

Stock Code: 600519

Stock Abbr.: Kweichow Moutai

# **KWEICHOW MOUTAI CO., LTD.**

## **ANNUAL REPORT 2023**

## **Important Statements**

**I. The Board of Directors, Board of Supervisors, directors, supervisors and the senior management of the Company guarantee that the information presented in this report is free of any false records, misleading statements or material omissions, and shall bear individual and joint legal liabilities for the truthfulness, accuracy and completeness of its contents.**

**II. All directors of the Company attend the meeting of the board of directors.**

**III. Baker Tilly China CPAs has issued a standard unqualified audit report for the Company.**

**IV. Ding Xiongjun, responsible person for the Company, Jiang Yan, responsible person for accounting work, and Cai Congying, responsible person for the Company's financial affairs (Accounting Supervisor), have warranted that the financial statements in this report are true, accurate and complete.**

**V. The proposed profit distribution plan or the proposed plan of capitalization of capital reserves in the reporting period approved by the resolution of the Board of Directors**

On the basis of a total capital of 1,256,197,800 shares by the end of 2023, all shareholders will be distributed a cash dividend of RMB 308.76 (before tax) for every 10 shares, with a total profit distribution of RMB 38,786,363,272.80. If there is any change in the total share capital of the company before the equity registration date for the implementation of equity distribution, the total dividend amount will be maintained unchanged, and the dividend ratio per share will be adjusted accordingly. The above profit distribution proposal shall be submitted to the general assembly of shareholders of the Company for deliberation and approval before implementation.

**VI. Risk disclosure statement for forward-looking statements**

Forward-looking statements in this report concerning future plans or development strategies do not constitute substantial promises to investors, due to the related uncertainty. Investors are advised to be aware of their own investment risks.

**VII. Existence of non-operational embezzlement of funds by controlling shareholders or their associated parties**

No

**VIII. Existence of financial guarantees to external parties in violation of the regulated decision procedures**

No

**IX. Over half of the directors' failure to guarantee the truthfulness, accuracy and completeness of the Company's disclosed annual report**

No

**X. Significant Risk Prompts**

The Company has elaborated the potential risks in the chapter of "The Company Discussion and Analysis on its Future Development". Investors are advised to pay their due attention.

**XI. Information Statement**

All information and data cited in this Report are objective and authentic. Financial figures herein are recorded in CNY, unless otherwise specified. This Report is prepared in Chinese and English, respectively. In case of any ambiguity in the Chinese and English texts, the Chinese text shall prevail.

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Documents Available for Reference	References include the accounting statements signed and stamped by the respective individuals in charge of the company, the company accounting work, and the accounting department (their accounting supervisor).
	References include the audit report original signed and stamped by the certified public accountant and stamped by the accounting firm.
	The originals of company documents and announcements that are publicly disclosed in China Securities Journal and Shanghai Securities News during the reporting period.

## Section I Definitions

### I. Definitions

Unless it is otherwise referred in the context, the terms in this report have the following meanings:

Terms and Definitions		
CSRC	refers to	China Securities Regulatory Commission
SSE	refers to	Shanghai Stock Exchange
Company, the company	refers to	Kweichow Moutai Co., Ltd.
Controlling shareholder, group company	refers to	China Kweichow Moutai Distillery (Group) Co., Ltd.
Reporting period	refers to	Fiscal Year of 2023
This report, the report	refers to	Annual Report 2023

## Section II Company Profile and Key Financial Results

### I. Corporate Information

Name of the Company in Chinese	贵州茅台酒股份有限公司
Abbr. of the Company name in Chinese (if any)	贵州茅台
Name of the Company in English	Kweichow Moutai Co., Ltd.
Legal Representative	Ding Xiongjun

### II. Contact Information

	Secretary of the board	Representative for securities affairs
Name	Jiang Yan	Cai Congying
Address	Maotai Town, Renhuai City, Guizhou Province	Maotai Town, Renhuai City, Guizhou Province
Tel.	0851-22386002	0851-22386002
Fax	0851-22386193	0851-22386193
E-mail	mtdm@moutaichina.com	mtdm@moutaichina.com

### III. Company profile

Registered address	Maotai Town, Renhuai City, Guizhou Province
Office address	Maotai Town, Renhuai City, Guizhou Province
Zip code of office address	564501
Website address	<a href="http://www.moutaichina.com/">http://www.moutaichina.com/</a>
E-mail address	mtdm@moutaichina.com

### IV. Information disclosure and the place where the report is available

Media name and its website address where the report is disclosed	China Securities Journal and Shanghai Securities News
Website address of the stock exchange where the report is disclosed	<a href="http://www.sse.com.cn/">http://www.sse.com.cn/</a>
Place where the report is available	The office of the Board of Directors

**V. Stock information**

Stock information				
Stock type	Stock exchange where the shares are listed	Stock abbreviation	Stock code	Previous stock Abbreviation (if any)
A shares	Shanghai Stock Exchange	Kweichow Moutai	600519	

**VI. Other information**

Appointed accounting firm (domestic)	Name	Baker Tilly China CPAs
	Office address	Building 12, Foreign Language Culture and Creativity Park, 19 Chegongzhuang West Road, Haidian District, Beijing
	Name of the signing accountant	Tang Hongchun, Liu Zonglei, Yang Shu

**VII. Key Accounting Data and Financial Indicators in the past three years****(I) Key accounting data**

Monetary Unit: Yuan Currency: RMB

Key accounting data	2023 years	2022 years		Year-on-year increase of decrease (%)	2021 years	
		After adjustment	Before adjustment		After adjustment	Before adjustment
Operating revenue	147,693,604,994.14	124,099,843,771.99	124,099,843,771.99	19.01	106,190,154,843.76	106,190,154,843.76
Net profit attributable to shareholders of the listed company	74,734,071,550.75	62,717,467,870.12	62,716,443,738.27	19.16	52,435,506,622.16	52,460,144,378.16
Net profits deducting non-recurring profits and losses attributable to shareholders of the listed company	74,752,564,425.52	62,792,896,829.57	62,791,872,697.72	19.05	52,556,464,900.24	52,581,102,656.24
Net cash flows from operating activities	66,593,247,721.09	36,698,595,830.03	36,698,595,830.03	81.46	64,028,676,147.37	64,028,676,147.37
	At the end of 2023	At the end of 2022		Increase or decrease at the end of the current period compared with the same period of the previous year	At the end of 2021	
		After adjustment	Before adjustment		After adjustment	Before adjustment
Net assets attributable to shareholders of the listed company	215,668,571,607.43	197,480,041,239.46	197,506,672,396.00	9.21	189,511,713,508.90	189,539,368,797.29

Total assets	272,699,660,092.25	254,500,826,096.02	254,364,804,995.25	7.15	255,315,103,017.82	255,168,195,159.90
Share capital	1,256,197,800.00	1,256,197,800.00	1,256,197,800.00		1,256,197,800.00	1,256,197,800.00

Note: In accordance with the "Enterprise Accounting Standards Interpretation No. 16" issued by the Ministry of Finance on November 30, 2022, the relevant content regarding the accounting treatment of "deferred income taxes related to assets and liabilities arising from individual transactions not applicable to initial recognition exemptions" shall be implemented as of January 1, 2023. The Company has retroactively adjusted the relevant financial data for the comparative period, as detailed in Section 10 of the financial report, specifically in Part 5, "Important Accounting Policies and Accounting Estimates," Subsection 24, "Changes in Important Accounting Policies and Estimates." The relevant financial data mentioned in the remainder of this annual report are all retroactively adjusted data.

## (II) Key financial indicators

Key financial indicators	2023	2022		Year-on-year increase /decrease (%)	2021 years	
		After adjustment	Before adjustment		After adjustment	Before adjustment
Basic earnings per share (RMB/share)	59.49	49.93	49.93	19.16	41.74	41.76
Diluted earnings per share (RMB/share)	59.49	49.93	49.93	19.16	41.74	41.76
Basic earnings per share after deducting non-recurring profits and losses (RMB/share)	59.51	49.99	49.99	19.05	41.84	41.86
Weighted average rate of return on net assets (%)	34.19	30.26	30.26	Increase by 3.93 percentage point(s)	29.89	29.90
Weighted average rate of return on net assets after deduction of non-recurring profits or losses	34.20	30.29	30.29	Increase by 3.91 percentage point(s)	29.95	29.97

Description of the Company's main accounting data and financial indicators for the recent three years at the end of the reporting period

Applicable N/A

## VIII. Differences in accounting data by domestic and overseas accounting standards

**(I) Differences in the net profits and net assets attributable to shareholders of the company disclosed in the financial reports prepared under the international accounting standards and China accounting standards**

Applicable N/A

**(II) Differences in the net profits and net assets attributable to shareholders of the Company disclosed in the financial reports prepared under the overseas accounting standards and China accounting standards**

Applicable N/A

**(III) Explanations for above accounting data differences**

Applicable N/A

**IX. Quarterly key financial data in 2023**

Monetary Unit: Yuan Currency: RMB

	Q1 (Jan.-Mar.)	Q2 (Apr.-Jun.)	Q3 (Jul.-Sept.)	Q4 (Oct.-Dec.)
Operating revenue	38,755,812,096.89	30,820,207,348.88	33,692,335,242.67	44,425,250,305.70
Net profit attributable to shareholders of the listed company	20,794,882,754.55	15,185,532,336.22	16,895,801,973.35	21,857,854,486.63
Net profits deducting non-recurring profits and losses attributable to shareholders of the listed company	20,778,475,545.61	15,168,973,659.84	16,868,191,551.41	21,936,923,668.66
Net cash flows from operating activities	5,244,796,293.93	25,142,381,901.03	19,614,828,823.70	16,591,240,702.43

Explanations for the differences between quarterly data and those disclosed in previous periodical reports

Applicable N/A

**X. Non-recurring Items and Their Gains/Losses**

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Non-recurring gains and losses	Amount in 2023	Notes (if applicable)	Amount in 2022	Amount in 2021
Profit or loss of disposal of non-current assets (including the offset amount where provision for asset impairment has been made)	1,152,516.17		-20,567,757.19	-11,920,829.77
Government grants included in the current profit or loss (except for government grants closely related with the normal business of the Company, obtained based on the established standard in accordance with national policies and provisions and having the continuous influence on the profits or losses of the Company)	17,137,523.89		14,973,304.55	4,616,000.00
The profit or loss from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and the profit or loss from the disposal of financial assets and financial liabilities, except the effective hedging relevant to the Company's normal business	2,439,902.57			-3,750,122.23
Other non-operating revenues and expenses except for the above-mentioned items	-47,733,771.71		-157,251,041.33	-210,928,052.99
Other items of profit or loss subject to the definition of non-recurring profit or loss	4,710,466.67		63,840,000.00	61,031,069.26
Less: Influenced amount of income tax	-5,573,340.60		-24,751,373.49	-40,237,983.93
Adjustment of non-controlling equity (after tax)	1,772,852.96		1,174,838.97	244,326.28
Total	-18,492,874.77		-75,428,959.45	-120,958,278.08

Where the Company recognizes the items not listed in the Explanatory Notice on Information Disclosure of Companies that Issue Securities Publicly No.1 - Non-recurring Profit or Loss as the non-recurring profit or loss items with the significant amount, or defines the non-recurring profit and loss items listed in Explanatory Notice on Information Disclosure of Companies that Issue Securities Publicly No.1 - Non-recurring Profit or Loss as recurring profit or loss items, reasons shall be given.

Applicable N/A

#### XI. Items measured at fair value

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Balance at the end of the period	Increase/decrease in the period	Affected amount of the profit of the period
Held-for-trading financial assets		400,712,059.93	400,712,059.93	24,072,241.71
Other non-current financial assets		4,002,439,902.57	4,002,439,902.57	2,439,902.57
Total		4,403,151,962.50	4,403,151,962.50	26,512,144.28

#### XII. Others

Applicable N/A

## Section III Management's Discussion and Analysis

### I. Discussion and analysis of business situation

In 2023, under the leadership of the Board of Directors, the company adhered to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly studied and implemented the spirit of the 20th National Congress of the Communist Party of China and the important speech of General Secretary Xi Jinping's inspection tour in Guizhou. The Board actively seized the opportunity presented by the State Council Document No. 2 [2022], fully implemented the deployment of the provincial party committee and provincial government, and focused on the strategic goal of 'double world-leading, three breakthroughs, and five leaps' set by the group company. With Moutai aesthetics as the core value, the Board guided the company to continue walking the high-quality development path of 'five lines'. Through collective efforts and perseverance, which named "Qixin" in Moutai, the company successfully achieved various targets and tasks, made significant progress in promoting high-quality development, and took solid steps towards modernization.

### II. Industry sector situation in the reporting period

See "Industry profile" and "Industry pattern and trend" in this report.

### III. Business scope in the reporting period

The main business of the Company is the production and sales of Moutai liquor and a series of liquors. The leading product "Kweichow Moutai" is one of the three famous distilled liquors in the world, and it is also a liquor brand integrating national geographical indication products, organic food and national intangible cultural heritage. The marketing network of the Company covers the domestic market and 64 countries and regions on five continents. Over the years, the Company insisted on the pursuit of product quality. With careful care for brewing ecology, the inheritance and innovation of traditional process, and the continuous development of corporate culture, the Company continuously empowered the enterprise and promoted high-quality development and modernization construction of the enterprise.

The Company's business model is as follows: raw material procurement - product manufacturing - product sales. The raw material procurement model specifically involves: sorghum for Moutai liquor is procured through a "company + local government + supplier + cooperative or farmer" model, while wheat is procured through a "company + supplier + cooperative or farm" model. The procurement of other raw and auxiliary materials, as well as packaging materials, is primarily based on the company's production and sales plans, and is conducted through centralized procurement in the market. The production process flow involves: yeast making - Chinese Baijiu making - cellaring - blending - packaging. The sales model includes both Direct selling and wholesale distribution channels. Direct selling channels refer to self-operated sales and digital marketing platforms such as "i Moutai", while wholesale distribution channels involve social dealers, supermarkets, e-commerce platforms, and other channels.

#### IV. Analysis of core competitiveness

√Applicable □N/A

The Company possesses "five core competences" composed of environment, engineering, quality, brand, and culture, as well as "four core potentials" consisting of unique origin protection, unreplicable microbial colonies, unique brewing techniques handed down for thousands of years, and long-term stored base liquor resources. During the reporting period, there were no significant changes in the company's core competences.

#### V. Business operation briefing for the reporting period

Firstly, the company's business performance reached new heights. During the year, the company achieved a total operating revenue of 150.56 billion yuan, an increase of 18.04% year-on-year. Net profit attributable to shareholders of the listed company amounted to 74.734 billion yuan, an increase of 19.16% year-on-year. The main economic indicators maintained double-digit growth, and the company achieved remarkable development results once again. Kweichow Moutai, the world's only liquor brand with a revenue exceeding 100 billion yuan, continued to consolidate its position. Moutai 1935 created an "industry miracle" and became a product with a revenue exceeding RMB 10 billion within just two years of its launch. The revenue of Moutai Prince exceeded 4 billion yuan, while the revenue of Hanjiang, Guizhou Daqu, and Laimao exceeded 1 billion yuan respectively, forming a product matrix of billion, hundred million, and ten million-level products.

Secondly, the company's brand influence continued to grow. The company's market capitalization remained stable above 2 trillion yuan, ranking first among A-share listed companies. Moutai ranked 24th on the "Brand Finance 2024 Global Brand Value Top 500" list with a brand value of 50.1 billion US dollars and third on the "2023 Brand Z Top 100 Most Valuable Chinese Brands" list with a brand value of 88.427 billion US dollars (ranked 18th globally), firmly maintaining its position at the top of the "world's liquor brands". With a brand value of 1.05 trillion yuan and the absolute advantage of being the only trillion-level brand, Moutai topped the Hurun Report's "Most Valuable Chinese Brands" list for the sixth time.

Thirdly, the company's corporate governance has been continuously improved. The board of directors successfully completed its reelection, and the new board members are diverse and complementary in their expertise, ensuring the scientific decision-making of the board from diversified perspectives. During the year, the board of directors convened three shareholder meetings to review and approve 17 proposals and held 13 board meetings to review and approve 45 proposals, strictly implementing the "six major powers" of the board. The company has promoted the construction of a comprehensive risk management system, and the risk management ecosystem has taken shape. It was successfully selected as one of the new batch of "Double Hundred Enterprises" by the State-owned Assets Supervision and Administration Commission of the State Council, awarded the Best Practice in Corporate Governance by the China Association for Public Companies, won the National Quality Award for the third time, and the European Quality Award for the first time. The management foundation has been further consolidated, and the company's modern governance capabilities and level have been further enhanced.

Fourthly, ESG management improved quality and efficiency. ESG concept was practised in an all-round manner, and deeply integrated into production, operation, reform and development. In order to improve ESG governance framework, the Company established an ESG Promotion Committee, including

Environment Sub-committee, Society Sub-committee and Governance Sub-committee and nine working groups. The Company systematically sorted out core issues and key projects in four steps of topic identification, overall planning, integration and implementation, and improvement and innovation in line with international norms, national policies, and advanced practices. Therefore the Company has optimized its overall ESG management system, fully leveraged the effectiveness of management mechanisms, and continuously empowered the implementation and effectiveness of ESG.

Fifthly, shareholder returns have been stable with a slight increase. The company has effectively improved the quality of information disclosure, enhancing its pertinence, effectiveness, and readability. Through voluntary disclosures such as production and operation data, it has promptly demonstrated the status of its high-quality development to the market, earning an A-level (excellent) evaluation for information disclosure from the Shanghai Stock Exchange. With a candid and open attitude, the company has actively communicated with investors, achieving the highest frequency in recent years. It participated in investor exchange activities abroad for the first time and held an earnings presentation in the trading hall of the Shanghai Stock Exchange, with the number of video views ranking among the top in A-share companies. The company was awarded the Best Practice for Earnings Presentation by the China Association for Public Companies. During the year, the company once again implemented a special dividend, distributing a total of 56.55 billion yuan in cash dividends, accounting for 75.67% of the company's net profit attributable to shareholders in 2023. The dividend amount increased by approximately 1.8 billion yuan compared to the previous year, reaching a new high, rewarding investors with practical actions.

## (I) Main business analysis

### 1. Analysis of accounting item changes related to the income statement and the cash flow statement

Monetary Unit: Yuan Currency: RMB

Item	Amount in the reporting period	Amount in the same reporting period of last year	YoY Change (%)
Operating revenue	147,693,604,994.14	124,099,843,771.99	19.01
Operating costs	11,867,273,851.78	10,093,468,616.63	17.57
Selling and distribution expenses	4,648,613,585.82	3,297,724,190.94	40.96
General and administrative expenses	9,729,389,252.31	9,012,191,073.63	7.96
Financial expenses	-1,789,503,701.48	-1,391,805,826.72	N/A
Research and development expenses	157,371,873.01	135,185,680.40	16.41
Net cash flows from operating activities	66,593,247,721.09	36,698,595,830.03	81.46
Net cash flows from investing activities	-9,724,414,015.16	-5,536,826,334.90	N/A
Net cash flows from financing activities	-58,889,101,991.94	-57,424,528,979.83	N/A

Reasons for the changes in operating revenue: mainly due to the increase of sales volume, the change in the selling channel and product structure and the adjustment to the selling prices of main products in the current period.

Reasons for the changes in operating costs: mainly due to the increase in sales volume and production cost and changes in product structure in the current period.

Reasons for changes in selling and distribution expenses: mainly due to the increase in advertising and marketing fees in the current period.

Reasons for changes in general and administrative expenses: mainly due to the increase in trademark license fees and depreciation of fixed assets in the current period.

Reasons for changes in financial expenses: mainly due to the increase in the interest income from deposits with commercial banks in the current period.

Reasons for changes in research and development expenses: mainly due to increase in research and development projects in the current period.

Reasons for changes in net cash flow from operating activities: mainly due to the increase in cash received from the company's sales of goods in the current period and the decrease in the net increase in term deposits that cannot be withdrawn in advance by the company's holding subsidiary, Kweichow Moutai Group Finance Co., Ltd.

Reasons for changes in the net cash flows from investing activities: mainly due to in the increase in acquisition of negotiable certificate of deposits by the Company's holding subsidiary Kweichow Moutai Group Finance Co., Ltd. and the Company's additional investment in industrial development fund, in the current period.

Reasons for changes in net cash flows from financing activities: mainly due to the increase in cash dividends distributed in the current period.

Detailed explanation of major changes in the Company's business type, profit composition or profit source in the current period

Applicable N/A

## 2. Income and cost analysis

Applicable N/A

### (1) Main business grouped by business segment, by product, by region and by sales model.

Monetary Unit: Yuan Currency: RMB

Main business grouped by business segment						
Operating revenue	Operating revenue	Operating costs	Gross profit margin	YoY Change of operating revenue (%)	YoY change of operating costs (%)	YoY change of gross profit margin (%)
Liquor	147,218,996,281.04	11,620,203,653.32	92.11	18.94	17.42	0.11
Primary business (by product)						
Product	Operating revenue	Operating costs	Gross profit margin (%)	Increase or decrease in operating revenue over the previous year (%)	Increase or decrease in operating costs over the previous year (%)	Increase or decrease in gross profit margin over the previous year (%)
Moutai	126,589,066,691.89	7,445,470,669.11	94.12	17.39	18.83	-0.07
Other liquor	20,629,929,589.15	4,174,732,984.21	79.76	29.43	15.00	2.54
Main business grouped by region						
Region	Operating revenue	Operating costs	Gross profit margin	YoY Change of operating revenue (%)	YoY change of operating costs (%)	YoY change of gross profit margin (%)
Domestic	142,868,885,823.91	11,280,212,551.30	92.10	19.52	18.01	0.10
Overseas	4,350,110,457.13	339,991,102.02	92.18	2.61	0.76	0.14

Main business condition by sales model						
Sales model	Operating revenue	Operating costs	Gross profit margin	YoY Change of Operating revenue (%)	YoY change of operating costs (%)	YoY change of gross profit margin (%)
Wholesale agency	79,986,119,397.90	8,569,360,111.66	89.29	7.52	6.82	0.07
Direct sales	67,232,876,883.14	3,050,843,541.66	95.46	36.16	62.78	-0.74

**(2) Analysis of production volume, sales volume and inventory**

√Applicable □N/A

Main product	Unit	Production volume	Sales volume	Inventory	YoY change of production volume (%)	YoY change of sales volume (%)	YoY change of inventory (%)
Liquor	Ton	100,141.15	73,274.04	293,790.03	8.98	7.48	6.21

**(3) Execution situation of major acquisition contracts and major sales contracts**

□Applicable √N/A

**(4) Cost Analysis Table**

Monetary Unit: RMB

Condition by business segment							
By business segment	Main breakdown items of cost	Amount in the reporting period	As % of total cost (%)	Amount in the same reporting period of previous year	As % of total cost in previous year (%)	YoY change (%)	Description of reasons
Liquor		11,620,203,653.32	100.00	9,896,113,336.80	100.00	17.42	
Condition by product							
By product	Main breakdown items of cost	Amount in the reporting period	As % of total cost (%)	Amount in the same reporting period of previous year	As % of cost in previous year (%)	YoY change (%)	Description of reasons
Liquor	Direct materials costs	5,984,160,283.88	51.50	5,344,548,452.24	54.00	11.97	
	Direct labor costs	4,372,013,596.08	37.63	3,395,434,595.85	34.31	28.76	
	Manufacturing costs	640,613,571.24	5.51	558,168,244.61	5.64	14.77	
	Fuels and energies	351,386,305.23	3.02	342,073,450.40	3.46	2.72	
	Transportation costs	272,029,896.89	2.34	255,888,593.70	2.59	6.31	
	Total		11,620,203,653.32	100.00	9,896,113,336.80	100.00	17.42

**(5) Any share changes of subsidiaries merger scope changes in the reporting period**

Applicable N/A

**(6) Information about significant changes or adjustments of the Company's businesses, products or services**

Applicable N/A

**(7) Major customers and suppliers****A. Major customers**

Applicable N/A

The sales of the top five customers amounted to RMB 14,709.4568 million, accounting for 9.99% of the total annual sales; among the sales of the top five customers, the sales of related parties amounted to RMB 5,508.9263 million, accounting for 3.74% of the total annual sales.

During the reporting period, the sales proportion to a single customer exceeded 50% of the total, or there were new customers among the top five customers, or there was a situation of heavy reliance on a few customers.

Applicable N/A

**B. Major suppliers**

Applicable N/A

The purchase amount of the top five suppliers amounted to RMB 2,907.6931 million, accounting for 36.45% of the total annual purchase amount; in which the purchase amount of related parties amounted to RMB 1,146.8131 million in the purchase amount of the top five suppliers, accounting for 14.38% of the total annual purchase amount.

During the reporting period, the proportion of purchases from a single supplier exceeded 50% of the total, or there were new suppliers among the top five suppliers, or there was a situation of heavy reliance on a few suppliers.

Applicable N/A

**3. Expenses**

Applicable N/A

The selling and distribution expenses amounted to RMB 4,648,613,585.82 in the current period and RMB 3,297,724,190.94 in the previous period. The year-on-year increase was mainly caused by the increase in advertising expenditure and market investment in the current period.

The financial expenses amounted to RMB -1,789,503,701.48 in the current period and RMB -1,391,805,826.72 in the previous period. The year-on-year change was is mainly caused by the increase in interest income from deposits with commercial banks in the current period.

**4. R&D expenses****(1) Statement of R&D expenses**

Applicable N/A

Monetary Unit: RMB

R&D expenses in this period	477,957,725.95
Capitalized research and development investment in the reporting period	143,549,809.92
Total R&D expenses	621,507,535.87
as ( % ) in operating revenue	0.42
Proportion of capitalization of research and development investment ( % )	23.10

Note: The R&D expenses in this period include the R&D expenses listed in the operating costs and the compensation of scientific researchers.

## (2) Statement of R&D employee

√Applicable □N/A

Number of R&D employees	800
as (%) in the total number of the Company's employees	2.40
Educational background structure of R&D employees	
Educational background structure type	Number in each educational background structure
Doctorate	85
Master's degree	178
Undergraduate	460
Junior college	63
High school and below	14
Age structure of R&D employee	
Age structure type	Number in each age structure
under 30 (excluding 30)	154
30-40 (including 30 but excluding 40)	422
40-50 (including 40 but excluding 50)	157
50-60 (including 50 but excluding 60)	52
over 60	15

## (3) Explanation

□Applicable √N/A

## (4) Reasons for the significant changes in R&D employees and their impacts on the Company's future development

□Applicable √N/A

## 5. Cash flows

√ applicable □ not applicable

Item	Monetary Unit: Yuan Currency: RMB		
	Amount in this period	Amount in last period	Change (%)
△Net increase in customer bank deposits and placement from banks and other financial institutions	-810,223,002.76	-8,916,033,228.67	N/A
Refunds of taxes and surcharges received	1,500,047.04	33,191,912.56	-95.48
Cash paid for purchase of goods or receipt of services	11,029,476,036.21	8,357,859,151.03	31.97
△Net increase in loans and advances to customers	-2,051,930,316.19	723,778,672.00	N/A
Net increase in loans to banks and other financial institutions	2,500,000,000.00		N/A
△Net increase in deposits in central bank, other banks and financial institutions	1,570,003,429.01	13,037,761,321.90	-87.96
△Cash paid for interest, handling charges and commissions	142,896,151.21	79,226,410.98	80.36
Cash paid for other operating activities	7,943,709,518.14	5,123,087,432.89	55.06
Cash received from disposal of investments	7,549,947,301.15		N/A
Cash received from investment income	140,715,000.00	5,880,000.00	2,293.11
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	24,948,352.95	355,149.00	6,924.76

Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets	2,619,755,888.79	5,306,546,416.54	-50.63
Cash paid for investments	14,817,852,800.00	210,000,000.00	6,956.12
Cash paid for other investing activities	7,021,867.10	31,486,829.54	-77.70
Cash paid for other financing activities	134,315,261.93	54,332,788.37	147.21
Effect of fluctuation in exchange rate on cash and cash equivalents	1,718,255.65	911,088.01	88.59

(1) The change in net increase in customer deposits and deposits from other banks and financial institutions is mainly due to the transfer of equity of Guizhou Xijiu Co., Ltd. by the group company in the prior period, by which Guizhou Xijiu Co., Ltd. ceased to be a member company of the Company's holding subsidiary Kweichow Moutai Group Finance Co., Ltd. and the Company's absorption of deposits in the prior period decreased a lot.

(2) The decrease in refunds of taxes and surcharges received mainly refers to the tax rebates retained received by the Company's holding subsidiary Kweichow Moutai Sales Co., Ltd. in the prior period.

(3) The increase in cash paid for purchase of goods or receipt of services is mainly due to the increase in cash paid by the Company for the purchase of materials.

(4) The decrease in the net increase in loans and advances to customers is mainly due to the recovery of loans distributed by the Company's holding subsidiary Kweichow Moutai Group Finance Co., Ltd.

(5) The increase in the net increase in loans to banks and other financial institutions is mainly due to the increase of Kweichow Moutai Group Finance Co., Ltd., the holding subsidiary of the Company in making loans to banks and other financial institutions.

(6) The decrease in the net increase in deposits with the Central Bank and interbank funds is mainly due to the decrease in the net increase in non drawable interbank time deposits deposited by the company's holding subsidiary, Kweichow Moutai Group Finance Co., Ltd., compared with the previous period.

(7) The increase in the cash paid for interest, handling fee and commission is mainly due to the increase in the cash paid for interests by Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company in the current period, compared with the prior period.

(8) The increase in cash related to other operating activities is mainly due to the payment of market inputs.

(9) The increase in cash received from disinvestment refers to the withdrawal of certificates of deposits of the Company and the NCD of Kweichow Moutai Group Finance Co., Ltd..

(10) The increase in the cash received from investment income is mainly due to the increase in the interest on certificates of deposits received by the Company.

(11) The increase in the net cash received from disposal of fixed assets, intangible assets and other long-term assets is mainly due to the increase in the cash received from disposal of fixed assets in the current period, compared with the prior period.

(12) The decrease in the cash paid to acquire and construct fixed assets, intangible assets and other long-term assets is mainly due to the decrease in the cash paid for capital construction projects in the current period, compared with the prior period.

(13) The increase in cash paid for investments is mainly due to the increase in acquisition of NCDs by the Company's holding subsidiary Kweichow Moutai Group Finance Co., Ltd. and the Company's additional investment in industrial development fund, in the current period

(14) The decrease in the cash paid for other investing activities is mainly due to the decrease in the capital construction performance bond refunded, compared with the previous period.

(15) The increase in the cash paid for other financing activities is mainly due to the increase in the cash for lease fees in the current period, compared with the previous period.

(16) The increase in the effect of fluctuation in exchange rate on cash and cash equivalents refers to the difference in foreign currency conversion caused by the translation of financial statements of overseas operations of Kweichow Moutai Paris Trading Co., Ltd., a wholly-owned subsidiary of the Company, into the functional currency statements.

## (II) Reasons for significant changes of profit caused by non-core business

Applicable N/A

## (III) Analysis of assets and liabilities

Applicable N/A

### 1. Assets and liabilities

Monetary Unit: RMB

Item	Amount by the end of this period	As % of total assets (%)	Amount by the end of last period	As % of total assets (%)	Change in percentage (%)	Explanation about any material change
Cash and cash equivalents	69,070,136,376.12	25.33	58,274,318,733.23	22.90	18.53	
Held-for-trading financial assets	400,712,059.93	0.15			N/A	Mainly the additional investment of Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, in debt instruments
Notes receivable	13,933,440.00	0.01	105,453,212.00	0.04	-86.79	Mainly the decrease in the sales business with bank acceptance bills of the Company's wholly-owned subsidiary, Kweichow Moutai-Flavor Liquor Marketing Co., Ltd.
Accounts receivable	60,373,410.41	0.02	20,937,144.00	0.01	188.36	Mainly the sales of Kweichow Moutai Sales Co., Ltd., a controlling company of the Company, via an online platform where the system adopts the T+7 model for the settlement of payments for goods.
Prepayments	34,585,111.79	0.01	897,377,162.27	0.35	-96.15	Mainly the transformation from advanced land payments to intangible assets
Redemptory Monetary Capital for Sale	3,504,849,885.05	1.29			N/A	The purchase of reverse repo of treasury bonds was made by Guizhou Maotai Group Finance Co., Ltd., a holding subsidiary of the company.
Inventories	46,435,185,061.53	17.03	38,824,374,236.24	15.26	19.60	
Other current assets	71,403,906.57	0.03	160,843,674.42	0.06	-55.61	Mainly the decrease in input VAT retained
Non-current assets maturing within one year			2,123,601,333.33	0.83	-100.00	Mainly the maturity of certificates of deposits
Loans and payments	2,130,818,189.27	0.78	4,134,744,407.92	1.62	-48.47	Mainly the recovery of loans distributed to member units by the Company's holding subsidiary Kweichow Moutai Group Finance Co., Ltd.
Debt investment	5,323,002,071.02	1.95	380,685,319.09	0.15	1,298.27	Mainly the purchase of

						bonds by Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company
Fixed assets	19,909,280,655.97	7.30	19,742,622,547.86	7.76	0.84	
Other non-current financial assets	4,002,439,902.57	1.47			N/A	The additional investment of the Company in industrial funds
Other non-current assets	109,563,497.23	0.04			N/A	The newly-added informatization project in progress
Non-current liabilities maturing within one year	57,054,879.48	0.02	109,351,155.28	0.04	-47.82	The payment for rental expenses
Deferred tax liabilities	78,943,062.19	0.03	162,628,090.99	0.06	-51.46	The influence of the implementation of the <i>Interpretation No. 16 of the Accounting Standards for Business Enterprises</i>
Other comprehensive income	-6,061,727.51		-10,776,907.33		N/A	The difference arising from the translation of financial statements of overseas operations of Kweichow Moutai Paris Trading Co., Ltd., a wholly-owned subsidiary of the Company, into the functional currency statements

## 2. Main assets overseas

Applicable N/A

### (1) Asset size

Including: overseas assets of RMB 87,432,153.36, accounting for 0.03% of the total assets.

### (2) Description of overseas assets with a higher proportion

Applicable N/A

## 3. Restricted assets rights as of the end of this reporting period

Applicable N/A

## 4. Other description

Applicable N/A

## (IV) Analysis of operating information in the industry

Applicable N/A

### Analysis of operating information in the liquor production industry

#### 1 Industry profile

Applicable N/A

According to data from the National Bureau of Statistics and the China Alcoholic Drinks Association, in 2023, the total production volume of liquor enterprises above designated size nationwide reached 4.492 million kiloliters, a year-on-year decrease of 2.8%; sales revenue amounted to 756.3 billion yuan, an increase of 9.7% year-on-year; and total profits reached 232.8 billion yuan, an increase of 7.5% year-on-year.

#### 2 Production Capacity

##### Current capacity

√Applicable □N/A

Main Factories	Designed Capacity	Actual Capacity
Chinese Baijiu production workshop of Moutai	42,795.00	57,204.11
Series liquor production workshop	44,460.00	42,937.04

Note: (1) The Moutai base liquor of Moutai liquor reached a designed production capacity of 42,795.00 tons in 2023, with a year-on-year increase of 52.50 tons of base liquor production capacity. The new production capacity was put into operation in October 2023. Due to the production process characteristics of Moutai liquor, it will be released in 2024. The base liquor of serial liquors reached a designed production capacity of 44,460.00 tons in 2023, with a year-on-year increase of 6,400.00 tons of base liquor production capacity. The new production capacity was put into operation in November 2023. Due to the production process characteristics of the serial liquors, it will be released in 2024. (2) According to the practice of the Company, the designed and actual production capacity in this report is measured in "ton".

### Capacity under Construction

√Applicable □N/A

Monetary Unit: RMB '0,000 Currency: RMB

Name of the Capacity under Construction	Planned investment amount	Amount invested in this reporting period	Accumulated investment amount
30000-ton Moutai-flavored series liquor technical renovation project and its supporting facilities	838,400.00	63,490.00	550,116.00
First Phase Construction Project of the "14th Five-Year Plan" Maotai-flavor Liquor Xishui Tongminba	411,000.00	45,310.00	88,160.00
Technical transformation and construction project of Moutai Liquor during the 14th Five-Year Plan period	1,551,600.00	120,203.00	120,288.00

Production capacity calculation standards

Applicable □N/A

In the above "Current capacity" table, the design capacity is calculated according to the production process requirements, combined with the plant specifications and the number of cellars, and the actual capacity is calculated according to the actual base liquor production yield in the reporting period.

### 3 Inventory at the end of the reporting period

√Applicable □N/A

Unit: Ton

Finished liquor	Semi-finished liquor (including base liquor)
13,985.07	279,804.96

Note: The finished liquor is the Company's packaged inventory stock (including Moutai-flavor series liquor).

Inventory Impairment Risk Warning

□Applicable √N/A

### 4 Product profile

√Applicable □N/A

Monetary Unit: RMB '0,000 Currency: RMB

Product grade	Production (ton)	Change (%) Same Period	Sales (tons)	Change (%) Same period	Production-sales ratio (%)	Sales revenue	Change (%) same period	Main representing brand
Moutai	57,204.11	0.69	42,109.50	11.10		12,658,906.67	17.39	Moutai

Other series liquor	42,937.04	22.41	31,164.54	2.94		2,062,992.96	29.43	Moutai Wangzi liquor, Moutai 1935 liquor, Han Jiang liquor, Lai Mao liquor
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Note: (1) In order to ensure the sustainable development of the Company, a certain amount of base liquor needs to be retained every year. According to the production process, it takes Maotai liquor at least 5 years of cellaring since its production before in can be released from the factory. (2) Moutai is a blend of base liquor of different years, different rounds and different concentrations. It is a perfect combination of technology and art. Therefore, the base liquor of a certain year may appear as a product in the next several years. (3) The Company regards quality as its life, adheres to quality first, adheres to the spirit of craftsmanship, and adheres to the principle of "honoring the principles, abiding by the rules, sticking to the craftsmanship, cellaring enough liquor to age, and not selling young liquor". The production of Moutai is of natural solid-state fermentation, brewed with traditional craftsmanship, and therefore the production yield has certain volatility. (4) Based on the above reasons, the production and sales rate of Moutai base liquor cannot be accurately calculated. The product formation process of series liquor is similar to that of Moutai.

Product grading standards

Applicable N/A

Graded by the quality of the product.

Changes in the product structure and business strategy

Applicable N/A

## 5 Raw material purchase

### (1) purchase model

Applicable N/A

The sorghum used in Moutai liquor was purchased in the "company + local government + supplier + cooperative or farmer" model, while the wheat was purchased in the "company + supplier + cooperative or farm" model. Other raw materials and packaging materials were purchased from the market through centralized procurement according to the company's production and sales plans.

### (2) purchase amount

Applicable N/A

Monetary Unit: RMB '0,000 Currency: RMB

Raw materials type	Purchase amount in this period	Purchase amount in last period	as % in total purchase amount
Liquor brewing raw materials	352,140.58	248,398.92	44.15
Packaging materials	396,702.84	290,243.05	49.73
Energies	35,724.12	48,982.94	4.48
Workshop auxiliary materials	13,122.59	6,898.38	1.36

## 6 Sales

### (1) Sales model

Applicable N/A

The Company's products are sold through direct selling and distributor channels. Direct sales channels refer to self-operated channels and "i Moutai" digital marketing platform channel, and wholesale agency channels refer to social distributors, supermarkets, e-commerce and other channels.

### (2) Sales channel

Applicable N/A

Monetary Unit: RMB '0,000 Currency: RMB

Channel type	Sales amount in this period	Sales amount in last period	Sales volume in this period (ton)	Sales volume in last period (ton)
Direct selling	6,723,287.69	4,937,873.77	15,634.95	11,186.57
Wholesale agency	7,998,611.94	7,439,359.47	57,639.09	56,989.75

**(3) Regional situation**

√Applicable □N/A

Monetary Unit: RMB '0,000 Currency: RMB

Region Name	Sales revenue in this period	Sales revenue in last period	as % in the total amount	Sales volume in this period (ton)	Sales volume in last period (ton)	as % in the total volume
Domestic	14,286,888.58	11,953,275.29	97.05	71,295.43	66,162.41	97.30
Overseas	435,011.05	423,957.95	2.95	1,978.61	2,013.91	2.70

Regional division standards

□Applicable √N/A

**(4) Distributor Situation**

√Applicable □N/A

Unit: unit

Region Name	Number of distributors by the end of the reporting period	Number increased in the reporting period	Number decreased in the reporting period
Domestic	2080	1	5
Overseas	106	1	

Explanation

□Applicable √N/A

Management of distributors

□Applicable √N/A

**(5) Online-sales situation**

√Applicable □N/A

Monetary Unit: RMB '0,000 Currency: RMB

Online sales platform	Product grade of online sales	Revenue from sales in the current period	Revenue from sales in the previous period	YoY (%)	Gross profit margin (%)
"i Moutai" digital marketing platform channel	Medium and high-grade liquor	2,237,432.35	1,188,270.28	88.29	96.09
Other digital marketing platforms	Medium and high-grade liquor	183,125.55		N/A	95.95

Future online business strategy

□Applicable √N/A

**7 Analysis of the Company's revenue and cost**

**(1) The composition of the company's main business by different types**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Type	Operating revenue	Change (%)	Operating costs	Change (%)	Gross profit rate (%)	Change (%)
By class of product						
Moutai	126,589,066,691.89	17.39	7,445,470,669.11	18.83	94.12	-0.07
Other series liquor	20,629,929,589.15	29.43	4,174,732,984.21	15.00	79.76	2.54
Subtotal	147,218,996,281.04	18.94	11,620,203,653.32	17.42	92.11	0.11
By sales channel						
Wholesale agency	79,986,119,397.90	7.52	8,569,360,111.66	6.82	89.29	0.07
Direct selling	67,232,876,883.14	36.16	3,050,843,541.66	62.78	95.46	-0.74
Subtotal	147,218,996,281.04	18.94	11,620,203,653.32	17.42	92.11	0.11
By regional segment						
Domestic	142,868,885,823.91	19.52	11,280,212,551.30	18.01	92.10	0.10
Overseas	4,350,110,457.13	2.61	339,991,102.02	0.76	92.18	0.14
Subtotal	147,218,996,281.04	18.94	11,620,203,653.32	17.42	92.11	0.11

Explanation

□Applicable √N/A

**(2) Costs**

√Applicable □N/A

Explanation

√Applicable □N/A

See Statement of Cost, Analysis of main business, Section III Management's Discussion and Analysis.

