Carlsberg and Carlsberg Breweries	<p>During the period when the Carlsberg Foundation and Carlsberg Breweries control the listed company:</p> <p>1. After the completion of the restructuring, Carlsberg and Carlsberg Breweries will minimize and regulate related-party transactions between Carlsberg, Carlsberg Breweries and their affiliates and the listed company and enterprises controlled by the listed company in accordance with relevant laws and regulations;</p> <p>2. For unavoidable or reasonable related-party transactions, Carlsberg and Carlsberg Breweries commit to follow the principles of fairness, impartiality and openness of the market, sign agreements according to law, perform legal procedures, ensure the legality of the decision-</p>	2020	No	Long-term	Yes		

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			<p>making procedures of related-party transactions as well as the fairness and reasonableness of transaction prices and conditions and other terms of agreements, and not to harm the legitimate rights and interests of the listed company and other shareholders through related-party transactions.</p> <p>Carlsberg and Carlsberg Breweries commit that, if they violate the above commitments and thus cause losses to the listed company, they will bear corresponding compensations according to law.</p>						
	Resolution of intra-industry competition	Carlsberg Consultancy	<p>It is confirmed that Xinjiang plants intended to be shut down have completely ceased operations, and Carlsberg Consultancy commits that such Xinjiang plants will not directly or indirectly engage in businesses competing with Chongqing Brewery Co. Ltd. (the listed company) and subsidiaries controlled by the listed company in China in the future. Carlsberg Consultancy commits that, if it violates the above commitments and thus causes losses to the listed company, it will bear corresponding compensations according to law.</p>	2020	No	Long-term	Yes		
	Resolution of intra-industry competition	Carlsberg and Carlsberg Breweries	<p>During the period when the Carlsberg Foundation controls the listed company or when Carlsberg Breweries is the controlling shareholder of the listed company:</p> <p>1. From the date of completion of the restructuring, Carlsberg, Carlsberg Breweries and</p>	2020	No	Long-term	Yes		

		<p>other enterprises controlled by them other than the listed company and subsidiaries controlled by the listed company shall not directly or indirectly engage in businesses competing with the listed company and subsidiaries controlled by it in mainland China.</p> <p>2. For equities of subsidiaries not controlled by Carlsberg and Carlsberg Breweries, which are not included in the scope of the restructuring and involve beer assets and businesses in mainland China, Carlsberg and Carlsberg Breweries commit as follows:</p> <p>(1) For companies not controlled by Carlsberg and Carlsberg Breweries, which are defined as Sino-foreign joint ventures as of the date of this letter (including Qinghai Huanghe Jianiang Beer Co. Ltd., Tianshui Huanghe Jianiang Beer Co. Ltd., Lanzhou Huanghe Jianiang Beer Co. Ltd., Jiuquan West Brewery Co. Ltd. and Tibet Lhasa Beer Co. Ltd.), a) if relevant joint venture parties agree in the future to acquire all or part of the equities directly and/or indirectly held by Carlsberg and Carlsberg Breweries in such companies on fair and reasonable terms, Carlsberg and Carlsberg Breweries commit to sell all or part of the equities held in such companies to the joint venture parties and not to increase their shareholding in such companies in the future, except as described in item c) below; b) if relevant joint venture parties</p>						
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			<p>agree in the future to sell all or part of the equities held by them in such companies to the listed company, and the business performance and asset quality of relevant companies are qualified for the injection into the listed company, Carlsberg and Carlsberg Breweries commit to sell all the equities held by them to the listed company on the same terms or inject the equities into the listed company in other feasible ways at the same time as the joint venture parties sell all or part of the equities held by them in such companies to the listed company;</p> <p>c) if relevant joint venture parties agree in the future to sell all or part of the equities held by them but do not agree to sell such equities to the listed company, and the business performance and asset quality of relevant companies are qualified for the injection into the listed company, Carlsberg and Carlsberg Breweries commit to exercise the pre-emptive right in respect of the above-mentioned equities intended to be sold as instructed by the listed company, and sell the equities of relevant companies (including the above-mentioned equities acquired through the exercise of the pre-emptive right and the equities originally held by Carlsberg and Carlsberg Breweries) to the listed company on the same terms (if relevant joint venture parties still hold part of the equities at that time, Carlsberg and Carlsberg Breweries will be subject to relevant joint venture parties' waiver of</p>						
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			<p>the exercise of the pre-emptive right and the procedures stipulated in the Articles of Association) or inject the equities into the listed company in other feasible ways upon completion of the purchase; d) Except as described in item c) above, Carlsberg and Carlsberg Breweries commit not to seek control of such companies in any way.</p> <p>(2) For the company not controlled by Carlsberg and Carlsberg Breweries, which is defined as a wholly foreign-owned enterprise as of the date of this letter (i.e. Jing-A Brewing Co. Ltd.), if Carlsberg and Carlsberg Breweries acquire direct and/or indirect control of the company in the future and the company's business performance and asset quality are qualified for the injection into the listed company, Carlsberg and Carlsberg Breweries commit to sell the equities directly and/or indirectly held by them in the company to the listed company or inject the equities into the listed company in other feasible ways; if the listed company decides to waive the purchase according to its business development needs and through the internal decision-making process, Carlsberg and Carlsberg Breweries commit to sell the equities directly and/or indirectly held by them in the company to an unrelated third party.</p> <p>The fulfillment of the above commitments shall be subject to the national laws, regulations and industry policies, the requirements of</p>							
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		<p>administrative approval, and the internal decision-making procedures of the listed company.</p> <p>3. If, after the completion of the restructuring, Carlsberg and Carlsberg Breweries (including wholly-owned enterprises, enterprises controlled by them and branches at all levels) obtain investment opportunities directly competing with the main businesses or main products of the listed company in mainland China, which the listed company intends to participate in and has the ability to operate and relevant third parties agree to provide to the listed company on reasonable terms, Carlsberg and Carlsberg Breweries commit to prompt the third party to negotiate in good faith with the listed company so as to enable the listed company to implement such investment opportunities.</p> <p>If the aforesaid future investment opportunities in mainland China do not directly compete with the main businesses or main products of the listed company, or the listed company does not intend to or temporarily does not have the ability to operate such investment opportunities, or a third party refuses to provide such opportunities to the listed company, Carlsberg and Carlsberg Breweries may make investment or acquisition under the premise of complying with the contents described in item 1 of this commitment letter.</p> <p>Carlsberg and Carlsberg Breweries also commit to</p>						
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			<p>urge Carlsberg Breweries Hong Kong Limited and Carlsberg Chongqing Ltd. to abide by and implement the above commitments so as to avoid harming the interests of the listed company and other shareholders.</p> <p>Carlsberg and Carlsberg Breweries commit that if they violate the above commitments and thus cause losses to the listed company, they will bear corresponding compensations according to law.</p>						
	Resolution of defects of land and other property rights	Carlsberg Breweries	<p>In case of defects in the ownership or related procedures of any buildings, structures, land use rights, construction projects and production lines owned or rented by companies of Pack B and/or subsidiaries controlled by them before the completion of the restructuring, resulting in the failure of normal use of the above-mentioned buildings, structures, land, construction projects or production lines by companies of Pack B and/or subsidiaries controlled by them, or causing litigations/arbitrations/disputes between companies of Pack B and/or subsidiaries controlled by them and other third parties as well as administrative penalties imposed by relevant competent authorities, Carlsberg Breweries commits to bear all losses, damages and expenses incurred to Chongqing Jianiang Beer Co. Ltd. and the listed company according to law, including but not limited to all losses and expenses incurred due to litigations or arbitrations, fines, suspension of</p>	2020	No	Long-term	Yes		

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			production or business, searching for alternative venues and relocation.						
	Resolution of defects of land and other property rights	Carlsberg Consultancy	In case of defects in the ownership or related procedures of any buildings, structures, land use rights, construction projects and production lines owned or rented by companies of Pack A and/or subsidiaries controlled by them before the completion of the restructuring, resulting in the failure of normal use of the above-mentioned buildings, structures, land, construction projects or production lines by companies of Pack A and/or subsidiaries controlled by them, or causing litigations/arbitrations/disputes between companies of Pack A and/or subsidiaries controlled by them and other third parties as well as administrative penalties imposed by relevant competent authorities, Carlsberg Consultancy commits to bear all losses, damages and expenses incurred to Chongqing Jianiang Beer Co. Ltd. and the listed company according to law, including but not limited to all losses and expenses incurred due to litigations or arbitrations, fines, suspension of production or business, searching for alternative venues and relocation.	2020	No	Long-term	Yes		
	Others	Carlsberg Breweries	In case of defects in the payment of five social insurances and the housing fund made by companies of Pack B and/or subsidiaries controlled by them before the completion of the restructuring, resulting in recovery or	2020	No	Long-term	Yes		

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			<p>supplementary payment required by relevant government departments, or penalties imposed by relevant government departments or requirement of bearing any form of legal liability, thereby causing any losses, damages and expenses to Chongqing Jianiang Beer Co. Ltd. and the listed company, Carlsberg Breweries commits to bear the above losses and expenses according to law.</p>						
	Others	Carlsberg Consultancy	<p>In case of defects in the payment of five social insurances and the housing fund made by companies of Pack A and/or subsidiaries controlled by them before the completion of the restructuring, resulting in recovery or supplementary payment required by relevant government departments, or penalties imposed by relevant government departments or requirement of bearing any form of legal liability, thereby causing any losses, damages and expenses to Chongqing Jianiang Beer Co. Ltd. and the listed company, Carlsberg Consultancy commits to bear the above losses and expenses according to law.</p>	2020	No	Long-term	Yes		

**(II) Explanation of whether the Company has fulfilled its original profit forecast in relation to assets or projects, where there is a profit forecast for such assets or projects of the Company and the reporting period falls within the profit forecast period, and the reasons thereof**

Fulfilled     Not Fulfilled     Not Applicable

**(III) Fulfillment of performance undertakings and its effects on goodwill impairment test**

Applicable     Not applicable

**II. Funds Occupied by Controlling Shareholder and Other Related Parties for Nonoperational Purposes During the Reporting Period**

Applicable     Not applicable

**III. Guarantees in Violation of Laws and Regulations**

Applicable     Not applicable

**IV. Explanation of the Board of the Company on the “Non-standard Audit Report” Prepared by the Accounting Firm**

Applicable     Not applicable

**V. Analysis and Explanation of the Company on the Reasons and Impacts of Changes in Accounting Policies and Estimates or Correction of Material Accounting Errors****(I) Analysis and explanation of the Company on the reasons and impacts of changes in accounting policies and estimates**

Applicable     Not applicable

For details, please refer to “V. Significant accounting policies and accounting estimates 11” under Section X Financial Report of this report.

**(II) Analysis and explanation of the Company on the reasons and impacts of correction of material accounting errors**

Applicable     Not applicable

**(III) Communication with previous accounting firm**

Applicable     Not applicable

**(IV) Approval procedures and other information**

Applicable     Not applicable

**VI. Engagement and Dismissal of Accounting Firm**

Monetary unit: RMB Ten Thousand

	Current engagement
Name of domestic accounting firm	Pan-China Certified Public Accountants LLP
Remuneration	180
Audit service period	11
Certified Public Accountants	Huang Qiaomei, Zhao Xingming
Certified Public Accountants' cumulative years for audit services	5 years, 4 years

	Name	Remuneration
Accounting firm of internal control audit	Pan-China Certified Public Accountants LLP	120

Remarks on engagement and dismissal of accounting firms

Applicable  Not applicable

Pursuant to the “Proposal on Engaging Pan-China Certified Public Accountants LLP as the Company’s Accounting Firm of 2023 Annual Audit and Internal Control Audit” deliberated and approved by the Company’s shareholders’ meeting of 2022, the Company intends to pay remuneration of 1.80 million yuan for annual audit and remuneration of 1.20 million yuan for internal control audit, totaling 3.00 million yuan, to Pan-China Certified Public Accountants LLP.

Remarks on the change in accounting firms during the audit period

Applicable  Not applicable

Remarks on the decrease in audit fees by more than 20% (inclusive) compared with the preceding period

Applicable  Not Applicable

## VII. Risk of Delisting

(I) Causes of warning of delisting

Applicable  Not applicable

(II) Corresponding measures intended by the Company

Applicable  Not applicable

(III) Circumstances and reasons for termination of listing

Applicable  Not applicable

## VIII. Matters Relating to Bankruptcy and Restructuring

Applicable  Not applicable

## IX. Material Litigation and Arbitration

The Company had material litigation and arbitration during the year.  The Company did not have material litigation and arbitration during the year.

(I) Litigation and arbitration disclosed in provisional announcements without subsequent development

Applicable  Not applicable

Summary and type of the matter	Search index
Carlsberg Chongqing Brewery, a subsidiary controlled by the listed company, filed a lawsuit with Chongqing No. 5 Intermediate People’s Court against Chongqing Yuxin Industrial Group Co., Ltd. (“Yuxin Group”), on the ground that Yuxin Group has caused damage to the interests of Chongqing Jiawei, requesting Yuxin Group to return the funds misappropriated and pay interest on	For details, please refer to the announcements “L2021-008”, “L2023-028” and “L2023-032” disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on 16 March 2021, 18 November 2023 and 28 December 2023 respectively.

<p>the funds misappropriated to Chongqing Jiawei. On 16 November 2023, Carlsberg Chongqing Brewery has received the Civil Judgment from Chongqing No. 5 Intermediate People's Court ((2023) Y05 MC No. 42). However, Yuxin Group does not accept the first-instance judgment and has filed an appeal. As of now, a hearing date for second-instance proceeding has not been determined.</p>	
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**(II) Litigation and arbitration not disclosed in provisional announcements or with subsequent development**

√ Applicable    □ Not applicable

Monetary unit: RMB Ten Thousand

During the reporting period:									
Plaintiff (applicant)	Defendant (respondent)	Party jointly and severally liable	Type of litigation (arbitration)	Basic information of the litigation (arbitration)	Amount involved in the litigation (arbitration)	Whether the litigation (arbitration) forms the expected liabilities and amounts	Information on litigation (arbitration) progress	Results of the litigation (arbitration) and impacts	Information on execution of adjudication of the litigation (arbitration)
Chongqing Jiawei Beer Co., Ltd.	Chongqing Brewery Co., Ltd.		Contract dispute	On October 11, 2023, Chongqing Jiawei, a subsidiary held by the Company, filed a lawsuit with Chongqing No. 5 Intermediate People's Court against the Company for contract breaching, requiring the Company to pay a tentative total of RMB 631.68 million for losses and interests. For details, please refer to the Announcement of Chongqing Brewery Co., Ltd. on the Involvement of Its Subsidiary in a Litigation (Announcement No: L2023-031) disclosed by the Company on December 7, 2023.	63,168	No	The Company filed an application for jurisdiction objection to Chongqing No. 5 Intermediate People's Court, requesting to transfer the case to Chongqing No. 1 Intermediate People's Court for trial in accordance with the principle of "constant jurisdiction." On March 19, 2024, Chongqing No. 5 Intermediate People's Court made a first-instance ruling rejecting the Company's application. The Company will file an appeal.	The Company expects that the litigation in the announcement will not have a material adverse impact on the Company's current and future profits; however, given that the case has not yet been tried in court, the Company is unable to accurately judge the specific impact for the time being.	
Chongqing Jiawei Beer Co., Ltd.	Chongqing Brewery Co., Ltd.		Contract dispute	On February 5, 2024, the Company received a subpoena and a copy of the complaint from the People's Court of Dadukou District, Chongqing (Case No: (2023) Y0104 MC No. 7700). Chongqing Jiawei, a subsidiary held by the Company, filed a lawsuit on the grounds that the Company was not entitled to deduct the undue sales expenses from the beer underwriting payments. The claims	2,268	No	The Company filed an application for jurisdiction objection, and the People's Court of Dadukou District, Chongqing made a first-instance ruling rejecting the Company's application; the Company filed an appeal, and the court of second instance has yet to issue a ruling of second instance. The case has yet to be in the stage of substantive hearings.	The Company expects that the litigation in the announcement will not have a material adverse impact on the Company's current and future profits; however, given that the case has not yet been tried in court, the Company is unable to accurately judge the	

			<p>were as follows:</p> <p>I. Order that confirms that the Company's act from January 2021 to offset the Company's debt of the beer underwriting payments to Chongqing Jiawei from Chongqing Jiawei's undue debt of the beer sales expenses to the Company has no legal effect, and the Company shall return to Chongqing Jiawei the undue sales expenses, tentatively being RMB 20,846,684.79 as of the effective date of the order (tentatively the amount of undue sales expenses as of November 2023, and the final amount shall be subject to the undue amount on the effective date of the order);</p> <p>II. Order that demands the Company to continue to fulfill the agreement of "settling sales expenses once every six months, and delaying payments for half a year", and not to offset the Company's debt of the beer underwriting payments to Chongqing Jiawei from Chongqing Jiawei's undue debt of the beer sales expenses to the Company without authorization;</p> <p>III. Order that demands the Company to compensate Chongqing Jiawei for the losses caused due to the violation of the agreement of "settling sales expenses once every six months and delaying payments for half a</p>				specific impact for the time being.	
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			<p>year”, tentatively  RMB1,829,638.53 (based on the  amount of each offset, 50% higher  than the one-year LPR issued by  NIFC and tentatively calculated to  the date of maturity of each sales  expense before November 2023,  and the undue ones will be  tentatively calculated to November  30, 2023).</p> <p>The Company shall bear all the  litigation costs in this case.</p>					
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**(III) Other remarks**

Applicable     Not applicable

**X. Suspected Violation of Laws and Regulations, Punishment and Rectification of the Listed Company and its Directors, Supervisors, Senior Management, Controlling Shareholder and Actual Controller**

Applicable     Not applicable

**XI. Explanation on the Credibility of the Company and its Controlling Shareholder and Actual Controller During the Reporting Period**

Applicable     Not applicable

**XII. Material Related Transactions****(I) Related transactions in relation to daily operations****1. Matters disclosed in interim announcements without progress or changes in subsequent implementation**

Applicable     Not applicable

Overview	Index
Pursuant to the <i>Proposal on Estimating the Amount of Daily Related Party Transactions of the Company in 2023</i> deliberated and approved by the Company's third extraordinary shareholders' meeting of 2022 dated December 2, 2022, the amount of daily related party transactions in 2023 is expected to not exceed 366.6660 million yuan.	Please refer to the announcements of "2022-046" disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on December 3, 2022 for details.

**2. Matters disclosed in provisional announcements with development or changes in subsequent implementation**

Applicable     Not applicable

**3. Matters not disclosed in provisional announcements**

Applicable     Not applicable

**(II) Related transactions in relation to the acquisition and disposal of assets or equity****1. Matters disclosed in provisional announcements without progress or changes in subsequent implementation**

Applicable     Not applicable

Overview	Index
On September 26, 2023, the " <i>Proposal on Related Party Transactions About the Acquisition of 100% of Equity of Beijing Capital Brewing Company Limited and Jinbei Asia Pacific (Beijing) Catering Co., Ltd.</i> " was deliberated and approved by the 11th meeting of the 10th Board of Directors.	Please refer to the announcement of "L2023-018" disclosed by the Company on the website of Shanghai Stock Exchange (www.sse.com.cn) on September 28, 2023 for details.

**2. Matters disclosed in provisional announcements with development or changes in subsequent implementation**

Applicable     Not applicable

**3. Matters not disclosed in provisional announcements**

Applicable     Not applicable

**4. Where an agreement on performance is involved, the performance achievements during the reporting period shall be disclosed**

Applicable     Not applicable

**(III) Material related transactions in relation to joint external investment****1. Matters disclosed in provisional announcements without progress or changes in subsequent implementation**

Applicable     Not applicable

**2. Matters disclosed in provisional announcements with development or changes in subsequent implementation**

Applicable     Not applicable

**3. Matters not disclosed in provisional announcements**

Applicable     Not applicable

**(IV) Transactions relating to creditor's right and debts****1. Matters disclosed in provisional announcements without progress or changes in subsequent implementation**

Applicable     Not applicable

**2. Matters disclosed in provisional announcements with development or changes in subsequent implementation**

Applicable     Not applicable

**3. Matters not disclosed in provisional announcements**

Applicable     Not applicable

**(V) Financial business between the Company and its related financial companies, holding financial companies and related parties**

Applicable     Not applicable

**(VI) Others**

Applicable     Not applicable

**XIII. Material Contracts and the Performance thereof****(I) Custody, contracting and leasing****1. Custody**

Applicable     Not applicable

**2. Contracting**

Applicable     Not applicable

**3. Leasing**

Applicable     Not applicable

**(II) Guarantee**

Applicable     Not applicable

**(III) Entrusted management of cash assets****1. Entrusted wealth management****(1) Overview of entrusted wealth management**

Applicable     Not applicable

Monetary unit: RMB

Type	Source of fund	Amount incurred	Undue balance	Unrecovered overdue amount
Bank Financial Product	Self-owned funds	1,080,000,000.00	360,000,000.00	0

**Others**

Applicable     Not applicable

**(2) Individual entrusted wealth management**

Applicable     Not applicable

Fiduciary	Type of entrusted wealth management	Amount of entrusted wealth management	Starting date of entrusted wealth management	Ending date of entrusted wealth management	Source of fund	Investment orientation	Existing restrictions	Ways to determine remuneration	Annualized rate of return	Expected earnings (if any)	Actual earnings or losses	Undue amounts	Overdue amounts not recovered	Legal procedures gone through	Plans of entrusted wealth management in the future	Provisions for impairment (if any)
ANZ Bank (China) Co., Ltd. Shanghai Branch	Principal-protected and non-redeemable RMB structured investments that are accumulated at HIBOR daily intervals	150,000,000	June 16, 2023	September 15, 2023	Operating revenue	Banking wealth management	No	Lump sum recovery of principal and interest at maturity	2.30%	872,083.33	872,083.33			Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Principal-protected and non-redeemable RMB structured investments that are accumulated at HIBOR daily intervals	210,000,000	June 28, 2023	September 28, 2023	Operating revenue	Banking wealth management	No	Lump sum recovery of principal and interest at maturity	2.30%	1,234,333.33	1,234,333.33			Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Principal-protected and non-redeemable RMB structured investments that are accumulated at HIBOR daily intervals	150,000,000	September 15, 2023	December 15, 2023	Operating revenue	Banking wealth management	No	Lump sum recovery of principal and interest at maturity	2.30%	872,083.33	872,083.33			Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Principal-protected and non-redeemable RMB structured investments that are accumulated at HIBOR daily intervals	210,000,000	September 28, 2023	December 28, 2023	Operating revenue	Banking wealth management	No	Lump sum recovery of principal and interest at maturity	2.25%	1,194,375.00	1,194,375.00			Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Principal-protected and non-redeemable RMB structured investments that are accumulated at HIBOR daily intervals	150,000,000	December 15, 2023	March 15, 2024	Operating revenue	Banking wealth management	No	Lump sum recovery of principal and interest at maturity	2.40%	910,000.00		150,000.00		Yes	Yes	
ANZ Bank (China) Co., Ltd. Shanghai Branch	Principal-protected and non-redeemable RMB structured investments that are accumulated at HIBOR daily intervals	210,000,000	December 28, 2023	March 28, 2024	Operating revenue	Banking wealth management	No	Lump sum recovery of principal and interest at maturity	2.40%	1,274,000.00		210,000.00		Yes	Yes	

**Others**

Applicable  Not applicable

**(3) Impairment provision of entrusted wealth management**

Applicable  Not applicable

**2. Entrusted loans**

**(1) Overview of entrusted loans**

Applicable  Not applicable

**Others**

Applicable  Not applicable

**(2) Individual entrusted loans**

Applicable  Not applicable

**Others**

Applicable  Not applicable

**(3) Impairment provision for entrusted loans**

Applicable  Not applicable

**3. Others**

Applicable  Not applicable

**(IV) Other material contracts**

Applicable  Not applicable

**XIV. Description of the Usage of the Funds Raised**

Applicable  Not applicable

**XV. Description of Other Significant Matters with a Material Effect on the Value Judgments and Investment Decisions by Investors**

Applicable  Not applicable

## **SECTION VII CHANGES IN SHARES AND PARTICULARS OF SHAREHOLDERS**

**I. Changes in Share Capital**

**(I) Table of changes in shares**

**1. Table of changes in shares**

There was no change in the total number of shares and share capital structure of the Company during the reporting period.



**2. Description of changes in shares**

Applicable     Not applicable

**3. Impact of changes in shares on financial indicators such as earnings per share and net assets per share for the latest year and the latest period (if any)**

Applicable     Not applicable

**4. Other information deemed necessary for disclosure by the Company or required so by securities regulators**

Applicable     Not applicable

**(II) Changes in shares subject to trading restrictions**

Applicable     Not applicable

**II. Issuance and Listing of Securities****(I) Issuance of securities during the reporting period**

Applicable     Not applicable

Description of the issuance of securities during the reporting period (please specify the respective bonds with different interest rates in the duration):

Applicable     Not applicable

**(II) Changes in the total number of shares, shareholding structure and the structure of assets and liabilities of the Company**

Applicable     Not applicable

**(III) Existing internal employee shares**

Applicable     Not applicable

**III. Shareholders and Actual Controller****(I) Total number of shareholders**

Total number of ordinary shareholders as at the end of the reporting period (number of accounts)	52,106
Total number of ordinary shareholders as at the end of last month prior to the date of disclosure of the annual report (number of accounts)	55,410

**(II) Table of shareholding of top ten shareholders and top ten holders of outstanding shares (or shareholders not subject to trading restrictions) as at the end of the reporting period**

Unit: Share

Shareholding of top ten shareholders (excluding share lending and refinancing)							
Full name of shareholder	Increase/decrease during the reporting period	Number of shares held at the end of the period	Percentage (%)	Number of shares held subject to trading restrictions	Shares pledged, marked or frozen		Nature of shareholders
					Share status	Number	
Carlsberg Brewery Hong Kong	0	205,882,718	42.54	0	None		Overseas

Limited							legal person
CARLSBERG CHONGQING LIMITED	0	84,500,000	17.46	0	None		Overseas legal person
Hong Kong Securities Clearing Company Limited	-11,782,926	29,610,232	6.12	0	Unknown		Overseas legal person
China Construction Bank Corporation - Penghua CSI Alcohol ETF Fund	1,168,803	2,957,302	0.61	0	Unknown		Others
Dajia Life Insurance Company Limited - Universal Products	1,291,613	2,920,125	0.60	0	Unknown		Others
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 005L - CT001 Hu	1,099,293	2,443,606	0.50	0	Unknown		Others
National Social Insurance Fund Portfolio 110	2,068,395	2,409,438	0.50	0	Unknown		Others
Tianan Life Insurance Co., Ltd. - Dividend Distribution Products	2,200,000	2,200,000	0.45	0	Unknown		Others
National Social Insurance Fund Portfolio 118	-96,400	1,898,068	0.39	0	Unknown		Others
Industrial and Commercial Bank of China Limited - Huatai-Pinebridge CSI 300 ETF Fund	822,334	1,678,213	0.35	0	Unknown		Others
Shareholding of top ten shareholders not subject to trading restrictions							
Full name of shareholder	Number of outstanding shares held not subject to trading restrictions		Type and number of shares				
			Type	Number			
Carlsberg Brewery Hong Kong Limited	205,882,718		Ordinary shares denominated in RMB	205,882,718			
CARLSBERG CHONGQING LIMITED	84,500,000		Ordinary shares denominated in RMB	84,500,000			
Hong Kong Securities Clearing Company Limited	29,610,232		Ordinary shares denominated in RMB	29,610,232			
China Construction Bank Corporation - Penghua CSI Alcohol ETF Fund	2,957,302		Ordinary shares denominated in RMB	2,957,302			
Dajia Life Insurance Company Limited - Universal Products	2,920,125		Ordinary shares denominated in RMB	2,920,125			
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 005L - CT001 Hu	2,443,606		Ordinary shares denominated in RMB	2,443,606			
National Social Insurance Fund Portfolio 110	2,409,438		Ordinary shares denominated in RMB	2,409,438			
Tianan Life Insurance Co., Ltd. - Dividend Distribution Products	2,200,000		Ordinary shares denominated in RMB	2,200,000			
National Social Insurance Fund Portfolio 118	1,898,068		Ordinary shares denominated in RMB	1,898,068			
Industrial and Commercial Bank of China Limited - Huatai-Pinebridge CSI 300 ETF Fund	1,678,213		Ordinary shares denominated in RMB	1,678,213			
Description of connected relationship or acting in concert among the aforementioned shareholders.	Among the top ten shareholders not subject to trading restrictions, CARLSBERG CHONGQING LIMITED and Carlsberg Brewery HongKong Limited are both controlled by Carlsberg Breweries. The Company is not aware of any connected relationship among the other shareholders or whether they act in concert.						

## Top ten shareholders participating in share lending and refinancing

 Applicable     Not applicable

Unit: Share

Top ten shareholders participating in share lending and refinancing
---

Full name of shareholder	Beginning number of shares held by ordinary accounts and credit accounts		Beginning number of shares refinanced and lent and yet to be returned		Ending number of shares held by ordinary accounts and credit accounts		Ending number of shares refinanced and lent and yet to be returned	
	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)	Total number	Percentage (%)
China Construction Bank Corporation - Penghua CSI Alcohol ETF Fund	1,788,499	0.37	309,200	0.06	2,957,302	0.61	621,400	0.13
Industrial and Commercial Bank of China Limited - Huatai-Pinebridge CSI 300 ETF Fund	855,879	0.18	20,000	0.004	1,678,213	0.35	33,400	0.01

### Changes in the Top 10 Shareholders Compared to the Previous Period

Applicable     Not applicable

Unit: Share

Changes in the Top 10 Shareholders Compared to the End of the Previous Period					
Full name of shareholder	New / Withdrew in the Reporting Period	Ending number of shares refinanced and lent and yet to be returned		Ending number of shares held by ordinary accounts and credit accounts of shareholders as well as number of shares refinanced and lent and yet to be returned	
		Total number	Percentage (%)	Total number	Percentage (%)
Dajia Life Insurance Company Limited - Universal Products	New	0	0	2,920,125	0.60
China Life Insurance Co., Ltd. - Traditional - General Insurance Products - 005L - CT001 Hu	New	0	0	2,443,606	0.50
National Social Insurance Fund Portfolio 110	New	0	0	2,409,438	0.50
Tianan Life Insurance Co., Ltd. - Dividend Distribution Products	New	0	0	2,200,000	0.45
Industrial and Commercial Bank of China Limited - Huatai-Pinebridge CSI 300 ETF Fund	New	33,400	0.01	1,711,613	0.35
China Construction Bank Corporation - Yinhua Wealth Theme Stock Fund	Withdrew	0	0	0	0
China Construction Bank Corporation - China Universal Consumer Industry Fund	Withdrew	0	0	0	0
China Merchants Bank Co., Ltd. - Hongde Ruize Hybrid Securities Investment Fund	Withdrew	0	0	1,253,377	0.26
China Merchants Bank Co., Ltd. - Hongde Ruiyuan Three Year Holding Period Flexible Allocation Hybrid Securities Investment Fund	Withdrew	0	0	31,318,603	0.27
China Construction Bank Corporation - Huashang Smart Life Flexible Allocation Mixed Fund	Withdrew	0	0	0	0

Number of shares held by top ten shareholders subject to trading restrictions and the trading restrictions

Applicable     Not applicable

### (III) Strategic investors or ordinary legal persons who became top ten shareholders due to placing of new shares

Applicable     Not applicable

## IV. Controlling Shareholder and Actual Controller

### (I) Controlling shareholder

#### 1 Legal person

√ Applicable    □ Not applicable

Name	Carlsberg Breweries A/S
Person in charge or legal representative	Henrik Poulsen
Date of establishment	June 29, 2000
Principal business	Brewing, producing and selling beer in Denmark and in overseas markets, providing process and technical services of the beer industry, and operating or participating in beer-related sectors.

## 2 Natural person

□ Applicable    √ Not applicable

## 3 Special explanation on the absence of controlling shareholders in the Company

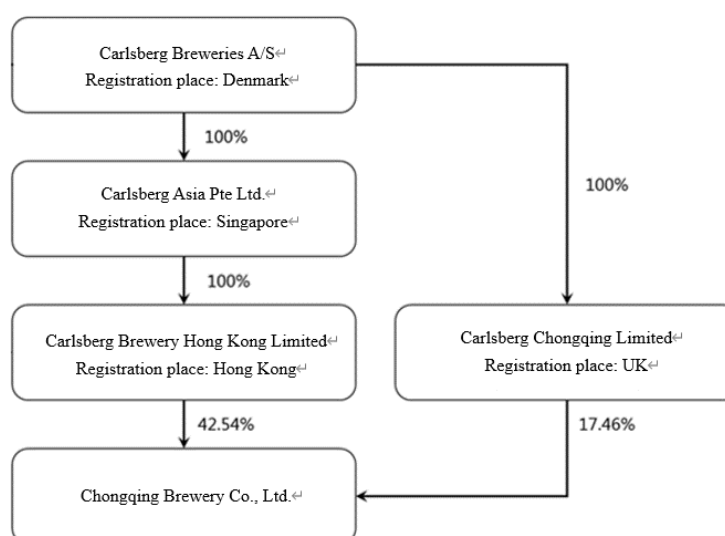
□ Applicable    √ Not applicable

## 4 Explanation on the changes in controlling shareholders during the reporting period

□ Applicable    √ Not applicable

## 5 Block diagram of ownership and control relationship between the Company and its controlling shareholder

√ Applicable    □ Not applicable



## (II) Actual controller

### 1 Legal person

√ Applicable    □ Not applicable

Name	Carlsberg Foundation
Person in charge or legal representative	N/A
Date of establishment	September 25, 1876
Principal business	Nurturing and supporting natural sciences, mathematics, philosophy, anthropology, and

	sociology, and providing funding support.
Description of equities of other domestic and foreign listed companies controlled or invested by the legal person in the reporting period	Holding 29% of the equity interest of Carlsberg

**2 Natural person**

Applicable     Not applicable

**3 Special explanation on the absence of actual shareholders in the Company**

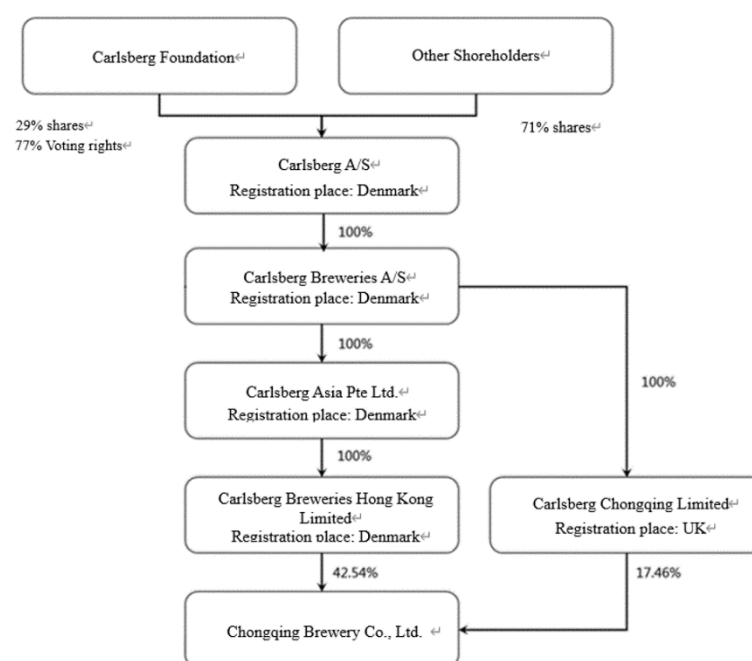
Applicable     Not applicable

**4 Explanation on the changes in control of the Company during the reporting period**

Applicable     Not applicable

**5 Block diagram of ownership and control relationship between the Company and its actual controller**

Applicable     Not applicable

**6 Control over the Company by actual controller by way of trust or other means of asset management**

Applicable     Not applicable

**(III) Other description of controlling shareholder and actual controller**

Applicable     Not applicable

**V. Number of Shares Pledged by the Company's Controlling Shareholder or Largest Shareholder and its Persons Acting in Concert Exceeding 80% of their Shareholding in the Company**

Applicable     Not applicable

**VI. Other Corporate Shareholders with Shareholding of Over 10%**√ Applicable     Not applicable

Name of corporate shareholder	Person in charge or legal representative	Date of establishment	Organization code	Registered capital	Principal business or management activity
CARLSBERG CHONGQING LIMITED	N/A	June 12, 1995	N/A	GBP 1	Holding and developing the shares and businesses held by CARLSBERG CHONGQING LIMITED in the Asia-Pacific region

**VII. Description of Restrictions on Shareholding Reduction** Applicable    √ Not applicable**VIII. Implementation of Share Repurchase During the Reporting Period** Applicable    √ Not applicable**SECTION VIII INFORMATION ON PREFERRED SHARES** Applicable    √ Not applicable**SECTION IX PARTICULARS OF BONDS****I. Enterprise Bonds, Corporate Bonds and Debt Financing Instruments for Non-financial Enterprises** Applicable    √ Not applicable**II. Convertible Bonds of the Company** Applicable    √ Not applicable

## SECTION X FINANCIAL REPORT

### I. Auditor's Report

Applicable  Not Applicable

### Auditor's Report

PCCPAAR [2024] No. 8-19

To the Shareholders of Chongqing Brewery Co., Ltd.:

#### I. Audit Opinion

We have audited the financial statements of Chongqing Brewery Co., Ltd. (the "Company"), which comprise the consolidated and parent company balance sheets as at December 31, 2023, the consolidated and parent company income statements, consolidated and parent company cash flow statements, and consolidated and parent company statements of changes in equity for the year then ended, as well as notes to financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with China Accounting Standards for Business Enterprises.