**(V) Analysis of investment situation****Total investment**

□Applicable √N/A

**1. Significant equity investment**

□Applicable √N/A

**2. Important non-equity investment**

√Applicable □N/A

Non raised fund projects (projects with total investment exceeding 10% of the Company's audited net assets at the end of last year)

According to the resolution of the Company's 2011 annual shareholders' meeting, the Company has planned to invest RMB 3,583.16 million in the construction of Moutai-flavor series liquor making technical transformation project and supporting facilities project. By the end of the reporting period, a total of RMB 2,053.55 million had been invested.

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

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Type of assets	Amount at the beginning of the period	Profit or loss from changes in fair value in the current period	Accumulated changes in fair value included in equity	Provision for impairment made in the current period	Purchase amount in the current period	Selling / redemption amount in the current period	Other changes	Amount at the end of the period
Bonds		24,072,241.71			3,900,000,000.00	3,523,360,181.78		400,712,059.93
Private equity		2,439,902.57			4,000,000,000.00			4,002,439,902.57
Total		26,512,144.28			7,900,000,000.00	3,523,360,181.78		4,403,151,962.50

## Portfolio investment

□Applicable √N/A

## Description of portfolio investment

□Applicable √N/A

## Private equity investment

√Applicable □N/A

1. Moutai Jinshi (Guizhou) Industrial Development Fund. The filing of the private equity for record has been completed. Visit the site: [www.sse.com.cn](http://www.sse.com.cn). and read the Company's announcements (Lin 2023-014 and Lin 2023-028) for details;

2. Moutai Zhaohua (Guizhou) Industrial Development Fund. The filing of the private equity for record has been completed. Visit the site: [www.sse.com.cn](http://www.sse.com.cn). and read the Company's announcements (L 2023-014 and L 2023-028) for details.

## Investment in derivatives

□Applicable √N/A

**4. Specific progress of major assets reorganization and integration during the reporting period**

□Applicable √N/A

**(VI) Specific progress of major assets reorganization and integration during the reporting period**

□Applicable √N/A

**(VII) Analysis of major holding companies**

√Applicable □N/A

Monetary Unit: RMB '0,000 Currency: RMB

Company name	Industry	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Kweichow Moutai Sales Co., Ltd.	Liquor, beverages and tea wholesale	1,000.00	8,774,200.15	5,457,173.45	12,225,461.71	5,680,845.69	4,259,628.69

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

□Applicable √N/A

**VI. Discussion and analysis of the Company's future development****(I) Pattern and trend in the industry**

√Applicable □N/A

**1. Industry pattern and trend**

In the macroscopic aspect, the basic trend of China's economic recovery with a long-term improvement has not changed and will not change. With the strengthening of macro-control, which has promoted the continuous improvement of economic operation, the effect of promoting consumption policies continues to appear, the consumption scene continues to expand, residents' income continues to grow, and consumption will continue to maintain steady and rapid growth, and these are conducive to liquor consumption. In terms of the industry, since 2016, the national liquor production and sales have declined year by year, and the liquor industry has entered a period of "stock competition", where favorable conditions are stronger than the unfavorable factors, though the industry has been facing many problems, and the overall development trend of the industry is good.

**2. Competitive advantages of the Company**

First, excellent product quality. The Company adheres to the principle that quality is the soul of life as well as the concept of "five-artisan quality", and has implemented strict quality control throughout the full life cycle from "improved variety" to "products with aesthetic feeling". The Company vigorously maintains the ecological uniqueness of the balanced producing areas, and innovates and inherits the scientific process method and engineering method of selected materials, excellent process and exquisite utensils. Each batch of products uses the long-term cellaring base resources and the diversified base liquor styles created by exquisite blending techniques to form the typical flavor and quality expression characteristics of Kweichow Moutai. The Company strove for excellence and refinement in the 30 processes and 165 links, and created the excellent quality integrating aesthetic senses, aesthetic perception, aesthetic feelings, and beauty aesthetic.

Second, high brand reputation. After hundreds of years, Moutai has grown from a local product that nobody cares about in 1915 to the world's first brand of hard liquor with the single product revenue of RMB over 100 billion and a market value of over RMB one trillion. The Company strove to build a brand matrix with the Party building brand as the guide. It constantly made the brand as a brand with products with aesthetic feeling, optimized services, real public welfare, refined activity, and outstanding craftsmanship, continuously enhanced the kinetic energy of the brand, highlighted the brand tension of Moutai, greatly enhancing the brand influence and reputation, and constantly increasing the brand value.

Third, strong cultural radiation. Moutai culture was derived from the farming civilization that "Pu people are good at brewing". It developed continuously in modern civilization. A "nine series" cultural system was perfected and formed, leading the development trend of China liquor culture, which became the acme of Chinese liquor culture. The Company took the brewing tradition of "co-brewing by man and nature" and the craftsman spirit of pursuing excellence as the core, and fully combined the seasonal rhythm to carry out a series of activities of 24 solar terms, highlighting the cultural characteristics of "obedience to the heaven and respect to the man" and expanding and enriching the cultural extension of Moutai. It built a communication matrix of "Mass response online and offline", told a good brand story, spread the voice of Moutai, and made the unique Moutai culture sparkling.

Fourth, unique traditional processes. The Company has a unique brewing process that has been passed down for thousands of years, insisting on the brewing of Moutai according to the weather changes and making the brewing more traditional. The Company has comprehensively established a quality evaluation system for raw materials of brewing, ensuring the high-quality supply of sorghum and wheat from the aspects of origin and quality indicators, and highlighting the "selected materials"; followed the traditional process of taking a year as one production cycle, stepping on the winter wheat during the Dragon Boat Festival, feeding on the Double Ninth Festival, brewing with pure grain, solid fermentation in an open manner, long-term storage in pottery jars, and blending liquor with liquor to display "excellent process"; adhere to the supply of traditional elements, such as drying hall of concrete, fermentation warehouse made with small green tile, pit stone and purple mud, to show the "exquisite utensils"; Adhere to both inheritance and innovation, and make innovation more modern. The Company continued to enhance the original innovation ability, deeply analyzed the scientific connotation of traditional techniques, and concluded the process system of koji-making, liquor-making, storage and blending, and established five core technical systems to keep the vitality of traditional process methods forever.

Fifth, unreplicable ecological environment. Special landform, climate environment, high-quality brewing water source, unique origin protection and unrepeatable microbial colonies are the unique characteristics of the core producing area of Kweichow Moutai liquor with the area of 15.03 square kilometers. By implementing the "five special projects" of increasing high-quality water resources, improving air quality, conservation of water and soil, protecting microorganism and maintaining ecosystem balance, the Company carried out the "five special actions" of energy saving, carbon reduction and efficiency improvement, green product design, green transformation of industrial chain, green scientific and technological innovation and green low-carbon life, and built a life community of "mountain, water, forest, soil, river and microorganism" to fully maintain the ecosystem balance on which Moutai depends. In the production and operation, the Company also extended the maintenance of natural ecology to commercial ecology, and guided relevant parties to form a tough, agile and efficient production, supply and marketing ecosystem with excellent "Moutai standards" to jointly pursue the goal of specialization, greening and digitalization of modernization.

## **(II) Development strategy**

√Applicable □N/A

2024 will be a crucial year to achieve goals of the "14th Five-Year Plan". The Company will adhere to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, thoroughly study and implement the spirit of the 20th Party Congress and the important speech addressed by the General Secretary Xi Jinping during the inspection in Guizhou, the spirit of the Party Congress of the Group company and the overall deployment, adhere to the overall high-quality development, actively integrate into the new development pattern, uphold the concept of "quality is the soul of life", focus on the group company's targets of "double world-leading, three breakthroughs and five spans", deeply implement ESG concept and comprehensively optimize strategy, budget, process, performance and risk management, continue to take the "five-line" high-quality development road by taking Moutai aesthetics as its value connotation, attach importances to the main business of "liquor", strengthen the three driving forces of reform, opening up and innovation, promote the integration of the innovation chain, industrial chain and talent chain, highlight the three tasks of value creation, value management and value sharing, strengthen the strategic coordination, promote work coordination and fully advance the high-quality development and modernization of Moutai.

**(III) Business plan**

√Applicable □N/A

The main objective for 2024 is to achieve an increase of approximately 15% in total operating revenue compared to the previous year and complete fixed asset investment of RMB 6.179 billion. Focusing on the annual targets and tasks, the following key works will be emphasized:

(I) Uphold the "blue line" path and continue the strong momentum of our main business. The first is to focus on enhancing industry leadership, brand influence, and channel control, continuously consolidate the position of Moutai liquor as a 100 billion level key product, and continuously enhance the "leadership" of the high-end market, and strengthen the brand building of Moutai-flavor liquor enterprises, and consolidate the cultivation and promotion of key product brands. The second is to uphold the principle that quality is the soul of life, continue to practice the "five craftsmen" quality concept, improve the "365" quality management system (the party congress is included in the green line), and continue to improve the progressiveness and applicability of the "Moutai Standard" in all links of the whole chain from raw material supply to production quality. The third is to continue to practice the "Five-in-One Marketing Method", uphold the "four ends" of products, channels, brands and terminals, and jointly build the "three forms" of terminal form, business format and ecology, and make endless efforts to explore new markets with endless beauty, and strengthen the reform of international market institutions and team building, and uphold the principle of "one country, one policy", and enhance the level of internationalization. The fourth is to uphold the high starting point planning, high standard design, high-quality construction, and high-level management, accelerate the construction of major projects such as Zhonghua Village Moutai Liquor Technical Renovation Project Moutaiin "14th Five Year Plan", Packaging Logistics Park in Tanchang Subdistrict Office, and the project in Tongmin Town of Xishui County, and strengthen the life-cycle management of projects.

(II) Uphold the "green line" path and create sustainable development samples. The responsibilities and functions of the ESG Promotion Committee will be leveraged fully to develop an overall plan, and strive to improve the overall evaluation level. In terms of environment, every effort is made to deeply implement the concept of the life community of "mountains, waters, forests, soil, rivers and microorganisms", focus on the goal of "carbon peaking and carbon neutrality", continuously optimize the layout of the "production space, living space and ecological space" in the park, strengthen water conservation, drainage, water treatment, and reuse of reclaimed water, focus on energy conservation and energy structure adjustment, promote the research and application of advanced green, low-carbon, and energy-saving technologies, and build a national level "clear waters and green mountains are as good as mountains of gold and silver" practice and innovation base with high quality. In terms of society, every effort is made to lead the industry in improving technical standards and promoting the integration of occupational health and safety for all employees based on key aspects such as product quality and safety, occupational health and safety, stakeholder interests, and responsible marketing, and actively engage in social welfare, cultural protection, and rural revitalization, vigorously advocate rational drinking, adhere to integrity and innovation, and tell the story of Chinese liquor culture well. In terms of governance, every effort is made to focus on corporate governance, business ethics, risk management, and other aspects, perfect corporate governance from the perspective of "Shareholders' Meeting, Board of Directors, Supervisory Board and Senior Management", and improve the "six major risks" management mechanism, and deepen the digital transformation in areas such as business and finance integration, decision-making system of "major issues, important appointments and removals, major projects, and the use of large amounts of money", audit supervision, and smart parks, empower ESG implementation and effectiveness, drive partners to jointly practice ESG concepts, and comprehensively enhance value creation capabilities.

(III) Uphold the "white line" path and enhance the momentum of reform and innovation. In terms of technological innovation, every effort is made to deeply practice the beauty of "scientific inheritance and technological innovation", focus on "making inheritance more traditional and innovation more modern", continuously strengthen the construction of "two rooms, two centers, and one station", vigorously promote the corporatization of technology centers, strengthen the introduction of high-level talents, improve the talent training and incentive mechanism system, and build a high-quality team of scientific and technological innovation talents. In terms of digital empowerment, in accordance with the top-level plan of "Smart Moutai 2.0", every effort is made to implement projects such as digital marketing system, supply chain management system, and total quality management system, further open up the integrated supply

chain system, promote the scale application of industrial Internet demonstration scenarios, promote "one-code management", integrate anti-counterfeiting traceability, industrial chain collaboration and other scenario applications, and improve the ability to link upstream and downstream industries. In terms of deepening reform, every effort is made to firmly grasp the opportunity of the new round of state-owned enterprise reform and upgrading actions, adhere to benchmarking against world-class standards, continuously optimize and improve the strategic management system, comprehensively strengthen process management, operate organizational performance indicator measurement and analysis and a new performance evaluation system, implement salary system reform to enhance the modern corporate governance ability and level. In terms of talent team construction, every effort is made to coordinate the development of the company's human resources plan, and improve the equivalent density of professional talents by expanding channels for attracting and selecting talents, increasing training and education efforts for talents, highlighting employment effects, and improving talent retention mechanisms, and promote the development of talent in enterprises, and promote mutual progress between talents and enterprises.

(IV) Uphold the "purple line" path and build a highland of brand culture. Every effort is made to uphold the "Moutai Aesthetics" as the corporate philosophy, deeply explore corporate culture and brand culture, continuously promote the construction of the "Nine Series" of Moutai culture, continuously enriched the expression forms, value connotations, and experience scenes of Moutai culture, and accumulated strong cultural momentum, and continue to explore the essence of traditional Chinese culture, such as the 24 solar terms, zodiac signs, and traditional festivals, and promote the organic integration of corporate culture, product culture, traditional culture, and Moutai culture, and carefully develop cultural and creative products, and hold traditional activities such as Qingming Thanksgiving, Dragon Boat Festival wheat worship, and Double Ninth Festival liquor worship to high standards, and apply the theme colors of the Chinese New Year in various activities, continue to conduct research on the color system of Eastern aesthetics, and promote the creative transformation and innovative development of Chinese traditional culture, liquor culture, and Moutai culture, and continue to organize cultural IP activities such as "Moutai Funs Carnival" and "Dinner Night" to tell the story of Moutai well, and actively integrate into the national "the Belt and Road" initiative and the "Brand Power Project", take the initiative to appear at important conferences and activity platforms at home and abroad, participate in global dialogue, output Moutai's views and convey Moutai's voice.

(V) Uphold the "red line" path and ensure the essential safety of enterprises. Every effort is made to focus on the "six major risks" and promote the construction of an enterprise risk management system from top-level design to post end comprehensive risk management, to ensure the safe and stable operation of production and operation. In terms of safety production, every effort is made to deepen the risk classification and dynamic management of safety production around the seven major areas of fire, electricity, soil, housing, water, vehicles, and materials, and continuously consolidate the achievements of special inspections and rectification of safety production, and implement the "Smart Security" and "Smart Fire Protection" projects, integrate the construction of civil defense, physical defense, and technical defense, and comprehensively improve the professional level of safety management. In terms of compliant operation, every effort is made to focus on key tasks such as legal governance, risk prevention, compliance management, rights protection, and team building, further improve the five systems of legal construction, and continuously enhance the five capabilities of governing enterprises in accordance with the law, and continue to perfect the risk management system, improve the construction of risk libraries in key areas, and timely and effectively prevent and resolve various risk challenges.

#### **(IV) Possible confronting risk**

Applicable N/A

The first is the risk of macroeconomic downturn; The second is security risk; The third is public opinion risk; The fourth is environmental protection risk.

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

Applicable N/A

**VII. The Company's failure to disclose the information and reasons in accordance with the standards due to non-application of the standards or special reasons such as state secrets and trade secrets**

Applicable N/A

## **Section IV Corporate Governance**

### **I. Description of the related situation of corporate governance**

Applicable N/A

In strict accordance with *the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies* and other laws and regulations and the requirements of regulatory documents related to corporate governance, the Company has established and improved the corporate governance structure in combination with the actual situation of the Company to standardize the Company's operation. The Company has the party committee, the general meeting of shareholders, the board of directors, the board of supervisors and the management. It implements the leadership system of "two-way entry and cross-service" for members of party committee and governance institutions, thus forming a corporate governance system with their own responsibilities, coordinated operation and effective checks and balances. The Company continued to optimize the governance mechanism, giving full play to the role of the general meeting of shareholders as the Company's authority, the role of the Party Committee in direction control, overall situation management and implementation promotion, the board of directors in decision-making and risk prevention as well as the role of the management in operation management and strong management, and strengthening the supervision function of the board of supervisors.

#### **1. General meeting of shareholders.**

In accordance with the requirements of the Articles of Association and the Rules of Procedure of the General Meeting of Shareholders of the Company, the Company convened general meetings of shareholders in a standardized manner to ensure that all shareholders, especially small and medium shareholders, may enjoy equal status and can fully exercise their rights, and hired legal advisers to issue legal opinions for the general meeting of shareholders. In 2023, the Company held three general meetings of shareholders, deliberated and approved 17 proposals, and all resolutions had been seriously implemented.

#### **2. Board of Directors**

At present, the Board of Directors of the Company consists of seven directors, including three independent directors and one employee director. The composition of the Board of Directors meets the requirements of laws and regulations. The Board of Directors of the Company has five special committees, namely, Strategy Committee, Audit Committee, Risk and Compliance Management Committee, Nomination Committee, Remuneration and Appraisal Committee, with clear division of labor, clear responsibilities and effective operation. All directors of the Company can perform their duties in good faith, loyalty, diligence, professionalism and due diligence from the interests of the Company and all shareholders, and earnestly safeguard the legitimate rights and interests of the Company and all shareholders.

#### **3. Board of Supervisors**

At present, the Board of Supervisors of the Company is composed of three supervisors, one of whom is an employee supervisor. The composition of the Board of Supervisors meets the requirements of laws and regulations. The Board of Supervisors of the Company can be diligent and responsible, exercise the function of supervision and inspection in the spirit of being responsible to shareholders, supervise the Company's financial status and operation, related transactions and the performance of duties by senior executives, and safeguard the legitimate rights and interests of the Company and all shareholders.

#### **4. Situation of the work of the management**

The management of the Company carried out daily production and operation matters according to the statutory authority and the authorization of the board of directors, and it was responsible for organizing and implementing the resolutions of the board of directors, and reporting the same to the board of directors.

In 2023, the production and operation, reform and development were successfully completed, and the role of operation, implementation and management worked effectively.

#### 5. Information on controlling shareholders and listed companies.

Controlling shareholders shall exercise the rights and assume the obligations of the investor in strict accordance with the requirements of the Company Law. The Company has independent business and self-management ability. The controlling shareholders and the listed companies are independent in business, personnel, assets, institutions and finance. The Board of Directors, the Board of Supervisors and internal institutions of the Company operate independently, ensuring that major decisions of the Company would be made and implemented independently by the Company.

#### 6. Information disclosure of the Company

The Company shall disclose relevant information in a true, accurate, complete, timely and fair manner in strict accordance with laws, regulations, Articles of Association and the Administrative Measures of the Company for Information Disclosure, and ensure that all shareholders and other stakeholders would have equal access to company information. During the reporting period, the Company disclosed 42 temporary announcements and 4 regular reports. After comprehensive evaluation by Shanghai Stock Exchange, the evaluation result of the Company's information disclosure from 2022 to 2023 is A (Excellent).

#### 7. Related transactions

There are related transactions between the Company and its controlling shareholder, China Kweichow Moutai Distillery (Group) Co., Ltd. and other related parties. These related transactions are carried out to ensure the normal production, operation and business development of the Company. The specific contents were regulated through relevant agreements. The legal procedures are fulfilled, and the principles of openness, fairness and impartiality were followed. Hence, there is no adverse impact on the operation of the Company.

#### 8. Construction of internal control.

During the reporting period, the Company continued to carry out internal control related work in accordance with the requirements of the Basic Rules for Enterprise Internal Control, and kept promoting internal control construction, evaluation, auditing and other related work to ensure the realization of the Company's internal control objectives and further improve the corporate governance level.

Whether there are significant differences between corporate governance and laws, administrative regulations and the provisions of CSRC on corporate governance of listed companies; If there is any significant difference, the reasons shall be given

Applicable N/A

### **II. The specific measures taken by the controlling shareholders and actual controllers of the company to ensure the independence of the company's assets, personnel, finance, institutions and business, as well as the solutions, work progress and follow-up work plans that affect the independence of the company work progress and follow-up work plans that affect the independence of the company**

Applicable N/A

The situation of the controlling shareholders, actual controllers and other units under their control engaged in the same or similar business as the company, as well as the impact of great changes in the industry competition or competition on the Company, the solution measures taken, solution progress and subsequent solution plans

Applicable N/A

### **III. Introduction of shareholders' Meeting**

Session of the meeting	Date of convening	Query index of the designated website published in the resolution	Date of disclosure of the publication of	Meeting resolution

			the resolution	
Annual General Meeting of Shareholders of 2022	2023-06-13	The Shanghai Stock Exchange www.sse.com.cn	2023-06-14	Please refer to the Announcement on Resolution of 2022 Annual General Meeting of Shareholders of Kweichow Moutai (Announcement No.: Lin 2023-016) for details.
First extraordinary general meeting of shareholders in 2023	2023-09-07	The Shanghai Stock Exchange www.sse.com.cn	2023-09-08	Please refer to the Announcement on Resolution of the First Extraordinary General Meeting of Shareholders of Kweichow Moutai in 2023 (Announcement No.: Lin 2023-029) for details.
Second extraordinary general meeting of shareholders in 2023	2023-12-06	The Shanghai Stock Exchange www.sse.com.cn	2023-12-07	Please refer to the Announcement on Resolution of the Second Extraordinary General Meeting of Shareholders of Kweichow Moutai in 2023 (Announcement No.: Lin 2023-039) for details.

Preferred shareholders with restored voting rights request an extraordinary general meeting of shareholders

Applicable N/A

Description of the shareholders' general meeting

Applicable N/A

**IV. Situation of directors, supervisors and senior officers****(I) Shareholding changes and remuneration of outgoing directors, supervisors and senior managers currently and during the reporting period**

√Applicable □N/A

Unit: per share

Full Name	Position	Gender	Age	Start 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	The increase or decrease of shares within the year	Cause of The increase or decrease of shares	Total pre-tax remuneration obtained from the Company during the reporting period (RMB 0'000)	Whether to get paid from the related parties of the company
Ding Xiongjun	Secretary of the party committee	Male	49	September 28, 2022						0	Yes
	Chairman, director			September 24, 2021							
Wang Li	Deputy Secretary of CPC	Female	51	August 17, 2023						0	Yes
	Director			September 07, 2023							
	Acting as general manager			August 19, 2023							
Guo Tianyong	Independent director	Male	55	June 16, 2022						20	No
Sheng Leiming	Independent director	Male	53	June 16, 2022						20	No
Wang Xin	Independent director	Male	46	December 06, 2023						1.41	No
Liu Shizhong	Independent director	Male	48	June 16, 2022						0	Yes
Xie	Employee	Female	41	October 07,						96.27	No

Qinqing	director			2022							
You Yalin	Deputy Secretary of CPC, and chairman of the trade union	Male	54	October 07, 2022						84.17	No
	Chairman of the Board of Supervisors, Supervisor			March 20, 2020							
Li Qiangqing	Supervisor	Male	42	June 13, 2023						85.86	No
Wen Yong	Employee supervisor	Male	41	June 13, 2023						81.39	No
Tu Huabin	Member of the party committee	Male	48	November 03, 2022						71.12	Yes
	Deputy General Manager			February 27, 2020							
Wang Xiaowei	Member of the party committee	Male	52	November 03, 2022						71.12	Yes
	Deputy General Manager			February 27, 2020							
Zhong Zhengqiang	Member of the party committee	Male	52	November 03, 2022						83.94	No
	Deputy General Manager			July 13, 2015							
Jiang Yan	Member of the party committee	Female	46	November 03, 2022						84.18	No
	Deputy General Manager, Chief Financial			November 15, 2021							

	Officer										
	Secretary of the Board of Directors			January 25, 2022							
Li Jingren	Deputy Secretary of CPC	Male	59	November 03, 2022	August 17, 2023					0	Yes
	Director			November 28, 2018	August 19, 2023						
	Acting as general manager			July 02, 2019							
Jiang Guohua	Independent director	Male	52	June 16, 2022	December 06, 2023					15	No
Che Xingyu	Supervisor	Male	56	June 10, 2020	June 13, 2023					82.28	No
Liu Chenglong	Employee supervisor	Male	46	June 10, 2020	June 13, 2023					92.17	No
Total	/	/	/	/	/				/	888.91	/

Descriptions: 1. The remunerations obtained by the above-mentioned directors (excluding independent directors), supervisors and senior executives refer to the total remunerations before tax they obtained from the Company during the reporting period, including the basic annual pay (or basic salary) for individual and the salary (or bonus) for performance as well as the social security funds, enterprise annuity, supplementary medical insurance premium and housing provident funds paid by the Company. 2. The remunerations obtained by independent directors refer to all subsidies before tax obtained from the Company during the reporting period. 3. Ding Xiongjun, Wang Li and Li Jingren obtained their remunerations from Moutai Group, the controlling shareholder of the Company, other than the Company; Liu Shizhong obtain the remuneration from a subsidiary of Moutai Group, the controlling shareholder of the Company, other than the Company. 4. Tu Huabin and Wang Xiaowei have received compensation from Moutai Group, the controlling shareholder of the company, since September 2023, and do not receive compensation from this company.

Full Name	Main work experience
Ding Xiongjun	Served as the Deputy Secretary General of Guizhou Provincial Government, member of the Party Group of the General Office, Deputy Director of the Office of the Leading Group for Continuing the Reform Comprehensively of Guizhou Provincial Party Committee, member of the Standing Committee of the Municipal Party Committee of Bijie, Guizhou Province, Deputy Mayor (in charge of the routine work of the municipal government), Party Secretary and Director of Guizhou Energy Administration. Currently serves as the secretary of the Party Committee, Chairman of the Board of Directors and director of China Kweichow Moutai Distillery (Group) Co., Ltd., secretary of the Party Committee, Chairman of the Board of Directors and director of Kweichow Moutai Co., Ltd., and Chairman of the Board of Directors and director of Moutai College.

Wang Li	Had been the Deputy General Manager and Chief Engineer of China Kweichow Moutai Distillery (Group) Co., Ltd., as well as the Deputy General Manager and Chief Engineer of Kweichow Moutai Co., Ltd. Currently, he serves as the Deputy Secretary of the Party Committee, Vice Chairman, Director, and General Manager of China Kweichow Moutai Distillery (Group) Co., Ltd., and the Deputy Secretary of the Party Committee, Director, and Acting General Manager of Kweichow Moutai Co., Ltd.
Guo Tianyong	Had served the People's Bank of China, Yantai Branch. Currently serves as a professor and doctoral supervisor at the School of Finance of the Central University of Finance and Economics, an independent non-executive director in Ping An Healthcare and Technology Company Limited, an independent director in Ping An Bank Co., Ltd. and an independent director in Kweichow Moutai Co., Ltd.
Sheng Leiming	Had served as a lawyer in Shanghai Zhongmao Law Firm. Currently serves as a lawyer in Beijing Guantao (Shanghai) Law Firm, the vice president of All-China Lawyers Association, and the independent director of Shanghai Zhenhua Heavy Industries Co., Ltd., Tsingtao Brewery Co., Ltd., FSG, Shanghai United Imaging Healthcare Co., Ltd. and Kweichow Moutai Co., Ltd..
Wang Xin	Had been a teacher in CUHK (Chinese University of Hong Kong). Currently serves as the head of the Department of Accounting and Law and the accounting professor at the School of Economics and Management (SEM) of the University of Hong Kong, and the independent non-executive director in Shoucheng Holdings Limited. and the independent director of Kweichow Moutai Co., Ltd..
Liu Shizhong	Served as the director of the Department of Legal Intellectual Property Protection of China Kweichow Moutai Distillery (Group) Co., Ltd. and the director of the Department of Legal Intellectual Property Protection of Kweichow Moutai Co., Ltd. Currently serves as the Party Secretary and Chairman of the Board of Directors of Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd., Chairman of the Board of Directors of Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd. and director of Kweichow Moutai Co., Ltd.
Xie Qinqing	Served as the member of the Party Committee, secretary of the Disciplinary Committee and chairman of the Board of Supervisors of Kweichow Moutai-Flavor Liquor Marketing Co., Ltd., and deputy secretary of party committee, director and chairman of the labor union of Kweichow Moutai-Flavor Liquor Marketing Co., Ltd. Currently serves as the director of the Enterprise Management Department of China Kweichow Moutai Distillery (Group) Co., Ltd. and the employee director and Director of the Enterprise Management Department of Kweichow Moutai Co., Ltd.
You Yalin	Served as the assistant to the general manager, director of the Party Committee Office, secretary of the Party Committee, director of the National Security Office, director of the Confidentiality Office and director of the Office for Complaint Letter and Visit of China Kweichow Moutai Distillery (Group) Co., Ltd. Currently serves as the Deputy Secretary of the Party Committee, Chairman of the Board of Supervisors, supervisor and chairman of the labor union of Kweichow Moutai Co., Ltd.
Li Qiangqing	Had been the deputy director of the general office, deputy director of the Party Committee Office, director of the Office of the Board of Directors and the director of the Digital and Information Management Center in China Kweichow Moutai Distillery (Group) Co., Ltd., and the member and deputy secretary of the party committee, director and the General Manager of Kweichow Moutai-Flavor Liquor Marketing Co., Ltd. Currently serves as the member of the Committee for Discipline Inspection, director of the Party Committee Office (General Office of the Company), the member of the party committee and permanent deputy secretary of Kweichow Moutai Co., Ltd.
Wen Yong	Had been the principal staff member at level 1 and the researcher at level 4 of Guizhou Provincial Party Committee Office under the Chinese Communist Youth League, the deputy head of the Legal and Compliance Department of China Kweichow Moutai Distillery (Group) Co., Ltd. and the deputy head of the Legal and Compliance Department of Kweichow Moutai Co., Ltd. Currently serves as the employee supervisor and the head of the Legal and Compliance Department of Kweichow Moutai Co., Ltd.
Tu Huabin	Served as the general manager assistant, director of the Production Management Department, leader of New Workshop Preparatory Group and secretary of the party branch of production of Kweichow Moutai Co., Ltd., general manager assistant of China Kweichow Moutai Distillery (Group)

	Co., Ltd., deputy secretary of Party Committee, vice chairman of the Board of Directors and general manager of Kweichow Moutai Distillery (Group) Xijiu Co., Ltd., and general manager of Kweichow Moutai Co., Ltd. Heyixing Liquor Branch. He is currently a member of the Party Committee and Deputy General Manager of China Kweichow Moutai Distillery (Group) Co., Ltd., and a member of the Party Committee and Deputy General Manager of Kweichow Moutai Liquor Co., Ltd.
Wang Xiaowei	Served as the deputy secretary of the Party branch and deputy director of the fourth liquor-making workshop of Kweichow Moutai Co., Ltd., the secretary of the Party branch and deputy director of the 23rd liquor-making workshop of Kweichow Moutai Co., Ltd., and the secretary of the Party branch and deputy director of the 25th liquor-making workshop of Kweichow Moutai Co., Ltd. He is currently a member of the Party Committee and Deputy General Manager of China Kweichow Moutai Distillery (Group) Co., Ltd., a member of the Party Committee and Deputy General Manager of Kweichow Moutai Co., Ltd., a secretary of the Party Committee and chairman of the board of directors of Kweichow Moutai Sales Co., Ltd.
Zhong Zhengqiang	Served as the director and deputy secretary of the 13th liquor-making workshop, assistant to the general manager and director of the Production Management Department of Kweichow Moutai Co., Ltd. Currently serves as a member of the Party Committee and deputy general manager of Kweichow Moutai Co., Ltd.
Jiang Yan	Served as the chairman of the board of directors and general manager of Moutai (Guizhou) Private Equity Fund Management Co., Ltd., the chairman of the board of directors and the secretary of Party Branch of Moutai (Shanghai) Financial Leasing Co., Ltd., and the vice chairman of the board of directors of Guiyang GY Financial Leasing Co., Ltd. Currently serves as a member of the Party Committee, deputy general manager, chief financial officer and secretary of the Board of Directors of Kweichow Moutai Co., Ltd., the secretary of the Party branch and chairman of the Board of Directors of Kweichow Moutai Group Finance Co., Ltd.

Other information

Applicable N/A

**(II) The current and outgoing directors, supervisors and senior management personnel during the reporting period****1. Appointment in shareholder entity**

√Applicable □N/A

Name of incumbent	Name of shareholder units	Positions held in shareholder units	Start date of term of service	End date of term of service
Ding Xiongjun	China Kweichow Moutai Distillery (Group) Co., Ltd.	Party secretary, chairman and director	August 2021	
Wang Li	China Kweichow Moutai Distillery (Group) Co., Ltd.	Deputy Secretary of the Party Committee, Deputy Chairman, Director and General Manager	August 2023	
Tu Huabin	China Kweichow Moutai Distillery (Group) Co., Ltd.	Member of the Party Committee, and Deputy General Manager	August 2023	
Wang Xiaowei	China Kweichow Moutai Distillery (Group) Co., Ltd.	Member of the Party Committee, and Deputy General Manager	August 2023	
Xie Qinqing	China Kweichow Moutai Distillery (Group) Co., Ltd.	Director of the Enterprise Management Department	December 2021	

**2. Appointment in other units**

√Applicable □N/A

Name of incumbent	Name of other units	Positions held in other units	Start date of term of service	End date of term of service
Ding Xiongjun	Moutai Institute	Chairman of the Board of Directors, director	March 2022	
Guo Tianyong	Central University of Finance and Economics	A professor and doctoral supervisor at the School of Finance	September 1999	
	Ping An Bank Co., Ltd.	Independent director	August 2016	
	Ping An Healthcare and Technology Company Limited	Independent non-executive director	May 2018	
Sheng Leiming	Beijing Guantao (Shanghai) Law Firm	Lawyer	April 2016	
	Shanghai Zhenhua Heavy Industries Co., Ltd.	Independent director	June 2019	
	Tsingtao Brewery Co., Ltd.	Independent director	June 2020	
	FSG	Independent director	September 2021	
	Shanghai United Imaging Healthcare Co., Ltd.	Independent director	November 2020	
Wang Xin	University of Hong Kong	Professor	April 2019	

	Shoucheng Holdings Limited	Independent non-executive director	May 2018	
Liu Shizhong	Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.	Chairman, director	May 2020	
	Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd.	Chairman, director		
Xie Qinqing	Guizhou Guiyang Longdongbao International Airport Co., Ltd.	Director	April 2023	
Wen Yong	Guizhou Zunyi Moutai Airport Co., Ltd.	Director	April 2022	
	Kweichow Moutai-Flavor Liquor Marketing Co., Ltd.	Director	January 2024	
Jiang Yan	Kweichow Moutai Group Finance Co., Ltd.	Secretary of the Party Branch, Director and Chairman	June 2022	

### (III) Remuneration of directors, supervisors and senior management personnel

√Applicable □N/A

Decision-making procedure of the remuneration of directors, supervisors and senior executives	The remuneration decision-making procedures for directors, supervisors and senior executives who receive remuneration from the Company: first, the remuneration for senior executives is determined upon deliberation by the Board of Directors of the Company in the light of the Company's annual state of operation and performance assessment results; second, the remuneration for independent directors is determined at the general meeting of shareholders of the Company upon deliberation; third, the remunerations for employee directors and supervisors who get payment from the Company are determined based on their posts held concurrently in the Company under the remuneration management system of the Company, in the light of the individual performance assessment results.
Basis for determining the remuneration of directors, supervisors and senior managers	1. The Administrative Measures for the Performance Appraisal of Members of the Management, the Administrative Measures for Remuneration of Members of the Management and the Letter of Commitment on Business Performance, issued by the Company; 2. the Measures for the Implementation of Salary Management of the Company; 3. The remuneration for independent directors is determined at the general meeting of shareholders.
Actual payment of remuneration of directors, supervisors and senior management personnel	For details, please refer to “Shareholding changes and remuneration of outgoing directors, supervisors and senior managers currently and during the reporting period” in this report.
Total actual remuneration received by all directors, supervisors and senior management personnel at the end of the reporting period	For details, please refer to “Shareholding changes and remuneration of outgoing directors, supervisors and senior managers currently and during the reporting period” in this report.

### (IV) Changes in directors, supervisors and senior management personnel of the company

√Applicable □N/A

Name	Position	Situation of change	Reasons of change
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Wang Li	Director	Election	Election of the general meeting of shareholders. Please refer to <i>the Announcement on Resolution of the First Extraordinary General Meeting of Shareholders of Kweichow Moutai in 2023</i> (Announcement No.: Lin 2023-029) disclosed on September 8, 2023 for details.
	Acting as general manager	Currently hired	by the Board of Directors Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Third Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-025) disclosed on August 21, 2023 for details.
Wang Xin	Independent director	Election	Election of the general meeting of shareholders. Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Second Extraordinary General Meeting of Shareholders in 2023</i> (Announcement No.: Lin 2023-039) disclosed on December 7, 2023 for details.
Li Qiangqing	Supervisor	Election	Election of the general meeting of shareholders. Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of 2022 Annual General Meeting of Shareholders</i> (Announcement No.: Lin 2023-016) disclosed on June 14, 2023 for details.
Wen Yong	Employee supervisor	Election	Employee representative election. Please refer to <i>the Announcement of Kweichow Moutai on the Election Results of Employee Directors</i> (Announcement No.: Lin 2023-020) disclosed on June 14, 2023 for details.
Li Jingren	Director, and acting general manager	Off-office.	Resignation. Please refer to <i>the Announcement of Kweichow Moutai on Resignation of Directors</i> (Announcement No.: Lin 2023-027) disclosed on August 21, 2023 for details.
Jiang Guohua	Independent director	Off-office.	Resignation. Please refer to <i>the Announcement of Kweichow Moutai on Resignation of Independent Directors</i> (Announcement No.: Lin 2023-031) disclosed on October 27, 2023 for details.
Che Xingyu	Supervisor	Off-office.	Leaving his post during the election at the office term expiration of the Board of Supervisors
Liu Chenglong	Employee supervisor	Off-office.	

**(V) Explanation of punishment by securities regulatory agencies in recent three years**

Applicable N/A

**(VI) Others**

Applicable N/A

**V. Board meetings during reporting period**

Session of the meeting	Date of convening	Meeting resolution
First meeting of the third Board of Directors in 2023	March 29, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the First Meeting of the Third Board of Directors in 2023</i> (Announcement No.: Lin 2023-002) disclosed on March 31, 2023 for details.
Second meeting of the third Board of Directors in 2023	April 07, 2023	Adopted upon deliberation the Proposal on the Investment and Construction of the Integration of industry and finance at the meeting
Third meeting of the third Board of Directors in 2023	April 24, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Third Meeting of the Third</i>

		<i>Board of Directors in 2023</i> (Announcement No.: Lin 2023-008) disclosed on April 26, 2023 for details.
Fourth meeting of the third Board of Directors in 2023	May 17, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Fourth Meeting of the Third Board of Directors in 2023</i> (Announcement No.: Lin 2023-011) disclosed on May 19, 2023 for details.
First meeting of the fourth Board of Directors in 2023	June 13, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the First Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-017) disclosed on June 14, 2023 for details.
Second meeting of the fourth Board of Directors in 2023	August 01, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Second Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-024) disclosed on August 3, 2023 for details.
Third meeting of the fourth Board of Directors in 2023	August 19, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Third Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-025) disclosed on August 21, 2023 for details.
Fourth meeting of the fourth Board of Directors in 2023	September 07, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Fourth Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-030) disclosed on September 8, 2023 for details.
Fifth meeting of the fourth Board of Directors in 2023	October 20, 2023	Adopted upon deliberation the Report of Kweichow Moutai for the Third Quarter of 2023, the Proposal on Deliberating the Assessment Results of Members of the Management in 2022 and the Letter of Responsibility of Business Performance for 2023, and the Proposal on Purchasing the Right of Use of the Land for Building the Comprehensive Traffic Parking Lot at the meeting.
Sixth meeting of the fourth Board of Directors in 2023	November 20, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Sixth Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-033) disclosed on November 21, 2023 for details.
Seventh meeting of the fourth Board of Directors in 2023	December 06, 2023	Adopted upon deliberation the Proposal on the Adjustment of Special Committee Members under the Board of Directors, and the Proposal on Deliberating the Implementation of Gross Payroll Budget in 2022 and the Gross Payroll Budget Plan for 2023 at the meeting
Eighth meeting of the fourth Board of Directors in 2023	December 19, 2023	Adopted upon deliberation the <i>Proposal on the Rectification of the Ethanol Concentration Detection and Alarm Device and the Linked Draught Fan System in the Stock Area for Liquor Blending and Filling</i> at the meeting
Ninth meeting of the fourth Board of Directors in 2023	December 19, 2023	Please refer to <i>the Announcement of Kweichow Moutai on the Resolution of the Ninth Meeting of the Fourth Board of Directors in 2023</i> (Announcement No.: Lin 2023-041) disclosed on December 20, 2023 for details.