#### II. Basis for Audit Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the Certified Public Accountant's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the China Code of Ethics for Certified Public Accountants, and we have fulfilled other ethical responsibilities. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

##### (I) Revenue recognition

##### 1. Key audit matters

Please refer to item V 34 and VII 61 of this section for details. The Company's operating revenue is mainly from beer business. In 2023, the operating revenue of the Company amounted to 14,814,836,410.26 yuan, of which, 14,441,498,095.03 yuan was from beer business, accounting for

97.48% of operating revenue. As operating revenue is one of the key performance indicators of the Company, there might be inherent risks that the Company's management (the "Management") adopts inappropriate revenue recognition to achieve specific goals or expectations, we have identified revenue recognition as a key audit matter.

## 2. Responsive audit procedures

Our main audit procedures for revenue recognition are as follows:

- (1) We obtained understandings of key internal controls related to revenue recognition and sales rebate, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We checked sales contracts by sampling method, identified terms related to the point in time when the customer obtained the control over relevant goods, and assessed whether the revenue recognition policy was in compliance with regulations of China Accounting Standards for Business Enterprises;
- (3) We performed analysis procedure on operating revenue and gross margin, so as to identify whether there are significant or abnormal fluctuations and find out the reason of fluctuations;
- (4) We selected items to check supporting documents related to revenue recognition, including sales contracts, orders, delivery lists, discount record and approval sheets, sales invoices, client acceptance receipts, etc.;
- (5) We selected items and performed confirmation procedures on current sales amount in combination with confirmation procedure of accounts receivable and contract liabilities;
- (6) We performed cut-off tests on the revenue recognized around the balance sheet date, and checked whether the revenue was recognized in the appropriate period; and
- (7) We checked whether information related to operating revenue had been presented appropriately in the financial statements.

## (II) Impairment of goodwill

### 1. Key audit matters

Please refer to item V 27 and VII 27 of this section for details. As of December 31, 2023, the cost of goodwill amounted to 718,230,066.13 yuan, with provision for impairment of 19,037,610.07 yuan, and the carrying amount amounted to 699,192,456.06 yuan.

For asset group or asset group portfolio related to goodwill, the Management performs impairment test on goodwill together with related asset group or asset group portfolio, and the recoverable amount of related asset group or asset group portfolio is determined based on the present value of estimated future cash flows. As the amount of goodwill is significant and impairment test involves significant judgment of the Management, we have identified impairment of goodwill as a key audit matter.



## 2. Responsive audit procedures

Our main audit procedures for impairment of goodwill are as follows:

- (1) We obtained understandings of key internal controls related to impairment of goodwill, assessed the design of these controls, determined whether they had been executed, and tested the effectiveness of the operation;
- (2) We reviewed the outcome of the Management's previous estimates on the present value of future cash flows or their subsequent re-estimations;
- (3) We assessed the competency, professional quality and objectivity of external appraisers engaged by the Management;
- (4) We assessed the appropriateness and consistency of impairment test method adopted by the Management;
- (5) We assessed the appropriateness of significant assumptions used in impairment test and reviewed whether relevant assumptions were consistent with overall economy environment, industry condition, management situation, historical experience, operation plan, assumptions used in approved budget and related assumptions used in other areas of business activities;
- (6) We assessed the appropriateness, relevance and reliability of data used by the Management in the impairment test and reviewed the consistency of related information in the impairment test;
- (7) We tested whether the Management's calculation of present value of estimated future cash flows was accurate; and
- (8) We checked whether information related to impairment of goodwill had been presented appropriately in the financial statements.

## IV. Other Information

The Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

## **V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements**

The Management is responsible for preparing and presenting fairly the financial statements in accordance with China Accounting Standards for Business Enterprises, as well as designing, implementing and maintaining internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **VI. Certified Public Accountant's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit performed in accordance with China Standards on Auditing. We also:

- (I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- (IV) Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related

to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure and content of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain sole responsibility for our audit opinion.

We communicate with those charged with governance regarding the planned audit scope, time schedule and significant audit findings, including any deficiencies in internal control of concern that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Pan-China Certified Public Accountants LLP

Hangzhou · China

Chinese Certified Public Accountant: Huang Qiaomei  
(Engagement Partner)

Chinese Certified Public Accountant: Zhao Xingming

Date of Report: March 28, 2024

**II. Financial Statements****Consolidated balance sheet**

As at December 31, 2023

Prepared by: Chongqing Brewery Co., Ltd.

Monetary unit: RMB

Items	Note No.	December 31, 2023	December 31, 2022
<b>Current assets:</b>			
Cash and bank balances	1	2,712,720,235.65	3,397,877,592.02
Settlement funds			
Loans to other banks			
Held-for-trading financial assets	2	360,202,000.00	
Derivative financial assets	3	14,392,732.78	3,829,356.40
Notes receivable			
Accounts receivable	5	64,628,136.06	65,511,539.08
Receivables financing			
Advances paid	8	41,831,987.46	43,187,607.98
Premiums receivable			
Reinsurance accounts receivable			
Reinsurance reserve receivable			
Other receivables	9	23,987,973.67	17,619,026.18
Including: Interest receivable			
Dividend receivable			
Financial assets under reverse repo			
Inventories	10	2,100,354,952.29	2,166,477,563.20
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets	13	146,488,217.09	109,533,473.56
Total current assets		5,464,606,235.00	5,804,036,158.42
<b>Non-current assets:</b>			
Loans and advances			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	17	140,608,195.59	296,599,881.05
Other equity instrument investments	18	16,625,962.83	14,303,331.73
Other non-current financial assets	19		
Investment property			
Fixed assets	21	3,673,993,109.60	3,680,691,105.17
Construction in progress	22	783,503,734.86	395,295,204.91
Productive biological assets			
Oil & gas assets			
Right-of-use assets	25	153,497,044.09	100,306,926.11
Intangible assets	26	677,053,982.74	685,169,039.95
Development expenditures			
Goodwill	27	699,192,456.06	699,192,456.06
Long-term prepayments			
Deferred tax assets	29	679,012,008.03	732,447,606.34
Other non-current assets	30	98,818,865.15	89,540,749.40
Total non-current assets		6,922,305,358.95	6,693,546,300.72
Total assets		12,386,911,593.95	12,497,582,459.14

Items	Note No.	December 31, 2023	December 31, 2022
<b>Current liabilities:</b>			
Short-term borrowings			
Central bank loans			
Loans from other banks			
Held-for-trading financial liabilities			
Derivative financial liabilities	34	15,408,026.80	2,616,336.56
Notes payable			
Accounts payable	36	2,607,629,899.17	2,497,671,747.37
Advances received			
Contract liabilities	38	1,666,791,670.83	1,614,042,546.14
Financial liabilities under repo			
Absorbing deposit and interbank deposit			
Deposits for agency security transaction			
Deposits for agency security underwriting			
Employee benefits payable	39	409,937,660.39	399,367,324.65
Taxes and rates payable	40	86,479,764.60	255,387,461.35
Other payables	41	3,326,996,153.10	3,490,319,176.38
Including: Interest payable			
Dividend payable			
Handling fees and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities due within one year	43	42,382,811.96	24,005,592.21
Other current liabilities	44	26,113,341.32	27,809,237.78
Total current liabilities		8,181,739,328.17	8,311,219,422.44
<b>Non-current liabilities:</b>			
Insurance policy reserve			
Long-term borrowings			
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities	47	121,370,635.09	77,928,597.87
Long-term payables			
Long-term employee benefits payable	49	150,981,389.59	154,407,707.35
Provisions	50	25,219,093.79	31,657,899.75
Deferred income	51	247,646,473.34	256,611,695.14
Deferred tax liabilities	29	7,806,126.04	42,694,067.15
Other non-current liabilities			
Total non-current liabilities		553,023,717.85	563,299,967.26
Total liabilities		8,734,763,046.02	8,874,519,389.70
<b>Equity:</b>			
Share capital	53	483,971,198.00	483,971,198.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve	55	16,022,535.00	7,728,100.00
Less: Treasury shares			

<b>Items</b>	<b>Note No.</b>	<b>December 31, 2023</b>	<b>December 31, 2022</b>
Other comprehensive income	57	-16,085,442.20	-13,542,920.53
Special reserve			
Surplus reserve	59	241,985,599.00	241,985,599.00
General risk reserve			
Undistributed profit	60	1,414,306,729.77	1,336,034,523.44
Total equity attributable to the parent company		2,140,200,619.57	2,056,176,499.91
Non-controlling interest		1,511,947,928.36	1,566,886,569.53
Total equity		3,652,148,547.93	3,623,063,069.44
Total liabilities & equity		12,386,911,593.95	12,497,582,459.14

Legal representative: João Miguel Ventura Rego Abecasis    Officer in charge of accounting: Chin Wee Hua    Head of accounting department: Liu Liping

**Parent company balance sheet**

As at December 31, 2023

Prepared by: Chongqing Brewery Co., Ltd.

Monetary unit: RMB

Items	Note No.	December 31, 2023	December 31, 2022
<b>Current assets:</b>			
Cash and bank balances		857,098,959.37	705,386,630.22
Held-for-trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable			
Receivables financing			
Advances paid			
Other receivables	2	4,028,306.41	4,353,422.01
Including: Interest receivable			
Dividend receivable			
Inventories			
Contract assets			
Assets held for sale			
Non-current assets due within one year			
Other current assets		519,529.83	451,891.89
Total current assets		861,646,795.61	710,191,944.12
<b>Non-current assets:</b>			
Debt investments			
Other debt investments			
Long-term receivables			
Long-term equity investments	3	1,695,066,358.71	1,695,066,358.71
Other equity instrument investments			
Other non-current financial assets			
Investment property			
Fixed assets		468,687.34	597,383.01
Construction in progress			
Productive biological assets			
Oil & gas assets			
Right-of-use assets		3,541,244.29	3,612,273.62
Intangible assets			
Development expenditures			
Goodwill			
Long-term prepayments			
Deferred tax assets			
Other non-current assets			
Total non-current assets		1,699,076,290.34	1,699,276,015.34
Total assets		2,560,723,085.95	2,409,467,959.46
<b>Current liabilities:</b>			
Short-term borrowings			
Held-for-trading financial liabilities			
Derivative financial liabilities			
Notes payable			
Accounts payable		929,605.49	1,970,831.46
Advances received			
Contract liabilities			

Items	Note No.	December 31, 2023	December 31, 2022
Employee benefits payable		16,607,704.29	16,766,079.43
Taxes and rates payable		1,113,199.54	992,135.97
Other payables		30,261,666.28	29,398,503.34
Including: Interest payable			
Dividend payable			
Liabilities held for sale			
Non-current liabilities due within one year		560,768.59	345,803.89
Other current liabilities			
Total current liabilities		49,472,944.19	49,473,354.09
<b>Non-current liabilities:</b>			
Long-term borrowings			
Bonds payable			
Including: Preferred shares			
Perpetual bonds			
Lease liabilities		3,289,499.59	3,384,255.31
Long-term payables			
Long-term employee benefits payable		57,528,374.45	58,798,007.24
Provisions			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			
Total non-current liabilities		60,817,874.04	62,182,262.55
Total liabilities		110,290,818.23	111,655,616.64
<b>Equity:</b>			
Share capital		483,971,198.00	483,971,198.00
Other equity instruments			
Including: Preferred shares			
Perpetual bonds			
Capital reserve		37,567,853.97	29,273,418.97
Less: Treasury shares			
Other comprehensive income		-19,590,000.00	-18,577,000.00
Special reserve			
Surplus reserve		241,985,599.00	241,985,599.00
Undistributed profit		1,706,497,616.75	1,561,159,126.85
Total equity		2,450,432,267.72	2,297,812,342.82
Total liabilities & equity		2,560,723,085.95	2,409,467,959.46

Legal representative: João Miguel Ventura Rego Abecasis    Officer in charge of accounting: Chin Wee Hua    Head of accounting department: Liu Liping



**Consolidated income statement**

For the year ended December 31, 2023

Monetary unit: RMB

Items	Note No.	Current period cumulative	Preceding period comparative
I. Total operating revenue		14,814,836,410.26	14,039,040,539.45
Including: Operating revenue	61	14,814,836,410.26	14,039,040,539.45
Interest income			
Premiums earned			
Revenue from handling fees and commissions			
II. Total operating cost		11,484,736,246.22	10,788,719,947.64
Including: Operating cost	61	7,533,975,786.02	6,952,428,993.91
Interest expenses			
Handling fees and commissions			
Surrender value			
Net payment of insurance claims			
Net provision of insurance policy reserve			
Premium bonus expenditures			
Reinsurance expenses			
Taxes and surcharges	62	957,549,230.02	920,858,290.32
Selling expenses	63	2,532,621,832.78	2,326,217,227.20
Administrative expenses	64	494,670,737.76	534,570,348.93
R&D expenses	65	26,232,056.27	110,747,936.06
Financial expenses	66	-60,313,396.63	-56,102,848.78
Including: Interest expenses		5,921,669.09	3,696,843.83
Interest income		71,308,016.27	65,718,589.46
Add: Other income	67	60,711,348.64	57,632,082.82
Investment income (or less: losses)	68	66,575,415.81	67,946,546.26
Including: Investment income from associates and joint ventures		62,294,135.01	56,279,080.37
Gains from derecognition of financial assets at amortized cost			
Gains on foreign exchange (or less: losses)			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)	70	202,000.00	
Credit impairment loss	71	-1,706,340.65	2,461,066.24
Assets impairment loss	72	-100,835,657.08	-81,390,922.88
Gains on asset disposal (or less: losses)	73	-2,252,522.60	1,996,546.49
III. Operating profit (or less: losses)		3,352,794,408.16	3,298,965,910.74
Add: Non-operating revenue	74	28,772,834.64	7,148,130.08
Less: Non-operating expenditures	75	5,876,690.28	7,335,219.97
IV. Profit before tax (or less: total loss)		3,375,690,552.52	3,298,778,820.85
Less: Income tax expenses	76	664,121,997.33	711,850,637.28
V. Net profit (or less: net loss)		2,711,568,555.19	2,586,928,183.57
(I) Categorized by the continuity of operations			
1. Net profit from continuing operations (or less: net loss)		2,711,562,077.01	2,585,570,202.69
2. Net profit from discontinued operations (or less: net loss)		6,478.18	1,357,980.88
(II) Categorized by the portion of equity ownership			

Items	Note No.	Current period cumulative	Preceding period comparative
1. Net profit attributable to owners of parent company (or less: net loss)		1,336,597,321.13	1,263,619,606.46
2. Net profit attributable to non-controlling shareholders (or less: net loss)		1,374,971,234.06	1,323,308,577.11
VI. Other comprehensive income after tax	77	-4,015,073.10	1,934,967.86
(I) Items attributable to the owners of the parent company	77	-2,542,521.67	295,189.31
1. Not to be reclassified subsequently to profit or loss	77	-1,791,434.05	-179,586.53
(1) Remeasurements of the net defined benefit plan	77	-2,687,156.73	-601,083.45
(2) Items under equity method that will not be reclassified to profit or loss			
(3) Changes in fair value of other equity instrument investments	77	895,722.68	421,496.92
(4) Changes in fair value of own credit risk			
2. To be reclassified subsequently to profit or loss	77	-751,087.62	474,775.84
(1) Items under equity method that may be reclassified to profit or loss			
(2) Changes in fair value of other debt investments			
(3) Profit or loss from reclassification of financial assets into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Cash flow hedging reserve	77	-751,087.62	474,775.84
(6) Translation reserve			
(7) Others			
(II) Items attributable to non-controlling shareholders	77	-1,472,551.43	1,639,778.55
VII. Total comprehensive income		2,707,553,482.09	2,588,863,151.43
(I) Items attributable to the owners of the parent company		1,334,054,799.46	1,263,914,795.77
(II) Items attributable to non-controlling shareholders		1,373,498,682.63	1,324,948,355.66
VIII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)		2.76	2.61
(II) Diluted EPS (yuan per share)		2.76	2.61

Legal representative: João Miguel Ventura Rego Abecasis    Officer in charge of accounting: Chin Wee Hua    Head of accounting department: Liu Liping

**Parent company income statement**

For the year ended December 31, 2023

Monetary unit: RMB

Items	Note No.	Current period cumulative	Preceding period comparative
I. Operating revenue			
Less: Operating cost			
Taxes and surcharges		578,846.16	630,058.00
Selling expenses			
Administrative expenses		66,594,601.47	88,601,849.69
R&D expenses			
Financial expenses		4,309,251.12	3,240,694.54
Including: Interest expenses		10,158,944.40	7,534,478.52
Interest income		8,031,967.25	6,516,985.30
Add: Other income		506,819.43	226,665.56
Investment income (or less: losses)	5	1,475,239,800.00	1,155,407,400.00
Including: Investment income from associates and joint ventures			
Gains from derecognition of financial assets at amortized cost			
Gains on net exposure to hedging risk (or less: losses)			
Gains on changes in fair value (or less: losses)			
Credit impairment loss		-216,239.90	-217,728.25
Assets impairment loss			-330.53
Gains on asset disposal (or less: losses)			2,313,747.57
II. Operating profit (or less: losses)		1,404,047,680.78	1,065,257,152.12
Add: Non-operating revenue			50,084.90
Less: Non-operating expenditures		221,086.76	
III. Profit before tax (or less: total loss)		1,403,826,594.02	1,065,307,237.02
Less: Income tax expenses		162,989.32	-409.69
IV. Net profit (or less: net loss)		1,403,663,604.70	1,065,307,646.71
(I) Net profit from continuing operations (or less: net loss)		1,403,657,126.52	1,063,949,665.83
(II) Net profit from discontinued operations (or less: net loss)		6,478.18	1,357,980.88
V. Other comprehensive income after tax		-1,013,000.00	-1,382,000.00
(I) Not to be reclassified subsequently to profit or loss		-1,013,000.00	-1,382,000.00
1. Remeasurements of the net defined benefit plan		-1,013,000.00	-1,382,000.00
2. Items under equity method that will not be reclassified to profit or loss			
3. Changes in fair value of other equity instrument investments			
4. Changes in fair value of own credit risk			
(II) To be reclassified subsequently to profit or loss			
1. Items under equity method that may be reclassified to profit or loss			
2. Changes in fair value of other debt investments			
3. Profit or loss from reclassification of			

<b>Items</b>	<b>Note No.</b>	<b>Current period cumulative</b>	<b>Preceding period comparative</b>
financial assets into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserve			
6. Translation reserve			
7. Others			
VI. Total comprehensive income		1,402,650,604.70	1,063,925,646.71
VII. Earnings per share (EPS):			
(I) Basic EPS (yuan per share)			
(II) Diluted EPS (yuan per share)			

Legal representative: João Miguel Ventura Rego Abecasis    Officer in charge of accounting: Chin Wee Hua    Head of accounting department: Liu Liping

**Consolidated cash flow statement**

For the year ended December 31, 2023

Monetary unit: RMB

Items	Note No.	Current period cumulative	Preceding period comparative
<b>I. Cash flows from operating activities:</b>			
Cash receipts from sale of goods or rendering of services		15,686,302,742.66	15,115,689,237.16
Net increase of client deposit and interbank deposit			
Net increase of central bank loans			
Net increase of loans from other financial institutions			
Cash receipts from original insurance contract premium			
Net cash receipts from reinsurance			
Net increase of policy-holder deposit and investment			
Cash receipts from interest, handling fees and commissions			
Net increase of loans from others			
Net increase of repurchase			
Net cash receipts from agency security transaction			
Receipts of tax refund		106,754,896.21	63,437,941.07
Other cash receipts related to operating activities	78 (1)	1,103,448,815.71	1,529,443,356.44
Subtotal of cash inflows from operating activities		16,896,506,454.58	16,708,570,534.67
Cash payments for goods purchased and services received		7,614,227,605.32	7,182,798,597.19
Net increase of loans and advances to clients			
Net increase of central bank deposit and interbank deposit			
Cash payments for insurance indemnities of original insurance contracts			
Net increase of loans to others			
Cash payments for interest, handling fees and commissions			
Cash payments for policy bonus			
Cash paid to and on behalf of employees		1,579,412,334.84	1,638,870,963.42
Cash payments for taxes and rates		2,817,018,376.20	2,385,111,985.13
Other cash payments related to operating activities	78 (1)	1,788,899,321.60	1,749,140,730.39
Subtotal of cash outflows from operating activities		13,799,557,637.96	12,955,922,276.13
Net cash flows from operating activities	79 (1)	3,096,948,816.62	3,752,648,258.54
<b>II. Cash flows from investing activities:</b>			
Cash receipts from withdrawal of investments	78 (2)	3,936,674.52	1,512,411,748.50
Cash receipts from investment income		218,630,426.75	344,606.28
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets		3,339,962.23	11,975,166.19
Net cash receipts from the disposal of			

Items	Note No.	Current period cumulative	Preceding period comparative
subsidiaries & other business units			
Other cash receipts related to investing activities	78 (2)	2,518,499.55	
Subtotal of cash inflows from investing activities		228,425,563.05	1,524,731,520.97
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets		919,404,420.08	912,818,007.38
Cash payments for investments	78 (2)	360,000,000.00	1,000,000,000.00
Net increase of pledged borrowings			
Net cash payments for the acquisition of subsidiaries & other business units			
Other cash payments related to investing activities			
Subtotal of cash outflows from investing activities		1,279,404,420.08	1,912,818,007.38
Net cash flows from investing activities		-1,050,978,857.03	-388,086,486.41
<b>III. Cash flows from financing activities:</b>			
Cash receipts from absorbing investments			
Including: Cash received by subsidiaries from non-controlling shareholders as investments			
Cash receipts from borrowings			
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities			
Cash payments for the repayment of borrowings			
Cash payments for distribution of dividends or profits and for interest expenses		2,686,762,438.60	2,099,760,024.96
Including: Cash paid by subsidiaries to non-controlling shareholders as dividend or profit		1,428,437,323.80	1,131,817,628.96
Other cash payments related to financing activities	78 (3)	55,940,556.09	33,725,924.40
Subtotal of cash outflows from financing activities		2,742,702,994.69	2,133,485,949.36
Net cash flows from financing activities		-2,742,702,994.69	-2,133,485,949.36
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>			
<b>V. Net increase in cash and cash equivalents</b>	79 (1)	-696,733,035.10	1,231,075,822.77
Add: Opening balance of cash and cash equivalents	79 (1)	3,396,809,241.14	2,165,733,418.37
<b>VI. Closing balance of cash and cash equivalents</b>	79 (1)	2,700,076,206.04	3,396,809,241.14

Legal representative: João Miguel Ventura Rego Abecasis    Officer in charge of accounting: Chin Wee Hua    Head of accounting department: Liu Liping

**Parent company cash flow statement**

For the year ended December 31, 2023

Monetary unit: RMB

Items	Note No.	Current period cumulative	Preceding period comparative
<b>I. Cash flows from operating activities:</b>			
Cash receipts from sale of goods and rendering of services			
Receipts of tax refund		547,095.43	2,176,563.95
Other cash receipts related to operating activities		9,139,809.33	43,233,880.87
Subtotal of cash inflows from operating activities		9,686,904.76	45,410,444.82
Cash payments for goods purchased and services received			
Cash paid to and on behalf of employees		46,130,438.47	54,988,880.90
Cash payments for taxes and rates		792,344.45	3,110,071.44
Other cash payments related to operating activities		17,512,829.53	36,874,392.35
Subtotal of cash outflows from operating activities		64,435,612.45	94,973,344.69
Net cash flows from operating activities		-54,748,707.69	-49,562,899.87
<b>II. Cash flows from investing activities:</b>			
Cash receipts from withdrawal of investments			
Cash receipts from investment income		1,475,239,800.00	1,155,407,400.00
Net cash receipts from the disposal of fixed assets, intangible assets and other long-term assets			5,481,653.12
Net cash receipts from the disposal of subsidiaries & other business units			
Other cash receipts related to investing activities			
Subtotal of cash inflows from investing activities		1,475,239,800.00	1,160,889,053.12
Cash payments for the acquisition of fixed assets, intangible assets and other long-term assets		403,718.49	526,883.95
Cash payments for investments			
Net cash payments for the acquisition of subsidiaries & other business units			
Other cash payments related to investing activities			
Subtotal of cash outflows from investing activities		403,718.49	526,883.95
Net cash flows from investing activities		1,474,836,081.51	1,160,362,169.17
<b>III. Cash flows from financing activities:</b>			
Cash receipts from absorbing investments			
Cash receipts from borrowings			
Other cash receipts related to financing activities			
Subtotal of cash inflows from financing activities			
Cash payments for the repayment of			

Items	Note No.	Current period cumulative	Preceding period comparative
borrowings			
Cash payments for distribution of dividends or profits and for interest expenses		1,268,302,476.25	975,373,606.56
Other cash payments related to financing activities		495,373.97	215,250.32
Subtotal of cash outflows from financing activities		1,268,797,850.22	975,588,856.88
Net cash flows from financing activities		-1,268,797,850.22	-975,588,856.88
<b>IV. Effect of foreign exchange rate changes on cash and cash equivalents</b>			
<b>V. Net increase in cash and cash equivalents</b>		151,289,523.60	135,210,412.42
Add: Opening balance of cash and cash equivalents		704,601,171.89	569,390,759.47
<b>VI. Closing balance of cash and cash equivalents</b>		855,890,695.49	704,601,171.89

Legal representative: João Miguel Ventura Rego Abecasis    Officer in charge of accounting: Chin Wee Hua    Head of accounting department: Liu Liping



## Consolidated statement of changes in equity

For the year ended December 31, 2023

Monetary unit: RMB

Items	Current period cumulative														Non-controlling interest	Total equity
	Equity attributable to parent company												Subtotal			
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others				
	Preferred shares	Perpetual bonds	Others													
I. Balance at the end of prior year	483,971,198.00				7,728,100.00		-13,542,920.53		241,985,599.00		1,336,034,523.44		2,056,176,499.91	1,566,886,569.53	3,623,063,069.44	
Add: Cumulative changes of accounting policies																
Error correction of prior period																
Others																
II. Balance at the beginning of current year	483,971,198.00				7,728,100.00		-13,542,920.53		241,985,599.00		1,336,034,523.44		2,056,176,499.91	1,566,886,569.53	3,623,063,069.44	
III. Current period increase (or less: decrease)					8,294,435.00		-2,542,521.67				78,272,206.33		84,024,119.66	-54,938,641.17	29,085,478.49	
(I) Total comprehensive income							-2,542,521.67				1,336,597,321.13		1,334,054,799.46	1,373,498,682.63	2,707,553,482.09	
(II) Capital contributed or withdrawn by owners					8,294,435.00								8,294,435.00		8,294,435.00	
1. Ordinary shares contributed by owners																
2. Capital contributed by holders of other equity instruments																
3. Amount of share-based payment included in equity					8,294,435.00								8,294,435.00		8,294,435.00	
4. Others																
(III) Profit distribution											-1,258,325,114.80		-1,258,325,114.80	-1,428,437,323.80	-2,686,762,438.60	
1. Appropriation of surplus reserve																
2. Appropriation of general risk reserve																
3. Appropriation of profit to owners											-1,258,325,114.80		-1,258,325,114.80	-1,428,437,323.80	-2,686,762,438.60	
4. Others																
(IV) Internal carry-over within equity																
1. Transfer of capital reserve to capital																
2. Transfer of surplus reserve to capital																
3. Surplus reserve to cover losses																
4. Changes in defined benefit plan carried over to retained earnings																
5. Other comprehensive income carried over to retained earnings																
6. Others																
(V) Special reserve																
1. Current period appropriation																
2. Current period use																
(VI) Others																
IV. Balance at the end of current period	483,971,198.00				16,022,535.00		-16,085,442.20		241,985,599.00		1,414,306,729.77		2,140,200,619.57	1,511,947,928.36	3,652,148,547.93	

2023 Annual Report of Chongqing Brewery Co., Ltd.

Items	Preceding period comparative														
	Equity attributable to parent company													Non-controlling interest	Total equity
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General risk reserve	Undistributed profit	Others	Subtotal		
	Preferred shares	Perpetual bonds	Others												
I. Balance at the end of prior year	483,971,198.00				2,075,145.00		-13,838,109.84		241,985,599.00		1,040,351,272.07		1,754,545,104.23	1,373,750,135.57	3,128,295,239.80
Add: Cumulative changes of accounting policies											6,040.91		6,040.91	5,707.26	11,748.17
Error correction of prior period															
Others															
II. Balance at the beginning of current year	483,971,198.00				2,075,145.00		-13,838,109.84		241,985,599.00		1,040,357,312.98		1,754,551,145.14	1,373,755,842.83	3,128,306,987.97
III. Current period increase (or less: decrease)					5,652,955.00		295,189.31				295,677,210.46		301,625,354.77	193,130,726.70	494,756,081.47
(I) Total comprehensive income							295,189.31				1,263,619,606.46		1,263,914,795.77	1,324,948,355.66	2,588,863,151.43
(II) Capital contributed or withdrawn by owners					5,652,955.00								5,652,955.00		5,652,955.00
1. Ordinary shares contributed by owners															
2. Capital contributed by holders of other equity instruments															
3. Amount of share-based payment included in equity					5,652,955.00								5,652,955.00		5,652,955.00
4. Others															
(III) Profit distribution											-967,942,396.00		-967,942,396.00	-1,131,817,628.96	-2,099,760,024.96
1. Appropriation of surplus reserve															
2. Appropriation of general risk reserve															
3. Appropriation of profit to owners											-967,942,396.00		-967,942,396.00	-1,131,817,628.96	-2,099,760,024.96
4. Others															
(IV) Internal carry-over within equity															
1. Transfer of capital reserve to capital															
2. Transfer of surplus reserve to capital															
3. Surplus reserve to cover losses															
4. Changes in defined benefit plan carried over to retained earnings															
5. Other comprehensive income carried over to retained earnings															
6. Others															
(V) Special reserve															
1. Current period appropriation															
2. Current period use															
(VI) Others															
IV. Balance at the end of current period	483,971,198.00				7,728,100.00		-13,542,920.53		241,985,599.00		1,336,034,523.44		2,056,176,499.91	1,566,886,569.53	3,623,063,069.44

Legal representative: João Miguel Ventura Rego Abecasis

Officer in charge of accounting: Chin Wee Hua

Head of accounting department: Liu Liping

## Parent company statement of changes in equity

For the year ended December 31, 2023

Monetary unit: RMB

Items	Current period cumulative										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior year	483,971,198.00				29,273,418.97		-18,577,000.00		241,985,599.00	1,561,159,126.85	2,297,812,342.82
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current year	483,971,198.00				29,273,418.97		-18,577,000.00		241,985,599.00	1,561,159,126.85	2,297,812,342.82
III. Current period increase (or less: decrease)					8,294,435.00		-1,013,000.00			145,338,489.90	152,619,924.90
(I) Total comprehensive income							-1,013,000.00			1,403,663,604.70	1,402,650,604.70
(II) Capital contributed or withdrawn by owners					8,294,435.00						8,294,435.00
1. Ordinary shares contributed by owners											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity					8,294,435.00						8,294,435.00
4. Others											
(III) Profit distribution										-1,258,325,114.80	-1,258,325,114.80
1. Appropriation of surplus reserve											
2. Appropriation of profit to owners										-1,258,325,114.80	-1,258,325,114.80
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Current period appropriation											
2. Current period use											
(VI) Others											
IV. Balance at the end of current period	483,971,198.00				37,567,853.97		-19,590,000.00		241,985,599.00	1,706,497,616.75	2,450,432,267.72

Items	Preceding period comparative
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2023 Annual Report of Chongqing Brewery Co., Ltd.

	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Total equity
		Preferred shares	Perpetual bonds	Others							
I. Balance at the end of prior year	483,971,198.00				23,620,463.97		-17,195,000.00		241,985,599.00	1,463,793,876.14	2,196,176,137.11
Add: Cumulative changes of accounting policies											
Error correction of prior period											
Others											
II. Balance at the beginning of current year	483,971,198.00				23,620,463.97		-17,195,000.00		241,985,599.00	1,463,793,876.14	2,196,176,137.11
III. Current period increase (or less: decrease)					5,652,955.00		-1,382,000.00			97,365,250.71	101,636,205.71
(I) Total comprehensive income							-1,382,000.00			1,065,307,646.71	1,063,925,646.71
(II) Capital contributed or withdrawn by owners					5,652,955.00						5,652,955.00
1. Ordinary shares contributed by owners											
2. Capital contributed by holders of other equity instruments											
3. Amount of share-based payment included in equity					5,652,955.00						5,652,955.00
4. Others											
(III) Profit distribution										-967,942,396.00	-967,942,396.00
1. Appropriation of surplus reserve											
2. Appropriation of profit to owners										-967,942,396.00	-967,942,396.00
3. Others											
(IV) Internal carry-over within equity											
1. Transfer of capital reserve to capital											
2. Transfer of surplus reserve to capital											
3. Surplus reserve to cover losses											
4. Changes in defined benefit plan carried over to retained earnings											
5. Other comprehensive income carried over to retained earnings											
6. Others											
(V) Special reserve											
1. Current period appropriation											
2. Current period use											
(VI) Others											
IV. Balance at the end of current period	483,971,198.00				29,273,418.97		-18,577,000.00		241,985,599.00	1,561,159,126.85	2,297,812,342.82

Legal representative: João Miguel Ventura Rego Abecasis

Officer in charge of accounting: Chin Wee Hua

Head of accounting department: Liu Liping

**III. Company profile****1. Overview**

Applicable  Not Applicable

Chongqing Brewery Co., Ltd. (the “Company”) was a limited liability company by shares transformed from Chongqing Brewery Plant and established by the sole initiator Chongqing Beer (Group) Co., Ltd. through private placement under the approval of Chongqing Economic System Reform Commission. The Company currently holds a business license with unified social credit code of 915000002028235667, with registered capital of 483.97 million yuan, total share of 483.97 million shares (each with par value of one yuan), all of which are unrestricted outstanding shares. The Company’s shares were listed on the Shanghai Stock Exchange in October 1997.

The Company belongs to the wine, beverage and refined tea manufacturing industry and is mainly engaged in production and sales of beer.

The financial statements were approved and authorized for issue by the 15<sup>th</sup> meeting of the 10<sup>th</sup> session of the Board of Directors dated March 28, 2024.

**IV. Preparation basis of the financial statements****1. Preparation basis**

The financial statements have been prepared on the basis of going concern.

**2. Going concern**

Applicable  Not Applicable

The Company has no events or conditions that may cast significant doubts upon the Company’s ability to continue as a going concern within the 12 months after the balance sheet date.

**V. Significant accounting policies and estimates**

Notes to specific accounting policies and estimates:

Applicable  Not Applicable

Important note: The Company has set up accounting policies and estimates on transactions or events such as impairment of financial instruments, inventories, depreciation of fixed assets, construction in progress, depreciation of right-of-use assets, intangible assets, revenue recognition, etc., based on the Company’s actual production and operation features.

**1. Statement of compliance**

The financial statements have been prepared in accordance with the requirements of China Accounting Standards for Business Enterprises (CASBEs), and present truly and completely the financial position, financial performance and cash flows of the Company.

**2. Accounting period**

The accounting year of the Company runs from January 1 to December 31 under the Gregorian calendar.

**3. Operating cycle**√ Applicable  Not Applicable

The Company has a relatively short operating cycle for its business, an asset or a liability is classified as current if it is expected to be realized or due within 12 months.

**4. Functional currency**

The Company's functional currency is Renminbi (RMB) Yuan.

**5. Determination method and basis for selection of materiality**√ Applicable  Not Applicable

Items	Materiality
Significant accounts receivable with provision for bad debts made on an individual basis	Accounts receivable with single amount in excess of 0.3% of total assets are identified as significant accounts receivable.
Significant provisions for bad debts of accounts receivable collected or reversed	Provisions for bad debts of accounts receivable collected or reversed with single amount in excess of 0.3% of total assets are identified as significant provisions for bad debts of accounts receivable collected or reversed.
Significant other receivables with provision for bad debts made on an individual basis	Other receivables with single amount in excess of 0.3% of total assets are identified as significant other receivables.
Significant provisions for bad debts of other receivables collected or reversed	Provisions for bad debts of other receivables collected or reversed with single amount in excess of 0.3% of total assets are identified as significant provisions for bad debts of other receivables collected or reversed.
Significant accounts payable with age over one year	Accounts payable with single amount in excess of 0.3% of total assets are identified as significant accounts payable.
Significant contract liabilities with age over one year	Contract liabilities with single amount in excess of 0.3% of total assets are identified as significant contract liabilities.
Significant other payables with age over one year	Other payables with single amount in excess of 0.3% of total assets are identified as significant other payables.
Significant construction in progress	Construction in progress with amount of changes or balance in excess of 0.3% of total assets are identified as significant construction in progress.
Significant cash flows from investing activities	Investing activities with cash flows in excess of 5% of total assets are identified as significant investing activities.
Significant subsidiaries, not wholly-owned subsidiaries	Subsidiaries with total revenue/profit before tax in excess of 5% of the group's total revenue/profit before tax are identified as significant subsidiaries/significant not wholly-owned subsidiaries.
Significant associates	Associates with single amount of long-term equity investment in excess of 0.3% of total assets are identified as significant associates.
Significant commitments	Contracts signed but not yet fulfilled with single amount in excess of 5% of total assets or commitments of a special nature are identified as significant commitments.
Significant contingencies	Contingencies with claim amount in excess of 5% of profit before tax or contingencies of a special nature are identified as significant contingencies.
Significant events subsequent to the balance sheet date	Events with amount of impacts in excess of 5% of total assets or events of a special nature are identified as significant events subsequent to the balance sheet date.

**6. Accounting treatments of business combination under and not under common control**√ Applicable  Not Applicable**1. Accounting treatment of business combination under common control**

Assets and liabilities arising from business combination are measured at carrying amount of the combined party included in the consolidated financial statements of the ultimate controlling party at the combination date. Difference between carrying amount of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party and that of the combination consideration or total par value of shares issued is adjusted to capital reserve, if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

**2. Accounting treatment of business combination not under common control**

When combination cost is in excess of the fair value of identifiable net assets obtained from the acquiree at the acquisition date, the excess is recognized as goodwill; otherwise, the fair value of identifiable assets, liabilities and contingent liabilities, and the measurement of the combination cost are reviewed, then the difference is recognized in profit or loss.

**7. Judgement criteria for control and compilation method of consolidated financial statements**√ Applicable  Not Applicable**(1) Judgement of control**

An investor controls an investee if and only if the investor has all the following: 1) power over the investee; 2) exposure, or rights, to variable returns from its involvement with the investee; and 3) the ability to use its power over the investee to affect the amount of the investor's returns.

**(2) Compilation method of consolidated financial statements**

The parent company brings all its controlled subsidiaries into the consolidation scope. The consolidated financial statements are compiled by the parent company according to "CASBE 33 – Consolidated Financial Statements", based on relevant information and the financial statements of the parent company and its subsidiaries.

**8. Classification of joint arrangements and accounting treatment of joint operations** Applicable √ Not Applicable**9. Recognition criteria of cash and cash equivalents**

Cash as presented in cash flow statement refers to cash on hand and deposit on demand for payment.

Cash equivalents refer to short-term, highly liquid investments that can be readily converted to cash and that are subject to an insignificant risk of changes in value.

**10. Foreign currency translation**√ Applicable  Not Applicable

Transactions denominated in foreign currency are translated into RMB yuan at the spot exchange rate at the transaction date at initial recognition. At the balance sheet date, monetary items denominated in foreign currency are translated at the spot exchange rate at the balance sheet date with difference, except for those arising from the

principal and interest of exclusive borrowings eligible for capitalization, included in profit or loss; non-cash items carried at historical costs are translated at the spot exchange rate at the transaction date, with the RMB amounts unchanged; non-cash items carried at fair value in foreign currency are translated at the spot exchange rate at the date when the fair value was determined, with difference included in profit or loss or other comprehensive income.

## 11. Financial instruments

Applicable  Not Applicable

### 1. Classification of financial assets and financial liabilities

Financial assets are classified into the following three categories when initially recognized: (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; (3) financial assets at fair value through profit or loss.

Financial liabilities are classified into the following four categories when initially recognized: (1) financial liabilities at fair value through profit or loss; (2) financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; (3) financial guarantee contracts not fall within the above categories (1) and (2), and commitments to provide a loan at a below-market interest rate, which do not fall within the above category (1); (4) financial liabilities at amortized cost.

### 2. Recognition criteria, measurement method and derecognition of financial assets and financial liabilities

#### (1) Recognition criteria and measurement method of financial assets and financial liabilities

When the Company becomes a party to a financial instrument, it is recognized as a financial asset or financial liability. The financial assets and financial liabilities initially recognized by the Company are measured at fair value; for the financial assets and liabilities at fair value through profit or loss, the transaction expenses thereof are directly included in profit or loss; for other categories of financial assets and financial liabilities, the transaction expenses thereof are included into the initially recognized amount. However, at initial recognition, for accounts receivable that do not contain a significant financing component or in circumstances where the Company does not consider the financing components in contracts within one year, they are measured at the transaction price in accordance with “CASBE 14 – Revenues”.

#### (2) Subsequent measurement of financial assets

##### 1) Financial assets measured at amortized cost

The Company measures its financial assets at the amortized costs using effective interest method. Gains or losses on financial assets that are measured at amortized cost and are not part of hedging relationships shall be included into profit or loss when the financial assets are derecognized, reclassified, amortized using effective interest method or recognized with impairment loss.

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

The Company measures its debt instrument investments at fair value. Interests, impairment gains or losses, and gains and losses on foreign exchange that calculated using effective interest method shall be included into profit or loss, while other gains or losses are included into other comprehensive income. Accumulated gains or losses that initially recognized as other comprehensive income should be transferred out into profit or loss when the financial assets are derecognized.



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

The Company measures its equity instrument investments at fair value. Dividends obtained (other than those as part of investment cost recovery) shall be included into profit or loss, while other gains or losses are included into other comprehensive income. Accumulated gains or losses that initially recognized as other comprehensive income should be transferred out into retained earnings when the financial assets are derecognized.

4) Financial assets at fair value through profit or loss

The Company measures its financial assets at fair value. Gains or losses arising from changes in fair value (including interests and dividends) shall be included into profit or loss, except for financial assets that are part of hedging relationships.

(3) Subsequent measurement of financial liabilities

1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include held-for-trading financial liabilities (including derivatives that are liabilities) and financial liabilities designated as at fair value through profit or loss. The Company measures such kind of liabilities at fair value. The amount of changes in the fair value of the financial liabilities that are attributable to changes in the Company's own credit risk shall be included into other comprehensive income, unless such treatment would create or enlarge accounting mismatches in profit or loss. Other gains or losses on those financial liabilities (including interests, changes in fair value that are attributable to reasons other than changes in the Company's own credit risk) shall be included into profit or loss, except for financial liabilities that are part of hedging relationships. Accumulated gains or losses that originally recognized as other comprehensive income should be transferred out into retained earnings when the financial liabilities are derecognized.

2) Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies

The Company measures its financial liabilities in accordance with "CASBE 23 – Transfer of Financial Assets".

3) Financial guarantee contracts not fall within the above categories 1) and 2), and commitments to provide a loan at a below-market interest rate, which do not fall within the above category 1)

The Company measures its financial liabilities at the higher of: a. the amount of loss allowances in accordance with impairment requirements of financial instruments; b. the amount initially recognized less the amount of accumulated amortization recognized in accordance with "CASBE 14 – Revenues".

4) Financial liabilities at amortized cost

The Company measures its financial liabilities at amortized cost using effective interest method. Gains or losses on financial liabilities that are measured at amortized cost and are not part of hedging relationships shall be included into profit or loss when the financial liabilities are derecognized and amortized using effective interest method.

(4) Derecognition of financial assets and financial liabilities

1) Financial assets are derecognized when:

a. the contractual rights to the cash flows from the financial assets expire; or

b. the financial assets have been transferred and the transfer qualifies for derecognition in accordance with "CASBE 23 – Transfer of Financial Assets".

2) Only when the underlying present obligations of a financial liability are relieved totally or partly may the financial liability be derecognized accordingly.

### 3. Recognition criteria and measurement method of financial assets transfer

Where the Company has transferred substantially all of the risks and rewards related to the ownership of the financial asset, it derecognizes the financial asset, and any right or liability arising from such transfer is recognized independently as an asset or a liability. If it retained substantially all of the risks and rewards related to the ownership of the financial asset, it continues recognizing the financial asset. Where the Company does not transfer or retain substantially all of the risks and rewards related to the ownership of a financial asset, it is dealt with according to the circumstances as follows respectively: (1) if the Company does not retain its control over the financial asset, it derecognizes the financial asset, and any right or liability arising from such transfer is recognized independently as an asset or a liability; (2) if the Company retains its control over the financial asset, according to the extent of its continuing involvement in the transferred financial asset, it recognizes the related financial asset and recognizes the relevant liability accordingly.

If the transfer of an entire financial asset satisfies the conditions for derecognition, the difference between the amounts of the following two items is included in profit or loss: (1) the carrying amount of the transferred financial asset as of the date of derecognition; (2) the sum of consideration received from the transfer of the financial asset, and the accumulative amount of the changes of the fair value originally included in other comprehensive income proportionate to the transferred financial asset (financial assets transferred refer to debt instrument investments at fair value through other comprehensive income). If the transfer of financial asset partially satisfies the conditions for derecognition, the entire carrying amount of the transferred financial asset is, between the portion which is derecognized and the portion which is not, apportioned according to their respective relative fair value, and the difference between the amounts of the following two items is included into profit or loss: (1) the carrying amount of the portion which is derecognized; (2) the sum of consideration of the portion which is derecognized, and the portion of the accumulative amount of the changes in the fair value originally included in other comprehensive income which is corresponding to the portion which is derecognized (financial assets transferred refer to debt instrument investments at fair value through other comprehensive income).

### 4. Fair value determination method of financial assets and liabilities

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data and information are available to measure fair value. The inputs to valuation techniques used to measure fair value are arranged in the following hierarchy and used accordingly:

(1) Level 1 inputs are unadjusted quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date;

(2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include: quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability, for example, interest rates and yield curves observable at commonly quoted intervals; market-corroborated inputs;

(3) Level 3 inputs are unobservable inputs for the asset or liability. Level 3 inputs include interest rate that is not

observable and cannot be corroborated by observable market data at commonly quoted intervals, historical volatility, future cash flows to be paid to fulfill the disposal obligation assumed in business combination, financial forecast developed using the Company's own data, etc.

#### 5. Impairment of financial instruments

The Company, on the basis of expected credit loss, recognizes loss allowances of financial assets at amortized cost, debt instrument investments at fair value through other comprehensive income, leases receivable, loan commitments other than financial liabilities at fair value through profit or loss, financial guarantee contracts not belong to financial liabilities at fair value through profit or loss or financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies.

Expected credit losses refer to the weighted average of credit losses with the respective risks of a default occurring as the weights. Credit loss refers to the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. Among which, purchased or originated credit-impaired financial assets are discounted at the credit-adjusted effective interest rate.

At the balance sheet date, the Company shall only recognize the cumulative changes in the lifetime expected credit losses since initial recognition as a loss allowance for purchased or originated credit-impaired financial assets.

For accounts receivable and contract assets resulting from transactions regulated in "CASBE 14 – Revenues", the Company chooses simplified approach to measure the loss allowance at an amount equal to lifetime expected credit losses.

For financial assets other than the above, on each balance sheet date, the Company shall assess whether the credit risk on the financial instrument has increased significantly since initial recognition. The Company shall measure the loss allowance for the financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition; otherwise, the Company shall measure the loss allowance for that financial instrument at an amount equal to 12-month expected credit loss.

Considering reasonable and supportable forward-looking information, the Company compares the risk of a default occurring on the financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition, so as to assess whether the credit risk on the financial instrument has increased significantly since initial recognition.

The Company may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have relatively low credit risk at the balance sheet date.

The Company shall estimate expected credit risk and measure expected credit losses on an individual or a collective basis. When the Company adopts the collective basis, financial instruments are grouped with similar credit risk features.

The Company shall remeasure expected credit loss on each balance sheet date, and increased or reversed amounts of loss allowance arising therefrom shall be included into profit or loss as impairment losses or gains. For a financial asset measured at amortized cost, the loss allowance reduces the carrying amount of such financial asset presented in the balance sheet; for a debt investment measured at fair value through other comprehensive income, the loss

allowance shall be recognized in other comprehensive income and shall not reduce the carrying amount of such financial asset.

#### 6. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, the Company offsets a financial asset and a financial liability and presents the net amount in the balance sheet when, and only when, the Company: (1) currently has a legally enforceable right to set off the recognized amounts; and (2) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

For a transfer of a financial asset that does not qualify for derecognition, the Company does not offset the transferred asset and the associated liability.

#### 12. Notes receivable

Applicable  Not Applicable

#### 13. Accounts receivable

Applicable  Not Applicable

#### Determination method and accounting treatment of expected credit loss of accounts receivable

Applicable  Not Applicable

Please refer to item V 11 of this section for details.

#### Categories and determination basis of portfolios with provision for bad debts made on a collective basis using similar credit risk features

Applicable  Not Applicable

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Accounts receivable – Portfolio grouped with ages	Ages	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and lifetime expected credit loss rate of accounts receivable, so as to calculate expected credit loss.
Accounts receivable – Portfolio grouped with balances due from related parties within the consolidation scope	Related parties brought into the consolidation scope	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and lifetime expected credit loss rate.
Other receivables – Portfolio grouped with ages	Ages	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company prepares the comparison table of ages and lifetime expected credit loss rate of other receivables, so as to calculate expected credit loss.

Categories	Basis for determination of portfolio	Method for measuring expected credit loss
Other receivables – Portfolio grouped with balances due from related parties within the consolidation scope	Related parties brought into the consolidation scope	Based on historical credit loss experience, the current situation and the forecast of future economic conditions, the Company calculates expected credit loss through exposure at default and 12-month or lifetime expected credit loss rate.

#### Portfolios grouped with similar credit risk features using age analysis method

Applicable  Not Applicable

Ages	Expected credit loss rate of accounts receivable (%)	Expected credit loss rate of other receivables (%)
Within 1 year (inclusive, the same hereinafter)	5.00	5.00
1-2 years	10.00	10.00
2-3 years	30.00	30.00
3-4 years	50.00	50.00
4-5 years	80.00	80.00
Over 5 years	100.00	100.00

Ages of accounts receivable/other receivables are calculated from the month when such receivables are accrued.

#### Judgement basis for receivables with provision for bad debts made on an individual basis

Applicable  Not Applicable

For receivables whose credit risk is significantly different from that of portfolios, the Company accrues expected credit losses on an individual basis.

#### 14. Receivables financing

Applicable  Not Applicable

#### 15. Other receivables

Applicable  Not Applicable

#### Determination method and accounting treatment of expected credit loss of other receivables

Applicable  Not Applicable

Please refer to item V 11 and 13 of this section for details.

#### Categories and determination basis of portfolios with provision for bad debts made on a collective basis using similar credit risk features

Applicable  Not Applicable

Please refer to item V 11 and 13 of this section for details.

**Portfolios grouped with similar credit risk features using age analysis method**

√ Applicable  Not Applicable

Please refer to item V 11 and 13 of this section for details.

**Judgement basis for receivables with provision for bad debts made on an individual basis**

√ Applicable  Not Applicable

Please refer to item V 11 and 13 of this section for details.

**16. Inventories**

√ Applicable  Not Applicable

**Classification, accounting method for dispatched inventories, inventory system, amortization method of low-value consumables and packages**

√ Applicable  Not Applicable

1. Classification of inventories

Inventories include finished goods or goods held for sale in the ordinary course of business, work in process in the process of production, materials, supplies, etc. to be consumed in the production process or in the rendering of services.

2. Accounting method for dispatched inventories

Inventories dispatched from storage are accounted for with weighted average method at the end of each month.

3. Inventory system

Perpetual inventory method is adopted.

4. Amortization method of packages

The recyclable wine bottles are included in the cost when losses incurred, and the turnover boxes and pallets are amortized over the expected useful life after deducting expected net residual value.

5. Accounting method of packages lent out

The Company recognizes deposits for packages lent out as other payables.

At the balance sheet date, based on the number of packages lent out in the current period, the number of irrecoverable packages is calculated at the current loss rate, which is estimated based on the market conditions and the historical recycling records. Provision for inventory write-down shall be made at the cost of irrecoverable packages, and allowances for other payables shall be accrued at the after-tax amount of non-refundable deposits, with the difference recognized as assets impairment loss through profit and loss.

The packages lent out will be accounted for as a sale when there is objective evidence indicating that the packages are irrecoverable, and the carrying amount (cost less provisions for write-down) and corresponding deposits payable (cost less allowances) will be carried forward.

**Recognition criteria and accrual method of provision for inventory write-down**

√ Applicable  Not Applicable

At the balance sheet date, inventories (excluding packages lent out that expect to be irrecoverable. Please refer to

item V 16.5 of this section for details on the accrual method of provisions for inventory write-down on these packages) are measured at the lower of cost and net realizable value; provisions for inventory write-down are made on the excess of its cost over the net realizable value. The net realizable value of inventories held for sale is determined based on the amount of the estimated selling price less the estimated selling expenses and relevant taxes and surcharges in the ordinary course of business; the net realizable value of inventories to be processed is determined based on the amount of the estimated selling price less the estimated costs of completion, selling expenses and relevant taxes and surcharges in the ordinary course of business; at the balance sheet date, when only part of the same item of inventories have agreed price, their net realizable value are determined separately and are compared with their costs to set the provision for inventory write-down to be made or reversed.

**Categories of portfolios with provision for inventory write-down made on a collective basis and determination basis, determination basis of net realizable value**

Applicable  Not Applicable

**Calculation method and determination basis for net realizable value under portfolio grouped with ages**

Applicable  Not Applicable

**17. Contract assets**

Applicable  Not Applicable

**18. Non-current assets or disposal groups held for sale**

Applicable  Not Applicable

**Recognition criteria and accounting treatment of non-current assets or disposal groups held for sale**

Applicable  Not Applicable

**1. Classification of non-current assets or disposal groups held for sale**

Non-current assets or disposal groups are accounted for as held for sale when the following conditions are all met:

(1) the asset must be available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets or disposal groups; (2) its sales must be highly probable, i.e., the Company has made a decision on the sale plan and has obtained a firm purchase commitment, and the sale is expected to be completed within one year.

When the Company acquires a non-current asset or disposal group with a view to resale, it shall classify the non-current asset or disposal group as held for sale at the acquisition date only if the requirement of “expected to be completed within one year” is met at that date and it is highly probable that other criteria for held for sale will be met within a short period (usually within three months).

An asset or a disposal group is still accounted for as held for sale when the Company remains committed to its plan to sell the asset or disposal group in the circumstance that non-related party transactions fail to be completed within one year due to one of the following reasons: (1) a buyer or others unexpectedly set conditions that will extend the sale period, while the Company has taken timely actions to respond to the conditions and expects a favorable resolution of the delaying factors within one year since the setting; (2) a non-current asset or disposal group

classified as held for sale fails to be sold within one year due to rare cases, and the Company has taken action necessary to respond to the circumstances during the initial one-year period and the criteria for held for sale are met.

## 2. Accounting treatments of non-current assets or disposal groups held for sale

### (1) Initial measurement and subsequent measurement

For initial measurement and subsequent measurement as at the balance sheet date of a non-current asset or disposal group held for sale, where the carrying amount is higher than the fair value less costs to sell, the carrying amount is written down to the fair value less costs to sell, and the write-down is recognized in profit or loss as assets impairment loss, meanwhile, provision for impairment of assets held for sale shall be made.

For a non-current asset or disposal group classified as held for sale at the acquisition date, the asset or disposal group is measured on initial recognition at the lower of its initial measurement amount had it not been so classified and fair value less costs to sell. Apart from the non-current asset or disposal group acquired through business combination, the difference arising from the initial recognition of a non-current asset or disposal group at the fair value less costs to sell shall be included into profit or loss.

The assets impairment loss recognized for a disposal group held for sale shall reduce the carrying amount of goodwill in the disposal group first, and then reduce its carrying amount based on the proportion of each non-current asset's carrying amount in the disposal group.

No provision for depreciation or amortization shall be made on non-current assets held for sale or non-current assets in disposal groups held for sale, while interest and other expenses attributable to the liabilities of a disposal group held for sale shall continue to be recognized.

### (2) Reversal of assets impairment loss

When there is a subsequent increase in fair value less costs to sell of a non-current asset held for sale at the balance sheet date, the write-down shall be recovered, and shall be reversed not in excess of the impairment loss that has been recognized after the non-current asset was classified as held for sale. The reversal shall be included into profit or loss. Assets impairment loss that has been recognized before the classification is not reversed.

When there is a subsequent increase in fair value less costs to sell of a disposal group held for sale at the balance sheet date, the write-down shall be recovered, and shall be reversed not in excess of the non-current assets impairment loss that has been recognized after the disposal group was classified as held for sale. The reversal shall be included into profit or loss. The reduced carrying amount of goodwill and non-current assets impairment loss that has been recognized before the classification is not reversed.

For the subsequent reversal of the impairment loss that has been recognized in a disposal group held for sale, the carrying amount is increased based on the proportion of carrying amount of each non-current asset (excluding goodwill) in the disposal group.

### (3) Non-current asset or disposal group that is no longer classified as held for sale and derecognized

A non-current asset or disposal group that does not meet criteria for held for sale and no longer classified as held for sale, or a non-current asset that removed from a disposal group held for sale shall be measured at the lower of:

1) its carrying amount before it was classified as held for sale, adjusted for any depreciation, amortization or impairment that would have been recognized had it not been classified as held for sale; and 2) its recoverable amount.



When a non-current asset or disposal group classified as held for sale is derecognized, unrecognized gains or losses shall be included into profit or loss.

### **Recognition criteria and presentation method of discontinued operations**

√ Applicable  Not Applicable

#### 1. Recognition criteria of discontinued operations

A component of the Company that has been disposed of, or is classified as held for sale and can be clearly distinguished is recognized as a discontinued operation when it fulfills any of the following conditions:

- (1) it represents a separate major line of business or a separate geographical area of operations;
- (2) it is part of a related plan to dispose of a separate major line of business or a separate geographical area of operations; or
- (3) it is a subsidiary acquired exclusively with a review to resale.

#### 2. Presentation method of discontinued operations

The Company presents gains or losses from continuing operations and gains or losses from discontinued operations separately in the income statement. Operating gains or losses including impairment loss of discontinued operations and its reversal amount, and gains or losses on disposal are presented as gains or losses from discontinued operations. For discontinued operations presented in the current period, the information previously presented as gains or losses from continuing operations is reclassified as gains or losses from discontinued operations for the comparative period in the current financial statements. For discontinued operations that no longer meet criteria for held for sale, the information previously presented as gains or losses from discontinued operations is reclassified as gains or losses from continuing operations for the comparative period in the current financial statements.

### **19. Long-term equity investments**

√ Applicable  Not Applicable

#### 1. Judgment of joint control and significant influence

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of these policies.

#### 2. Determination of investment cost

- (1) For business combination under common control, if the consideration of the combining party is that it makes payment in cash, transfers non-cash assets, assumes its liabilities or issues equity securities, on the date of combination, it regards the share of the carrying amount of the equity of the combined party included in the consolidated financial statements of the ultimate controlling party as the initial cost of the investment. The difference between the initial cost of the long-term equity investments and the carrying amount of the combination consideration paid or the par value of shares issued offsets capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When long-term equity investments are obtained through business combination under common control achieved in

stages, the Company determines whether it is a “bundled transaction”. If it is a “bundled transaction”, stages as a whole are considered as one transaction in accounting treatment. If it is not a “bundled transaction”, on the date of combination, investment cost is initially recognized at the share of the carrying amount of net assets of the combined party included in the consolidated financial statements of the ultimate controlling party. The difference between the initial investment cost of long-term equity investments at the acquisition date and the carrying amount of the previously held long-term equity investments plus the carrying amount of the consideration paid for the newly acquired equity is adjusted to capital reserve; if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

(2) For business combination not under common control, investment cost is initially recognized at the acquisition-date fair value of considerations paid.

When long-term equity investments are obtained through business combination not under common control achieved in stages, the Company determined whether they are stand-alone financial statements or consolidated financial statements in accounting treatment:

1) In the case of stand-alone financial statements, investment cost is initially recognized at the carrying amount of the previously held long-term equity investments plus the carrying amount of the consideration paid for the newly acquired equity.

2) In the case of consolidated financial statements, the Company determines whether it is a “bundled transaction”. If it is a “bundled transaction”, stages as a whole are considered as one transaction in accounting treatment. If it is not a “bundled transaction”, the carrying amount of the acquirer’s previously held equity interest in the acquiree is remeasured at the acquisition-date fair value, and the difference between the fair value and the carrying amount is recognized in investment income; when the acquirer’s previously held equity interest in the acquiree involves other comprehensive income under equity method, the related other comprehensive income is reclassified as income for the acquisition period, excluding other comprehensive income arising from changes in net liabilities or assets from remeasurement of defined benefit plan of the acquiree.

(3) Long-term equity investments obtained through ways other than business combination: the initial cost of a long-term equity investment obtained by making payment in cash is the purchase cost which is actually paid; that obtained on the basis of issuing equity securities is the fair value of the equity securities issued; that obtained through debt restructuring is determined according to “CASBE 12 – Debt Restructuring”; and that obtained through non-cash assets exchange is determined according to “CASBE 7 – Non-cash Assets Exchange”.

### 3. Subsequent measurement and recognition method of profit or loss

For a long-term equity investment with control relationship, it is accounted for with cost method; for a long-term equity investment with joint control or significant influence relationship, it is accounted for with equity method.

### 4. Disposal of a subsidiary in stages resulting in the Company’s loss of control

#### (1) Judgement principles of “bundled transaction”

For disposal of a subsidiary in stages resulting in the Company’s loss of control, the Company determines whether it is a “bundled transaction” based on the agreement terms for each stage, disposal consideration obtained separately, object of the equity sold, disposal method, disposal time point, etc. If the terms, conditions and economic effect of each transaction meet one or more of the following conditions, these transactions are usually considered as a

“bundled transaction”:

- 1) these transactions are entered into at the same time or in contemplation of each other;
- 2) these transactions form a single transaction designed to achieve an overall commercial effect;
- 3) the occurrence of one transaction is dependent on the occurrence of at least one other transaction; and
- 4) one transaction considered on its own is not economically justified, but it is economically justified when considered together with other transactions.

(2) Accounting treatments of non-bundled transactions

1) Stand-alone financial statements

The difference between the carrying amount of the disposed equity and the consideration obtained thereof is recognized in profit or loss. If the disposal does not result in the Company’s loss of significant influence or joint control, the remained equity is accounted for with equity method; however, if the disposal results in the Company’s loss of control, joint control, or significant influence, the remained equity is accounted for according to “CASBE 22 – Financial Instruments: Recognition and Measurement”.

2) Consolidated financial statements

Before the Company’s loss of control, the difference between the disposal consideration and the proportionate share of net assets in the disposed subsidiary from acquisition date or combination date to the disposal date is adjusted to capital reserve (capital premium), if the balance of capital reserve is insufficient to offset, any excess is adjusted to retained earnings.

When the Company loses control, the remained equity is remeasured at the loss-of-control-date fair value. The aggregated value of disposal consideration and the fair value of the remained equity, less the share of net assets in the disposed subsidiary held before the disposal from the acquisition date or combination date to the disposal date is recognized in investment income in the period when the Company loses control over such subsidiary, and meanwhile goodwill is offset correspondingly. Other comprehensive income related to equity investments in former subsidiary is reclassified as investment income upon the Company’s loss of control.

(3) Accounting treatment of bundled transaction

1) Stand-alone financial statements

Stages as a whole are considered as one transaction resulting in loss of control in accounting treatment. However, before the Company loses control over a subsidiary, the difference between the disposal consideration at each stage and the carrying amount of long-term equity investments corresponding to the disposed investments is recognized as other comprehensive income at the stand-alone financial statements and reclassified as profit or loss in the period when the Company loses control over such subsidiary.

2) Consolidated financial statements

Stages as a whole are considered as one transaction resulting in loss of control in accounting treatment. However, before the Company loses control over a subsidiary, the difference between the disposal consideration at each stage and the proportionate share of net assets in the disposed subsidiary is recognized as other comprehensive income at the consolidated financial statements and reclassified as profit or loss in the period when the Company loses control over such subsidiary.

**20. Investment property**

Not Applicable

**21. Fixed assets****(1) Recognition principles**√ Applicable  Not Applicable

Fixed assets are tangible assets held for use in the production of goods or rendering of services, for rental to others, or for administrative purposes, and expected to be used during more than one accounting year. Fixed assets are recognized if, and only if, it is probable that future economic benefits associated with the assets will flow to the Company and the cost of the assets can be measured reliably.

**(2) Depreciation method**√ Applicable  Not Applicable

Categories	Depreciation method	Useful life (years)	Residual value proportion	Annual depreciation rate
Buildings and structures	Straight-line method	20-40	0%-10%	2.25%-5.00%
Machinery	Straight-line method	5-15	0%-10%	6.00%-20.00%
Transport facilities	Straight-line method	5-10	0%-10%	9.00%-20.00%
Other equipment	Straight-line method	3-12	0%-10%	7.50%-33.33%

**22. Construction in progress**√ Applicable  Not Applicable

1. Construction in progress is recognized if, and only if, it is probable that future economic benefits associated with the item will flow to the Company, and the cost of the item can be measured reliably. Construction in progress is measured at the actual cost incurred to reach its designed usable conditions.

2. Construction in progress is transferred into fixed assets at its actual cost when it reaches the designed usable conditions. When the auditing of the construction in progress was not finished while reaching the designed usable conditions, it is transferred to fixed assets using estimated value first, and then adjusted accordingly when the actual cost is settled, but the accumulated depreciation is not to be adjusted retrospectively.

Categories	Standards and time point of transferring construction in progress to fixed assets
Buildings and structures	Reaching its usable conditions after self-construction or outsourcing construction is completed
Machinery	Reaching its designed usable conditions after installation and commissioning
Other equipment	Reaching its designed usable conditions after installation and commissioning

**23. Borrowing costs**√ Applicable  Not Applicable**1. Recognition principle of borrowing costs capitalization**

Where the borrowing costs incurred to the Company can be directly attributable to the acquisition and construction

or production of assets eligible for capitalization, it is capitalized and included in the costs of relevant assets; other borrowing costs are recognized as expenses on the basis of the actual amount incurred, and are included in profit or loss.

## 2. Borrowing costs capitalization period

(1) The borrowing costs are not capitalized unless the following requirements are all met: 1) the asset disbursements have already incurred; 2) the borrowing costs have already incurred; and 3) the acquisition and construction or production activities which are necessary to prepare the asset for its intended use or sale have already started.

(2) Suspension of capitalization: where the acquisition and construction or production of a qualified asset is interrupted abnormally and the interruption period lasts for more than 3 months, the capitalization of the borrowing costs is suspended; the borrowing costs incurred during such period are recognized as expenses, and are included in profit or loss, till the acquisition and construction or production of the asset restarts.

(3) Ceasing of capitalization: when the qualified asset under acquisition and construction or production is ready for the intended use or sale, the capitalization of the borrowing costs is ceased.

## 3. Capitalization rate and capitalized amount of borrowing costs

For borrowings exclusively for the acquisition and construction or production of assets eligible for capitalization, the to-be-capitalized amount of interests is determined in light of the actual interest expenses incurred (including amortization of premium or discount based on effective interest method) of the special borrowings in the current period less the interest income on the unused borrowings as a deposit in the bank or as a temporary investment; where a general borrowing is used for the acquisition and construction or production of assets eligible for capitalization, the Company calculates and determines the to-be-capitalized amount of interests on the general borrowing by multiplying the weighted average asset disbursement of the excess of the accumulative capital disbursements over the special borrowings by the capitalization rate of the general borrowing used.

## 24. Biological assets

Applicable  Not Applicable

## 25. Oil & gas assets

Applicable  Not Applicable

## 26. Intangible assets

### (1) Useful life and its determination basis, estimation, amortization method or review procedure

Applicable  Not Applicable

1. Intangible assets include land use right, trademark, software, etc. The initial measurement of intangible assets is based on its cost.

2. For intangible assets with finite useful lives, their amortization amounts are amortized within their useful lives systematically and reasonably, if it is unable to determine the expected realization pattern reliably, intangible assets are amortized by the straight-line method with details as follows:

Items	Useful life and determination basis	Amortization method
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Land use right	30-50 years; expected useful life	Straight-line method
Trademark	10 years, 28.33 years, 30 years; expected useful life	Straight-line method
software	3-10 years; expected useful life	Straight-line method

Intangible assets with indefinite useful lives are not amortized, but their useful life is reviewed annually. Judgment basis for indefinite useful life is as follows:

Items	Judgment basis
Trademark	The life cycle of the product corresponding to the trademark cannot be determined and the validity period of trademark is more likely to be extended

## (2) Permitted scope of R&D costs and relevant accounting treatments

√ Applicable □ Not Applicable

### (1) Personnel costs

Personnel costs include wages and salaries, basic endowment insurance premiums, basic medical insurance premiums, unemployment insurance premiums, occupational injuries premiums, maternity premiums and housing provident funds for the Company's R&D personnel, as well as labor costs for external R&D personnel.

If R&D personnel serve for multiple R&D projects at the same time, personnel costs are recognized based on their working hour records provided by the Company's administrative department, and proportionately allocated among different R&D projects.

If personnel directly engaged in R&D activities and external R&D personnel are engaged in non-R&D activities at the same time, the Company, based on their working hour records at different positions, allocates personnel costs actually incurred between R&D expenses and production and operating expenses using reasonable methods such as the ratio of actual working hours.

### (2) Direct input costs

Direct input costs refer to relevant expenses actually incurred by the Company for R&D activities, which include:

1) materials, fuel and power costs directly consumed by R&D activities; 2) operation and maintenance, adjustment, inspection, testing and repairing costs of instruments and equipment used for R&D activities; and 3) rental fees of instruments and equipment leased under operating leases for R&D activities.

### (3) Depreciation

Depreciation refers to the depreciation of instruments and equipment used for R&D activities.

For instruments and equipment both used for R&D activities and non-R&D activities, necessary records shall be kept on their usage, and depreciation actually incurred is allocated between R&D expenses and production and operating expenses in a reasonable manner based on the actual working hours, etc.

### (4) Amortization of intangible assets

Amortization of intangible assets refer to the amortization of software used for R&D activities.

For intangible assets both used for R&D activities and non-R&D activities, necessary records shall be kept on their usage, and amortization actually incurred is allocated between R&D expenses and production and operating expenses in a reasonable manner based on the actual working hours, etc.

### (5) Design expenses

Design expenses refer to expenses incurred for the conception, development and manufacturing of new products and techniques, design of processes, technical specifications, process specification formulation, operational characteristics, etc., including expenses incurred for creative design activities to obtain innovative, creative and breakthrough products.

(6) Other expenses

Other expenses refer to expenses other than those mentioned above that are directly related to R&D activities, including technical books and materials fees, data translation fees, expert consultation fees, high-tech R&D insurance premiums, R&D outcomes search, analysis, review, demonstration, appraisal, evaluation, assessment, and acceptance fees, intellectual property application, registration and agency fees, business travelling fees, conference fees, etc.

4. Expenditures on the research phase of an internal project are recognized as profit or loss when they are incurred. An intangible asset arising from the development phase of an internal project is recognized if the Company can demonstrate all of the followings: (1) the technical feasibility of completing the intangible asset so that it will be available for use or sale; (2) its intention to complete the intangible asset and use or sell it; (3) how the intangible asset will generate probable future economic benefits, among other things, the Company can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset; (4) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and (5) its ability to measure reliably the expenditure attributable to the intangible asset during its development.

**27. Impairment of part of long-term assets**

Applicable  Not Applicable

For long-term assets such as long-term equity investments, fixed assets, construction in progress, right-of-use assets, intangible assets with finite useful lives, etc., if at the balance sheet date there is indication of impairment, the recoverable amount is to be estimated. For goodwill recognized in business combination and intangible assets with indefinite useful lives, no matter whether there is indication of impairment, impairment test is performed annually. Impairment test on goodwill is performed on related asset group or asset group portfolio.

When the recoverable amount of such long-term assets is lower than their carrying amount, the difference is recognized as provision for assets impairment through profit or loss.

**28. Long-term prepayments**

Applicable  Not Applicable

**29. Contract liabilities**

Applicable  Not Applicable

The Company presents contract assets or contract liabilities in the balance sheet based on the relationship between its performance obligations and customers' payments. Contract assets and contract liabilities under the same contract shall offset each other and be presented on a net basis.

The Company presents an unconditional right to consideration (i.e., only the passage of time is required before the

consideration is due) as a receivable, and presents a right to consideration in exchange for goods that it has transferred to a customer (which is conditional on something other than the passage of time) as a contract asset.

The Company presents an obligation to transfer goods to a customer for which the Company has received consideration (or the amount is due) from the customer as a contract liability.

### **30. Employee benefits**

Employee benefits include short-term employee benefits, post-employment benefits, termination benefits and other long-term employee benefits.

#### **(1) Accounting treatment of short-term employee benefits**

Applicable  Not Applicable

The Company recognizes, in the accounting period in which an employee provides service, short-term employee benefits actually incurred as liabilities, with a corresponding charge to profit or loss or the cost of a relevant asset.

#### **(2) Accounting treatment of post-employment benefits**

Applicable  Not Applicable

The Company classifies post-employment benefit plans as either defined contribution plans or defined benefit plans.