## VI. Performance of duties by the directors

### (I) The directors attend the board of directors and the general meeting of shareholders

director surname and personal name	Whether an independent director	Participation in the Board of Directors						Joining the shareholders' general meeting
		Number	Number	Number of	Number of	Absenc	Did not	
								Number of

		of board attendance this year	of in-person attendance	participation by communication	commissioned attendance	number	personally attend the meeting for twice in a row	attendance at shareholders' meetings
Ding Xiongjun	No	13	13	5	0	0	No	3
Wang Li	No	6	6	4	0	0	No	1
Guo Tianyong	Yes	13	13	10	0	0	No	3
Sheng Leiming	Yes	13	13	9	0	0	No	3
Wang Xin	Yes	3	3	2	0	0	No	0
Liu Shizhong	No	13	13	7	0	0	No	3
Xie Qinqing	No	13	13	5	0	0	No	3
Li Jingren	No	7	7	2	0	0	No	1
Jiang Guohua	Yes	10	10	8	0	0	No	2

Failure to personally attend board meetings for two consecutive occasions

Applicable N/A

Number of board meetings held within the year	13
Including: the number of live meetings	3
Number of meetings held by communication mode	5
The number of meetings were held on site combined with communication methods	5

## (II) Explanation of directors' objections to company-related matters

Applicable N/A

## (III) Others

Applicable N/A

## VII. Situation of a special committee under the Board of Directors

Applicable N/A

### (I) The members of a special committee under the Board of Directors

Special Committee category	Member name
The Audit committee	Wang Xin, Guo Tianyong, Sheng Leiming
The Nomination committee	Sheng Leiming, Ding Xiongjun, Guo Tianyong
The Salary and Assessment Committee	Guo Tianyong, Wang Xin, Liu Shizhong
The Strategy Committee	Ding Xiongjun, Wang Li, Guo Tianyong, Sheng Leiming, wang Xin, Liu Shizhong, Xie Qinqing
The Risk and Compliance Management Committee	Wang Li, Sheng Leiming, Wang Xin

**(II) The audit committee held four meetings during the reporting period**

Date of convening	content of meeting	Important comments and suggestions
March 29, 2023	First meeting of the third Audit Committee in 2023	Deliberated and approved <i>the Report on the Performance of the Audit Committee under the Board of Directors in 2022, the Annual Report of 2022 (Full Text and Abstract), the Annual Report on Final Accounts in 2022, the Annual Financial Budget Plan of 2023, the Report on the Evaluation of Internal Control of 2022, the Internal Control Audit Report of 2022, the Proposal on Hiring Financial Audit Institutions and Internal Control Audit Institutions in 2023, the Proposal on Daily Related Transactions</i> and other proposals and agreed to submit the relevant proposals to the Board of Directors of the Company for deliberation as required.
April 23, 2023	Second meeting of the third Audit Committee in 2023	Adopted upon deliberation the Report of Kweichow Moutai for the First Quarter of 2023 and agreed to submit relevant proposals to the Board of Directors of the Company for deliberation as required.
May 16, 2023	Third meeting of the third Audit Committee in 2023	Deliberated and approved the Proposal on Signing a Trademark License Agreement with a Related Party and the Proposal on Making Capital Contribution to Establishing the Industrial Development Fund and agreed to submit the relevant proposals to the Board of Directors of the Company for deliberation as required.
July 31, 2023	First meeting of the fourth Audit Committee in 2023	Deliberated and approved the Semi-annual Report in 2023 and agreed to submit the relevant proposals to the Board of Directors of the Company for deliberation as required.
October 19, 2023	Second meeting of the fourth Audit Committee in 2023	Adopted upon deliberation the Report of Kweichow Moutai for the First Quarter of 2023 and agreed to submit relevant proposals to the Board of Directors of the Company for deliberation as required.

**(III) The nominating committee held three meeting during the reporting period**

Date of convening	content of meeting	Important comments and suggestions
May 16, 2023	First meeting of the third Nomination Committee in 2023	Adopted upon deliberation the <i>Proposal on the General Election of the Board of Directors</i> and agreed to submit relevant proposals to the Board of Directors of the Company for deliberation as required.
August 19, 2023	First meeting of the fourth Nomination Committee in 2023	Adopted upon deliberation the <i>Proposal on Nominating Candidates for Directors</i> and the <i>Proposal on Determining the Candidate Acting as the General Manager</i> , and agreed to submit relevant proposals to the Board of Directors of the Company for deliberation as required.
November 19, 2023	Second Meeting of the Fourth Nomination Committee in 2023	Deliberated and approved <i>the Proposal on Nominating Candidates for Independent Directors</i> and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.

**(IV) The Remuneration and Appraisal Committee held two meetings during the reporting period**

Date of convening	content of meeting	Important comments and suggestions
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October 19, 2023	First meeting of the Fourth Remuneration and Appraisal Committee in 2023	Adopted upon deliberation the <i>Proposal on Deliberating the Assessment Results of Members of the Management in 2022 and the Letter of Responsibility of Business Performance for 2023</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
December 5, 2023	Second meeting of the Fourth Remuneration and Appraisal Committee in 2023	Adopted upon deliberation the <i>Proposal on Deliberating the Implementation of Gross Payroll Budget in 2022 and the Gross Payroll Budget Plan for 2023</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.

**(V) The Strategy Committee held seven meetings during the reporting period**

Date of convening	content of meeting	Important comments and suggestions
April 06, 2023	First meeting of the Third Strategy Committee in 2023	Adopted upon deliberation the <i>Proposal on the Investment and Construction of the Integration of Industry and Finance</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
April 23, 2023	Second meeting of the Third Strategy Committee in 2023	Adopted upon deliberation the Liquidation Scheme of Guojiu Moutai Customized Marketing (Guizhou) Co., Ltd., and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
May 16, 2023	Third meeting of the Third Strategy Committee in 2023	Adopted upon deliberation the <i>Proposal on Making Capital Contribution to Establishing the Industrial Development Fund</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
July 31, 2023	First meeting of the Fourth Strategy Committee in 2023	Adopted upon deliberation the <i>Proposal on the Investment and Construction of 60,000-ton Liquor Blending Center and Comprehensive Parking Lot for General Dangerous Goods in China</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
October 19, 2023	Second meeting of the Fourth Strategy Committee in 2023	Adopted upon deliberation the <i>Proposal on Purchasing the Right of Use of the Land for Building the Comprehensive Traffic Parking Lot</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
November 19, 2023	Third meeting of the Fourth Strategy Committee in 2023	Adopted upon deliberation the <i>Proposal on Purchasing the Laboratory Instruments and Equipment in 2023</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.
December 18, 2023	Fourth meeting of the Fourth Strategy Committee in 2023	Adopted upon deliberation the Proposal on the Rectification of the Ethanol Concentration Detection and Alarm Device and the Linked Draught Fan System in the Stock Area for Liquor Blending and Filling, and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.

**(VI) The Risk and Compliance Management Committee held three meetings during the reporting period**

Date of convening	content of meeting	Important comments and suggestions
March 28, 2023	First meeting of the Third Risk Management Committee in 2023	Adopted upon deliberation the <i>Report on Internal Control Assessment in 2022</i> and the <i>Report on Internal Control Audit in 2022</i> , and agreed to submit relevant proposals to the Board of Directors of the Company for deliberation as required.
April 23, 2023	Second meeting of the Third Risk Management Committee in 2023	Adopted upon deliberation the <i>Proposal on Formulating the Measures for the Comprehensive Risk Management</i> , and the <i>Proposal on Formulating the Measures for Compliance Management</i> , and agreed to submit relevant proposals to the Board of Directors of the Company for deliberation as required.
July 31, 2023	First meeting of the Fourth Risk Management Committee in 2023	Adopted upon deliberation the <i>Proposal on Changing the Name and Rules of Procedure of the Risk Management Committee under the Board of Directors</i> , and agreed to submit relevant proposal to the Board of Directors of the Company for deliberation as required.

**(VII) Specific circumstances where objections exist**

Applicable N/A

**VIII. Explanation that the Board of Supervisors finds the risks of the Company**

Applicable N/A

The Board of Supervisors has no objection to the supervision matters during the reporting period.

**IX. Report on the employees of the parent company and its main subsidiaries at the end of the period****(I) Employee condition**

Number of active employees in the parent company	31,916
Number of active employees in the main subsidiary	1,386
Total number of current employees	33,302
The number of retired employees of the parent company and its main subsidiary that shall bear the expenses	2,074
Professional composition	
Professional composition category	Number of majors
operating personnel	27,616
salesman	1,198
artisan	740
financial staff	261
clerical staff	1,867
other personnel	1,620
Total	33,302
Educational background	
Education background type	Quantity (person)
graduate degree or above	491
bachelor degree	10,535
college degree	4,402
technical secondary school, high school and below	17,874
Total	33,302

**(II) Compensation policy**√Applicable N/A

First, senior executives are subject to the annual salary system, under which the annual salary consists of three parts: basic annual salary, performance annual salary and incentive during tenure. In principle, they may not enjoy other expenditures for wages, such as allowance and subsidies; Second, mid-level managers are subject to the quasi-annual salary system, under which the remuneration level are comprehensively determined in accordance with the work nature, responsibilities and rights, risks, performances and other factors of different systems. Third, general employees are mainly subject to the post performance salary system, under which the remuneration level is determined according to the technical content, knowledge content, personal ability, work performance and labor intensity of different positions.

**(III) Training plan**√Applicable N/A

The Company's training plan consists of 124 items (238 phases) in 2024, including 43 company-level trainings and 81 department-level trainings. A company-level training refers to a training organized at the company level, while a department-level training refers to the training organized and implemented by any department in the light of the actual situation of the department and its employee growth need. These trainings are divided into three categories, consisting of 6 special talent trainings, 10 general skill trainings and 108 professional skill trainings. Special talent trainings focus on strengthening the training of key talents, including the "succession plan" personnel, middle managers, internal trainers, reserve talents for product evaluation, and backup backbones of production systems, so as to continuously improve their ability, quality and technical skills. General skill trainings, by focusing on improving staff general ability and quality, establish general training courses that are available for reuse and have a wide range of participating groups and higher standardization level, including the comprehensive quality training, laws and rules training and cultural and education training. Professional skill trainings. Focusing on promoting the professional ability and quality of employees, and based on the job characteristics, having an overall planning for the professional trainings in 19 kinds, including safety management, finance, procurement management, supply management, discipline inspection and supervision, technology research and development, product evaluation skills, equipment management, production process, quality management, qualification and forensics, ecological environmental protection, human resources, and digital and information.

**(IV) Labor service outsourcing condition**√Applicable N/A

In 2023, the total compensation paid by the Company for labor outsourcing was RMB 347 million (including tax).

**X. Profit distribution or capital reserve conversion plan****(I) The formulation, implementation or adjustment of the cash dividend policies**√Applicable N/A

The Articles of Association of the Company defines the principles, conditions, methods, periods, cash dividend ratio, decision-making and adjustment procedures and mechanisms and other aspects for profit distribution.

1. According to the Annual Profit Distribution Plan for 2022 adopted upon deliberation at the annual general meeting of shareholders in 2022 of the Company, on the basis of the total share capital amounting to 1,256,197,800 shares, the Company distributed cash dividends of RMB 259.11 (tax included) for each ten shares to all the shareholders. For the profit distribution plan, opinions were proposed by the independent directors of the Company. The plan was deliberated and approved by the Board of Directors of the Company, and then submitted to the general meeting of shareholders of the Company for deliberation and approval. The votes of the non-controlling shareholders were counted separately when the general meeting of shareholders deliberated the proposal. The profit distribution was completed in June 2023.

2. According to the Special Dividend Plan for Returning Shareholders adopted upon deliberation at the second extraordinary general meeting of shareholders in 2023, the Company distributed the cash dividends of RMB 191.06 (tax included) to all shareholders of the Company for every 10 shares based on the total share capital amounting to 1,256,197,800 shares registered on the registration date for the implementation of equity distribution. The plan was adopted upon deliberation by the Board of Directors of the Company, and then submitted to the general meeting of shareholders of the Company for deliberation and approval. The votes of the non-controlling shareholders were counted separately when the general meeting of shareholders deliberated the proposal. The profit distribution was completed in December 2023.

During the reporting period, the profit distribution of the Company met the provisions of the Articles of Association of the Company.

## (II) Special explanation of the cash dividend policy

Applicable N/A

Whether it complies with the provisions of the articles of association or the resolution of the general meeting of shareholders	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Whether the dividend standard and proportion 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 non-controlling shareholders have the opportunity to fully express their opinions and appeals, and whether their legitimate rights and interests have been fully protected	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

## (III) If the profits are made during the reporting period and the parent company's distributable profits available to shareholders are positive, but fails to put forward the cash profit distribution plan, the company shall disclose in detail the reasons, the use and use plan of the retained earnings

Applicable N/A

## (IV) Profit distribution and conversion of capital reserves into share capital during the reporting period

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Dividend payout for every 10 shares (RMB) (tax included)	308.76
Amount of cash dividends (tax included)	38,786,363,272.80
Net profit attributable to ordinary shareholders of listed companies in the consolidated statement for the year of dividends distribution	74,734,071,550.75
Proportion of the net profit attributable to ordinary shareholders of listed companies in the consolidated statement (%)	51.90

## XI. Situation and impact of the Company's equity incentive plan, employee stock ownership plan or other employee incentive measures

### (I) The relevant incentive matters have been disclosed in the interim announcement and there is no progress or change in the subsequent implementation

Applicable N/A

### (II) Incentives if not disclosed or with subsequent progress in the interim announcement

Equity incentive

Applicable N/A

Other specifications

Applicable N/A

Employee stock ownership plan condition

Applicable N/A

Other incentives

Applicable N/A

**(III) The equity incentive situation granted by the directors and senior managers during the reporting period**

Applicable N/A

**(IV) The evaluation mechanism of senior management personnel and the establishment and implementation of the incentive mechanism during the reporting period**

Applicable N/A

According to relevant provisions of the Administrative Measures for the Remuneration of the Persons in Charge of the Enterprises Supervised by Guizhou Provincial State-owned Assets Supervision and Administration Commission and the Measures for Assessing the Operating Performance of the Persons in Charge of the Enterprises Supervised by Guizhou Provincial State-owned Assets Supervision and Administration Commission, and the Administrative Measures for the Performance Appraisal of the Members of the Management and the Administrative Measures for the Remuneration of the Members of the Management of the Company, the Company has signed the Letter of Responsibility of Business Performance with senior executives, and comprehensively determined the remuneration of senior executives in combination with the assessment indicators specified in the letter and the completion of performance.

**XII. Construction and implementation of the internal control system during the reporting period**

Applicable N/A

According to the basic specification of enterprise internal control and its supporting guidelines and other internal control regulatory requirements, combined with the company's internal control system and evaluation method, on the basis of daily supervision and special supervision, the board of directors of the company on December 31, 2023 (internal control evaluation report base date) internal control effectiveness of the evaluation. See the Shanghai Stock Exchange website along with this report (website: www.sse.com.cn) 2023 Internal Control Evaluation Report.

Notes to major defects in internal control during the reporting period

Applicable N/A

**XIII. Management and control of the subsidiaries during the reporting period**

Applicable N/A

In order to strengthen the Company's management over its subsidiaries and standardize its deliberative bodies and procedures, the Company held system review meetings from time to time, and pre-reviewed the Articles of Association and the rules of procedure of the "Three Boards" of its subsidiaries in accordance with the principles of legality, applicability, timeliness and problem-oriented improvement of management, and studied and discussed the overall framework, duties and powers and specific scope of discussion of the Articles of Association and the rules of procedure of the "Three Boards". By reviewing the articles of association and the rules of procedure of the "Three Boards" of subsidiaries, the Company strengthened its restriction and supervision over the power operation of the subsidiary's leading groups, improved work efficiency and work level, and promoted the legalization, institutionalization and scientific decision-making of the deliberative institutions.

**XIV. Relevant information description of the internal control audit report**

√Applicable □N/A

Please refer to the 2023 Annual Internal Control Audit Report of the Company disclosed together with the report on the website of Shanghai Stock Exchange (website: www.sse.com.cn) for details.

Whether the internal control audit report has been disclosed or not: Yes

Types of opinions in internal control audit reports: standard and unqualified

**XV. Rectification of self-inspection problems in the special action of governance of listed companies**

According to the requirements of the Announcement of the China Securities Regulatory Commission on Launching Special Actions on Corporate Governance of Listed Companies and the Circular of the Securities Regulatory Bureau of Guizhou Province on Matters concerning Governance Self-inspection of Listed Companies, the Company earnestly carried out the special self-inspection work of governance against the special self-inspection list for listed companies. In view of the problems found in the self-inspection, the Company attached great importance to such problems and seriously made rectifications. As of the end of the reporting period, there are still two problems: one, the controlling shareholders failed to fulfill the commitment to implement the equity incentive plan; two, any senior executive of the Company works concurrently serves the controlling shareholder. The Company will, as required, continue to strengthen the modernization construction of corporate governance capacity and level, continuously improve the corporate governance system and mechanism, keep optimizing the internal control system, steadily improve the effectiveness of corporate governance, and promote the high-quality development of the Company.

**XVI. Others**

□Applicable √N/A

**Section V Environment and Social Responsibility****I. Environmental information situation**

Whether relevant mechanisms for environmental protection are established	Yes
Environmental protection funds invested during the reporting period (Unit: RMB '0,000)	20,836.99

**(I) Environmental information of the company and its major subsidiaries that are key emission units announced by the environmental protection authorities**

√Applicable □N/A

**1. Emission information**

√Applicable □N/A

(1) Main pollutants: waste water, waste gas and solid waste.

(2) Names of particular pollutants: COD, ammonia nitrogen, total phosphorus, total nitrogen, sulfur dioxide, nitrogen oxides, smoke (dust).

(3) Discharge of pollutants in 2023:

① Waste water

There are five sewage treatment plants in the Company, and each sewage treatment plant is equipped with a discharge outlet. These plants are distributed in the old factory area of the company headquarters, Zhonghua Area, and Dadi Area, Xinzhai Area and Yuping Area of Heyixing Liquor Branch. For Yuping Area, sewage is pretreated and then discharged to Erhe Sewage Treatment Plant for up-to-standard discharge, and the sewage in other areas are directly discharged after wastewater treatment reaches the standard.

Sewage treatment plant	COD	Ammonia-nitrogen	Total phosphorus	Total nitrogen	Executive
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Name		Mean emission concentration	Total amount of discharge	Mean emission concentration	Total amount of discharge	Mean emission concentration	Total amount of discharge	Mean emission concentration	Total amount of discharge	standards
Headquarters of Moutai	7000t/d Sewage treatment plant	19.0541	14.7365	0.0954	0.0612	0.0451	0.0339	2.8729	1.9683	Discharge Standard of Water Pollutants for Fermentation Alcohol and Distilled Spirits Industry (GB27631-2011) Table 3 Standards for Direct Discharge
	4000t/d Sewage treatment plant	26.2134	8.71	0.7886	0.27	0.0851	0.03	6.1055	2.09	
Heyixing Liquor Branch	Xinzhai Sewage Treatment Plant	28.62	14.986	0.53	0.271	0.117	0.057	5.019	2.656	Discharge Standard of Water Pollutants for Fermentation Alcohol and Distilled Spirits Industry (GB27631-2011) Table 2 Standards for Indirect
	Dadi Sewage Treatment Plant	25.15	7.395	0.20	0.061	0.046	0.012	4.307	1.217	
	Erhe Sewage Treatment Plant	21.93	7.69	1.37	0.48	0.100	0.035	6.625	2.323	

										Discharge; First-grade A in Standards for Pollutant Discharge of Urban Sewage Treatment Plants
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## ② Exhaust gas

The company's gas boilers are located in the old factory and Zhonghua area of the company's headquarters, and in the Dadi area, Xinzhai area and Erhe area of Heyixing Liquor Branch. The company's gas boilers use natural gas as the energy source, with direct emissions of boiler exhaust.

Emission of gas boilers								
Region	Sulfur dioxide		Oxynitride		Smoke (dust)		Executive standards	
	Mean emission concentration (Mg/m <sup>3</sup> )	Discharge amount (ton)	Mean emission concentration (Mg/m <sup>3</sup> )	Discharge amount (ton)	Mean emission concentration (Mg/m <sup>3</sup> )	Discharge amount (ton)		
Headquarters of Moutai (Old area and Zhonghua Area)	4.5	3.48	66.36	52.66384	4.7	7.064	Table 2 of Emission Standards for Air Pollutants from Boiler (GB13271-2014)	
Heyixing Liquor Branch	Xinzhai Area	3	0.8682	53.25	15.63306	10.88		2.24432
	Dadi Area	3	0.26593	50.79	4.08931	10.09		0.72944
	Erhe Area	3	0.27012	55.03	4.99795	10.61	0.99872	

## ③ Solid waste treatment

The Company hands over the solid waste including distiller's grains, waste pit mud and waste wheatgrass to Kweichow Moutai Distillery (Group) Circular Economy Industrial Development Co., Ltd. for comprehensive utilization and disposal, entrusts a third-party company to transport the domestic garbage to the incineration power plant and other units for incineration disposal and entrusts a qualified company to dispose of hazardous wastes in a normalized way.

## (4) Approved total amount of discharge

The company has applied for and obtained emission permits for various areas in accordance with the Measures for the Administration of Emission Permits (Trial) and relevant requirements. The approved total emission volume during the reporting period is as follows: COD 66.648 tons; ammonia nitrogen 6.665 tons; total phosphorus 0.667 tons; total nitrogen 19.994 tons; nitrogen oxides 231.001 tons; sulfur dioxide and dust (powder) are subject to concentration control in accordance with the standards specified

in Table 2 of the Emission Standard of Air Pollutants for Boilers (GB13271-2014).

## 2. Construction and operation of pollution prevention facilities

Applicable N/A

The pollution prevention facilities of Kweichow Moutai Liquor Co., Ltd. mainly include waste water, waste gas and other pollution prevention facilities, which are in normal operation. In 2023, the Company piloted the upgrading and renovation of its wastewater pollution prevention and control facilities to lay a solid foundation for further reducing pollutant emissions, and continued to carry out low nitrogen transformation of gas boilers for the waste gas pollution prevention and control facilities to effectively reduce the emissions of major pollutants from the source.

## 3. Environmental Impact Assessment of Construction Projects and Other Administrative Permits for Environmental Protection

Applicable N/A

(1) The Company carried out environmental impact assessment for new, rebuilt and expanded projects in accordance with the law, and obtained 3 administrative licenses for environmental impact assessment in 2023.

(2) The Company carried out environmental protection acceptance of completed projects according to law and completed online filing. In 2023, 7 projects had been completed.

## 4. Emergency response plan for environmental emergencies

Applicable N/A

According to the relevant documents such as the "Measures for the Administration of Filing of Emergency Plans for Environmental Emergencies in Enterprises and Institutions (for trial implementation)" (HF [2015] No. 4) issued by the Ministry of Environmental Protection, both the Company's headquarters and Yixing Liquor Industry Branch have prepared emergency plans for sudden environmental incidents and submitted them to the ecological environment regulatory department for filing, and organized emergency drills for the year 2023 to improve the company's emergency response capabilities.

## 5. Self-monitoring environmental program

Applicable N/A

In accordance with the requirements of the "Measures for Environmental Information Disclosure of Enterprises and Institutions" (Order No. 31 of the Ministry of Environmental Protection) and the "General Guidelines for Self monitoring Technology of Polluting Units" (HJ819-2017), the Company has developed a self monitoring plan to grasp the emission status of pollutants from its own enterprise and its impact on the quality of the surrounding environment, fulfill its legal obligations and social responsibilities, and ensure that self monitoring meets environmental management requirements.

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

Applicable N/A

## 7. Other environmental information that should be made public

Applicable N/A

### (II) Environmental information of the company other than key emission units

Applicable N/A

### (III) Relevant information conducive to ecological protection, pollution prevention and control, and environmental responsibility fulfillment

Applicable N/A

Guided by Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the company has been deeply implementing Xi Jinping's thought on ecological civilization, actively practicing the concept of "Clear Waters and Green Mountains as Good as Mountains of Gold and Silver", and adhering to the two bottom lines of development and ecology. Centering on the overall requirements of ecological priority and green development, and focusing on the overall goal of "one base and one benchmark", the company has deeply advanced various work such as top-level design, pollution prevention and control, and carbon neutrality management. As a result, the company has successfully established an innovative practice base for the concept of "Clear Waters and Green Mountains as Good as Mountains of Gold and Silver" and successfully applied for and obtained the national and provincial titles of "Green Factory".

(I) Enhancing pollution prevention and control level. In accordance with the approach of "grading and classification, classified treatment, and resource utilization", we have systematically constructed and upgraded the pipeline network and wastewater treatment facilities within the factory area, achieving a daily treatment capacity of 23,000 tons of wastewater. At the same time, we are planning and constructing the Zhonghua Ecological Wetland to purify and reuse the treated "tailwater", thus reducing the ecological impact on the Chishui River and ensuring the effectiveness of pollution prevention and control. Additionally, we have conducted in-depth research on the characteristics of production wastewater, comprehensive utilization of high-concentration sewage, ultra-low nitrogen retrofit of gas-fired boilers, and green and low-carbon aspects, aiming to enhance technical capabilities, master key core technologies, and lay a foundation for improving pollutant treatment.

(II) Strengthening process supervision and control. Following the approach of "online monitoring + self-monitoring + hierarchical monitoring", we have established monitoring stations at key nodes such as the effluent discharge outlet of the wastewater treatment plant, the flue gas discharge outlet of the boilers, and the stormwater discharge outlet of the factory area. Additionally, we have constructed a field scientific observation and research station in the Chishui River Basin to systematically establish an integrated "sky-ground" ecosystem monitoring network and an environmental monitoring comprehensive data management platform.

(III) Strengthening ecological and environmental restoration. We actively engage in exchanges and cooperation with top domestic design institutions to conduct overall ecological design for the factory area.

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

Whether any carbon reduction measure is taken	Yes
Carbon dioxide equivalents of reduced emission (unit: ton)	52,297.65
Types of carbon reduction measures (such as using clean energy to for power generation, using carbon reduction technology in the production process, developing and producing new products that support carbon reduction, etc.)	The Company continues to optimize the energy use structure, actively develop energy-saving and environmental protection technologies, formulate carbon emission management plans, and build and improve a new power system taking new energy as the main part. The Company responded to the national dual carbon strategy and issued the "Carbon Peak and Carbon Neutrality" action plan in December 2023. Through the implementation of nine key tasks, various emission reduction measures were gradually refined and decomposed.

Specific description

Applicable N/A

## II. Social Responsibility Work

(I) Whether there is any social responsibility report, sustainable development report or ESG report disclosed separately

Applicable N/A

For details, please refer to our “Social Responsibility and ESG Report 2023” disclosed on the website of Shanghai Stock Exchange (URL: [www.sse.com.cn](http://www.sse.com.cn)) at the same time as this report.

**(II) Specific information on social responsibilities**

Applicable N/A

Specific description

Applicable N/A

**III. Specific work on consolidating and expanding the progress in poverty alleviation and rural revitalization**

Applicable N/A

For details, please refer to our “Social Responsibility and ESG Report 2023” disclosed on the website of Shanghai Stock Exchange (URL: [www.sse.com.cn](http://www.sse.com.cn)) at the same time as this report.

Specific description

Applicable N/A

## Section VI Significant Events

### I. Undertakings of Commitment Fulfillment

(I) Undertakings of the Company's actual controller, shareholders, related parties and acquirers, as well as the Company and other commitment makers fulfilled in the reporting period or ongoing by the end of this reporting period

Applicable N/A

Background of commitments	Commitment Type	Party making commitment	Commitment Content	Commitment time	Whether there is a deadline for performance	Commitment time limit	Whether it is strictly performed in time	Specific reasons for any failure in timely performance	Next plan for any failure in timely performance
Commitments related to share reform	Others	China Kweichow Moutai Distillery (Group) Co., Ltd.	Equity incentive commitment: After the completion of split-share reform, the Company will formulate equity incentive measures for the management and core technical teams according to relevant national policies and regulations.		Yes	Before the end of December 2017, the Company promoted the formulation of equity incentive measures for the management and core technical teams of the Company.	No	Superior authorities have not issued relevant guiding opinions and specific measures.	

**(II) If there is a profit forecast for the company's assets or projects, and the reporting period is still in the profit forecast period, the company provides an explanation on whether the assets or projects meet the original profit forecast and its reasons**

Have met Have not met N/A

**(III) The completion of performance commitments and their impact on the goodwill impairment test**

Applicable N/A

**II. Non-operating appropriation of funds by controlling shareholders and other related parties during the reporting period**

Applicable N/A

**III. Non-compliance with guarantees**

Applicable N/A

**IV. Explanation of the board of directors regarding the "Non-standard audit opinion" by the CPA firm**

Applicable N/A

**V. Analysis of the reasons for and effects of changes in accounting policies, accounting estimates or corrections of significant accounting errors by the Company**

**(I) Analysis of the reasons for and effects of changes in accounting policies and accounting estimates**

Applicable N/A

**(II) Analysis of the reasons for and effects of corrections of significant accounting errors by the Company**

Applicable N/A

**(III) Communication with the previous CPA firm**

Applicable N/A

**(IV) Procedures for examination and approval and other descriptions**

Applicable N/A

**VI. Engagement and disengagement of CPA firms**

Monetary Unit: RMB '0,000 Currency: RMB

	Current CPA
Name of the domestic CPA firm	Baker Tilly China CPAs
Remuneration of the domestic CPA firm	120
Years of audit by the domestic CPA firm	6
Accumulated working years of the certified public accountant of a domestic accounting firm	5

	Name	Remuneration
Internal control audit CPA firm	Baker Tilly China CPAs	41

Note on the engagement and disengagement of CPA firms

Applicable N/A

Note on reappointing the CPA firm during the audit

Applicable N/A

Description of the decrease in audit fee by over 20% (excluding) compared with that in the prior year

Applicable N/A

## VII. Cases facing the risk of delisting

### (I) Reasons of delisting risk warnings

Applicable N/A

### (II) Measures to be taken by the Company in response

Applicable N/A

### (III) Circumstances and reasons for facing termination of listing

Applicable N/A

## VIII. Matters related to bankruptcy restructuring

Applicable N/A

## IX. Significant litigation and arbitration matters

The company has significant litigation and arbitration matters during the year

The company has no significant litigation and arbitration matters during the year

## X. The listed company and its directors, supervisors, senior management, controlling shareholders and actual controllers are suspected of violating the law, being punished and their rectification

Applicable N/A

## XI. Description of the integrity of the Company and its controlling shareholders and actual controllers during the reporting period

Applicable N/A

The integrity of the Company and its controlling shareholders during the reporting period is good.

## XII. Significant related party transactions

### (I) Related party transactions related to daily operations

#### 1. Matters that have been disclosed in the interim announcement with no progress or changes in subsequent implementation

Applicable N/A

#### 2. Matters that have been disclosed in the interim announcement with progress or changes in subsequent implementation

Applicable N/A

#### 3. Matters not disclosed in the interim announcement

Applicable N/A

(1) Related party transactions with the same related party as those considered and approved by the Board of Directors

Monetary Unit: Yuan Currency: RMB

Name of related parties	Relationship	Type of Related party transactions	Content of Related party transactions	Pricing Principles for Related party transactions	Connected transaction price	Amount of Related party transactions	Proportion of the amount of similar transactions (%)	Settlement of Related party transactions	Market Price	Reasons for large differences between

										transaction prices and market reference prices
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	Holding subsidiary of the parent company	Receipt of services	Cargo transportation services	Refer to the independent third-party transaction price		216,497,975.59	64.45	Cash payment		
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	Others	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		353,391,541.98	10.52	Cash payment		
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	Others	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		259,369,377.21	7.72	Cash payment		
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	Wholly-owned subsidiary of the parent company	Purchase of goods	Purchase of goods	Negotiated price		141,561,000.00	100.00	Cash payment		
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Others	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		125,734,378.80	2.52	Cash payment		
Guizhou Fuminghang Packaging Co., Ltd.	Others	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		79,633,744.86	2.37	Cash payment		
Guizhou Xinhua Glass Co., Ltd.	Others	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		74,837,333.43	2.23	Cash payment		
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Holding subsidiary of the parent company	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		50,223,736.00	1.01	Cash payment		
Kweichow Moutai Hospital	Others	Purchase of goods	Purchase of goods	Negotiated price		29,504,681.72	98.14	Cash payment		
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Wholly-owned subsidiary of the parent company	Purchase of goods	Purchase of goods	Negotiated price		26,270,887.61	0.78	Cash payment		
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	Others	Purchase of goods	Purchase of goods	The purchase price is the same as the price offered by the related party to the distributor		2,656,847.80	45.77	Cash payment		
ChangLi Moutai Wine Trade Co., Ltd.	Others	Purchase of goods	Purchase of goods	The purchase price is the same as the price offered by the related party to the distributor		2,656,035.41	45.76	Cash payment		
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	Others	Purchase of goods	Purchase of goods	The purchase price is the same as the price offered by the related party to the distributor		951,669.03	16.40	Cash payment		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Purchase of goods	Purchase of goods	Purchase price is the same as the supply price of other non-affiliated suppliers of the Company		21,875.33	0.001	Cash payment		
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Wholly-owned subsidiary of the parent company	Receipt of services	Labor services fee	Negotiated price		284,953,843.63	21.11	Cash payment		
Xunfeng Technology (Guizhou) Co., Ltd.	Others	Receipt of services	Labor services fee	Negotiated price		108,936,867.84	8.07	Cash payment		
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	Wholly-owned subsidiary of the parent company	Receipt of services	Labor services fee	Negotiated price		74,332,293.77	5.51	Cash payment		
Kweichow Moutai Hospital	Others	Receipt of services	Labor services fee	Negotiated price		62,578,627.93	4.64	Cash payment		
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Others	Receipt of services	Labor services fee	Negotiated price		60,334,658.08	4.47	Cash payment		
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Wholly-owned subsidiary	Receipt of services	Labor services fee	Negotiated price		51,569,712.68	3.82	Cash payment		

	of the parent company											
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	Others	Receipt of services	Labor services fee	Negotiated price		40,540,182.49	3.00	Cash payment				
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	Wholly-owned subsidiary of the parent company	Receipt of services	Labor services fee	Negotiated price		4,485,361.28	0.33	Cash payment				
Moutai College	Others	Receipt of services	Labor services fee	Negotiated price		2,065,849.07	0.15	Cash payment				
Guizhou Zunyi Moutai Airport Co., Ltd.	Holding subsidiary of the parent company	Receipt of services	Labor services fee	Negotiated price		610,344.02	0.05	Cash payment				
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Receipt of services	Labor services fee	Negotiated price		136,649.00	0.01	Cash payment				
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Others	Receipt of services	Labor services fee	Negotiated price		116,120.77	0.01	Cash payment				
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	Wholly-owned subsidiary of the parent company	Receipt of services	Labor services fee	Negotiated price		25,429.03	0.002	Cash payment				
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Holding subsidiary of the parent company	Receipt of services	Labor services fee	Negotiated price		10,000.00	0.001	Cash payment				
Huagui Life Insurance Co., Ltd.	Holding subsidiary of the parent company	Purchase of insurance	Purchase of insurance	Negotiated price		512,911.13	2.01	Cash payment				
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Lease-in and lease-out	Rental expenses	Negotiated price		42,906,029.72	31.81	Cash payment				
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Others	Lease-in and lease-out	Rental expenses	Negotiated price		4,136,575.64	3.07	Cash payment				
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	Others	Lease-in and lease-out	Rental expenses	Negotiated price		1,507,254.44	1.12	Cash payment				
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Others	Other utilities expenses such as water, electricity and steam charges (purchase)	Receipt of water supply services	Negotiated price		43,442.45	0.05	Cash payment				
Kweichow Moutai Group Marketing Co., Ltd.	Wholly-owned subsidiary of the parent company	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		5,384,603,095.58	3.66	Cash payment				
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	Wholly-owned subsidiary of the parent company	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		38,081,330.95	0.03	Cash payment				
CHINA GUIZHOU MOUTAI BREWERY TRADING (H.K.) LIMITED	Wholly-owned subsidiary of the parent company	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		23,478,824.28	0.02	Cash payment				
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Wholly-owned subsidiary of the parent company	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		15,409,493.26	0.01	Cash payment				
Shanghai Kweichow Moutai Industrial Co., Ltd.	Wholly-owned subsidiary of the parent company	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		13,524,966.35	0.01	Cash payment				
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	Others	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		12,807,170.94	0.01	Cash payment				
Guizhou Zunyi Moutai Airport Co., Ltd.	Holding subsidiary of the parent company	Sales goods	Sales goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		8,999,745.12	0.01	Cash payment				

Beijing Moutai Trade Co., Ltd.	Wholly-owned subsidiary of the parent company	Sales of goods	Sales of goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		6,364,991.14	0.004	Cash payment		
Xunfeng Technology (Guizhou) Co., Ltd.	Others	Sales of goods	Sales of goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		4,969,911.50	0.003	Cash payment		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Sales of goods	Sales of goods	Sales price is the same as the purchase price of other non-affiliated distributors of the Company		686,773.73	0.0005	Cash payment		
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Wholly-owned subsidiary of the parent company	Rendering of services	Labor services fee	Negotiated price		432,178.18	45.62	Cash payment		
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	Others	Rendering of services	Labor services fee	Negotiated price		258,066.00	27.24	Cash payment		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Rendering of services	Labor services fee	Negotiated price		89,391.24	9.44	Cash payment		
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Wholly-owned subsidiary of the parent company	Rendering of services	Labor services fee	Negotiated price		84,696.23	8.94	Cash payment		
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	Others	Rendering of services	Labor services fee	Negotiated price		38,254.72	4.04	Cash payment		
Kweichow Moutai Group Marketing Co., Ltd.	Wholly-owned subsidiary of the parent company	Rendering of services	Labor services fee	Negotiated price		28,516.98	3.01	Cash payment		
Xunfeng Technology (Guizhou) Co., Ltd.	Others	Rendering of services	Labor services fee	Negotiated price		13,913.21	1.47	Cash payment		
ChangLi Moutai Wine Trade Co., Ltd.	Others	Rendering of services	Labor services fee	Negotiated price		2,353.47	0.25	Cash payment		
Kweichow Moutai Group Marketing Co., Ltd.	Wholly-owned subsidiary of the parent company	Lease-in and lease-out	Rental expenses	Negotiated price		371,359.82	45.97	Cash payment		
ChangLi Moutai Wine Trade Co., Ltd.	Others	Lease-in and lease-out	Rental expenses	Negotiated price		201,834.86	24.99	Cash payment		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Lease-in and lease-out	Rental expenses	Negotiated price		234,564.22	29.04	Cash payment		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	Other inflows	Expenses on transfer of assets	Negotiated price		13,925,889.91	100.00	Cash payment		
Total					/	7,627,720,559.42		/	/	/
Details of large return of goods sold										
Description of related transactions										

(2) Related transactions with the same related party deliberated and approved by the general meeting of shareholders

The Company used the registered trademark of its parent company, China Kweichow Moutai Distillery (Group) Co., Ltd., and the expenses for the right to use trademarks incurred during the reporting period amounted to RMB 1,805,818,609.89.

(3) Related transactions with other related parties

A. The Company's year-end deposit balance with Guizhou Bank was RMB 24.0969 billion, with interest income of RMB 653.4299 million and investment income of RMB 4.0787 million from mature large deposit certificates. Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, purchased the bonds issued by Bank of Guizhou Co., Ltd. from the open market, with the total price of RMB 500 million. The interest income recognized in the current period amounted to RMB 16,226,700. As of the end of the period, the balance of the provision for impairment of Debt investment was RMB 103,700, the balance of accrued interest was RMB 6.3021 million and the book value was RMB 506.1984 million. Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company entrusted Guizhou Bank to collect and pay as an agent the service charge of RMB 73,374,700 for transactions via the third-party payment channel on "I Moutai" digital marketing platform.

B. The Company purchased packaging materials from Shanghai Rencai Printing Co., Ltd., with an amount of RMB 106,700 incurred in this period.