(1) The Company recognizes in the accounting period in which an employee provides service the contribution payable to a defined contribution plan as a liability, with a corresponding charge to profit or loss or the cost of a relevant asset.

(2) Accounting treatment by the Company for defined benefit plan usually involves the following steps:

1) In accordance with the projected unit credit method, using unbiased and mutually compatible actuarial assumptions to estimate related demographic variables and financial variables, measure the obligations under the defined benefit plan, and determine the periods to which the obligations are attributed. Meanwhile, the Company discounts obligations under the defined benefit plan to determine the present value of the defined benefit plan obligations and the current service cost;

2) When a defined benefit plan has assets, the Company recognizes the deficit or surplus by deducting the fair value of defined benefit plan assets from the present value of the defined benefit plan obligation as a net defined benefit plan liability or net defined benefit plan asset. When a defined benefit plan has a surplus, the Company measures the net defined benefit plan asset at the lower of the surplus in the defined benefit plan and the asset ceiling;

3) At the end of the period, the Company recognizes the following components of employee benefits cost arising from defined benefit plan: a. service cost; b. net interest on the net defined benefit plan liability (asset); and c. changes as a result of remeasurement of the net defined benefit liability (asset). Item a and item b are recognized in profit or loss or the cost of a relevant asset. Item c is recognized in other comprehensive income and is not to be reclassified subsequently to profit or loss. However, the Company may transfer those amounts recognized in other comprehensive income within equity.

#### **(3) Accounting treatment of termination benefits**

Applicable  Not Applicable

Termination benefits provided to employees are recognized as an employee benefit liability for termination benefits,



with a corresponding charge to profit or loss at the earlier of the following dates: (1) when the Company cannot unilaterally withdraw the offer of termination benefits because of an employment termination plan or a curtailment proposal; or (2) when the Company recognizes cost or expenses related to a restructuring that involves the payment of termination benefits.

#### **(4) Accounting treatment of other long-term employee benefits**

Applicable  Not Applicable

When other long-term employee benefits provided to the employees satisfied the conditions for classifying as a defined contribution plan, those benefits are accounted for in accordance with the requirements relating to defined contribution plan, while other benefits are accounted for in accordance with the requirements relating to defined benefit plan. The Company recognizes the cost of employee benefits arising from other long-term employee benefits as the followings: (1) service cost; (2) net interest on the net liability or net assets of other long-term employee benefits; and (3) changes as a result of remeasurement of the net liability or net assets of other long-term employee benefits. As a practical expedient, the net total of the aforesaid amounts is recognized in profit or loss or included in the cost of a relevant asset.

### **31. Provisions**

Applicable  Not Applicable

1. Provisions are recognized when fulfilling the present obligations arising from contingencies such as providing guarantee for other parties, litigation, products quality guarantee, onerous contract, etc., may cause the outflow of the economic benefit and such obligations can be reliably measured.

2. The initial measurement of provisions is based on the best estimated expenditures required in fulfilling the present obligations, and its carrying amount is reviewed at the balance sheet date.

### **32. Share-based payment**

Applicable  Not Applicable

1. Types of share-based payment

Share-based payment consists of equity-settled share-based payment and cash-settled share-based payment.

2. Accounting treatment for settlements, modifications and cancellations of share-based payment plans

(1) Equity-settled share-based payment

For equity-settled share-based payment transaction with employees, if the equity instruments granted vest immediately, the fair value of those equity instruments is measured at grant date and recognized as transaction cost or expense, with a corresponding adjustment in capital reserve; if the equity instruments granted do not vest until the counterparty completes a specified period of service or fulfills certain performance conditions, at the balance sheet date within the vesting period, the fair value of those equity instruments measured at grant date based on the best estimate of the number of equity instruments expected to vest is recognized as transaction cost or expense, with a corresponding adjustment in capital reserve.

For equity-settled share-based payment transaction with parties other than employees, if the fair value of the services received can be measured reliably, the fair value is measured at the date the Company receives the service; if the fair value of the services received cannot be measured reliably, but that of equity instruments can be measured

reliably, the fair value of the equity instruments granted measured at the date the Company receives the service is referred to, and recognized as transaction cost or expense, with a corresponding increase in equity.

(2) Cash-settled share-based payment

For cash-settled share-based payment transactions with employees, if share appreciation rights vest immediately, the fair value of the liability incurred as the acquisition of services is measured at grant date and recognized as transaction cost or expense, with a corresponding increase in liabilities; if share appreciation rights do not vest until the employees have completed a specified period of service or fulfills certain performance conditions, the liability is measured, at each balance sheet date until settled, at the fair value of the share appreciation rights measured at grant date based on the best estimate of the number of share appreciation right expected to vest.

(3) Modifications and cancellations of share-based payment plan

If the modification increases the fair value of the equity instruments granted, the Company includes the incremental fair value granted in the measurement of the amount recognized for services received as consideration for the equity instruments granted; similarly, if the modification increases the number of equity instruments granted, the Company includes the fair value of the additional equity instruments granted, in the measurement of the amount recognized for services received as consideration for the equity instruments granted; if the Company modifies the vesting conditions in a manner that is beneficial to the employee, the Company takes the modified vesting conditions into account.

If the modification reduces the fair value of the equity instruments granted, the Company does not take into account that decrease in fair value and continue to measure the amount recognized for services received as consideration for the equity instruments based on the grant date fair value of the equity instruments granted; if the modification reduces the number of equity instruments granted to an employee, that reduction is accounted for as a cancellation of that portion of the grant; if the Company modifies the vesting conditions in a manner that is not beneficial to the employee, the Company does not take the modified vesting conditions into account.

If the Company cancels or settles a grant of equity instruments during the vesting period (other than that cancelled when the vesting conditions are not satisfied), the Company accounts for the cancellation or settlement as an acceleration of vesting, and therefore recognizes immediately the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

**33. Other financial instruments such as preferred shares and perpetual bonds**

Applicable  Not Applicable

**34. Revenue**

**(1) Accounting policies for revenue recognition and measurement of revenue disclosed by business nature**

Applicable  Not Applicable

1. Revenue recognition principles

At contract inception, the Company shall assess the contracts and shall identify each performance obligation in the contracts, and determine whether the performance obligation should be satisfied over time or at a point in time.

The Company satisfies a performance obligation over time if one of the following criteria is met, otherwise, the

performance obligation is satisfied at a point in time: (1) the customer simultaneously receives and consumes the economic benefits provided by the Company's performance as the Company performs; (2) the customer can control goods as they are created by the Company's performance; (3) goods created during the Company's performance have irreplaceable uses and the Company has an enforceable right to the payments for performance completed to date during the whole contract period.

For each performance obligation satisfied over time, the Company shall recognize revenue over time by measuring the progress towards complete satisfaction of that performance obligation. In the circumstance that the progress cannot be measured reasonably, but the costs incurred in satisfying the performance obligation are expected to be recovered, the Company shall recognize revenue only to the extent of the costs incurred until it can reasonably measure the progress. For each performance obligation satisfied at a point in time, the Company shall recognize revenue at the time point that the customer obtains control of relevant goods or services. To determine whether the customer has obtained control of goods, the Company shall consider the following indications: (1) the Company has a present right to payments for the goods, i.e., the customer is presently obliged to pay for the goods; (2) the Company has transferred the legal title of the goods to the customer, i.e., the customer has legal title to the goods; (3) the Company has transferred physical possession of the goods to the customer, i.e., the customer has physically possessed the goods; (4) the Company has transferred significant risks and rewards of ownership of the goods to the customer, i.e., the customer has obtained significant risks and rewards of ownership of the goods; (5) the customer has accepted the goods; (6) other evidence indicating the customer has obtained control over the goods.

## 2. Revenue measurement principle

(1) Revenue is measured at the amount of the transaction price that is allocated to each performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties and those expected to be refunded to the customer.

(2) If the consideration promised in a contract includes a variable amount, the Company shall confirm the best estimate of variable consideration at expected value or the most likely amount. However, the transaction price that includes the amount of variable consideration only to the extent that it is high probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

(3) In the circumstance that the contract contains a significant financing component, the Company shall determine the transaction price based on the price that a customer would have paid for if the customer had paid cash for obtaining control over those goods or services. The difference between the transaction price and the amount of promised consideration is amortized under effective interest method over contractual period. The effects of a significant financing component shall not be considered if the Company expects, at the contract inception, that the period between when the customer obtains control over goods or services and when the customer pays consideration will be one year or less.

(4) For contracts containing two or more performance obligations, the Company shall determine the stand-alone selling price at contract inception of the distinct good underlying each performance obligation and allocate the transaction price to each performance obligation on a relative stand-alone selling price basis.

### 3. Revenue recognition method

The Company is mainly engaged in production and distribution of beer products. Revenue is recognized at the amount net of rebate after the distributor obtains the control over the products, i.e., the Company delivers the beer products to the distributor or its designated carrier based on contractual agreements.

#### (2) Different recognition method and measurement method of revenue from similar businesses under different business models

Applicable  Not Applicable

### 35. Contract costs

Applicable  Not Applicable

Assets related to contract costs include costs of obtaining a contract and costs to fulfill a contract.

The Company recognizes as an asset the incremental costs of obtaining a contract if those costs are expected to be recovered. The costs of obtaining a contract shall be included into profit or loss when incurred if the amortization period of the asset is one year or less.

If the costs incurred in fulfilling a contract are not within the scope of standards related to inventories, fixed assets or intangible assets, etc., the Company shall recognize the costs to fulfill a contract as an asset if all the following criteria are satisfied:

1. The costs relate directly to a contract or to an anticipated contract, including direct labor, direct materials, manufacturing overhead cost (or similar cost), cost that are explicitly chargeable to the customer under the contract, and other costs that are only related to the contract;
2. The costs enhance resources of the Company that will be used in satisfying performance obligations in the future; and
3. The costs are expected to be recovered.

An asset related to contract costs shall be amortized on a systematic basis that is consistent with related goods or services, with amortization included into profit or loss.

The Company shall make provision for impairment and recognize an impairment loss to the extent that the carrying amount of an asset related to contract costs exceeds the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the asset relates less the costs expected to be incurred. The Company shall recognize a reversal of an impairment loss previously recognized in profit or loss when the impairment conditions no longer exist or have improved. The carrying amount of the asset after the reversal shall not exceed the amount that would have been determined on the reversal date if no provision for impairment had been made previously.

### 36. Government grants

Applicable  Not Applicable

1. Government grants shall be recognized if, and only if, the following conditions are all met: (1) the Company will comply with the conditions attaching to the grants; (2) the grants will be received. Monetary government grants are measured at the amount received or receivable. Non-monetary government grants are measured at fair value, and

can be measured at nominal amount in the circumstance that fair value cannot be assessed.

## 2. Government grants related to assets

Government grants related to assets are government grants with which the Company purchases, constructs or otherwise acquires long-term assets under requirements of government. In the circumstances that there is no specific government requirement, the Company shall determine based on the primary condition to acquire the grants, and government grants related to assets are government grants whose primary condition is to construct or otherwise acquire long-term assets. They offset carrying amount of relevant assets, or they are recognized as deferred income. If recognized as deferred income, they are included in profit or loss on a systematic basis over the useful lives of the relevant assets. Those measured at notional amount are directly included into profit or loss. For assets sold, transferred, disposed or damaged within the useful lives, balance of unamortized deferred income is transferred into profit or loss of the period in which the disposal occurred.

## 3. Government grants related to income

Government grants related to income are government grants other than those related to assets. For government grants that contain both parts related to assets and parts related to income, in which those two parts are blurred, they are thus collectively classified as government grants related to income. For government grants related to income used for compensating the related future cost, expenses or losses, they are recognized as deferred income and included in profit or loss or used to offset relevant cost during the period in which the relevant cost, expenses or losses are recognized; for government grants related to income used for compensating the related cost, expenses or losses incurred to the Company, they are directly included in profit or loss or used to offset relevant cost.

4. Government grants related to the ordinary course of business shall be included into other income or used to offset relevant cost based on business nature, while those not related to the ordinary course of business shall be included into non-operating revenue or expenditures.

## 5. Policy interest subvention

(1) In the circumstance that government appropriates interest subvention to lending bank, who provides loans for the Company with a policy subsidised interest rate, borrowings are carried at the amount received, with relevant borrowings cost computed based on the principal and the policy subsidised interest rate.

(2) In the circumstance that government directly appropriates interest subvention to the Company, the subsidised interest shall offset relevant borrowing cost.

## 37. Deferred tax assets/Deferred tax liabilities

Applicable  Not Applicable

1. Deferred tax assets or deferred tax liabilities are calculated and recognized based on the difference between the carrying amount and tax base of assets and liabilities (and the difference of the carrying amount and tax base of items not recognized as assets and liabilities but with their tax base being able to be determined according to tax laws) and in accordance with the tax rate applicable to the period during which the assets are expected to be recovered or the liabilities are expected to be settled.

2. A deferred tax asset is recognized to the extent of the amount of the taxable income, which is most likely to obtain and which can be deducted from the deductible temporary difference. At the balance sheet date, if there is any exact

evidence indicating that it is probable that future taxable income will be available against which deductible temporary differences can be utilized, the deferred tax assets unrecognized in prior periods are recognized.

3. At the balance sheet date, the carrying amount of deferred tax assets is reviewed. The carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow the benefit of the deferred tax asset to be utilized. Such reduction is subsequently reversed to the extent that it becomes probable that sufficient taxable income will be available.

4. The income tax and deferred tax for the period are treated as income tax expenses or income through profit or loss, excluding those arising from the following circumstances: (1) business combination; and (2) the transactions or items directly recognized in equity.

5. Deferred tax assets and deferred tax liabilities shall offset each other and be presented on a net basis when the following conditions are all met: (1) the Company has the legal right to settle off current tax assets against current tax liabilities; (2) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same tax authority on either: 1) the same taxable entity; or 2) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

### 38. Leases

Applicable  Not Applicable

#### **Judgement basis and accounting treatment of short-term leases and leases of low-value assets with simplified approach when the Company as lessee**

Applicable  Not Applicable

At the commencement date, the Company recognizes a lease that has a lease term of 12 months or less as a short-term lease, which shall not contain a purchase option; the Company recognizes a lease as a lease of a low-value asset if the underlying asset is of low value when it is new. If the Company subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset.

For all short-term leases and leases of low-value assets, lease payments are recognized as cost or profit or loss with straight-line method over the lease term.

Apart from the above-mentioned short-term leases and leases of low-value assets with simplified approach, the Company recognizes right-of-use assets and lease liabilities at the commencement date.

#### (1) Right-of-use assets

The right-of-use asset is measured at cost and the cost shall comprise: 1) the amount of the initial measurement of the lease liabilities; 2) any lease payments made at or before the commencement date, less any lease incentives received; 3) any initial direct costs incurred by the lessee; and 4) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The Company depreciates the right-of-use asset using the straight-line method. If it is reasonable to be certain that the ownership of the underlying asset can be acquired by the end of the lease term, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the

Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

## (2) Lease liabilities

At the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date, discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company's incremental borrowing rate shall be used. Unrecognized financing expenses, calculated at the difference between the lease payment and its present value, are recognized as interest expenses over the lease term using the discount rate which has been used to determine the present value of lease payment and included in profit or loss. Variable lease payments not included in the measurement of lease liabilities are included in profit or loss in the periods in which they are incurred.

After the commencement date, if there is a change in the following items: 1) actual fixed payments; 2) amounts expected to be payable under residual value guarantees; 3) an index or a rate used to determine lease payments; 4) assessment result or exercise of purchase option, extension option or termination option, the Company remeasures the lease liability based on the present value of lease payments after changes, and adjusts the carrying amount of the right-of-use asset accordingly. If the carrying amount of the right-of-use asset is reduced to zero but there shall be a further reduction in the lease liability, the remaining amount shall be recognized into profit or loss.

### **Classification criteria and accounting treatment of leases when the Company as lessor**

Applicable  Not Applicable

At the commencement date, the Company classifies a lease as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. Otherwise, it is classified as an operating lease.

#### (1) Operating lease

Lease receipts are recognized as lease income with straight-line method over the lease term. Initial direct costs incurred shall be capitalized, amortized on the same basis as the recognition of lease income, and included into profit or loss by installments. Variable lease payments related to operating lease which are not included in the lease payment are charged as profit or loss in the periods in which they are incurred.

#### (2) Finance lease

At the commencement date, the Company recognizes the finance lease payment receivable based on the net investment in the lease (sum of the present value of unguaranteed residual value and lease receipts that are not received at the commencement date, discounted by the interest rate implicit in the lease), and derecognizes assets held under the finance lease. The Company calculates and recognizes interest income using the interest rate implicit in the lease over the lease term.

Variable lease payments not included in the measurement of the net investment in the lease are charged as profit or loss in the periods in which they are incurred.

### **39. Other significant accounting policies and estimates**

Applicable  Not Applicable

#### 1. Segment reporting

Operating segments are determined based on the structure of the Company's internal organization, management

requirements and internal reporting system. An operating segment is a component of the Company:

- (1) that engages in business activities from which it may earn revenues and incur expenses;
- (2) whose financial performance is regularly reviewed by the Management to make decisions about resource to be allocated to the segment and to assess its performance; and
- (3) for which accounting information regarding financial position, financial performance and cash flows is available through analysis.

## 2. Basis of the adoption of hedge accounting and its accounting treatment

(1) Hedge refers to cash flow hedge.

(2) A hedging relationship qualifies for hedge accounting if all of the following conditions are met: 1) the hedging relationship consists only of eligible hedging instruments and eligible hedged instruments; 2) at the inception of the hedge there is formal designation of hedging instruments and hedged item, and documentation of the hedging relationship and the Company's risk management objective and strategy for undertaking the hedge; 3) the hedging relationship meets the hedging effectiveness requirements.

The Company recognizes that the hedging relationship meets effectiveness requirements if the all of the followings are simultaneously satisfied: 1) there is an economic relationship between the hedged item and the hedging instruments; 2) the effect of credit risk does not dominate the value changes that result from that economic relationship between the hedged item and the hedging instruments; and 3) the hedge ratio of the hedging relationship is the same as the ratio of the quantity of the hedged item that the Company actually hedges and the number of hedging instruments that the Company actually uses to hedge that quantity of hedged item, but does not reflect an imbalance between the weightings of the hedged item and the hedging instrument.

The Company shall assess whether a hedging relationship meets the hedge effectiveness requirements at inception and on an ongoing basis. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the hedging relationship shall be rebalanced.

(3) Hedge accounting

1) The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge shall be recognized in other comprehensive income as cash flow hedge reserve, while the ineffective portion shall be recognized in profit or loss. The cash flow hedge reserve shall be recognized at the lower of the following (in absolute amounts): a. the cumulative gain or loss on the hedging instrument from inception of the hedge; and b. the cumulative change in present value of the expected future cash flows of the hedged item from inception of the hedge.

2) If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Company shall transfer out the amount of cash flow hedge reserve previously recognized in other comprehensive income, and include it in the initial cost of the asset or the liability.

3) For other cash flow hedges, the amount of cash flow hedge reserve previously recognized in other comprehensive income shall be transferred out into profit or loss in the same period the hedged forecast sale affects profit or loss.



**40. Significant changes in accounting policies and estimates****(1) Significant changes in accounting policies**√ Applicable  Not Applicable

Monetary unit: RMB

Contents and reasons for the changes	Financial statement items significantly affected	Amounts affected
Pursuant to the “Interpretation of China Accounting Standards for Business Enterprises No. 16” (the “Interpretation No. 16”) published by the Ministry of Finance on November 30, 2022, the regulations about accounting for deferred tax related to assets and liabilities arising from a single transaction to which the initial recognition exemption does not apply take effect since January 1, 2023, and earlier application is permitted; the regulations about accounting for income tax consequences of dividends on a financial instrument classified by the issuer as an equity instrument and the regulations about accounting for modifications of share-based payment transactions from cash-settled to equity-settled take effect since the date of publishment.	Deferred tax assets	40,290.31
	Undistributed profit	20,717.28
	Non-controlling interest	19,573.03
	Income tax expenses	-28,542.14

Other remarks

The amounts affected refer to those as of December 31, 2022 and in 2022.

**(2) Significant changes in accounting estimates** Applicable √ Not Applicable**(3) The adjustments on the financial statements of the beginning of the earliest period in which the Company adopts the revised standards or interpretations since 2023**√ Applicable  Not Applicable

Reasons for adjusting financial statements at the beginning of the year

The Ministry of Finance issued the “Interpretation of China Accounting Standards for Business Enterprises No. 16” (Cai Kuai [2022] No. 31) on November 30, 2022, in which, the regulations about accounting for deferred tax related to assets and liabilities arising from a single transaction to which the initial recognition exemption does not apply take effect since January 1, 2023. For taxable and deductible temporary differences associated with lease liabilities and right-of-use assets arising from such single transactions and presented at the beginning of the earliest comparative period, the cumulative effect of initially applying the Interpretation No. 16 and “CASBE 18 – Enterprise Income Tax” shall be adjusted into retained earnings or other related items at the beginning of the earliest comparative period presented.

**41. Others** Applicable √ Not Applicable

**VI. Taxes****1. Main taxes and tax rates**

Details

√ Applicable □ Not Applicable

Taxes	Tax bases	Tax rates
Value-added tax (VAT)	Under general calculation method, the output tax calculated based on the revenue from sales of goods or rendering of services in accordance with the tax law, net of the input tax that is allowed to be deducted in the current period; under simplified calculation method, VAT is calculated based on the revenue from sales of goods or rendering of taxable services and the simplified levy rate	13%, 9%, 6%, 5% (simplified levy rate)
Consumption tax	Consumption tax is calculated based on a percentage of taxable sale income, or a rate of volume of sale	220 yuan per ton, 250 yuan per ton, or 10%
Housing property tax	For housing property levied on the basis of price, housing property tax is levied at the rate of 1.2% of the balance after deducting 20% or 30% of the cost; for housing property levied on the basis of rent, housing property tax is levied at the rate of 12% of lease income.	1.2%, 12%
Land use tax	Land use tax is levied by multiplying the taxable land area actually occupied by the applicable tax amount	2.5-16 yuan per square meter
Urban maintenance and construction tax	Turnover tax actually paid plus exempt-credit tax amount	5%, 7%
Education surcharge	Turnover tax actually paid plus exempt-credit tax amount	3%
Local education surcharge	Turnover tax actually paid plus exempt-credit tax amount	2%
Enterprise income tax	Taxable income	15%, 20%, 25%

Different enterprise income tax rates applicable to different taxpayers

√ Applicable □ Not Applicable

Taxpayers	Income tax rate (%)
Carlsberg (China) Breweries and Trading Co., Ltd. headquarters and its Chengdu Branch, Xinjiang Branch and Wusu Branch	15
Ningxia Xixia Jianiang Brewery Co., Ltd.	15
Xinjiang Wusu Brewery Co., Ltd.	15
Xinjiang Wusu Beer Trading Co., Ltd.	15
Xinjiang Wusu Brewery (Korla) Co., Ltd.	15
Xinjiang Wusu Brewery (Yining) Co., Ltd.	15
Xinjiang Wusu Brewery (Aksu) Co., Ltd.	15
Xinjiang Wusu Brewery (Wusu) Co., Ltd.	15
Kunming Huashi Brewery Co., Ltd.	15
Liangping Branch, Hechuan Branch, Fuling Branch and Shizhu Branch of Carlsberg Chongqing Brewery Co., Ltd.	15
Beijing Capital Brewing Golden Wheat Trading Co., Ltd.	20
Taxpayers other than the above-mentioned	25

**2. Tax preferential policies**√ Applicable  Not Applicable

1. Pursuant to the “Announcement on Continuing the Enterprise Income Tax Policy for the Western Development” (Announcement of the Ministry of Finance, the State Taxation Administration and the National Development and Reform Commission [2020] No. 23), from January 1, 2021 to December 31, 2030, enterprises incorporated in western region belonging to encouraged industries are subject to a reduced rate of 15% for enterprise income tax. The Company’s subsidiaries including Carlsberg (China) Breweries and Trading Co., Ltd. headquarters and its Chengdu Branch, Xinjiang Branch and Wusu Branch, Ningxia Xixia Jianiang Brewery Co., Ltd., Xinjiang Wusu Brewery Co., Ltd., Xinjiang Wusu Beer Trading Co., Ltd., Xinjiang Wusu Brewery (Korla) Co., Ltd., Xinjiang Wusu Brewery (Yining) Co., Ltd., Xinjiang Wusu Brewery (Aksu) Co., Ltd., Xinjiang Wusu Brewery (Wusu) Co., Ltd., Kunming Huashi Brewery Co., Ltd. and Liangping Branch, Hechuan Branch, Fuling Branch and Shizhu Branch of Carlsberg Chongqing Brewery Co., Ltd. are entitled to enjoy such preferential policy and subject to a reduced rate of 15%.

2. Pursuant to the “Announcement on Enterprise Income Tax Preferential Policies for Small Enterprises with Meager Profit and Individually-owned Businesses” (Announcement of the Ministry of Finance and the State Taxation Administration [2023] No. 6), from January 1, 2023 to December 31, 2024, enterprise income tax for the portion of the taxable income within 1 million yuan of small enterprises with meager profit is levied at 20% based on 25% of that portion of income. Pursuant to the “Announcement on Further Implementation of Enterprise Income Tax Preferential Policies for Small Enterprises with Meager Profit” (Announcement of the Ministry of Finance and the State Taxation Administration [2022] No. 13), from January 1, 2022 to December 31, 2024, enterprise income tax for the portion of the taxable income exceeding 1 million yuan but within 3 million yuan of small enterprises with meager profit is levied at 20% based on 25% of that portion of income. The subsidiary Beijing Capital Brewing Golden Wheat Trading Co., Ltd. is entitled to enjoy these preferential income tax policies as a small enterprise with meager profit and subject to the reduced rate of 20% for enterprise income tax.

**3. Others** Applicable √ Not Applicable**VII. Notes to items of consolidated financial statements****1. Cash and bank balances**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Cash on hand	10,176.00	
Cash in bank	2,700,027,687.47	3,396,809,241.14
Accrued interest on seven-day call deposits	11,823,993.51	1,068,350.88
Other cash and bank balances	858,378.67	
Total	2,712,720,235.65	3,397,877,592.02
Including: Deposited overseas		

Items	Closing balance	Opening balance
Deposited in finance company		

Other remarks

(1) Centralized fund management

Pursuant to the agreement on centralized fund management and multi-party entrusted loans entered into between the Company and BNP Paribas (China) Limited, the Company's parent account and primary account were under the name of the subsidiary Carlsberg Chongqing Brewery Co., Ltd., and the Company managed its funds and the funds of its affiliated entities in a centralized manner.

(2) Other remarks

Closing balance of interest accrued on seven-day call deposits of 11,823,993.51 yuan, deposits for letters of guarantee of 316,100.00 yuan included in other cash and bank balances, and deposits for litigation of 503,436.10 yuan and other deposits of 500.00 yuan included in cash in bank were with use restrictions and not considered as cash and cash equivalents, which had been excluded from cash and cash equivalents.

## 2. Held-for-trading financial assets

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Financial assets measured at fair value through profit or loss	360,202,000.00	
Including:		
Structured deposits	360,202,000.00	
Financial assets designated as at fair value through profit or loss		
Including:		
Total	360,202,000.00	

Other remarks

Applicable  Not Applicable

## 3. Derivative financial assets

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Floating gains or losses on hedging instruments	14,392,732.78	3,829,356.40
Total	14,392,732.78	3,829,356.40

Other remarks

Please refer to item XII 2 of this section for details on floating gains or losses on hedging instruments.

## 4. Notes receivable

### (1) Details on categories

Applicable  Not Applicable

**(2) Pledged notes at the balance sheet date**

Applicable  Not Applicable

**(3) Endorsed or discounted but undue notes at the balance sheet date**

Applicable  Not Applicable

**(4) Details on categories of provision accrual methods**

Applicable  Not Applicable

Notes receivable with provision for bad debts made on an individual basis

Applicable  Not Applicable

Notes receivable with provision for bad debts made on a collective basis

Applicable  Not Applicable

Provision for bad debts made using three-stage model

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of notes receivable with changes in provision for bad debts

Applicable  Not Applicable

**(5) Provision for bad debts**

Applicable  Not Applicable

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(6) Notes receivable actually written off in the current period**

Applicable  Not Applicable

Significant notes receivable written off

Applicable  Not Applicable

Remarks on notes receivable written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**5. Accounts receivable**

**(1) Age analysis**

Applicable  Not Applicable

Monetary unit: RMB

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Ages	Closing book balance	Opening book balance
Within 1 year		
Including:		
Within 1 year	67,639,636.41	67,487,568.33
Subtotal	67,639,636.41	67,487,568.33
1-2 years		1,607,789.12
2-3 years	1,507,671.90	
Over 3 years		
3-4 years		
4-5 years		
Over 5 years		643,612.77
Total	69,147,308.31	69,738,970.22

**(2) Details on categories of provision accrual methods**√ Applicable  Not Applicable

Monetary unit: RMB

Categories	Closing balance					Opening balance				
	Book balance		Provision for bad debts		Carrying amount	Book balance		Provision for bad debts		Carrying amount
	Amount	% to total	Amount	Provision proportion (%)		Amount	% to total	Amount	Provision proportion (%)	
Receivables with provision made on an individual basis	978,412.63	1.41	978,412.63	100.00		694,834.92	1.00	694,834.92	100.00	
Including:										
Receivables with provision made on a collective basis	68,168,895.68	98.59	3,540,759.62	5.19	64,628,136.06	69,044,135.30	99.00	3,532,596.22	5.12	65,511,539.08
Including:										
Total	69,147,308.31	100.00	4,519,172.25	6.54	64,628,136.06	69,738,970.22	100.00	4,227,431.14	6.06	65,511,539.08

Accounts receivable with provision made on an individual basis

√ Applicable  Not Applicable

Monetary unit: RMB

Debtors	Closing balance			
	Book balance	Provision for bad debts	Provision proportion (%)	Reasons for provision made
Peng Yongsheng, from Qiaojia	978,412.63	978,412.63	100.00	There is significant uncertainty in recoverability.
Total	978,412.63	978,412.63	100.00	/

Remarks on accounts receivable with provision made on an individual basis

 Applicable  Not Applicable

Accounts receivable with provision made on a collective basis

√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance		
	Accounts receivable	Provision for bad debts	Provision proportion (%)
Within 1 year	67,639,636.41	3,381,981.84	5.00
2-3 years	529,259.27	158,777.78	30.00
Total	68,168,895.68	3,540,759.62	5.19

Remarks on provision for bad debts made on a collective basis

 Applicable  Not Applicable

Provision for bad debts made using three-stage model

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of accounts receivable with changes in provision for bad debts

Applicable  Not Applicable

### (3) Provision for bad debts

Applicable  Not Applicable

Monetary unit: RMB

Categories	Opening balance	Current period movements				Closing balance
		Accrual	Recovery or reversal	Write-off	Other movements [Note]	
Receivables with provision made on an individual basis	694,834.92	978,412.63	-694,834.92			978,412.63
Receivables with provision made on a collective basis	3,532,596.22	-79,656.51	58,380.77		29,439.14	3,540,759.62
Total	4,227,431.14	898,756.12	-636,454.15		29,439.14	4,519,172.25

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

Note: It refers to the balances of provision for bad debts transferred in from the subsidiaries Jinbei Asia Pacific (Beijing) Catering Co., Ltd. and Beijing Capital Brewing Golden Wheat Trading Co., Ltd., which were brought into the consolidation scope in the current period.

### (4) Accounts receivable actually written off in the current period

Applicable  Not Applicable

Significant accounts receivable written off

Applicable  Not Applicable

Remarks on accounts receivable written off

Applicable  Not Applicable

### (5) Details of the top 5 debtors with largest balances

Applicable  Not Applicable

Monetary unit: RMB

Debtors	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the total balance of accounts receivable and contract assets (%)	Provision for bad debts
Carlsberg Brewery Hong Kong Limited	26,389,186.64			38.16	1,319,459.33
Wal-Mart (China) Investment Co., Ltd.	5,420,704.16			7.84	271,035.21

Debtors	Closing balance of accounts receivable	Closing balance of contract assets	Closing balance of accounts receivable and contract assets	Proportion to the total balance of accounts receivable and contract assets (%)	Provision for bad debts
Fujian Yonghui Logistics Co., Ltd.	2,594,770.21			3.75	129,738.51
Metro Commercial Group Co., Ltd.	2,152,074.87			3.11	107,603.74
Chongqing Firm New Century Department Store Chain Operation Co., Ltd.	2,108,302.71			3.05	105,415.14
Total	38,665,038.59			55.92	1,933,251.93

Other remarks

Applicable  Not Applicable

## 6. Contract assets

### (1) Details

Applicable  Not Applicable

### (2) Reasons for significant changes in carrying amount of contract assets in the reporting period

Applicable  Not Applicable

### (3) Details on categories of provision accrual methods

Applicable  Not Applicable

Contract assets with provision for bad debts made on an individual basis

Applicable  Not Applicable

Remarks on contract assets with provision for bad debts made on an individual basis

Applicable  Not Applicable

Contract assets with provision for bad debts made on a collective basis

Applicable  Not Applicable

Provision for bad debts made using three-stage model

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of contract assets with changes in provision for bad debts

Applicable  Not Applicable

### (4) Details on provision for bad debts of contract assets in the current period

Applicable  Not Applicable



Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

#### **(5) Details on contract assets actually written off in the current period**

Applicable  Not Applicable

Significant contract assets written off

Applicable  Not Applicable

Remarks on contract assets written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

### **7. Receivables financing**

#### **(1) Details on categories**

Applicable  Not Applicable

#### **(2) Pledged receivables financing at the balance sheet date**

Applicable  Not Applicable

#### **(3) Endorsed or discounted but undue receivables financing at the balance sheet date**

Applicable  Not Applicable

#### **(4) Details on categories of provision accrual methods**

Applicable  Not Applicable

Receivables financing with provision for bad debts made on an individual basis

Applicable  Not Applicable

Remarks on receivables financing with provision for bad debts made on an individual basis

Applicable  Not Applicable

Receivables financing with provision for bad debts made on a collective basis

Applicable  Not Applicable

Provision for bad debts made using three-stage model

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of receivable financing with changes in provision for bad debts

Applicable  Not Applicable

**(5) Details on provision for bad debts**

Applicable  Not Applicable

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(6) Details on receivables financing actually written off in the current period**

Applicable  Not Applicable

Significant receivables financing written off

Applicable  Not Applicable

Remarks on receivables financing written off

Applicable  Not Applicable

**(7) Current period movements and changes in fair value of receivable financing**

Applicable  Not Applicable

**(8) Other remarks**

Applicable  Not Applicable

**8. Advances paid****(1) Age analysis**

Applicable  Not Applicable

Monetary unit: RMB

Ages	Closing balance		Opening balance	
	Amount	% to total	Amount	% to total
Within 1 year	41,831,987.46	100.00	43,187,607.98	100.00
1-2 years				
2-3 years				
Over 3 years				
Total	41,831,987.46	100.00	43,187,607.98	100.00

Reasons for unsettlement on advances paid with age over one year and significant amount

None.

**(2) Details of the top 5 debtors with largest balances**

Applicable  Not Applicable

Debtors	Closing balance	Proportion to the total balance of advances paid (%)
PICC Property and Casualty Company Limited	11,813,493.07	28.24
Guangdong Nanyou Foreign Service Co., Ltd.	2,729,178.99	6.52
Xinjiang Gas Group Co., Ltd.	2,471,577.50	5.91
Tianchang Natural Gas Co., Ltd.	2,275,773.02	5.44
AirPlus Payment Management Co., Ltd.	1,339,467.22	3.20

Debtors	Closing balance	Proportion to the total balance of advances paid (%)
Total	20,629,489.80	49.31

Other remarks

None.

Other remarks

Applicable  Not Applicable

## 9. Other receivables

### Details

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Interest receivable		
Dividend receivable		
Other receivables	23,987,973.67	17,619,026.18
Total	23,987,973.67	17,619,026.18

Other remarks

Applicable  Not Applicable

### Interest receivable

#### (1) Details on categories

Applicable  Not Applicable

#### (2) Significant overdue interest

Applicable  Not Applicable

#### (3) Details on categories of provision accrual methods

Applicable  Not Applicable

Interest receivable with provision for bad debts made on an individual basis

Applicable  Not Applicable

Remarks on interest receivable with provision for bad debts made on an individual basis

Applicable  Not Applicable

Interest receivable with provision for bad debts made on a collective basis

Applicable  Not Applicable

#### (4) Provision for bad debts made using three-stage model

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of interest receivable with changes in provision for bad debts

Applicable  Not Applicable

**(5) Details on provision for bad debts**

Applicable  Not Applicable

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(6) Details on interest receivable actually written off in the current period**

Applicable  Not Applicable

Significant interest receivable written off

Applicable  Not Applicable

Remarks on interest receivable written off

Applicable  Not Applicable

Other remarks

None.

**Dividend receivables**

**(7) Dividend receivable**

Applicable  Not Applicable

**(8) Significant dividend receivable with age over one year**

Applicable  Not Applicable

**(9) Details on categories of provision accrual methods**

Applicable  Not Applicable

Dividend receivable with provision for bad debts made on an individual basis

Applicable  Not Applicable

Remarks on dividend receivable with provision for bad debts made on an individual basis

Applicable  Not Applicable

Dividend receivable with provision for bad debts made on a collective basis

Applicable  Not Applicable

**(10) Provision for bad debts made using three-stage model**

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of dividend receivable with changes in provision for bad debts

Applicable  Not Applicable

**(11) Details on provision for bad debts**

Applicable  Not Applicable

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

### (12) Details on dividend receivable actually written off in the current period

Applicable  Not Applicable

Significant dividend receivable written off

Applicable  Not Applicable

Remarks on dividend receivable written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

### Other receivables

#### (13) Age analysis

Applicable  Not Applicable

Monetary unit: RMB

Ages	Closing book balance	Opening book balance
Within 1 year		
Including:		
Within 1 year	15,029,299.37	17,022,182.33
Subtotal	15,029,299.37	17,022,182.33
1-2 years	8,875,230.06	667,625.60
2-3 years	1,712,911.98	1,047,436.44
3-4 years	1,063,330.24	411,793.61
4-5 years	399,311.81	38,971.40
Over 5 years	4,635,888.03	4,285,161.44
Total	31,715,971.49	23,473,170.82

#### (14) Other receivables categorized by nature

Applicable  Not Applicable

Monetary unit: RMB

Nature of receivables	Closing book balance	Opening book balance
Deposits	14,224,577.90	9,982,565.46
Scrap materials disposal fees receivable, etc.	10,505,245.71	6,420,573.90
Land disposal fees receivable	4,300,000.00	4,300,000.00
Advances paid on behalf of others	1,890,741.43	2,505,830.80
Petty cash	310,615.94	119,085.67
Others	484,790.51	145,114.99
Total	31,715,971.49	23,473,170.82

#### (15) Provision for bad debts

Applicable  Not Applicable

Monetary unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Balances at January 1, 2023	846,212.83	66,762.55	4,941,169.26	5,854,144.64
Balances at January 1, 2023 in the current period				
--Transferred to stage 2	-438,865.19	438,865.19		
--Transferred to stage 3		-171,291.20	171,291.20	
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	13,883.60	543,393.85	979,025.40	1,536,302.85
Provision recovered in the current period			33,883.40	33,883.40
Provision reversed in the current period				
Provision written off in the current period				
Other changes [Note]	330,233.73		41,200.00	371,433.73
Balances at December 31, 2023	751,464.97	877,730.39	6,098,802.46	7,727,997.82

Note: It refers to the balances of provision for bad debts transferred in from the subsidiaries Jinbei Asia Pacific (Beijing) Catering Co., Ltd. and Beijing Capital Brewing Golden Wheat Trading Co., Ltd., which were brought into the consolidation scope in the current period.

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of other receivables with changes in provision for bad debts

Applicable  Not Applicable

Determination basis for provision for bad debts made in the current period and whether credit risk has increased significantly

Applicable  Not Applicable

**(16) Provision for bad debts**

Applicable  Not Applicable

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(17) Other receivables actually written off in the current period**

Applicable  Not Applicable

Significant other receivables written off in the current period

Applicable  Not Applicable

Remarks on other receivables written off

Applicable  Not Applicable

**(18) Details of the top 5 debtors with largest balances**

Applicable  Not Applicable

Monetary unit: RMB

Debtors	Closing balance	Proportion to the total balance of other receivables (%)	Nature of receivables	Ages	Closing balance of provision for bad debts
Chongqing Hongye Industry (Group) Co., Ltd.	4,300,000.00	13.56	Land disposal fees receivable	1-2 years	430,000.00
Kingold Group Co., Ltd. [Note]	2,435,858.34	7.68	Deposits	Within 1 year, 1-2 years	243,435.83
Xinjiang Jinbada Biotechnology Co., Ltd.	2,217,771.47	6.99	Scrap materials disposal fees receivable, etc.	Within 1 year	110,888.57
Qingdao Yijiali Biotechnology Co., Ltd.	1,516,872.93	4.78	Scrap materials disposal fees receivable, etc.	Within 1 year	75,843.65
Shizhu Tujia Autonomous County Economic and Information Commission	1,092,313.12	3.44	Advances paid on behalf of others	Within 1 year	54,615.66
Total	11,562,815.86	36.46	/	/	914,783.71

Note: It includes its wholly-owned subsidiary Guangzhou Kingold Property Co., Ltd.

**(19) Balances presented under other receivables due to the centralized fund management**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**10. Inventories****(1) Details on categories**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for inventory write-down/impairment of costs to fulfill a contract	Carrying amount	Book balance	Provision for inventory write-down/impairment of costs to fulfill a contract	Carrying amount
Raw materials	339,071,155.68	16,569,391.24	322,501,764.44	411,432,771.44	21,407,056.92	390,025,714.52
Packages	1,638,198,867.85	527,843,077.99	1,110,355,789.86	1,495,101,158.54	517,763,281.67	977,337,876.87
Work in process	85,303,874.50		85,303,874.50	95,329,587.61		95,329,587.61
Goods on hand	583,761,600.20	1,568,076.71	582,193,523.49	706,598,387.34	2,814,003.14	703,784,384.20
Revolving materials						

2023 Annual Report of Chongqing Brewery Co., Ltd.

Items	Closing balance			Opening balance		
	Book balance	Provision for inventory write-down/impairment of costs to fulfill a contract	Carrying amount	Book balance	Provision for inventory write-down/impairment of costs to fulfill a contract	Carrying amount
Consumptive biological assets						
Costs to fulfill a contract						
Total	2,646,335,498.23	545,980,545.94	2,100,354,952.29	2,708,461,904.93	541,984,341.73	2,166,477,563.20

**(2) Provision for inventory write-down/impairment of costs to fulfill a contract**

Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase		Decrease		Closing balance
		Accrual	Others	Reversal or write-off	Others	
Raw materials	21,407,056.92	2,323,999.54		7,161,665.22		16,569,391.24
Work in process		2,230,914.25		2,230,914.25		
Goods on hand	2,814,003.14	4,144,307.22		5,390,233.65		1,568,076.71
Revolving materials						
Consumptive biological assets						
Costs to fulfill a contract						
Idle packages	78,012,765.61	2,103,392.06		14,796,242.00		65,319,915.67
Packages lent out which expected to be irrecoverable [Note]	439,750,516.06	170,612,254.60		147,839,608.34		462,523,162.32
Total	541,984,341.73	181,414,867.67		177,418,663.46		545,980,545.94

Reasons for the reversal or write-off of provision for inventory write-down

Applicable  Not Applicable

Note: For packages lent out which were expected to be irrecoverable, the Company made provision for inventory write-down of 170,612,254.60 yuan, and accrued allowances for other payables at the after-tax amount of non-refundable deposits of 98,064,487.98 yuan, with the difference of 72,547,766.62 yuan recognized as assets impairment loss; packages lent out are accounted for as a sale when there is objective evidence indicating that the packages are irrecoverable, and the Company wrote off provision for inventory write-down of 147,839,608.34 yuan, and wrote off allowances for other payables at the after-tax amount of non-refundable deposits of 78,429,418.29 yuan, with the difference of 69,410,190.05 yuan recognized as operating cost. Please refer to item VII 41 of this section for details on accrual and write-off of allowances.

Determination basis of net realizable value and reasons for the reversal or write-off of provision for inventory write-down

Items	Determination basis of net realizable value	Reasons for reversal or write-off of provision for inventory write-down
Raw materials	Estimated selling price of raw materials less relevant taxes and surcharges; estimated selling price of relevant finished goods less cost to be incurred upon completion, estimated selling expenses, and relevant taxes and surcharges	Such inventories were used or sold.
Idle packages	Estimated selling price of disposal waste less relevant taxes and surcharges	Such inventories were sold or scrapped.
Packages lent out which expected to be irrecoverable	For packages lent out which expected to be irrecoverable, the Company made provision for inventory write-down based on the carrying amount, and accrued allowances for other payables at the after-tax amount of non-refundable deposits, with the difference recognized as assets	There is objective evidence indicating that the packages lent out would not be returned.



Items	Determination basis of net realizable value	Reasons for reversal or write-off of provision for inventory write-down
	impairment loss	
Work in process	Estimated selling price less cost to be incurred upon completion, estimated selling expenses, and relevant taxes and surcharges	Such inventories were used or sold.
Goods on hand	Estimated selling price less estimated selling expenses and relevant taxes and surcharges	Such inventories were sold.

Other remarks

Items	Inventory age	Closing book balance	Provision for write-down
Finished liquor	Within 1 year	583,761,600.20	1,568,076.71
Semi-finished liquor (including basic liquor)	Within 1 year	85,303,874.50	
Subtotal		669,065,474.70	1,568,076.71

Provision for inventory write-down made on a collective basis

Applicable  Not Applicable

Determination basis of portfolios

Applicable  Not Applicable

### (3) Capitalized amount of borrowing costs and its measurement criteria and basis

Applicable  Not Applicable

### (4) Remarks on the amortization of costs to fulfill a contract

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

### 11. Assets held for sale

Applicable  Not Applicable

### 12. Non-current assets due within one year

Applicable  Not Applicable

#### Debt investments due within one year

Applicable  Not Applicable

#### Other debt investments due within one year

Applicable  Not Applicable

Other remarks on non-current assets due within one year

None.

### 13. Other current assets

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Cost to obtain a contract		
Cost of goods expected to be returned		
Input VAT to be credited and prepaid taxes	146,488,217.09	109,533,473.56
Total	146,488,217.09	109,533,473.56

Other remarks

None.

#### 14. Debt investments

##### (1) Details

Applicable  Not Applicable

Changes in provision for impairment of debt investments in the current period

Applicable  Not Applicable

##### (2) Significant debt investments at the balance sheet date

Applicable  Not Applicable

##### (3) Provision for impairment

Applicable  Not Applicable

Classification basis of stages and proportion of provision for impairment

Applicable  Not Applicable

Remarks on significant changes in book balance of debt investments with changes in provision for impairment

Applicable  Not Applicable

Determination basis for provision for impairment made in the current period and whether credit risk has increased significantly

Applicable  Not Applicable

##### (4) Debt investments actually written off in the current period

Applicable  Not Applicable

Significant debt investments written off in the current period

Applicable  Not Applicable

Remarks on debt investments written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

#### 15. Other debt investments

##### (1) Details

Applicable  Not Applicable

Changes in provision for impairment of other debt investments in the current period

Applicable  Not Applicable

**(2) Significant other debt investments at the balance sheet date**

Applicable  Not Applicable

**(3) Provision for impairment**

Applicable  Not Applicable

Classification basis of stages and proportion of provision for impairment

None.

Remarks on significant changes in book balance of other debt investments with changes in provision for impairment

Applicable  Not Applicable

Determination basis for provision for impairment made in the current period and whether credit risk has increased significantly

Applicable  Not Applicable

**(4) Other debt investments actually written off in the current period**

Applicable  Not Applicable

Significant other debt investments written off in the current period

Applicable  Not Applicable

Remarks on other debt investments written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**16. Long-term receivables**

**(1) Details**

Applicable  Not Applicable

**(2) Details on categories of provision accrual methods**

Applicable  Not Applicable

Long-term receivables with provision for bad debts made on an individual basis

Applicable  Not Applicable

Remarks on long-term receivables with provision for bad debts made on an individual basis

Applicable  Not Applicable

Long-term receivables with provision for bad debts made on a collective basis

Applicable  Not Applicable

**(3) Provision for bad debts made using three-stage model**

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of long-term receivables with changes in provision for bad debts

Applicable  Not Applicable

Determination basis for provision for bad debts made in the current period and whether credit risk has increased significantly

Applicable  Not Applicable

#### (4) Details on provision for bad debts

Applicable  Not Applicable

Significant provision for bad debts collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

#### (5) Details on long-term receivables actually written off in the current period

Applicable  Not Applicable

Significant long-term receivables written off

Applicable  Not Applicable

Remarks on long-term receivables written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

### 17. Long-term equity investments

#### (1) Details

Applicable  Not Applicable

Monetary unit: RMB

Investees	Opening balance	Increase/Decrease								Closing balance	Closing balance of provision for impairment
		Investments increased	Investments decreased	Investment income recognized under equity method	Adjustment in other comprehensive income	Changes in other equity	Cash dividend/ Profit declared for distribution	Provision for impairment	Others		
I. Joint ventures											
Subtotal											
II. Associates											
Chongqing Jiawei Beer Co., Ltd.	296,599,881.05			62,294,135.01			218,285,820.47			140,608,195.59	
Subtotal	296,599,881.05			62,294,135.01			218,285,820.47			140,608,195.59	
Total	296,599,881.05			62,294,135.01			218,285,820.47			140,608,195.59	

#### (2) Impairment test of long-term equity investments

Applicable  Not Applicable

Other remarks

None.

**18. Other equity instrument investments****(1) Details**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase/Decrease					Closing balance	Dividend income recognized in the current period	Accumulated gains included into other comprehensive income	Accumulated losses included into other comprehensive income	Reasons for being designated as at fair value through other comprehensive income
		Investments increased	Investments decreased	Gains included into other comprehensive income	Losses included into other comprehensive income	Others					
Bank of Guizhou Co., Ltd.	14,303,331.73			2,322,631.10			16,625,962.83	344,606.28	15,625,962.83		As the Company invested in Bank of Guizhou Co., Ltd. not for trading, such investment was designated as an equity instrument investment at fair value through other comprehensive income
Total	14,303,331.73			2,322,631.10			16,625,962.83	344,606.28	15,625,962.83		

**(2) Remarks on other equity instrument investment derecognized in the current period** Applicable  Not Applicable

Other remarks

√ Applicable  Not Applicable

The fair value per share of the Company's equity investment in Bank of Guizhou Co., Ltd. as at December 31, 2023 was measured based on the net assets per share as at June 30, 2023 disclosed in the latest interim report under certain discount method.

**19. Other non-current financial assets**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Financial assets classified as at fair value through profit or loss		
Including: Cost of investment in Xinjiang Guozhiming	1,000,000.00	1,000,000.00
Changes in fair value of investment in Xinjiang Guozhiming [Note]	-1,000,000.00	-1,000,000.00
Total		

Other remarks

√ Applicable  Not Applicable

Note: As the investee ceased operation in previous years and was not a public interest entity, provision for impairment was fully made on the investment.

**20. Investment property**

Method for measuring investment property

Not Applicable

**(1) Impairment test of investment property measured at cost model** Applicable  Not Applicable

**21. Fixed assets****Details**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Fixed assets	3,673,993,109.60	3,680,691,105.17
Disposal of fixed assets		
Total	3,673,993,109.60	3,680,691,105.17

Other remarks

□ Applicable √ Not Applicable

**Fixed assets****(1) Details**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Buildings and structures	Machinery	Transport facilities	Other equipment	Total
<b>I. Cost</b>					
1. Opening balance	2,587,420,951.12	4,860,441,930.26	31,860,248.07	310,015,025.66	7,789,738,155.11
2. Increase	163,970,178.48	235,293,391.71	515,785.46	44,339,350.33	444,118,705.98
(1) Acquisition		5,676,265.91	305,132.67	29,261,153.38	35,242,551.96
(2) Transferred in from construction in progress	144,131,765.91	222,865,557.92	210,652.79	12,837,933.28	380,045,909.90
(3) Business combination	19,838,412.57	6,751,567.88		2,240,263.67	28,830,244.12
3. Decrease	13,611,897.09	42,507,659.47	4,093,751.82	25,888,600.38	86,101,908.76
(1) Disposal/ Scrapping	13,611,897.09	42,507,659.47	4,093,751.82	25,888,600.38	86,101,908.76
4. Closing balance	2,737,779,232.51	5,053,227,662.50	28,282,281.71	328,465,775.61	8,147,754,952.33
<b>II. Accumulated depreciation</b>					
1. Opening balance	919,057,170.72	2,847,160,526.70	27,160,850.99	182,580,313.42	3,975,958,861.83
2. Increase	107,297,962.87	269,100,386.79	391,257.78	48,535,561.43	425,325,168.87
(1) Accrual	99,911,178.35	266,572,467.35	391,257.78	47,506,191.63	414,381,095.11
(2) Business combination	7,386,784.52	2,527,919.44		1,029,369.80	10,944,073.76
3. Decrease	9,762,173.19	36,724,475.90	3,916,079.96	23,773,801.62	74,176,530.67
(1) Disposal/ Scrapping	9,762,173.19	36,724,475.90	3,916,079.96	23,773,801.62	74,176,530.67
4. Closing balance	1,016,592,960.40	3,079,536,437.59	23,636,028.81	207,342,073.23	4,327,107,500.03
<b>III. Provision for impairment</b>					
1. Opening balance	78,909,206.55	48,311,184.47	48,688.95	5,819,108.14	133,088,188.11
2. Increase	1,494,799.99	15,086,782.53		903,694.87	17,485,277.39
(1) Accrual	1,494,799.99	15,086,782.53		903,694.87	17,485,277.39
3. Decrease	1,658,481.62	1,037,224.11	16,617.39	1,206,799.68	3,919,122.80
(1) Disposal/ Scrapping	1,658,481.62	1,037,224.11	16,617.39	1,206,799.68	3,919,122.80
4. Closing balance	78,745,524.92	62,360,742.89	32,071.56	5,516,003.33	146,654,342.70
<b>IV. Carrying amount</b>					
1. Closing balance	1,642,440,747.19	1,911,330,482.02	4,614,181.34	115,607,699.05	3,673,993,109.60
2. Opening balance	1,589,454,573.85	1,964,970,219.09	4,650,708.13	121,615,604.10	3,680,691,105.17

**(2) Fixed assets temporarily idle**

□ Applicable √ Not Applicable

**(3) Fixed assets leased out under operating leases**

□ Applicable √ Not Applicable

**(4) Fixed assets with certificate of titles being unsettled**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Carrying amount	Reasons for unsettlement
Buildings and structures etc.	43,063,607.71	In processing

Subtotal	43,063,607.71
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**(5) Impairment tests of fixed assets**

Applicable  Not Applicable

**Recoverable amount determined based on the fair value less costs of disposal**

Applicable  Not Applicable

Monetary unit: RMB

Items	Carrying amount	Recoverable amount	Impairment amount	Determination method of fair value and costs of disposal	Key parameters	Determination basis for key parameters
Asset project of Wanzhou factory suffering flood damages	27,083,169.23	11,862,769.23	15,220,400.00	Comprehensive judgements from the Management with reference to market factors	Comprehensive judgements from the Management with reference to market factors	The Management makes provision for impairment with reference to market factors for fixed assets that have suffered losses due to natural disasters.
Total	27,083,169.23	11,862,769.23	15,220,400.00	/	/	/

**Recoverable amount determined based on the present value of estimated future cash flows**

Applicable  Not Applicable

**Reasons for obvious inconsistencies between the aforementioned information and the information used in impairment tests in previous years or external information**

Applicable  Not Applicable

**Reasons for obvious inconsistencies between the information used in the Company's impairment tests in previous years and the actual situation of those years**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**Disposal of fixed assets**

Applicable  Not Applicable

**22. Construction in progress****Details**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Construction in progress	783,503,734.86	395,295,204.91
Construction materials		
Total	783,503,734.86	395,295,204.91

Other remarks

Applicable  Not Applicable

**Construction in progress**

**(1) Details**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
New beer project with an annual output of 500,000 kiloliters in Foshan	657,343,102.94		657,343,102.94	202,505,414.75		202,505,414.75
Smart Core Project	62,057,073.65		62,057,073.65	43,309,341.19		43,309,341.19
Capacity expansion and transformation project with an annual output of 150,000 kiloliters in Korla				37,397,502.22		37,397,502.22
Production resumption project in Wanzhou				20,428,646.40		20,428,646.40
Relocation project of ammonia refrigeration system of Kunming Huashi				10,468,200.65		10,468,200.65
Sporadic engineering	64,103,558.27		64,103,558.27	81,186,099.70		81,186,099.70
Total	783,503,734.86		783,503,734.86	395,295,204.91		395,295,204.91

**(2) Changes in significant projects**√ Applicable  Not Applicable

Monetary unit: RMB

Projects	Budgets	Opening balance	Increase	Transferred to fixed assets	Other decreases	Closing balance	Accumulated input to budget (%)	Completion percentage (%)	Accumulated amount of borrowing cost capitalization	Including: Amount of borrowing cost capitalization in the current period	Annual capitalization rate (%)	Fund source
New beer project with an annual output of 500,000 kiloliters in Foshan	1,401,772,000.00	202,505,414.75	454,837,688.19			657,343,102.94	46.89	46.89				Self-raised
Smart Core Project	179,400,000.00	43,309,341.19	37,232,109.08		18,484,376.62	62,057,073.65	44.89	44.89				Self-raised
Capacity expansion and transformation project with an annual output of 150,000 kiloliters in Korla	115,890,000.00	37,397,502.22	74,195,265.50	111,592,767.72			100.00	100.00				Self-raised
Total	1,697,062,000.00	283,212,258.16	566,265,062.77	111,592,767.72	18,484,376.62	719,400,176.59	/	/			/	/

**(3) Provisions for impairment of construction in progress** Applicable  Not Applicable**(4) Impairment test of construction in progress** Applicable  Not Applicable

Other remarks

 Applicable  Not Applicable**Construction materials****(5) Details** Applicable  Not Applicable**23. Productive biological assets****(1) Productive biological assets measured at cost** Applicable  Not Applicable**(2) Impairment test on productive biological assets measured at cost** Applicable  Not Applicable



**(3) Productive biological assets measured at fair value**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**24. Oil and gas assets****(1) Details**

Applicable  Not Applicable

**(2) Impairment test**

Applicable  Not Applicable

Other remarks

None.

**25. Right-of-use assets****(1) Details**

Applicable  Not Applicable

Monetary unit: RMB

Items	Buildings and structures	Machinery	Transport facilities	Other equipment	Total
<b>I. Cost</b>					
1. Opening balance	84,467,277.97	5,640,000.00		39,765,000.00	129,872,277.97
2. Increase	98,972,904.02	3,484,000.00		29,822,000.00	132,278,904.02
(1) Leased in	12,676,648.87	3,484,000.00		29,822,000.00	45,982,648.87
(2) Business combination	86,296,255.15				86,296,255.15
3. Decrease	14,665,099.84	1,877,000.00		20,829,000.00	37,371,099.84
(1) Disposal	14,665,099.84	1,877,000.00		20,829,000.00	37,371,099.84
4. Closing balance	168,775,082.15	7,247,000.00		48,758,000.00	224,780,082.15
<b>II. Accumulated depreciation</b>					
1. Opening balance	13,759,351.86	2,986,000.00		12,820,000.00	29,565,351.86
2. Increase	46,197,353.66	2,638,000.00		15,860,000.00	64,695,353.66
(1) Accrual	18,742,394.12	2,638,000.00		15,860,000.00	37,240,394.12
(2) Business combination	27,454,959.54				27,454,959.54
3. Decrease	8,341,667.46	1,816,000.00		12,820,000.00	22,977,667.46
(1) Disposal	8,341,667.46	1,816,000.00		12,820,000.00	22,977,667.46
4. Closing balance	51,615,038.06	3,808,000.00		15,860,000.00	71,283,038.06
<b>III. Provision for impairment</b>					
1. Opening balance					
2. Increase					
(1) Accrual					
3. Decrease					
(1) Disposal					
4. Closing balance					
<b>IV. Carrying amount</b>					
1. Closing balance	117,160,044.09	3,439,000.00		32,898,000.00	153,497,044.09
2. Opening balance	70,707,926.11	2,654,000.00		26,945,000.00	100,306,926.11

**(2) Impairment test**

Applicable  Not Applicable

Other remarks

None.

**26. Intangible assets****(1) Details**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Land use right	Trademark	Patent right	Non-patented technology	Software	Total
<b>I. Cost</b>						
1. Opening balance	714,478,334.90	369,674,547.00			210,722,028.54	1,294,874,910.44
2. Increase		185,470.00			57,147,592.36	57,333,062.36
(1) Acquisition					91,260.50	91,260.50
(2) Internal research and development						
(3) Business combination		185,470.00			717,099.95	902,569.95
(4) Transferred in from construction in progress					56,339,231.91	56,339,231.91
3. Decrease					868,403.39	868,403.39
(1) Disposal					868,403.39	868,403.39
4. Closing balance	714,478,334.90	369,860,017.00			267,001,217.51	1,351,339,569.41
<b>II. Accumulated amortization</b>						
1. Opening balance	179,702,708.13	201,944,901.30			136,203,051.26	517,850,660.69
2. Increase	14,053,239.36	9,851,204.56			41,400,465.94	65,304,909.86
(1) Accrual	14,053,239.36	9,851,204.56			41,096,365.10	65,000,809.02
(2) Business combination					304,100.84	304,100.84
3. Decrease					725,193.68	725,193.68
(1) Disposal					725,193.68	725,193.68
4. Closing balance	193,755,947.49	211,796,105.86			176,878,323.52	582,430,376.87
<b>III. Provision for impairment</b>						
1. Opening balance	3,905,124.59	87,200,600.00			749,485.21	91,855,209.80
2. Increase						
(1) Accrual						
3. Decrease						
(1) Disposal						
4. Closing balance	3,905,124.59	87,200,600.00			749,485.21	91,855,209.80
<b>IV. Carrying amount</b>						
1. Closing balance	516,817,262.82	70,863,311.14			89,373,408.78	677,053,982.74
2. Opening balance	530,870,502.18	80,529,045.70			73,769,492.07	685,169,039.95

**(2) Land use right with certificate of titles being unsettled**

□ Applicable √ Not Applicable

**(3) Impairment test**

□ Applicable √ Not Applicable

Other remarks

□ Applicable √ Not Applicable

**27. Goodwill****(1) Cost**

√ Applicable □ Not Applicable

Monetary unit: RMB

## 2023 Annual Report of Chongqing Brewery Co., Ltd.

Investees or events resulting in goodwill	Opening balance	Increase		Decrease		Closing balance
		Business combination	Others	Disposal	Others	
Xinjiang Wusu Brewery Co., Ltd. [Note]	639,141,956.06					639,141,956.06
Carlsberg (China) Breweries and Trading Co., Ltd. [Note]	48,826,000.00					48,826,000.00
Ningxia Xixia Jianiang Brewery Co., Ltd. [Note]	11,224,500.00					11,224,500.00
Carlsberg Chongqing Brewery Co., Ltd.	19,037,610.07					19,037,610.07
Total	718,230,066.13					718,230,066.13

Note: It refers to the goodwill arising from business combinations not under common control conducted by the ultimate controlling party or entities controlled by the ultimate controlling party.

**(2) Provision for impairment**

Applicable  Not Applicable

Monetary unit: RMB

Investees or events resulting in goodwill	Opening balance	Increase		Decrease		Closing balance
		Accrual	Others	Disposal	Others	
Carlsberg Chongqing Brewery Co., Ltd.	19,037,610.07					19,037,610.07
Total	19,037,610.07					19,037,610.07

**(3) Related information of asset group or asset group portfolios which include goodwill**

Applicable  Not Applicable

Name of entities	Composition of asset group or asset group portfolios and its basis	Operating segment and its basis	Whether consistent with previous years
Xinjiang Wusu Brewery Co., Ltd.	Assets and businesses related to goodwill resulting from the acquisition of Xinjiang Wusu Brewery Co., Ltd. by Carlsberg Breweries A/S through business combination not under common control.	Northwestern region (according to the place where sales revenue is generated)	Yes
Carlsberg (China) Breweries and Trading Co., Ltd.	Assets and businesses related to goodwill resulting from the acquisition of Carlsberg (China) Breweries and Trading Co., Ltd. by Carlsberg Singapore Pte Ltd. through business combination not under common control.	Southern region (according to the place where sales revenue is generated)	Yes
Ningxia Xixia Jianiang Brewery Co., Ltd.	Assets and businesses related to goodwill resulting from the acquisition of Ningxia Xixia Jianiang Brewery Co., Ltd. by Carlsberg Breweries A/S through business combination not under common control.	Northwestern region (according to the place where sales revenue is generated)	Yes
Carlsberg Chongqing Brewery Co., Ltd.	Assets and businesses related to goodwill resulting from the acquisition of Carlsberg Chongqing Brewery Co., Ltd. by the Company through business combination not under common control.	Central region (according to the place where sales revenue is generated)	Yes

Changes in asset group or asset group portfolios

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

In April 2012, the Company acquired Carlsberg Chongqing Brewery Co., Ltd., and recognized the goodwill at the difference between the fair value of identifiable net assets and the consideration paid at the acquisition date. Pursuant to the “Proposal on Accrual of Provision for Impairment of Assets” deliberated and approved by the ninth meeting of the seventh session of the Board of Directors held in 2013, the Company performed impairment test on relevant

assets group portfolios that included goodwill, and made provision for impairment of goodwill of 19,037,610.07 yuan at the difference between the recoverable amount of relevant asset group portfolios and the carrying amount.

#### (4) Specific method for determining recoverable amount

##### Recoverable amount determined based on the fair value less costs of disposal

Applicable  Not Applicable

##### Recoverable amount determined based on the present value of estimated future cash flows

Applicable  Not Applicable

Monetary unit: RMB

Items	Carrying amount	Recoverable amount	Impairment amount	Forecast period (years)	Key parameters for forecast period (growth rate, profit rate, etc.)	Determination basis of parameters for forecast period	Key parameters for stable period (growth rate, profit rate, discount rate, etc.)	Determination basis of key parameters for stable period
Xinjiang Wusu Brewery Co., Ltd.	1,571,653,693.42	4,570,000,000.00		5	Compound revenue growth rate: 0.32%; Gross profit rate: 47%	The left key parameters are determined by the Company based on its historical experience and forecast of market development.	Growth rate: 0%; Gross profit rate: 46%; Discount rate: 15.13%	Growth rate: revenue and costs remain stable after the forecast period; Gross profit rate: revenue and gross profit rate remain stable after the forecast period, and the gross profit rate for the stable period remains basically consistent with that for the forecast period;
Carlsberg (China) Breweries and Trading Co., Ltd.	1,016,064,409.95	1,334,000,000.00		5	Compound revenue growth rate: -1.88%; Gross profit rate: 43%-44%		Growth rate: 0%; Gross profit rate: 42%; Discount rate: 15.13%	Discount rate: determined based on the before tax weighted average cost of capital (BTWACC), including parameters such as risk-free interest rate, market risk premium, beta coefficient, capital structure, specific risk return rate, creditor's expected return rate, etc. The selection of each parameter complies with the applicable guidelines for the regulatory rules of the China Securities Regulatory Commission - No. 1 on Assessment.
Ningxia Xixia Jianiang Brewery Co., Ltd.	240,959,037.98	995,000,000.00		5	Compound revenue growth rate: 4.53%; Gross profit rate: 43%-45%		Growth rate: 0%; Gross profit rate: 43%; Discount rate: 15.13%	
Total	2,828,677,141.35	6,899,000,000.00		/	/		/	/

#### Reasons for obvious inconsistencies between the aforementioned information and the information used in impairment tests in previous years or external information

Applicable  Not Applicable

#### Reasons for obvious inconsistencies between the information used in the Company's impairment tests in previous years and the actual situation of those years

Applicable  Not Applicable

#### (5) Performance commitments and corresponding goodwill impairment

Performance commitments exist when goodwill is formed, and the performance commitment period covers the reporting period or the previous period of the reporting period

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

#### 28. Long-term prepayments

Applicable  Not Applicable

**29. Deferred tax assets and deferred tax liabilities****(1) Deferred tax assets before offset**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Accrued expenses and contract liabilities	2,829,736,529.77	522,767,608.91	2,866,021,252.10	546,199,869.87
Provision for impairment of assets	350,851,581.53	69,302,426.50	333,287,740.30	67,535,763.71
Employee benefits payable	280,836,448.97	54,204,892.16	259,582,897.27	52,761,793.01
Deferred income	155,206,784.27	36,491,740.23	147,635,624.68	36,250,783.25
Deductible losses	101,269,311.12	25,317,327.78	82,036,101.38	17,789,125.73
Long-term employee benefits payable	63,556,123.27	10,365,261.58	66,552,094.92	11,594,710.98
Lease liabilities	53,154,804.88	10,471,828.94	45,738,422.97	8,742,463.45
Unrealized profit from internal transactions	33,107,372.29	4,966,105.84	21,219,368.92	3,182,905.34
Intangible assets	28,359,439.13	4,863,034.84	23,044,686.80	3,952,404.00
Provisions	25,219,093.79	3,782,864.07	31,657,899.75	4,900,580.66
Fixed assets	10,672,752.08	2,594,000.25	7,416,061.45	1,798,655.78
Cash flow hedging instruments	2,080,471.09	467,700.04		
Other non-current financial assets	1,000,000.00	150,000.00	1,000,000.00	150,000.00
Total	3,935,050,712.19	745,744,791.14	3,885,192,150.54	754,859,055.78

**(2) Deferred tax liabilities before offset**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
Right-of-use assets	153,497,044.09	35,627,533.78	100,306,926.11	22,411,449.44
Fixed assets	143,457,655.39	24,198,121.78	149,706,704.25	26,985,487.80
Assets appraisal appreciation due to business combination not under common control	52,040,840.24	7,806,126.04	60,713,990.24	9,107,098.54
Other equity instrument investments	15,625,962.83	3,906,490.72	13,303,331.73	3,325,832.94
Intangible assets	12,000,000.00	3,000,000.00	12,000,000.00	3,000,000.00
Cash flow hedging instruments	2,547.33	636.83	1,213,019.84	275,647.87
Total	376,624,049.88	74,538,909.15	337,243,972.17	65,105,516.59

**(3) Deferred tax assets or liabilities presented by net amount after offset**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance		Opening balance	
	Deferred tax assets offset by deferred tax liabilities	Deferred tax assets/liabilities after offset	Deferred tax assets offset by deferred tax liabilities	Deferred tax assets/liabilities after offset
Deferred tax assets	66,732,783.11	679,012,008.03	22,411,449.44	732,447,606.34
Deferred tax liabilities	66,732,783.11	7,806,126.04	22,411,449.44	42,694,067.15

**(4) Details of unrecognized deferred tax assets**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Deductible temporary difference	144,241,227.72	191,072,887.28
Deductible losses	440,365,741.50	320,552,816.05
Total	584,606,969.22	511,625,703.33

**(5) Maturity years of deductible losses of unrecognized deferred tax assets**√ Applicable  Not Applicable

Monetary unit: RMB

Maturity years	Closing balance	Opening balance	Remarks
Year 2023		23,393,028.65	
Year 2024	21,352,118.50	17,917,412.10	
Year 2025	17,683,269.07	20,863,693.25	
Year 2026	117,609,641.23	126,994,927.34	
Year 2027	165,276,052.74	131,383,754.71	
Year 2028	118,444,659.96		
Total	440,365,741.50	320,552,816.05	/

Other remarks

 Applicable  Not Applicable**30. Other non-current assets**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Costs to obtain a contract						
Costs to fulfill a contract						
Costs of goods expected to be returned						
Contract assets						
Prepayments for acquisition of non-current assets	98,818,865.15		98,818,865.15	89,540,749.40		89,540,749.40
Total	98,818,865.15		98,818,865.15	89,540,749.40		89,540,749.40

Other remarks

None.

**31. Assets with title or use right restrictions**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance				Opening balance			
	Book balance	Carrying amount	Type of restrictions	Reasons for restrictions	Book balance	Carrying amount	Type of restrictions	Reasons for restrictions
Cash and bank balances	820,036.10	820,036.10						
Including: Deposits for letters of guarantee	316,100.00	316,100.00	Frozen	Deposits have been frozen				
Deposits for litigations	503,436.10	503,436.10	Frozen	Deposits have been frozen				
Other deposits	500.00	500.00	Frozen	Deposits have been frozen				
Notes receivable								
Inventories								
Fixed assets								
Intangible assets								
Total	820,036.10	820,036.10	/	/			/	/

Other remarks

None.

**32. Short-term borrowings****(1) Details on categories** Applicable  Not Applicable**(2) Overdue short-term borrowings** Applicable  Not Applicable

Significant overdue short-term borrowings

 Applicable  Not Applicable

Other remarks

 Applicable  Not Applicable**33. Held-for-trading financial liabilities** Applicable  Not Applicable

Other remarks

 Applicable  Not Applicable**34. Derivative financial liabilities** Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Floating gains or losses on hedging instruments	15,408,026.80	2,616,336.56
Total	15,408,026.80	2,616,336.56

Other remarks

Please refer to item XII 2 of this section for details on floating gains or losses on hedging instruments.