**(II) Affiliated transactions arising from the acquisition or sale of assets or equity**

**1. Matters disclosed in the interim announcement but without progress or change in subsequent implementation**

Applicable N/A

**2. Matters disclosed in the interim announcement but without progress or change in subsequent implementation**

Applicable N/A

**3. Matters not disclosed in the interim announcement**

Applicable N/A

**4. If performance agreement is involved, the realization of performance during the reporting period shall be disclosed**

Applicable N/A

**(III) Important related party transactions jointly invested**

**1. Matters disclosed in the temporary announcement without subsequent progress or change**

Applicable N/A

**2. Matters disclosed in the temporary announcement with subsequent progress or change**

Applicable N/A

Item	Balance at the beginning of the period	Investment amount in 2023	Changes in fair value in 2023	Balance at the end of the period
Moutai Zhaohua (Guizhou) Industrial Development Fund Partnership (Limited Partnership)		2,000,000,000.00	1,383,129.22	2,001,383,129.22
Moutai Jinshi (Guizhou) Industrial Development Fund Partnership (Limited Partnership)		2,000,000,000.00	1,056,773.35	2,001,056,773.35
Total		4,000,000,000.00	2,439,902.57	4,002,439,902.57

**3. Matters not disclosed in the temporary announcement**

Applicable N/A

**(IV) Related debt transactions**

**1. Matters disclosed in the temporary announcement without subsequent progress or change**

Applicable N/A

**2. Matters disclosed in the temporary announcement with subsequent progress or change**

Applicable N/A

**3. Matters not disclosed in the temporary announcement**

□Applicable √N/A

**(V) Financial business between the Company and the financial company with which the Company is associated, the financial company in which the Company holds a majority of shares and the related parties**

√Applicable □N/A

**1. Deposit business**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Related parties	Related relationship	Maximum daily deposit limit	Scope of deposit interest rate	Balance at the beginning of the period	Amount in the current period		Balance at the end of the period
					Total amount deposited in the current period	Total amount withdrawn in the current period	
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company			3,334,281,673.28	252,535,693,870.38	252,397,840,528.93	3,472,135,014.73
Kweichow Moutai Group Marketing Co., Ltd.	Wholly-owned subsidiary of the parent company			4,349,581,600.42	8,299,958,412.44	10,321,234,198.33	2,328,305,814.53
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	Wholly-owned subsidiary of the parent company			1,655,007,713.02	6,499,906,475.48	6,299,814,668.62	1,855,099,519.88
Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.	Wholly-owned subsidiary of the parent company			23,867,085.01	726,878,978.96	252,979,804.19	497,766,259.78
Guizhou Zunpeng Liquor Co., Ltd.	Others			294,795,599.01	2,905,934,358.27	2,733,713,361.46	467,016,595.82
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Wholly-owned subsidiary of the parent company			300,901,972.62	1,442,906,657.77	1,289,566,178.70	454,242,451.69
ChangLi Moutai Wine Trade Co., Ltd.	Others			233,713,993.20	1,595,534,063.80	1,510,134,457.11	319,113,599.89
Xunfeng Technology (Guizhou) Co., Ltd.	Others			-	451,308,247.64	200,103,157.21	251,205,090.43
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	Wholly-owned subsidiary of the parent company			244,758,921.61	695,719,399.82	705,060,995.42	235,417,326.01
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	Others			19,698,475.42	1,200,322,459.99	998,324,821.18	221,696,114.23
Guizhou Zunyi Moutai Airport Co., Ltd.	Holding subsidiary of the parent company			286,597,483.86	817,234,168.50	889,889,546.75	213,942,105.61
Kweichow Moutai Chun Marketing Company	Others			208,380,623.01	2,539,428.72	16,874,886.70	194,045,165.03
Guizhou Renhuai Renshuai Liquor Co., Ltd.	Others			11,670,729.18	433,151,519.46	286,847,303.41	157,974,945.23
Beijing Moutai Trade Co., Ltd.	Wholly-owned subsidiary of the parent company			113,853,429.58	843,204,744.74	819,949,743.53	137,108,430.79
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	Others			633,074,824.51	3,786,747,745.10	4,293,028,444.09	126,794,125.52
Kweichow Moutai Distillery Group	Holding subsidiary			6,874,199.52	736,461,977.00	617,570,013.24	125,766,163.28

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Changli Winery Co., Ltd.	of the parent company						
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	Others			152,061,971.18	958,067,031.87	990,996,370.26	119,132,632.79
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Wholly-owned subsidiary of the parent company			157,012,780.22	5,246,540,909.41	5,288,416,827.08	115,136,862.55
Shanghai Kweichow Moutai Industrial Co., Ltd.	Wholly-owned subsidiary of the parent company			43,579,726.72	422,872,926.11	368,627,431.93	97,825,220.90
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	Holding subsidiary of the parent company			382,233,628.98	1,893,596,780.09	2,180,145,571.97	95,684,837.10
Shanghai Moutai Trading Co., Ltd.	Others			52,064,594.69	542,318,554.66	509,841,849.44	84,541,299.91
Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.	Wholly-owned subsidiary of the parent company			208,512.26	144,907,430.02	64,020,779.40	81,095,162.88
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	Wholly-owned subsidiary of the parent company			50,995,943.44	103,583,795.75	76,160,438.22	78,419,300.97
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	Others			48,833,771.36	217,903,822.27	204,551,721.96	62,185,871.67
Guizhou Shuanglong Feitian Supply Chain Management Co., Ltd.	Others			-	240,693,026.57	193,251,441.72	47,441,584.85
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	Others			26,094,729.25	137,195,605.54	119,428,716.37	43,861,618.42
Kweichow Moutai Hospital	Others			-	100,354,955.39	58,092,528.49	42,262,426.90
Guizhou Jiuyuan Property Co., Ltd.	Others			29,753,148.43	61,927,854.22	63,101,720.16	28,579,282.49
Guizhou Fuminghang Packaging Co., Ltd.	Others			11,394,642.58	108,772,469.02	95,970,295.15	24,196,816.45
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	Others			89,086,167.96	153,388,809.08	219,281,050.40	23,193,926.64
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Others			7,340,557.09	277,270,775.22	271,358,002.81	13,253,329.50
Guizhou Xinhuaixi Glass Co., Ltd.	Others			24,457,923.23	121,836,019.69	136,464,129.76	9,829,813.16
Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd.	Others			60,916,598.81	542,500,251.89	597,215,918.04	6,200,932.66
Kweichow Moutai Group Health Industry Co., Ltd.	Others			19,125,210.06	121,127,127.23	137,210,898.79	3,041,438.50
Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd.	Wholly-owned subsidiary of the parent company			1,094,520.85	727,295.98	1,192,966.24	628,850.59
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Holding subsidiary of the parent company			5,107.60	150,397,054.08	150,198,516.90	203,644.78
Moutai College	Others			-	407,444,159.82	407,305,203.00	138,956.82
Moutai CCB (Guizhou) Investment Fund Management Co., Ltd.	Wholly-owned subsidiary of the parent company			5,287.91	145.93	22.93	5,410.91

Moutai (Guizhou) Private Fund Management Co., Ltd.	Holding subsidiary of the parent company			4,032.97	34.44	17.20	4,050.21
Moutai (Guizhou) Investment Fund Partnership (Limited Partnership)	Holding subsidiary of the parent company			846.41	7.23	3.61	850.03
Guizhou Moutai Distillery (Group) Lvsheng Organic Fertilizer Co., Ltd.	Others			711,787.31	2,085,863.99	2,797,613.55	37.75
Guizhou Hengdao Danlin Agricultural Technology Development Co., Ltd.	Others			27.95	0.24	0.12	28.07
Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.	Others			3,514.91	11,845,112.76	11,848,627.67	
Total	/	/	/	12,874,043,355.42	294,940,860,326.57	295,780,410,772.04	12,034,492,909.95

Note: The above deposit interest rate ranges from 0.35% to 1.50%.

#### Interest paid to related parties

Related party	This reporting period
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	31,339,938.02
China Kweichow Moutai Distillery (Group) Co., Ltd.	29,708,003.52
Kweichow Moutai Group Marketing Co., Ltd.	21,399,365.25
Guizhou Zunpeng Liquor Co., Ltd.	4,017,175.57
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	3,189,584.79
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	3,111,083.63
ChangLi Moutai Wine Trade Co., Ltd.	2,458,664.23
Kweichow Moutai Chun Marketing Company	2,425,584.26
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	2,052,349.58
Guizhou Zunyi Moutai Airport Co., Ltd.	1,970,595.88
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	1,636,584.81
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	1,619,805.58
Xunfeng Technology (Guizhou) Co., Ltd.	1,205,090.43
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	1,036,722.16
Shanghai Kweichow Moutai Industrial Co., Ltd.	934,193.97
Kweichow Moutai Distillery Group Changli Winery Co., Ltd.	840,830.43
Beijing Moutai Trade Co., Ltd.	600,646.94
Shanghai Moutai Trading Co., Ltd.	535,645.74
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	466,072.54
Guizhou Jiuyuan Property Co., Ltd.	446,008.34
Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd.	391,570.92
Moutai College	321,413.03
Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.	278,820.47
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	200,840.35
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	198,537.18
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	194,364.37
Kweichow Moutai Distillery (Group) Sanya Investment Industrial	180,636.29

Co., Ltd.	
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	151,598.58
Guizhou Fuminghang Packaging Co., Ltd.	139,139.95
Guizhou Shuanglong Feitian Supply Chain Management Co., Ltd.	119,459.65
Guizhou Renhuai Renshuai Liquor Co., Ltd.	87,955.56
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	68,154.66
Guizhou Xinhua Glass Co., Ltd.	36,615.62
Kweichow Moutai Hospital	75,730.99
Kweichow Moutai Group Health Industry Co., Ltd.	27,025.67
Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.	26,650.62
Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd.	7,050.74
Guizhou Moutai Distillery (Group) Lvsheng Organic Fertilizer Co., Ltd.	570.90
Moutai CCB (Guizhou) Investment Fund Management Co., Ltd.	23.00
Moutai (Guizhou) Private Fund Management Co., Ltd.	17.24
Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.	4.46
Moutai (Guizhou) Investment Fund Partnership (Limited Partnership)	3.62
Guizhou Hengdao Danlin Agricultural Technology Development Co., Ltd.	0.12
Total	113,500,129.66

## 2. Loan business

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Related parties	Related relationship	Loan limit	Scope of loan interest rate	Balance at the beginning of the period	Amount in the current period		Balance at the end of the period
					Total loan amount in the current period	Total repayment amount in the current period	
China Kweichow Moutai Distillery (Group) Co., Ltd.	Parent company	3,500,000,000.00	3.65%	3,500,000,000.00		3,500,000,000.00	
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Wholly-owned subsidiary of the parent company	499,963,530.81	2.30%		499,963,530.81		499,963,530.81
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Others	78,180,000.00	3.65%	57,730,000.00	20,450,000.00	20,140,000.00	58,040,000.00
Total	/	/	/	3,557,730,000.00	520,413,530.81	3,520,140,000.00	558,003,530.81

### Interest charged to related parties

Item	Related parties	Current reporting period
Interest income on loans	China Kweichow Moutai Distillery (Group) Co., Ltd.	60,502,489.52
Interest income on loans	Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	2,732,535.18
Interest income on loans	Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	2,019,139.63
	Total	65,254,164.33

## 3. Credit business or other financial business

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Related parties	Related	Business	Total amount	Amount actually
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	relationship	type		occurred
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Holding subsidiary of the parent company	Credit loans	150,000,000.00	
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Others	Pledge loans	285,000,000.00	58,040,000.00
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Wholly-owned subsidiary of the parent company	Credit loans	2,000,000,000.00	499,963,530.81
Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.	Wholly-owned subsidiary of the parent company	Credit loans	10,000,000.00	

#### 4. Other instructions

Applicable N/A

Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, purchased the bonds issued by Guiyang GY Financial Leasing Co., Ltd. from the open market, with the total price of RMB 20.00 million, for which the interest income recognized in the current period amounted to RMB 706,800. As of the end of the period, the Debt investment and interest receivable had been collected in full.

#### (VI) Others

Applicable N/A

### XIII. Significant contracts and their performance

#### (I) Trusteeship, contracting and leasing

##### 1. Trusteeship

Applicable N/A

##### 2. Contracting

Applicable N/A

##### 3. Leasing

Applicable N/A

**(II) Major guarantees**

Applicable N/A

**(III) Entrusting others to manage cash assets**

**1. Entrusted assets management**

**(1) Overview of entrusted assets management**

Applicable N/A

**Other information**

Applicable N/A

**(2) Single entrusted wealth management**

Applicable N/A

**Other information**

Applicable N/A

**(3) Principal entrusted assets management**

Applicable N/A

**2. Entrusted loans**

**(1) Overview of entrusted loans**

Applicable N/A

**Other information**

Applicable N/A

**(2) Principal entrusted loans**

Applicable N/A

**Other information**

Applicable N/A

**(3) Provision for impairment of entrusted loans**

Applicable N/A

**3. Other information**

Applicable N/A

**(IV) Other significant contracts**

Applicable N/A

**XIV. Description of the use progress of the funds raised**

Applicable N/A

**XV. Instruction of other major events that have a significant impact on investors' value judgments and investment decisions**

Applicable N/A

## Section VII Changes in Shares and Information about Shareholders

### I. Changes in share capital

#### (I) Changes in shares

##### 1. Changes in shares

During the reporting period, there is no change to the total number of shares and share capital structure of the Company.

##### 2. Explanation of changes in shares

Applicable N/A

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

Applicable N/A

##### 4. Other contents deemed necessary by the Company or required by securities regulators to disclose

Applicable N/A

#### (II) Changes in restricted shares

Applicable N/A

### II. Securities issuance and listing

#### (I) Issues of securities as of the reporting period

Applicable N/A

Explanation of securities issuance as of the reporting period (for bonds with different interest rates in the duration, please explain separately):

Applicable N/A

#### (II) Changes in the Company's total shares and shareholder structure, and changes in the Company's asset and liability structure

Applicable N/A

#### (III) Existing employees' shares

Applicable N/A

### III. Shareholders and actual controllers

#### (I) Total number of shareholders

The total number of ordinary shareholders as of the end of the reporting period	161,640
The total number of ordinary shareholders at the end of the previous month before the disclosure date of the annual report	161,009

#### (II) Shareholdings of the top ten shareholders and top ten tradable shareholders (or shareholders without restrictions on sales) as of the end of the reporting period

Unit: Share

Shareholding of the top 10 shareholders (excluding the shares lent through refinancing)
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Name of shareholder (Full name)	Changes in the reporting period	Number of shares held at the end of the period	Ratio (%)	Numbe r of shares with trading limited conditi ons held	Pledge, marking or freezing		Natur e of share holde r
					Stock status	Qua ntit y	
China Kweichow Moutai Distillery (Group) Co., Ltd.	919,621	679,211,576	54.07		None		State- owne d legal perso n
Hong Kong Securities Clearing Company Ltd.	1,514,277	86,312,919	6.87		Unknow n		Unkn own
Guizhou State-owned Capital Operation Co., Ltd.	0	56,996,777	4.54		Unknow n		State- owne d legal perso n
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	37,600	27,849,688	2.22		None		State- owne d legal perso n
Central Huijin Asset Management Co., Ltd.		10,397,104	0.83		Unknow n		State- owne d legal perso n
China Securities Finance Corporation Limited		8,039,447	0.64		Unknow n		Unkn own
Shenzhen Jinhui Rongsheng Wealth Management Co., Ltd.-Jinhui Rongsheng No.3 Private Equity Investment Fund	318,199	7,922,478	0.63		Unknow n		Unkn own
Industrial and Commercial Bank of China - SSE 50 Trading Open Index Securities Investment Fund	2,275,242	7,654,402	0.61		Unknow n		Unkn own
Zhuhai Ruifeng Huibang Assets Management Co., Ltd.-Ruifeng Huibang No.3 Private Equity Investment Fund	-752,637	6,751,030	0.54		Unknow n		Unkn own
Bank of China Limited - LOF Graded Securities Investment Fund	-523,086	4,922,717	0.39		Unknow n		Unkn own
Shareholding of top ten shareholders without sales restriction							

Name of shareholder	Quantity of the circulating shares without sales restriction	Category and quantity of shares	
		Category	Quantity
China Kweichow Moutai Distillery (Group) Co., Ltd.	679,211,576	RMB Ordinary shares	679,211,576
Hong Kong Securities Clearing Company Ltd.	86,312,919	RMB Ordinary shares	86,312,919
Guizhou State-owned Capital Operation Co., Ltd.	56,996,777	RMB Ordinary shares	56,996,777
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	27,849,688	RMB Ordinary shares	27,849,688
Central Huijin Asset Management Co., Ltd.	10,397,104	RMB Ordinary shares	10,397,104
China Securities Finance Corporation Limited	8,039,447	RMB Ordinary shares	8,039,447
Shenzhen Jinhui Rongsheng Wealth Management Co., Ltd.- Jinhui Rongsheng No.3 Private Equity Investment Fund	7,922,478	RMB Ordinary shares	7,922,478
Industrial and Commercial Bank of China - SSE 50 Trading Open Index Securities Investment Fund	7,654,402	RMB Ordinary shares	7,654,402
Zhuhai Ruifeng Huibang Assets Management Co., Ltd.-Ruifeng Huibang No.3 Private Equity Investment Fund	6,751,030	RMB Ordinary shares	6,751,030
Bank of China Limited - LOF Graded Securities Investment Fund	4,922,717	RMB Ordinary shares	4,922,717
Notes to relations among the above-mentioned shareholders or acting in concert	Among the above shareholders, there is related relationship between China Kweichow Moutai Distillery (Group) Co., Ltd. and Kweichow Moutai Distillery (Group) Technology Development Co., Ltd. Apart from that, the Company does not know any related relationship among other shareholders and any parties acting in concert.		

Shares lent by top 10 shareholders through refinancing

Applicable N/A

The status of the top ten shareholders' participation in securities lending and borrowing transactions				
Shareholder name	Holdings in ordinary account	Shares borrowed for securities	Holdings in ordinary account	Shares borrowed for securities

(full name)	and credit account at the beginning of the period		lending at the beginning of the period and have not yet been returned		and credit account at the end of the period		lending at the end of the period and have not yet been returned	
	Total quantity	Proportion (%)	Total quantity	Proportion (%)	Total quantity	Proportion (%)	Total quantity	Proportion (%)
Industrial and Commercial Bank of China - Shanghai Stock Exchange 50 Exchange Traded Open-End Index Securities Investment Fund	5,379,160	0.43	0	0	7,654,402	0.61	54,400	0.0043

Changes in top 10 shareholders compared with the prior period

Applicable N/A

Shareholding quantity of top ten shareholders with sales restriction and the sales restriction

Applicable N/A

**(III) Strategic investors or general legal persons become the top 10 shareholders due to placement of new shares**

Applicable N/A

#### IV. Controlling shareholders and actual controllers

##### (I) Controlling shareholders

###### 1 Legal person

Applicable N/A

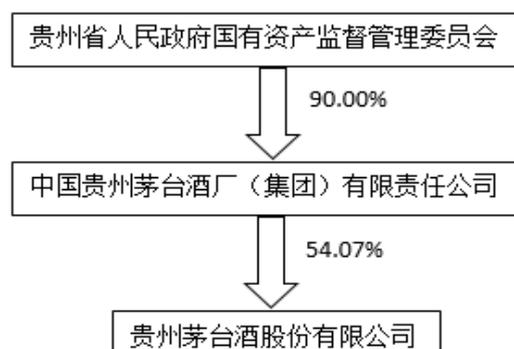
Name	China Kweichow Moutai Distillery (Group) Co., Ltd.
Legal Representative	Ding Xiongjun
Date of establishment	January 24, 1998
Main business	Production and operation of alcoholic products (main business); production technology consulting and services of alcoholic products; production and sales of packaging materials and beverages; catering, accommodation, tourism, logistics and transportation; import and export trade business; Internet industry; real estate development and leasing, parking lot management; education, health; ecological agriculture..
Shareholdings of other domestic and overseas listed companies that controlled and participated in during the reporting period	Holding 0.24% shares of Bank of Communications Co., Ltd.; Holding 3.97% shares of Huachuang Yunxin Digital Technology Co., Ltd.; Holding 1.45% shares of Bank of Guiyang Co., Ltd.; Holding 10.05% shares of Guizhou BC&TV Information Network Co., Ltd.; Holding 12% shares of Bank of Guizhou Co., Ltd.

###### 2 Natural person

Applicable N/A

**3 Special explanation that the Company does not have any controlling shareholder**□Applicable N/A**4. Notes to the changes in the controlling shareholders during the reporting period**□Applicable N/A**5 Block diagram of the property right and control relationship between the Company and the controlling shareholders**Applicable N/A**(II) The actual controller****1 Legal person**Applicable N/A

Name	State-owned Assets Supervision and Administration Commission of Guizhou Province
The person in charge or the legal representative of the entity	Yang Xiangdong

**2 Natural person**□Applicable N/A**3 Special instructions for the fact that the Company does not have an actual controller**□Applicable N/A**4 Explanation on the change of the Company's control during the reporting period**□Applicable N/A**5 Block diagram of the property rights and control relationship between the Company and the actual controller**Applicable N/A

**6 The actual controller controls the Company through trust or other asset management methods**Applicable N/A**(III) Other information about the controlling shareholder and actual controller**Applicable N/A**V. The accumulative number of pledged shares of the Company's controlling shareholder or the largest shareholder and its persons acting in concert account for more than 80% of the Company's shares held by them**Applicable N/A**VI. Other legal person shareholders holding more than 10% of the shares**Applicable N/A**VII. Explanation of share restriction and reduction**Applicable N/A**VIII. The specific implementation of share repurchase during the reporting period**Applicable N/A**Section VIII Preferred Shares**Applicable N/A**Section IX Information about Bond****I. Corporate bonds, company bonds and non-financial corporate debt financing instruments**Applicable N/A**II. Convertible corporate bonds**Applicable N/A**Section X Financial Report****I. Audit report**Applicable N/A

Baker Tilly China [2024] No.23234

To the shareholders of Kweichow Moutai Co., Ltd.

**I. Opinion**

We have audited the financial statements of Kweichow Moutai Co., Ltd. (hereinafter referred to as the "Kweichow Moutai"), which comprise the consolidated balance sheet as at December 31,2023, consolidated income statement, consolidated cash flow statement, consolidated statement of changes in shareholders' equity for the year then ended, and consolidated notes to the financial statements.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Kweichow Moutai as at December 31,2023, and the result of operations and the consolidated cash flows for the year then ended in accordance with Accounting Standards for Business Enterprises and Accounting System for Business Enterprises.

## **II. Basis of opinion**

We have conducted the audit in accordance with the regulations of Auditing Standards for Chinese Certified Public Accountants. The part of “Auditor’s responsibility” of the report further stated our responsibilities under the standards.

According to the code of professional ethics for the Chinese Certified Public Accountants, we are independent of the Kweichow Moutai and perform other responsibilities in the field of professional ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **III. Emphasis of Matter**

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

Key audit matters identified in our audit are summarized as follows:

Recognition of the operating revenue

Disclosure of the relationship and transactions with related parties

## Auditor's Report(Continued)

Baker Tilly China [2024] No.23234

Key Audit Matters	How these matters were addressed in the audit
(I) Recognition of the operating revenue	
<p>For relevant disclosures, please refer to the notes to the financial statements "3.19 Revenue" and "6.39 Operating revenue".</p> <p>In 2023, the operating revenue presented in the financial statements was RMB147,693,605,000.00. The revenue from the sale of Maotai liquor and Maotai series liquor is recognized when the control of the goods has been transferred to the customer, specifically at the time of confirmation of the receipt of the goods by the customer according to the agreement of the sales contract. As operating revenue is one of the Kweichow Moutai's key performance indicators, we consider the recognition of the Kweichow Moutai's operating revenue as a key audit matter.</p>	<p>The procedures we performed during the audit of the 2023 financial statements consisted primarily of:</p> <ol style="list-style-type: none"> <li>1. Understanding and evaluating the design of key internal control of the management related to the revenue recognition, and testing the operational effectiveness thereof;</li> <li>2. Conducting a sampling inspection of the sales contract to identify the conditions and terms relevant to the transfer of the control over goods and assess whether the time-point for revenue recognition meets the requirements of the Accounting Standards for Business Enterprises;</li> <li>3. Analyzing the revenue and gross profit in light of the product type, and making judgment on whether there is the abnormal fluctuation in the revenue amount in the current period;</li> <li>4. Selecting a sample of revenue transactions recorded during the year, verifying the original documents (including invoices, sales contracts and warehouse receipts) at the time of revenue recognition, and evaluating the reasonableness of the related revenue recognition policies;</li> <li>5. Selecting a sample of sales transactions conducted near the year end, and examining relevant supporting documentation (including delivery notes or documentation from customers confirming receipt of goods) to assess whether the revenue is recognized in the appropriate accounting period.</li> </ol>
(II) Disclosure of the relationship and transactions with related parties:	

<p>For relevant disclosures, please refer to the notes to the financial statements "13 Relationship and transactions with related parties".</p> <p>The Kweichow Moutai's related transactions with its related parties in 2023 involved significant amounts and different transaction categories, including sales of goods to, purchases of raw materials and acceptance of labor services from, acquisition of funds (absorption of deposits) from and provision of loans to related parties.</p> <p>The identification of related party relationships and the completeness of disclosure of related transactions are the key audit matters. We have therefore identified the related-party relationships, the transaction fairness and the disclosure completeness as the key audit matters.</p>	<p>The procedures we performed during the audit of the 2023 financial statements consisted primarily of:</p> <ol style="list-style-type: none"> <li>1. Understanding the Kweichow Moutai's process for identifying related parties, evaluating and testing the Kweichow Moutai's internal control over the identification and disclosure of related-party relationships and transactions.</li> <li>2. Obtaining information from the management and those charged with governance to identify the names of all known related parties, and performing the following audit procedures in respect of such information's completeness: <ol style="list-style-type: none"> <li>(1) Checking it with the related-party relationship statements derived from the financial system and the information obtained from other public sources;</li> <li>(2) Reviewing significant sales, purchases and other contracts to identify the existence of undisclosed related-party relationships; and</li> <li>(3) Reviewing statutory records such as shareholders' records, register of shareholders, minutes of shareholders' or governance meetings, etc., to identify whether there are related parties that the management has not informed.</li> </ol> </li> <li>3. Acquiring a breakdown of related-party transaction amounts and balances from the management and implementing the following procedures: <ol style="list-style-type: none"> <li>(1) Reconciling them with the financial records;</li> <li>(2) Sampling and checking the reconciliation results of the related-party transaction amounts and balances; and</li> <li>(3) Certify the related-party transaction amounts and balances by sampling.</li> </ol> </li> <li>4. Checking whether the related-party relationships and transactions have been fully disclosed in accordance with the requirements of the Accounting Standards for Business Enterprises.</li> <li>5. Comparing the transaction prices of related parties with those of non-related parties to verify the fairness of the related-party transactions.</li> </ol>
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#### IV. Emphasis of Matter

The directors of the Kweichow Moutai are responsible for the other information. The other information comprises the information included in the 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 this other information, we are required to report that fact. We have nothing to report in this regard.

#### V. Responsibilities of directors and those charged with governance for the financial statements

The directors of the Kweichow Moutai are responsible for the preparation of the financial statements that give a true and fair view in accordance with the disclosure requirements of Accounting Standards for Business Enterprises, and designing, implementing and maintaining internal control that is necessary to ensure the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Kweichow Moutai'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 directors either intend to liquidate the Kweichow Moutai or to cease operations, or have no realistic alternative but to do so.

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

#### **VI. Auditor'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 CSAs 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.

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(1) 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.

(2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

(4) Conclude on the appropriateness of the directors' 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 Kweichow Moutai'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 Kweichow Moutai to cease to continue as a going concern.

(5) 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.

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

We communicated with governance level about the planned audit scope and schedule and significant audit findings, including communicating the notable internal control flaws we identified in the audit.

We also provide the 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 the governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Beijing, China  
April 2, 2024

Chinese Certified Public  
Accountant:  
(Project Partner):  

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Chinese Certified Public  
Accountant:

Chinese Certified Public  
Accountant:

## II. Financial statements

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION

December 31, 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	Notes	31-Dec-23	31-Dec-22
<b>Current assets:</b>			
Cash and Cash equivalents	1	69,070,136,376.12	58,274,318,733.23
Settlements Provision			
Loans to banks and other financial institutions	2	105,553,836,462.58	116,172,711,554.59
Held-for-trading financial assets	3	400,712,059.93	
Derivative financial assets			
Notes receivable	4	13,933,440.00	105,453,212.00
Accounts receivable	5	60,373,410.41	20,937,144.00
Financing receivables			
Prepayments	6	34,585,111.79	897,377,162.27
Insurance premium receivable			
Due from reinsurers			
Reinsurance contract reserves receivable			
Other receivables	7	27,502,107.30	31,818,622.84
Including: Interest receivable			
Dividends receivable			
Financial assets purchased under agreements to resell	8	3,504,849,885.05	
Inventories	9	46,435,185,061.53	38,824,374,236.24
Contract assets			
Assets classified as held for sale			
Current portion of non-current assets	10		2,123,601,333.33
Other current assets	11	71,403,906.57	160,843,674.42
Total current assets		225,172,517,821.28	216,611,435,672.92
<b>Non-current assets:</b>			
Loans and advances	12	2,130,818,189.27	4,134,744,407.92
Debt investment	13	5,323,002,071.02	380,685,319.09
Other debt investments			

Long-term receivables			
Long-term equity investments			
Other equity instruments investments			
Other non-current financial assets	14	4,002,439,902.57	
Investment properties	15	4,138,545.33	5,335,046.99
Fixed assets	16	19,909,280,655.97	19,742,622,547.86
Construction in progress	17	2,137,464,700.45	2,208,329,892.95
Productive biological assets			
Oil and gas assets			
Right-of-use asset	18	314,205,484.56	402,551,533.46
Intangible assets	19	8,572,267,313.84	7,083,177,226.45
Development expenditures	20	218,015,555.49	190,536,632.60
Goodwill			
Long-term prepaid expenses	21	160,058,930.14	146,455,346.90
Deferred tax assets	22	4,645,887,425.10	3,594,952,468.88
Other non-current assets	23	109,563,497.23	
Total non-current assets		47,527,142,270.97	37,889,390,423.10
Total assets		272,699,660,092.25	254,500,826,096.02
<b>Current liabilities:</b>			
Short-term borrowings			
Borrowing from the central bank			
Deposits and balances from banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable	25	3,093,091,103.67	2,408,371,053.69
Receipts in advance			
Contract liabilities	26	14,125,755,802.29	15,471,920,924.98
Financial assets sold under agreements to buy			
Customer deposits and balances from banks and other financial institutions	27	12,034,492,909.95	12,874,043,355.42
Customer brokerage deposits			
Securities underwriting brokerage deposits			
Payroll and employee benefits payable	28	5,401,921,213.77	4,782,311,242.41
Taxes payable	29	6,949,663,893.87	6,896,555,423.83
Other payables	30	5,213,133,685.87	4,543,842,833.87
Including: Interest payable			
Dividend payable			
Fees and commission payable			
Payable reinsurance			

Liabilities classified as held for sale			
Current portion of non-current liabilities	31	57,054,879.48	109,351,155.28
Other current liabilities	32	1,822,498,012.30	1,979,272,808.90
Total current liabilities		48,697,611,501.20	49,065,668,798.38
<b>Non-current liabilities:</b>			
Insurance reserves			
Long-term borrowings			
Bonds payable			
Including: Preference share			
Perpetual debt			
Lease liabilities	33	266,636,234.04	334,447,942.79
Long-term Payable			
Long-term payroll and employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities	22	78,943,062.19	162,628,090.99
Other non-current liabilities			
Total non-current liabilities		345,579,296.23	497,076,033.78
Total liabilities		49,043,190,797.43	49,562,744,832.16
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital	34	1,256,197,800.00	1,256,197,800.00
Other equity instruments			
Including: Preference share			
Perpetual debt			
Capital reserve	35	1,374,964,415.72	1,374,964,415.72
Less: treasury shares			
Other comprehensive income	36	-6,061,727.51	-10,776,907.33
Special reserve			
Surplus reserve	37	38,998,763,095.13	32,520,123,399.97
General reserve	38	1,061,529,724.00	1,061,529,724.00
Retained earnings	39	172,983,178,300.09	161,278,002,807.10
Equity attributable to owners of the parent		215,668,571,607.43	197,480,041,239.46
Non-controlling interests		7,987,897,687.39	7,458,040,024.40
Total shareholders' equity		223,656,469,294.82	204,938,081,263.86
Total liabilities and shareholders' equity		272,699,660,092.25	254,500,826,096.02

Legal Representative: Ding Xiongjun

Chief Accountant: Jiang Yan

Head of the Accounting Department: Cai Congying

### COMPANY STATEMENT OF FINANCIAL POSITION

December 31, 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	Notes	31-Dec-23	31-Dec-22
<b>Current assets:</b>			
Cash and Cash equivalents		72,639,127,443.08	69,397,227,501.61

Held-for-trading financial assets			
Derivative financial assets			
Notes receivable			
Accounts receivable	1	17,178,545,925.65	20,670,923,010.62
Financing receivables			
Prepayments		18,614,923.06	883,947,665.69
Other receivables	2	15,880,057.16	15,092,761.22
Including: Interest receivable			
Dividends receivable			
Inventories		44,516,042,266.73	37,214,843,706.27
Contract assets			
Assets classified as held for sale			
Current portion of non-current assets			2,123,601,333.33
Other current assets		6,651,365.50	127,580,648.65
Total current assets		134,374,861,981.18	130,433,216,627.39
<b>Non-current assets:</b>			
Debt investment			
Other debt investments			
Long-term receivables			
Long-term equity investments	3	1,610,535,587.55	1,624,535,587.55
Other equity instruments investments			
Other non-current financial assets		4,002,439,902.57	
Investment properties		4,138,545.33	
Fixed assets		19,465,206,198.98	19,278,963,775.03
Construction in progress		2,095,013,288.53	2,151,379,751.61
Productive biological assets			
Oil and gas assets			
Right-of-use asset		157,783,819.40	207,871,591.22
Intangible assets		8,567,282,703.63	7,077,311,242.16
Development expenditures		218,015,555.49	190,536,632.60
Goodwill			
Long-term prepaid expenses		125,398,509.50	127,500,000.29
Deferred tax assets		854,127,274.69	789,682,773.38
Other non-current assets		109,563,497.23	
Total non-current assets		37,209,504,882.90	31,447,781,353.84
Total assets		171,584,366,864.08	161,880,997,981.23
<b>Current liabilities:</b>			
Short-term borrowings			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable			
Accounts payable		2,986,351,679.18	2,407,574,612.21
Receipts in advance			
Contract liabilities		21,950,467.31	1,179,446.26

Payroll and employee benefits payable		5,211,529,941.77	4,617,577,969.34
Taxes payable		4,148,263,488.21	3,875,939,323.83
Other payables		2,100,265,480.39	1,938,855,202.90
Including: Interest payable			
Dividend payable			
Liabilities classified as held for sale			
Current portion of non-current liabilities		15,940,845.58	60,493,144.20
Other current liabilities		2,853,560.75	153,328.01
Total current liabilities		14,487,155,463.19	12,901,773,026.75
<b>Non-current liabilities:</b>			
Long-term borrowings			
Bonds payable			
Including: Preference share			
Perpetual debt			
Lease liabilities		154,907,818.31	195,899,845.16
Long-term Payable			
Long-term payroll and employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities		39,445,954.85	116,608,070.57
Other non-current liabilities			
Total non-current liabilities		194,353,773.16	312,507,915.73
Total liabilities		14,681,509,236.35	13,214,280,942.48
<b>Owners' equity (or shareholders' equity):</b>			
Paid-in capital		1,256,197,800.00	1,256,197,800.00
Other equity instruments			
Including: Preference share			
Perpetual debt			
Capital reserve		1,374,303,082.72	1,374,303,082.72
Less: treasury shares			
Other comprehensive income			
Special reserve			
Surplus reserve		38,998,763,095.13	32,520,123,399.97
Retained earnings		115,273,593,649.88	113,516,092,756.06
Total shareholders' equity		156,902,857,627.73	148,666,717,038.75
Total liabilities and shareholders' equity		171,584,366,864.08	161,880,997,981.23

Legal Representative: Ding Xiongjun

Chief Accountant: Jiang Yan

Head of the Accounting Department: Cai Congying

## CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	Notes	2023	2022
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I. Total revenue		150,560,330,316.45	127,553,959,355.97
Including: Operating revenue	40	147,693,604,994.14	124,099,843,771.99
Interest income	41	2,866,725,322.31	3,454,115,583.98
Net earned premiums			
Net fee and commission revenue			
II. Total operating costs		46,960,889,468.54	39,748,309,616.85
Including: Operating costs	40	11,867,273,851.78	10,093,468,616.63
Interest expenses	41	113,500,129.93	105,584,206.24
Fees and commission expenses	41	68,578.57	143,141.51
Surrenders			
Net payments for insurance claims			
Net provision of insurance reserve			
Policyholder dividends			
Reinsurance expenses			
Taxes and surcharges	42	22,234,175,898.60	18,495,818,534.22
Selling expenses	43	4,648,613,585.82	3,297,724,190.94
General and administrative expenses	44	9,729,389,252.31	9,012,191,073.63
R&D expenses	45	157,371,873.01	135,185,680.40
Financial expenses	46	-1,789,503,701.48	-1,391,805,826.72
Including: Interest expense		12,624,628.35	12,023,204.77
Interest income		1,942,301,920.98	1,475,422,303.64
Add: Other income	47	34,644,873.86	24,505,353.83
Investment income/(loss)	48	34,025,967.82	63,840,000.00
Including: Share of profits or loss of associates and joint ventures			
Gain from derecognition of financial assets measured at amortized cost			
Exchange gains or losses			
Net exposure hedging gains/(losses)			
Gain/ (loss) on the changes in fair value	49	3,151,962.50	
Credit impairment losses	50	37,871,293.26	-14,686,546.25
Assets impairment losses			
Gain/ (loss) from disposal of assets	51	-479,736.97	213,235.69
III. Operating profit		103,708,655,208.38	87,879,521,782.39
Add: Non-operating income	52	86,779,655.95	70,852,285.40
Less: Non-Operating expenses	53	132,881,174.52	248,884,319.61
IV. Profit/(loss) before tax		103,662,553,689.81	87,701,489,748.18
Less: Income tax expense	54	26,141,077,412.01	22,325,449,790.30
V. Net profit/(loss)		77,521,476,277.80	65,376,039,957.88
(1) Categorized by operation continuity			
1. Net profit from continuing operations		77,521,476,277.80	65,376,039,957.88
2. Net profit from discontinuing operations			
(2) Categorized by ownership			
1. Net profit attributable to owners of the parent		74,734,071,550.75	62,717,467,870.12
2. Net profit attributable to non-controlling interests		2,787,404,727.05	2,658,572,087.76
VI. Other comprehensive income, net of tax	55	4,715,179.82	2,240,973.45

(1) Other comprehensive income, net of tax, attributable to owners of the parent		4,715,179.82	2,240,973.45
1. Other comprehensive income that will not be reclassified to profit or loss			
1.1 Remeasurement gains or losses of a defined benefit plan			
1.2 Other comprehensive income using the equity method that will not be reclassified to profit or loss			
1.3 Changes in fair value of other equity instrument investments			
1.4 Changes in fair value of enterprise's own credit risk			
2. Other comprehensive income to be reclassified to profit or loss		4,715,179.82	2,240,973.45
2.1 Other comprehensive income that can be reclassified to profit or loss in equity method			
2.2 Changes in fair value of other debt investments			
2.3 Amount of financial assets reclassified into other comprehensive income			
2.4 Provision for credit impairment of other debt investments			
2.5 Cash flow hedging reserves			
2.6 Exchange differences on translation of foreign currency financial statements		4,715,179.82	2,240,973.45
2.7 Others			
(2) Other comprehensive income, net of tax, attributable to non-controlling interests			
VII. Total comprehensive income		77,526,191,457.62	65,378,280,931.33
(1) Total comprehensive income attributable to owners of the parent		74,738,786,730.57	62,719,708,843.57
(2) Total comprehensive income attributable to non-controlling interests		2,787,404,727.05	2,658,572,087.76
VIII. Earnings per share			
(1) Basic earnings per share (CNY / share)		59.49	49.93
(2) Diluted earnings per share (CNY / share)		59.49	49.93

Legal Representative: Ding Xiongjun

Chief Accountant: Jiang Yan

Head of the Accounting Department: Cai Congying

### INCOME STATEMENT OF COMPANY

For the year ended 31 December 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	Notes	2023	2022
I. Total revenue	4	81,415,570,788.59	71,301,796,876.93
Less: Total operating costs	4	12,072,158,914.05	10,420,242,137.46
Taxes and surcharges		21,084,932,938.46	17,592,050,587.39
Selling expenses		1,103,737,062.73	838,175,269.31

General and administrative expenses		8,986,759,635.56	8,342,403,894.00
Research and development expenses		157,371,873.01	135,185,680.40
Finance expenses		-1,466,635,084.72	-1,363,150,442.27
Including: Interest expenses (expressed with positive value)		6,516,690.60	7,612,746.94
Interest income (expressed with positive value)		1,480,404,867.75	1,437,004,178.70
Add: Other income		16,495,748.00	9,460,960.94
Investment income/(loss)	5	35,364,314,663.45	47,660,330,707.35
Including: Share of profits or loss of associates and joint ventures			
Gain from derecognition of financial assets measured at amortized cost			
Net exposure hedging gains/ (losses)			
Gain/ (loss) on the changes in fair value		2,439,902.57	
Credit impairment losses		-65,274.04	2,489,064.82
Assets impairment losses			
Gain/ (loss) from disposal of assets		-3,223,587.40	343,183.91
II. Operating profit/Loss		74,857,206,902.08	83,009,513,667.66
Add: Non-operating income		73,556,271.04	66,605,379.09
Less: Non-operating expenses		128,519,882.50	242,611,517.77
III. Profit/(loss) before tax		74,802,243,290.62	82,833,507,528.98
Less: Income tax expense		10,015,846,339.04	9,030,426,386.98
IV. Net profit /(loss)		64,786,396,951.58	73,803,081,142.00
(1) Net profit from continuing operations		64,786,396,951.58	73,803,081,142.00
(2) Net profit from discontinuing operations			
V. Other comprehensive income, net of tax			
(1) Other comprehensive income, net of tax			
1. Other comprehensive income that will not be reclassified to profit or loss			
2. Other comprehensive income using the 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 enterprise's own credit risk			
(2) Other comprehensive income to be reclassified to profit or loss			
1. Other comprehensive income that can be reclassified to profit or loss in equity method			
2. Changes in fair value of other debt investments			
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Cash flow hedging reserves			
6. Exchange differences on translation of foreign currency financial statements			
7. Others			
VI. Total comprehensive income		64,786,396,951.58	73,803,081,142.00
VII. Earnings per share			

(1) Basic earnings per share (CNY / share)		51.57	58.75
(2) Diluted earnings per share (CNY / share)		51.57	58.75

Legal Representative: Ding Xiongjun

Chief Accountant: Jiang Yan

Head of the Accounting Department: Cai Congying

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	Notes	2023	2022
<b>I. Cash flows from operating activities</b>			
Cash receipts from the sale of goods and the rendering of services		163,699,909,417.62	140,691,678,592.00
Net increase in customer bank deposits and due to banks and other financial institutions		-810,223,002.76	-8,916,033,228.67
Net increase in loans from the central bank			
Net increase in funds borrowed from other financial institutions			
Cash premiums received on original insurance contracts			
Net cash received from re-insurance business			
Net increase in deposits and investments from insurers			
Cash received from interest, fees and commission		3,018,786,023.42	3,247,615,476.04
Net increase in funds deposit			
Net increase in repurchase business funds			
Net income from securities trading brokerage business			
Tax refunds received		1,500,047.04	33,191,912.56
Cash received relating to other operating activities	56(1)	2,346,196,470.63	2,759,422,171.88
Sub-total of cash inflows		168,256,168,955.95	137,815,874,923.81
Cash paid for purchase of goods and services		11,029,476,036.21	8,357,859,151.03
Net increase in loans and payments on behalf of customers		-2,051,930,316.19	723,778,672.00
Net increase in deposits with central bank and other financial institutions		1,570,003,429.01	13,037,761,321.90
Payments for claims for original insurance contracts			
Net increase in funds lent		2,500,000,000.00	
Cash paid for interest, fees and commission		142,896,151.21	79,226,410.98
Commissions on insurance policies paid			
Cash paid to and on behalf of employee		13,845,293,907.26	11,752,241,598.62

Cash paid for taxes		66,683,472,509.22	62,043,324,506.36
Cash paid relating to other operating activities	56(1)	7,943,709,518.14	5,123,087,432.89
Sub-total of cash outflows		101,662,921,234.86	101,117,279,093.78
Net cash flows from operating activities		66,593,247,721.09	36,698,595,830.03
<b>II. Cash flows from investing activities</b>			
Cash received from disposal of investments	56(2)	7,549,947,301.15	
Cash received from investment income		140,715,000.00	5,880,000.00
Net proceeds from disposal of property, plant and equipment, intangible assets and other long-term assets		24,948,352.95	355,149.00
Cash received from disposal of subsidiaries and other business units			
Cash received relating to other investing activities	56(2)	4,605,886.63	4,971,762.18
Sub-total of cash inflows		7,720,216,540.73	11,206,911.18
Purchase of property, plant and equipment, intangible assets and other non-current assets		2,619,755,888.79	5,306,546,416.54
Cash paid for investments	56(2)	14,817,852,800.00	210,000,000.00
Net increase in secured loans			
Net cash paid for acquisition of a subsidiary and other operating units			
Cash paid relating to other investing activities	56(2)	7,021,867.10	31,486,829.54
Sub-total of cash outflows		17,444,630,555.89	5,548,033,246.08
Net cash flows from investing activities		-9,724,414,015.16	-5,536,826,334.90
<b>III. Cash flows from financing activities</b>			
Cash received from investment			
Including: Cash receipts from capital contributions from non-controlling interests of subsidiaries			
Proceeds from borrowings			
Cash receipts relating to other financing activities			
Subtotal of cash inflows			
Repayments for debts			
Cash payments for distribution of dividends or profit and interest expenses		58,754,786,730.01	57,370,196,191.46
Including: Dividends or profit paid to non-controlling shareholders of subsidiaries		2,204,530,367.41	2,618,815,078.45
Cash payments relating to other financing activities	56(3)	134,315,261.93	54,332,788.37
Subtotal of cash outflows		58,889,101,991.94	57,424,528,979.83
Net cash flows from financing activities		-58,889,101,991.94	-57,424,528,979.83
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>			
		1,718,255.65	911,088.01
<b>V. Net increase in cash and cash equivalents</b>			
Add: Cash and cash equivalents at beginning of year		152,378,738,982.83	178,640,587,379.52
<b>VI. Cash and cash equivalents at end of year</b>			
		150,360,188,952.47	152,378,738,982.83

Legal Representative: Ding Xiongjun  
 Chief Accountant: Jiang Yan  
 Head of the Accounting Department: Cai Congying

### COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	Notes	2023	2022
<b>I. Cash flows from operating activities</b>			
Cash receipts from the sale of goods and the rendering of services		94,747,549,529.72	60,627,778,647.24
Tax refunds received			
Cash received relating to other operating activities		2,257,446,106.71	1,869,230,100.75
Sub-total of cash inflows		97,004,995,636.43	62,497,008,747.99
Cash paid for purchase of goods and services		11,054,477,987.64	8,247,604,843.54
Cash paid to and on behalf of employee		13,029,936,131.14	11,019,897,320.84
Cash paid for taxes		39,639,038,426.44	37,873,356,637.22
Cash paid relating to other operating activities		4,384,891,703.90	2,876,686,272.05
Sub-total of cash outflows		68,108,344,249.12	60,017,545,073.65
Net cash flows from operating activities		28,896,651,387.31	2,479,463,674.34
<b>II. Cash flows from investing activities</b>			
Cash received from disposal of investments		2,014,000,000.00	
Cash received from investment income		35,474,191,055.51	47,596,490,707.35
Net proceeds from disposal of property, plant and equipment, intangible assets and other long-term assets		16,093,650.00	317,509.00
Cash received from disposal of subsidiaries and other business units			
Cash received relating to other investing activities		4,605,886.63	4,971,762.18
Sub-total of cash inflows		37,508,890,592.14	47,601,779,978.53
Purchase of property, plant and equipment, intangible assets and other non-current assets		2,589,885,182.75	5,252,006,054.93
Cash paid for investments		4,000,000,000.00	
Cash Paid for disposal of subsidiaries and other business units			
Cash paid relating to other investing activities		7,021,867.10	31,486,829.54
Sub-total of cash outflows		6,596,907,049.85	5,283,492,884.47
Net cash flows from investing activities		30,911,983,542.29	42,318,287,094.06
<b>III. Cash flows from financing activities</b>			

Cash received from investment			
Proceeds from borrowings			
Cash receipts relating to other financing activities			
Subtotal of cash inflows			
Repayments for debts			
Cash payments for distribution of dividends or profit and interest expenses		56,550,256,362.60	54,751,381,113.01
Cash payments relating to other financing activities		71,050,469.50	19,713,859.66
Subtotal of cash outflows		56,621,306,832.10	54,771,094,972.67
Net cash flows from financing activities		-56,621,306,832.10	-54,771,094,972.67
<b>IV. Effect of exchange rate changes on cash and cash equivalents</b>			
<b>V. Net increase in cash and cash equivalents</b>		3,187,328,097.50	-9,973,344,204.27
Add: Cash and cash equivalents at beginning of year		67,960,589,067.53	77,933,933,271.80
<b>VI. Cash and cash equivalents at end of year</b>		71,147,917,165.03	67,960,589,067.53

Company Principal: Ding Xiongjun

Accounting Principal: Jiang Yan

Head of the Accounting Department: Cai Congying

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
January to December 2023

Prepared by: Kweichow Moutai Co., Ltd.

Monetary Unit: Yuan Currency: RMB

Item	2023													Non-controlling interests	Total shareholders' equity
	Equity attributable to owners of the parent														
	Share capital	Other equity instruments			Capital reserve	Less : treasury shares	Other comprehensive income	Special reserve	Surplus reserve	General reserve	Retained earnings	Others	Subtotal		
	preference share	Perpetual debt	Others												
1. Balance at the end of previous year	1,256,197,800.00				1,374,964,415.72		10,776,907.33		32,522,779,178.88	1,061,529,724.00	161,301,978,184.73		197,506,672,396.00	7,458,015,858.08	204,964,688,254.08
Add: changes in accounting policies								-2,655,778.91			-23,975,377.63		-26,631,156.54	24,166.32	-26,606,990.22
Corrections of prior period errors															
Others															
2. Balance at the beginning of the year	1,256,197,800.00				1,374,964,415.72		10,776,907.33		32,520,123,399.97	1,061,529,724.00	161,278,002,807.10		197,480,041,239.46	7,458,040,024.40	204,938,081,263.86
3. Increase/(decrease) during the period							4,715,179.82		6,478,639,695.16		11,705,175,492.99		18,188,530,367.97	529,857,662.99	18,718,388,030.96
(1) Total comprehensive income							4,715,179.82				74,734,071,550.75		74,738,786,730.57	2,787,404,727.05	77,526,191,457.62
(2) Shareholders' contributions and reduction														-6,000,000.00	-6,000,000.00
(i) Shareholders' contributions in ordinary share															
(ii) Other equity instruments contributions															
(iii) Amount of share-based payments recognized in equity															
(iv) Others														-6,000,000.00	-6,000,000.00
(3) Profit distribution									6,478,639,695.16		-63,028,896,057.76		-56,550,256,362.60	-2,251,547,064.06	-58,801,803,426.66
(i) Transfer to surplus reserve									6,478,639,695.16		-6,478,639,695.16				



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e) during the period														
(1) Total comprehensive income						2,240,973.45				62,717,467,870.12		62,719,708,843.57	2,658,572,087.76	65,378,280,931.33
(2) Shareholders' contributions and reduction														
(i) Shareholders' contributions in ordinary share														
(ii) Other equity instruments contributions														
(iii) Amount of share-based payments recognized in equity														
(iv) Others														
(3) Profit distribution							7,380,308,114.20		-62,131,689,227.21		-54,751,381,113.01		-2,618,815,078.45	-57,370,196,191.46
(i) Transfer to surplus reserve							7,380,308,114.20		-7,380,308,114.20					
(ii) Transfer to general reserve														
(iii) Distribution to shareholders									-54,751,381,113.01		-54,751,381,113.01		-2,618,815,078.45	-57,370,196,191.46
(iv) Others														
(4) Transfer within equity														
(i) Capital reserves converted to share capital														
(ii) Surplus reserves converted to share capital														
(iii) Loss made up by surplus reserves														
(iv) Changes in the defined benefit plan transferred to retained earnings														
(v) Other comprehensive income transferred to retained earnings														
(vi) Others														
(5) Special reserve														
(i) Additions														

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(ii) Utilisation															
(6) Others															
4. Closing balance	1,256,197,800.00				1,374,964,415.72		10,776,907.33		32,520,123,399.97	1,061,529,724.00	161,278,002,807.10		197,480,041,239.46	7,458,040,024.40	204,938,081,263.86

Company Principal: Ding Xiongjun

Accounting Principal: Jiang Yan

Head of the Accounting Department: Cai Congying

COMPANY STATEMENT OF CHANGES IN EQUITY  
January to December 2023

Monetary Unit: Yuan Currency: RMB

Item	Year 2023										
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
		Preference shares	Perpetual debt	Others							
1. Balance at the end of previous year	1,256,197,800.00				1,374,303,082.72				32,522,779,178.88	113,539,994,766.29	148,693,274,827.89
Add: changes in accounting policies									-2,655,778.91	-23,902,010.23	-26,557,789.14
Corrections of prior period errors											
Others											
2. Balance at the beginning of the year	1,256,197,800.00				1,374,303,082.72				32,520,123,399.97	113,516,092,756.06	148,666,717,038.75
3. Increase/(decrease) during the period									6,478,639,695.16	1,757,500,893.82	8,236,140,588.98
(1) Total comprehensive income										64,786,396,951.58	64,786,396,951.58
(2) Shareholders' contributions and reduction											
(i) Shareholders' contributions in ordinary share											

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(ii) Other equity instruments contributions											
(iii) Amount of share-based payments recognized in equity											
(iv) Others											
(3). Profit distribution								6,478,639,695.16	-63,028,896,057.76	-56,550,256,362.60	
(i) Transfer to surplus reserve								6,478,639,695.16	-6,478,639,695.16		
(ii) Distribution to shareholders									-56,550,256,362.60	-56,550,256,362.60	
(iii) Others											
(4) Transfer within equity											
(i) Capital reserves converted to share capital											
(ii) Surplus reserves converted to share capital											
(iii) Loss made up by surplus reserves											
(iv) Changes in the defined benefit plan transferred to retained earnings											
(v) Other comprehensive income transferred to retained earnings											
(vi) Others											
(5). Special reserve											
(i). Additions											
(ii). Utilisation											
(6) Others											
4. Closing balance	1,256,197,800.00				1,374,303,082.72			38,998,763,095.13	115,273,593,649.88	156,902,857,627.73	

Item	2022										
	Share capital	Other equity instruments			Capital reserve	Less: treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Retained earnings	Total shareholders' equity
		preference	Perpetual	Others							

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1. Balance at the end of previous year	1,256,197,800.00				1,374,303,082.72				25,142,832,818.16	101,871,858,632.84	129,645,192,333.72
Add: changes in accounting policies									-3,017,532.39	-27,157,791.57	-30,175,323.96
Corrections of prior period errors											
Others											
2. Balance at the beginning of the year	1,256,197,800.00				1,374,303,082.72				25,139,815,285.77	101,844,700,841.27	129,615,017,009.76
3. Increase/(decrease) during the period									7,380,308,114.20	11,671,391,914.79	19,051,700,028.99
(1) Total comprehensive income										73,803,081,142.00	73,803,081,142.00
(2) Shareholders' contributions and reduction											
(i) Shareholders' contributions in ordinary share											
(ii) Other equity instruments contributions											
(iii) Amount of share-based payments recognized in equity											
(iv) Others											
(3). Profit distribution									7,380,308,114.20	-62,131,689,227.21	-54,751,381,113.01
(i) Transfer to surplus reserve									7,380,308,114.20	-7,380,308,114.20	
(ii) Distribution to shareholders										-54,751,381,113.01	-54,751,381,113.01
(iii) Others											
(4) Transfer within equity											
(i) Capital reserves converted to share capital											
(ii) Surplus reserves converted to share capital											
(iii) Loss made up by surplus reserves											

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(iv) Changes in the defined benefit plan transferred to retained earnings											
(v) Other comprehensive income transferred to retained earnings											
(vi) Others											
(5). Special reserve											
(i). Additions											
(ii). Utilisation											
(6) Others											
4. Closing balance	1,256,197,800.00				1,374,303,082.72				32,520,123,399.97	113,516,092,756.06	148,666,717,038.75

Company Principal: Ding Xiongjun

Accounting Principal: Jiang Yan

Head of the Accounting Department: Cai Congying

### III. Company profile

#### 1. Overview

Applicable N/A

Kweichow Moutai Co., Ltd. is established after being approved by Guizhou Provincial People's Government in its document of (1999) No. 291, Reply on Approving the Establishment of Kweichow Moutai Co., Ltd. As an incorporated company, its main promoter is China Kweichow Moutai Distillery (Group) Co., Ltd., with Kweichow Moutai Distillery (Group) Technology Development Co., Ltd., Guizhou Textile Collective Industry Association, Research Institute of Tsinghua University in Shenzhen, China National Research Institute of Food and Fermentation Industries, Beijing Sugar Tobacco & Liquor Group Co., Ltd., Jiangsu CANDY & LIQUOR & TOBACCO Parent Co., Shanghai Jieqiang Tobacco Sugar & Liquor (Group) Co., Ltd. as co-founders.

The company was established on November 20, 1999. Its registered capital at its establishment was RMB 185 million. After being approved by CSRC with the document of [2001] No.41 and Ministry of Finance with the document of [2001] No. 56, the corporation publicly offered 71,500,000 A shares (including 6,500,000 state-owned shares) at Shanghai Stock Exchange on July 31, 2001, marking a total capital of its shares at 250,000,000 shares. On August 20, 2001, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the plan of profit distribution and converting capital reserves into share capital audited and approved by the 2001 Annual General Meeting, the corporation set the total share capital at the end of 2001- 250,000,000 shares as the baseline, and distributed dividends (RMB 6 yuan every 10 shares, tax inclusive) to all shareholders, and converted capital reserves into increased share capital at a 10:1 ratio, totally increasing 25,000,000 shares. After this profit distribution, the total capital share increased from 250,000,000 shares to 275,000,000 shares. On February 13, 2003, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the plan of profit distribution audited and approved by the 2002 Annual General Meeting, the corporation set the total share capital at the end of 2002- 275,000,000 shares as the baseline, and distributed dividends (RMB 2 yuan every 10 shares, tax inclusive) to all shareholders. With the same baseline, the corporation distributed bonus shares (1 bonus share every 10 share) to all shareholders. After this profit distribution, the total capital share increased from 275,000,000 shares to 302,500,000 shares. On June 10, 2004, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the plan of profit distribution and converting capital reserves into share capital audited and approved by the 2003 Annual General Meeting, the corporation set the total share capital at the end of 2003- 302,500,000 shares as the baseline, and distributed dividends (RMB 3 yuan every 10 shares, tax inclusive) to all shareholders, and converted capital reserves into increased share capital at a 10:3 ratio. After this profit distribution, the total capital share increased from 302,500,000 shares to 393,250,000 shares. On June 24, 2005, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the plan of profit distribution and converting capital reserves into share capital audited and approved by the 2004 Annual General Meeting, the corporation set the total share capital at the end of 2004- 393,250,000 shares as the baseline, and distributed dividends (RMB 5 yuan every 10 shares, tax inclusive) to all shareholders, and converted capital reserves into increased share capital at a 10:2 ratio. After this profit distribution, the total capital share increased from 393,250,000 shares to 471,900,000 shares. On January 11, 2006, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the Reform Plan of Equity Division of Kweichow Moutai Co., Ltd. (Revised Version) audited and approved by the second provisional General Meeting and the Meeting of relevant shareholders, the corporation set the total share capital at the end of 2005- 471,900,000 shares as the baseline, and converted every 10 capital reserves into 10 increased share capital. After this profit distribution, the total capital share increased from 471,900,000 shares to 943,800,000 shares. On November 17, 2006, the

corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the 2010 annual plan for profit distribution audited and approved by the 2010 Annual General Meeting, the corporation set the total share capital at the end of 2010- 943,800,000 shares as the baseline, and distributed dividends (RMB 23 yuan every 10 shares, tax inclusive) and bonus share (1 bonus share for every 10 shares) to all shareholders. After this profit distribution, the total capital share increased from 943,800,000 shares to 1,038,180,000 shares. On October 27, 2011, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the 2013 annual plan for profit distribution audited and approved by the 2013 Annual General Meeting, the corporation set the total share capital at the end of 2013- 1,038,180,000 shares as the baseline, and distributed dividends (RMB 43.74 yuan every 10 shares, tax inclusive) and bonus share (1 share every 10 shares) to all shareholders. After this profit distribution, the total capital share increased from 1,038,180,000 shares to 1,141,998,000 shares. On August 5, 2014, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

According to the 2014 annual plan for profit distribution audited and approved by the 2014 Annual General Meeting, the corporation set the total share capital at the end of 2014- 1,141,998,000 shares as the baseline, and distributed dividends (RMB 43.74 yuan every 10 shares, tax inclusive) and bonus share (1 share every 10 shares) to all shareholders. After this profit distribution, the total capital share increased from 1,141,998,000 shares to 1,256,197,800 shares. On October 29, 2015, the corporation completed registration for alternation of registered capital from Administration for Industry & Commerce of Guizhou Province.

Business scope of the Company: production and marketing of Moutai liquor and liquors of series, production and marking of beverage, food and package materials, the development of anti-counterfeit technology and the research and development of IT-related products, the service of management of hotel, housing, catering, entertainment, bath and parking lot, vehicle transporting (dangerous chemicals not included) and maintenance, and the second category of value-added telecommunications services.

#### **IV. Basis for the preparation of the financial statements**

##### **1. Basis of preparation of financial statements**

The company has prepared its financial statements on a going concern basis.

##### **2. Going concern**

Applicable N/A

Since the date of this report, there are no events resulting in significant uncertainties over going concern of the operation of this company for at least 12 months.

#### **V. Significant accounting policies and accounting estimates**

Specific accounting policies and accounting estimates:

Applicable N/A

##### **1. Statement on compliance with Accounting Standards for Business Enterprises**

The financial statements have been prepared in accordance with the requirements of accounting standards for business enterprises, which truly and completely reflect the Company's financial status, operating results, changes in shareholders' equity, cash flow and other relevant information.

##### **2. Accounting period**

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

##### **3. Operating cycle**

Applicable N/A

The Company adopts 12 months as an operating cycle.

**4. Functional currency**

The Company adopts RMB as its functional currency.

**5. Determination method and selection basis of materiality criteria**

√Applicable □N/A

Item	Materiality criteria
Significant bad debt provision assessed individually of accounts receivable	The amount of bad debt provision assessed individually accounts for over 10% of the total amount of bad debt provision of accounts receivable and exceeds RMB 50 million.
Significant recovery or reversal of bad debt provision of accounts receivable	The amount of individual recovery or reversal accounts for over 10% of the total amount of accounts receivable and exceeds RMB 50 million.
Significant write-off of accounts receivable	The amount of individual write-off accounts for over 10% of the total amount of bad debt provision of accounts receivable and exceeds RMB 50 million.
Significant construction in progress	The budget of individual construction in progress investment exceeds RMB 1 billion.
Significant capitalization of research and development expenditures	The budget amount of individual research and development project which is capitalized accounts for over 10% of the total budget of current research and development projects and the capitalized amount incurred in the current period exceeds RMB 50 million.
important projects of construction in progress	investment budget for a single construction in progress exceeding RMB 1 billion
Significant accounts payable and other payables	The amount of individual accounts payable or other payables with the aging over 1 year accounts for over 10% of the total amount of accounts payable or other payables and exceeds RMB 100 million.
Significant non-wholly owned subsidiaries	The subsidiaries with non-controlling shareholders holding 5% and more than 5% of shares and the amount of total assets, net assets, operating revenue and net profit accounts for over 10% of the corresponding items in the consolidated financial statements.

**6. Accounting treatments of “Business combination involving entities under common control” and “Business combination involving entities not under common control”**

√Applicable □N/A

**(1) Business combination involving entities under common control**

For business combination involving entities under common control, assets and liabilities obtained by the combining party through business combination shall be measured at the book value of the combined company at the combination date. The capital reserve (stock premium or capital premium) is adjusted according to the difference between the book value of net asset acquired through combination and the book value of consideration paid for the combination (or total par value of shares issued). If the capital reserve (stock premium or capital premium) is insufficient to offset, the retained earnings shall be adjusted.

**(2) Business combination not under common control**

For business combination involving entities not under common control, the combination cost is calculated at fair value of the assets, liabilities incurred or assumed and the equity securities issued by the combining party on combination date in the purpose of gaining the combined party’s control. For business

combination involving entities not under common control that are achieved step by step in multiple exchanges and transactions, different approaches in accounting treatment are adopted for individual financial statements and combination financial statements as follows.

A. For individual financial statements, the initial investment cost of the investment is calculated as the sum of the book value of the combined party's equity investment held by the combining party before the combination date and the increased investment cost on the combination date. If the combined party's equity held by the combining party entails other comprehensive profits, then the profits (e.g. the part of the difference of fair value of saleable financial assets that is calculated in capital reserves, the same for the follows) shall be calculated as the investment profits of the current period.

B. For combination financial statements, the combined party's equity held by the combining party before the combination date shall be recalculated in fair value of the equity on combination date. The margin of its fair value and book value shall be calculated into the investment profits of the current period. If the combined party's equity held by the combining party entails other comprehensive profits, then the profits shall be calculated as the investment profits of the current period of the combination date. Fees, commissions, and other transaction expenses and other relevant administration expense paid for combination shall be calculated into current profits or losses as they occur. Transaction fees of equity securities and debt securities paid by the combining party for combination consideration shall be included in the initial measurement amount of equity or debt securities. The Company shall recognize the difference of the combination costs in excess of the fair value of the net identifiable asset acquired from the acquiree through combination as goodwill. After the review, if the combination costs are still in short of the fair value of the net identifiable asset acquired from the acquiree through combination, include the difference in the current profits or losses.

## 7. Judgment criteria for control and basis of consolidated financial statements

Applicable N/A

### (1) Judgment criteria for control

The consolidation scope of the consolidated financial statements is determined on the basis of control. The control over an investee will be identified when an investor: has the power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to to affect those returns through its power over the investee.

### (2) Basis of consolidated financial statements

The consolidated financial statements of the Company are prepared in accordance with *the Accounting Standards for Business Enterprises No.33 --Consolidated Financial Statements* and relevant regulations. All major internal transactions and current accounts within the scope of the consolidate have been offset at the time of consolidation. The part of shareholders' equity of a subsidiary that is not owned by the parent company shall be presented separately as non-controlling equity under shareholders' equity in the consolidated financial statements. When preparing the consolidated financial statements, where accounting policies and accounting periods adopted by subsidiaries are inconsistent with those of the Company, necessary adjustments should be made to the financial statements of subsidiaries according to the accounting policy and accounting period adopted by the Company. For the subsidiaries acquired through business combination under common control, their operating results and cash flows shall be included in the consolidated financial statements from the beginning of the current consolidation period. When preparing the comparative consolidated financial statements, related items in the financial statements of the previous year are adjusted accordingly, and it is deemed that, after the combination, the reporting entity has been in existence since the point when the ultimate controlling party began to control. For the subsidiaries acquired through business combination not under common control, their operating results and cash flows shall be included in the consolidated financial statements as from the date of obtaining the control right by the Company.

## 8. Cash and cash equivalents

Cash equivalents include cash on hand, bank balances, other monetary funds, provision at central bank retrievable at any time, deposits with other banks, placements with banks, buying securities and return sale within the same industry and other investments featuring short investment period (generally due within three months since purchase), high mobility, easy convertibility to cash with known amount and low risk of value change.

## 9. Foreign operations and foreign currency translation

√Applicable □N/A

### (1) Foreign currency operations

The amount in the foreign currency shall be translated into RMB currency according to the middle rate of exchange rate in foreign currency market on the day of transaction. At the end of the period, the balance of monetary foreign currency account shall be translated into RMB currency according to the middle rate of exchange rate at the end of the period. The difference between the translated RMB balance and the original book balance shall be calculated as exchange gains or lost, and recorded into items like ‘finance expense’ and ‘construction in progress’. For non-monetary foreign currency projects calculated with historical cost, the spot exchange rate on transaction day is employed, and the amount of reporting currency stay unchanged.

### (2) Foreign currency translation

Assets and liabilities in the balance sheets shall be translated at the spot exchange rates on balance sheet date. Shareholders’ equity items, except for the item of “retained earnings”, are translated at the spot exchange rates on the dates when the transactions occur. Revenue and expense items in the income statement are translated at the spot exchange rates on the dates when the transactions occur or at the exchange rate determined in a systematical and reasonable method and similar to the spot exchange rate on the day when the transactions occur. Differences arising from the above translations of foreign currency financial statements are separately listed under other comprehensive income in the consolidated balance sheet. Cash flow projects operated overseas shall be translated at approximate exchange rate of spot rate on the date of cash flow. The amount of cash affected by fluctuations of exchange rate shall be separately listed in the table of cash flow.

## 10. Financial Instruments

√Applicable □N/A

### (1) Recognition and derecognition of financial instruments

When the Company becomes a party to a financial instrument contract, the related financial asset or financial liability should be recognized. Transaction of financial assets by regular means shall be recognized and derecognized according to accounting on transaction date. Regular means refers to gaining or giving financial assets within the time period designated by law or regulations according to contract items. Transaction date refers to the date that the Company promises to purchase or sell financial assets.

Derecognition of financial assets (or part of financial assets) shall be conducted- written off from the account and asset liability list, if it meets following conditions: A. expiration of the right to acquire cash flow of financial assets; B. Transfer of the right to obtain cash flow of financial assets, and (a) substantively transferring almost all risks and rewards of the possession of financial assets, or (b) though substantively neither transferring nor retaining almost all risks and rewards of the possession of financial assets, relinquishing the control over the financial assets.

### (2) Classification and measurement of financial assets

Based on the business model of financial asset management and the contract cash flow characteristics of financial assets, the Company classifies financial assets into: financial assets measured at amortized cost; financial assets measured at fair value with their changes included into other comprehensive income; and financial assets measured at fair value with their changes included into current profits/losses. The following measurement of financial assets depends on its classification.

The financial assets of the Company are classified according to the business model of the company's management of financial assets and the cash flow characteristics of financial assets.

#### A. Financial assets measured at amortized cost

The business model in which the Company manages financial assets measured at amortized cost aims to receive contract cash flow. Furthermore, the characteristics of the contract cash flow of such financial assets are consistent with basic borrowing and lending arrangements, which means that cash flow generated on a specific date serves only as payment for principal and interests based on the amount of

unpaid principal. The Company adopts the effective interest method for such financial interests, performs subsequent measurement of them at amortized cost, and includes the gains or losses from derecognition, changes or impairment of them into current profits/losses.

**B. Investment in debt instruments measured at fair value through other comprehensive income**

The financial assets that meet the following conditions are of this category: The business model in which the Company manages such financial assets both aims to receive contract cash flow and for the purpose of sale; furthermore, the characteristics of the contract cash flow of such financial assets are consistent with basic borrowing and lending arrangements. The Company measure such financial assets at fair value and include their changes into other comprehensive income, but record impairment losses or gains, exchange gains or losses and interest income calculated in the effective interest method into current profits/losses.

**C. Investment in equity instruments measured at fair value through other comprehensive income**

The Company irrevocably chooses to designate part of non-transactional equity instrument investments as financial assets calculated with fair value whose changes are included in other comprehensive income, and only relevant dividend income is calculated into current profits or losses. Changes in fair value are recognized as other comprehensive income. When the financial asset is derecognized, cumulative gains or losses should be transferred into retained earnings.

**D. Financial assets measured at fair value through profit or loss**

For financial assets other than the above financial assets measured at amortized cost and financial assets measured at fair value with their changes included into other comprehensive income, the Company classifies them as financial assets measured at fair value with their changes included into current profits/losses. In addition, at the initial recognition, the Company specifies partial financial assets as financial assets measured at fair value with their changes included into current profits/losses, in order to eliminate or substantially reduce accounting mismatch. For such financial assets, the Company performs subsequent measurement using fair value and records changes in the fair value into current profits/losses. When and only when the Company changes its business mode for management of financial assets, will be influenced relevant financial assets be reclassified. For financial assets measured at fair value with their changes included into current profits/losses, relevant transaction fees are calculated into current profits or losses; while for other financial assets, relevant transaction fees are included into the initial recognition amount.

**(3) Classification and measurement of financial liabilities**

At their initial recognition, financial liabilities are divided into financial liabilities measured at amortized cost and financial liabilities measured at fair value with their changes included into current profits or losses.

Financial liabilities meeting the following conditions are specified as financial liabilities measured at fair value with their changes included into current profits or losses at initial measurement: A. The specification can eliminate or notably reduce account mismatch; B. Based on risk management or investment strategy from official documents, management and business evaluation are conducted on financial liability combination or financial asset and financial liability combination on the basis of fair value, which are reported to key management personnel inside the company; C. The financial liabilities include embedded derivatives that need to be separated.

The Company recognize the classification of financial liabilities at initial recognition. For financial liabilities measured at fair value with their changes included into current profits or losses, relevant transaction fees are calculated into current profits or losses; while for other financial liabilities, relevant transaction fees are included into the initial recognition amount.

The subsequent measurement of financial liabilities depends on its classification:

**A. Financial liabilities measured at amortized cost**

For financial liabilities of this category, effective interest rate is adopted, and subsequent measurement is performed at amortized cost.

**B. Financial liabilities measured at fair value through profit or loss**

Financial liabilities measured at fair value with their changes included into current profits/losses include trading financial liabilities (including derivatives classified as financial liabilities) and the financial liabilities specified to be measured at fair value with their changes included into current profits/losses at the initial recognition.

**(4) Offset of financial instruments**

Financial assets and financial liabilities meeting the following conditions simultaneously shall be listed in balance sheet in their net amounts after manual offset: The Company has the legal right to offset recognized financial assets and financial liabilities and may execute the legal right currently and simultaneously; The Company plans to settle or simultaneously encash the financial assets in net amounts and pay off the financial liabilities.

**(5) Impairment of financial assets**

For financial assets measured at amortized cost and debt instrument investment measured at fair value with its changes included into other comprehensive income, the Company recognizes the provision for loss based on the expected credit loss.

When assessing expected credit loss, the Company considers reasonable and well-founded information on past matters, present conditions and forecast of future economic conditions, sets the risk of default as the weight, and calculates the weighted amount of the difference of present value between the cash flow according to the contract and the cash flow expected to be gained in practice.

On each balance sheet date, the Company calculates expected credit loss for financial instruments at different stages. If the credit risk of financial instrument hasn't substantially increased since the initial recognition, then it is in the first stage, and the Company will measure the loss provision at the amount equivalent to the expected credit loss for the next 12 months. If the credit risk has substantially increased since the initial recognition without credit impairment, then the financial instrument is in the second stage, and the Company will measure the loss provision at the amount equivalent to the expected credit loss for the entire duration. If credit impairment has occurred since the initial recognition, then the financial instrument is in the third stage, and the Company will measure the loss provision by the amount equivalent to the expected credit loss for the entire duration.

For financial instruments featuring relatively low credit risk on asset balance date, the Company assumes no substantial increase of credit risk since the initial recognition, and will measure the loss provision at the amount equivalent to the expected credit loss for the next 12 months.

For financial instruments that are in the first stage or second stage, or featuring relatively low credit risk, the Company will calculate the interest income according to the book balance and the effective interest rate without deducting provision. For financial instruments that are in the third stage, the Company will calculate the interest income according to the amortization cost and the effective interest rate, deducting provision from the book balance.

For notes receivable and accounts receivable formed in daily operations like sale of product and provision of labor, regardless of substantial financing component, the Company will measure the loss provision by the amount equivalent to the expected credit loss for the entire duration.

When the information about the expected credit loss of a single financial asset cannot be evaluated at a reasonable cost, the Company shall divide the accounts receivables portfolio according to credit risk characteristics and measure the expected credit loss based on portfolios. The foundation to determine portfolio and provision means are as follow:

Bank acceptance bill portfolio    Bank acceptance bills

Accounts receivable portfolio    Accounts receivable of related parties within the scope of consolidation

Portfolio of other receivables	Reserve funds, deposits and security deposit and other receivables with low credit risk
Portfolio of other receivables	Other receivables of related parties within the scope of consolidation
Other portfolios	Other payments except the above portfolios

For accounts retrievable divided as portfolio and accounts retrievable formed in daily operations like sale of product and provision of labor, the Company calculates the expected credit loss through the comparative table of accounts retrievable and accounts retrievable age and the expected credit loss rate over the entire duration based on the current situation and prediction of future economic situation consulting historical credit loss experience. For other notes retrievable and accounts retrievable classified as portfolio, the company will calculate the expected credit loss through the exposure at default and expected credit loss rate for the following 12 months or over the entire duration based on the current situation and prediction of future economic situation consulting historical credit loss experience.

The Company calculates provision withdrawn or reversed into profits/ losses of the current period. For liability instruments in fair value whose changes are included in other comprehensive income, the Company calculates impairment losses or income into profits/ losses of the current period, while adjusting other comprehensive income.

#### (6) Transfer of financial assets

If almost all the risks and rewards in respect of the ownership of the financial asset are transferred, the financial asset shall be derecognized; if they are retained, the financial asset shall not be derecognized.

If almost all the risks and rewards in respect of the ownership of the financial asset are neither transferred nor retained, the Company will conduct further evaluation: If the enterprise does not retain control over the asset, then its financial assets shall be derecognized, and the rights and obligations produced or retained during transfer shall be separately recognized as assets or liabilities. If the enterprise retains control over the asset, then relevant financial assets shall be recognized according to the degree to which it continues to be involved in the transferred financial assets, and relevant liabilities shall be recognized.

If the enterprise continues to involve itself by obligation of guarantee for transferred financial assets, then the lower one of the book value and guarantee amount of financial assets on transfer date shall be selected and recognized as the transferred financial assets. The relevant liabilities are determined as the sum of guarantee amount and fair value of guarantee contract (usually the consideration received from obligation of guarantee). The guarantee amount refers to the highest amount repayable among the considerations an enterprise receives.

## 11. Inventories

Applicable N/A

### **Classification of inventory, measurement method of dispatched inventories, inventory system, and amortization method of low-cost consumables and packing materials**

Applicable N/A

#### (1) Classification of inventories

Inventories are classified as: raw materials, semi-finished goods, goods in progress, finished goods, and revolving materials.

#### (2) Measurement method of dispatched inventories

The planned cost is used for daily accounting of raw materials, and the difference of material cost should be carried forward on a monthly basis to adjust the dispatch cost into the actual cost. The semi-finished goods and finished goods shall be accounted according to the actual cost, and the moving weighted average method shall be used in accounting for costs of sales.

(3) Inventory system  
Perpetual inventory system

(4) Amortization method of low-cost consumables and packing materials  
One-off amortization method

**Determination basis and method of provision for inventories**

Applicable N/A

At the end of the period, the inventories shall be measured at the lower of cost and net realizable value: the provision for inventories shall be made at the excess of cost of the individual inventory over its net realizable value.

**The category and determination basis of the provision for inventories assessed by portfolio, and the determination basis of net realizable value of different categories**

Applicable N/A

**The calculation method and determination basis of net realizable value of inventories categorized by aging**

Applicable N/A

**12. Long-term equity investments**

Applicable N/A

(1) Judgment criteria for control and significant influence:

The long-term equity investments of the Company are mainly investments in subsidiaries. Subsidiaries refer to invested parties upon which the Company can exert control. Control refers to the fact that the investing party has power over the invested party, enjoys variable returns and can influence the return amount by exercising power over the invested party. The term ‘significant influence’ refers to the power to participate in decision-making on the financial and operating policies of the investee, but with no control or joint control over the formulation of these policies.

(2) Recognition of investment cost:

A. Long-term equity investment acquired through business combination:

For business combination under common control, for the long-term equity investments obtained by cash paid, non-monetary assets paid or assumed liabilities as consideration by the acquirer, on the acquisition date, the initial investment cost of long-term equity investment shall be taken as the share of the owner’s equity of the investee in the book value of the final control party’s consolidated financial statements. According to the margin amount between initial investment cost and cash payment, non-monetary asset paid or assumed liabilities, capital reserve should be written down. If the capital reserve is not sufficient to be written down, then the retained earnings shall be written down. For investments obtained by equity securities issued by the acquirer, on the acquisition date, the initial investment cost of long-term equity investment shall be taken as the share of the owner’s equity of the investee in the book value of the final control party’s consolidated financial statements. Setting total book value of issued shares as share capital, according to the difference between the initial investment cost and total book value of issued shares, capital reserve shall be written down; if the capital reserve is not sufficient to be written down, then the retained earnings shall be written down.

For business combination not under common control, on the acquisition date, the combination cost according to the Accounting Standards for Business Enterprises No.20 - Business Combination should be calculated as the initial investment cost of long-term equity investment.

B. For long-term equity investments obtained by means other than business combination:

For the long-term equity investments obtained by cash paid, the Company recognizes their fair value as the initial investment costs. For the long-term equity investments acquired by the issue of equity securities, the initial investment cost shall be the fair value of the equity securities issued.

**(3) Subsequent measurements and recognition of profit or loss**

The investments of subsidiaries are measured with the cost method, and shall be adjusted according to equity law according to initial investment cost when making the combination financial statements. Costs shall be added or retrieved in adjustment of long-term equity investments. The cash dividends or profits declared by the investee shall be recognized as the investment income of the current period.

For long-term equity investments measured under the equity method, if the initial investment costs are higher than the investor's attributable share of the fair value of the investee's identifiable net assets, initial investment cost shall be calculated as long-term equity investment cost; if the initial investment costs are lower than the investor's attributable share of the fair value of the investee's identifiable net assets, the margin shall be calculated into profits/ losses of the current period, and long-term equity investment cost shall be increased. The Company shall, according to the shares of net profits and other comprehensive income realized by the investee that shall be enjoyed or borne by the Company, recognize the profit and loss on the investments of the current period. When recognizing the net losses of the invested party, the losses should be limited to zero at least according to book value and other long-term equities of long-term equity investment. Nonetheless, if the Company bears the obligation for additional losses and meets conditions to recognize expected liabilities, then it shall continue to recognize investment losses and calculate it into liabilities. When recognizing the net profits and losses and other comprehensive income of the investee that the Company shall enjoy or bear, the Company shall calculate the part is enjoys or bears according to share-holding ratio on the basis that the Company's share-holding ratio remains the same, and include the part directly into share-holders' equities, and make adjustments to book value of long-term equity investments. For the part of the interest or dividend from the invested party that is favorable for declaration and distribution, the book value of long-term equity investments shall be reduced accordingly. For unachieved internal transaction profits and losses between the Company and the invested party, the part of the Company shall be calculated according to the ratio that should be shared or born by the company and be offset, on the basis of which the recognition of investment profits/ losses shall be conducted. The part of asset impairment incurred in internal transaction loss shall not be offset.

**13. Investment properties****(1) Investment properties measured at cost:**

Depreciation and amortization methods

The company shall deduct expected net residual value (residual value rate: 5%) and cumulative impairment provision from the cost of investment property, and conduct depreciation or amortization using straight-line method within the service life (20 years).

**14. Fixed assets****(1) Recognition of fixed assets**

Applicable N/A

Fixed assets refer to tangible assets with relatively high unit value, which are held for the purpose of producing commodities, providing services, renting or business management with useful life exceeding one accounting year.

**(2) Depreciation method**

Applicable N/A

Category	Depreciation method	Estimated useful life (year)	Residual value rate	Annual depreciation rate
Buildings	Straight-line method	20	5%	4.75%
Machinery equipment	Straight-line method	10	5%	9.5%
Electronic equipment	Straight-line method	5	5%	19%

Vehicles	Straight-line method	5	5%	19%
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A. For the newly purchased instruments and equipment specially used for research and development after January 1, 2014, the amount less than RMB 1 million will be included in the current costs and expenses in a lump.

B. The depreciation year of the newly purchased instruments and equipment with the amount exceeding RMB 1 million, specially used for research and development after January 1, 2014 is as follows:

Asset category	Estimated useful life
Machinery equipment	6 years
Electronic equipment	2 years

### (3) Methods of test for impairment of fixed assets and provision for impairment

At the end of the period, check on fixed assets shall be implemented item by item. If the recoverable amount is lower than book value because of outdated technology, impairment or long-term idle condition, the Company shall calculate the difference between recoverable amount and book value as the provision for impairment for fixed assets. Provision for impairment for fixed assets shall be conducted in terms of individual asset.