**35. Notes payable****(1) Details**

Applicable  Not Applicable

**36. Accounts payable****(1) Details**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Payments for acquisition of materials and receiving of services	2,191,038,824.27	2,096,313,903.90
Payments for engineering equipment	416,591,074.90	401,357,843.47
Total	2,607,629,899.17	2,497,671,747.37

**(2) Significant accounts payable with age over one year or overdue**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**37. Advances received****(1) Details**

Applicable  Not Applicable

**(2) Significant advances received with age over one year**

Applicable  Not Applicable

**(3) Amount and reasons for significant changes in carrying amount during the reporting period**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**38. Contract liabilities****(1) Details**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Contract liabilities of distributors	1,666,791,670.83	1,614,042,546.14
Total	1,666,791,670.83	1,614,042,546.14

**(2) Significant contract liabilities with age over one year**

Applicable  Not Applicable

**(3) Reasons for significant changes in carrying amount**

Applicable  Not Applicable



Other remarks

 Applicable  Not Applicable**39. Employee benefits payable****(1) Details** Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Decrease	Closing balance
I. Short-term employee benefits	320,386,267.08	1,451,832,212.55	1,431,906,061.65	340,312,417.98
II. Post-employment benefits - defined contribution plan	44,562,702.04	125,020,239.70	127,167,723.19	42,415,218.55
III. Termination benefits	34,418,355.53	3,280,173.33	10,488,505.00	27,210,023.86
IV. Other benefits due within one year				
Total	399,367,324.65	1,580,132,625.58	1,569,562,289.84	409,937,660.39

**(2) Details of short-term employee benefits** Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Decrease	Closing balance
I. Wage, bonus, allowance and subsidy	300,197,917.76	1,242,057,595.25	1,222,262,567.76	319,992,945.25
II. Employee welfare fund		25,493,494.66	25,493,494.66	
III. Social insurance premium	8,663,785.21	83,491,824.39	81,916,193.04	10,239,416.56
Including: Medicare premium	8,210,257.57	67,852,214.89	66,275,910.34	9,786,562.12
Occupational injuries premium	453,527.64	13,884,922.67	13,907,376.03	431,074.28
Maternity premium		1,754,686.83	1,732,906.67	21,780.16
IV. Housing provident fund	6,247,447.36	77,142,278.73	77,825,338.58	5,564,387.51
V. Trade union fund and employee education fund	5,277,116.75	23,647,019.52	24,408,467.61	4,515,668.66
VI. Short-term paid leave				
VII. Short-term profit-sharing plan				
Total	320,386,267.08	1,451,832,212.55	1,431,906,061.65	340,312,417.98

**(3) Details of defined contribution plan** Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Decrease	Closing balance
1. Basic endowment insurance premium	43,388,437.33	120,434,906.71	122,595,610.70	41,227,733.34
2. Unemployment insurance premium	1,174,264.71	4,585,332.99	4,572,112.49	1,187,485.21
3. Company annuity payment				
Total	44,562,702.04	125,020,239.70	127,167,723.19	42,415,218.55

Other remarks

 Applicable  Not Applicable**40. Taxes and rates payable** Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
VAT	11,270,586.45	21,855,504.85
Consumption tax	27,268,269.42	80,493,196.43
Enterprise income tax	28,878,637.40	131,669,002.41
Urban maintenance and construction tax	2,443,351.83	6,854,142.51
Education surcharge	1,946,980.93	5,902,977.40
Individual income tax withheld for tax authorities	5,544,345.64	4,552,442.76
Housing property tax	3,416,760.68	902,167.35
Land use tax	2,583,874.61	852,494.98
Others	3,126,957.64	2,305,532.66
Total	86,479,764.60	255,387,461.35

Other remarks

None.

**41. Other payables****(1) Details**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Interest payable		
Dividend payable		
Other payables	3,326,996,153.10	3,490,319,176.38
Total	3,326,996,153.10	3,490,319,176.38

Other remarks

□ Applicable √ Not Applicable

**(2) Interest payable**

Details on categories

□ Applicable √ Not Applicable

Significant interest payable overdue

□ Applicable √ Not Applicable

Other remarks

□ Applicable √ Not Applicable

**(3) Dividend payable**

Details on categories

□ Applicable √ Not Applicable

**(4) Other payables**

Other receivables categorized by nature

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Accrued expenses	1,740,060,221.42	1,746,070,547.86
Deposits for packages	1,002,967,948.25	941,202,663.23

Items	Closing balance	Opening balance
Allowances for deposits for packages	-354,139,016.53	-334,503,946.84
Other security deposits	889,342,103.73	1,081,788,522.34
Trademark licensing fees payable	36,092,861.30	40,319,315.43
Others	12,672,034.93	15,442,074.36
Total	3,326,996,153.10	3,490,319,176.38

Significant other payables with age over one year or overdue

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

Accrual and write-off of allowances for deposits for packages

Items	Opening balance	Accrual	Reversal or write-off	Closing balance
Allowances for deposits for packages	334,503,946.84	98,064,487.98	78,429,418.29	354,139,016.53
Subtotal	334,503,946.84	98,064,487.98	78,429,418.29	354,139,016.53

#### 42. Liabilities held for sale

Applicable  Not Applicable

#### 43. Non-current liabilities due within one year

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Long-term borrowings due within one year		
Bonds payable due within one year		
Long-term payables due within one year		
Lease liabilities due within one year	42,382,811.96	24,005,592.21
Total	42,382,811.96	24,005,592.21

Other remarks

None.

#### 44. Other current liabilities

Details

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Short-term bonds payable		
Payables for returned goods		
Output VAT to be recognized	26,113,341.32	27,809,237.78
Total	26,113,341.32	27,809,237.78

Increase or decrease of short-term bonds payable

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**45. Long-term borrowings****(1) Details on categories**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**46. Bonds payable****(1) Bonds payable**

Applicable  Not Applicable

**(2) Details (not including other financial instruments such as preferred shares/perpetual bonds classified as financial liabilities)**

Applicable  Not Applicable

**(3) Remarks on convertible bonds**

Applicable  Not Applicable

Accounting treatment and judgment basis for equity transfer

Applicable  Not Applicable

**(4) Other financial instruments classified as financial liabilities**

Basic information of other financial instruments such as preferred shares or perpetual bonds outstanding at the balance sheet date

Applicable  Not Applicable

Current period movements of financial instruments such as preferred shares or perpetual bonds outstanding at the balance sheet date

Applicable  Not Applicable

Remarks on other financial instruments classified as financial liabilities

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**47. Lease liabilities**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Lease liabilities	121,370,635.09	77,928,597.87
Total	121,370,635.09	77,928,597.87

Other remarks

None.

**48. Long-term payables****Details**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**Long-term payables****(1) Long-term payables categorized by nature**

Applicable  Not Applicable

**Special payables****(2) Special payables categorized by nature**

Applicable  Not Applicable

**49. Long-term employee benefits payable**

Applicable  Not Applicable

**(1) Details**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
I. Post-employment benefits - Net defined benefit liabilities	144,859,660.56	145,921,476.85
II. Termination benefits		
III. Other long-term benefits	6,121,729.03	8,486,230.50
Total	150,981,389.59	154,407,707.35

**(2) Movements in defined benefit plan**

Present value of obligations in defined benefit plan

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
I. Opening balance	145,921,476.85	153,743,974.22
II. Components of defined benefit costs recognized in profit or loss	4,034,294.83	-683,415.60
1. Current service cost	1,162,000.00	2,674,640.27
2. Past service cost	-1,288,705.17	-8,091,055.87
3. Gains and losses on settlements		
4. Net interest expense or income	4,161,000.00	4,733,000.00
III. Components of defined benefit costs recognized in other comprehensive income	4,300,400.00	2,862,000.00
1. Actuarial gains and losses	-4,300,400.00	-2,862,000.00
IV. Other movements	-9,396,511.12	-10,001,081.77
1. Consideration paid at settlement		
2. Benefit paid	-9,396,511.12	-10,001,081.77
V. Closing balance	144,859,660.56	145,921,476.85

Plan assets

Applicable  Not Applicable

Net defined benefit liabilities (assets)

√ Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
I. Opening balance	145,921,476.85	153,743,974.22
II. Components of defined benefit costs recognized in profit or loss	4,034,294.83	-683,415.60
III. Components of defined benefit costs recognized in other comprehensive income	4,300,400.00	2,862,000.00
IV. Other movements	-9,396,511.12	-10,001,081.77
V. Closing balance	144,859,660.56	145,921,476.85

Contents and risks of defined benefit plan, and effect on amount, timing and uncertainty of future cash flows

√ Applicable  Not Applicable

The Company provides the following supplementary post-retirement benefits for existing and future retirees: a. supplementary pension benefits paid to certain existing and future retirees on a monthly or annual basis until their death, which would not be adjusted in the future; b. old age allowance paid to certain existing and future retirees on a monthly basis from the age of 70 until their death, which would not be adjusted in the future; c. one-time funeral benefits paid to existing and future retirees upon their death, which would not be adjusted in the future; d. basic medical insurance premium and critical illness medical premium paid on behalf of existing and future retirees until their death or expiry of minimum payment period (25 years for males and 20 years for females), which would be adjusted according to local policies; e. heating expenses paid to existing and future retirees until their death, which would be adjusted according to local policies; f. retirement allowance and family worker allowance paid to certain existing retirees until their death, which would not be adjusted in the future; and g. one-time incentives for one-child family paid to certain future retirees upon their retirement, which would not be adjusted in the future.

Remarks on significant actuarial assumptions and sensitivity analysis results of defined benefit plan

√ Applicable  Not Applicable

Items	Closing balance	Opening balance
Discount rate	Post-employment benefits: 2.75%; other long-term benefits: 2.25%	Post-employment benefits: 3.00%; other long-term benefits: 2.5%
Death rate	China Life Insurance Mortality Table (2010-2013)	China Life Insurance Mortality Table (2010-2013)
Estimated growth rate of employee benefits	0, 1.6%, 3%, 6%, 7%, 8%, 10%	0, 1.6%, 3%, 6%, 7%, 8%, 10%

The Company entrusted Towers Watson Management and Consulting (Shenzhen) Co., Ltd. to perform actuarial evaluation on the present value of the above defined benefit plan, with an actuarial evaluation report issued thereon.

Other remarks

√ Applicable  Not Applicable

Other long-term benefits refer to long-term paid leaves.

**50. Provisions**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Closing balance	Reasons for balance
Guarantee provided for other entities			

Items	Opening balance	Closing balance	Reasons for balance
Pending lawsuits	31,657,899.75	25,219,093.79	
Including: Glass bottle lawsuit	25,511,559.35	25,135,234.82	[Note]
Labor lawsuit	6,030,000.00		
Others	116,340.40	83,858.97	
Products quality guarantee			
Restructuring obligations			
Onerous contract to be implemented			
Payables for returned goods			
Others			
Total	31,657,899.75	25,219,093.79	/

Other remarks on significant assumption on material provisions and estimates

Note: Pursuant to the “Glass Beer Bottle Sales Contract” entered into between Xinjiang Wusu Brewery (Wusu) Co., Ltd. and Gaomi Shengtai Glass Products Co., Ltd. (the “Gaomi Company”) dated April 10, 2013, Gaomi Company produced and supplied special glass beer bottles to Xinjiang Wusu Brewery (Wusu) Co., Ltd. In 2015, Xinjiang Wusu Brewery (Wusu) Co., Ltd. checked the glass beer bottles and found quality problems, and then refused to accept the bottles and did not make payments. In response, Gaomi Company brought a lawsuit against Xinjiang Wusu Brewery Co., Ltd. and Xinjiang Wusu Brewery (Wusu) Co., Ltd. with the Intermediate People’s Court of Xinjiang Autonomous Region in the same year. At the first instance, the court judged that Xinjiang Wusu Brewery (Wusu) Co., Ltd. should pay 19,214,843.21 yuan to Gaomi Company. Both Xinjiang Wusu Brewery (Wusu) Co., Ltd. and Gaomi Company refused to accept the first-instance judgment and appealed to the Higher People’s Court of Xinjiang Autonomous Region on July 22, 2016, and subsequently obtained the final judgment of the Higher People’s Court of the Autonomous Region on January 17, 2017, which ruled that Xinjiang Wusu Brewery (Wusu) Co., Ltd. should pay the above-mentioned goods payment to Gaomi Company. Gaomi Company refused to accept the final judgment and applied to the Supreme People’s Court for a retrial; and the Supreme People’s Court made a ruling on October 26, 2017, rejecting Gaomi Company’s application. Gaomi Company was still not satisfied with the above processing results, and clearly stated that it planned to apply for a trial supervision procedure through the Supreme People’s Procuratorate to change the result of the above second-instance judgment. Xinjiang Wusu Brewery (Wusu) Co., Ltd. accrued provisions of 19,214,843.21 yuan based on the possible liquidated damages, compensation and litigation fees according to the first-instance judgment. As Gaomi Company appealed to the People’s Court of Wusu City and the People’s Court of Toutunhe District, Urumqi City on September 22, 2016 and November 20, 2021, respectively, for the losses arising from production line suspension caused by the glass beer bottle lawsuit, Xinjiang Wusu Brewery (Wusu) Co., Ltd. accrued provisions totaling 6,500,000.00 yuan based on the possible compensation and litigation fees. As of December 31, 2023, litigation costs incurred totaled 579,608.39 yuan, while the final amount to be paid is still pending as of the date of approval for issuing the financial statements.

## 51. Deferred income

Details

Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Decrease	Closing balance	Reasons for balance
Government grants	256,611,695.14	19,537,300.00	28,502,521.80	247,646,473.34	Government grants related to assets

Total	256,611,695.14	19,537,300.00	28,502,521.80	247,646,473.34	/
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Other remarks

Applicable  Not Applicable

## 52. Other non-current liabilities

Applicable  Not Applicable

## 53. Share capital

Applicable  Not Applicable

Monetary unit: RMB

	Opening balance	Movements					Closing balance
		Issue of new shares	Bonus shares	Reserve transferred to shares	Others	Subtotal	
Total shares	483,971,198.00						483,971,198.00

Other remarks

None.

## 54. Other equity instruments

### (1) Basic information of other financial instruments such as preferred shares or perpetual bonds outstanding as of the balance sheet date

Applicable  Not Applicable

### (2) Current period movements of financial instruments such as preferred shares or perpetual bonds outstanding at the balance sheet date

Applicable  Not Applicable

Current period movements and reasons for the movements, and basis for relevant accounting treatments

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

## 55. Capital reserve

Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Decrease	Closing balance
Share/capital premium				
Other capital reserve	7,728,100.00	8,294,435.00		16,022,535.00
Total	7,728,100.00	8,294,435.00		16,022,535.00

Other remarks on current period movements and reasons for the movements, etc.

Current increase was due to the recognition of equity incentives offered by Carlsberg Group to executives free of charge.



**56. Treasury shares**

□ Applicable √ Not Applicable

**57. Other comprehensive income (OCI)**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Opening balance	Current period cumulative						Closing balance
		Current period cumulative before income tax	Less: OCI previously recognized but transferred to profit or loss in the current period	Less: OCI previously recognized but transferred to retained earnings in the current period	Less: Income tax expenses	Attributable to parent company after tax	Attributable to non-controlling shareholders after tax	
I. Items not to be reclassified subsequently to profit or loss	-14,017,696.37	-1,977,768.90			551,701.42	-1,791,434.05	-738,036.27	-15,809,130.42
Including: Remeasurements of the defined benefit plan	-19,148,126.25	-4,300,400.00			-28,956.36	-2,687,156.73	-1,584,286.91	-21,835,282.98
OCI not to be transferred to profit or loss under equity method								
Changes in fair value of other equity instrument investments	5,130,429.88	2,322,631.10			580,657.78	895,722.68	846,250.64	6,026,152.56
Changes in fair value of the Company's own credit risk								
II. Items to be reclassified subsequently to profit or loss	474,775.84	-12,232,432.69	-10,004,118.83		-742,711.08	-751,087.62	-734,515.16	-276,311.78
Including: OCI to be transferred to profit or loss under equity method								
Changes in fair value of other debt investments								
OCI arising from financial assets reclassification								
Provision for credit impairment loss of other debt investments								
Cash flow hedging reserves	474,775.84	-12,232,432.69	-10,004,118.83		-742,711.08	-751,087.62	-734,515.16	-276,311.78
Translation reserves								
Total	-13,542,920.53	-14,210,201.59	-10,004,118.83		-191,009.66	-2,542,521.67	-1,472,551.43	-16,085,442.20

Other remarks on reconciliation of the effective portion of gains and losses on cash flow hedging into the initially recognized amount of the hedged items, etc.

None.

**58. Special reserve**

□ Applicable √ Not Applicable

**59. Surplus reserve**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Decrease	Closing balance
Statutory surplus reserve	241,985,599.00			241,985,599.00
Discretionary surplus reserve				
Reserve fund				
Enterprise development fund				
Others				
Total	241,985,599.00			241,985,599.00

Remarks on surplus reserve, including current period movements and reasons for the movements

None.

**60. Undistributed profit**

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Balance before adjustment at the end of preceding period	1,336,013,806.16	1,040,351,272.07
Add: Increase due to adjustment (or less: decrease)	20,717.28	6,040.91
Opening balance after adjustment	1,336,034,523.44	1,040,357,312.98
Add: Net profit attributable to owners of the parent company	1,336,597,321.13	1,263,619,606.46
Less: Appropriation of statutory surplus reserve		
Appropriation of discretionary surplus reserve		
Appropriation of general risk reserve		
Dividend payable on ordinary shares	1,258,325,114.80	967,942,396.00
Dividend on ordinary share converted to share capital		
Closing balance	1,414,306,729.77	1,336,034,523.44

Details of adjustments on opening balance of undistributed profit

Please refer to item V 40 of this section for details.

**61. Operating revenue and operating cost****(1) Details**

√ Applicable □ Not Applicable

## 1) Details

Monetary unit: RMB

Items	Current period cumulative		Preceding period comparative	
	Revenue	Cost	Revenue	Cost
Main operations	14,459,332,122.29	7,274,545,460.90	13,696,216,606.60	6,702,990,258.86
Other operations	355,504,287.97	259,430,325.12	342,823,932.85	249,438,735.05
Total	14,814,836,410.26	7,533,975,786.02	14,039,040,539.45	6,952,428,993.91
Including: Revenue from contracts with customers	14,814,836,410.26	7,533,975,786.02	14,039,040,539.45	6,952,428,993.91

## 2) Details of the top 5 customers with largest balances

Customers	Operating revenue	% to total
Customer 1	148,668,713.84	1.00
Customer 2	143,323,387.14	0.97
Customer 3	137,851,255.75	0.93
Customer 4	118,708,001.20	0.80
Customer 5	115,001,048.03	0.78
Subtotal	663,552,405.96	4.48

**(2) Breakdown of operating revenue and operating cost**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

Breakdown of revenue

## 1) Breakdown of revenue from contracts with customers by goods or services

Items	Current period cumulative		Preceding period comparative	
	Revenue	Cost	Revenue	Cost
Beer	14,441,498,095.03	7,257,400,295.48	13,696,216,606.60	6,702,990,258.86
Sale of packages, waste materials, etc.	373,338,315.23	276,575,490.54	342,823,932.85	249,438,735.05
Subtotal	14,814,836,410.26	7,533,975,786.02	14,039,040,539.45	6,952,428,993.91

## 2) Breakdown of revenue from contracts with customers by operating regions

Please refer to item XVIII 6 of this section for details.

## 3) Breakdown of revenue from contracts with customers by time of transferring goods or rendering services

Items	Current period cumulative	Preceding period comparative
Recognized at a point in time	14,814,836,410.26	14,039,040,539.45
Subtotal	14,814,836,410.26	14,039,040,539.45

**(3) Remarks on performance obligation**

Applicable  Not Applicable

**(4) Remarks on transaction price allocated to the remaining performance obligations**

Applicable  Not Applicable

**(5) Significant changes in contracts or significant adjustments on transaction price**

Applicable  Not Applicable

Other remarks

## 1) Information related to performance obligations

The Company's performance obligations mainly refer to delivering beer products to distributors or their designated carriers in accordance with the contract.

2) Contract liabilities with opening carrying amount of 1,613,662,896.71 yuan were carried over to revenue in the current period.

**62. Taxes and surcharges**

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Consumption tax	714,061,831.14	688,784,854.98
Business tax		
Urban maintenance and construction tax	106,081,011.56	100,780,231.87
Education surcharge	82,105,608.19	77,533,745.75
Resources tax		
Housing property tax	20,113,767.97	19,376,483.61
Land use tax	20,096,769.79	20,351,805.44
Vehicle and vessel use tax		
Stamp duty	12,983,310.15	11,906,396.07
Others	2,106,931.22	2,124,772.60
Total	957,549,230.02	920,858,290.32

Other remarks

None.

**63. Selling expenses**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Advertisement and marketing expenses	1,247,606,832.37	1,133,302,573.74
Employee benefits	779,258,534.27	725,946,110.37
Trademark licensing expenses	235,450,545.79	216,678,340.71
Business travelling expenses	65,307,615.67	60,294,791.93
Depreciation	52,013,887.76	47,135,522.24
Depreciation of right-of-use assets	21,608,000.00	19,475,000.00
Lease expenses	23,451,103.31	26,917,139.50
Amortization of intangible assets	19,383,559.45	17,959,828.76
Others	88,541,754.16	78,507,919.95
Total	2,532,621,832.78	2,326,217,227.20

Other remarks

None.

**64. Administrative expenses**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Employee benefits	259,173,665.82	258,726,828.28
Office expenses and intermediary service expenses	58,651,896.84	97,126,555.74
IT-related expenses	55,540,396.61	55,075,964.45
Amortization of intangible assets	27,526,304.10	25,339,748.16
Depreciation expenses	18,957,483.39	17,070,233.80
Business travelling expenses	14,608,494.02	6,833,691.74
Security and fire prevention expenses	10,583,329.55	9,753,934.63
Pollution discharge fees	8,811,293.59	8,560,050.43
Water and electricity expenses	5,028,136.63	4,941,871.28
Share-based payments	9,249,076.00	6,701,520.00
Depreciation of right-of-use assets	8,965,897.21	9,722,351.86
Others	17,574,764.00	34,717,598.56
Total	494,670,737.76	534,570,348.93

Other remarks

None.

**65. R&D expenses**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Employee benefits	13,668,815.71	53,300,332.47
Raw materials and revolving materials used	4,546,725.72	25,842,587.49
Power expenses	3,625,721.09	19,579,951.98
Depreciation	3,583,055.39	9,119,195.96
Other expenses	807,738.36	2,905,868.16
Total	26,232,056.27	110,747,936.06

Other remarks

None.

**66. Financial expenses**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Interest expenses	5,921,669.09	3,696,843.83
Less: Interest income	71,308,016.27	65,718,589.46
Gains and losses on foreign exchange	132,417.76	275,744.53
Handling charges	591,532.79	691,152.32
Others [Note]	4,349,000.00	4,952,000.00
Total	-60,313,396.63	-56,102,848.78

Other remarks

Note: It refers to interest expenses on net defined benefit liabilities of 4,161,000.00 yuan and interest expenses on net long-term employee benefits liabilities of 188,000.00 yuan.

**67. Other income**√ Applicable  Not Applicable

Monetary unit: RMB

Classified by nature	Current period cumulative	Preceding period comparative
Government grants related to assets	28,502,521.80	28,112,910.68
Government grants related to income	30,399,687.22	28,061,036.73
Refund of handling fees for withholding individual income tax	1,809,139.62	1,458,135.41
Total	60,711,348.64	57,632,082.82

Other remarks

None.

**68. Investment income**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Investment income from long-term equity investments under equity method	62,294,135.01	56,279,080.37
Investment income from disposal of long-term equity investments		
Investment income from held-for-trading financial assets		
Dividend income from other equity instrument investments	344,606.28	344,606.28
Interest income from debt investments		
Interest income from other debt investments		
Investment income from disposal of held-for-trading financial assets	3,936,674.52	11,322,859.61
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investments		
Investment income from disposal of other debt investments		
Income from debt restructuring		
Total	66,575,415.81	67,946,546.26

Other remarks

(1) Investment income from long-term equity investments under equity method

Investees	Current period cumulative	Preceding period comparative
Chongqing Jiawei Beer Co., Ltd.	62,294,135.01	56,279,080.37
Subtotal	62,294,135.01	56,279,080.37

#### 69. Gains on net exposure to hedging risk

Applicable  Not Applicable

#### 70. Gains on changes in fair value

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Held-for-trading financial assets	202,000.00	
Including: Gains on changes in fair value of derivative financial instruments		
Including: Gains on changes in fair value of financial assets classified as at fair value through profit or loss	202,000.00	
Held-for-trading financial liabilities		
Investment property at fair value		
Total	202,000.00	

Other remarks

None.

#### 71. Credit impairment loss

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Impairment loss of debt investments		

Impairment loss of other debt investments		
Bad debts of long-term receivables		
Impairment loss of financial guarantee		
Bad debts	-1,706,340.65	2,461,066.24
Total	-1,706,340.65	2,461,066.24

Other remarks

None.

## 72. Assets impairment loss

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
I. Impairment loss of contract assets		
II. Inventory write-down loss and impairment loss of costs to fulfill a contract [Note]	-83,350,379.69	-78,848,619.27
III. Impairment loss of long-term equity investments		
IV. Impairment loss of investment property		
V. Impairment loss of fixed assets	-17,485,277.39	-2,082,570.02
VI. Impairment loss of construction materials		
VII. Impairment loss of construction in progress		
VIII. Impairment loss of productive biological assets		
IX. Impairment loss of oil and gas assets		
X. Impairment loss of intangible assets		-459,733.59
XI. Impairment loss of goodwill		
XII. Others		
Total	-100,835,657.08	-81,390,922.88

Other remarks

Note: It refers to the net amount of provision for inventory write-down after deducting allowances for deposits for packages lent out that are expected to be irrecoverable.

## 73. Gains on asset disposal

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Gains on asset disposal	-2,252,522.60	1,996,546.49
Total	-2,252,522.60	1,996,546.49

Other remarks

None.

## 74. Non-operating revenue

Details

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative	Amount included in non-recurring profit or loss
Gains on disposal of non-current assets	998,632.86	1,735,091.73	998,632.86
Including: Gains on disposal of fixed assets	998,632.86	1,735,091.73	998,632.86
Gains on disposal of intangible assets			
Gains on exchange of non-cash assets			
Receiving of donations			
Government grants			
Wanzhou factory flood insurance compensation	21,980,000.00		21,980,000.00
Others	5,794,201.78	5,413,038.35	5,794,201.78
Total	28,772,834.64	7,148,130.08	28,772,834.64

Other remarks

Applicable  Not Applicable

## 75. Non-operating expenditures

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative	Amount included in non-recurring profit or loss
Losses on disposal of non-current assets	4,969,122.90	6,417,735.09	4,969,122.90
Including: Losses on disposal of fixed assets	4,969,122.90	6,417,735.09	4,969,122.90
Losses on disposal of intangible assets			
Losses on exchange of non-cash assets			
Donation expenditures	520,000.00	500,000.00	520,000.00
Others	387,567.38	417,484.88	387,567.38
Total	5,876,690.28	7,335,219.97	5,876,690.28

Other remarks

None.

## 76. Income tax expenses

### (1) Details

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Current period income tax expenses	645,383,330.47	391,764,876.06
Deferred income tax expenses	18,738,666.86	320,085,761.22
Total	664,121,997.33	711,850,637.28

### (2) Reconciliation of accounting profit to income tax expenses

Applicable  Not Applicable

Monetary unit: RMB



Items	Current period cumulative
Profit before tax	3,375,690,552.52
Income tax expenses based on statutory/applicable tax rate	843,922,638.13
Effect of different tax rate applicable to subsidiaries	-193,311,587.28
Effect of prior income tax reconciliation	8,337,708.05
Effect of non-taxable income	-15,759,409.89
Effect of non-deductible costs, expenses and losses	3,645,040.50
Effect of utilization of deductible losses not previously recognized as deferred tax assets	-2,050.13
Effect of deducible temporary differences or deductible losses not recognized as deferred tax assets in the current period	31,559,953.29
Effect of recognition of temporary difference or deductible losses not previously recognized as deferred tax assets	-14,314,496.90
Extra deduction of R&D expenses	-3,762,576.46
Effect of tax rate movements on income tax expenses at the beginning of the current period	3,806,778.02
Income tax expenses	664,121,997.33

Other remarks

Applicable  Not Applicable

#### 77. Other comprehensive income

Applicable  Not Applicable

Please refer to item VII 57 of this section for details on other comprehensive income, net of income tax.

#### 78. Notes to items of the cash flow statement

##### (1) Cash receipts related to operating activities

Other cash receipts related to operating activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Cash receipts from security deposits	696,092,428.10	901,054,848.48
Cash receipts from deposits for packages	269,038,878.05	287,427,527.49
Cash receipts from interest income	60,552,373.64	65,461,700.04
Cash receipts from government grants, refund of handling fees for withholding individual income tax, etc.	51,746,126.84	59,559,872.14
Recovery of frozen funds		188,649,190.60
Others	26,019,009.08	27,290,217.69
Total	1,103,448,815.71	1,529,443,356.44

Remarks on other cash receipts related to operating activities:

None.

Other cash payments related to operating activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Cash payments for advertising and marketing expenses	1,210,837,927.68	1,220,453,332.37

Items	Current period cumulative	Preceding period comparative
Cash payments for trademark licensing fees	239,676,999.92	210,352,345.55
Cash payments for office expenses and other service fees	98,400,188.43	108,408,363.06
Cash payments for business travelling expenses	76,715,507.65	66,448,364.12
Cash payments for fees related to IT	63,305,923.63	55,558,429.60
Cash payments for removal, loading and unloading	23,362,403.32	18,228,836.96
Cash payments for leases	22,933,917.21	14,518,941.78
Others	53,666,453.76	55,172,116.95
Total	1,788,899,321.60	1,749,140,730.39

Remarks on other cash payments related to operating activities:

None.

## (2) Other cash receipts related to investing activities

Cash receipts related to significant investing activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
1) Cash receipts from withdrawal of investments		
Structured deposits	3,936,674.52	1,512,411,748.50
Total	3,936,674.52	1,512,411,748.50

Remarks on cash receipts related to significant investing activities:

None.

Cash payments for significant investing activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Cash payments for investments		
Structured deposits	360,000,000.00	1,000,000,000.00
Subtotal	360,000,000.00	1,000,000,000.00
Total	360,000,000.00	1,000,000,000.00

Remarks on cash payments for significant investing activities:

None.

Other cash receipts related to investing activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Difference between the consideration paid for acquisition of subsidiaries and cash and cash equivalents held by subsidiaries on the acquisition date	2,518,499.55	
Total	2,518,499.55	

Remarks on other cash receipts related to investing activities:

None.

Other cash payments related to investing activities

Applicable  Not Applicable

### (3) Cash receipts related to financing activities

Other cash receipts related to financing activities

Applicable  Not Applicable

Other cash payments related to financing activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Cash payments for lease liabilities	38,940,556.09	33,725,924.40
Repayment of borrowings from Guangzhou Carlsberg Investment Co., Ltd. [Note]	17,000,000.00	
Total	55,940,556.09	33,725,924.40

Remarks on other cash payments related to financing activities:

Note: Please refer to item XIV 5 (8) of this section for details.

Changes in liabilities arising from financing activities

Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase		Decrease		Closing balance
		Changes in cash	Changes in non-cash [Note]	Changes in cash	Changes in non-cash	
Lease liabilities (including lease liabilities due within one year)	101,934,190.08		115,153,245.44	38,940,556.09	14,393,432.38	163,753,447.05
Other payables			17,000,000.00	17,000,000.00		
Total	101,934,190.08		132,153,245.44	55,940,556.09	14,393,432.38	163,753,447.05

Note: In the current period, increase in changes in non-cash refers to other payables of 1,400,000.00 yuan transferred in from Beijing Capital Brewing Golden Wheat Trading Co., Ltd. due to expansion of the consolidation scope, lease liabilities of 63,248,927.48 yuan and other payables of 15,600,000.00 yuan transferred in from Jinbei Asia Pacific (Beijing) Catering Co., Ltd. due to expansion of the consolidation scope, increased financing of 45,982,648.87 yuan and currently accrued interest of 5,921,669.09 yuan.

### (4) Remarks on cash flows presented on a net basis

Applicable  Not Applicable

Items	Relevant factual situation	Basis for presentation on a net basis	Financial effects
Other cash receipts related to operating activities	Related cash flows refer to cash inflows and outflows collected from and paid to customers with fast turnover, large amount, and short period.	Presentation on a net basis reflects the Company's cash flow situation, which is more useful for evaluating its payment ability and solvency and analyzing its cash flows.	1,468,483,750.81
Other cash payments related to operating activities	Related cash flows refer to cash inflows and outflows collected from and paid to customers with fast turnover, large amount, and short period.	Presentation on a net basis reflects the Company's cash flow situation, which is more useful for evaluating its payment ability and solvency and analyzing its cash flows.	1,468,483,750.81

**(5) Significant activities not related to current cash receipts and payments but affect the financial position of the Company or may affect the Company's future cash flows and the financial effects**

Applicable  Not Applicable

**79. Supplementary information to the cash flow statement**

**(1) Supplementary information to the cash flow statement**

Applicable  Not Applicable

Monetary unit: RMB

Supplementary information	Current period cumulative	Preceding period comparative
<b>1. Reconciliation of net profit to cash flows from operating activities:</b>		
Net profit	2,711,568,555.19	2,586,928,183.57
Add: Provision for assets impairment	100,835,657.08	81,390,922.88
Provision for credit impairment loss	1,706,340.65	-2,461,066.24
Depreciation of fixed assets, oil and gas assets, productive biological assets	414,381,095.11	414,016,254.67
Amortization of right-of-use assets	37,240,394.12	31,609,351.86
Amortization of intangible assets	63,196,249.02	58,784,718.50
Amortization of long-term prepayments		
Losses on disposal of fixed assets, intangible assets and other long-term assets (Less: gains)	2,252,522.60	-1,996,546.49
Fixed assets retirement loss (Less: gains)	3,970,490.04	4,682,643.36
Losses on changes in fair value (Less: gains)	-202,000.00	
Financial expenses (Less: gains)	5,921,669.09	3,696,843.83
Investment losses (Less: gains)	-66,575,415.81	-67,946,546.26
Decrease of deferred tax assets (Less: increase)	53,931,617.88	329,874,747.35
Increase of deferred tax liabilities (Less: decrease)	-35,192,951.02	-12,828,868.06
Decrease of inventories (Less: increase)	-111,789,119.11	-453,832,389.49
Decrease of operating receivables (Less: increase)	-67,662,253.33	23,260,578.28
Increase of operating payables (Less: decrease)	-16,634,034.89	757,469,430.78
Others		
Net cash flows from operating activities	3,096,948,816.62	3,752,648,258.54
<b>2. Significant investing and financing activities not related to cash receipts and payments:</b>		
Conversion of debt into capital		

Supplementary information	Current period cumulative	Preceding period comparative
Convertible bonds due within one year		
Fixed assets leased in under finance leases		
<b>3. Net changes in cash and cash equivalents:</b>		
Cash at the end of the period	2,700,076,206.04	3,396,809,241.14
Less: Cash at the beginning of the period	3,396,809,241.14	2,165,733,418.37
Add: Cash equivalents at the end of the period		
Less: Cash equivalents at the beginning of the period		
Net increase of cash and cash equivalents	-696,733,035.10	1,231,075,822.77

**(2) Net cash payments for the acquisition of subsidiaries**

Applicable  Not Applicable

**(3) Net cash receipts from the disposal of subsidiaries**

Applicable  Not Applicable

**(4) Composition of cash and cash equivalents**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
I. Cash	2,700,076,206.04	3,396,809,241.14
Including: Cash on hand	10,176.00	
Cash in bank on demand for payment	2,699,523,751.37	3,396,809,241.14
Other cash and bank balances on demand for payment	542,278.67	
Central bank deposit on demand for payment		
Deposit in other banks		
Loans to other banks		
II. Cash equivalents		
Including: Bond investments maturing within three months		
III. Cash and cash equivalents at the end of the period	2,700,076,206.04	3,396,809,241.14
Including: Cash and cash equivalents of parent company or subsidiaries with use restrictions		

**(5) Balances with use restrictions but still considered as cash and cash equivalents**

Applicable  Not Applicable

**(6) Cash and bank balances not considered as cash and cash equivalents**

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative	Reasons
Accrued interest of seven-day call deposits	11,823,993.51	1,068,350.88	Accrued interest is not considered as cash equivalents.
Deposits for letters of guarantee	316,100.00		Deposits are frozen.
Deposits for litigation	503,436.10		Deposits are frozen.
Other deposits	500.00		Deposits are frozen.
Total	12,644,029.61	1,068,350.88	/

Other remarks:

Applicable  Not Applicable

### 80. Notes to items of statement of changes in equity

Remarks on "Others" with balances at the end of prior year adjusted and the adjusted amount:

Applicable  Not Applicable

### 81. Monetary items in foreign currencies

#### (1) Monetary items in foreign currencies

Applicable  Not Applicable

#### (2) Remarks on overseas operations. For significant overseas operating entities, their main operating places, functional currencies and adoption basis shall be disclosed. Reasons for any changes in functional currency shall also be disclosed.

Applicable  Not Applicable

### 82. Leases

#### (1) The Company as lessee

Applicable  Not Applicable

Variable lease payments not included in the measurement of lease liabilities

Applicable  Not Applicable

Short-term leases and leases of low-value assets with simplified approach

Applicable  Not Applicable

Items	Current period cumulative	Preceding period comparative
Expenses for short-term leases	28,587,956.49	29,041,574.10
Total	28,587,956.49	29,041,574.10

Sale and leaseback transactions and determination basis

Applicable  Not Applicable

Cash flows related to leases totaled 66,139,107.22 yuan.

**(2) The Company as lessor**

Operating lease

 Applicable  Not Applicable

Finance lease

 Applicable  Not Applicable

Reconciliation of undiscounted lease payments to net investment in the lease

 Applicable  Not Applicable

Undiscounted lease payments in the in the next five years

 Applicable  Not Applicable**(3) Recognition of profit or loss related to finance leases as a manufacturer or distributor** Applicable  Not Applicable

Other remarks

None.

**83. Others** Applicable  Not Applicable**VIII. R&D costs****(1) Presented by nature of expenses** Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Employee benefits	13,668,815.71	53,300,332.47
Consumed raw materials and revolving materials	4,546,725.72	25,842,587.49
Power expenses	3,625,721.09	19,579,951.98
Depreciation	3,583,055.39	9,119,195.96
Others	807,738.36	2,905,868.16
Total	26,232,056.27	110,747,936.06
Including: R&D costs to be expensed	26,232,056.27	110,747,936.06
R&D costs to be capitalized		

Other remarks:

None.

**(2) Development expenditures of R&D projects eligible for capitalization** Applicable  Not Applicable

Significant capitalized R&D projects

Applicable  Not Applicable

Provision for impairment of development expenditures

Applicable  Not Applicable

Other remarks

None.

### (3) Significant outsourced R&D projects in progress

Applicable  Not Applicable

## IX. Changes in the consolidation scope

### 1. Business combination not under common control

Applicable  Not Applicable

#### (1) Business combination not under common control in the current period

Applicable  Not Applicable

Monetary unit: RMB

Acquirees	Equity acquisition date	Equity acquisition cost	Proportion of equity acquired (%)	Equity acquisition method	Acquisition date	Determination basis for acquisition date	Acquiree's income from acquisition date to period end	Acquiree's net profit from acquisition date to period end	Acquiree's cash flows from acquisition date to period end
Jinbei Asia Pacific (Beijing) Catering Co., Ltd. (the "Jinbei Asia Pacific")	10/10/2023	600,000.00	100.00	Cash acquisition	10/10/2023	Completion of registration at administration for market regulation	17,466,633.15	-7,724,030.43	-3,373,209.47
Beijing Capital Brewing Golden Wheat Trading Co., Ltd. (the "Beijing Capital Brewing")	10/10/2023	2,500,000.00	100.00	Cash acquisition	10/10/2023	Completion of registration at administration for market regulation	2,242,680.54	-942,486.89	-1,624,512.29

Other remarks:

#### 1) Jinbei Asia Pacific

Pursuant to the "Agreement on Equity Transfer of Jinbei Asia Pacific (Beijing) Catering Co., Ltd." entered into between the subsidiary Carlsberg Chongqing Brewery Co., Ltd. and Jinbei Asia Pacific Co., Ltd. in September 2023, Carlsberg Chongqing Brewery Co., Ltd. acquired 100% of equity of Jinbei Asia Pacific in cash, with a combination cost of 0.60 million yuan at the acquisition date. As of December 31, 2023, the equity transfer was registered at administration for market regulation.

#### 2) Beijing Capital Brewing

Pursuant to the "Agreement on Equity Transfer of Beijing Capital Brewing Golden Wheat Trading Co., Ltd." entered into between the subsidiary Carlsberg Chongqing Brewery Co., Ltd. and Capital Brewing Company Limited in September 2023, Carlsberg Chongqing Brewery Co., Ltd. acquired 100% of equity of Beijing Capital Brewing in cash, with a combination cost of 2.50 million yuan at the acquisition date. As of December 31, 2023, the equity transfer was registered at administration for market regulation.



**(2) Combination costs and goodwill**√ Applicable  Not Applicable

Monetary unit: RMB

Combination costs	Jinbei Asia Pacific	Beijing Capital Brewing
--Cash	600,000.00	2,500,000.00
--Fair value of non-cash assets		
--Fair value of debts issued or assumed		
--Fair value of equity securities issued		
--Fair value of contingent considerations		
--Acquisition-date fair value of equity held before the acquisition date		
--Others		
Total combination costs	600,000.00	2,500,000.00
Less: Share of fair value of net identifiable assets acquired	609,660.39	2,889,237.88
Goodwill/Balance of fair value of net identified assets acquired after deducting combination costs	-9,660.39	-389,237.88

Determination method of fair value of combination costs

 Applicable  Not Applicable

Completion of performance commitments

 Applicable  Not Applicable

Main reasons for goodwill in large amount

 Applicable  Not Applicable

Other remarks:

None.

**(3) Acquisition-date identifiable assets and liabilities of acquirees**√ Applicable  Not Applicable

Monetary unit: RMB

	Jinbei Asia Pacific		Beijing Capital Brewing	
	Acquisition-date fair value	Acquisition-date carrying amount	Acquisition-date fair value	Acquisition-date carrying amount
Assets				
Cash and bank balances	3,967,582.39	3,967,582.39	1,650,917.16	1,650,917.16
Accounts receivable	7,101,346.48	7,101,346.48	1,148,621.35	1,148,621.35
Inventories	1,567,895.13	1,567,895.13	1,935,242.52	1,832,444.40
Fixed assets	17,013,723.96	16,945,072.52	872,446.40	757,498.74
Intangible assets	412,999.11	382,168.45	185,470.00	
Right-of-use asses	58,841,295.61	58,841,295.61		
Others	858,182.28	858,182.28	47,408.17	47,408.17
Liabilities				

Accounts payable	25,904,437.09	25,904,437.09	2,950,867.72	2,950,867.72
Lease liabilities	63,248,927.48	63,248,927.48		
Net assets	609,660.39	510,178.29	2,889,237.88	2,486,022.10
Less: Non-controlling interest				
Net assets acquired	609,660.39	510,178.29	2,889,237.88	2,486,022.10

Fair value determination method on identifiable assets and liabilities:

Pursuant to the equity transfer agreement entered into between Carlsberg Chongqing Brewery Co., Ltd. and Jinbei Asia Pacific, Carlsberg Chongqing Brewery Co., Ltd. acquired 100% of equity of Jinbei Asia Pacific, and adjusted the acquisition-date fair value of the fixed assets and intangible assets on the basis of the Appraisal Report (CCWAAR (2023) No. 044) taking May 31, 2023 as the valuation benchmark date. Except for fixed assets and intangible assets, the fair value of other assets and liabilities with no obvious appreciation or impairment is determined based on the carrying amount at the acquisition date.

Pursuant to the equity transfer agreement entered into between Carlsberg Chongqing Brewery Co., Ltd. and Capital Brewing Company Limited, Carlsberg Chongqing Brewery Co., Ltd. acquired 100% of equity of Beijing Capital Brewing, and adjusted the fair value of the inventories, fixed assets and intangible assets on the basis of the Appraisal Report (CCWAAR (2023) No. 043) taking May 31, 2023 as the valuation benchmark date. Except for inventories, fixed assets and intangible assets, the fair value of other assets and liabilities with no obvious appreciation or impairment is determined based on the carrying amount at the acquisition date.

Contingent liabilities of acquirees assumed in business combination:

None.

Other remarks:

None.

**(4) Gains or losses on fair value remeasurement of equity held before the acquisition date**

Transactions with business combinations achieved in stages and control obtained during the reporting period

Applicable  Not Applicable

**(5) Combination costs or fair value of acquiree's identifiable assets/liabilities failed to be reasonably determined at the acquisition date or at the end of current period**

Applicable  Not Applicable

**(6) Other remarks**

Applicable  Not Applicable

**2. Business combination under common control**

Applicable  Not Applicable

**3. Reverse acquisition**

Applicable  Not Applicable

**4. Disposal of subsidiaries**

Transactions or events leading to loss of control over a subsidiary in the current period

Applicable  Not Applicable

Other remarks:

Applicable  Not Applicable

Disposal of subsidiaries in stages leading to loss of control in the current period

One-time disposal

Applicable  Not Applicable

Other remarks:

Applicable  Not Applicable

**5. Changes in the consolidation scope due to other reasons**

Remarks on changes in the consolidation scope due to other reasons (e.g., establishment/liquidation of subsidiaries, etc.) and relevant conditions:

Applicable  Not Applicable

**6. Others**

Applicable  Not Applicable

**X. Interest in other entities****1. Interest in subsidiaries****(1) Composition of the group**

Applicable  Not Applicable

Monetary unit: RMB

Subsidiaries	Main operating place	Registered capital	Place of registration	Business nature	Holding proportion (%)		Acquisition method
					Direct	Indirect	
Carlsberg Chongqing Brewery Co., Ltd. [Note 1]	Yubei District, Chongqing City	850,000,000.00	Yubei District, Chongqing City	Beer industry	51.42		Business combination not under common control
Hunan Chongqing Beer Guoren Co., Ltd. [Note 2]	Economic Development Zone, Lixian, Hunan	200,000,000.00	Economic Development Zone, Lixian, Hunan	Beer industry			Investment and establishment
Chongqing Beer Panzhihua Co., Ltd. [Note 2]	Heshiba, Panzhihua City	100,555,500.00	Heshiba, Panzhihua City	Beer industry			Business combination under common control
Chongqing Beer Group Chengdu Boke Beer Co., Ltd.	Huashi Village, Deyuan Town, Pidu District, Chengdu City	140,800,000.00	Huashi Village, Deyuan Town, Pidu District, Chengdu City	Beer industry			Business combination not under common

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Subsidiaries	Main operating place	Registered capital	Place of registration	Business nature	Holding proportion (%)		Acquisition method
					Direct	Indirect	
[Note 2]							control
Chongqing Beer Yibin Co., Ltd. [Note 2]	Shao'e Street, Baixi Town, Yibin County, Yibin City	50,000,000.00	Shao'e Street, Baixi Town, Yibin County, Yibin City	Beer industry			Business combination not under common control
Carlsberg Beer Enterprise Management (Chongqing) Co., Ltd. [Note 2]	Chongqing City	648,580,000.00	Chongqing City	Beer industry			Business combination under common control
Kunming Huashi Brewery Co., Ltd. [Note 2]	Kunming City, Yunnan Province	79,528,080.08	Kunming City, Yunnan Province	Beer industry			Business combination under common control
Carlsberg (China) Breweries and Trading Co., Ltd. [Note 2]	Dali City, Dali Bai Autonomous Prefecture, Yunnan Province	299,902,362.00	Dali City, Dali Bai Autonomous Prefecture, Yunnan Province	Beer industry			Business combination under common control
Xinjiang Wusu Brewery Co., Ltd. [Note 2]	Urumqi, Xinjiang Uygur Autonomous Region	105,480,000.00	Urumqi, Xinjiang Uygur Autonomous Region	Beer industry			Business combination under common control
Carlsberg Brewery (Guangdong) Co., Ltd. [Note 2]	Huizhou City, Guangdong Province	350,886,363.22	Huizhou City, Guangdong Province	Beer industry			Business combination under common control
Ningxia Xixia Jianiang Brewery Co., Ltd. [Note 2]	Yinchuan City	191,929,277.02	Yinchuan City	Beer industry			Business combination under common control
Carlsberg Brewery (Jiangsu) Co., Ltd. [Note 2]	Yancheng City, Jiangsu Province	60,000,000.00	Yancheng City, Jiangsu Province	Beer industry			Investment and establishment
Carlsberg Enterprise Management Consulting Co., Ltd. [Note 2]	Tianhe District, Guangzhou City	50,000,000.00	Tianhe District, Guangzhou City	Beer industry			Investment and establishment
Carlsberg Brewery (Foshan) Co., Ltd. [Note 2]	Foshan City, Guangdong Province	10,000,000.00	Foshan City, Guangdong Province	Beer industry			Investment and establishment
Jinbei Asia Pacific (Beijing) Catering Co., Ltd. [Note 2]	Chaoyang District, Beijing City	400,000.00	Chaoyang District, Beijing City	Beer industry			Business combination not under common control
Beijing Capital Brewing Golden Wheat Trading Co., Ltd. [Note 2]	Chaoyang District, Beijing City	2,000,000.00	Chaoyang District, Beijing City	Beer industry			Business combination not under common control
Chongqing Beer Xichang Co., Ltd. [Note 3]	Anning Town, Xichang City	74,500,000.00	Anning Town, Xichang City	Beer industry			Investment and establishment
Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd. [Note 4]	Liyang City	160,000,000.00	Liyang City	Beer industry			Business combination under common control
Carlsberg Brewery (Anhui) Co., Ltd. [Note 4]	Economic Development Zone, Tianchang City, Anhui Province	64,000,000.00	Economic Development Zone, Tianchang City, Anhui Province	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Korla) Co., Ltd. [Note 5]	Korla, Bayingolin Mongol Autonomous Prefecture, Xinjiang Uygur Autonomous Region	5,000,000.00	Korla, Bayingolin Mongol Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Beer industry			Business combination under common control

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Subsidiaries	Main operating place	Registered capital	Place of registration	Business nature	Holding proportion (%)		Acquisition method
					Direct	Indirect	
Xinjiang Wusu Brewery (Yining) Co., Ltd. [Note 5]	Yining City, Ili Kazakh Autonomous Prefecture, Xinjiang Uygur Autonomous Region	20,000,000.00	Yining City, Ili Kazakh Autonomous Prefecture, Xinjiang Uygur Autonomous Region	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Aksu) Co., Ltd. [Note 5]	Aksu Prefecture, Xinjiang Uygur Autonomous Region	10,000,000.00	Aksu Prefecture, Xinjiang Uygur Autonomous Region	Beer industry			Business combination under common control
Xinjiang Wusu Brewery (Wusu) Co., Ltd. [Note 5]	Wusu City, Tacheng Prefecture, Xinjiang Uygur Autonomous Region	30,000,000.00	Wusu City, Tacheng Prefecture, Xinjiang Uygur Autonomous Region	Beer industry			Business combination under common control
Xinjiang Wusu Beer Trading Co., Ltd. [Note 5]	Urumqi, Xinjiang Uygur Autonomous Region	30,000,000.00	Urumqi, Xinjiang Uygur Autonomous Region	Beer industry			Investment and establishment

Remarks on inconsistency between holding proportion and voting right proportion in subsidiaries

Note 1: The Company and Guangzhou Carlsberg Investment Co., Ltd. holds 51.42% and 48.58% of equity of Carlsberg Chongqing Brewery Co., Ltd. respectively.

Note 2: The Company's holding subsidiary Carlsberg Chongqing Brewery Co., Ltd. holds 98.75% of equity of Hunan Chongqing Beer Guoren Co., Ltd., 100.00% of equity of Chongqing Beer Panzhuhua Co., Ltd., 100.00% of equity of Chongqing Beer Group Chengdu Boke Beer Co., Ltd., 100.00% of equity of Chongqing Beer Yibin Co., Ltd., 100.00% of equity of Carlsberg Beer Enterprise Management (Chongqing) Co., Ltd., 100.00% of equity of Kunming Huashi Brewery Co., Ltd., 100.00% of equity of Carlsberg (China) Breweries and Trading Co., Ltd., 100.00% of equity of Xinjiang Wusu Brewery Co., Ltd., 99.00% of equity of Carlsberg Brewery (Guangdong) Co., Ltd., 70.00% of equity of Ningxia Xixia Jianiang Brewery Co., Ltd., 100.00% of equity of Carlsberg Brewery (Jiangsu) Co., Ltd., 100.00% of equity of Carlsberg Enterprise Management Consulting Co., Ltd., 100.00% of equity of Carlsberg Brewery (Foshan) Co., Ltd., 100.00% of equity of Jinbei Asia Pacific (Beijing) Catering Co., Ltd. and 100.00% of equity of Beijing Capital Brewing Golden Wheat Trading Co., Ltd.

Note 3: Chongqing Beer Panzhuhua Co., Ltd. holds 100.00% of equity of Chongqing Beer Xichang Co., Ltd.

Note 4: Carlsberg Beer Enterprise Management (Chongqing) Co., Ltd. holds 100% of equity of Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd. and 75% of equity of Carlsberg Brewery (Anhui) Co., Ltd.

Note 5: Xinjiang Wusu Brewery Co., Ltd. holds 100% of equity of Xinjiang Wusu Brewery (Korla) Co., Ltd., Xinjiang Wusu Brewery (Yining) Co., Ltd., Xinjiang Wusu Brewery (Aksu) Co., Ltd., Xinjiang Wusu Brewery (Wusu) Co., Ltd. and Xinjiang Wusu Beer Trading Co., Ltd.

Basis for the control of an investee while holding its half or less than half voting rights, and the non-control of an investee while holding its more than half voting rights:

None.

Basis for control of significant structured entities brought into the consolidation scope:

None.

Basis for determining an entity being acting as an agent or a principal:

None.

Other remarks:

None.

## (2) Significant not wholly-owned subsidiaries

Applicable  Not Applicable

Monetary unit: RMB

Subsidiaries	Holding proportion of non-controlling shareholders	Non-controlling shareholders' profit or loss	Dividend declared to non-controlling shareholders	Closing balance of non-controlling interest
Carlsberg Chongqing Brewery Co., Ltd.	48.58%	1,374,971,234.06	1,428,437,323.80	1,511,947,928.36

Remarks on inconsistency between holding proportion and voting right proportion of non-controlling shareholders in subsidiaries:

Applicable  Not Applicable

Other remarks:

Applicable  Not Applicable

## (3) Main financial information of significant not wholly-owned subsidiaries

Applicable  Not Applicable

Monetary unit: RMB Ten Thousand

Subsidiaries	Closing balance						Opening 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
Carlsberg Chongqing Brewery Co., Ltd.	464,458.31	694,838.17	1,159,296.48	817,389.01	49,220.58	866,609.59	509,469.16	672,106.21	1,181,575.37	826,259.35	50,111.77	876,371.12

Subsidiaries	Current period cumulative				Preceding period comparative			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Carlsberg Chongqing Brewery Co., Ltd.	1,481,483.64	278,150.55	277,850.34	316,167.49	1,403,904.05	267,538.87	267,870.56	380,964.24

Other remarks:

None.

## (4) Significant restriction on use of the group assets and liquidation of the group liabilities

Applicable  Not Applicable

## (5) Financial or other support provided for structured entities brought into the consolidation scope

Applicable  Not Applicable

Other remarks:

Applicable  Not Applicable

**2. Transactions resulting in changes in subsidiaries' equity but without losing control**

□ Applicable √ Not Applicable

**3. Interest in joint ventures or associates**

√ Applicable □ Not Applicable

**(1) Significant joint ventures or associates**

√ Applicable □ Not Applicable

Joint ventures or associates	Main operating place	Place of registration	Business nature	Holding proportion (%)		Accounting treatment on investments in joint ventures or associates
				Direct	Indirect	
Chongqing Jiawei Beer Co., Ltd. [Note]	Chongqing Jianqiao Industrial Park	Chongqing Jianqiao Industrial Park	Production and sales of beers		33.00	Equity method

Remarks on inconsistency between holding proportion and voting right proportion in joint ventures or associates:

Note: The Company's holding subsidiary Carlsberg Chongqing Brewery Co., Ltd. holds 33.00% of equity of Chongqing Jiawei Beer Co., Ltd.

Basis for significant influence over an entity on which the Company held less than 20% voting rights or insignificant influence over an entity on which the Company held more than 20% voting rights:

None.

**(2) Main financial information of significant joint ventures**

□ Applicable √ Not Applicable

**(3) Main financial information of significant associates**

√ Applicable □ Not Applicable

Monetary unit: RMB

	Closing balance/ Current period cumulative	Opening balance/ Preceding period comparative
	Chongqing Jiawei Beer Co., Ltd.	Chongqing Jiawei Beer Co., Ltd.
Current assets	609,090,010.38	1,082,719,631.91
Non-current assets	187,354,131.99	174,783,077.23
Total assets	796,444,142.37	1,257,502,709.14
Current liabilities	281,361,331.57	268,511,026.17
Non-current liabilities	88,997,369.60	90,204,164.62
Total liabilities	370,358,701.17	358,715,190.79
Non-controlling interest		
Equity attributable to owners of parent company	426,085,441.20	898,787,518.35
Proportionate share in net assets	140,608,195.59	296,599,881.05
Adjustments		

	Closing balance/ Current period cumulative	Opening balance/ Preceding period comparative
	Chongqing Jiawei Beer Co., Ltd.	Chongqing Jiawei Beer Co., Ltd.
-- Goodwill		
-- Unrealized profit in internal transactions		
-- Others		
Carrying amount of investments in associates	140,608,195.59	296,599,881.05
Fair value of equity investments in associates in association with quoted price		
Operating revenue	547,202,765.70	508,334,306.85
Net profit	188,770,106.09	170,542,667.79
Net profit of discontinued operations		
Other comprehensive income		
Total comprehensive income	188,770,106.09	170,542,667.79
Dividend from associates received in the current period	218,285,820.47	

Other remarks

The above financial data is based on the management report provided by Chongqing Jiawei Beer Co., Ltd., taking the valuation appreciation into account.

**(4) Aggregated financial information of insignificant joint ventures and associates**

Applicable  Not Applicable

**(5) Significant restrictions on remittance of fund from joint ventures or associates to the Company**

Applicable  Not Applicable

**(6) Excess losses incurred by joint ventures or associates**

Applicable  Not Applicable

**(7) Unrecognized commitments related to investments in joint ventures**

Applicable  Not Applicable

**(8) Contingent liabilities related to investments in joint ventures or associates**

Applicable  Not Applicable

**4. Significant joint operations**

Applicable  Not Applicable

**5. Interest in unconsolidated structured entities**

Remarks on unconsolidated structured entities:

Applicable  Not Applicable



**6. Others**

Applicable  Not Applicable

**XI. Government grants****1. Government grants recognized based on amounts receivable during the reporting period**

Applicable  Not Applicable

Reasons for not receiving government grants receivable at the expected time point

Applicable  Not Applicable

**2. Liabilities related to government grants**

Applicable  Not Applicable

Monetary unit: RMB

Items	Opening balance	Increase	Amount included into non-operating revenue	Amount transferred into other income	Other changes	Closing balance	Related to assets/income
Deferred income	256,611,695.14	19,537,300.00		28,502,521.80		247,646,473.34	Related to assets
Total	256,611,695.14	19,537,300.00		28,502,521.80		247,646,473.34	

**3. Government grants included into profit or loss**

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Related to assets	28,502,521.80	28,112,910.68
Related to income	30,399,687.22	28,061,036.73
Total	58,902,209.02	56,173,947.41

Other remarks:

None.

**XII. Risks related to financial instruments****1. Risks of financial instruments**

Applicable  Not Applicable

In risk management, the Company aims 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, so as to maximize the profits of shareholders and other equity investors. Based on such risk management objectives, the Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits on a timely and reliable basis.

The Company has exposure to the following risks from its use of financial instruments, which mainly include: credit risk, liquidity risk, and market risk. The Management has deliberated and approved policies concerning such risks, and details are:

## (I) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

### 1. Credit risk management practice

#### (1) Evaluation method of credit risk

At each balance sheet date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When assessing whether the credit risk has increased significantly since initial recognition, the Company takes into account reasonable and supportable information, which is available without undue cost or effort, including qualitative and quantitative analysis based on historical data, external credit risk rating, and forward-looking information. The Company determines the changes in default risk of financial instruments during the estimated lifetime through comparison of the default risk at the balance sheet date and the initial recognition date, on an individual basis or a collective basis.

The Company considers the credit risk on a financial instrument has increased significantly when one or more of the following qualitative and quantitative standards are met:

- 1) Quantitative standard mainly relates to the scenario in which, at the balance sheet date, the probability of default in the remaining lifetime has risen by more than a certain percentage compared with the initial recognition;
- 2) Qualitative standard mainly relates to significant adverse changes in the debtor's operation or financial position, present or expected changes in technology, market, economy or legal environment that will have significant adverse impact on the debtor's repayment ability;

#### (2) Definition of default and credit-impaired assets

A financial instrument is defined as defaulted when one or more following events have occurred, of which the standard is consistent with that for credit-impairment:

- 1) significant financial difficulty of the debtor;
- 2) a breach of binding clause of contract;
- 3) it is very likely that the debtor will enter bankruptcy or other financial reorganization;
- 4) the creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the creditor would not otherwise consider.

### 2. Measurement of expected credit losses

The key factors in the measurement of expected credit loss include the probability of default, loss given default, and exposure to default risk. The Company develops a model of the probability of default, loss given default, and exposure to default risk on the basis of quantitative analysis of historical data (e.g., counterparty rating, guarantee measures and collateral type, payment method, etc.) and forward-looking information.

3. Please refer to item VII 5 and 9 of this section for details on the reconciliation table of opening balance and closing balance of provision for losses of financial instrument.

### 4. Exposure to credit risk and concentration of credit risk

The Company's credit risk is primarily attributable to cash and bank balances and receivables. In order to control such risks, the Company has taken the following measures:

## (1) Cash and bank balances

The Company deposits its bank balances and other cash and bank balances in financial institutions with relatively high credit levels, hence, its credit risk is relatively low.

## (2) Receivables

The Company performs credit assessment on customers using credit settlement on a continuous basis. The Company selects credible and well-reputed customers based on credit assessment result, and conducts ongoing monitoring on balance of receivables, to avoid significant risks in bad debts.

As the Company only conducts business with credible and well-reputed third parties, collateral is not required from customers. The Company manages credit risk aggregated by customers. As of December 31, 2023, the Company held no collateral or other credit enhancement on balance of receivables due to the short settlement period between the Company and distributors and the effective collection of payments.

The maximum amount of exposure to credit risk of the Company is the carrying amount of each financial asset at the balance sheet.

## (II) Liquidity risk

Liquidity risk is the risk that the Company may encounter deficiency of funds in meeting obligations associated with cash or other financial assets settlement, which is possibly attributable to failure in selling financial assets at fair value on a timely basis, or failure in collecting liabilities from counterparties of contracts, or early redemption of debts, or failure in achieving estimated cash flows.

In order to control such risk, the Company utilizes financing tools such as credit terms with suppliers, etc. and adopts short-term financing methods to maintain a balance between financing sustainability and flexibility.

## Financial liabilities classified based on remaining time period till maturity

Items	Closing balance				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Derivative financial liabilities	15,408,026.80	15,408,026.80	15,408,026.80		
Accounts payable	2,607,629,899.17	2,607,629,899.17	2,607,629,899.17		
Other payables	3,326,996,153.10	3,326,996,153.10	3,326,996,153.10		
Non-current liabilities due within one year	42,382,811.96	42,382,811.96	42,382,811.96		
Lease liabilities	121,370,635.09	143,345,637.22		71,615,016.01	71,730,621.21
Subtotal	6,113,787,526.12	6,135,762,528.25	5,992,416,891.03	71,615,016.01	71,730,621.21

(Continued)

Items	December 31, 2022				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Derivative financial liabilities	2,616,336.56	2,616,336.56	2,616,336.56		
Accounts payable	2,497,671,747.37	2,497,671,747.37	2,497,671,747.37		

Items	December 31, 2022				
	Carrying amount	Contract amount not yet discounted	Within 1 year	1-3 years	Over 3 years
Other payables	3,490,319,176.38	3,490,319,176.38	3,490,319,176.38		
Non-current liabilities due within one year	24,005,592.21	24,005,592.21	24,005,592.21		
Lease liabilities	77,928,597.87	98,843,891.74		45,796,146.66	53,047,745.08
Subtotal	6,092,541,450.39	6,113,456,744.26	6,014,612,852.52	45,796,146.66	53,047,745.08

**(III) Market risk**

Market risk is the risk that the Company may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market price. Market risk mainly includes interest risk and foreign currency risk.

**1. Interest risk**

Interest risk is the risk that an enterprise may encounter fluctuation in fair value or future cash flows of financial instruments due to changes in market interest rate. The Company's fair value interest risks arise from fixed-rate financial instruments, while the cash flow interest risks arise from floating-rate financial instruments. The Company determines the proportion of fixed-rate financial instruments and floating-rate financial instruments based on the market environment, and maintains a proper financial instruments portfolio through regular review and monitoring.

**2. Foreign currency risk**

Foreign currency risk is the risk arising from changes in fair value or future cash flows of financial instrument resulted from changes in exchange rate. The Company is operated in mainland China, whose main activities are denominated in RMB, hence, the Company bears insignificant market risk arising from foreign exchange changes.

**2. Hedging****(1) Risk management of hedging business**

√ Applicable □ Not Applicable

Items	Corresponding risk management strategies and objectives	Qualitative and quantitative information on hedged risk	Economic relationships between hedged items and related hedging instruments	Achievement of expected risk management objectives on effectiveness	Effect of corresponding hedging activities on risk exposure
Cash flow hedges	The purchase price of aluminum, one of the significant packaging materials for beer production, has fluctuated considerably due to the influence of macroeconomy in recent years. In order to ensure the relative stability of product costs and achieve stable operation, the Company analyzed the expected aluminum purchase transactions, based on which the Company carried out hedges by futures, options, swaps and other derivative instruments.	The approval procedures of foreign hedges carried out by the Company using self-owned funds comply with relevant national laws and regulations, and hedges carried out to avoid fluctuations in price of aluminum were conducive to controlling business risks and improving the Company's capability to withstand the fluctuations in the market, and regulations of the "Management Measures for Foreign Hedges". Please refer to Note 1 for quantitative information.	Exposure to commodity swaps and expected future purchases moves in the opposite direction	Volume of commodity swaps matches volume of expected future purchases and hedges are effective	Probable mismatch between the volume of commodity swaps and expected future purchases results in hedge ineffectiveness

Other remarks

√ Applicable □ Not Applicable

Note 1: Quantitative analysis on cash flow hedges

Categories	Hedging instruments	Hedged risks	Hedge effectiveness	
			Current period cumulative	Accumulated amount at the end of the period (hedging reserve)
Cash flow hedges	Commodity swaps	Fluctuation in price of aluminum	-2,228,313.86	-1,015,294.02

## (2) Conducting eligible hedging businesses and applying hedge accounting

√ Applicable □ Not Applicable

Monetary unit: RMB

Items	Carrying amount related to hedged items and hedging instruments	Cumulative fair value hedge adjustments of hedged items included in the carrying amount of recognized hedged items	Hedge effectiveness and sources of ineffective portion	Relevant effects of hedge accounting on the Company's financial statements
Type of hedging risk				
Credit risk, liquidity risk	-1,015,294.02	-10,004,118.83	Volume of commodity swaps matches volume of expected future purchases and hedges are effective	Derivative financial assets: 14,392,732.78; derivative financial liabilities: 15,408,026.80; other comprehensive income: -1,485,602.78
Categories of hedges				
Cash flow hedges	-1,015,294.02	-10,004,118.83	Volume of commodity swaps matches volume of expected future purchases and hedges are effective	Derivative financial assets: 14,392,732.78; derivative financial liabilities: 15,408,026.80; other comprehensive income: -1,485,602.78

Other remarks

□ Applicable √ Not Applicable

## (3) Conducting hedges for risk management with expectation to achieve risk management objectives but not applying hedge accounting

□ Applicable √ Not Applicable

Other remarks

□ Applicable √ Not Applicable

## 3. Financial assets transfer

### (1) Ways of financial assets transfer

□ Applicable √ Not Applicable

### (2) Financial assets derecognized due to transfer

□ Applicable √ Not Applicable

**(3) Continuing involvement in the transferred financial assets**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**XIII. Fair value disclosure****1. Details of fair value of assets and liabilities at fair value at the balance sheet date**

Applicable  Not Applicable

Monetary unit: RMB

Items	Fair value as at the balance sheet date			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
<b>I. Recurring fair value measurement</b>				
(I) Held-for-trading financial assets	14,392,732.78		360,202,000.00	374,594,732.78
1. Financial assets measured as at fair value through profit or loss			360,202,000.00	360,202,000.00
(1) Debt instrument investments				
(2) Equity instrument investments				
(3) Others			360,202,000.00	360,202,000.00
2. Financial assets designated as at fair value through profit or loss				
(1) Debt instrument investments				
(2) Equity instrument investments				
3. Derivative financial assets	14,392,732.78			14,392,732.78
(II) Other debt investments				
(III) Other equity instrument investments		16,625,962.83		16,625,962.83
(IV) Investment property				
1. Land use right held for lease				
2. Buildings for lease				
3. Land use right held for transfer after appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive				

Items	Fair value as at the balance sheet date			
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	Total
biological assets				
<b>Total assets at recurring fair value measurement</b>	14,392,732.78	16,625,962.83	360,202,000.00	391,220,695.61
(VI) Held-for-trading liabilities	15,408,026.80			15,408,026.80
1. Financial liabilities measured as at fair value through profit or loss				
Including: Held-for-trading bonds issued				
Derivative financial liabilities				
Others				
2. Financial liabilities designated as at fair value through profit or loss				
3. Derivative financial liabilities	15,408,026.80			15,408,026.80
<b>Total liabilities at recurring fair value measurement</b>	15,408,026.80			15,408,026.80
<b>II. Non-recurring fair value measurement</b>				
(I) Assets held for sale				
<b>Total assets at non-recurring fair value measurement</b>				
<b>Total liabilities at non-recurring fair value measurement</b>				

## 2. Basis for determining level 1 fair value at recurring and non-recurring fair value measurement

Applicable  Not Applicable

The amounts of derivative financial assets and derivative financial liabilities were determined based on the bank statements provided by the financial institutions.

## 3. Qualitative and quantitative information of valuation technique(s) and key input(s) for level 2 fair value at recurring and non-recurring fair value measurement

Applicable  Not Applicable

The Company took level 2 inputs as the fair value as the shares of Bank of Guizhou Co., Ltd. (the “Guizhou Bank”) held by the Company cannot be publicly transferred in H-share market. The fair value per share of equity investment in Guizhou Bank as at December 31, 2023 was measured based on the net assets per share of Guizhou Bank as at June 30, 2023 disclosed in the latest interim report under certain discount method.

**4. Qualitative and quantitative information of valuation technique(s) and key input(s) for level 3 fair value at recurring and non-recurring fair value measurement**

Applicable  Not Applicable

The Company's held-for-trading financial assets refer to structured deposits, which are determined on the basis of the annualized rates of return provided by the banks' RMB financial product statement for reference.

The Company's other non-current financial assets refer to equity investments in Xinjiang Guozhiming Packaging Co., Ltd., which has been closed in previous year and is a non-public interest entity. The Management has made full provisions for impairment on such entity in previous year due to its high going concern risk.

**5. Items for level 3 recurring fair value measurement, a reconciliation from the opening balances to the closing balances, and sensitive analysis on unobservable inputs**

Applicable  Not Applicable

**6. Items at recurring fair value measurement with inter-level transfer, and reasons and policies for determining inter-level transfer time**

Applicable  Not Applicable

**7. Changes in valuation techniques in the current period and reasons for changes**

Applicable  Not Applicable

**8. Fair value of financial assets and liabilities not at fair value**

Applicable  Not Applicable

**9. Others**

Applicable  Not Applicable

**XIV. Related party relationships and transactions**

**1. Parent company of the Company**

Applicable  Not Applicable

Remarks on parent company of the Company

Carlsberg Foundation is the Company's actual controller and controls the Company's controlling shareholder Carlsberg Breweries A/S, which holds 42.54% and 17.46% of the Company's equity through Carlsberg Brewery Hong Kong Limited and Carlsberg Chongqing Limited respectively.

The Company's ultimate controlling party is Carlsberg Foundation.

Other remarks:

None.



**2. Subsidiaries of the Company**

Please refer to relevant items for details on the Company's subsidiaries.

Applicable  Not Applicable

Please refer to item X of this section on the Company's subsidiaries.

**3. Joint ventures and associates of the Company**

Please refer to relevant items for details on the Company's significant joint ventures and associates.

Applicable  Not Applicable

Please refer to item X of this section on the Company's significant joint ventures and associates.

Details of other joint ventures or associates carrying out related party transactions with the Company in the current period or in preceding period but with balance in the current period are as follows:

Applicable  Not Applicable

Joint ventures or associates	Relationships with the Company
Chongqing Jiawei Beer Co., Ltd.	Associate

Other remarks

Applicable  Not Applicable

**4. Other related parties of the Company**

Applicable  Not Applicable

Related parties	Relationships with the Company
Guangzhou Carlsberg Investment Co., Ltd.	Under common control of the Company's ultimate controlling party
Carlsberg Trading (Shenzhen) Co., Ltd.	Under common control of the Company's ultimate controlling party
Carlsberg Marketing Sdn Bhd	Under common control of the Company's ultimate controlling party
Carlsberg Supply Company AG	Under common control of the Company's ultimate controlling party
Cambrew Limited	Under common control of the Company's ultimate controlling party
Carlsberg Breweries A/S	Under common control of the Company's ultimate controlling party
Carlsberg Brewery Hong Kong Limited	Under common control of the Company's ultimate controlling party
Carlsberg Singapore Pte Ltd	Under common control of the Company's ultimate controlling party
Lao Brewery Co., Ltd.	Under common control of the Company's ultimate controlling party
Super Bock Bebidas, S.A.	Under significant influence of the Company's ultimate controlling party
Beijing Capital Brewing [Note]	Associate of the Company's controlling shareholder
Jinbei Asia Pacific [Note]	Associate of the Company's controlling shareholder
Beijing Capital Brewing Golden Wheat Trading Co., Ltd.	Under common control of the Company's ultimate controlling party since October 2023
Jinbei Asia Pacific (Beijing) Catering Co., Ltd.	Under common control of the Company's ultimate controlling party since October 2023

Note: In September 2023, the subsidiary Carlsberg Chongqing Brewery Co., Ltd. entered into equity transfer

agreements with Jinbei Asia Pacific Co., Ltd. and Capital Brewing Company Limited, under which Carlsberg Chongqing Brewery Co., Ltd. acquired 100.00% of equity of Jinbei Asia Pacific and Beijing Capital Brewing respectively. The equity transfers were completed in October 2023. Therefore, Jinbei Asia Pacific and Beijing Capital Brewing became entities within the consolidation scope of the Company since October 2023, and the current period cumulative of the related party transactions is the transaction amount from January to September 2023.