## 15. Construction in progress

Applicable N/A

Accounting method for construction in progress: each construction in progress is initially measured at the actual cost.

(1) The construction in progress shall be transferred to fixed assets in the following conditions:

- A. The acquired fixed assets are ready for use;
- B. The physical construction of the construction in progress has been completed or substantially completed;
- C. The acquired fixed assets conform to the design requirements or contract requirements, they can be used normally, and it needs little or no expenditure on the acquired construction in progress.

(2) The new construction, reconstruction and expansion projects of the company's fixed assets are included in the construction in progress according to the actual expenditure incurred. Borrowing interest and foreign exchange gains and losses incurred in the construction of borrowed loans can be capitalized and included in the cost of construction in progress before the fixed assets reach the intended usable state if the fixed assets meet the capitalization conditions.

(3) On the balance sheet date, the construction in progress shall be checked by items. If there is evidence that the construction in progress is impaired, the provision for impairment shall be made based on the difference between the recoverable amount and the carrying amount.

The main factors in making provision for impairment of construction in progress are as follows:

- A. Suspended construction for a long time and is not expected to restart construction in the next three years;
- B. The constructed projects are backward in terms of technology and performance, and it is uncertain for the economic benefits brought to the enterprise;
- C. Other circumstances sufficient to prove that the construction in progress has been impaired.

## 16. Borrowing costs

Applicable N/A

The principle to confirm the capitalization of borrowing costs is as follows: the borrowing costs such as interest on borrowings, amortization of discounts or premiums, auxiliary costs, and exchange differences due to foreign currencies incurred by the Company due to borrowings, which can be directly attributed to the acquisition & construction or production of assets that meet the capitalization conditions, shall be capitalized and included in the cost of the asset; other borrowing costs shall be recognized as expenses in the period in which they are incurred and included in profit or loss.

Determination method of capitalization period:

(1) Commencement of capitalization: borrowing costs can only begin to be capitalized if the following three conditions are all met simultaneously:

- A. The asset expenditures have already incurred;
- B. Borrowing costs have already been incurred;
- C. The acquisition and construction or production activities which are necessary to prepare the assets for their intended use or sale have been in progress.

(2) Suspension of capitalization: If the acquisition and construction of fixed assets is suspended abnormally, and the suspension lasts for more than 3 months, the capitalization of borrowing costs will be suspended, and the borrowing costs incurred during the interruption period will be recognized as current expenses until the assets are acquisition and construction activities resumed.

(3) Cease of capitalization: When the acquired and constructed fixed assets reach the intended usable state, stop the capitalization of borrowing costs.

The calculation method of capitalized amounts of borrowing costs:

A. If a special loan is borrowed for the acquisition, construction or production of assets that meet the capitalization conditions, the interest expense actually incurred in the current period of the special loan shall be determined after deduction of the interest income obtained by depositing the unused loan funds in the bank or by temporary investment;

B. If general borrowings are occupied for the purpose of acquisition, construction or production of assets that meet the capitalization conditions, the Company shall calculate and determine amount of interest of general borrowings to be capitalized based on weighted average number of asset expenditures over which the accumulated asset expenditure exceeds the special borrowings multiplied by the capitalization rate of the occupied general borrowings. The capitalization rate is calculated based on the weighted average rate of borrowings, and the auxiliary expenses incurred by general borrowings shall not be capitalized.

## 17. Intangible assets

### (1). Useful life and determination basis, estimate, amortization method or review procedures

Applicable N/A

A. Valuation of intangible assets: Intangible assets are initially measured at the cost when they are actually acquired. For the intangible assets developed by the Company, the expenditures in the research stage shall be included in the current profit and loss when incurred; the expenditures in the development stage shall be recognized as intangible assets (patented technology and non-patented technology) if the following conditions are all met simultaneously:

- a. It is feasible technically to finish intangible assets for use or sale.
- b. It is intended to finish and use or sell the intangible asset.
- c. The method that the intangible assets generate economic benefits, including the existence of a market for products produced by the intangible assets or for the intangible assets themselves;
- d. There is sufficient support in technology, financial resource and other resources to complete the development of the intangible asset, and it is able to use or sell the intangible asset;
- e. The expenditures attributable to the intangible asset during its development phase can be measured reliably.

B. Amortization of intangible assets: The intangible assets are amortized in the straight-line method over the beneficial years from the month of acquisition, and intangible assets with indefinite useful lives are not amortized.

C. On the balance sheet date, each intangible asset should be checked, and if there is any sign of impairment, an impairment provision should be made based on the difference between the recoverable amount and the carrying amount.

### (2). Collection scope of research and development expenses and relevant accounting treatment

Applicable N/A

A. The scope of R&D expenses is mainly determined based on the Company's research and development projects, including labor costs for R&D personnel, direct investment costs, depreciation and long-term

deferred expenses, amortization of intangible assets, design costs, equipment debugging and testing costs, commissioned external research and development costs, and other expenses.

B. The Company's R&D expenses are distinguished between expenses in the research phase and expenses in the development phase. Research refers to the creative and planned investigation conducted to acquire and understand new scientific or technological knowledge. Development phase: Development refers to the stage when the research achievements and other knowledge are applied to a plan or design, prior to the commercial production or use, so as to produce any new or substantially improved material, device or product.

C. The expenses during the research phase are recognized in the current period's profit and loss when incurred; Expenses during the development phase that meet the following conditions are recognized as intangible assets, or recognized in the current period's profit and loss:

- a. It is technically feasible to complete the intangible asset so that it can be used or sold;
- b. There is intention to complete the intangible asset for use or sales;
- c. The usefulness of methods for intangible assets to generate economic benefits include that there is a potential market for the products manufactured by applying the intangible assets or that there is a potential market for the intangible assets themselves. For the intangible assets is to be used internally, the usefulness itself of should be proved;
- d. It is able to finish the development of the intangible assets, and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources.
- e. The expenditure attributable to the intangible asset during its development phase can be measured reliably.

#### **18. Long-term deferred expenses**

Applicable N/A

Long-term deferred and prepaid expenses are expenses that have occurred but should be borne by the current and subsequent periods for a period of more than one year.

#### **19. Employee compensation**

The Company's employee benefits refer to various forms of remuneration and compensation given by the Company to the employees for obtaining services provided by employees or for termination of labor relations, including short-term benefits, post-employment benefits, termination benefits and other long-term employee benefits. The benefits provided by the Company to employees' spouses, children, dependents, survivors of deceased employees and other beneficiaries also belong to employee benefits.

##### **(1) Accounting treatment of short-term compensation**

Applicable N/A

Short-term compensation refers to benefits that the Company expects to pay in full within 12 months after the end of the annual reporting period in which the employee provides relevant services, excluding the compensation for the employment termination. The Company's short-term remuneration specifically includes: employee wages, bonuses, allowances and subsidies, employee welfare expenses, social insurance premiums such as medical insurance premiums, work-related injury insurance premiums and maternity insurance premiums, housing provident fund, labor union funds and employee education funds, short-term paid absences, short-term profit-sharing plans, non-monetary benefits, and other short-term benefits.

During the accounting period in which the employees provide services, the Company recognizes the actual short-term benefits as liabilities, and includes the current profits and losses or relevant asset costs according to the beneficiaries of the services provided by the employees. Non-monetary short-term benefits shall be measured at fair value.

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

Applicable N/A

Post-employment benefits refer to various forms of benefits provided by the Company in order to obtain the services provided by the employees after the employees retire or terminate the labor relationship with the enterprise.

Defined contribution plan: The contributions to be paid to a separate entity in exchange for the services provided by employees during the accounting period on the balance sheet date are recognized as employee compensation liabilities, and are included in the current profit and loss or related asset costs.

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

Applicable N/A

As to providing employees dismissal benefits, employee compensation incurred from dismissal benefits should be recognized as liabilities and included in the current profit or loss on the date when the Company is unable to unilaterally withdraw the dismissal benefits provided in the plan on the cancellation of labor relationship or the layoff proposal or when the Company recognizes the cost or expenses related to restructuring concerning payment of dismissal benefits (whichever is earlier).

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

Applicable N/A

## **20. Revenue**

### **(1) Accounting policies for revenue recognition and measurement, disclosed by the business type**

Applicable N/A

Revenue refers to the total inflow of economic benefits that are formed in the daily activities of the Company and will lead to an increase in owners' equity and have nothing to do with the capital invested by the owners.

The Company recognizes revenue when its performance obligations as stipulated in the contract are fulfilled, that is, when the customer obtained control of the related goods. Acquiring the control over relevant goods means being able to dominate the use of such goods and obtain almost all the economic benefits therefrom. After the Company delivers the products to the customers according to the contract, the revenue will be recognized according to the net amount after deducting the consideration payable to the customers. Before signing a contract with a customer and receiving an order but not delivering the product to the customer, the Company will recognize the contract consideration received from the customer as a contract liability.

### **(2). Businesses with the same nature that adopt different operating approaches apply different recognition and measurement methods of revenue.**

Applicable N/A

## **21. Government grants**

Applicable N/A

Government grants refer to the monetary or non-monetary assets that the Company obtains from the government for free, but does not include the capital invested by the government as the owner of the Company. Government grants are divided into asset-related government grants and income-related government grants. Government grants can only be confirmed if they meet the following conditions at the same time:

- A. The Company can meet the conditions attached to government grant;
- B. The Company can receive government grant.

### **(1) Judgment basis or accounting treatment method for government grants related to assets**

The government grants related to assets shall be used to offset the book value of relevant assets or recognized as deferred income. If government grants relating to assets are recognized as deferred income, they shall be included in profit or loss by stages by a reasonable and systematic method within the useful

lives of relevant assets. Government grants measured at nominal amount are directly included in the current profit or loss. If relevant assets are sold, transferred, scrapped or damaged before the end of the useful life, the unallocated balance of relevant deferred income shall be transferred to the current profit or loss.

(2) Judgment basis or accounting treatment method for government grants related to income

Government grants related to income should be dealt with in the following ways:

A. If it is used to compensate the Company's relevant expenses or losses in future periods, it should be recognized as deferred income and included into the current profit and loss or written off of the related costs when the relevant expenses, losses are recognized;

B. If it is used to compensate the Company's relevant expenses or losses incurred, it is directly included into the current profit and loss or written off of the related costs.

(3) Government grants related to the daily activities of enterprises shall be included in other income or used to offset related cost according to the essence of business. Government grants irrelevant to the routine activities of the Company are included in the non-operating revenue and expenditure.

## 22. Deferred tax assets and Deferred tax liabilities

Applicable N/A

On the balance sheet date, the amount of deferred tax assets and Deferred tax liabilities shall be calculated at the applicable tax rate according to the deductible temporary differences and taxable temporary differences of items of assets and liabilities.

## 23. Lease

Applicable N/A

**As the lessee, judgment basis and accounting treatment adopted for the simplified treatment for short-term and low-value asset leases**

Applicable N/A

On the contract start date, the Company evaluates whether the contract is a lease or includes a lease. If one party in the contract transfers the right to control the use of one or more identified assets within a certain period in exchange for consideration, the contract is a lease or includes a lease. In order to determine whether the contract transfers the right to control the use of the identified asset for a certain period, the Company evaluates whether the customer in the contract is entitled to receive substantially all the economic benefits arising from the use of the identified asset during the period of use, and has the right to dominate the use of the identified asset during the period of use. The general accounting treatment is as follows:

On the commencement date of the lease term, the Company recognizes its right to use the leased asset during the lease term as a right-of-use asset, including the initial measurement amount of the lease liabilities; for the lease payments paid on or before the commencement date of the lease term, if there is a lease incentive, the following items should be deducted, including the relevant amount of the lease incentive that has been enjoyed, the initial direct expenses incurred by the lessee, and the costs of the lessee for dismantling and removing the leased asset, restoring the site where the leased asset is located, or restoring the leased asset to the state agreed in the lease terms.

On the commencement date of the lease term, the Company recognizes the present value of unpaid lease payments as lease liabilities, excluding short-term lease and low-value assets lease. When calculating the present value of lease payments, the Company takes the interest rate implicit in the lease as the discount rate; if the interest rate implicit in the lease cannot be determined, the incremental borrowing rate of the lessee is used as the discount rate.

The Company subsequently adopts the straight-line method to depreciate the right-of-use assets, calculates the interest expenses of the lease liabilities in each period of the lease term, and includes them in the current profit and loss, unless otherwise stipulated to be included in the cost of the relevant assets.

Variable lease payments that are not included in the measurement of lease liabilities are included in the current profit and loss when they are actually incurred, unless otherwise stipulated to be included in the cost of the relevant asset.

The Company does not recognize right-of-use assets and lease liabilities for short-term lease and low-value asset lease. In each period of the lease term, it is included in the relevant asset cost or current profit and loss on a straight-line basis.

#### As the lessor, lease classification standard and accounting treatment

√Applicable □N/A

As a lessor, a financial lease refers to substantially transfer almost all the risks and rewards related to the ownership of the leased asset on the lease commencement date, and all other leases are operating leases.

a. Rental income from operating leases is recognized as current profit and loss on a straight-line basis over each period of the lease term.

b. On the start date of the lease term, the Company recognizes the finance lease receivables for the finance lease, and derecognizes the finance lease assets. During the initial measurement of the finance lease receivables, the net investment in the lease is taken as the entry value of the finance lease receivables. The net lease investment is the sum of the unguaranteed residual value and the present value of the lease receipts not yet received at the commencement date of the lease term which is discounted at the interest rate implicit in the lease.

## 24. Changes in significant accounting policies and accounting estimates

### (1). Changes in significant accounting policies

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Content of and reason for changes in accounting policies	Items under great impact	Amount impacted (Consolidation)	Amount impacted (Parent company)
The Ministry of Finance issued the <i>Interpretation No.16 of Accounting Standards for Business Enterprises</i> on November 30, 2022, in which the content that the accounting treatment of exempting the initial recognition does not apply to the deferred income tax relevant to the assets and liabilities arising from any individual transaction has been implemented as of January 1, 2023.	Deferred tax assets	136,021,100.77	90,050,281.43
	Deferred tax liabilities	162,628,090.99	116,608,070.57
	Surplus reserves	-2,655,778.91	-2,655,778.91
	Retained earnings	-23,975,377.63	-23,902,010.23
	Non-controlling interests	24,166.32	-
	Income tax expenses	903,191.13	-3,617,534.82

Other note:

The Company has implemented such provision as of January 1, 2023, and made the retroactive adjustment to the amounts in the comparative statement and the cumulative amounts impacted by the taxable temporary differences and deductible temporary differences arising from the lease liabilities and right-of-use assets on the first implementation date. As for any individual transaction before January 1, 2022, if the temporary difference still exists between relevant assets and liabilities on January 1, 2022, the Company will recognize the deferred tax assets and deferred tax liabilities on January 1, 2022 and adjust the difference to the retained earnings on January 1, 2022. The impact of such matter on the financial statements on December 31, 2022 and for the year ended December 31, 2022 is shown in the table above.

**(2) Changes in significant accounting estimates**

Applicable N/A

**(3) The impacts arising from adoption of new accounting standards or interpretation on the balance sheet as at 1 January 2023**

Applicable N/A

**25. Others**

Applicable N/A

**VI. Taxation****1. The principal kinds of taxes and related tax rates:**

The principal kinds of taxes and related tax rates:

Applicable N/A

Tax	Tax basis	Tax rate
VAT	Calculation of output tax and input tax on product sales revenue	13%
Consumption tax	Taxable price and sales volume of sales revenue of alcoholic products	20%、RMB 0.5 /500ml
City construction and maintenance tax	Turnover tax payable	7%
Enterprise income tax	Taxable income	25%
Education surcharges	Turnover tax payable	3%
Local education surcharges	Turnover tax payable	2%

Notes to disclosure of enterprises with different enterprise income tax rates:

Applicable N/A

**2. Tax preference**

Applicable N/A

**3. Others**

Applicable N/A

**VII. Notes to the items of the consolidated financial statements****1. Cash and cash equivalents**

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Cash on hand	162,802.00	12,740.70
Bank deposits	69,069,973,574.12	58,274,305,992.53
Other Cash and cash equivalents		
Deposits in finance companies		
Total	69,070,136,376.12	58,274,318,733.23
Including: Total amount deposited overseas	27,433,842.07	29,007,671.59

Cash and cash equivalents restricted for use

Item	Amount at the end of the period	Amount at the beginning of the period

	Amount in RMB	Amount in RMB
Legal deposit reserve in the central bank	5,991,813,679.87	6,418,765,887.71

## 2. Loans to banks and other financial institutions

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Deposits with banks and other financial institutions	103,060,963,177.98	116,176,621,670.01
Loans to banks and other financial institutions	2,508,579,166.67	
Less: provision for impairment	15,705,882.07	3,910,115.42
Book value	105,553,836,462.58	116,172,711,554.59

### Loans to banks and other financial institutions restricted for use

Item	Balance at the end of the period	Balance at the beginning of the period
	Amount in RMB	Amount in RMB
Interbank deposit with restrictions on withdrawal	16,000,000,000.00	14,000,000,000.00

## 3. Held-for-trading financial assets

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period	Designation reason and basis
Financial assets measured at fair value through profit or loss	400,712,059.93		/
Including:			
investment in debt instrument	400,712,059.93		/
Financial assets designated to be measured at fair value through profit or loss			
Total	400,712,059.93		/

## 4. Notes receivable

### (1) Presentation of notes receivable by category

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Bank acceptance bills	13,933,440.00	105,453,212.00
Total	13,933,440.00	105,453,212.00

### (2) Pledged notes receivable of the Company as at December 31, 2023

Applicable N/A

**(3) Notes receivable of the Company as at December 31, 2023 that have been endorsed or discounted but not matured on the balance sheet date**

□Applicable √N/A

**(4) Disclosure by category based on the method for provision for bad debts**

□Applicable √N/A

**(5) Provision for bad debts**

□Applicable √N/A

**(6) Notes receivable write-off in the current period**

□Applicable √N/A

**5. Accounts receivable****(1) Disclosure by aging**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Aging	Book balance as at the end of the period	Book balance at the beginning of the period
Within 1 year	60,373,410.41	20,937,144.00
Sub-total within 1 year	60,373,410.41	20,937,144.00
1 - 2 years		
2 - 3 years		
Over 3 years		
3 - 4 years		
4 - 5 years		
Over 5 years	1,808,530.62	2,681,973.01
Total	62,181,941.03	23,619,117.01

**(2) Disclosure by category based on the method for provision for bad debts**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Type	Balance at the end of the period					Balance at the beginning of the period				
	Book balance		Provision for bad debts		Book value	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Proportion of provision (%)		Amount	Ratio (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis										
Bad debt provision assessed by portfolio	62,181,941.03	100	1,808,530.62	2.91	60,373,410.41	23,619,117.01	100	2,681,973.01	11.36	20,937,144.00
Including:										
Bad debt provision assessed by portfolio	62,181,941.03	100	1,808,530.62	2.91	60,373,410.41	23,619,117.01	100	2,681,973.01	11.36	20,937,144.00
Total	62,181,941.03	/	1,808,530.62	/	60,373,410.41	23,619,117.01	/	2,681,973.01	/	20,937,144.00

Bad debt provision assessed by portfolio:

√Applicable □N/A

Items with provision by portfolio: aging analysis method

Monetary Unit: Yuan Currency:  
RMB

Name	Balance at the end of the period		
	Accounts receivable	Provision for bad debts	Proportion of provision (%)
Within 1 year	60,373,410.41		
1 - 2 years			
2 - 3 years			
3 - 4 years			
4 - 5 years			
Over 5 years	1,808,530.62	1,808,530.62	100.00
Total	62,181,941.03	1,808,530.62	2.91

Description of provision for bad debts made by portfolio:

Applicable N/A**(3) Provision for bad debts**Applicable N/A

Monetary Unit: Yuan Currency: RMB

Type	Balance at the beginning of the period	Change in this period				Balance at the end of the period
		Provision	Recovery or reversal	Write-off or charge-off	Other changes	
Provision for bad debts accrued on the basis of portfolio	2,681,973.01		873,442.39			1,808,530.62
Total	2,681,973.01		873,442.39			1,808,530.62

Reversal or recovery of significant amount of provision for bad debts in the current period:

Applicable N/A**(4) Accounts receivable write off in 2023**Applicable N/A**(5) Top 5 of accounts receivable presented by debtor, and contract assets**Applicable N/A

Monetary Unit: Yuan Currency: RMB

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balances of accounts receivable and contract assets	Proportion in the total of balances of accounts receivable and contract assets at the end of the period (%)	Ending balance of provision for bad debts
Xunfeng Technology (Guizhou) Co., Ltd.	60,373,410.41		60,373,410.41	97.09	
Tianjin Feimeng Industrial Co., Ltd.	784,900.00		784,900.00	1.26	784,900.00
Shanghai International Wine Development Co., Ltd.	375,776.00		375,776.00	0.61	375,776.00

Shenzhen Friendship Shopping Mall	194,200.00		194,200.00	0.31	194,200.00
Shenzhen Grain and Oil Import and Export Co., Ltd., Beijing Branch	109,504.86		109,504.86	0.18	109,504.86
Total	61,837,791.27		61,837,791.27	99.45	1,464,380.86

## 6. Prepayments

### (1) Presentation of prepayments by aging

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Aging	Balance at the end of the period		Balance at the beginning of the period	
	Amount	Ratio (%)	Amount	Ratio (%)
Within 1 year	25,484,238.38	73.69	684,728,825.92	76.31
1 - 2 years	8,118,647.00	23.47	204,055,296.64	22.74
2 - 3 years	233,459.62	0.68	401,806.42	0.04
Over 3 years	748,766.79	2.16	8,191,233.29	0.91
Total	34,585,111.79	100.00	897,377,162.27	100.00

### (2) Top 5 of prepayments presented by supplier

√Applicable □N/A

Entity name	Balance at the end of the period	Proportion in the total ending balance of Prepayments (%)
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	10,495,000.00	30.34
People's Government of Renhuai City	8,000,000.00	23.13
Sinopec Sales Co., Ltd. Guizhou Zunyi Petroleum Branch	4,090,223.34	11.83
Beijing Aimu Youxue Trade Co., Ltd.	2,800,733.29	8.10
Mars Wrigley Confectionery (China) Ltd.	1,133,423.99	3.28
Total	26,519,380.62	76.68

## 7. Other receivables

### Presentation of items

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Interest receivable		
Dividends receivable		
Other receivables	27,502,107.30	31,818,622.84
Total	27,502,107.30	31,818,622.84

### Other receivables

#### (1) Disclosure by aging

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Aging	Book balance as at the end of the period	Book balance at the beginning of the period
-------	--	---

Within 1 year	11,715,649.28	27,748,377.88
Sub-total within 1 year	11,715,649.28	27,748,377.88
1 - 2 years	13,852,727.47	2,154,433.82
2 - 3 years	600,382.00	25,223.08
3 - 4 years	500.00	984,867.43
4 - 5 years	593,258.43	967,917.47
Over 5 years	905,012.22	37,951.22
Total	27,667,529.40	31,918,770.90

**(2) Classification by nature of payment**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Nature of payment	Book balance as at the end of the period	Book balance at the beginning of the period
Petty cash	6,265,395.91	11,519,390.69
Current payment	21,402,133.49	20,399,380.21
Total	27,667,529.40	31,918,770.90

**(3) Provision for bad debts**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Provision for bad debts	Stage I	Stage II	Stage III	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2023	5,500.02	94,648.04		100,148.06
Balance as at January 1, 2023 in the current period				
- Transfer to Stage II	-5,500.02	5,500.02		
- Transfer to Stage III				
- Reversal from Stage II				
- Reversal from Stage I				
Provision in the current period	8,482.86	68,556.96		77,039.82
Reversal in the current period	465.78	11,300.00		11,765.78
Charge-off in the current period				
Write-off in the current period				
Other changes				
Balance as at December 31, 2023	8,017.08	157,405.02		165,422.10

Notes to the obvious changes in the book balance of other receivables with changes in provision for losses

in the current period:

Applicable N/A

#### (4) Provision for bad debts

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Type	Balance at the beginning of the period	Change in this period				Balance at the end of the period
		Provision	Recovery or reversal	Write-off or charge-off	Other changes	
Provision for the bad debts accrued on the basis of aging portfolio	100,148.06	77,039.82	11,765.78			165,422.10
Total	100,148.06	77,039.82	11,765.78			165,422.10

#### (5) Other receivables write off in the current period

Applicable N/A

Specifically, significant other receivables to be written off:

Applicable N/A

Notes to write-off of other receivables:

Applicable N/A

#### (6) Top 5 of other receivables presented by debtor

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Entity name	Balance at the end of the period	Proportion in the total ending balance of other receivables (%)	Nature of payment	Aging	Provision for bad debts Balance at the end of the period
China Railway 22nd Bureau Group Co., Ltd.	2,662,173.76	9.62	Current payment	Within 1 year	
Guizhou Airport Passenger & Cargo Transportation Sales Co., Ltd.	603,459.00	2.18	Current payment	Within 1 year	
Tianjin Kaixuanmen Department Store Co., Ltd.	600,000.00	2.17	Current payment	1 - 2 years	
Luo Meng	596,879.35	2.16	Petty cash	Within 1 year	
Jiangsu Jingsai Wine Industry Development Co., Ltd.	581,370.00	2.10	Current payment	Within 1 year	
Total	5,043,882.11	18.23	/	/	

A. Receivables of China Railway 22nd Bureau Group Co., Ltd. refer to the water and electricity charges at Xinzhai and Dadi production areas paid by Heyixing Liquor Branch of Kweichow Moutai Co., Ltd. on the Company's behalf.

B. Receivables of Guizhou Airport Passenger and Cargo Transportation Sales Co., Ltd. refer to the prepayment for air tickets of Guizhou Laymau Liquor Industry Co., Ltd., a controlling subsidiary of the Company.

C. Receivables of Tianjin Kaixuanmen Department Store Co., Ltd. refer to the rent deposit paid by Kweichow Moutai Sales Co., Ltd., a controlling subsidiary of the Company.

D. Luo Meng is an employee of the Company, and the loans are for litigation and market rights protection.

E. Receivables of Jiangsu Jingsai Wine Industry Development Co., Ltd. refer to the security deposit paid by Beijing Friendship Messenger Trading Co., Ltd., a holding subsidiary of the Company.

## 8. Redemptory Monetary Capital for Sale

(1) By the type of counterparty

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Bank		
Other financial institutions	3,504,953,059.15	
Sub-total	3,504,953,059.15	
Less: provision for impairment	103,174.10	
Total	3,504,849,885.05	

(2) By the type of guaranty

Item	Balance at the end of the period	Balance at the beginning of the period
Bond	3,504,953,059.15	
Notes		
Sub-total	3,504,953,059.15	
Less: provision for impairment	103,174.10	
Total	3,504,849,885.05	

## 9. Inventories

(1) Classification of inventories

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value
Raw materials	3,364,894,351.00		3,364,894,351.00	3,917,462,473.00		3,917,462,473.00
Goods in progress	22,150,516,271.98	1,283,984.83	22,149,232,287.15	17,311,447,077.83	1,283,984.83	17,310,163,093.00
Commodity stocks	2,213,035,622.06		2,213,035,622.06	1,814,110,748.17		1,814,110,748.17
Self-manufactured semi-finished products	18,708,022,801.32		18,708,022,801.32	15,782,637,922.07		15,782,637,922.07
Total	46,436,469,046.36	1,283,984.83	46,435,185,061.53	38,825,658,221.07	1,283,984.83	38,824,374,236.24

**(2) Provision for inventory depreciation and provision for impairment of contract performance costs**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in the current period		Decrease in the current period		Balance at the end of the period
		Provision	Other s	Reversal or write-off	Other s	
Goods in progress	1,283,984.83					1,283,984.83
Total	1,283,984.83					1,283,984.83

**10. Non-current assets maturing within one year**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Other non-current assets maturing within one year		2,123,601,333.33
Total		2,123,601,333.33

**11. Other current assets**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Value-added tax not deducted at the end of the period	40,142,035.75	159,246,337.97
Prepaid income tax	31,261,870.82	1,597,336.45
Total	71,403,906.57	160,843,674.42

**12. Loans and payments**

Monetary Unit: Yuan Currency: RMB

Item	Amount at the end of the period	Amount at the beginning of the period
Loans and payments	2,130,818,189.27	4,134,744,407.92

Item	Amount at the end of the period	Amount at the beginning of the period
Total loans and advances to customers	2,187,006,375.03	4,240,663,874.72
Less: Provision for impairment of loans	56,188,185.76	105,919,466.80
Book value of loans and advances to customers	2,130,818,189.27	4,134,744,407.92

**13. Debt investment****(1) Information on Debt investment**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Ministry of Finance of the People's Republic of China (National debt)	510,466,944.94		510,466,944.94			
Bank of Guiyang Co., Ltd.	3,213,667,940.23	657,943.12	3,213,009,997.11	60,323,095.93	34,290.00	60,288,805.93
Bank of Guizhou Co., Ltd.	506,302,054.81	103,656.62	506,198,398.19	300,425,342.45	170,550.00	300,254,792.45
Agricultural Bank of China Limited	102,003,836.17	20,883.53	101,982,952.64			
China Minsheng Banking Corp., Ltd., Guiyang Branch	991,546,780.25	203,002.11	991,343,778.14			
Guiyang GY Financial Leasing Co., Ltd.				20,153,150.71	11,430.00	20,141,720.71
Total	5,323,987,556.40	985,485.38	5,323,002,071.02	380,901,589.09	216,270.00	380,685,319.09

### Changes in the provision for impairment of debt investment in the current period

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period
Bank of Guiyang Co., Ltd.	34,290.00	623,653.12		657,943.12
Bank of Guizhou Co., Ltd.	170,550.00		66,893.38	103,656.62
Guiyang GY Financial Leasing Co., Ltd.	11,430.00		11,430.00	
Agricultural Bank of China Limited		20,883.53		20,883.53
China Minsheng Banking Corp., Ltd., Guiyang Branch		203,002.11		203,002.11
Total	216,270.00	847,538.76	78,323.38	985,485.38

### (2) Important Debt investment at the end of the period

Applicable N/A

### (3) Provision for impairment

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Provision for impairment	Stage I	Stage II	Stage III	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2023	216,270.00			216,270.00
Balance as at January 1, 2023 in the current period				
- Transfer to Stage II				
- Transfer to Stage III				
- Reversal from Stage II				
- Reversal from Stage I				
Provision in the current period	847,538.76			847,538.76
Reversal in the current period	78,323.38			78,323.38

Charge-off in the current period				
Write-off in the current period				
Other changes				
Balance as at December 31, 2023	985,485.38			985,485.38

Notes to the obvious changes in the book balance of Debt investment with changes in provision for losses in the current period:

Applicable N/A

#### 14. Other non-current financial assets

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Financial assets measured at fair value through profit or loss	4,002,439,902.57	
Including: other equity instrument investments	4,002,439,902.57	
Total	4,002,439,902.57	

Other notes:

Applicable N/A

Details:

Item	Balance at the end of the period	Balance at the beginning of the period
Moutai Zhaohua (Guizhou) Industrial Development Fund Partnership (Limited Partnership)	2,001,383,129.22	
Moutai Jinshi (Guizhou) Industrial Development Fund Partnership (Limited Partnership)	2,001,056,773.35	
Total	4,002,439,902.57	

#### 15. Investment property

Measurement method of investment properties

##### (1) Investment properties measured at cost

Monetary Unit: Yuan Currency: RMB

Item	Buildings and constructions	Land use right	Construction in progress	Total
I. Original book value				
1. Balance at the beginning of the period	6,486,158.39			6,486,158.39
2. Increase in the current period	9,722,908.42			9,722,908.42
(1) Outsourcing				
(2) Transfer of inventory, fixed assets and construction in progress	9,722,908.42			9,722,908.42
(3) Increase in business combination				

3. Decrease in the current period	6,486,158.39			6,486,158.39
(1) Disposal	5,654,373.87			5,654,373.87
(2) Other transfer-out	831,784.52			831,784.52
4. Balance at the end of the period	9,722,908.42			9,722,908.42
<b>II. Accumulated depreciation and accumulated amortization</b>				
1. Balance at the beginning of the period	1,151,111.40			1,151,111.40
2. Increase in the current period	5,795,934.16			5,795,934.16
(1) Provision or amortization	570,030.76			570,030.76
(2) Transfer of inventory, fixed assets and construction in progress	5,225,903.40			5,225,903.40
3. Decrease in the current period	1,362,682.47			1,362,682.47
(1) Disposal	1,215,300.57			1,215,300.57
(2) Other transfer-out	147,381.90			147,381.90
4. Balance at the end of the period	5,584,363.09			5,584,363.09
<b>III. Provision for impairment</b>				
1. Balance at the beginning of the period				
2. Increase in the current period				
(1) Provision				
3. Decrease in the current period				
(1) Disposal				
(2) Other transfer-out				
4. Balance at the end of the period				
<b>IV. Book value</b>				
1. Book value at the end of the period	4,138,545.33			4,138,545.33
2. Book value at the beginning of the period	5,335,046.99			5,335,046.99

**(2) Investment properties with pending certificate of title**

□Applicable √N/A

**(3) Impairment test on investment properties measured at cost**

□Applicable √N/A

**16. Fixed assets****Presentation of items**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Fixed assets	19,909,280,655.97	19,742,622,547.86

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Disposal of fixed assets		
Total	19,909,280,655.97	19,742,622,547.86

**Fixed assets****(1) Fixed assets**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Buildings and constructions	Machinery equipment	Transportation facilities	Electronic equipment and others	Total
<b>I. Original book value:</b>					
1. Balance at the beginning of the period	27,590,962,317.46	2,443,079,166.06	384,643,338.97	898,653,619.30	31,317,338,441.79
2. Increase in the current period	1,508,749,513.35	150,949,940.55	55,003,468.57	155,749,548.89	1,870,452,471.36
(1) Purchase	12,705,636.65	5,375,039.39	43,983,653.27	79,850,866.70	141,915,196.01
(2) Transferred from construction in progress	1,491,410,284.09	145,574,901.16	11,019,815.30	75,896,410.01	1,723,901,410.56
(3) Increase in business combination					
(4) Translation of foreign currency statements	3,801,808.09			2,272.18	3,804,080.27
(5) Transferred from investment properties	831,784.52				831,784.52
3. Decrease in the current period	79,073,214.36	15,757,596.04	4,190,028.29	37,654,047.44	136,674,886.13
(1) Disposal or scrapping	59,311,698.22	15,757,596.04	4,190,028.29	37,654,047.44	116,913,369.99
(2) Translation of foreign currency statements					
(3) Transferred to investment properties/ construction in progress	19,761,516.14				19,761,516.14
4. Balance at the end of the period	29,020,638,616.45	2,578,271,510.57	435,456,779.25	1,016,749,120.75	33,051,116,027.02
<b>II. Accumulated depreciation</b>					
1. Balance at the beginning of the period	9,134,918,120.82	1,504,770,035.40	233,468,705.45	700,491,815.46	11,573,648,677.13
2. Increase in the current period	1,366,997,777.14	166,683,280.60	44,315,763.36	73,951,522.63	1,651,948,343.73
(1) Provision	1,365,909,652.72	166,683,280.60	44,315,763.36	73,950,264.76	1,650,858,961.44
(2) Translation of foreign currency statements	940,742.52			1,257.87	942,000.39
(5) Transferred from investment properties	147,381.90				147,381.90
3. Decrease in the current period	32,208,545.72	12,574,674.26	3,948,968.90	36,096,677.73	84,828,866.61
(1) Disposal or scrapping	26,068,710.64	12,574,674.26	3,948,968.90	36,096,677.73	78,689,031.53
(2) Translation of foreign currency statements					
(3) Transferred to investment properties/ construction in progress	6,139,835.08				6,139,835.08
4. Balance at the end of the period	10,469,707,352.24	1,658,878,641.74	273,835,499.91	738,346,660.36	13,140,768,154.25
<b>III. Provision for impairment</b>					

1. Balance at the beginning of the period		1,060,865.02		6,351.78	1,067,216.80
2. Increase in the current period					
(1) Provision					
(2) Translation of foreign currency statements					
3. Decrease in the current period					
(1) Disposal or scrapping					
(2) Translation of foreign currency statements					
4. Balance at the end of the period		1,060,865.02	-	6,351.78	1,067,216.80
IV. Book value					
1. Book value at the end of the period	18,550,931,264.21	918,332,003.81	161,621,279.34	278,396,108.61	19,909,280,655.97
2. Book value at the beginning of the period	18,456,044,196.64	937,248,265.64	151,174,633.52	198,155,452.06	19,742,622,547.86

**(2). Fixed assets leased under operating lease**

□Applicable √N/A

**(3). Fixed assets with pending certificates of title**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Book value	Reason for pending certificates of title
Newly added Technical transformation project of 2,500 tons of Moutai liquor in the second phase of the 10,000-ton Moutai liquor Project during the "Twelfth Five-Year Plan" (2012)	558,732,546.81	It is being processed.
2000-ton Moutai Prince liquor-making technical transformation project and supporting facilities project in 2011	347,096,637.47	It is being processed.
Newly added 2800-ton Moutai Prince liquor-making technical transformation project and supporting facilities in 2012	217,303,556.07	It is being processed.
Moutai Huanshan Liquor Storage Area Project	473,176,627.15	It is being processed.
Technical transformation project and supporting facilities for the Making of Moutai-flavor Series Liquor	1,013,808,067.72	It is being processed.

**17. Construction in progress****Presentation of items**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

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Item	Balance at the end of the period	Balance at the beginning of the period
Construction in progress	2,137,464,700.45	2,208,329,892.95
Project materials		
Total	2,137,464,700.45	2,208,329,892.95

**Construction in progress****(1) Construction in progress**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Construction in progress	2,137,464,700.45		2,137,464,700.45	2,208,329,892.95		2,208,329,892.95
Total	2,137,464,700.45		2,137,464,700.45	2,208,329,892.95		2,208,329,892.95

**(2). Changes in important construction in progress in the current period**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Budget amount	Beginning Balance	Increase in the current period	Amount transferred into fixed assets in current period	Other decreases in the current period	Ending Balance	Proportion of accumulative project investments in budget (%)	Progress of construction	Accumulated capitalization amount of interest	Including capitalization amount of interest in the current period	Capitalization rate of interest in current period (%)	Source of funds
Technical transformation project of Moutai liquor and its supporting facilities in Zhonghua Area during the 13th Five-Year Plan	3,559,000,000.00	250,130,782.96	29,851,773.33	35,256,011.55		244,726,544.74	85	100%				Self-raised
Technical transformation project of 30,000-ton Moutai-flavor series wine and its supporting facilities	8,384,000,000.00	1,366,003,184.12	591,561,177.01	885,237,350.65		1,072,327,010.48	65	90%				Self-raised
Phase I Project of Packaging Logistics Park Project	7,833,000,000.00	3,716,801.92	70,929,022.56			74,645,824.48	5	10%				Self-raised
First Phase Construction Project of the "14th Five-Year Plan" Moutai-flavor Liquor Xishui Tongminba	4,110,000,000.00	3,603,511.82	249,052,730.65			252,656,242.47	21	30%				Self-raised
Technical transformation and construction project of Moutai Liquor during the 14th Five-Year Plan period	15,516,000,000.00	805,658.85	7,280,160.70			8,085,819.55	8	19%				Self-raised
Construction of 30 blocks of wine storehouses in Zhonghua Area	1,587,000,000.00		151,164,296.13			151,164,296.13	12	41%				Self-raised
Technical transformation project and supporting facilities project for the Making of Moutai-flavor Series Liquor (6400 tons)	3,454,160,000.00						60	100%				Self-raised
Total	44,443,160,000.00	1,624,259,939.67	1,099,839,160.38	920,493,362.20		1,803,605,737.85	/	/			/	/

**18. Right-of-use assets****(1) Details of right-of-use assets**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Buildings and constructions	Machinery equipment	Total
<b>I. Original book value</b>			
1. Balance at the beginning of the period	514,662,162.66	9,525,145.70	524,187,308.36
2. Increase in the current period	38,133,874.04		38,133,874.04
(1) Lease-in	38,133,874.04		38,133,874.04
3. Decrease in the current period	125,458,409.35		125,458,409.35
(1) Disposal	125,458,409.35		125,458,409.35
4. Balance at the end of the period	427,337,627.35	9,525,145.70	436,862,773.05
<b>II. Accumulated depreciation</b>			
1. Balance at the beginning of the period	117,825,716.60	3,810,058.30	121,635,774.90
2. Increase in the current period	70,538,810.05	1,905,029.16	72,443,839.21
(1) Provision	70,538,810.05	1,905,029.16	72,443,839.21
3. Decrease in the current period	71,422,325.62		71,422,325.62
(1) Disposal	71,422,325.62		71,422,325.62
4. Balance at the end of the period	116,942,201.03	5,715,087.46	122,657,288.49
<b>III. Provision for impairment</b>			
1. Balance at the beginning of the period			
2. Increase in the current period			
(1) Provision			
3. Decrease in the current period			
(1) Disposal			
4. Balance at the end of the period			
<b>IV. Book value</b>			
1. Book value at the end of the period	310,395,426.32	3,810,058.24	314,205,484.56
2. Book value at the beginning of the period	396,836,446.06	5,715,087.40	402,551,533.46

**19 Intangible assets****(1) Details of intangible assets**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Land use right	Software development	Total
<b>I. Original book value</b>			

1. Balance at the beginning of the period	8,001,712,205.40	56,730,121.32	8,058,442,326.72
2. Increase in the current period	1,530,747,028.00	154,999,926.12	1,685,746,954.12
(1) Purchase	1,530,747,028.00	38,929,039.09	1,569,676,067.09
(2) Internal research and development		116,070,887.03	116,070,887.03
(3) Increase in business combination			
3. Decrease in the current period			
(1) Disposal			
4. Balance at the end of the period	9,532,459,233.40	211,730,047.44	9,744,189,280.84
II. Accumulated amortization			
1. Balance at the beginning of the period	931,455,433.12	43,809,667.15	975,265,100.27
2. Increase in the current period	185,724,451.69	10,932,415.04	196,656,866.73
(1) Provision	185,724,451.69	10,932,415.04	196,656,866.73
3. Decrease in the current period			
(1) Disposal			
4. Balance at the end of the period	1,117,179,884.81	54,742,082.19	1,171,921,967.00
III. Provision for impairment			
1. Balance at the beginning of the period			
2. Increase in the current period			
(1) Provision			
3. Decrease in the current period			
(1) Disposal			
4. Balance at the end of the period			
IV. Book value			
1. Book value at the end of the period	8,415,279,348.59	156,987,965.25	8,572,267,313.84
2. Book value at the beginning of the period	7,070,256,772.28	12,920,454.17	7,083,177,226.45

**(2) Land use right with pending certificates of title**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Book value	Reason for pending certificates of title
Moutai Huanshan Liquor Storage Area Project	144,000,000.00	It is being processed
Phase I and Phase II Moutai liquor technical transformation project in Zhonghua Area	2,141,855,569.18	It is being processed
Newly added Technical transformation project of 2,500 tons of Moutai liquor in the second phase of the 10,000-ton Moutai liquor Project during the "Twelfth Five-Year Plan" (2012)	330,000,000.00	It is being processed

First batch of construction projects at Tanchang Area in Recycling Economy Science and Technology Demonstration Park	428,000,000.00	It is being processed
Technical transformation project and supporting facilities for the Making of Moutai-flavor Series Liquor	352,681,578.55	It is being processed
Technical transformation project for 2000 tons of Moutai Prince Liquor and technical transformation project for 2800 tons of Moutai Prince Liquor	30,000,000.00	It is being processed
Technical transformation project of Moutai liquor and its supporting facilities in Zhonghua Area during the 13th Five-Year Plan	215,259,100.00	It is being processed
Technical transformation project of 30,000-ton Moutai-flavor series wine and its supporting facilities	998,256,302.95	Construction in progress

## 20. Development expenses

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in the current period		Decrease in the current period		Balance at the end of the period
		Internal R&D expenses	Others	Recognized as intangible assets	Transferred in current profit or loss	
Project research and development	190,536,632.60	143,549,809.92		116,070,887.03		218,015,555.49
Total	190,536,632.60	143,549,809.92		116,070,887.03		218,015,555.49

## 21. Long-term deferred expenses

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in the current period	Amortization in the current period	Other decreases	Balance at the end of the period
Reconstruction project of road from central city to Moutai	127,500,000.29		9,999,999.96		117,500,000.33
Overhaul expenses of fixed assets	14,592,803.00	22,610,187.14	5,526,598.95		31,676,391.19
Renovation of office building	4,362,543.61	7,880,004.96	1,360,009.95		10,882,538.62
Total	146,455,346.90	30,490,192.10	16,886,608.86		160,058,930.14

Remark: the reconstruction project of road from central city to Moutai is based on the resolution made at the third meeting of the second Board of Directors in 2013. The Company and Renhuai Urban Development and Construction Investment Management Co., Ltd. jointly completed the road reconstruction project from the central city to Moutai and transferred the project for amortization.

## 22. Deferred tax assets / Deferred tax liabilities

### (1) Deferred tax assets without offset

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period		Balance at the beginning of the period	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets

Provision for asset impairment	30,956,286.95	7,739,071.75	71,744,171.40	17,936,042.85
Unrealized profits of internal transactions	14,956,404,209.03	3,739,101,052.26	10,912,264,732.27	2,728,066,183.07
Achievements-related wages that shall be distributed but not distributed	214,872,045.38	53,718,011.35	214,872,045.38	53,718,011.35
Others	3,381,317,159.02	845,329,289.74	3,180,928,926.43	795,232,231.61
Total	18,583,549,700.38	4,645,887,425.10	14,379,809,875.48	3,594,952,468.88

**(2) Deferred tax liabilities without offset**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period		Balance at the beginning of the period	
	Taxable temporary differences	Deferred income tax Liabilities	Taxable temporary differences	Deferred income tax Liabilities
Others	315,772,248.74	78,943,062.19	650,512,363.93	162,628,090.99
Total	315,772,248.74	78,943,062.19	650,512,363.93	162,628,090.99

**(3) Deferred tax assets or liabilities presented by net amount after offset**

□Applicable √N/A

**(4) Details of unrecognized deferred tax assets**

□Applicable √N/A

**(5) Deductible losses of unrecognized deferred tax assets will be expired in the following years**

□Applicable √N/A

**23. Other non-current assets**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment in information-based construction	68,604,129.75		68,604,129.75			
Others	40,959,367.48		40,959,367.48			
Total	109,563,497.23		109,563,497.23			

**24. Assets with restrictions on the ownership or use right**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Ending				Beginning			
	Book balance	Book value	Type of restriction	Restriction	Book balance	Book value	Type of restriction	Restriction
Cash and cash equivalents	5,991,813,679.87	5,991,813,679.87	Others		6,418,765,887.71	6,418,765,887.71	Others	
Loans to banks and other financial institutions	16,000,000,000.00	16,000,000,000.00	Others		14,000,000,000.00	14,000,000,000.00	Others	
Total	21,991,813,679.87	21,991,813,679.87	/	/	20,418,765,887.71	20,418,765,887.71	/	/

## 25. Accounts payable

### (1) Presentation of accounts payable

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Payables for goods	3,093,091,103.67	2,408,371,053.69
Total	3,093,091,103.67	2,408,371,053.69

## 26. Contract liabilities

### (1) Details of contract liabilities

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Advances from customers for goods	14,125,755,802.29	15,471,920,924.98
Total	14,125,755,802.29	15,471,920,924.98

### (2) Significant contract liabilities with aging of more than 1 year

Applicable N/A

### (3) Amounts with and reasons for significant changes in book values during the reporting period

Applicable N/A

## 27. Absorption of deposits and interbank deposits

Monetary Unit: Yuan Currency: RMB

Item	Amount at the end of the period	Amount at the beginning of the period
Absorption of deposits	12,034,492,909.95	12,874,043,355.42
Total	12,034,492,909.95	12,874,043,355.42

## 28. Employee compensation payable

### (1) Presentation of employee compensation payable

Applicable N/A

Monetary Unit: Yuan Currency: RMB

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Item	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period
I. Short-term compensation	4,779,361,358.86	12,860,471,170.25	12,240,749,239.20	5,399,083,289.91
II. Post-departure benefits - defined contribution plans	2,874,310.91	1,865,864,052.33	1,865,900,439.38	2,837,923.86
III. Dismissal welfare	75,572.64	27,658,007.53	27,733,580.17	
IV. Other benefits due within one year				
Total	4,782,311,242.41	14,753,993,230.11	14,134,383,258.75	5,401,921,213.77

**(2) Presentation of short-term compensation**

√Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period
I. Wages, bonus, allowances and subsidies	4,684,139,634.86	10,017,696,441.86	9,416,093,573.40	5,285,742,503.32
II. Employee welfare expenses	1,383,779.27	727,508,797.04	727,600,621.28	1,291,955.03
III. Social insurance premiums	50,294,294.97	1,045,581,463.19	1,030,797,147.64	65,078,610.52
Including: medical insurance premium	50,292,546.01	985,396,665.14	970,616,022.64	65,073,188.51
Work-related injury insurance premium	1,748.96	60,184,798.05	60,181,125.00	5,422.01
IV. Housing provident funds		813,883,498.44	813,878,555.64	4,942.80
V. Labor union expenditure and employee education expenses	40,495,555.66	229,830,619.53	223,460,899.90	46,865,275.29
VI. Short-term compensated absences				
VII. Short-term profit sharing plan				
Others	3,048,094.10	25,970,350.19	28,918,441.34	100,002.95
Total	4,779,361,358.86	12,860,471,170.25	12,240,749,239.20	5,399,083,289.91

**(3) Presentation of defined contribution plans**

√Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period
1. Basic endowment insurance premiums	76,691.16	1,091,394,100.23	1,091,239,089.30	231,702.09
2. Unemployment insurance premiums	2,330.73	47,667,888.75	47,662,682.71	7,536.77
3. Enterprise annuity payment	2,795,289.02	726,802,063.35	726,998,667.37	2,598,685.00
Total	2,874,310.91	1,865,864,052.33	1,865,900,439.38	2,837,923.86

**29. Taxes and surcharges payable**

√Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Value-added tax	1,881,581,299.52	2,034,610,620.24
Consumption tax	1,874,912,035.57	1,570,075,010.07
Enterprise income tax	2,638,540,568.21	2,769,448,025.03
Individual income tax	66,986,409.63	69,096,434.63
Urban maintenance and construction tax	274,746,590.57	258,837,607.08
Educational surtax	106,206,290.71	99,389,745.34
Local education surtax	72,099,890.91	67,552,876.94
Stamp duty	33,237,230.00	25,330,539.79
House property tax	1,097,614.29	809,379.99
Land use tax	10,856.32	11,682.07
Environmental protection tax	15,276.52	22,267.77
Others	229,831.62	1,371,234.88

Total	6,949,663,893.87	6,896,555,423.83
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**30. Other payables****(1) Presentation of items**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Interest payable		
Dividends payable		
Other payables	5,213,133,685.87	4,543,842,833.87
Total	5,213,133,685.87	4,543,842,833.87

**(2) Other payables**

Presentation of other payables by nature

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Materials quality guarantee deposit	262,341,068.61	318,075,043.18
Engineering quality guarantee deposit	179,215,172.34	173,047,548.78
Security deposits of dealers	2,147,103,416.18	1,897,194,013.05
Current payment	2,624,474,028.74	2,155,526,228.86
Total	5,213,133,685.87	4,543,842,833.87

Other significant payables aging over 1 year or overdue

□Applicable √N/A

**31. Non-current liabilities maturing within one year**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Lease liabilities maturing within one year	57,054,879.48	109,351,155.28
Total	57,054,879.48	109,351,155.28

**32. Other current liabilities**

Details of other current liabilities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Output tax to be carried forward	1,822,498,012.30	1,979,272,808.90
Total	1,822,498,012.30	1,979,272,808.90

**33. Lease liabilities**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Long-term lease liabilities	266,636,234.04	334,447,942.79
Total	266,636,234.04	334,447,942.79

**34. Share capital**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

	Balance at the beginning of the period	Changes (+, -)					Balance at the end of the period
		Issue of new shares	Share donation	Provident funds Share conversion	Others	Sub-total	
Total shares	1,256,197,800.00						1,256,197,800.00

**35. Capital reserves**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period
Capital premium (share premium)	1,374,048,653.54			1,374,048,653.54
Other capital reserves	915,762.18			915,762.18
Total	1,374,964,415.72			1,374,964,415.72

**36. Other comprehensive income**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Beginning Balance	Amount in the current period						Ending Balance
		Amount before income tax in the current period	Less: amount previously included in other comprehensive income and currently transferred to the profit or loss	Less: amount previously included in other comprehensive income and currently transferred to the retained earnings	Less: income tax expenses	Attributable to parent company after tax	Attributable to non-controlling shareholders after tax	
I. Other comprehensive income that cannot be reclassified into profit or loss								
Including: changes in re-measurement of the defined benefit plan								
Other comprehensive income that cannot be transferred into profit or loss under equity method								

Changes in fair value of other equity instruments							
Changes in the fair value of the Company's own credit risk							
II. Other comprehensive income that will be reclassified into profit or loss	-10,776,907.33	4,715,179.82			4,715,179.82		-6,061,727.51
Including: other comprehensive income that can be transferred to profit or loss under the equity method							
Changes in fair value of other Debt investments							
Amount of financial assets reclassified into other comprehensive income							
Provision for credit impairment of other Debt investments							
Cash flow hedge reserve							
Translation differences of foreign currency financial statements	-10,776,907.33	4,715,179.82			4,715,179.82		-6,061,727.51
Total of other comprehensive income	-10,776,907.33	4,715,179.82			4,715,179.82		-6,061,727.51

### 37. Surplus reserves

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period
Statutory surplus reserves	32,520,123,399.97	6,478,639,695.16		38,998,763,095.13
Discretionary surplus reserves				
Reserve funds				
Enterprise expansion funds				
Others				
Total	32,520,123,399.97	6,478,639,695.16		38,998,763,095.13

### 38. General risk reserves

Monetary Unit: Yuan Currency: RMB

Item	Amount at the beginning of the period	Increase in current period	Decrease in current period	Amount at the end of the period
General risk reserves	1,061,529,724.00			1,061,529,724.00
Total	1,061,529,724.00			1,061,529,724.00

Remark: General risk reserves are accrued by Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, in accordance with *the Administrative Measures for the Withdrawal of Reserves by Financial Enterprises* (CJ [2012] No.20) issued by the Ministry of Finance.

### 39. Retained earnings

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Current period	Previous period
Retained earnings at the end of the previous period before adjustment	161,301,978,184.73	160,716,861,920.19
Adjustment to total retained earning at the beginning of the period (+ for increase and - for decrease)	-23,975,377.63	-24,637,756.00
Retained earnings as at the beginning of the period after adjustment	161,278,002,807.10	160,692,224,164.19
Plus: net profit attributable to owners of the parent company in the current period	74,734,071,550.75	62,717,467,870.12
Less: withdrawal of statutory surplus reserves	6,478,639,695.16	7,380,308,114.20
Withdrawal of discretionary surplus reserves		
Withdrawal of general risk reserves		
Common stock dividends payable	56,550,256,362.60	54,751,381,113.01
Common stock dividends transferred to share capital		
Retained earnings at the end of the period	172,983,178,300.09	161,278,002,807.10

Details of adjustment to the beginning balance of retained earnings:

Due to the retroactive adjustment made according to the Accounting Standards for Business Enterprises and relevant new provisions, the affected beginning balance of retained earnings amount to RMB - 23,975,377.63.

#### 40. Operating revenue and operating costs

##### (1) Operating revenue and operating costs

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period		Amount in the prior period	
	Income	Cost	Income	Cost
Primary business	147,218,996,281.04	11,620,203,653.32	123,772,332,348.71	9,896,113,336.80
Other business	474,608,713.10	247,070,198.46	327,511,423.28	197,355,279.83
Total	147,693,604,994.14	11,867,273,851.78	124,099,843,771.99	10,093,468,616.63

Remark: Other business revenue and costs are mainly the revenue and costs of hotel business and ice cream business.

**(2) Breakdown of operating revenue and operating costs**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Contract classification	Total	
	Operating revenue	Operating costs
By product:		
Moutai	126,589,066,691.89	7,445,470,669.11
Other series liquor	20,629,929,589.15	4,174,732,984.21
Other business	474,608,713.10	247,070,198.46
By regional segment:		
Domestic	143,333,311,961.67	11,527,282,749.76
Overseas	4,360,293,032.47	339,991,102.02
By sales channel:		
Wholesale agency	80,336,795,633.78	8,699,117,400.66
Direct selling	67,356,809,360.36	3,168,156,451.12
Total	147,693,604,994.14	11,867,273,851.78

**(3) Description of performance obligations**

√Applicable □N/A

The revenue is confirmed when the customer acquires the control of the goods agreed in the contract and the Company fulfills the contract performance obligation.

**(4) Notes to allocation to remaining performance obligations**

√Applicable □N/A

At the end of the reporting period, the revenue corresponding to the performance obligations under signed contracts that have not fulfilled or not completed yet amounted to RMB 14,125,755,802.29, in which:RMB 14,125,755,802.29 will be expected to be recognized in 2024 as revenue.

**(5) Significant contract change or price adjustment of major transaction**

□Applicable √N/A

**41. Interest income, interest expenses, handling charges and commission revenue and expenses on handling charges and commission**

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Interest income	2,866,725,322.31	3,454,115,583.98
Revenue from handling charges and commissions		
Interest expenses	113,500,129.93	105,584,206.24
Handling charge and commission expenses	68,578.57	143,141.51

**42. Taxes and surtaxes**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Consumption tax	17,625,306,476.94	14,628,644,881.34
Urban maintenance and construction tax	2,467,887,318.97	2,055,705,281.43
Educational surtax	1,057,591,004.14	880,939,077.72
Local education surtax	705,060,669.63	587,292,717.26
House property tax	181,676,451.33	170,186,626.63

Land use tax	52,832,783.40	47,733,684.72
Vehicle and vessel use tax	444,846.26	420,334.81
Stamp duty	140,645,106.42	121,037,737.02
Tax for environmental protection	211,744.75	212,923.35
Others	2,519,496.76	3,645,269.94
Total	22,234,175,898.60	18,495,818,534.22

**43. Selling and distribution expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Expenses for advertising publicity and market expansion	3,640,663,233.92	2,887,804,740.39
Transportation expenses and transportation insurance premiums	17,040,929.95	14,658,723.67
Travel expenses for marketing and office expenses	86,810,053.15	69,828,805.38
Others	904,099,368.80	325,431,921.50
Total	4,648,613,585.82	3,297,724,190.94

**44. General and administrative expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Expenses for employee compensation	4,350,082,411.58	4,348,853,737.71
Trademark licensing fee	1,805,818,609.89	1,639,842,153.56
Depreciation fee of fixed assets	612,246,297.65	495,038,952.17
Environmental remediation expenses	234,607,957.43	191,513,496.34
Company expenses	178,180,760.41	177,404,050.78
Amortization of intangible assets	196,656,866.73	156,016,278.90
Property insurance	62,309,546.95	51,390,201.61
Cost of raw material base	190,898,203.62	144,152,150.24
House rental fees	20,301,085.12	24,919,167.73
Entertainment expenses	9,045,359.07	13,625,245.10
Intermediary fees	113,426,391.89	37,289,937.20
Land use rent	2,690,532.60	2,690,532.60
Expenses of the Board of Directors	12,473,560.59	4,278,509.19
Others	1,940,651,668.78	1,725,176,660.50
Total	9,729,389,252.31	9,012,191,073.63

**45. Research and development expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Expenses for employee compensation	73,934,535.18	66,492,415.10
Consumables	5,544,817.57	7,893,622.73
Expenses for research and development cooperation	45,969,566.96	33,128,020.95
Depreciation fee of fixed assets	18,212,579.23	21,067,522.53
Company expenses	1,741,589.48	984,742.75
Others	11,968,784.59	5,619,356.34

Total	157,371,873.01	135,185,680.40
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**46. Financial expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Interest expenses	12,624,628.35	12,023,204.77
Including: lease liabilities	12,624,628.35	12,023,204.77
Interest income	-1,942,301,920.98	-1,475,422,303.64
Others	140,173,591.15	71,593,272.15
Total	-1,789,503,701.48	-1,391,805,826.72

**47. Other income**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Classification by nature of payment	Amount in the current period	Amount in the prior period
Return of handling charges for withholding individual income tax	16,791,097.40	9,422,570.66
Income-related government grants	17,137,523.89	13,646,004.55
Asset-related government grants		
Others	716,252.57	1,436,778.62
Total	34,644,873.86	24,505,353.83

**48. Investment income**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Investment income from disposal of Held-for-trading financial assets	29,947,301.15	
Investment income obtained from disposal of other equity instruments		
Investment income from the disposal of Debt investment		
Investment income from the disposal of other Debt investment		
Income from debt restructuring		
Investment returns of industrial funds during their holding period		
Income from long-term equity investments under the cost method		
Interest income from certificates of deposits during the holding period	4,078,666.67	63,840,000.00
Total	34,025,967.82	63,840,000.00

**49. Income from changes in fair value**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Sources of income from changes in fair value	Amount in the current period	Amount in the prior period
Held-for-trading financial assets	3,151,962.50	
Including: income from changes in fair value of derivative financial instruments		
Financial liabilities held for trading		
Investment properties measured at fair value		
Total	3,151,962.50	

**50. Losses from credit impairment**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Losses from bad debts of notes receivable		
Losses from bad debts of accounts receivable	873,442.39	415,705.24
Losses from bad debts of other receivables	-65,274.04	2,502,655.82
Losses from impairment of Debt investment	-769,215.38	-119,880.00
Impairment losses from other Debt investment		
Losses from bad debts of long-term receivables		
Impairment on financial guarantee		
Others	37,832,340.29	-17,485,027.31
Total	37,871,293.26	-14,686,546.25

Remark: others refer to the provision for impairment made for the loans issued by Kweichow Moutai Group Finance Co., Ltd., a controlling shareholder of the Company.

**51. Gains from disposal of assets**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Gains or losses from disposal of fixed assets	2,574,728.71	-129,948.22
Gains or losses from disposal of right-of-use assets	-3,054,465.68	343,183.91
Total	-479,736.97	213,235.69

**52. Non-operating revenue**

Non-operating revenue

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period	Amount included in non-recurring profit or loss in the current period

Total gains from disposal of non-current assets	8,829,933.38	282,981.41	8,829,933.38
Including: gains from disposal of fixed assets	8,829,933.38	282,981.41	8,829,933.38
Gains from disposal of intangible assets			
Gains from exchange of non-monetary assets			
Donations received			
Government grants			
Gains from fines and compensation	62,293,021.89	65,421,527.15	62,293,021.89
Others	15,656,700.68	5,147,776.84	15,656,700.68
Total	86,779,655.95	70,852,285.40	86,779,655.95

**53. Non-operating expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period	Amount included in non-recurring profit or loss in the current period
Total losses from disposal of non-current assets	7,197,680.24	21,063,974.29	7,197,680.24
Including: losses from disposal of fixed assets	7,197,680.24	21,063,974.29	7,197,680.24
Losses from disposal of intangible assets			
Losses from exchange of non-monetary assets			
Donations made	119,247,336.70	225,431,100.98	119,247,336.70
Others	6,436,157.58	2,389,244.34	6,436,157.58
Total	132,881,174.52	248,884,319.61	132,881,174.52

**54. Income tax expenses****(1) Table of income tax expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Current income tax expenses	27,275,697,397.04	23,548,077,905.70
Deferred income tax expenses	-1,134,619,985.03	-1,222,628,115.40
Total	26,141,077,412.01	22,325,449,790.30

**(2) Adjustment process of accounting profits and income tax expenses**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period
------	------------------------------

Total profits	103,662,553,689.81
Income tax expenses calculated at statutory/applicable tax rate	25,915,638,422.45
Effect of different tax rates applicable to subsidiaries	
Effect of adjustments to the income tax for the prior years	
Effect of non-taxable income	-11,194,606.11
Effect of non-deductible costs, expenses and losses	236,633,595.67
Effect of deductible losses from using the deferred tax assets unrecognized in previous periods	
Effect of deductible temporary differences or losses from deferred tax assets unrecognized in the current period	
Income tax expenses	26,141,077,412.01

**55. Other comprehensive income**

√Applicable □N/A

Please refer to Note 36 Other comprehensive income for details

**56. Items in the statement of cash flows****(1) Cash relating to operating activities**

Cash received from other operating activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Interest income from self-owned funds	599,047,232.23	886,579,338.69
Other revenue received	1,747,149,238.40	1,872,842,833.19
Total	2,346,196,470.63	2,759,422,171.88

Cash paid for other operating activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Cash paid for advertising and publicity expenses	1,747,846,108.16	1,177,149,398.36
Cash paid for transportation expenses and transportation insurance premiums	231,907,323.70	205,887,269.67
Cash paid for property insurance premiums	47,413,768.43	45,179,150.27
Cash paid for other expenses	5,916,542,317.85	3,694,871,614.59
Total	7,943,709,518.14	5,123,087,432.89

**(2) Cash relating to investing activities**

Cash received from significant investing activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
23 Postal Savings Bank CD098 (Interbank Certificate of Deposit)	2,000,000,000.00	

Large-amount deposit	2,127,680,000.00	
Total	4,127,680,000.00	

Cash paid for significant investing activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Moutai Zhaohua (Guizhou) Industrial Development Fund Partnership (Limited Partnership)	2,000,000,000.00	
Moutai Jinshi (Guizhou) Industrial Development Fund Partnership (Limited Partnership)	2,000,000,000.00	
23 Postal Savings Bank CD098 (Interbank Certificate of Deposit)	1,996,364,000.00	
Technical transformation project of Moutai liquor and its supporting facilities in Zhonghua Area during the 13th Five-Year Plan	32,088,126.54	63,374,372.75
Technical transformation project of 30,000-ton Moutai-flavor series wine and its supporting facilities	634,899,976.94	995,745,800.00
Phase I Project of Packaging Logistics Park Project	74,327,720.47	10,170,110.00
First Phase Construction Project of the "14th Five-Year Plan" Moutai-flavor Liquor Xishui Tongminba	307,440,011.31	373,960,827.28
Technical transformation and construction project of Moutai Liquor during the 14th Five-Year Plan period	456,567,050.94	852,639.99
Construction of 30 blocks of wine storehouses in Zhonghua Area	184,195,788.00	
Total	7,685,882,674.20	1,444,103,750.02

Cash received from other investing activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Received performance bond for capital construction projects	4,605,886.63	4,971,762.18
Total	4,605,886.63	4,971,762.18

Cash paid for other investing activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Refunded performance bond for capital construction projects	7,021,867.10	31,486,829.54
Total	7,021,867.10	31,486,829.54

**(3) Cash relating to financing activities**

Cash received from other financing activities

□Applicable √N/A

Cash paid for other financing activities

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Cash for repayment of lease liabilities	122,315,261.93	54,332,788.37

Disposal of equity in secondary subsidiaries	6,000,000.00	
Others	6,000,000.00	
Total	134,315,261.93	54,332,788.37

Changes in various liabilities arising from financing activities

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the beginning of the period	Increase in current period		Decrease in current period		Balance at the end of the period
		Cash change	Non-cash change	Cash change	Non-cash change	
Lease liabilities (including the part maturing within one year)	444,219,465.04		58,365,684.31	114,805,234.06	64,088,801.77	323,691,113.52
Total	444,219,465.04		58,365,684.31	114,805,234.06	64,088,801.77	323,691,113.52

#### (4) Description of cash flows presented at net amount

Applicable N/A

#### (5) Significant activities and financial effect not involving with the current cash deposit and withdrawal but affecting the financial position of the enterprise or affecting the cash flow of the enterprise in the future

Applicable N/A

### 57. Supplementary information to the statement of cash flows

#### (1) Supplementary information to the statement of cash flows

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Supplementary information	Current period	Prior period
<b>1. Net profit adjusted to cash flows from operating activities:</b>		
Net profit	77,521,476,277.80	65,376,039,957.88
Plus: provision for impairment of assets		
Losses from credit impairment	-37,871,293.26	14,686,546.25
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	1,651,428,992.20	1,443,574,818.50
Amortization of right-of-use assets	72,443,839.21	77,371,590.63
Amortization of intangible assets	196,656,866.73	156,016,278.90
Amortization of long-term deferred expenses	16,886,608.86	11,487,619.04
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	479,736.97	-213,235.69
Losses from scrapping of fixed assets ("-" for gains)	-1,632,253.14	20,780,992.88
Losses from changes in fair value ("-" for income)	-3,151,962.50	
Financial expenses ("-" for income)	12,624,628.35	12,023,204.77
Investment losses ("-" for gains)	-34,025,967.82	-63,840,000.00

Decreases in deferred tax assets ("-" for increases)	-1,050,934,956.22	-1,210,838,167.12
Increases in Deferred tax liabilities ("-" for decreases)	-83,685,028.80	-11,789,948.28
Decreases in inventories ("-" for increases)	-7,610,810,825.29	-5,430,009,151.41
Decreases in operating receivables ("-" for increases)	-3,465,130,974.53	-15,051,874,095.80
Increases in operating payables ("-" for decreases)	-591,505,967.47	-8,644,820,580.52
Others		
Net cash flows from operating activities	66,593,247,721.09	36,698,595,830.03
<b>2. Significant investing and financing activities not involving in cash inflow and outflow:</b>		
Conversion of debt into capital		
Convertible corporate bonds maturing within one year		
Fixed assets acquired under finance lease		
<b>3. Net change in cash and cash equivalents:</b>		
Ending balance of cash	147,360,188,952.47	152,378,738,982.83
Less: balance of cash as at the beginning of the period	152,378,738,982.83	178,640,587,379.52
Plus: ending balance of cash equivalents	3,000,000,000.00	
Less: beginning balance of cash equivalents		
Net increase in cash and cash equivalents	-2,018,550,030.36	-26,261,848,396.69

**(2) Net cash paid for the acquisition of subsidiaries in the current period**

□Applicable √N/A

**(3) Net cash received from disposal of subsidiaries in the current period**

□Applicable √N/A

**(4) Breakdown of cash and cash equivalents**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
1. Cash	147,360,188,952.47	152,378,738,982.83
Including: cash on hand	162,802.00	12,740.70
Unrestricted bank deposit	59,924,161,952.72	48,074,557,886.36
Other unrestricted cash and cash equivalents		
Deposits with central bank available for payments	601,237,204.81	2,568,410,342.65
Deposits with banks and other financial institutions	86,834,626,992.94	101,735,758,013.12
Loans to banks and other financial institutions		
II. Cash equivalents	3,000,000,000.00	

Including: bond investments maturing within three months		
Redemptory Monetary Capital for Sale	3,000,000,000.00	
III. Ending balance of cash and cash equivalents	150,360,188,952.47	152,378,738,982.83
Including: cash and cash equivalents restricted for use by the parent company or subsidiaries within the group		

**(5) Items with restricted use but still presented as cash and cash equivalents**

Applicable N/A

**(6) Cash and cash equivalents not belonging to cash and cash equivalents**

Applicable N/A

Item	Amount in the current period	Amount in the prior period	Reason
Statutory deposit reserve	5,991,813,679.87	6,418,765,887.71	Restricted in use
Total	5,991,813,679.87	6,418,765,887.71	

**58. Notes to items of statement of changes in owners' equity**

Description of project names of "others" adjusted in terms of the ending balance in the previous year and the adjusted amount:

Applicable N/A

**59. Foreign currency monetary items****(1) Foreign currency monetary items**

Applicable N/A

Item	Balance in foreign currency as at the end of the year	Rate of translation	Monetary Unit: RMB
			Balance in RMB converted at the end of the period Balance
Cash and cash equivalents	-	-	
Including: USD			
EUR	3,443,197.68	7.8592	27,060,779.21
HKD			

**(2) Description of overseas operating entities, including for important overseas operating entities, should disclose their major overseas business locations, bookkeeping base currency and selection basis, and the reasons for the change in the functional currency**

Applicable N/A

The registration place of Kweichow Moutai Paris Trading Co., Ltd., a wholly-owned subsidiary of the Company, is Paris, France, and its functional currency is Euro.

**60. Leases****(1) Acting as the lessee**

Applicable N/A

Variable lease payment not included in the lease liabilities for measurement

Applicable N/A

Rental expenses for short-term leases and leases of low-value assets subject to simplified treatment

Applicable N/A

RMB 31,990,126.58

Leaseback and judgment basis

Applicable N/A

Total cash outflows relevant to leases 154,949,164.53 (Unit: Yuan Currency: RMB)

## (2) Acting as the lessor

Operating lease of the Company acting as the lessor

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Leasehold income	Including: Income from variable lease payment not included in lease collections
Commercial housing at Guiyang Zuanshi Plaza	55,045.87	
Rooms 307-308, 3/F, No. 8 Sijiqing Road, Haidian District, Beijing	201,834.86	
Nan'ao Visitor Center in Maotai Town	371,359.82	
23 <sup>rd</sup> floor, Unit 1, Building A, Moutai International Business Center, High-tech Zone, Guiyang City	234,564.22	
Total	862,804.77	

## (3) Recognition of profit or loss from sales of financing lease as the producer or distributor

Applicable N/A

## VIII. Breakdown by nature

### (1) Presentation by nature

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Labor cost	175,587,021.98	158,666,649.70
Direct expenses invested	171,763,316.33	118,890,701.12
Depreciation costs and long-term deferred expenses	84,708,560.59	32,137,066.71
Expenses on the research and development entrusted to the external	151,719,367.21	206,954,999.10
Other expenses	37,729,269.76	42,320,810.13
Total	621,507,535.87	558,970,226.76
Including: research and development expenses	477,957,725.95	368,433,594.16
Capitalized research and development expenses	143,549,809.92	190,536,632.60

**(2) Development expenses qualified for capitalization**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Beginning Balance	Increase in the current period		Decrease in the current period		Ending Balance
		Internal R&D expenses	Others	Recognized as intangible assets	Transferred in current profit or loss	
Research on integrated technology system of wine storage safety and fire protection based on 5G and Internet of Things	252,837.57	21,142,507.26				21,395,344.83
Research and development of digital marketing system based on blockchain, mobile Internet and Saas layout model	107,598,717.37	43,998,563.42		68,774,503.36		82,822,777.43
Research and development of warehousing and logistics technology system based on industrial Internet	34,675,656.62	12,620,727.05		47,296,383.67		
Research on the collaborative digital technology system for procurement and supply	5,611,813.02	13,448,466.06				19,060,279.08
Research on big data technology system of Moutai	9,033,253.07	13,440,111.75				22,473,364.82
Research and development of the whole industrial chain circulation traceability technology system based on the industrial Internet and blockchain	23,329,010.76	12,794,706.65				36,123,717.41
Research on machine learning technology system of Moutai winemaking technology	10,035,344.19	26,104,727.73				36,140,071.92
Total	190,536,632.60	143,549,809.92		116,070,887.03		218,015,555.49

**Significant capitalization research and development**

√Applicable □N/A

Item	Research and development progress	Estimated time of completion	Estimated way of generating the economic benefit	Beginning time-point for capitalization	Detailed basis
Research and development of digital marketing system based on blockchain, mobile Internet and Saas layout model	95%	April 2024	I Moutai, as the digital marketing platform of Moutai, generates economic benefits by providing the trading platform to settled merchants for sales of products.	March 2022	The trial operation of i Moutai has been officially launched.

**Provision for impairment of development expenses**

□Applicable √N/A

**(3) Important outsourcing ongoing research projects**

□Applicable √N/A

**IX. Changes in the scope of consolidation****1. Business combination not under common control**

□Applicable √N/A

**2. Business combination under common control**

□Applicable √N/A

**3. Counter purchase**

□Applicable √N/A



**4. Disposal of subsidiaries**

Whether the transaction or matter where the Company lost the control over subsidiaries existed during the current period

Applicable N/A

**5. Change of the scope of consolidation due to other reasons**

Description of changes in the scope of consolidation caused by other reasons (such as the establishment of new subsidiaries and liquidation of subsidiaries):

Applicable N/A

According to the announcement on the resolutions made at the third Board of Directors in 2023 issued by the Company via Shanghai Stock Exchange on April 26, 2023, the Company's holding subsidiary Guojiu Moutai Customized Marketing (Guizhou) Co., Ltd. (hereinafter referred to as "Customized Marketing Company") decided to go through the formalities for liquidation and cancellation, as agreed by Customized Marketing Company and its shareholders and adopted upon deliberation at the first general meeting of shareholders of Customized Marketing Company in 2022. On December 29, 2023, Customized Marketing Company had performed all liquidation procedures according to law, for which Baker Tilly China Certified Public Accountants LLP had issued the liquidation audit report, and obtained the Notice on Approving the Cancellation Registration issued by Guiyang Administration for Industry and Commerce; thus, such company should no longer be included in the scope of consolidated statements, which has no significant impact on the overall business development and normal operation of the Company.

**6. Others**

Applicable N/A

**X. Equity in other entities****1. Equity in subsidiaries****(1) Structure of the enterprise group**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Subsidiary Name	Principal place of business	Registered capital	Registration place	Nature of business	Shareholding ratio (%)		Acquisition method
					Direct	Indirect	
Guizhou Moutai Chiew Import and Export Co., Ltd.		8,000,000.00	Guiyang, Guizhou		70		Established by investment
Kweichow Moutai Sales Co., Ltd.		10,000,000.00	Renhuai, Guizhou		95		Established by investment
Kweichow Moutai Group Finance Co., Ltd.		2,500,000,000.00	Renhuai, Guizhou		51		Established by investment
Kweichow Moutai-Flavor Liquor Marketing Co., Ltd.		200,000,000.00	Renhuai, Guizhou		100		Established by investment
Beijing Friendship Messenger Trading Co., Ltd.		30,000,000.00	Beijing		70		Established by investment
Kweichow Moutai Paris Trading Co., Ltd.		80,728,429.80	Paris, France		100		Established by investment
Guizhou Laymau Liquor Industry Co., Ltd.		40,000,000.00	Guiyang, Guizhou		43		Established by investment

Basis for holding half or less than half of the voting right but controlling the investee or holding more than half of the voting right but not controlling the investee:

The Company holds 43% equity of Guizhou Laymau Liquor Industry Co., Ltd. It is able to control the company substantially for the fact that more than half of the board members of Guizhou Laymau Liquor Industry Co., Ltd. are from the Company.

**Important non-wholly-owned subsidiaries**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Name of subsidiary	Shareholding ratio of non-controlling shareholders Ratio (%)	Profit or loss attributable to non-controlling shareholders in the current period	Dividends declared to be distributed to non-controlling shareholders in the current period	Balance of non-controlling interest as at December 31, 2020
Kweichow Moutai Sales Co., Ltd.	5	2,129,814,347.17	1,683,650,000.00	2,728,586,727.00

Notes to the differences between the shareholding ratios of non-controlling shareholder in subsidiaries and the voting ratios:

□Applicable √N/A

Other notes:

□Applicable √N/A

**(3) Major financial information of significant non-wholly owned subsidiaries**

√Applicable □N/A

Monetary Unit: RMB '0,000 Currency: RMB

Name of subsidiary	Balance at the end of the period						Balance at the beginning of the period					
	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
Kweichow Moutai Sales Co., Ltd.	8,695,706.31	78,493.84	8,774,200.15	3,303,086.46	13,940.23	3,317,026.69	8,220,420.32	82,459.17	8,302,879.49	3,720,573.89	17,460.84	3,738,034.73

Name of subsidiary	Amount in the current period				Amount in the prior period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Kweichow Moutai Sales Co., Ltd.	12,225,461.71	4,259,628.69	4,259,628.69	3,340,397.96	10,360,419.48	3,626,157.15	3,626,157.15	4,893,346.93

**XI. Government grants****1. Government grants recognized as amount receivable at the end of the reporting period**

□Applicable √N/A

Reason for the failure in receiving the government subsidies with the estimated amount at the estimated time-point

□Applicable √N/A

**2. Liabilities involving with government grants**

□Applicable √N/A

**3. Government grants included in the current profit or loss**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Type	Amount in the current period	Amount in the prior period
Income-related government grants	17,137,523.89	13,646,004.55
Others		
Total	17,137,523.89	13,646,004.55

**XII. Risks related to financial instruments****1. Risks in financial instruments**

√Applicable □N/A

The major financial instruments of the Company include other non-current financial assets, Cash and cash equivalents, etc. These financial instruments are used for the operational financing of the Company. The Company has various other financial assets and liabilities directly generated from operations, such as accounts receivable, other receivables, accounts payable, other payables, etc.

The main risks caused by the financial instruments of the Company include credit risk, liquidity risk, exchange rate risk and interest rate risk.

**(1) Credit risk**

The financial assets of the Company include Cash and cash equivalents, accounts receivable, other receivables, etc. The credit risks of these financial assets result from the counterparty's default, and the maximum risk exposure is equal to the book amount of these instruments.

As the Company only carries out transactions with recognized and reputable third parties, the collateral is not required. Credit risk is managed in a centrally manner according to customers. The sales of the Company are carried out in the way of advances from customers, and the credit risk of transactions is small.

(2) Liquidity risk

Liquidity risk refers to a risk that an enterprise suffers funds shortage in performing the obligations of settlement in cash or other financial assets.

The policy of the Company is to ensure that there is sufficient cash for the payment of the matured debts. Each subsidiary is responsible for monitoring its own cash flow forecast. On the basis of summarizing the cash flow forecast of each subsidiary, the financial department of the Company keeps monitoring short-term and long-term capital demand at the group level to ensure that the cash demand will be maintained.

(3) Exchange rate risk

The risk of foreign exchange changes faced by the Company is mainly related to the Company's operating activities (when the income and expenditure are settled in a foreign currency different from the Company's functional currency) and its net investments in overseas subsidiaries. The exchange rate risk undertaken by the Company is mainly related to USD and EUR. Except for the settlement of product sales in USD and EUR, other major operating activities of the Company are settled in RMB. Please refer to Note 59. Foreign currency monetary items in Part VII. Notes to the items of the consolidated financial statements of Section X Financial Statements for the amount of foreign currency monetary items converted into RMB.

(4) Interest rate risk

Interest rate risk refers to the risk of fluctuation in the fair value or future cash flows of financial instruments due to changes in market interest rate. The risk of changes in market interest rate faced by the Company is mainly related to the liabilities with floating interest rate. As of December 31, 2023, the Company had no liabilities subject to floating interest rate.