Other remarks

None.

## 5. Related party transactions

### (1) Purchase and sale of goods, rendering and receiving of services

Purchase of goods and receiving of services

Applicable  Not Applicable

Monetary unit: RMB

Related parties	Content of transactions	Current period cumulative	Preceding period comparative
Chongqing Jiawei Beer Co., Ltd.	Purchase of goods [Note]	540,257,796.00	501,780,646.32
Carlsberg Supply Company AG	Purchase of goods	106,708.48	70,774.58
Beijing Capital Brewing	Purchase of goods	91,080.00	141,965.77
Chongqing Jiawei Beer Co., Ltd.	Purchase of materials, etc.	14,078.79	116,982.08
Total		540,469,663.27	502,110,368.75

Note: Please refer to item XIV 5 (8) of this section for details on exclusive sales of purchase of beers.

Sale of goods and rendering of services

Applicable  Not Applicable

Monetary unit: RMB

Related parties	Content of transaction	Current period cumulative	Preceding period comparative
Carlsberg Brewery Hong Kong Limited	Sales of goods, etc.	70,980,668.29	70,168,212.54
Carlsberg Singapore Pte Ltd	Sales of goods	1,740,410.78	2,448,717.98
Cambrew Limited	Sales of goods	1,035,486.36	1,309,978.37
Jinbei Asia Pacific	Sales of goods	773,161.09	699,577.16
Lao Brewery Co., Ltd.		173,216.66	
Chongqing Jiawei Beer Co., Ltd.	Sales of goods	9,702.41	264,948.96
Carlsberg Marketing Sdn Bhd	Sales of goods	9,132.84	192,183.86
Total		74,721,778.43	75,083,618.87

Remarks on purchase and sale of goods, rendering and receiving of services

Applicable  Not Applicable

Note: The transaction amounts presented in item XIV 5 of this section were tax-excluded amounts.

### (2) Related party trust/contracting and consignment/outsourcing

The Company's trust/contracting:

Applicable  Not Applicable

Remarks on related party trust/contracting

Applicable  Not Applicable

The Company's consignment/outsourcing

Applicable  Not Applicable

Remarks on related party consignment/outsourcing

Applicable  Not Applicable

### **(3) Related party leases**

The Company as the lessor:

Applicable  Not Applicable

The Company as the lessee:

Applicable  Not Applicable

Remarks on related party leases

Applicable  Not Applicable

### **(4) Related party guarantees**

The Company as the guarantor

Applicable  Not Applicable

The Company as the guaranteed party

Applicable  Not Applicable

Remarks on related party guarantees

Applicable  Not Applicable

### **(5) Call loans between related parties**

Applicable  Not Applicable

### **(6) Assets transfer and debt restructuring of the related parties**

Applicable  Not Applicable

### **(7) Key management's emoluments**

Applicable  Not Applicable

Monetary unit: RMB Ten Thousand

Items	Current period cumulative	Preceding period comparative
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Key management's emoluments	2,663.55	2,308.27
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**(8) Other related party transactions**√ Applicable  Not Applicable

## 1. Related party licensing

## (1) The Company as the licensee

Related parties	Current period cumulative	Preceding period comparative
Carlsberg Breweries A/S [Note 1]	234,349,406.25	215,460,314.92
Beijing Capital Brewing [Note 2]	1,101,139.54	1,218,025.79
Subtotal	235,450,545.79	216,678,340.71

Note 1: Carlsberg Breweries A/S granted the Company a license to use trademarks including Carlsberg, Tuborg, Carlsberg LIGHT, Kronenbourg 1664, Jolly Shandy, OMERSBY, etc., with the licensing period as same as the registration validity period of licensed trademarks agreed in trademark licensing contract and its appendix. It was agreed by both parties that trademark licensing fees should be calculated based on the Company's net sales revenue from the production and sales of products with licensed trademark in the calendar year. Details of rate of licensing fees are as follows: 4% for Tuborg, 5% for Carlsberg, Jolly Shandy and SOMERSBY, 6% for Kronenbourg 1664 (excluding Blanc series products), and 7% for Blanc series products.

Note 2: Beijing Capital Brewing granted the Company a license to use the trademark of JingA, with the licensing period as same as the registration validity period of licensed trademarks agreed in trademark licensing contract and its appendix. It was agreed by both parties that trademark licensing fees should be calculated at 6% of Company's net sales revenue from the production and sales of products with licensed trademark in the calendar year.

## (2) The Company as the licensor

Related parties	Current period cumulative	Preceding period comparative
Carlsberg Brewery Hong Kong Limited [Note]	118,353.59	11,676.51
Subtotal	118,353.59	11,676.51

Note: The Company granted Carlsberg Brewery Hong Kong Limited a license to use the trademark of Wusu Beer, with the licensing period as same as the registration validity period of licensed trademarks agreed in trademark licensing contract and its appendix. It was agreed by both parties that trademark licensing fees should be calculated based on the Company's net sales revenue from the production and sales of products with licensed trademark in the calendar year. Details of rate of licensing fees are as follows: 1.25% from January 1, 2022 to December 31, 2022; 2.50% from January 1, 2023 to December 31, 2023; and 3.75% from January 1, 2024.

## 2. Granted production

Super Bock Bebidas, S.A. granted Carlsberg Tianmuhu Brewery (Jiangsu) Co., Ltd. to produce beer with trademark of "Super Bock" and sell it to the designated third party. In the current period, 295.79 kiloliters of beer were produced and the sales amount was 992,067.71 yuan.

## 3. Related party exclusive sales agreements

Pursuant to the "Framework Agreement on Exclusive Sales of Products" entered into between the Company and Chongqing Jiawei Beer Co., Ltd. ("Jiawei Beer") in January 2009, Jiawei Beer would exclusively produce beers with trademark of Shancheng and sell all of the beers produced to the Company within the term of the agreement.

Based on Jiawei Beer's annual production capacity of 0.15 million kiloliters of beers in the current period and market demand, and the actual production and sales volume of 80,000 kiloliters in 2008, the Company agreed that the sales volume of beers from Jiawei Beer would increase by 14,000 kiloliters each year from 2009 to 2013, ensuring that the sales volume would reach 0.15 million kiloliters in 2013 and keep up with the increase in the total production and sales volume of the Company's beer enterprises in Jiulongpo District and North New District of Chongqing from 2014. The selling prices of beers from Jiawei Beer should be determined in accordance with the ex-factory prices of beers in the Company's beer enterprises in Jiulongpo District and North New District of Chongqing with the same variety, specification and market, and the average price of beers from Jiawei Beer per kiloliter should be the same as that produced by the Company's beer enterprises in Jiulongpo District and North New District of Chongqing. In the meantime, Jiawei Beer should pay for the selling expenses in accordance with the quantity of beers sold by the Company. It was agreed that, from 2014, Jiawei Beer should pay the selling expenses at 100.00 yuan per kiloliter for the part of beers with sales volume less than 0.15 million kiloliters (inclusive), and pay the selling expenses in accordance with the average selling expenses per kiloliter of beers in the Company's beer enterprises in Jiulongpo District and North New District of Chongqing for the part exceeding 0.15 million kiloliters. The validity period of the agreement is 20 years. The matters related to exclusive sales of beers mentioned above have been deliberated and approved in the Company's first extraordinary shareholders' meeting of 2009.

Due to the disputes from both parties on performance of terms related to price in the exclusive sales agreement and the accumulated difference in exclusive sales of beers and under approval of the seventh meeting of the eighth session of the Board of Directors, the Company signed a supplementary agreement of "Framework Agreement on Exclusive Sales of Products" with Jiawei Beer on December 28, 2016 to ensure the sound cooperation in future. The main contents of the supplementary agreement are as follows:

- (1) Adjustment on the calculation method of sales volume and net revenue from beers agreed in the exclusive sales agreement: both parties agreed to involve the sales volume of Hechan Branch in 2015 in the calculation of the growth rate of sales volume and the average net revenue from beers from January 2016 due to the overlap of sales areas.
- (2) Clarification on the solutions for difference in volume and price: both parties agreed that the Company should adjust the volume of beers purchased from Jiawei Beer or pay compensation in cash at the price of beers per kiloliter agreed by both parties when there is difference in volume or price during the performance of the exclusive sales agreement.
- (3) Clarification on settlement in the original way: both parties agreed that the settlement should be carried out in accordance with the exclusive sales agreement, and jointly engage a third-party intermediary agency to conduct a special audit on the average price and volume of beers of both parties in the previous year, which should be taken as the basis for the final settlement of the year.
- (4) Compensation on difference in price: both parties agreed that within 3 years from January 1, 2016, the difference in price should be treated as follows: for difference in price between the higher average net revenue from beers of the Company and that of Jiawei Beer in the first year (2016), if the difference is less than or equivalent to 4% of the average net revenue from beers of Jiawei Beer in 2016, the Company would not compensate Jiawei Beer; otherwise, the Company would compensate Jiawei Beer for the portion exceeding 4%; if the difference in the second

year (2017) is less than or equivalent to 2% of the average net revenue from beers of Jiawei Beer in 2017, the Company would not compensate Jiawei Beer; otherwise, the Company would compensate Jiawei Beer for the portion exceeding 2%; if the difference in the third year (2018) is less than or equivalent to 1% of the average net revenue from beers of Jiawei Beer in 2018, the Company would not compensate Jiawei Beer; otherwise, the Company would compensate Jiawei Beer for the portion exceeding 1%.

(5) New products and usage of brands: in order to ensure that the average net revenue from beers per kiloliter of Jiawei Beer is as same as that of the Company, the Company agreed that Jiawei Beer could produce products with the trademarks of “Tuborg”, “Chongqing Chunsheng”, etc. under the premise of meeting the corresponding production standards of products, and the products should be exclusively sold by the Company.

It is confirmed by both parties that the supplementary agreement would come into effect from the date of signing by both parties, and would be implemented retrospectively from January 1, 2016. In the meantime, it is agreed in the supplementary agreement that the Company should pay settlement fees of 30.00 million yuan to Jiawei Beer within one month after the effective date of the agreement. Except for the settlement fees, Jiawei Beer could not require the Company to bear any liabilities for breach of “Framework Agreement on Exclusive Sales of Products” before the effective date of the supplementary agreement.

In 2022, the Company actually sold beers of 129,325.12 kiloliters with the trademarks of “Shancheng”, “Chongqing” and “Tuborg” totaling 501.78 million yuan (tax exclusive) and Jiawei Beer should pay selling expenses of 19.40 million yuan. In 2023, the Company actually sold beers of 134,088.26 kiloliters with the trademarks of “Shancheng”, “Chongqing” and “Tuborg” totaling 540.26 million yuan (tax exclusive) and Jiawei Beer should pay selling expenses of 20.11 million yuan.

#### 4. Related party equity transfer, debt exemption and repayment

In 2023, the subsidiary Carlsberg Chongqing Brewery Co., Ltd. entered into equity transfer agreements with Capital Brewing Company Limited and its wholly-owned subsidiary Jinbei Asia Pacific Co., Ltd. respectively, to acquire 100% of equity of Beijing Capital Brewing and Jinbei Asia Pacific. Please refer to item IX 1 of this section for details on transactions.

Prior to the acquisition, Beijing Capital Brewing and Jinbei Asia Pacific had borrowed 22 million yuan and 28 million yuan from Guangzhou Carlsberg Investment Co., Ltd. respectively. Pursuant to the “Debt Exemption Agreement” entered into by Beijing Capital Brewing, Jinbei Asia Pacific and Guangzhou Carlsberg Investment Co., Ltd., in order to promote the acquisition of equity of Beijing Capital Brewing and Jinbei Asia Pacific by Carlsberg Chongqing Brewery Co., Ltd., Guangzhou Carlsberg Investment Co., Ltd. waived the debts of 20.60 million yuan and 12.40 million yuan of Beijing Capital Brewing and Jinbei Asia Pacific respectively. As at the balance sheet date, Beijing Capital Brewing and Jinbei Asia Pacific had repaid the remaining borrowings of 1.40 million yuan and 15.60 million yuan to Guangzhou Carlsberg Investment Co., Ltd. in advance.

## 6. Balances due to or from related parties

### (1) Balances due from related parties

Applicable  Not Applicable

Monetary unit: RMB

## 2023 Annual Report of Chongqing Brewery Co., Ltd.

Items	Related parties	Closing balance		Opening balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable					
	Carlsberg Brewery Hong Kong Limited	26,389,186.65	1,319,459.33	19,081,927.98	954,096.40
	Carlsberg Singapore Pte Ltd	195,323.10	9,766.16	254,903.41	12,745.17
	Cambrew Limited			241,204.80	12,060.24
	Carlsberg Marketing Sdn Bhd			80,782.66	4,039.13
	Jinbei Asia Pacific			72,877.63	3,643.88
Subtotal		26,584,509.75	1,329,225.49	19,731,696.48	986,584.82
Other receivables					
	Carlsberg Brewery Hong Kong Limited	12,783.35	639.17	11,676.51	583.83
	Chongqing Jiawei Beer Co., Ltd.			73,455.50	3,672.78
Subtotal		12,783.35	639.17	85,132.01	4,256.61

**(2) Balances due to related parties**√ Applicable  Not Applicable

Monetary unit: RMB

Items	Related parties	Closing book balance	Opening book balance
Accounts payable			
	Chongqing Jiawei Beer Co., Ltd.	727,016.35	
	Carlsberg Supply Company AG		515,042.71
Subtotal		727,016.35	515,042.71
Other payables			
	Carlsberg Breweries A/S	36,092,861.30	40,124,834.90
	Beijing Capital Brewing		194,480.53
Subtotal		36,092,861.30	40,319,315.43

**(3) Others** Applicable  Not Applicable**7. Related party commitments** Applicable  Not Applicable**8. Others** Applicable  Not Applicable**XV. Share-based payment****1. Equity instruments** Applicable  Not Applicable**Share options or other equity instruments outstanding at the balance sheet date**

Applicable  Not Applicable

## 2. Equity-settled share-based payment

Applicable  Not Applicable

## 3. Cash-settled share-based payment

Applicable  Not Applicable

Monetary unit: RMB

Determination method for the fair value of liabilities incurred by the Company and to be settled in cash or other equity instruments	
Key parameters of the fair value of liabilities incurred by the Company and to be settled in cash or other equity instruments	[Note]
Amount of accumulated liabilities incurred due to cash-settled share-based payment	16,003,654.31

Note: Pursuant to the regulations of “Annual Plan of Long-term Incentive Plan from 2018 to 2020 of Carlsberg Group”, “Annual Plan of Long-term Incentive Plan from 2019 to 2021 of Carlsberg Group” and “Annual Plan of Long-term Incentive Plan from 2020 to 2022 of Carlsberg Group” (the “Annual Plans”), eligible executives at the level of vice president and above are entitled to join the Annual Plans. The vesting period of each Annual Plan is 3 years, and executives joined the Annual Plans could obtained a certain amount of Carlsberg B shares for free if they have reached the pre-set performance conditions and other relevant exercise conditions, and are still engaged by Carlsberg Group after the vesting period. The Company would settle in cash after the exercise conditions are met.

## 4. Total share-based payments recognized in the current period

Applicable  Not Applicable

Monetary unit: RMB

Objects	Cash-settled share-based payment
Management personnel	954,641.00
Total	954,641.00

Other remarks

None.

## 5. Modifications and cancellations of share-based payment

Applicable  Not Applicable

## 6. Others

Applicable  Not Applicable



**XVI. Commitments and contingencies****1. Significant commitments**√ Applicable  Not Applicable

Significant commitments, their nature and amount at the balance sheet date

Please refer to item XIV 5 (8) of this section for details on beer produced by Jiawei Beer and exclusively sold by the Company.

Other than the above-mentioned events, the Company has no significant commitments to be disclosed as of the balance sheet date.

**2. Contingencies****(1) Significant contingencies at the balance sheet date**√ Applicable  Not Applicable

When the Company undertakes the exclusive sales of the beer produced by Jiawei Beer, the two parties shall settle the difference in sales volume and price. As of December 31, 2023, the Company has estimated the cost of making up the net difference in sales volume and price based on the performance of the agreement, with final settlement not yet made. Please refer to item XIV 5 (8) of this section for details.

In December 2023, the Company received a copy of the “Civil Complaint” numbered [2023] Yu 05 Min Chu 232 issued by Chongqing Fifth Intermediate People’s Court, which stated that the lawsuit against the Company for disputes over exclusive sales agreements by Jiawei Beer had been accepted. The requests of Jiawei Beer include the followings:

1. The Company shall compensate Jiawei Beer for the losses caused by the violation of the “Exclusive Sales Agreement”, “Supplementary Agreement”, “Memorandum”, “Minutes of Meeting” and other agreements from 2011 to the end of 2020 (before the major assets reorganization of the Company), which are temporarily estimated at 495.63 million yuan (of which, losses of 255.06 million yuan incurred from January 2011 to the end of December 2015, and losses of 240.57 million yuan incurred from January 2016 to the end of December 2020), and the interest losses of 18 million yuan temporarily estimated from the end of December 2011 to December 31, 2022 (of which, the interest losses corresponding to the loss incurred from January 2011 to the end of December 2015 are 10 million yuan; the interest losses corresponding to the loss incurred from January 2016 to the end of December 2022 are 8 million yuan. These interest losses are calculated separately based on the losses finally determined, the interest rate of loans for the same period and the LPR published by the People’s Bank of China until the date of full payment);
2. The Company shall compensate Jiawei Beer for the losses caused by the violation of the “Supplementary Agreement”, “Memorandum” and other agreements since 2021 (after the major assets reorganization of the Company), which are temporarily estimated at 115.05 million yuan, and the interest losses of 3 million yuan temporarily estimated as of December 31, 2022 (calculated separately based on the ultimately recognized losses and LPR until the date of full payment).

As of the date of approval for issuing the financial statements, the lawsuit is undergoing jurisdictional objections, and has not yet been decided.

On February 5, 2024, the Company received a summons and a copy of the complaint related to the case numbered (2023) Yu 0104 Minchu 7700 from the People's Court of Dadukou District, Chongqing. The plaintiff Jiawei Beer filed a lawsuit against the Company on the grounds that the Company had no right to deduct undue selling expenses from the payments for exclusive sales of beer. The claims are as follows:

1. The Company's act of setting off its debt for exclusive sales of beer against Jiawei Beer's undue liability for selling expenses since January 2021 shall not have legal effect, and the Company shall return undue selling expenses as of the effective date of the judgment, which is tentatively calculated as 20,846,684.79 yuan as of November 2023, and will be finally determined based on the undue amount as of the effective date of the judgment.
2. The Company shall continue to fulfill the agreement of "selling expenses are settled semi-annually with payments delayed for half a year", and shall not arbitrarily set off its debt for exclusive sales of beer against Jiawei Beer's undue liability for selling expenses.
3. The Company shall compensate Jiawei Beer for the estimated loss of 1,829,638.53 yuan due to its breach of the above agreement (the loss is temporarily calculated based on the amount offset each time at 1.5 times of one-year LPR published by the National Interbank Funding Center until the maturity date of selling expenses for each period before November 2023, and the loss related to undue selling expenses is temporarily calculated until November 30, 2023).
4. The Company shall bear all litigation costs associated with this case.

As of the date of approval for issuing the financial statements, the lawsuit is undergoing jurisdictional objections and has not yet been decided.

Except for the aforementioned events, the Company has no other significant contingencies to be disclosed as of the balance sheet date.

**(2) Remarks shall also be given if the Company has no significant contingencies to be disclosed.**

Applicable  Not Applicable

**(3) Others**

Applicable  Not Applicable

**XVII. Events after the balance sheet date**

**1. Significant non-adjusting events**

Applicable  Not Applicable

**2. Profit distribution**

Applicable  Not Applicable

Monetary unit: RMB

Profit or dividend planned to be distributed	1,355,119,354.40
Profit or dividend approved to be distributed	

Pursuant to the profit distribution plan of 2023 proposed at the 15<sup>th</sup> meeting of the 10<sup>th</sup> session of the Board of Directors dated March 28, 2024, the Company intends to distribute cash dividend of 2.80 yuan (tax inclusive) per

share out of profits available for distribution as of December 31, 2023. Such event needs to be submitted to the shareholders' meeting for deliberation and approval.

Except for the aforementioned events, the Company has no other events after the balance sheet date to be disclosed as of the date of approval for issuing the financial statements.

### 3. Sales return

Applicable  Not Applicable

### 4. Other remarks

Applicable  Not Applicable

## XVIII. Other significant events

### 1. Corrections of prior period errors

#### (1) Retroactive restatement method

Applicable  Not Applicable

#### (2) Prospective application method

Applicable  Not Applicable

### 2. Significant debt restructuring

Applicable  Not Applicable

### 3. Assets exchange

#### (1) Non-cash assets exchange

Applicable  Not Applicable

#### (2) Other assets exchange

Applicable  Not Applicable

### 4. Annuity plan

Applicable  Not Applicable

### 5. Discontinued operations

Applicable  Not Applicable

Monetary unit: RMB

Items	Revenue	Expenses	Profit before tax	Income tax expenses	Net profit	Profit of discontinued operations attributable to owners of the parent company
Shutting down plants		-6,478.18	6,478.18		6,478.18	6,478.18

Other remarks

None.

**6. Segment information****(1) Identification basis and accounting policies for reportable segments**√ Applicable  Not Applicable

Reportable segments are identified according to the structure of the Company's internal organization, management requirements and internal reporting system, and based on regional segments. Assessments are respectively performed on the operating performance of southern region, northwest region and central region. Assets and liabilities shared by different segments are allocated among segments proportionate to their respective sizes.

**(2) Financial information of reportable segments**√ Applicable  Not Applicable

Monetary unit: RMB Ten Thousand

Items	Southern region	Northwest region	Central region	Inter-segment offsetting	Total
Operating revenue	525,668.21	419,220.42	738,622.15	202,027.14	1,481,483.64
Including: Revenue from contracts with customers	525,668.21	419,220.42	738,622.15	202,027.14	1,481,483.64
Operating cost	259,733.30	227,626.88	437,812.59	171,775.19	753,397.58
Total assets	532,179.33	397,053.91	1,065,896.00	756,438.08	1,238,691.16
Total liabilities	364,606.98	231,487.00	723,627.94	446,245.62	873,476.30

**(3) Reasons shall be given if the Company has no reportable segment or cannot disclose the total assets and liabilities of each reportable segment.** Applicable  Not Applicable**(4) Other remarks** Applicable  Not Applicable**7. Other significant transactions and events that may be influential for investors in decision-making**√ Applicable  Not Applicable

Pursuant to the "Proposal on Continuing to Carry Out Aluminum Hedging Business" deliberated and approved by the eighth meeting of the tenth session of the Board of Directors of 2023, "Proposal on Carrying Out Aluminum Futures Hedges by Subsidiaries" deliberated and approved by the Company's first extraordinary shareholders' meeting of 2022 and the "Proposal on Adjusting the Implementation Plan of Aluminum Hedges" deliberated and approved by the Company's shareholders' meeting of 2021, the Company and its subsidiaries intend to, in legal compliance without affecting normal operations, invest in aluminum hedges at an appropriate time using self-owned funds of not more than USD 110.00 million. As of December 31, 2023, the Company's position amounted to USD 66,888,165.00, which has not yet expired.

**8. Others**√ Applicable  Not Applicable

**(I) Major investments**

Approved by the fourth extraordinary shareholders' meeting of 2021, the subsidiary Carlsberg Chongqing Brewery Co., Ltd. and Xi'nán Subdistrict Office of Sanshui District, Foshan City entered into the "Letter of Intent for Investment in Beer Production Base Project", agreeing that Carlsberg Chongqing Brewery Co., Ltd. plans to build a production base with an annual production capacity of 500,000 kiloliters of beer in Sanshui District, Foshan City, Guangdong Province, with a fixed assets investment of about 1.03 billion yuan. The two parties also agreed on the investment intensity, development progress and economic contributions. Under the approval of the fifth meeting of the tenth session of the Board of Directors, in order to meet the needs of building intelligent and green wineries, reduce the long-term operating costs and improve the stability of product quality, the Company increased the total investment of the project to 1.492 billion yuan. As of the balance sheet date, the cumulative investment of the project totaled 0.847 billion yuan.

**(II) Major litigations**

Please refer to item XVI 2 of this section for details on the lawsuit that Jiawei Beer filed against the Company for disputes over exclusive sales agreements.

**XIX. Notes to items of parent company financial statements****1. Accounts receivable****(1) Age analysis**

Applicable  Not Applicable

**(2) Details on categories of provision accrual methods**

Applicable  Not Applicable

Accounts receivable with provision made on an individual basis

Applicable  Not Applicable

Accounts receivable with provision made on a collective basis

Applicable  Not Applicable

Provision for bad debts made using three-stage model

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of accounts receivable with changes in provision for bad debts

Applicable  Not Applicable

**(3) Provision for bad debts**

Applicable  Not Applicable

Significant provisions collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(4) Accounts receivable actually written off in the current period**

Applicable  Not Applicable

Significant accounts receivable written off in the current period

Applicable  Not Applicable

Remarks on accounts receivable written off

Applicable  Not Applicable

**(5) Details of the top 5 debtors with largest balances**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**2. Other receivables****Details**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance	Opening balance
Interest receivable		
Dividend receivable		
Other receivables	4,028,306.41	4,353,422.01
Total	4,028,306.41	4,353,422.01

Other remarks

Applicable  Not Applicable

**Interest receivable****(1) Details on categories**

Applicable  Not Applicable

**(2) Significant overdue interest**

Applicable  Not Applicable

**(3) Details on categories of provision accrual methods**

Applicable  Not Applicable

Interest receivable with provision made on an individual basis

Applicable  Not Applicable

Remarks on interest receivable with provision made on an individual basis

Applicable  Not Applicable

Interest receivable with provision made on a collective basis

Applicable  Not Applicable

**(4) Provision for bad debts made using three-stage model**

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of interest receivable with changes in provision for bad debts

Applicable  Not Applicable

**(5) Provision for bad debts**

Applicable  Not Applicable

Significant provisions collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(6) Interest receivable actually written off in the current period**

Applicable  Not Applicable

Significant interest receivable written off

Applicable  Not Applicable

Remarks on accounts receivable written off

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**Dividend receivable**

**(7) Details**

Applicable  Not Applicable

**(8) Significant balance with age over one year**

Applicable  Not Applicable

**(9) Details on categories of provision accrual methods**

Applicable  Not Applicable

Dividend receivable with provision made on an individual basis

Applicable  Not Applicable

Remarks on dividend receivable with provision made on an individual basis

Applicable  Not Applicable

Dividend receivable with provision made on a collective basis

Applicable  Not Applicable

**(10) Provision for bad debts made using three-stage model**

Applicable  Not Applicable

Classification basis of stages and proportion of provision for bad debts

Applicable  Not Applicable

Remarks on significant changes in book balance of dividend receivable with changes in provision for bad debts

Applicable  Not Applicable

**(11) Provision for bad debts**

Applicable  Not Applicable

Significant provisions collected or reversed in the current period

Applicable  Not Applicable

Other remarks

None.

**(12) Details on dividend receivable actually written off in the current period**

Applicable  Not Applicable

Significant dividend receivable written off

Applicable  Not Applicable

Remarks on dividend receivable written off

Applicable  Not Applicable

Other remarks:

Applicable  Not Applicable

**Other receivables**

**(13) Age analysis**

Applicable  Not Applicable

Monetary unit: RMB

Ages	Closing book balance	Opening book balance
Within 1 year		
Including:		
Within 1 year	40,000.00	4,582,549.49
Subtotal	40,000.00	4,582,549.49
1-2 years	4,433,673.79	
2-3 years		
Over 3 years		
3-4 years		
4-5 years		
Over 5 years		
Total	4,473,673.79	4,582,549.49

**(14) Other receivables categorized by nature**

Applicable  Not Applicable

Monetary unit: RMB

Nature of receivables	Closing book balance	Opening book balance
Land disposal fees receivable	4,300,000.00	4,300,000.00
Security deposits	173,673.79	209,093.99



Nature of receivables	Closing book balance	Opening book balance
Others		73,455.50
Total	4,473,673.79	4,582,549.49

**(15) Provision for bad debts**√ Applicable  Not Applicable

Monetary unit: RMB

Provision for bad debts	Stage 1	Stage 2	Stage 3	Total
	12-month expected credit losses	Lifetime expected credit losses (credit not impaired)	Lifetime expected credit losses (credit impaired)	
Balances at January 1, 2023	229,127.48			229,127.48
Balances at January 1, 2023 in the current period				
--Transferred to stage 2	-221,683.69	221,683.69		
--Transferred to stage 3				
--Reversed to stage 2				
--Reversed to stage 1				
Provision made in the current period	-5,443.79	221,683.69		216,239.90
Provision recovered in the current period				
Provision reversed in the current period				
Provision written off in the current period				
Other changes				
Balances at December 31, 2023	2,000.00	443,367.38		445,367.38

Classification basis of stages and proportion of provision for bad debts

 Applicable  Not Applicable

Remarks on significant changes in book balance of other receivables with changes in provision for bad debts

 Applicable  Not Applicable

Determination basis for provision for credit impairment made in the current period and whether credit risk has increased significantly

 Applicable  Not Applicable**(16) Provision for bad debts** Applicable  Not Applicable

Significant provisions collected or reversed in the current period

 Applicable  Not Applicable

Other remarks

None.

**(17) Other receivables actually written off in the current period**

Applicable  Not Applicable

Significant other receivables written off

Applicable  Not Applicable

Remarks on other receivables written off

Applicable  Not Applicable

**(18) Details of the top 5 debtors with largest balances**

Applicable  Not Applicable

Monetary unit: RMB

Debtors	Closing balance	Proportion to the total balance of other receivables (%)	Nature of receivables	Ages	Closing balance of provision for bad debts
Chongqing Hongye Industry (Group) Co., Ltd..	4,300,000.00	96.12	Land disposal fees receivable	1-2 years	430,000.00
Kingold Group Co., Ltd. [Note]	133,673.79	2.99	Security deposits	1-2 years	13,367.38
Guangzhou Wenxin Automotive Leasing Co., Ltd.	40,000.00	0.89	Security deposits	Within 1 year	2,000.00
Total	4,473,673.79	100.00	/	/	445,367.38

Note: It includes its wholly-owned subsidiary Guangzhou Kingold Property Co., Ltd.

**(19) Balances presented under other receivables due to the centralized fund management**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**3. Long-term equity investments**

Applicable  Not Applicable

Monetary unit: RMB

Items	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Investments in subsidiaries	1,714,103,968.78	19,037,610.07	1,695,066,358.71	1,714,103,968.78	19,037,610.07	1,695,066,358.71
Total	1,714,103,968.78	19,037,610.07	1,695,066,358.71	1,714,103,968.78	19,037,610.07	1,695,066,358.71

**(1) Investments in subsidiaries**

Applicable  Not Applicable

Monetary unit: RMB

Investees	Opening balance	Increase	Decrease	Closing balance	Provision for impairment made in the current period	Closing balance of provision for impairment
Carlsberg Chongqing Brewery Co., Ltd.	1,714,103,968.78			1,714,103,968.78		19,037,610.07
Total	1,714,103,968.78			1,714,103,968.78		19,037,610.07

**(2) Investments in associates and joint ventures**

Applicable  Not Applicable

**(3) Impairment test of long-term equity investments**

Applicable  Not Applicable

Other remarks

None.

**4. Operating revenue/Operating cost****(1) Details**

Applicable  Not Applicable

**(2) Breakdown of operating revenue/operating cost**

Applicable  Not Applicable

Other remarks

Applicable  Not Applicable

**(3) Remarks on performance obligations**

Applicable  Not Applicable

**(4) Remarks on transaction price allocated to the remaining performance obligations**

Applicable  Not Applicable

**(5) Significant changes in contracts or significant adjustments on transaction prices**

Applicable  Not Applicable

Other remarks

None.

**5. Investment income**

Applicable  Not Applicable

Monetary unit: RMB

Items	Current period cumulative	Preceding period comparative
Investment income from long-term equity investments under cost method	1,475,239,800.00	1,155,407,400.00
Investment income from long-term equity investments under equity method		
Gains on disposal of long-term equity investments		
Investment income from held-for-trading financial assets		
Dividend income from other equity instrument investments		
Interest income from debt investments		
Interest income from other debt investments		
Investment income from disposal of		

Items	Current period cumulative	Preceding period comparative
held-for-trading financial assets		
Investment income from disposal of other equity instrument investments		
Investment income from disposal of debt investments		
Investment income from disposal of other debt investments		
Income from debt restructuring		
Total	1,475,239,800.00	1,155,407,400.00

Other remarks

Note: Pursuant to the resolution and approval of the Company's second extraordinary shareholders' meeting of 2023, Carlsberg Chongqing Brewery Co., Ltd. distributed dividend of 2.869 billion yuan to the Company and Guangzhou Carlsberg Investment Co., Ltd. based on its accumulated undistributed profits from January to October in 2023.

## 6. Others

Applicable  Not Applicable

## XX. Other supplementary information

### 1. Schedule of non-recurring profit or loss

Applicable  Not Applicable

Monetary unit: RMB

Items	Amount	Remarks
Gains on disposal of non-current assets, including write-off of provision for impairment	-6,223,012.64	
Government grants included in profit or loss (excluding those closely related to operating activities of the Company, satisfying government policies and regulations, enjoyed based on certain standards, and continuously affecting gains or losses of the Company)	57,034,039.96	
Gains on changes in fair value of financial assets and financial liabilities held by non-financial enterprises, and gains from disposal of financial assets and financial liabilities, excluding those arising from hedging business related to operating activities	4,138,674.52	
Fund possession charge from non-financial entities and included in profit or loss		
Gains on assets consigned to the third party for investment or management		
Gains on designated loans		
Losses on assets incurred due to force majeure such as natural disasters	-22,928,871.60	
The reversed provision for impairment of receivables based on impairment testing on an individual basis	728,718.32	
Gains on acquisition of subsidiaries, joint ventures and associates due to the surplus of		

Items	Amount	Remarks
acquisition-date fair value of net identifiable assets in acquiree over the acquisition cost		
Net profit on subsidiaries acquired through business combination under common control from the beginning of the period to the combination date		
Gains on non-cash assets exchange		
Gains on debt restructuring		
One-off expenses incurred due to the discontinuation of relevant operating activities, such as severance payments		
One-off effects on profit or loss due to amendments of laws and regulations on taxation, accounting, etc.		
Share-based payments recognized at one time due to cancellation or modification of the equity incentive plan		
Gains arising from changes in the fair value of employee benefits payable after the vesting date for cash-settled share-based payment		
Gains on changes in fair value of investment properties with subsequent measurement at the fair value mode		
Gains on transactions with unfair value		
Contingent gains on non-operating activities		
Management charges for consigned operations		
Other non-operating revenue or expenditures	26,866,634.40	
Other profit or loss satisfying the definition of non-recurring profit or loss	344,606.28	
Less: Enterprise income tax affected	14,721,391.00	
Non-controlling interest affected (after tax)	22,629,291.13	
Total	22,610,107.11	

Remarks on defining items not listed in “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss” as non-recurring profit or loss with significant amount and remarks on defining non-recurring profit or loss listed in the “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss” as recurring profit or loss

Applicable Not Applicable

Other remarks

Applicable Not Applicable

Effect on non-recurring profit or loss in 2022 due to implementation of “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss (2023 Edition)”

Items	Amount
Net non-recurring profit or loss attributable to the owner of the parent company in 2022	29,266,746.14
Net non-recurring profit or loss attributable to the owner of the parent company calculated based on the “Interpretation Pronouncement on Information Disclosure Criteria for Public Companies No. 1 – Non-Recurring Profit or Loss (2023 Edition)” in 2022	28,559,050.54

Items	Amount
Difference	707,695.60

**2. ROE and EPS**

Applicable  Not Applicable

Profit of the reporting period	Weighted average ROE (%)	EPS (yuan/share)	
		Basic EPS	Diluted EPS
Net profit attributable to shareholders of ordinary shares	67.05	2.76	2.76
Net profit attributable to shareholders of ordinary shares after deducting non-recurring profit or loss	65.92	2.72	2.72

**3. Financial data variance between financial reporting prepared under domestic and abroad accounting standards**

Applicable  Not Applicable

**4. Others**

Applicable  Not Applicable

Chairman of the Board of Directors: João Miguel Ventura Rego Abecasis

Date of approval for issuance: March 28, 2024

**Revision**

Applicable  Not Applicable