## 2. Hedging

(1) The Company conducted hedging activities for risk management

Applicable N/A

(2) The Company conducted qualified hedging activities and adopted hedge accounting

Applicable N/A

(3) The Company conducted hedging activities for risk management and expected to achieve the purpose of risk management without adopting hedge accounting

Applicable N/A

## XIII. Disclosure of fair value

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

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Fair value at the end of the period			
	Measurement of fair value at level 1	Measurement of fair value at level 2	Measurement of fair value at level 3	Total
<b>I. Continuous measurement of fair value</b>				
(I) held-for-trading financial assets	400,712,059.93		4,002,439,902.57	4,403,151,962.50
1. Financial assets measured at fair	400,712,059.93		4,002,439,902.57	4,403,151,962.50

values through profit or loss				
(1) Investment in debt instruments	400,712,059.93			400,712,059.93
(2) Investment in equity instruments			4,002,439,902.57	4,002,439,902.57
(3) Derivative financial assets				
2. Financial assets designated to be measured at fair value through profit or loss				
(1) Investment in debt instruments				
(2) Investment in equity instruments				
(II) Other debt instrument investments				
(III) Other equity instrument investments				
(IV) Investment properties				
1. Land use right for lease				
2. Leased constructions				
3. Land use rights held for transfer upon appreciation				
(V) Biological assets				
1. Consumptive biological assets				
2. Productive biological assets				
<b>Total assets with continuous measurement at fair value</b>	400,712,059.93		4,002,439,902.57	4,403,151,962.50
(VI) held-for-trading financial liabilities				
1. Financial liabilities measured at fair value through profit or loss				
Including: issued bonds held for trading				
Derivative financial liabilities				
Others				

2. Financial liabilities designated to be measured at fair value through profit or loss				
<b>Total liabilities with continuous measurement at fair value</b>				
<b>II. Non-continuous measurement of fair value</b>				
(1) Assets held for sale				
<b>Total assets with non-continuous measurement at fair value</b>				
<b>Total liabilities with non-continuous measurement at fair value</b>				

**2. Basis of determination for market prices of continuous and non-continuous measurements of fair values at level 1**

Applicable N/A

The investment is made in bond fund, and the unadjusted quoted price of such fund in an active market is available on the measurement date.

**3. Qualitative and quantitative information on the valuation techniques and important parameters adopted for continuous and non-continuous measurements of fair values at level 2**

Applicable N/A

**4. Qualitative and quantitative information on the valuation techniques and important parameters adopted for continuous and non-continuous measurements of fair values at level 3**

Applicable N/A

The level 3 investment in equity instruments measured in fair value held by the Company is shares of private equity investment funds, and the fair value at the end of the period is measured in net assets method.

**5. Analysis on continuous measurement project of fair value at level 3, adjustment information between the opening and ending book value and sensitivity of unobservable parameters**

Applicable N/A

**6. The measurement project of fair value on a going concern, the conversion between the various levels during the period, the reason for conversion and the policy of determining the conversion time**

Applicable N/A

**7. Changes in valuation technology and reasons for changes occurred in the current period**

Applicable N/A

**8. Fair value of financial assets and financial liabilities not measured at fair value**

Applicable N/A

Bonds, interbank deposits and financial assets purchased under resale agreements are measured at amortized cost.

**9. Others**

Applicable N/A

**XIV. Related parties and related transactions**

**1. Parent company of the Company**

Applicable N/A

Monetary Unit: RMB '0,000 Currency: RMB

Name of parent company	Registration place	Nature of business	Registered capital	Shareholding ratio of the parent company in the Company(%)	Voting right ratio of the parent company in the Company (%)
China Kweichow Moutai Distillery (Group) Co., Ltd.	Guiyang, Guizhou		1,000,000	54.07	54.07

**2. Information on the Company's subsidiaries**

Please refer to Note for the details of the Company's subsidiaries.

Applicable N/A

Please refer to Note X. Equity in other entities for details of subsidiaries of the Company

**3 Other related parties**

Applicable N/A

Name of other related party	Relationship with the Company
Beijing Moutai Trade Co., Ltd.	Wholly-owned subsidiary of the parent company
ChangLi Moutai Wine Trade Co., Ltd.	Others
Shanghai Moutai Trading Co., Ltd.	Others
Guizhou Fuminghang Packaging Co., Ltd.	Others
Guizhou Hengdao Danlin Agricultural Technology Development Co., Ltd.	Others
Guizhou Jiuyuan Property Co., Ltd.	Others
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	Others
Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Chun Marketing Company	Others
Kweichow Moutai Group Health Industry Co., Ltd.	Others

Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	Others
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Distillery Group Changli Winery Co., Ltd.	Holding subsidiary of the parent company
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Others
Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	Others
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	Holding subsidiary of the parent company
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	Others
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Others
Guizhou Zunyi Moutai Airport Co., Ltd.	Holding subsidiary of the parent company
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	Others
Guizhou Xinhua Glass Co., Ltd.	Others
Moutai (Guizhou) Investment Fund Partnership (Limited Partnership)	Holding subsidiary of the parent company
Moutai (Guizhou) Private Fund Management Co., Ltd.	Holding subsidiary of the parent company
Shanghai Kweichow Moutai Industrial Co., Ltd.	Wholly-owned subsidiary of the parent company
Shanghai Rencai Printing Affairs Co., Ltd.	Others
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	Wholly-owned subsidiary of the parent company
Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.	Others
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Wholly-owned subsidiary of the parent company
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	Others
Moutai CCB (Guizhou) Investment Fund Management Co., Ltd.	Wholly-owned subsidiary of the parent company
Kweichow Moutai Group Marketing Co., Ltd.	Wholly-owned subsidiary of the parent company
Huagui Life Insurance Co., Ltd.	Holding subsidiary of the parent company
Guiyang GY Financial Leasing Co., Ltd.	Others
Bank of Guizhou Co., Ltd.	Others
Guizhou Zunpeng Liquor Co., Ltd.	Others
Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd.	Others
Guizhou Moutai Distillery (Group) Lvsheng Organic Fertilizer Co., Ltd.	Others

Guizhou Renhuai Renshuai Liquor Co., Ltd.	Others
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Holding subsidiary of the parent company
Xunfeng Technology (Guizhou) Co., Ltd.	Others
CHINA GUIZHOU MOUTAI BREWERY TRADING (H.K.) LIMITED	Wholly-owned subsidiary of the parent company
Moutai Zhaohua (Guizhou) Industrial Development Fund Partnership (Limited Partnership)	Holding subsidiary of the parent company
Moutai Jinshi (Guizhou) Industrial Development Fund Partnership (Limited Partnership)	Holding subsidiary of the parent company
Kweichow Moutai Hospital	Others
Moutai College	Others
Guizhou Shuanglong Feitian Supply Chain Management Co., Ltd.	Others

## Other notes:

1. ChangLi Moutai Wine Trade Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery Group Changli Winery Co., Ltd.;
2. Shanghai Moutai Trading Co., Ltd. is a wholly-owned subsidiary of Shanghai Kweichow Moutai Industrial Co., Ltd.;
3. Guizhou Fuminghang Packaging Co., Ltd. is a holding subsidiary of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;
4. Guizhou Hengdao Danlin Agricultural Technology Development Co., Ltd. is a holding subsidiary of Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.;
5. Guizhou Jiuyuan Property Co., Ltd. is a holding subsidiary of China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.;
6. Kweichow Moutai (Group) International Travel Agency Co., Ltd. is a wholly-owned subsidiary of China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.;
7. Kweichow Moutai Chun Marketing Company is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;
8. Kweichow Moutai Group Health Industry Co., Ltd. is a holding subsidiary of Kweichow Moutai Distillery (Group) Health Care Liquor Industry Co., Ltd.;
9. Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Health Care Liquor Industry Co., Ltd.;
10. Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.;
11. Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.;
12. Kweichow Moutai Ecological Agriculture Sales Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.;
13. Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd. is a holding subsidiary of Kweichow Moutai Distillery (Group) Logistics Co., Ltd.;

14. Guizhou Renhuai Shenren Packaging and Printing Co., Ltd. is a holding subsidiary of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;

15. Guizhou Xinquaxi Glass Co., Ltd. is a holding subsidiary of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;

16. Shanghai Rencai Printing Affairs Co., Ltd. is an associate of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;

17. Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd. is a wholly-owned subsidiary of Guizhou Zunyi Moutai Airport Co., Ltd.;

18. Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z is a holding subsidiary of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;

19. Guiyang GY Financial Leasing Co., Ltd. is an associate of the parent company;

20. Bank of Guizhou Co., Ltd. is an associate of the parent company;

21. Guizhou Zunpeng Liquor Co., Ltd. is a holding subsidiary of Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.;

22. Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.;

23. Guizhou Moutai Distillery (Group) Lvsheng Organic Fertilizer Co., Ltd. is a holding subsidiary of Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.;

24. Guizhou Renhuai Renshuai Liquor Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.;

25. Xunfeng Technology (Guizhou) Co., Ltd. is a holding subsidiary of China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.;

26. Kweichow Moutai Hospital is a wholly-owned public institution of the parent company;

27. Moutai College is a wholly-owned public institution of the parent company;

28. Guizhou Shuanglong Feitian Supply Chain Management Co., Ltd. is a wholly-owned subsidiary of Kweichow Moutai Distillery (Group) Logistics Co., Ltd..

#### 4. Related transactions

##### (1) Related transaction on purchase or sales of goods and rendering or receipt of services

Purchase of goods/receipt of services

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Related parties	Content of related transaction	Amount in the current period	Transaction limit approved (If applicable)	Whether the transaction limit is exceeded (If applicable)	Amount in the prior period
China Kweichow Moutai Distillery (Group) Co., Ltd.	Right to use trademarks	1,805,818,609.89			1,639,842,153.56
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	Cargo transportation services	216,497,975.59			176,888,990.77
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	Purchase of goods	353,391,541.98			261,924,856.26

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Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	Purchase of goods	259,369,377.21			186,087,312.72
Guizhou Moutai Distillery (Group) Circular Economy Industry Investment and Development Co., Ltd.	Purchase of goods	141,561,000.00			130,101,300.00
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Purchase of goods	125,734,378.80			63,728,794.52
Guizhou Fuminghang Packaging Co., Ltd.	Purchase of goods	79,633,744.86			88,324,091.21
Guizhou Xinhuxi Glass Co., Ltd.	Purchase of goods	74,837,333.43			102,311,289.42
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Purchase of goods	50,223,736.00			
Kweichow Moutai Hospital	Purchase of goods	29,504,681.72			
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Purchase of goods	26,270,887.61			159,019.22
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	Purchase of goods	2,656,847.80			
ChangLi Moutai Wine Trade Co., Ltd.	Purchase of goods	2,656,035.41			
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	Purchase of goods	951,669.03			74,203.56
Shanghai Rencai Printing Affairs Co., Ltd.	Purchase of goods	106,725.23			
China Kweichow Moutai Distillery (Group) Co., Ltd.	Purchase of goods	21,875.33			
Huagui Life Insurance Co., Ltd.	Purchase of insurance	512,911.13			499,610.16
China Kweichow Moutai Distillery (Group) Co., Ltd.	Comprehensive service fee				194,415.10
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Labor services fee	284,953,843.63			229,128,409.82
Xunfeng Technology (Guizhou) Co., Ltd.	Labor services fee	108,936,867.84			
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	Labor services fee	74,332,293.77			67,315,342.78
Kweichow Moutai Hospital	Labor services fee	62,578,627.93			
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	Labor services fee	60,334,658.08			64,402,800.47
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	Labor services fee	40,540,182.49			2,684,355.24
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Labor services fee	51,569,712.68			
Guizhou Moutai Distillery (Group) Circular Economy Industry Investment and Development Co., Ltd.	Labor services fee	4,485,361.28			1,939,970.05
Moutai College	Labor services fee	2,065,849.07			
Guizhou Zunyi Moutai Airport Co., Ltd.	Labor services fee	610,344.02			
China Kweichow Moutai Distillery (Group) Co., Ltd.	Labor services fee	136,649.00			
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Labor services fee	116,120.77			25,661.62
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	Labor services fee	25,429.03			25,273,693.09
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	Labor services fee	10,000.00			
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	Labor services fee				5,224,867.44
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Other utilities expenses such as water, electricity and steam charges (purchase)	43,442.45			48,625.95

Sales of goods/rendering of services

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Related parties	Content of related transaction	Amount in the current period	Amount in the prior period
Kweichow Moutai Group Marketing Co., Ltd.	Sales of goods	5,384,603,095.58	5,241,503,023.90
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	Sales of goods	38,081,330.95	23,529,334.51
CHINA GUIZHOU MOUTAI BREWERY TRADING (H.K.) LIMITED	Sales of goods	23,478,824.28	
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Sales of goods	15,409,493.26	2,999,915.04
Shanghai Kweichow Moutai Industrial Co., Ltd.	Sales of goods	13,524,966.35	6,435,461.94
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	Sales of goods	12,807,170.94	
Guizhou Zunyi Moutai Airport Co., Ltd.	Sales of goods	8,999,745.12	
Beijing Moutai Trade Co., Ltd.	Sales of goods	6,364,991.14	1,568,516.81
Xunfeng Technology (Guizhou) Co., Ltd.	Sales of goods	4,969,911.50	
China Kweichow Moutai Distillery (Group) Co., Ltd.	Sales of goods	686,773.73	53,978.23
Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.	Sales of goods		466,152.22
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	Labor services fee	432,178.18	239,611.71
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	Labor services fee	258,066.00	
China Kweichow Moutai Distillery (Group) Co., Ltd.	Labor services fee	89,391.24	
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	Labor services fee	84,696.23	
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	Labor services fee	38,254.72	
Kweichow Moutai Group Marketing Co., Ltd.	Labor services fee	28,516.98	
Xunfeng Technology (Guizhou) Co., Ltd.	Labor services fee	13,913.21	
ChangLi Moutai Wine Trade Co., Ltd.	Labor services fee	2,353.47	
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	Labor services fee		86,782.75
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	Labor services fee		571,925.36
China Kweichow Moutai Distillery (Group) Co., Ltd.	Other inflows	13,925,889.91	

Notes to purchase or sale of goods, and rendering or receipt of services

Applicable N/A

## (2) Management on commission/ contract and commissioned management/ sub-contract

Table of information on entrusted management and contracting:

Applicable N/A

Notes to custody/contracting of related parties

Applicable N/A

Table of information on entrusted management and contracting by the Company:

Applicable N/A

Notes to related-party management/contracting

Applicable N/A

**(3) Related-party leases**

The Company as the lessor:

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Name of lessee	Type of leased assets	Lease revenue recognized in this period	Lease revenue recognized in previous period
Kweichow Moutai Group Marketing Co., Ltd.	Buildings and constructions	371,359.82	495,146.47
ChangLi Moutai Wine Trade Co., Ltd.	Buildings and constructions	201,834.86	
China Kweichow Moutai Distillery (Group) Co., Ltd.	Buildings and constructions	234,564.22	488,903.16

The Company as the lessee:

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Name of the lessor	Type of leased assets	Rental expenses of short-term lease and low-value asset lease subject to simplified treatment (if applicable)		Variable lease payments that are not included in the lease liabilities (if applicable)		Paid rent		Interest expenses on the lease liabilities assumed		Added right-of-use assets	
		Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period
China Kweichow Moutai Distillery (Group) Co., Ltd.	Buildings and constructions	946,786.94	864,000.00			54,160,209.39	864,000.00	3,119,974.65	4,683,241.02		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Land use right					9,046,180.00	4,523,090.00	2,621,418.97	2,677,710.63		
China Kweichow Moutai Distillery (Group) Co., Ltd.	Transportation facilities	21,976,024.64				21,976,024.64					
Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	Buildings and constructions					4,036,110.60	1,578,921.60	538,973.93	245,211.33		
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	Buildings and constructions					1,458,000.00		192,522.22		5,258,928.89	
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	Buildings and constructions		3,582,654.81			3,905,093.74					
Beijing Moutai Trade Co., Ltd.	Buildings and constructions		4,678.90				5,100.00				
Guizhou Zunyi Moutai Airport Co., Ltd.	Buildings and constructions		337,599.08				367,983.00				

Remarks on related-party leases

□Applicable √N/A

**(4) Remuneration of key management personnel**

□Applicable √N/A

**(5) Other related transactions**

√Applicable □N/A

A. Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, conducted deposit, loan, discount and letter of guarantee business with related parties.

Absorption of deposits and interbank deposit refers to the balance of deposits of all related parties with Kweichow Moutai Group Finance Co., Ltd. and accrued interest; "interest expenses" refer to the deposit interest to be paid by Kweichow Moutai Group Finance Co., Ltd. to related parties; "interest income" refers to the interest charged by Kweichow Moutai Group Finance Co., Ltd. for providing loan business to related parties according to regulations; disbursement of advances and loans refers to the balance of the loan provided by Kweichow Moutai Group Finance Co., Ltd. to related parties. (Monetary Unit: Yuan Currency: RMB)

## a. Absorption of deposits and interbank deposit

Related parties	December 31, 2023
China Kweichow Moutai Distillery (Group) Co., Ltd.	3,472,135,014.73
Kweichow Moutai Group Marketing Co., Ltd.	2,328,305,814.53
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	1,855,099,519.88
Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.	497,766,259.78
Guizhou Zunpeng Liquor Co., Ltd.	467,016,595.82
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	454,242,451.69
ChangLi Moutai Wine Trade Co., Ltd.	319,113,599.89
Xunfeng Technology (Guizhou) Co., Ltd.	251,205,090.43
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	235,417,326.01
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	221,696,114.23
Guizhou Zunyi Moutai Airport Co., Ltd.	213,942,105.61
Kweichow Moutai Chun Marketing Company	194,045,165.03
Guizhou Renhuai Renshuai Liquor Co., Ltd.	157,974,945.23
Beijing Moutai Trade Co., Ltd.	137,108,430.79
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	126,794,125.52
Kweichow Moutai Distillery Group Changli Winery Co., Ltd.	125,766,163.28
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	119,132,632.79
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	115,136,862.55
Shanghai Kweichow Moutai Industrial Co., Ltd.	97,825,220.90
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	95,684,837.10
Shanghai Moutai Trading Co., Ltd.	84,541,299.91
Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.	81,095,162.88
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	78,419,300.97
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	62,185,871.67
Guizhou Shuanglong Feitian Supply Chain Management Co., Ltd.	47,441,584.85
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	43,861,618.42
Kweichow Moutai Hospital	42,262,426.90
Guizhou Jiuyuan Property Co., Ltd.	28,579,282.49
Guizhou Fuminghang Packaging Co., Ltd.	24,196,816.45
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	23,193,926.64
Kweichow Moutai Logistics Park Grain Collection and Storage Co.,	13,253,329.50

Ltd.	
Guizhou Xinhua Glass Co., Ltd.	9,829,813.16
Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd.	6,200,932.66
Kweichow Moutai Group Health Industry Co., Ltd.	3,041,438.50
Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd.	628,850.59
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	203,644.78
Moutai College	138,956.82
Moutai CCB (Guizhou) Investment Fund Management Co., Ltd.	5,410.91
Moutai (Guizhou) Private Fund Management Co., Ltd.	4,050.21
Moutai (Guizhou) Investment Fund Partnership (Limited Partnership)	850.03
Guizhou Moutai Distillery (Group) Lvsheng Organic Fertilizer Co., Ltd.	37.75
Guizhou Hengdao Danlin Agricultural Technology Development Co., Ltd.	28.07
Total	12,034,492,909.95

## b. Interest expenses

Related parties	Current reporting period
Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	31,339,938.02
China Kweichow Moutai Distillery (Group) Co., Ltd.	29,708,003.52
Kweichow Moutai Group Marketing Co., Ltd.	21,399,365.25
Guizhou Zunpeng Liquor Co., Ltd.	4,017,175.57
Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	3,189,584.79
Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	3,111,083.63
ChangLi Moutai Wine Trade Co., Ltd.	2,458,664.23
Kweichow Moutai Chun Marketing Company	2,425,584.26
China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	2,052,349.58
Guizhou Zunyi Moutai Airport Co., Ltd.	1,970,595.88
Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	1,636,584.81
Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	1,619,805.58
Xunfeng Technology (Guizhou) Co., Ltd.	1,205,090.43
Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	1,036,722.16
Shanghai Kweichow Moutai Industrial Co., Ltd.	934,193.97
Kweichow Moutai Distillery Group Changli Winery Co., Ltd.	840,830.43
Beijing Moutai Trade Co., Ltd.	600,646.94
Shanghai Moutai Trading Co., Ltd.	535,645.74
Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	466,072.54
Guizhou Jiuyuan Property Co., Ltd.	446,008.34
Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd.	391,570.92
Moutai College	321,413.03
Kweichow Moutai Distillery (Group) Real Estate Investment Development Co., Ltd.	278,820.47
Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	200,840.35
Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	198,537.18
Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	194,364.37
Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co.,	180,636.29

Ltd.	
Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	151,598.58
Guizhou Fuminghang Packaging Co., Ltd.	139,139.95
Guizhou Shuanglong Feitian Supply Chain Management Co., Ltd.	119,459.65
Guizhou Renhuai Renshuai Liquor Co., Ltd.	87,955.56
Kweichow Moutai (Group) International Travel Agency Co., Ltd.	68,154.66
Guizhou Xinhua Glass Co., Ltd.	36,615.62
Kweichow Moutai Hospital	75,730.99
Kweichow Moutai Group Health Industry Co., Ltd.	27,025.67
Kweichow Moutai (Group) Ecological Agriculture Industry Development Co., Ltd.	26,650.62
Guizhou Moutai Winery (Group) Guiyang Business Co., Ltd.	7,050.74
Guizhou Moutai Distillery (Group) Lvsheng Organic Fertilizer Co., Ltd.	570.90
Moutai CCB (Guizhou) Investment Fund Management Co., Ltd.	23.00
Moutai (Guizhou) Private Fund Management Co., Ltd.	17.24
Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.	4.46
Moutai (Guizhou) Investment Fund Partnership (Limited Partnership)	3.62
Guizhou Hengdao Danlin Agricultural Technology Development Co., Ltd.	0.12
Total	113,500,129.66

## c. Loans and payments

Item	Related parties	December 31, 2023
Credit loans	Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	499,963,530.81
Pledge loans	Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	58,040,000.00
Total		558,003,530.81
Less: Provision for impairment of loans		12,158,085.37
Book value of loans and advances to customers		545,845,445.44

## d. Interest income

Item	Related parties	Current reporting period
Interest income on loans	China Kweichow Moutai Distillery (Group) Co., Ltd.	60,502,489.52
Interest income on loans	Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	2,732,535.18
Interest income on loans	Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	2,019,139.63
Total		65,254,164.33

e. Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, purchased the bonds issued by Guiyang GY Financial Leasing Co., Ltd. from the open market, with the total price of RMB 20.00 million, for which the interest income recognized in the current period amounted to RMB 706,800. As of the end of the period, the Debt investment and interest receivable had been collected in full.

B. The Company's ending balance of deposits with Guizhou Bank amounted to RMB 24.1 billion, and the interest income and investment income in 2023 respectively amounted to RMB 653.43 million and RMB 4.08 million. Kweichow Moutai Group Finance Co., Ltd., a holding subsidiary of the Company, purchased the bonds issued by Bank of Guizhou Co., Ltd. from the open market, with the total price of RMB 500 million. The interest income recognized in the current period amounted to RMB 16.23 million. As of the

end of the period, the balance of the provision for impairment of the debt investments was RMB 103,700, the balance of accrued interest was RMB 6.3 million and the book value was RMB 506.2 million. Kweichow Moutai Sales Co., Ltd., a holding subsidiary of the Company, entrusted the Bank of Guizhou to collect and pay the third-party payment channel transaction fee of the "i Moutai" digital marketing platform totaling RMB 73.37 million.

## 5. Unsettlement projects of related parties of receivables and payables

### (1) Receivables

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Related parties	Balance at the end of the period		Balance at the beginning of the period	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	Xunfeng Technology (Guizhou) Co., Ltd.	60,373,410.41			
Other receivables	Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	304,766.00		100,000.00	
Other receivables	Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd.	145,591.66			
Other receivables	ChangLi Moutai Wine Trade Co., Ltd.	100,000.00			
Other receivables	Kweichow Moutai Ecological Agriculture Sales Co., Ltd.	50,000.00			
Other receivables	Kweichow Moutai Group Marketing Co., Ltd.	30,228.00			
Other receivables	Xunfeng Technology (Guizhou) Co., Ltd.	14,748.00			
Other receivables	China Kweichow Moutai Distillery (Group) Co., Ltd.			88,817.40	
Prepayments	China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	10,495,000.00			

Remarks:

1. The accounts receivable of Xunfeng Technology (Guizhou) Co., Ltd. was due to the sales of Kweichow Moutai Sales Co., Ltd., a holding company of the Company, via Xunfeng platform where the system adopts the T+7 approach for the settlement of payments for goods;
2. Other receivables of Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd. refer to the rental deposit paid by Beijing Friendship Messenger Trading Co., Ltd. and Guizhou Moutai Chiew Import and Export Co., Ltd., two holding subsidiaries of the Company;
3. Other receivables of Kweichow Moutai Distillery (Group) Health Care Wine Industry Sales Co., Ltd. refer to the contract performance bond of Beijing Friendship Messenger Trading Co., Ltd., a holding subsidiary of the Company;
4. Other receivables of ChangLi Moutai Wine Trade Co., Ltd. refer to the contract performance bond of Beijing Friendship Messenger Trading Co., Ltd., a holding subsidiary of the Company;
5. Other receivables of Kweichow Moutai Ecological Agriculture Sales Co., Ltd. refer to the contract performance bond of Beijing Friendship Messenger Trading Co., Ltd., a holding subsidiary of the Company;
6. Other receivables of Kweichow Moutai Group Marketing Co., Ltd. refer the to catering receivables of Heyixing Liquor Branch of Kweichow Moutai Co., Ltd.;
7. Other receivables of Xunfeng Technology (Guizhou) Co., Ltd. refer to the catering receivables of Heyixing Liquor Branch of Kweichow Moutai Co., Ltd.;
8. Prepayments of China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd. refer prepayments for goods of Beijing Friendship Messenger Trading Co., Ltd., a holding subsidiary of the Company.

**(2) Payables**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Related parties	Book balance as at the end of the period	Book balance at the beginning of the period
Accounts payable	Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	93,477,338.38	59,076,608.00
Accounts payable	Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	38,537,957.75	246,490,916.16
Accounts payable	Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	36,158,486.00	
Accounts payable	Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	32,135,809.02	
Accounts payable	Kweichow Moutai Hospital	22,000,000.00	
Accounts payable	Xunfeng Technology (Guizhou) Co., Ltd.	16,891,424.43	
Accounts payable	Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	12,600,759.42	3,069,258.03
Accounts payable	Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	14,356,089.19	
Accounts payable	Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	12,461,943.12	47,212,974.54
Accounts payable	China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	970,000.00	
Accounts payable	Guizhou Xinhuaqi Glass Co., Ltd.	249,928.56	
Accounts payable	Kweichow Moutai (Group) International Travel Agency Co., Ltd.	162,000.00	
Accounts payable	Kweichow Moutai Distillery Group Changli Winery Co., Ltd.	80,661.48	
Accounts payable	Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.		986,180.26
Accounts payable	Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.		8,776,190.66
Other payables	China Kweichow Moutai Distillery (Group) Co., Ltd.	1,039,244,283.75	907,115,478.82
Other payables	Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	68,320,120.45	57,704,428.54
Other payables	Guizhou Moutai Brewery (Group) Circular Economy Industrial Investment Development Co., Ltd.	14,356,100.00	13,710,130.00
Other payables	China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	11,202,943.84	124,590.00
Other payables	Kweichow Moutai Distillery (Group) Hotel Management Co., Ltd.	4,971,354.70	4,416,637.72
Other payables	Kweichow Moutai Distillery (Group) Hongyingzi Agriculture Science and Technology Development Co., Ltd.	3,090,812.50	
Other payables	Kweichow Moutai Distillery (Group) Health Care Liquor Co., Ltd.	1,892,512.00	591,695.00
Other payables	Moutai College	2,189,800.00	
Other payables	Kweichow Moutai Logistics Park Grain Collection and Storage Co., Ltd.	1,586,000.00	1,500,000.00
Other payables	Xunfeng Technology (Guizhou) Co., Ltd.	1,094,170.00	
Other payables	Guizhou Renhuai Shenren Packaging and Printing Co., Ltd.	1,015,643.50	1,015,643.50
Other payables	Kweichow Moutai Distillery (Group) Guiding Jingqi Glass Products Co., Ltd.	1,000,000.00	
Other payables	Chinese-Foreign Venture Dragon and Lion Cap Co., Ltd. Zhuhai S.E.Z	1,000,000.00	1,000,000.00
Other payables	Guizhou Xinhuaqi Glass Co., Ltd.	1,000,000.00	1,000,000.00
Other payables	Guizhou Fuminghang Packaging Co., Ltd.	1,000,000.00	1,000,000.00
Other payables	Kweichow Moutai Distillery (Group) Technology Development Co., Ltd.	587,875.33	71,137,207.29
Other payables	Kweichow Moutai Hospital	266,719.36	
Other payables	Kweichow Moutai Group Marketing Co., Ltd.	260,000.00	260,000.00
Other payables	Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	200,000.00	
Other payables	Kweichow Moutai (Group) International Travel Agency Co., Ltd.	79,997.00	
Other payables	Shanghai Kweichow Moutai Industrial Co., Ltd.	50,000.00	50,000.00
Other payables	Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	8,500.00	23,357.59
Other payables	Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.		50,000.00
Other payables	Shanghai Rencai Printing Affairs Co., Ltd.		1,400,000.00
Other payables	Huagui Life Insurance Co., Ltd.		37,375.00
Contract liabilities	Kweichow Moutai Group Marketing Co., Ltd.	319,645,832.74	75,925,710.62
Contract liabilities	Guizhou Zunyi Moutai Airport Co., Ltd.	3,389,904.00	
Contract liabilities	China Kweichow Moutai Distillery (Group) Cultural Tourism Co., Ltd.	674,318.87	
Contract liabilities	Kweichow Moutai Distillery (Group) Sanya Investment Industrial Co., Ltd.	263,546.34	
Contract liabilities	Kweichow Moutai Distillery (Group) Logistics Co., Ltd.	5,306.19	5,306.19
Contract liabilities	Shanghai Kweichow Moutai Industrial Co., Ltd.		390,966.37
Contract liabilities	Beijing Moutai Trade Co., Ltd.		1,292,962.83
Contract liabilities	Guizhou Zunyi Moutai Airport Ecological Park Investment and Development Co., Ltd.		10,036.28

Lease liabilities (including the part maturing within one year)	China Kweichow Moutai Distillery (Group) Co., Ltd.	165,504,814.99	248,946,125.77
Lease liabilities (including the part maturing within one year)	Kweichow Moutai Distillery (Group) Guiyang Gaoxin Real Estate Investment Development Co., Ltd.	4,652,262.12	5,953,575.42

**(3) Others**

□Applicable √N/A

**6. Related-party commitments**

□Applicable √N/A

**7. Others**

□Applicable √N/A

**XV. Post balance sheet events****1. Significant non-adjustment matters**

□Applicable √N/A

**2. Profit distribution**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Profit or dividend to be distributed	38,786,363,272.80
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**3. Sales return**

□Applicable √N/A

**4. Notes to other post balance sheet events**

□Applicable √N/A

**XIV. Notes to the main items of the Company's financial statements****1. Accounts receivable****(1) Disclosure by aging**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Aging	Book balance as at the end of the period	Book balance at the beginning of the period
Within 1 year	17,178,545,925.65	20,670,923,010.62
Sub-total within 1 year	17,178,545,925.65	20,670,923,010.62
Total	17,178,545,925.65	20,670,923,010.62

**(2) Disclosure by category based on the method for provision for bad debts**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Type	Balance at the end of the period					Balance at the beginning of the period					
	Book balance		Provision for bad debts			Book value	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Proportion of provision (%)	Amount		Ratio (%)	Amount	Proportion of provision (%)		

Provision for bad debts accrued on an individual basis										
Bad debt provision assessed by portfolio	17,178,545,925.65	100			17,178,545,925.65	20,670,923,010.62	100			20,670,923,010.62
Including:										
Portfolio of related parties within the scope of consolidation	17,178,545,925.65	100			17,178,545,925.65	20,670,923,010.62	100			20,670,923,010.62
Total	17,178,545,925.65	/		/	17,178,545,925.65	20,670,923,010.62	/		/	20,670,923,010.62

Bad debt provision assessed by portfolio:

Applicable N/A

### (3) Top 5 accounts receivable based on debtors and corresponding contract assets

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balances of accounts receivable and contract assets	Proportion in the total of balances of accounts receivable and contract assets at the end of the period (%)	Ending balance of provision for bad debts
Kweichow Moutai Sales Co., Ltd.	15,010,518,325.15		15,010,518,325.15	87.38	
Guizhou Moutai Chiew Import and Export Co., Ltd.	1,268,507,519.00		1,268,507,519.00	7.38	
Kweichow Moutai-Flavor Liquor Marketing Co., Ltd.	899,520,081.50		899,520,081.50	5.24	
Total	17,178,545,925.65		17,178,545,925.65	100.00	

## 2. Other receivables

### Presentation of items

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period	Balance at the beginning of the period
Other receivables	15,880,057.16	15,092,761.22
Total	15,880,057.16	15,092,761.22

### Other receivables

#### (1) Disclosure by aging

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Aging	Book balance at the end of the period	Book balance at the beginning of the period
Within 1 year	15,507,393.04	14,654,823.06
Sub-total within 1 year	15,507,393.04	14,654,823.06

1 - 2 years		492,822.00
2 - 3 years	492,822.00	
3 - 4 years		7,313.00
4 - 5 years	7,313.00	
Over 5 years	37,951.22	37,951.22
Total	16,045,479.26	15,192,909.28

**(2) Classification by nature of payment**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Nature of payment	Book balance as at the end of the period	Book balance at the beginning of the period
Petty cash	3,647,152.00	5,471,487.70
Current payment	12,398,327.26	9,721,421.58
Total	16,045,479.26	15,192,909.28

**(3) Details for making provision for bad debts**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Provision for bad debts	Stage I	Stage II	Stage III	Total
	12-month expected credit loss	Lifetime expected credit loss (without credit impairment)	Lifetime expected credit loss (with credit impairment)	
Balance as at January 1, 2023	5,500.02	94,648.04		100,148.06
Balance as at January 1, 2023 in the current period				
- Transfer to Stage II	-5,500.02	5,500.02		
- Transfer to Stage III				
- Reversal from Stage II				
- Reversal from Stage I				
Provision in the current period	8,482.86	68,556.96		77,039.82
Reversal in the current period	465.78	11,300.00		11,765.78
Charge-off in the current period				
Write-off in the current period				
Other changes				
Balance as at December 31, 2023	8,017.08	157,405.02		165,422.10

Notes to the obvious changes in the book balance of other receivables with changes in provision for losses in the current period:

Applicable N/A

**(4) Provision for bad debts**

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Type	Balance at the beginning of the period	Change in this period				Balance at the end of the period
		Provision	Recovery or reversal	Write-off or charge-off	Other changes	
Bad debt provision assessed by portfolio	100,148.06	77,039.82	11,765.78			165,422.10
Total	100,148.06	77,039.82	11,765.78			165,422.10

Reversal or recovery of significant amount of provision for bad debts in the current period:

Applicable N/A

**(5) Other receivables write off in the current period**

Applicable N/A

**(6) Top 5 of other receivables presented by debtor**

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Entity name	Balance at the end of the period	Proportion in the total ending balance of other receivables (%)	Nature of payment	Aging	Provision for bad debts Balance at the end of the period
China Railway 22nd Bureau Group Co., Ltd.	2,662,173.76	16.59	Current payment	Within 1 year	
Luo Meng	596,879.35	3.72	Petty cash	Within 1 year	
Luo Nanbo	531,055.00	3.31	Petty cash	Within 1 year	
Wu Lanlan	499,620.00	3.12	Petty cash	Within 1 year	
Jiao Yuanquan	432,053.99	2.69	Petty cash	Within 1 year	
Total	4,721,782.10	29.43	/	/	

A. Receivables of China Railway 22nd Bureau Group Co., Ltd. refer to the water and electricity charges at Xinzhai and Dadi production areas paid by Heyixing Liquor Branch of Kweichow Moutai Co., Ltd. on the Company's behalf.

B. Luo Meng is an employee of the Company, and the loans are for litigation and market rights protection.

C. Luo Nanbo is an employee of the Company, and the loans are for litigation and market rights protection.

D. Wu Lanlan is an employee of the Company, and the money is borrowed for applying for license for the vehicle of the Company.

E. Jiao Yuanquan is an employee of the Company, and the loans are for litigation and market rights protection.

**(7) Items presented as other receivables on account of the collective funds management**

Applicable N/A

**3. Long-term equity investments**

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Item	Balance at the end of the period			Balance at the beginning of the period		
	Book balance	Provision for impairment	Book value	Book balance	Provision for impairment	Book value
Investment to subsidiaries	1,610,535,587.55		1,610,535,587.55	1,624,535,587.55		1,624,535,587.55
Total	1,610,535,587.55		1,610,535,587.55	1,624,535,587.55		1,624,535,587.55

**(1) Investments in subsidiaries**

Applicable N/A

Monetary Unit: Yuan Currency: RMB

Investee	Balance at the beginning of the period	Increase in current period	Decrease in current period	Balance at the end of the period	Impairment provision accrued at the current period	Balance of impairment provision at the end of period
Guizhou Moutai Chiew Import and Export Co., Ltd.	5,600,000.00			5,600,000.00		
Kweichow Moutai Sales Co., Ltd.	9,500,000.00			9,500,000.00		
Kweichow Moutai Group Finance Co., Ltd.	1,275,000,000.00			1,275,000,000.00		
Kweichow Moutai-Flavor Liquor Marketing Co., Ltd.	200,000,000.00			200,000,000.00		
Beijing Friendship Messenger Trading Co., Ltd.	22,507,157.75			22,507,157.75		
Kweichow Moutai Paris Trading Co., Ltd.	80,728,429.80			80,728,429.80		
Guizhou Laymau Liquor Industry Co., Ltd.	17,200,000.00			17,200,000.00		
Guojiu Moutai Customized Marketing (Guizhou) Co., Ltd.	14,000,000.00		14,000,000.00			
Total	1,624,535,587.55		14,000,000.00	1,610,535,587.55		

**4. Operating revenue and operating costs****(1) Operating revenue and operating costs**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period		Amount in the prior period	
	Income	Cost	Income	Cost
Primary business	80,921,734,260.74	11,826,851,903.19	70,970,544,362.02	10,230,567,077.09
Other business	493,836,527.85	245,307,010.86	331,252,514.91	189,675,060.37
Total	81,415,570,788.59	12,072,158,914.05	71,301,796,876.93	10,420,242,137.46

Remark: Other business revenue and costs are mainly the revenue and costs of hotel business and ice cream business.

**(2) Breakdown of operating revenue and operating costs**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Contract classification	Total	
	Operating revenue	Operating costs
By product:		
Moutai	72,693,957,661.74	7,724,172,917.89
Series liquor	8,227,776,599.00	4,102,678,985.30
Other business	493,836,527.85	245,307,010.86
By regional segment:		
Domestic	77,058,124,880.97	11,732,466,868.19
Overseas	4,357,445,907.62	339,692,045.86
Classification by marketing channel		
Wholesale agency	81,287,971,876.26	11,956,609,192.19
Direct selling	127,598,912.33	115,549,721.86
Total	81,415,570,788.59	12,072,158,914.05

**(3) Description of performance obligation**

√Applicable □N/A

The revenue is confirmed when the customer acquires the control of the goods agreed in the contract and the Company fulfills the contract performance obligation.

**(4) Description of allocation to remaining performance obligations**

√Applicable □N/A

At the end of the reporting period, the revenue corresponding to the performance obligations under signed contracts that have not fulfilled or not completed yet amounted to RMB 21,950,467.31, in which: RMB 21,950,467.31 will be expected to be recognized in 2024 as revenue.

**(5) Significant contract change or price adjustment of major transaction**

□Applicable √N/A

**5. Investment income**

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount in the current period	Amount in the prior period
Income from long-term equity investments under the cost method	35,237,204,827.62	47,596,490,707.35

Investment income from disposal of long-term equity investments	123,031,169.16	
Interest income from certificates of deposits during the holding period	4,078,666.67	63,840,000.00
Total	35,364,314,663.45	47,660,330,707.35

## XVII. Supplementary information

### 1. Details of current non-recurring profit and loss

√Applicable □N/A

Monetary Unit: Yuan Currency: RMB

Item	Amount	Description
Profit or loss of disposal of non-current assets (including the offset amount where provision for asset impairment has been made)	1,152,516.17	
Government grants included in the current profit or loss (except for government grants closely related with the normal business of the Company, obtained based on the established standard in accordance with national policies and provisions and having the continuous influence on the profits or losses of the Company)	17,137,523.89	
The profit or loss from changes in the fair value of financial assets and financial liabilities held by non-financial enterprises and the profit or loss from the disposal of financial assets and financial liabilities, except the effective hedging relevant to the Company's normal business	2,439,902.57	
Other non-operating revenues and expenses except for the above-mentioned items	-47,733,771.71	
Other items of profit or loss subject to the definition of non-recurring profit or loss	4,710,466.67	
Less: Influenced amount of income tax	-5,573,340.60	
Adjustment of non-controlling equity (after tax)	1,772,852.96	
Total	-18,492,874.77	

Where the Company recognizes the items not listed in the Explanatory Notice on Information Disclosure of Companies that Issue Securities Publicly No.1 - Non-recurring Profit or Loss as the non-recurring profit or loss items with the significant amount, or defines the non-recurring profit and loss items listed in Explanatory Notice on Information Disclosure of Companies that Issue Securities Publicly No.1 - Non-recurring Profit or Loss as recurring profit or loss items, reasons shall be given.

□Applicable √N/A

### 2. Return on net assets and earnings per share

√Applicable □N/A

Profit in the reporting period	Weighted Average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to ordinary shareholders of the company	34.19	59.49	59.49
Net profit attributable to ordinary shareholders of the company after deducting non-recurring profit and loss	34.20	59.51	59.51

**3. Differences of accounting data under domestic and foreign accounting standards**

Applicable N/A

Chairman: Ding Xiongjun

Date of approval and submission by the Board: April 2, 2024

**Revision information**

Applicable N/A